



Ministry of the Environment



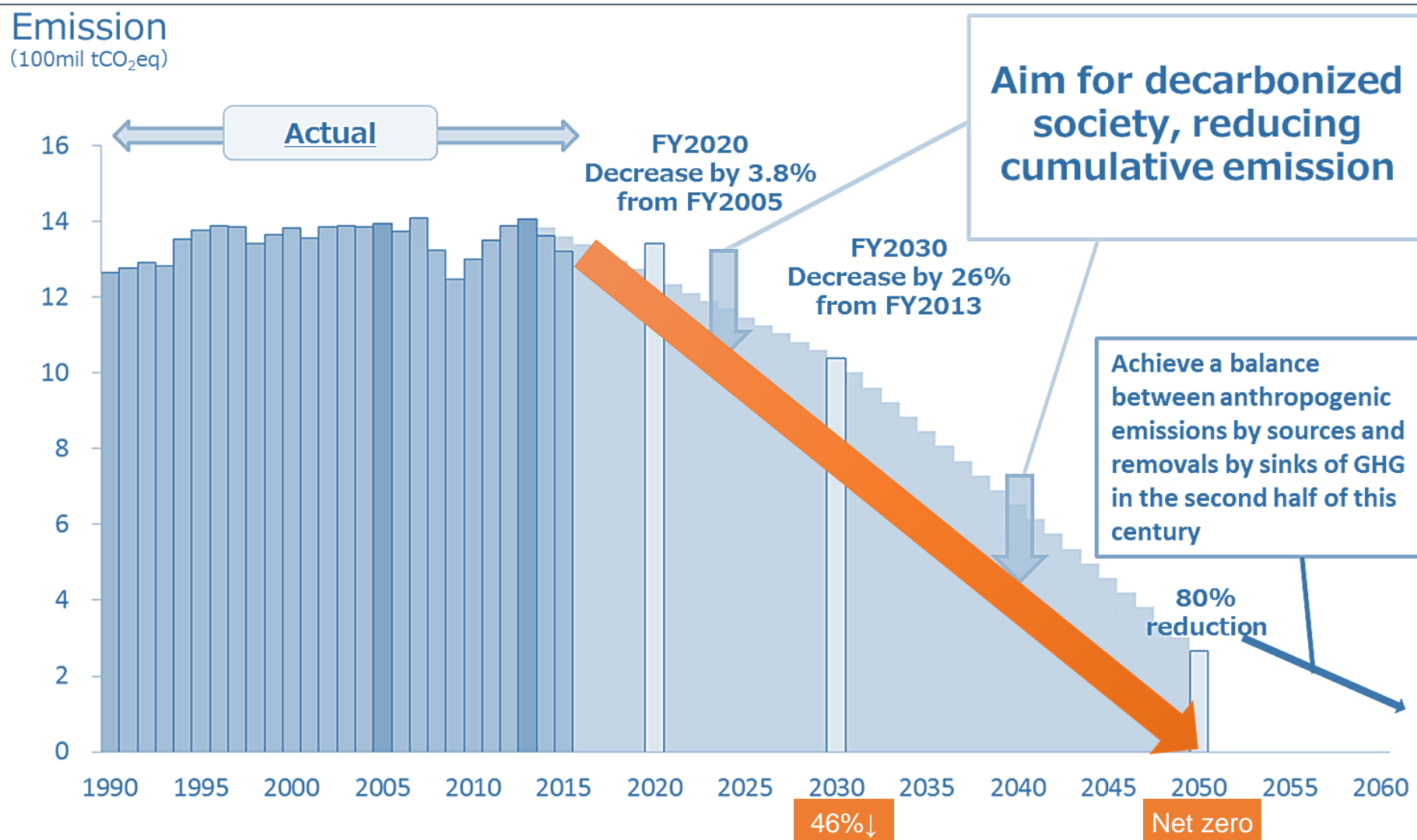
Recent development of the JCM (Joint Crediting Mechanism)

Webinar on the Joint Crediting Mechanism (JCM) Implementation in Chile
- Innovation for Carbon Neutrality through the JCM -

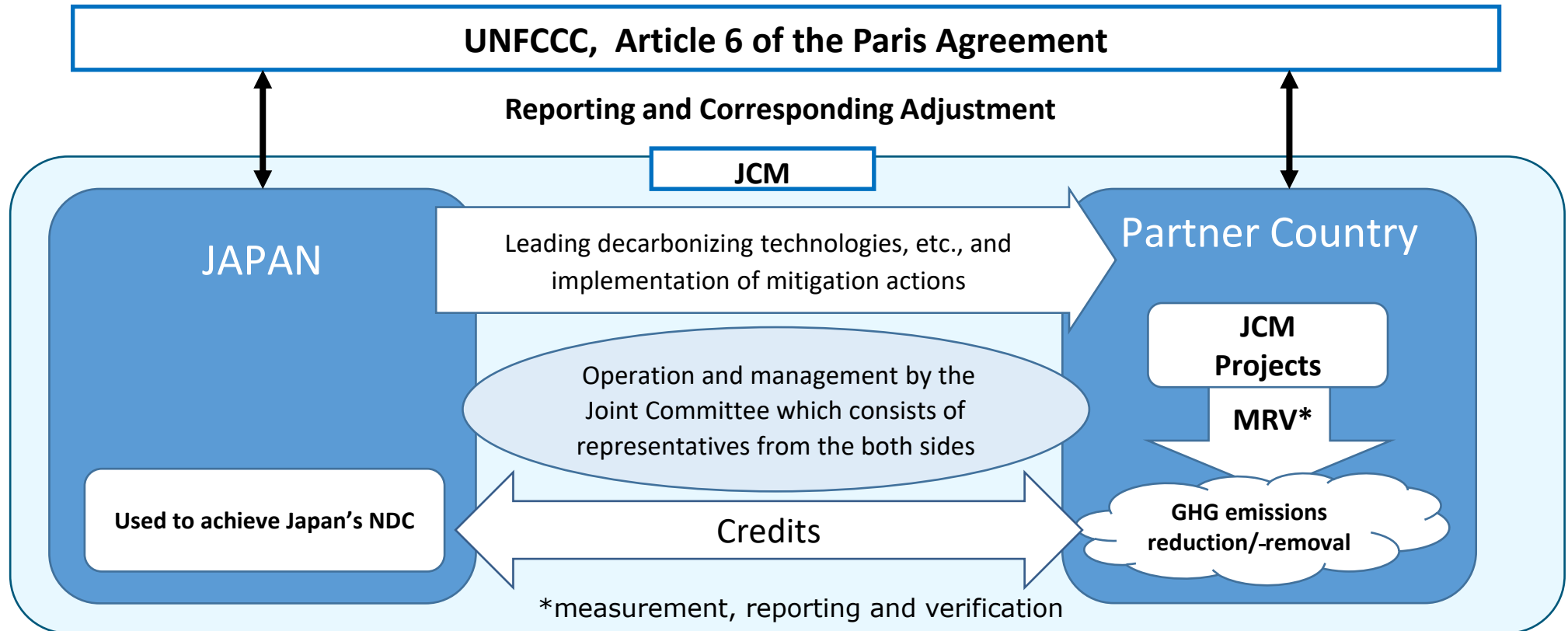
February 2, 2022
Ministry of the Environment, Japan



- ❑ **Long-term goal:** **Net zero emissions by 2050** compared to 2013
- ❑ **Mid-term target:** **46% emission reduction by 2030** compared to 2013
- ❑ GHG emissions in 2020: 1,149 mil ton of CO₂ eq. (5.0% reduction to 2019, 18.4% reduction to 2013)
- ❑ **JCM target:** cumulative GHG emission reduction for 100 mil tons of CO₂ eq. by 2030



Basic concept of the JCM and contribution to carbon neutrality

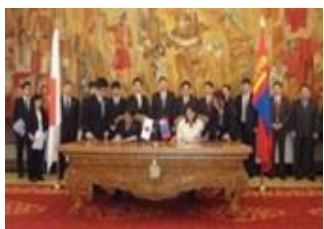


Cooperation towards achieving carbon neutrality

With the successful conclusion of the Rulebook for Article 6 of the Paris Agreement at COP26, carbon markets will further expand. The JCM, as a pioneering mechanism under the Article 6, will benefit not only for GHG emission reductions, but also for the sustainable development of the partner countries.

JCM Partner Countries

- Japan has held consultations for the JCM with developing countries since 2011 and has established the JCM with Mongolia, Bangladesh, Ethiopia, Kenya, Maldives, Viet Nam, Lao PDR, Indonesia, Costa Rica, Palau, Cambodia, Mexico, Saudi Arabia, Chile, Myanmar, Thailand and the Philippines.



Mongolia
Jan. 8, 2013



Bangladesh
Mar. 19, 2013
(Dhaka)



Ethiopia
May 27, 2013
(Addis Ababa)



Kenya
Jun. 12, 2013
(Nairobi)



Maldives
Jun. 29, 2013
(Okinawa)



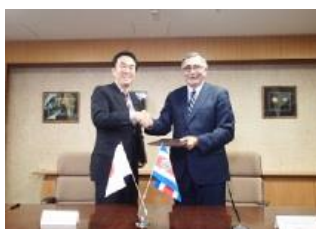
Viet Nam
Jul. 2, 2013
Oct.14, 2021 (Hanoi)



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)



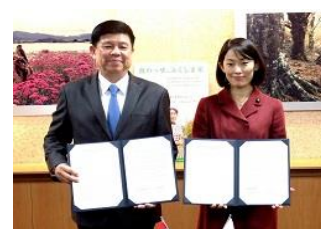
Saudi Arabia
May 13, 2015



Chile
May 26, 2015
(Santiago)



Myanmar
Sep. 16, 2015
(Nay Pyi Taw)



Thailand
Nov. 19, 2015
(Tokyo)



Philippines
Jan. 12, 2017
(Manila)

	JCM Model Projects (including ECO Lease scheme)	ADB Trust Fund: Japan Fund for JCM (JFJCM)	JCM F-gas Recovery and Destruction Model Project
Overview	Support projects which reduce GHG emissions by utilizing leading decarbonizing technologies in developing countries.	Provide the financial incentives for the adoption of advanced low-carbon technologies which are superior in GHG emission reduction but expensive in ADB-financed projects	Support projects that recover and destroy of F-gas (GHG except for energy-related CO2, etc.) from used equipment instead of releasing to air, and reduce emissions
FY2022 Draft budget (USD)	<u>approx. 171 million in total by FY2024</u>	approx. 10 million	approx. 0.60 million
Type of support	Subsidy	Grant (Sovereign) / Interest Buy-down (Non-sovereign)	Subsidy
More info	<ul style="list-style-type: none"> https://gec.jp/jcm/kobo/ https://www.carbon-markets.go.jp/eng/jcmgp/index.html 	https://www.adb.org/what-we-do/funds/japan-fund-for-joint-crediting-mechanism	Please contact us.

Need business partners? **JCM Global Match:** <https://gec.jp/jcm/globalmatch/>



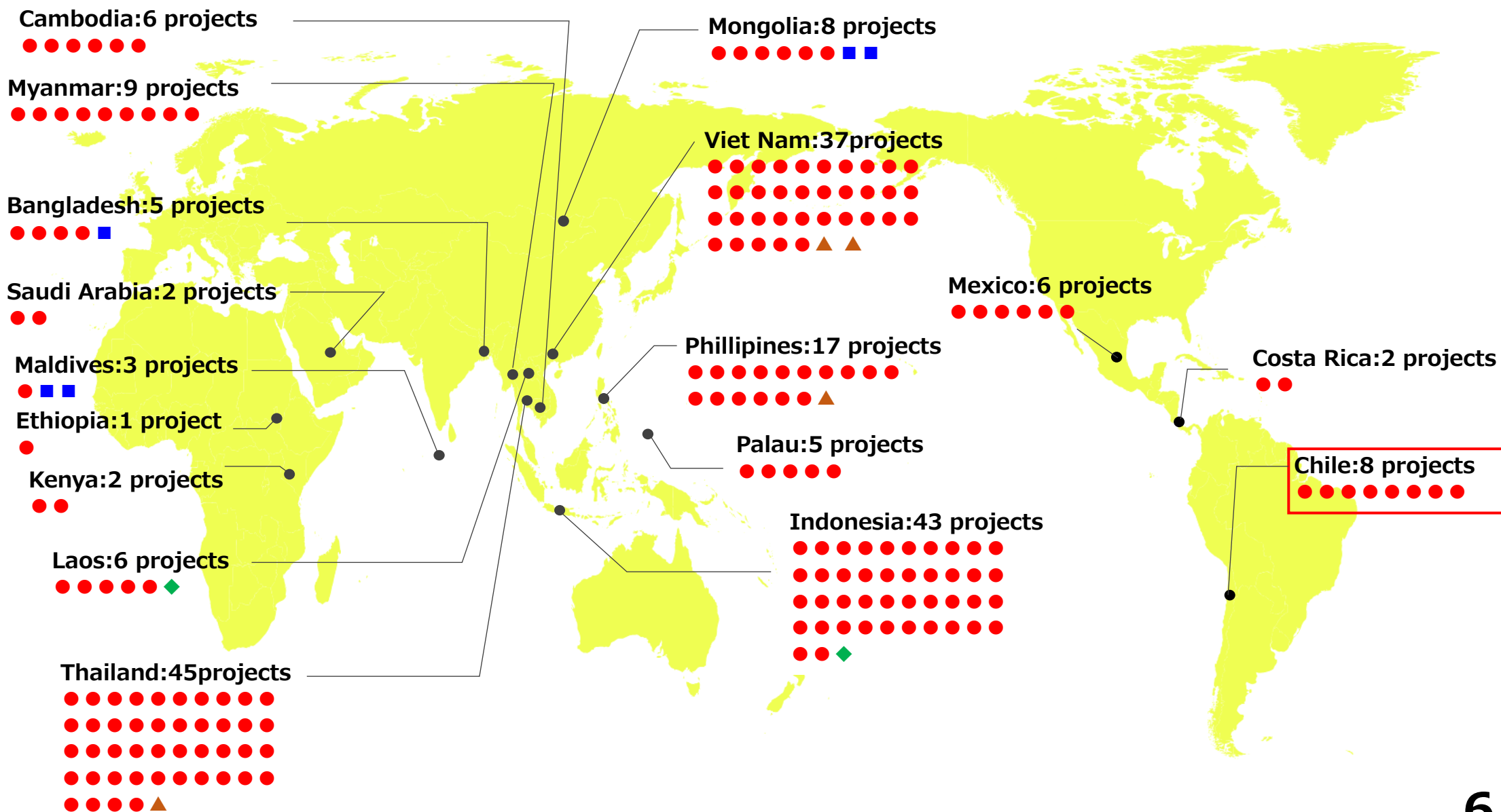
JCM Financing Programmes by MOEJ (FY2013~2021) (December, 2021)

Total 205 projects (17 partner countries)

(● Model Project: 194 projects (including Eco Lease: 3 project), ■ ADB: 5 projects, ◆ REDD+: 2 projects, ▲ F-gas: 4 projects) Other 1 project in Malaysia

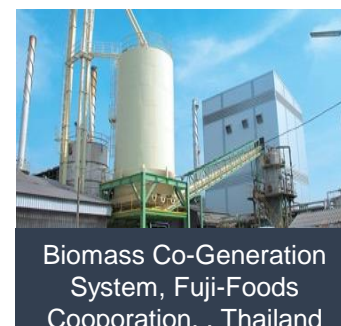
118 projects have been started operation.

58 projects with have been registered as JCM projects.



Examples of the JCM Model Projects

Renewable Energy



Energy efficiency [Consumer sector]



Energy efficiency [Industrial sector]



Energy efficiency [Urban sector]



Waste



Transport



Technologies Transferred through the JCM (FY2013-2021)

- Total of 205 JCM Model Projects being selected by MOEJ's Finance Programme in 17 partner countries
- 50% for renewable energy, 40% for energy efficiency, 10% for Effective use of Energy, Transport, Waste to energy, F-gas Recovery and Destruction and REDD+ project

Waste (4) 2%

- Waste to Energy
- Power Generation with Methane Gas

Transport (3) 1%

- Digital Tachographs
- Modal Shift
- CNG-Diesel Hybrid

REDD+ (2) 1%

- Controlling slush and burn

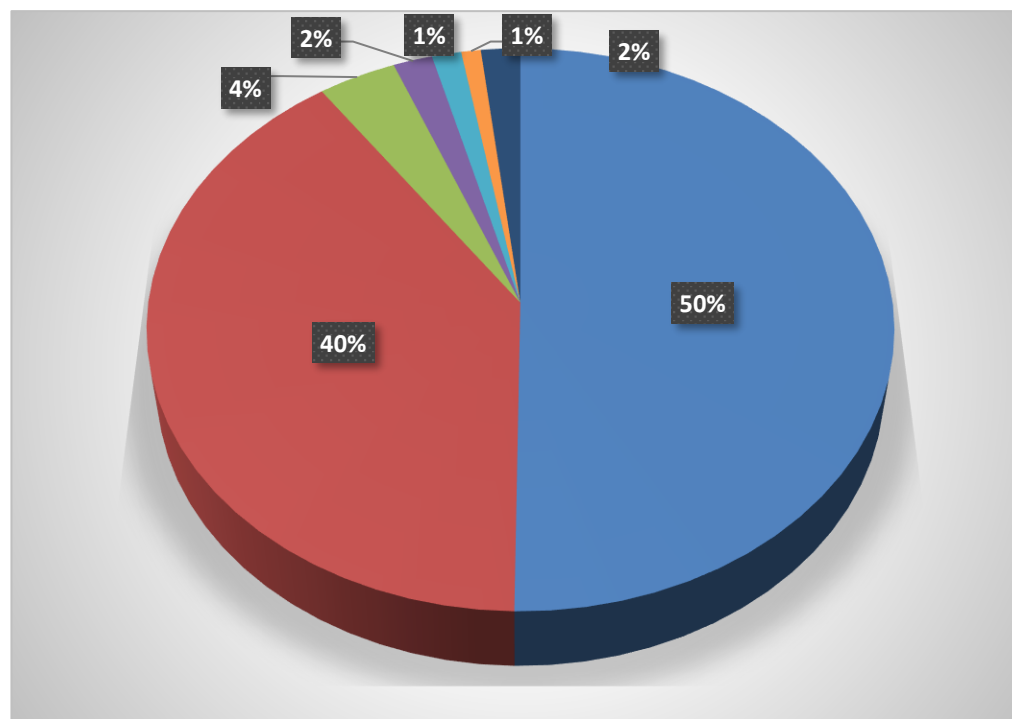
February, 2022

Effective Use of Energy (8) 4%

- Waste Heat Recovery
- Gas Co-generation

Energy efficiency (86) 40%

- Boiler
- Air Conditioning
- Refrigerating/Chiller
- Looms
- Transformer
- LED Lighting



F-gas (4) 2%

- Recovery & Destruction

Renewable energy (108) 50%

- Solar(&Storage battery)
- Micro hydro
- Wind
- Biomass
- Geothermal

Recent development of the JCM in Chile



- 3 JCM Model Projects were newly selected in FY2021.
- Solar power projects account for the largest proportion. MOEJ also would like to support other renewable energy projects.

Project Title

Sector

9MW Solar Power Project in Casablanca, Valparaíso Region

Renewable Energy

9MW Solar Power Project in Yungay, Biobío Region

Renewable Energy

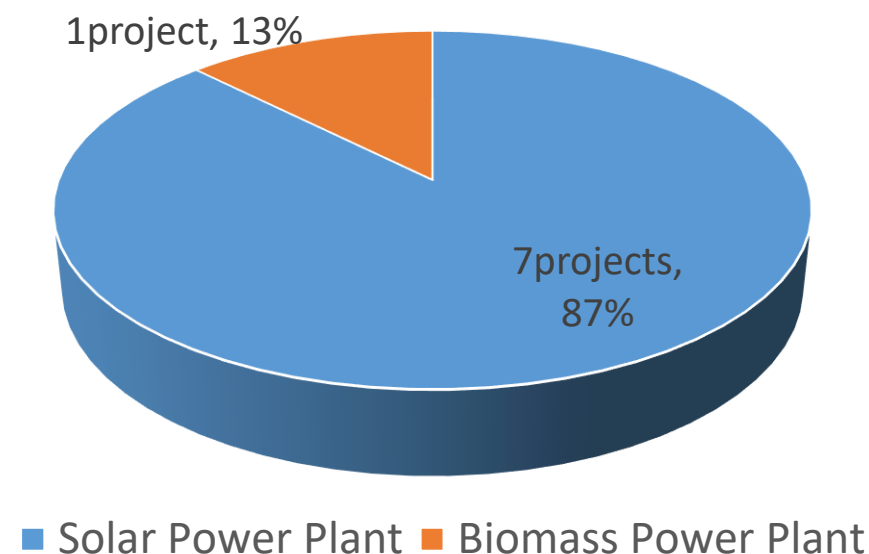
3MW Solar Power Project Utilizing Farmland in Maule Region

Renewable Energy

New projects from FY2021



Percentage by technologies of JCM Financing Programmes in Chile



MOEJ - Implementation of Article 6 following COP26

- At COP26, the Rulebook for the Article 6 (market mechanism) of the Paris Agreement was concluded, paving the way for utilizing market mechanisms to reduce global emissions.
- Leading Article 6 negotiations and being a frontrunner with the experience of the Joint Crediting Mechanism (JCM), Japan will take the following three actions to contribute to global decarbonization.



< 3 Actions >

1. **Expand JCM partner countries and strengthen project development and implementation in collaboration with international organizations;**
 - Accelerate expansion of the JCM partner countries, mainly in the Indo-Pacific region and strengthen in Africa
 - Strengthen cooperation with the Asian Development Bank (ADB), the UN Industrial Development Organization (UNIDO), the World Bank, and others
2. **Scale up the JCM by mobilizing further private finance**
3. **Contribute to the global operationalization of market mechanisms.**
 - Supporting capacity building for related officials and project operators with UNFCCC's Regional Collaboration Centre (RCC).



Regional Collaboration Centre – Bangkok
Promoting Action Against Climate Change

Thank you for your kind attention



Ministry of the Environment