



Recent Progress of the Joint Crediting Mechanism(JCM)

Webinar on Introduction of the Joint Crediting Mechanism (JCM)
26 September 2024

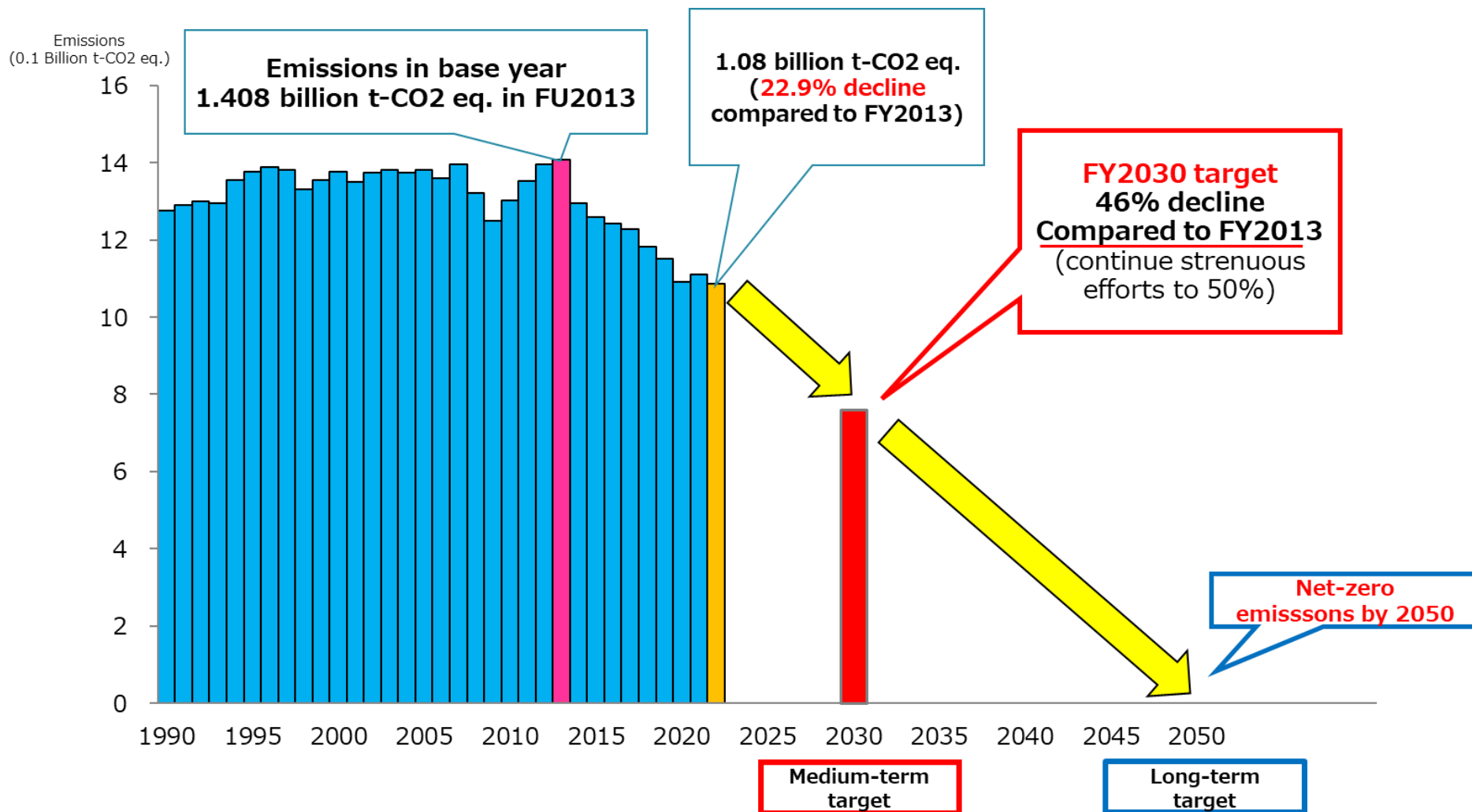
Ministry of the Environment, Japan



Ministry of the Environment

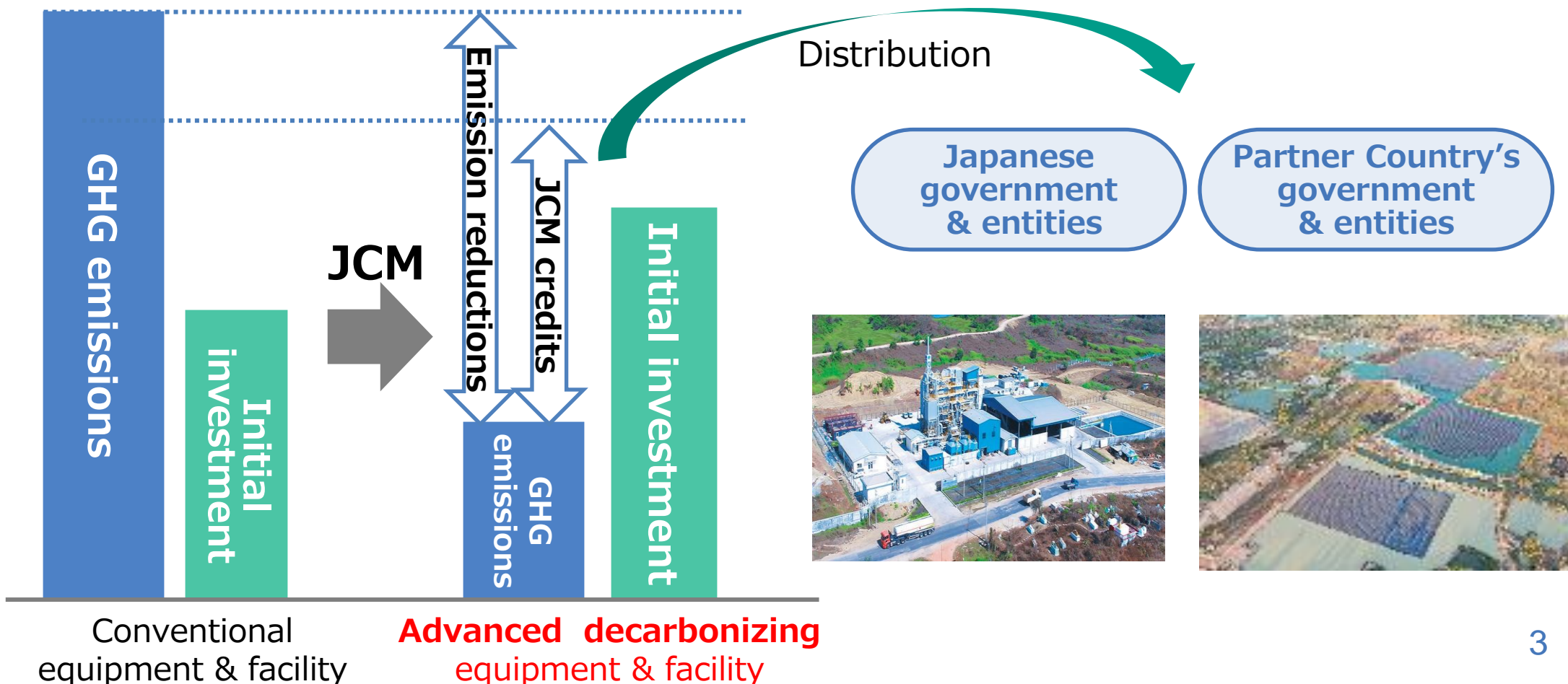
GHG emissions and target in Japan

- ❑ **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 2022: 1.08 billion ton of CO₂ eq. (22.9% decline compared to FY2013)
- ❑ **JCM target: cumulative GHG emission reduction for 100 mil tons** of CO₂ eq. by 2030



Basic Concept of the JCM

- A scheme where projects are implemented in partner countries to introduce leading decarbonizing technologies, infrastructure, services and so on.
- Part of the emission reductions will become JCM credits and shared among Japan, the partner country, and the entities involved in return for their contribution.



Benefits from the JCM



Japanese government

- Contribute to NDC
- Enhancing presence through contributions to global decarbonization

Partner countries

- Contribute to NDC
- Diffusion of leading decarbonizing technologies
- Simultaneously addressing social issues such as air pollution

- Exploring new business opportunities
- Enhancing corporate value
 - Attracting new investment
- Acquiring credits
 - Utilizing them for emission offset
 - Generating revenue from their sale

Entities

Main features of the JCM

Robust conservativeness
→ High-quality credits

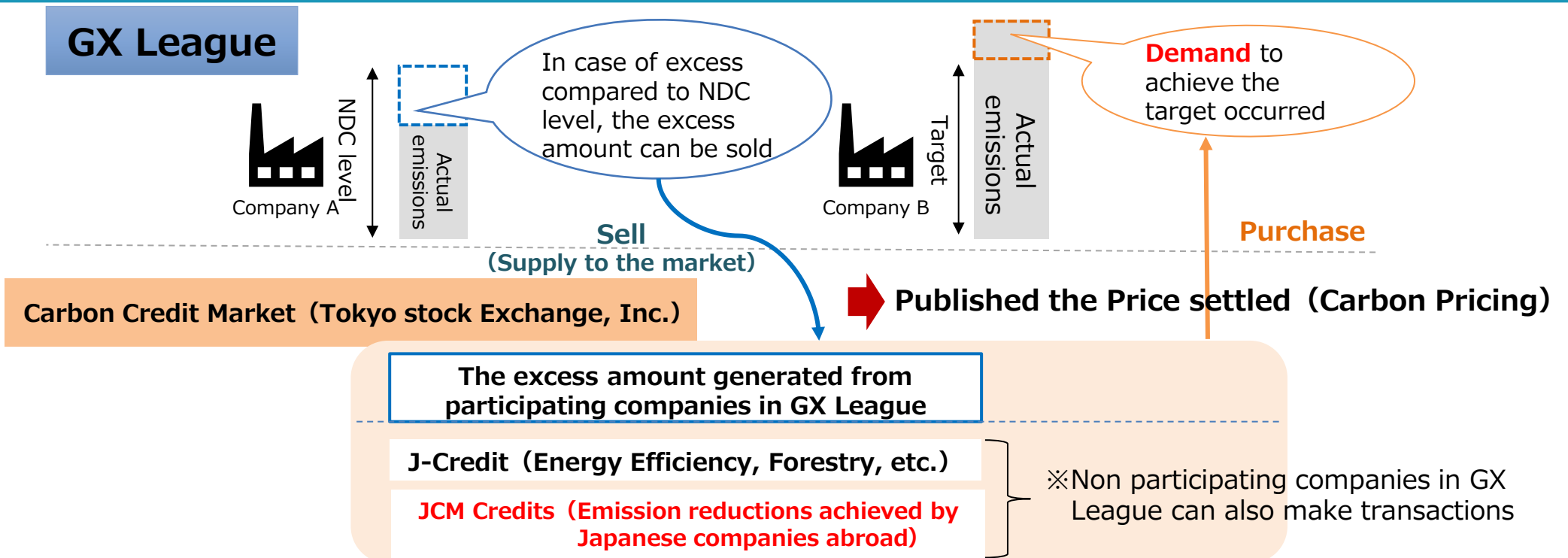
Implemented bilaterally
→ Rule design tailored to
the needs of partner
countries

Implemented in accordance
with Article 6
→ Issuance of ITMOs

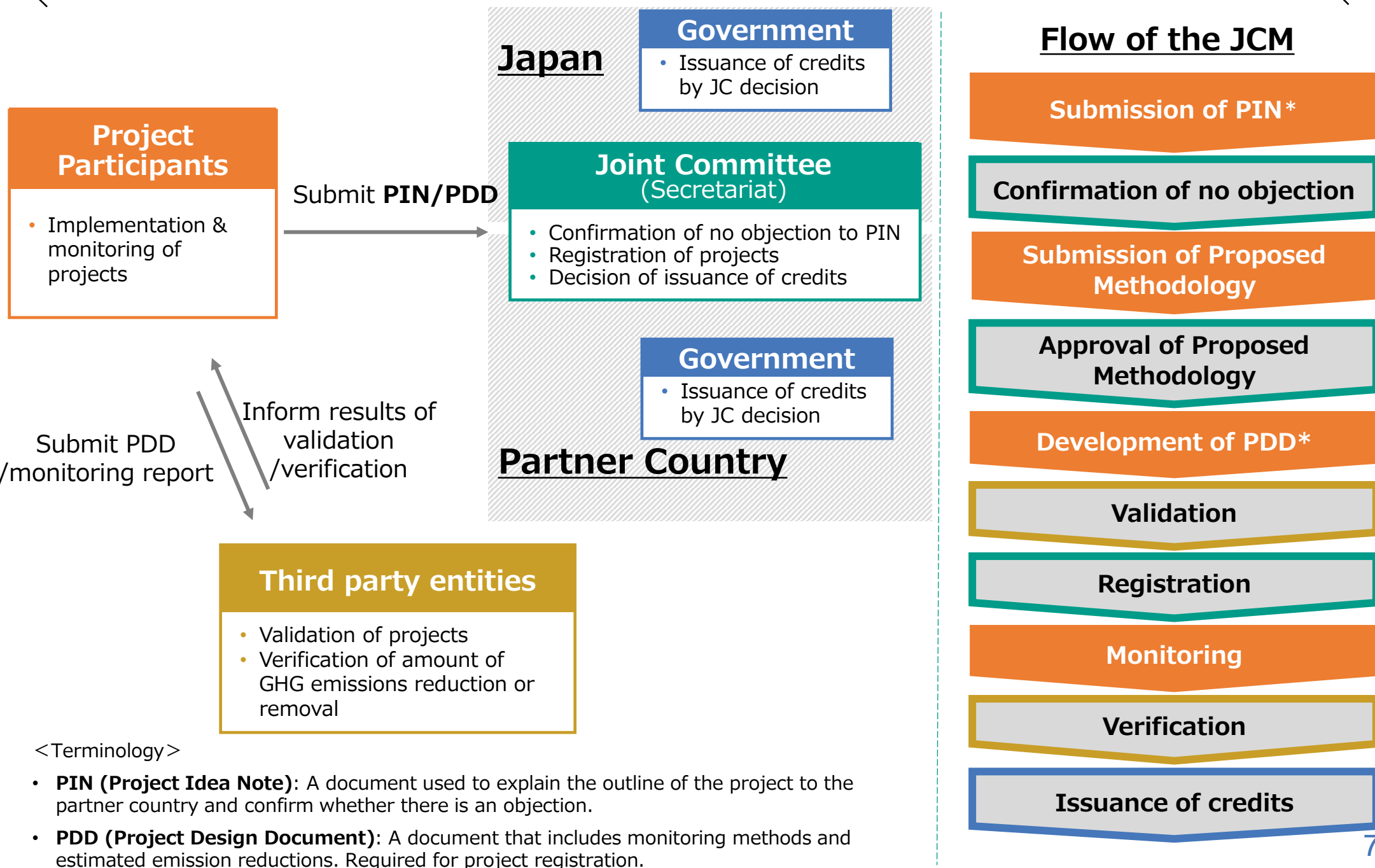
Contribute to the sustainable
development in partner
countries

Potential use of JCM Credits

- JCM credits acquired by companies through private JCM can be utilized for the purpose of carbon offsetting.
 - The domestic calculation, reporting, and publication system (SHK system)
 - Use for the achievement of companies' voluntary targets in the GX League
 - Carbon offsetting
- In the GX League, participating companies are supposed to be engaged in emission trading in the Carbon Credit Market under Tokyo Stock Exchange, Inc in order to achieve their targets. Pricing and monetization of the JCM credits will be expected through trading JCM credits in the Carbon Credit Market.



Scheme of the JCM



Overview of Japan's support for the JCM partner countries



	Programme	Type of support
Ministry of the Environment	Finance Programme for JCM Model Projects*	Subsidy
	Finance Programme for F-gas Recovery and Destruction Model Projects*	Subsidy
	Japan Fund for the JCM (JF JCM) - managed by ADB	Grant
	JCM support programme by UNIDO*	Grant for projects, technical cooperation
	Demonstration Programme for Application of New Decarbonizing Technology*	Subsidy
	Project development/capacity building/ MRV support	Technical cooperation
Ministry of Economy, Trade and Industry	JCM Feasibility Study	Technical cooperation
	JCM Demonstration Programme	Government-commissioned project
	New JCM methodologies development study JCM Crediting support / MRV application study	Technical cooperation
Ministry of Agriculture, Forestry and Fisheries	Development of MRV for JCM projects in Agriculture –implemented by ADB	Technical cooperation
	Field studies for JCM REDD+	Government-commissioned project

* These programmes can support projects implemented by government-owned companies but not those implemented by the government itself.

JCM progress



29 JCM Partner countries (Up to 30 partner countries by 2025)

More than **250** Projects Formulation

101 Approved Methodologies and **82** Registered projects

Approx. **20** million-tCO₂ cumulative emission reductions by 2030
(Cumulative GHG emission reduction for 100 mil tCO₂ by 2030)

Alignment with **Article 6.2** guidance

(Authorization, Corresponding Adjustment and Sustainable Development etc)

JCM Partner Countries (29 countries)



Mongolia
Jan. 8, 2013
(Ulaanbaatar)



Bangladesh
Mar. 19, 2013 (Dhaka)



Ethiopia
May. 27, 2013 (Addis Ababa)



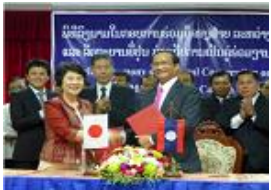
Kenya
Jun. 12, 2013 (Nairobi)



Maldives
Jun. 29, 2013 (Okinawa)



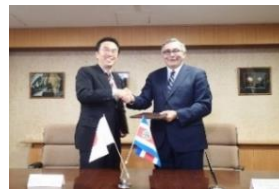
Viet Nam
Jul. 2, 2013 (Hanoi)



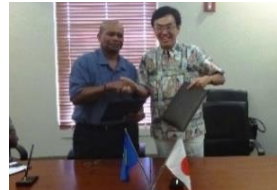
Lao PDR
Aug. 7, 2013 (Vientiane)



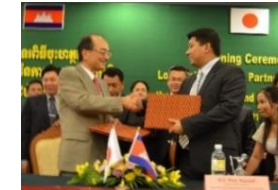
Indonesia
Aug. 26, 2013 (Jakarta)



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)



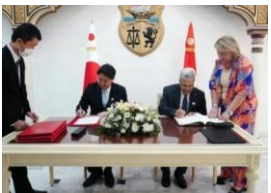
Thailand
Nov. 19, 2015 (Tokyo)



Philippines
Jan. 12, 2017 (Manila)



Senegal
Aug. 25, 2022 (Dakar)



Tunisia
Aug. 26, 2022 (Tunis)



Azerbaijan
Sept. 5, 2022 (Baku)



Moldova
Sept. 6, 2022 (Chisinau)



Georgia
Sept. 13, 2022 (Tbilisi)



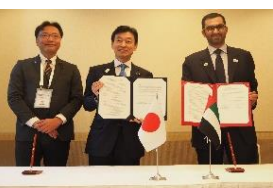
Sri Lanka
Oct. 10, 2022 (Colombo)



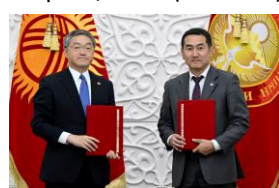
Uzbekistan
Oct. 25, 2022 (Tashkent)



Papua New Guinea
Nov. 18, 2022 (Sharm-el-Sheikh)



United Arab Emirates
April. 16, 2023 (Sapporo)



Kyrgyz Republic
July. 6, 2023 (Bishkek)



Kazakhstan
Oct. 30, 2023 (Astana)



Ukraine
Feb. 19, 2024 (Tokyo)

Projects supported by the JCM financing programmes



Renewable Energy



Solar power, FARMLAND Co., Ltd., Chile



Floating Solar PV, TSB Co., Ltd., Thailand



Hydro Power Plant, Toyo Energy Farm Co., Ltd., Indonesia



Biogas Power Generation, ITOCHU Corporation, Philippines



Binary Power Generation Project at Geothermal Power Plant, MHI, Ltd., Philippines

Energy efficiency [Consumer sector]



Energy saving at convenience stores, Panasonic, Indonesia



High-efficiency refrigerator, Mayekawa MFG, Indonesia

Energy efficiency [Industrial sector]



Optimization in petroleum refining plant, Yokogawa Electric Corp. Indonesia



Energy-saving of mobile communications base transceiver stations, KDDI Corp. Indonesia

Effective Use of Energy



Gas Co-generation System and Absorption Chiller, Kansai Electric Power, Thailand

Energy efficiency [Urban sector]



LED street lighting system with wireless network control, MinebeaMitsumi, Cambodia



Amorphous transformers in power distribution, Yuko-Keiso, Vietnam

Waste



Power Generation with Methane Gas Recovery System, NTTDATA, Mexico



Waste to Energy Plant, JFE engineering, Myanmar

Transport



CNG-Diesel Hybrid Public Bus, Hokusan Co., Ltd., Indonesia

URL: <https://www.jcm.go.jp/>

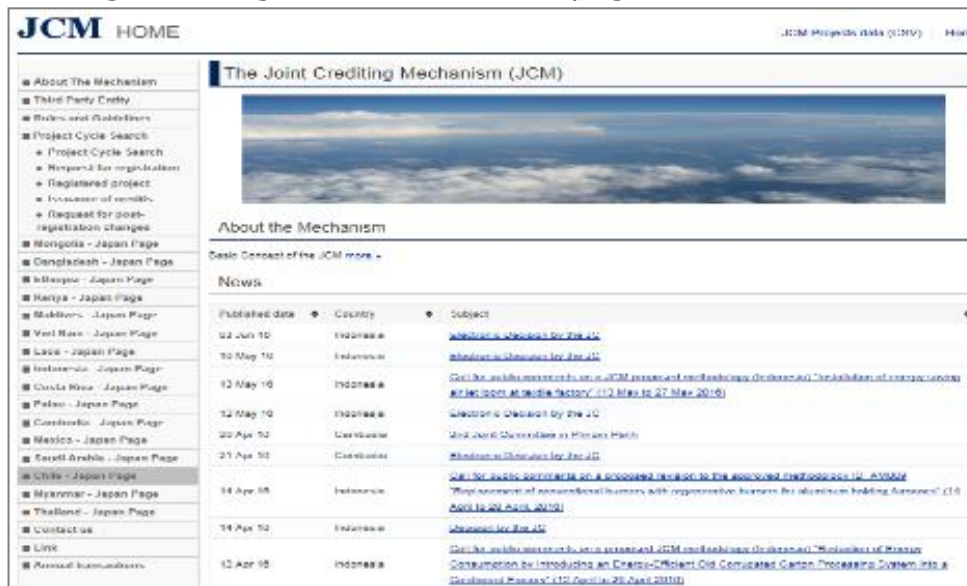
Contents

- General information page
- Individual JCM Partner countries-Japan page

Function

- Information sharing to the public, e.g.,
 - the JC decisions
 - rules and guidelines
 - methodologies and projects
 - issuance of JCM credits
 - call for public inputs/comments
 - status of TPEs, etc.
- Internal information sharing for the JC members, e.g.
 - File sharing for electric decisions by the JC

▼Image of the general information page



▼Image of the individual JCM Partner countries-Japan page



Thank you for your kind attention



Contact: info@jcm.go.jp