

Recent Development of the Joint Crediting Mechanism (JCM)

September 30, 2020 Ministry of the Environment ,Japan











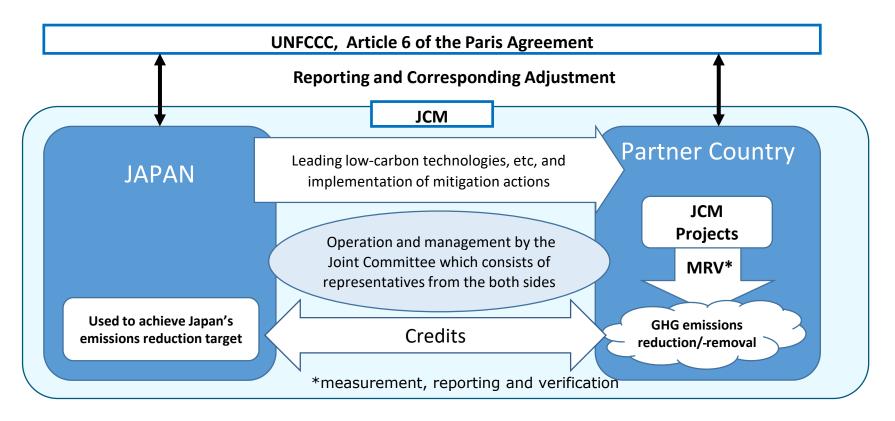
1. Overview of the JCM

- 2. Financial support scheme
- 3. Contributions of JCM Model Projects



Basic Concept of the Joint Crediting Mechanism (JCM)

- Facilitating diffusion of leading low-carbon or decarbonizing technologies, etc and infrastructure as well as implementation of mitigation actions, and contributing to sustainable development of developing countries.
- Appropriately evaluating contributions from Japan to GHG emission reductions or removals in a quantitative manner and use them to achieve Japan's emission reduction target.
- Contributing to the ultimate objective of the UNFCCC by facilitating global actions for GHG emission reductions or removals.









Mongolia
Jan. 8, 2013
(Ulaanbaatar)



Bangladesh Mar. 19, 2013 (Dhaka)



Ethiopia May 27, 2013 (Addis Ababa)



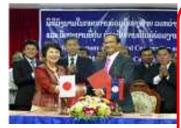
Kenya Jun. 12,2013 (Nairobi)



Maldives
Jun. 29, 2013
(Okinawa)



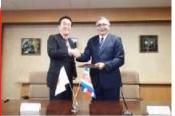
<u>Viet Nam</u> Jul. 2, 2013 (Hanoi)



Lao PDR Aug. 7, 2013 (Vientiane)



Indonesia Aug. 26, 2013 (Jakarta)



Costa Rica Dec. 9, 2013 (Tokyo)



Palau Jan. 13, 2014 (Ngerulmud)



Cambodia Apr. 11, 2014 (Phnom Penh)



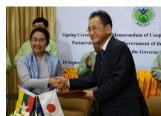
Mexico Jul. 25, 2014 (Mexico City)



Saudi Arabia May 13, 2015



Chile May 26, 2015 (Santiago)



Myanmar Sep. 16, 2015 (Nay Pyi Taw)



Thailand Nov. 19, 2015 (Tokyo)



the Philippines
Jan. 12, 2017
(Manila)



Recent Development: SDGs, Gender Guideline and CORSIA

JOINT CREDITING MECHANISM CONTRIBUTIONS TO SUSTAINABLE DEVELOPMENT GOALS

- The first publication to analyze the interlinkage between the JCM and SDGs. It aims to clarify how the JCM contributes to SDGs.
- Accelerate further contribution towards SDGs through the JCM project implementation.



Guideline on Gender Equality for the Joint Crediting Mechanism (JCM)

- MOEJ developed the "Guideline on Gender Equality for the Joint Crediting Mechanism (JCM)"
 with the aim of encouraging mainly representative participants and partner participants of the
 JCM Model Projects to take action toward gender equality.
- This guideline shows recommended actions to be taken at all the stages of the project cycle (planning, implementation, and monitoring) to realize gender equality.

Application for Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)

- The JCM between Mongolia and Japan applied for the assessment of CORSIA eligible emission units.
- Applications is based on mutual understanding and submitted by Japan and each partner country.

Collaboration with International Organizations

- World Bank: Memorandum of Cooperation for scaling-up of the Joint Crediting Mechanism
- ADB: Cooperation on Article 6 of PA and SDGs based on the LOI between MOE and ADB and new work program.



Online Platform on Sustainable and Resilient Recovery from COVID-19

PLATFORM for REDESIGN 2020

Online Platform on Sustainable and Resilient Recovery from COVID-19 Information sharing among countries on environmental and climate change actions under COVID-19 Pandemic

Date: September 3, 2020

A total of 96 countries (including video message and written information) participated in the platform, and shared their actions.





Achieved the goal of "strengthening international cooperation and keeping the momentum for climate change measures"

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JCM Model Projects by MOE

Budget for projects starting from FY 2020 is <u>9 billion JPY</u> (approx. <u>USD 90 million</u>) in total by FY2022 (1 USD = 100 JPY)

Xincludes collaboration with projects supported by JICA and other governmental-affiliated financial institute.

Finance part of an investment cost (less than half)

Government of Japan



Conduct MRV and expected to deliver at least half of JCM credits issued

International consortiums (which include Japanese entities)









JCM F-gas Recovery and Destruction Model Project by MOE

[Budget for FY 2020]
61 million JPY (approx. 0.61
million USD) (1 USD = 100 JPY)

Government of Japan

Conduct MRV to estimate GHG emission reductions.

At least half or ratio of financial support to project cost (larger ratio will be applied) of JCM credits issued are expected to be delivered to the government of Japan

International consortiums (which include Japanese entities)

Manufacturers of equipment which uses F-gas Users of equipment which uses F-gas

Entities for recovery and transportation of used F-gas (recycling or scrap entities)

Entities for destruction of used F-gas (may use existing facility for destruction)

Purpose

To recover and destroy F-gas (GHG except for energy-related CO2, etc) from used equipment instead of releasing to air, and reduce emissions

Finance part of the cost in flat-rate

(up to 40 million JPY/year)

Scope of Financing

- Establish scheme for recovery and destruction
- Install facilities/equipment for recovery/destruction
- Implementation of recovery, transportation, destruction and monitoring

Project Period

Three years in maximum (Ex. 1st year for scheme, 2nd year for facilities, 3rd year for recovery/destruction)

Eligible Projects

- After the adoption of financing, start implementation of recovery/destruction within three years
- Aim for the registration as JCM project and issuance credits



JCM Financing Programme by MOEJ(FY2013-2020) as of Aug. 31,2020

Total 166 projects (● Model Project: 156projects, ■ ADB: 6 projects, ◆ REDD+: 2 projects, ▲ F-gas: 2 projects) Other 1 project in Malaysia **54 projects with *** have been registered as JCM projects. **103underlined projects** have been started operation. Cambodia:7 projects Mongolia:9 projects LED Street Lighting* 200kW Solar PV at International School* ●Heat Only Boiler (HOB)** ●2.1MW Solar PV in Farm* ●10MW Solar PV* Solar PV & Centrifugal Chiller Inverters for Distribution Pumps ●8.3MW Solar PV in Farm ●15MW Solar PV •21MW Solar PV ■ Battambang Wastewater Treatment Project Upscaling Renewable Energy Sector
 Fuel Conversion by Introduction of LPG Boilers Solar PV & Biomass Power Plant
 ● 1.1MW Solar PV ■Improving Access to Health Services Myanmar:7 projects Viet Nam:27 projects 700kW Waste to Energy Plant ■ Digital Tachographs* ■ Amorphous transformers1* ■ Air-conditioning in Hotel1* ■ Electricity Kiln Brewing Systems to Brewery Factory Air-conditioning in Lens Factory*
 Container Formation Facility* Once-through Boiler in Instant Noodle Factory Amorphous transformers 2* ● 320kW Solar PV in Shopping Mall* ● Air-conditioning Control System ● High Efficiency Water Pumps1* 1.8MW Rice Husk Power Generation Energy saving Equipment in Lens Factory*
 Amorphous transformers 3* Refrigeration System in Logistics Center Energy Saving Equipment in Wire Production Factory*
 Amorphous transformers 4 8.8MW Waste Heat Recovery in Cement Plant • Energy Saving Equipment in Brewery Factory • High Efficiency Chiller • Modal Shift with Reefer Container Brewing Systems and Biogas Boiler to Brewery Factory ●Inverters for Raw Water Intake Pumps A Collection Scheme and Dedicated System of F-gas Bangladesh: 5 projects Biomass Boiler to Chemical Factory
 Air-Conditioning System and Air Cooled Chillers
 49MW solar PV Centrifugal Chiller Loom at Weaving Factory* ● 57MW solar PV ● Biomass Boiler to Soluble Coffee Manufacturing Plant ● Once-through Boiler to Food Factory 315kW PV-diesel Hybrid System* ● Biomass Co-generation System to Food Factory ● Air-conditioning in Hotel2 Centrifugal Chiller* High Efficiency Transmission Line Mexico:6 projects Saudi Arabia: 2 projects • 1.2MW Power Generation with Methane Gas Recovery System • Once-through Boiler and Fuel Switching Electorolyzer in Chlorine Production Plant ● 20MW Solar PV ● 30MW Solar PV1 ● Energy Efficient Distillation System 30MW Solar PV2 400MW Solar PV Maldives: 3 projects Phillipines:13 projects • 186kW Solar Power on School Rooftop* 15MW Hydro Power Plant 4MW Hydro Power Plant ■ Smart Micro-Grid System ●1.53MW Rooftop Solar PV 1MW Rooftop Solar PV ■ Greater Male Waste to Energy Project •1.2MW Rooftop Solar PV •4MW Solar PV • 2.5MW Rice Husk Power Generation Ethiopia:1 project ● 0.16MW Micro Hydro Power Plant ● 18MW Solar PV Costa Rica: 2 projects ●120MW Solar PV ●19MW Hydro Power Plant ●33MW Wind Power 5MW Solar PV* Kenya:2 projects Biogas Power Generation and Fuel Conversion Chiller and Heat Recovery System 1MW Solar PV at Salt Factory* • 29MW Binary Geothermal Power Generation • 38MW Solar PV Chile: 4 projects Palau:5 projects Laos:5 projects ● 1MW Rooftop Solar PV* 370kW Solar PV for Commercial Facilities* • 1.4MW Solar PV and ◆ REDD+ through controlling slush-and-burn 155kW Solar PV for School* Amorphous transformers
 14MW Floating Solar PV 2.3MWh Storage Battery 445kW Solar PV for Commercial Facilities II * 3.4MW Rice Husk Power 11MW Solar PV ● 14MW Solar PV 0.4MW Solar PV for Supermarket
 1MW Solar PV for Supermarket Generation Thailand:33 projects Indonesia:35 projects • 3MW Solar PV Energy Saving at Convenience Store • 1MW Solar PV on Factory Rooftop* Centrifugal Chiller at Textile Factory* Energy Saving at Convenience Store* Upgrading Air-saving Loom* Centrifugal Chiller & Compressor* Refrigerants to Cold Chain Industry** Double Bundle-type Heat Pump* Centrifugal Chiller in Tire Factory Co-generation in Motorcycle Factory Centrifugal Chiller at Textile Factory 2* • 30MW Waste Heat Recovery in Cement Industry* Air Conditioning System & Chiller* Refrigeration System 507kW Solar Power Hybrid System Regenerative Burners* Ion Exchange Membrane Electrolyzer Chilled Water Supply System Centrifugal Chiller at Textile Factory 3* Old Corrugated Cartons Process* LED Lighting to Sales Stores
 ● 2MW Solar
 ● 12MW Waste Heat Recovery in Cement Plant Centrifugal Chiller in Shopping Mall* Upgrading to Air-saving Loom* Co-generation System PV
 3.4MW Solar PV*
 Refrigerator and Evaporator Smart LED Street Lighting System Once-through Boiler System in Film Factory* Heat Recovery Heat Pump 30MW Solar PV* 5MW Floating Solar PV Gas Co-generation System* Once-through Boiler in Golf Ball Factory* Boiler System in Rubber Belt Plant Air-conditioning Control System 1.6MW Solar PV in Jakabaring Sport City* ◆REDD+ through controlling slush-and burn Biomass Co-generation System Co-generation in Fiber Factory 10MW Hvdro Power Plant1 Looms in Weaving Mill* LED Lighting to Sales Stores ●25MW Solar PV in Industrial Park●3.4MW Solar PV Biomass Boiler Industrial Wastewater Treatment System ● 0.5MW Solar PV* ▲ Introduction of Scheme for F-gas Recovery and Destruction High Efficiency Autoclave Gas Co-generation system Absorption Chiller* 0.8MW Solar PV and Centrifugal Chiller • 37MW Solar PV and Melting Furnace CNG-Diesel Hybrid Public Bus __
 Rehabilitation of Hydro Power Plant
 12MW Biomass Power Plant

Injection Molding Machine3

• 10MW Hydro Power Plant2

• 2MW Mini Hydro Power Plant

•6MW Hydro Power Plant1

15MW Biomass Power Plant in Sugar Factory

Centrifugal Chiller to Machinery Factory

Heat Exchanger in Fiber Factory

8.1MW Solar PV

Boiler to Carton Box Factory

●6MW Hydro Power Plant2

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Contributions to "SDGs" through JCM Model Projects

JCM Model Projects are contributing to the SDGs including improving gender equality in partner countries.

Employment/Food/Energy Access

- ◆Installation of 12.7 MW Solar Power Plant for Power Supply In Ulaanbaatar Suburb
- ◆Reduction of air pollution and stable power supply
- ◆Improving farm management by utilizing solar power sales income























Health/Energy Access

- ◆Introduction of Waste to Energy Plant in Yangon City
- ◆High-efficiency stalker incinerator recovers exhaust gas to maximize heat recovery rate
- Reducing methane emissions as there is no need for landfill disposal















Education/Clean water

- ◆Introduction of High Efficiency Water Pumps in Da Nang City
- ◆By providing technical training on pump operation and maintenance, we have achieved stable operation of the water purification plant equipment and achieved high quality water supply.

















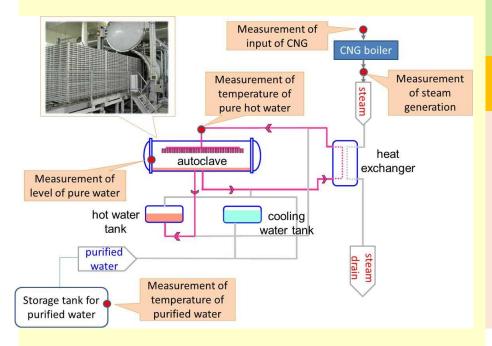


Addressing to COVID-19 through JCM Model Projects

- Damage caused by COVID-19 is serious in many countries with weak social infrastructure.
- JCM Model projects, which support local corporate activities, support the social infrastructure of countries and play an important role in "Sustainable Recovery".

Contribution to the medical supply chain

- ◆Energy Saving by Introducing High Efficiency Autoclave to Infusion Manufacturing Factory
- ◆Under the influence of COVID-19, it supported by expanding productivity while ensuring product safety in the sterilization process.



Contribution to the medical supply chain

- ◆Introduction of High Efficiency Injection Molding Machine to Plastic Parts Factory
- ◆Demand for plastic caps for bottles of chemicals such as alcohol increased sharply, but it responded to an unexpected increase in demand.



Contribution to reducing infection risk

- ◆Introduction of High Efficiency LED Lighting Utilizing Wireless Network
- ◆Since it was possible to remotely control from Japan, there was no need to directly turn on/off the light, which contributed to the spread of infection.







JCM Model Projects can contribute to:

- Greenhouse gas emission reductions
- Recovery from COVID-19
- Achievement of the SDGs

MOEJ will continue to promote the JCM as a pillar of decarbonization policy while deepening cooperation with partner countries.









Thank you for your kind attention

