

Call for Proposals for JCM Projects financially supported by MOEJ in
FY2025

Guidelines for Submitting Proposals

(Tentative translation)

7 April 2025

Global Environment Centre (GEC)

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1. Purpose

Japan establishes and implements the Joint Crediting Mechanism (JCM) in order to both appropriately evaluate contributions from Japan to greenhouse gas (GHG) emission reductions or removals in a quantitative manner achieved through the diffusion of decarbonising technologies, products, systems, services, and infrastructure as well as implementation of mitigation actions in developing and other countries, to use them to achieve Japan's NDC (Nationally Determined Contribution).

Starting with Mongolia in January 2013, Japan has established the JCM with 29 partner countries as of 7 April 2025.

In order to support the implementation of candidate JCM projects, the Ministry of the Environment, Japan (MOEJ) has been implementing the JCM Project financially supported by MOEJ (hereafter "Project"), which includes collaboration with projects supported by government-affiliated financial institutions.

The purpose of this Project is to financially support the implementation of Projects which reduce GHG emissions by utilising leading decarbonising technologies in developing and other countries, and in return, to acquire JCM credits for achieving Japan's GHG emission reduction target. Moreover, in accordance with the Decarbonisation Infrastructure Initiative (MOEJ in June 2021), the Plan for Global Warming Countermeasures (Cabinet decision, February 2025), and MOE Japan Policy for Implementing Article 6 of the Paris Agreement after COP26 (MOEJ in November 2021), Grand Design and Action Plan for a New Form of Capitalism and Follow-up (Cabinet decision, June 2022), etc., the Project aims to contribute to global GHG emission reductions through the diffusion of leading decarbonising technologies while considering the needs of the partner countries.

2. Preparation for JCM credit issuance

(1) What to prepare

Participants in the Project shall implement a Project to reduce GHG emissions utilising leading decarbonising technologies, and also shall conduct measurement, reporting and verification (MRV) of GHG emission reductions. In a JCM partner country, participants shall conduct the following procedures for their relevant Project for the issuance of JCM credits in accordance with 3. (4) Requirements for International Consortium Members. You will be asked to submit a pledge form at the time of application and upon completion of the Project to ensure that MRV is properly implemented.

(a) Project Summary:

You will be asked to prepare a Project Idea Note (PIN) to have the partner country confirm

whether there are any objections to the Project as a JCM Project.

(b) Application for registration as JCM Project

Participants shall apply for registration of their relevant Project as a JCM Project, including developing a Project Design Document (PDD), conducting a local stakeholder consultation (LSC) as a part of developing the PDD, and cooperating with a Third-Party Entity (TPE) which implements validation of their relevant Project. In order to apply for registration of a JCM Project, it is necessary to develop an appropriate JCM methodology approved by the Joint Committee. Participants shall develop a JCM methodology by themselves or work with developers of JCM methodologies, by providing necessary information for the development of the JCM methodology(ies) which is applicable to the relevant Project, etc. With regard to the process after the PIN process, as soon as the Contract of Financial Support is completed, the preparation and creation of PDD (or/and development of an approved methodology if there is no approved methodology) will begin, and, in principle, the application for project registration with the Joint Committee will be made within one year at the latest from the completion of the Project. In the JCM Eco Lease Scheme, participants shall not develop new methodology(ies). In principle, participants can propose a Project when an already approved or proposed JCM methodology(ies) is available.

(c) Monitoring

Participants shall conduct monitoring to quantify the effects of the facilities/equipment on GHG emission reductions based on a MRV methodology approved or expected to be approved by the Joint Committee. Participants shall report the results and operation of the facilities/equipment to the MOEJ on an annual basis until the end of the crediting period (fixed 10 years) or the legal depreciation period of the facilities/equipment as stipulated by Japanese law, whichever shorter, (hereafter “MRV period”) under the condition that the bilateral JCM documents with the partner countries are effective. Additionally, if there is a period during which the reduction amount cannot be measured due to the responsibility of the participants, that period will be added to the MRV period. Please note that the MOEJ may share the results of monitoring with the partner country government.

(d) Request for Issuance of JCM Credits

Based on the approved JCM methodology(ies), participants shall request the issuance of JCM credits by using the monitoring results. The issuance includes compilation of a monitoring report, verification by a TPE, and submission of a “JCM Credits Issuance Request” to the JCM Joint Committee. In principle, the participants shall deliver the JCM Credits issued to the Japanese side to the account of the Government of Japan.

Moreover, in case information related to allocation of credit is stipulated in contracts of the Project, such documents shall not hinder the implementation of the Project according to the bilateral JCM documents between Japan and the partner country including allocation of the

JCM credits acquired through the Project.

Participants shall request the issuance of JCM credits for emission reductions achieved from the start of commercial operation to the end of the MRV period, under the condition that the bilateral JCM documents are effective, including their extension period. For example, if the expiry of the bilateral JCM documents is extended from 2030 to 2040 and the MRV period ends in that year, participants shall request the issuance of JCM credits for emission reductions achieved by 2040.

The first request for credit issuance shall be made within 1 year from the registration of the JCM Project in principle (unless the issuance cannot be made due to the situation of negotiations with partner countries, etc.). After the first request, participants may request at once the issuance of JCM credits for emission reductions achieved during several years. When the MRV period of the facilities/equipment ends, the request for credit issuance shall be made within 1 year. Additionally, if the MRV period of the facilities/equipment ends after 2031, credit issuance shall be requested in 2031 or at the earliest timing after 2032 for emission reductions achieved by 2030. Credit issuance may be required if the MRV period of the facilities/equipment ends in or before 2030 as well.

* For the Japanese legal depreciation period, please refer to the website (Japanese only):

<https://elaws.e-gov.go.jp/document?lawid=340M50000040015>

In case of the JCM Eco Lease scheme, the monitoring period is equal to the lease period (hereafter referred to as the MRV period) , which is at least five years.

* Please note that expenses related to (a) through (d) are not covered by the Project. However, if the MOEJ recognises the necessity, costs may be supported by the MOEJ for the development of methodologies, PDD, monitoring reports, and validation/verification.

3. Contents

(1) Eligible Projects

A project eligible for the Project shall satisfy the requirements (a) to (e) listed below:

- (a) Projects that reduce energy-related CO₂ emissions with leading decarbonising technologies in the partner countries or Countries of the Global South etc., with which Japan has signed the JCM agreement.
- (b) The reduction of GHG emissions achieved by the Projects can be quantitatively calculated and verified.
- (c) The Project must be appropriate for issuing and transferring credits in accordance with the JCM rules and guidelines.

- (d) Projects shall contribute to the realisation of the Sustainable Development Goals (SDGs). The installation and operation of the facilities/equipment shall comply with the relevant laws and regulations of the partner country and international practices and guidelines regarding environmental and human rights protection.
- (e) Facilities/equipment installed by the Projects do not receive any other subsidy from the Government of Japan. If the technology to be adopted is a technology mentioned in the Attachment of Annex 1 “Conditions for Adoption by Technology” in these guidelines, the technology shall meet the conditions.

(2) Countries of Priority

Priority will be given to proposals for Projects in the partner countries listed below.

29 Partner Countries as of 7 April 2025.

Mongolia, Bangladesh, Ethiopia, Kenya, Maldives, Vietnam, Laos, Indonesia, Costa Rica, Palau, Cambodia, Mexico, Saudi Arabia, Chile, Myanmar, Thailand*2, Philippines, Senegal, Tunisia, Azerbaijan*1, Moldova, Georgia, Sri Lanka*2, Uzbekistan*1, Papua New Guinea, United Arab Emirates*1, Kyrgyz Republic*1, Kazakhstan and Ukraine*1

*1 For the countries listed above, the process related to selection with the Joint Committee of the partner country will start soon after establishment of the Joint Committee and adoption of JCM rules and guidelines, such as rules of procedures for the Joint Committee, rules of implementation, etc. For information on the Joint Committees of the new partner countries, please refer to the relevant page on the JCM website.

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

*2 For countries that have a positive list related to Article 6 of the Paris Agreement, such as Thailand and Sri Lanka, priority will be given to technologies listed on the positive list. However, this does not necessarily mean that technologies not listed on the positive list will be excluded. In such cases, please provide a sufficiently convincing explanation why the implementation of the relevant Project in the partner country is necessary, despite that the applied technology is not listed on the positive list.

*3 In some cases, adoption may be withheld in light with the partner country’s readiness for selection of the Projects or the situation in that country for implementing the Project at the time of adoption. There is also a possibility that adoption may take longer time to evaluate the Project due to the situation of the partner country. For this reason, it is highly recommended that the

representative participant or partner participant provide an explanation of the Project outline, etc. in advance to the relevant government officials in the partner country.

Based on the objective of increasing the number of partner countries to around 30 in accordance with the Grand Design and Action Plan for a New Form of Capitalism (Cabinet decision in June 2022), proposals for projects in non-partner countries will also be accepted on the basis that their selection will be considered in parallel with the bilateral negotiations for new partnership.

(3) Requirements for Representative Participant

A representative participant that is entitled to request and receive subsidy under the Project shall satisfy the requirements (a) to (d) listed below:

- (a) The representative participant of the Project shall be a Japanese entity which is:
 - i. a private company,
 - ii. an independent administrative institution,
 - iii. an incorporated association/foundation, or
 - iv. any organisation considered appropriate by the GEC with approval from the MOEJ
- (b) The representative participant described in (a) shall be the representative entity of an international consortium.

Note 1: International consortium is an association (no legal personality) that consists of a Japanese entity mentioned in (a) and a foreign entity(ies), etc., with the objective of effectively implementing the Project.

Note 2: The application for the Project shall be submitted by the representative participant. Member(s) of the international consortium other than the representative participant are called co-participant(s).

Note 3: Unless the GEC approves, the representative participant and partner participant(s) cannot be changed after the selection of a Project.

Note 4: The representative participant of the JCM Eco Lease Scheme must be a leaser.

- (c) The representative participant shall have developed the structure and capability required to firmly execute the eligible Project as described below:
 - The representative participant shall have the financial basis and management stability to bear the costs required to appropriately implement the eligible Project.
- The representative participant must not fall under any of the following three conditions:
- 1. The latest balance sheet shows that the company is not insolvent.
 - 2. Operating profit has not been in the red for the past two consecutive years.
 - 3. There are no outstanding debts with the GEC and/or the Ministry of the Environment.
- The representative participant shall have adequate management structures and handling

- capacity for accounting and other administrative work related to the eligible Project.
- The representative participant shall explain the contents, effect on GHG emission reductions, details of the cost, investment plan, etc. of the eligible Project.
 - The representative participant shall have the capability to manage the implementation of the eligible Project, while having adequate knowledge of the technology to be introduced in the partner country and how it contributes to reducing carbon emissions.
 - The representative participant shall organise a solid structure to implement the eligible Project under the agreement with partner participant(s).
 - The representative participant shall have the ability to repay the subsidy in the event that it needs to be repaid.
 - The organization must be able to continue to respond to the support Project (including the MRV implementation period).
- (d) The representative participant shall make a pledge regarding the exclusion of any organised crime groups.

(4) Requirements for International Consortium Participants

- (a) The Japanese entity as the representative participant of an international consortium is responsible for the following:
- i. To apply for the Project
 - ii. To manage the progress of the Project, develop the Project implementation plan, and act as the contact entity for accounting and other administrative work related to the Project
 - iii. To introduce leading decarbonising technologies
 - iv. To purchase, install and commission the facilities/equipment during the construction period, and manage the utilisation of the facilities/equipment according to the purpose of the Project for the legal depreciation period of the facilities/equipment as stipulated by Japanese law
 - v. To return the subsidy in case of violation of the Financing Regulations by any of the co-participants.
- (b) All participants of the international consortium are responsible for the following:
- i. To cooperate with developers of the JCM methodology by providing information required to develop a methodology applicable to the Project for greenhouse gas (GHG) emission reductions utilising the facilities
 - ii. To cooperate with Third-Party Entities (TPEs) by providing materials and information required to efficiently conduct validation of the Project and verification of GHG emission reductions at the Project site
 - iii. To select facilities/equipment that utilise leading decarbonising technologies to be introduced by the Project, own and use the installed facilities/equipment to reduce GHG

emissions at Project sites, and monitor and quantitatively calculate the GHG emission reduction amount

- iv. To execute measurement and reporting on the effect of GHG emission reductions by the facilities, and report it to the Ministry of the Environment, Japan, annually until the end of the legal depreciation period of the facilities as stipulated by Japanese law
- v. To take necessary actions such as applying for project registration by the Joint Committee set up by the governments of Japan and the JCM partner country
- vi. To request the Joint Committee to issue credits and transfer the issued JCM credits to the Government of Japan according to the percentage decided by the Ministry of the Environment, Japan in principle corresponding to the GHG emission reduction achieved by the registered JCM Project during the MRV period
- vii. To manage the facilities with due care during the legal depreciation period in order to realise their efficient operation in accordance with the purpose of the subsidy even after the completion of the Project
- viii. To continue the above obligations from i) through vii), even when changes of the participants are approved.

(5) Notes regarding Different Project Schemes

- (a) Responsibility of a consortium member who applies for equipment lease

If a consortium member (lessor) leases equipment to another consortium member (lessee), a draft lease contract and details of the lease calculation shall be submitted to the GEC as a part of the application documents to certify that the amount of subsidy provided for the Project is deducted from the equipment lease fee. If its lease period expires before its legal depreciation period expires, the lessor shall either extend the lease agreement or transfer the acquired property to another participant within the international consortium in order to continue the operation of the equipment until the end of the legal depreciation period.

- (b) Cross-border instalment sales

If a consortium member sells equipment to another consortium member through cross-border instalment sales (note: “cross-border instalment sales” refers to deferred payment sales or instalment sales that are carried out across national borders), details of the instalment calculation shall be submitted to the GEC as a part of application documents to certify that the owner of the equipment who implements the Project enjoys the benefit of the subsidy by the Project. The seller can charge interest for such instalment payments.

Please note the following:

- i. If a representative participant carries out the instalment sale, the party is responsible for the requirements mentioned in (5) (a) above.

- ii. If an entity other than a representative participant located in Japan or a third country carries out the instalment sale, the party must be a member of the international consortium, at least until the buyer completes its payments.
- iii. In both i. and ii. above, the basis for calculating the costs covered by subsidy is considered as fixed when the seller procures equipment from a party outside the international consortium.

(c) JCM Eco Lease Scheme

Participants shall submit documents (breakdown of lease fee) to prove that the amount equivalent to the subsidy is deducted from the lease contract (draft) submitted with the proposal.

Please refer to the outline of the JCM Eco Lease Scheme for details.

https://gec.jp/jcm/jp/kobo/r07/mp/jcmsbsdR7_ecolease.pdf

(Available in Japanese only)

(6) Costs Covered by Subsidy

The Project covers the following costs. The subsidy is limited only to those costs that can be verified as having been actually spent for implementation of eligible Projects. Costs eligible for subsidy in the JCM Eco Lease Scheme are limited the fee for leasing facilities/equipment and relevant lease interest.

- (a) Cost of main construction work
- (b) Cost of ancillary work
- (c) Cost of machinery and instruments
- (d) Cost of survey and testing
- (e) Cost of facilities/equipment (including monitoring equipment)
- (f) Cost of administrative work; and
- (g) Other necessary costs approved by the GEC

Costs NOT covered by subsidy

The following costs are not covered by the Project:

- (a) Cost of removing existing facilities/equipment (including miscellaneous expenses related to removal costs)
- (b) Equipment and consumable supplies/materials for maintenance of the facilities/equipment installed by the Project, emergency facilities/equipment, safety equipment (such as fire extinguishers, sprinklers, PPE, etc.) and security equipment
- (c) Civil engineering work and construction of building (excluding structures that directly contribute to energy-related CO₂ emission reductions)
- (d) Cost related to a simple restoration of function, such as restoring the function to the state at the time of installation by updating existing facilities/equipment

- (e) Spare parts (excluding those used for testing and commissioning)
- (f) Cost related to on-site inspections and writing reports submitted to the GEC as part of the Project
- (g) Cost of forward exchange contracts and remittance charges
- (h) Cost related to land acquisition

Exclusion of profits when procuring in-house products

In Projects, if the subsidy targets costs which include expenses related to the procurement of the participating company's own products, etc., it is acceptable to trade at the market price. However, it is considered inappropriate for the purpose of subsidy to include the benefits of participants in the covered costs. Therefore, when procuring the participating company's own products, etc., the amount is recorded as "at cost" (manufacturing cost of the procured product, etc.*).

* If it is difficult to calculate the manufacturing cost due to the type of business of the participating company, a cost with other reasonable explanation may be acceptable.

(7) Amounts of Subsidy

The total amount of the budget for the Project is expected to be 11.4 billion Japanese yen (US\$76 million at 150 Japanese yen to 1 U.S. dollar) for three years.

In addition, the actual amount of subsidy shall be determined based on the cost which is verified as having been actually spent for implementation of the Project and shall be indicated in a notice to the representative participant.

(8) Maximum Amount of Subsidy

The amount of the subsidy will be the lowest amount calculated based on the following (i) to (iii), with the maximum amount being the amount of the subsidy and subsidy rate stated in the notice of Contract for Financial Support.

(i) Maximum amount of subsidy per case

The suggested size of one Project is within 2 billion yen (US\$13.3 million at the same exchange rate) in terms of the amount of subsidy. In principle, a total of 500 million Japanese yen (US\$3.3 million at the same exchange rate) for three years is suggested as the budget of one Project under the JCM Eco Lease Scheme.

(ii) Maximum subsidy rate by number of similar technologies adopted

The maximum percentage of subsidy shall be determined according to the number of already selected Project(s) using a similar technology in each partner country.

The maximum subsidy amount will be the total amount of eligible expenses in (6) multiplied by the maximum subsidy rate. Please refer to Annex 2 "Categorisation by Applied Technology Type,

Number of JCM Projects financially supported by MOEJ by Each Country” for the actual number of already selected Projects.

Number of already selected Project(s) using a similar technology in each partner country	Percentage of Subsidy
None (0)	Up to 50% (determined by GEC)
Up to 3 (1 – 3)	Up to 40% (determined by GEC)
Up to 7 (4 – 7)	Up to 30% (determined by GEC)
Up to 9 (8 – 9)	Up to 20% (determined by GEC)
10 or more	Not applicable

In case of introducing multiple technologies, the upper percentage of subsidy is determined for each technology. The following countries, where there are more than 10 cases of adoption of similar technology in the same country, will no longer adopted the relevant technology.

Hydropower generation: Indonesia

For solar power generation Projects (silicon-based projects without storage batteries), the number of Projects selected in each country will be limited to three, thus Projects will no longer be selected in the following countries:

Mongolia, Kenya, Vietnam, Laos, Indonesia, Palau, Cambodia, Chile, Thailand, Philippines, Sri Lanka

The amount of the subsidy for the JCM Eco Lease Project is capped at the amount obtained by multiplying the subsidy rate by the lease introduction cost (the amount equivalent to the cost of the subsidized equipment and the associated lease interest). The percentage of subsidy for the JCM Eco Lease Scheme is 10% or less.

(iii) Maximum amount of subsidy based on Cost-effectiveness of emission reductions of GHGs in terms of subsidy and its certainty

Cost-effectiveness for GHG emission reductions [JPY/tCO₂eq]

= Amount of subsidy [JPY] / Total emission reductions of GHGs [tCO₂eq]

The cost-effectiveness of subsidy and its certainty to reduce 1 ton of GHG emissions will be evaluated. The cost-effectiveness of GHG emission reductions should be 4,000 JPY/tCO₂eq or lower. However, when the number of similar technological Projects in a partner country is between 5 to 9 in Annex 2 “Categorisation by Applied Technology Type, Number of JCM Projects financially supported by MOEJ by Each Country”, its cost-effectiveness is expected to be 3,000 JPY/tCO₂eq or lower as listed below.

Chillers (for air-conditioning): Vietnam, Indonesia, Thailand

Notwithstanding the above, in principle, the cost effectiveness for a solar power Project is 2,500 JPY/tCO₂eq or lower, and 1,000 JPY/tCO₂eq or lower for a hydropower Project.

Number of already selected Project(s) using a similar technology in each partner country	Solar Power	Hydro Power	Others
Up to 3 (0 – 3)	2,500 yen/tCO2eq or lower	1,000 yen /tCO2eq or lower	4,000 yen /tCO2eq or lower
4	Not selected		3,000 yen /tCO2eq or lower
Up to 9 (5 – 9)			
10 or more	Not selected		

(9) Implementation Period of Projects

The implementation period of the Projects, or more precisely the period for installing facilities/equipment and completing all the related payments, shall be between the date indicated on the Notice of Contract for Financial Support and 31 January 2028 in principle. Contracts or purchase orders prior to or after this period are not covered by the subsidy of this Project.

(10) Schedule

Date	Item
Japanese Fiscal Year 2025	
Monday, 7 April 2025	Announcement of call for proposals (<i>open all year round</i>)
Friday, 16 May 2025	Deadline for submission for the first selection of Projects
Monday, 19 May 2025	Start of proposal review for the first selection of Projects
Within 4 weeks after the closing of submission	Proposal review Online Interview with applicants (<i>to be conducted in Tokyo</i>)
After Online Interview with applicants prior to the next closing date of application	Result of screening (Candidate Project or not) is decided (This process will be repeated in the second and third screening)

End of June	Sending of Project Idea Note for the JCM Project (PIN) of candidate projects from the JCM Secretariat of Japan to the respective Joint Committees in the partner countries
	Process related to selection in the Joint Committees
First selection decision for Projects	Preliminary selection of Projects (<i>based on the evaluation of the GEC</i>) Information session for participants of selected Projects (for the first selection of Projects only)
Friday, 25 July 2025	Deadline for submission for the second selection of Projects (acceptance of applications may close before the deadline, depending on the availability of remaining budget)
Monday, 28 July 2025	Start of proposal review for the second selection of Projects
Tuesday, 30 September 2025	Deadline for submission for the third selection of Projects (acceptance of applications may close before the deadline, depending on the availability of remaining budget)
Tuesday, 30 September 2025	Deadline for submitting proposals (acceptance of applications may close before the deadline, depending on the availability of remaining budget)
Wednesday, 1 October 2025	Start of proposal review for the third selection of Projects
Within 30 days after the date of preliminary selection	Submission of application documents for Contract for Financial Support
Within 60 days after the date of preliminary selection	Notice of Contract for Financial Support issued to Japanese representative participants (<i>based on the evaluation of the GEC</i>) Implementation of Projects
End of February 2026	[1-year Project] Completion of Projects (<i>including commissioning and payment for the installed equipment</i>)
February - March 2026	[1-year Project] – Submission of final report (due by 10 March 2026) – Inspection by the GEC (document review and on-site inspection, etc. if necessary) [2- or 3-year Project] – Mid-term inspection by the GEC (document review and on-site inspection, etc. if necessary) – Submission of mid-term report (due by 10 April 2026) (<i>On-site inspections require accompanying members of</i>

	<i>the international consortium (a representative participant member is mandatory))</i>
Japanese Fiscal Year 2026	
April 2026	Disbursement of subsidy, for the expenses spent in Fiscal Year 2025 <i>(based on the examination by the GEC)</i>
End of February 2027	[2-year Project] Completion of Projects <i>(including commissioning and payment for the installed equipment)</i>
February – March 2027	<p>[2-year Project]</p> <ul style="list-style-type: none"> – Submission of final report (due by 10 March 2027) – Inspection by the GEC (document review and on-site inspection, etc. if necessary) <p>[3-year Project]</p> <ul style="list-style-type: none"> – Mid-term inspection by the GEC (document review and on-site inspection, etc. if necessary) – Submission of mid-term report (due by 10 April 2027 <i>(On-site inspections require accompanying members of the international consortium (a representative participant member is mandatory))</i>)
Japanese Fiscal Year 2027	
April 2027	Disbursement of subsidy, for the cost spent in Fiscal Year 2026 <i>(based on the examination by the GEC)</i>
End of January 2028	[3-year Project] Completion of Projects <i>(including commissioning and payment for the installed equipment)</i>
February – March 2028	<p>[3-year Project]</p> <ul style="list-style-type: none"> – Submission of final report (due by 10 March 2028) – Inspection by the GEC (document review and on-site inspection, etc. if necessary) <p><i>(On-site inspections require accompanying members of the international consortium (a representative participant member is mandatory))</i></p>
March 2028	Disbursement of subsidy <i>(based on the examination by the GEC)</i>

4. Evaluation and Selection of Proposals

(1) Selection of Projects

GEC conducts a request for proposals and evaluates the submitted proposals according to Annex

1 “Evaluation Criteria for Selecting JCM Projects financially supported by MOEJ” (hereafter “Evaluation Criteria”). After the proposal review, the GEC will select Projects within the budget in consultation with the MOEJ upon confirmation of no objection indicated by the Joint Committees of the JCM partner countries, considering the geographical and technology distribution of the JCM partner countries, among other factors.

(2) Evaluation of Proposals

Proposals will be screened based on the “(1) Basic Screening” and “(2) Evaluation Screening” items of the screening criteria, and then an interview will be held. If the screening of the documents does not meet the required standard, the proposal will be screened out without an interview. Please note that the GEC may request additional documents during the evaluation. Interviews will be conducted as necessary after receiving proposals.

(3) Process related to Selection with Joint Committees of Partner Countries

After the interview, except for those that are screened out at that point, the summary of the proposed JCM Project [Form 3-16-2] is sent to the partner country to deepen their understanding of the applied Project. After that, the review process will continue, and the official PIN will be sent to the JCM Secretariat for the candidate Projects to be adopted. After the JCM Secretariat has confirmed that the information contained in the PIN covers all the necessary information, it will be sent to the Joint Committee with the partner country government, and the adopted Projects will be decided after confirming that there are no objections to the adoption. The time required for this process may vary depending on the partner country. Once the proposed Project is nominated as a prospective Project for selection, the applicant of the Project will be notified that the Project is on the PIN process stated above. Applicants may be requested at any time to provide further information in response to any inquiry from the partner countries. In order to speed up the contract of financing process, we ask that you proceed with the preparations for the application of the Contract for Financial Support of the Projects that have entered the PIN process. (Please note, however, that we cannot officially select the Project until we confirm that there are no objections from the partner country.)

(4) Announcement of Selected Projects

The GEC will issue a notice to participants of selected Projects, and information about these selected Projects (name of Partner Country and representative participant, title of Project, expected GHG emission reduction, etc.) will be publicly posted on the websites of the MOEJ and the GEC.

The GEC will also inform participants if their Projects are not selected. Please note that details of the evaluation or reasons for not selecting a Project cannot be disclosed.

5. Procedure after Announcement of Selection

(1) Application for Contract for Financial Support

Participants of selected Projects shall submit application documents for a Contract for Financial Support between the participants and the GEC. If these documents are not fully developed, revision or resubmission of the application will be required. (Please refer to the separate regulations for subsidy for the JCM Projects, etc.) (<https://gec.jp/jcm/jp/kobo/mp250407/>)

(2) Conclusion of Contract for Financial Support

The GEC will examine the contents of the submitted documents and, if the documents are appropriately completed, conclude a Contract for Financial Support with the participants.

If a Contract for Financial Support cannot be concluded due to reasons not attributable to the GEC within 60 days after the date of notice of a selected Project or within the Japanese fiscal year, the GEC may cancel the selection of the Project.

Please note that the GEC normally takes 30 days for the examination. Hence, participants are recommended to complete their documents within 30 days after being notified of selection of Projects.

(3) Points To Be Considered for Starting Model Projects

A Project may be started only after the Contract for Financial Support is concluded. Participants should note the following:

- (a) Regarding the necessary contracts to implement the Project between participants and other entities, the date of concluding contracts must be later than the date of concluding the Contract for Financial Support.
- (b) Regarding the abovementioned contracts, participants should select other entities based on the principle of competition wherever possible.
- (c) For the abovementioned contracts, payments to other entities should be completed by the end of each fiscal year.

(4) Changes in Project and Implementation Plans

1. If representative participants need to change implementation plans and thus subsidy for some reason, they must submit documents to apply for a change in subsidy and obtain approval from the GEC in advance.
2. Even if there is no change in subsidy, representative participants shall submit documents to apply for the changes described below and obtain approval from the GEC:
 - 1) Modifying the proportion of cost allocated in each category except for changes within 15% of the lowest cost among categories to be modified.
 - 2) Changing the implementation plan except the following minor changes:
 - a) No change in the purpose of the project, and a change to increase efficiency based on

creativity by participants

b) Minor change in the implementation plan not related to the purpose and efficiency of the Project

c) No change in the amount of GHG emission reductions and estimation of JCM credits

(5) Expenses

For the expenses covered by the Project, participants shall prepare and maintain account books. The books shall separate other expenses that are not covered by the Project, and shall record the amount of income, expense, and its usage, attached with relevant evidence of such income and expense.

If more than one technology is to be installed, or one technology is to be installed at multiple sites, please prepare a breakdown of the expenses for each technology/site.

Account books and evidence shall be stored for 5 years after the Project is completed.

(6) Reports To Be Submitted and Their Review

(a) Reports at the end of each fiscal year

Representative Participants shall submit reports at the end of each fiscal year (by 10 April) to the GEC.

(b) Report on completion of Project

Representative Participants shall submit a report on completion of the Project within 30 days after completion, or by 10 March of each year, whichever comes first. However, if it is not possible to submit the report within the deadline for unavoidable reasons, the GEC may approve an extension based on an application from the representative business operator. All payments by participants to other entities in line with respective contracts shall be completed by the time of submitting the report on completion of the Project.

When participants submit a report on completion, they shall have completed payment for the construction work and accomplished activities and shall attach its invoice and receipt.

When a report on completion is submitted by participants, the GEC conducts a document review and, if necessary, an inspection, etc., to confirm whether the results of the Project conform to the content of the Contract for Financial Support. When the GEC considers that the content is appropriate, the GEC determines the amount of subsidy to be delivered and informs the participant of the amount.

(7) Disbursement of Subsidy

The GEC will pay subsidy to Representative participants in response to the request submitted by the Representative participants by 30 April of the following Japanese fiscal year after on-site visits to review the requests. Also, when participants request intermediate payment, the same process will be conducted for the completed portion of the Project.

The final payment shall be made to Representative participants by subtracting the total amount of intermediate payments from the total amount of subsidy. However, if the total amount of intermediate payments exceeds the total amount of subsidy, the excess amount shall be returned.

(8) Management of Acquired Property

Participants shall prepare a ledger for the acquired asset or its gained value through the Project (hereafter “asset”), in order to properly manage such asset and report the status of asset to the MOEJ on an annual basis until the end of the legal durable life. Participants shall achieve GHG emission reductions by utilising the facilities/equipment after the Project is completed. If such achievement is impossible, participants shall explain the reason in the report. When participants plan to use, sell, exchange, lend, collateralize, dismantle or dispose of property (only equipment or facility with a unit value of 500,000 yen or more) for a purpose that is not relevant* to the Project, participants shall seek approval from the GEC prior to such action. If you do not follow the instructions of the GEC during the MRV implementation period, it may be deemed to be an act that is contrary to the purpose of the subsidy, and it may be judged to be a case of asset disposal (use of equipment introduced with subsidy for purposes other than those for which it was intended). When participants plan to collateralize the property, participants shall seek approval from the GEC prior to such action. Please note that such action may result in the return of subsidy. For the information necessary to verify the operational status, management status, and carbon dioxide reduction effects of acquired asset, etc., as well as the results of other subsidized projects, Participants shall provide necessary information to the MOEJ, if they are requested. In addition, even if the property is dismantled or disposed of upon approval by the GEC, participants shall request credit issuance for the emission reductions achieved before the action is taken, according to 2(1)(c) of these guidelines.

When participants plan to use, sell, exchange or lend property among members of the international consortium in line with the purpose of the Project, participants shall report to the GEC prior to taking such action for the property.

All of the equipment and facilities installed through the Project must bear a sticker showing that they are part of the JCM Project financially supported by MOEJ .

* The purpose and content of the Project described in the Project implementation plan of the application documents and the implementation report of the final report

(9) Changes in Representative Participants of International Consortium

In case the name or address of a representative participant is changed, or when a participant merges with other entities within the legal depreciation period from the completion of the Project, the representative participant shall report the change to the GEC without delay.

(10) Cancellation of Contract for Financial Support

If the Project is to be cancelled or discontinued including the case where a Project is not completed within the time frame of the JCM Project, approval from the GEC must be sought.

In addition, if the GEC provides guidance to the representative participant in accordance with laws and regulations, etc., and no improvement is seen, the GEC may notify the representative participant to proceed with the withdrawal procedure of the Project.

Including such cases, when participants fall under any of the following, the GEC can cancel the Contract for Financial Support fully or partially. Representative participants shall return the received subsidy in accordance with the Financing Regulations. However, in case of (d), this condition does not apply to the portion of the Project that has already been implemented.

- (a) Violating relevant laws, the Financing Regulations, or instruction of the GEC
- (b) Using the subsidy for a purpose not relevant to the Project
- (c) Acting inappropriately
- (d) When it is no longer necessary to continue all or part of the Project due to a natural disaster or other changes in circumstances that occurred after the conclusion of the Contract for Financial Support, or when the Project cannot be implemented due to other reasons (except for reasons attributable to the representative participant or partner participant)

(11) Penalty for Unjust Acts

In the event that a false application, receipt of other subsidy from the Government of Japan, or any violation of other laws is identified, the Contract for Financial Support may be cancelled and/or return of subsidy may be ordered.

6. Submission of Proposals

(1) How to Submit Proposals

Proposals must be submitted electronically. Proposals submitted by postal mail will be rejected in principle. Proposals must be pre-registered in advance, which must be completed at least two weeks before the proposal deadline. Proposals must be written in Japanese.

To submit proposals electronically, an Electronic Application Account is required. Please apply using the Account Application Form. The application process is as follows.

- (a) Pre-registration of proposals on the GEC website is required.
- (b) Please apply for an Electronic Application Account using the Account Application Form on the GEC website.
- (c) Account information and login instructions will be sent to applicants once the Account is issued.
- (d) Please login to the Electronic Application System using the account information, enter

necessary information on the Electronic Application page, and submit the proposal electronically. Documents shall be stored in the cloud storage exclusively for applications.

- (e) Once proposals have been submitted by clicking the Apply button, applicants will no longer be able to edit them.
- (f) The GEC will notify applicants after proposals have been submitted successfully.

(2) Period for Submission of Proposals

From Monday, 7 April 2025 to Tuesday, 30 September 2025 (12:00 JST)

- * Applications may be made all year round. The screening process will be carried out in three stages. For each stage, the required conditions for selection are notified to each applicant, and if the conditions are not fulfilled by the next closing date, the applications will not be selected. The applicants are notified with the required conditions to be fulfilled for selection, and if the conditions are met by the next closing date, the applicants will be able to re-apply the same proposals in the same fiscal year. Acceptance of applications may be closed before the deadline, depending on the availability of remaining budget.
- * The deadline for submission for the first selection of Projects is Friday, 16 May 2025 (12:00 JST).
- * The deadline for submission for the second selection of Projects is Friday, 25 July 2025 (12:00 JST).
- * The deadline for submission for the third selection of Projects is Tuesday, 30 September 2025 (12:00 JST).

Please note that the budget for the first year will be allocated to Projects that are selected in the first round of screening, so please submit your application by the deadline for the first round of screening if you wish to apply for funding for the first year.

(3) Documents To Be Submitted

The following documents must be included in a proposal. If a form is specified, please download the form from our website of this call for proposals (available only in Japanese). (c) and (e) can be created by entering necessary information on the Electronic Application page. Other documents should be submitted as attachments.

- (a) Form No. 1 Application Form
- (b) Form No. 2 Declaration by Representative Participant
- (c) Form No. 3-0a Project Implementation Plan [Input data on the Electronic Application page]
 - * Please be sure to attach the various documents that explain and supplement the contents of the implementation plan, referring to Checklist [Form No.7]. When preparing Document No. 3-12 “Basis for Calculating GHG Emission Reductions”, please refer to

Attachment 4 “List of JCM Equipment Subsidy Project Electricity CO2 Emission Factors (tCO2/MWh) for FY2025”.

(d) Form No. 3-16-2 Summary of the proposed JCM Project

- * After the interview, except for those that are screened out at that point, the Summary of the proposed JCM Project will be sent to the partner country to deepen their understanding of the application. Please note that this [Form 3-16-2] will be shared with the government officials of the partner country during the selection process while taking into account the need to maintain confidentiality.

(e) Form No. 3-16-1 PIN (Project Idea Note for the JCM Project) (official version)

- * After the proposal review, the “PIN (Project Idea Note for the JCM Project)” of prospective projects will be sent to the JCM Secretariat. After the JCM Secretariat verifies that the PIN contains all the required information, the JCM Secretariat sends the PIN to the respective Joint Committees of the partner countries. The Joint Committees confirm that there is ‘no objection’ regarding the selection of Projects before the MOEJ makes a selection decision. This period may vary from country to country. Applicants may be requested at any time to provide further information in response to any inquiry from the partner countries.

(f) Form No. 4 Expenses breakdown (including supporting documents, such as quotations of the budget) [Input data on the Electronic Application page]

(g) Company information (such as company brochure) and articles of incorporation of both the representative participant and co-participant(s)

- * If the company is not established yet at the time of applying, participants need to submit a draft of the articles of incorporation of the company which was already approved or will be approved in the future. In case such a draft is not prepared yet, participants must submit documents showing a description of the business.

(h) Financial statements of both the representative participant and co-participant(s) (audited statements for the latest 3 consecutive years)

(i) International Consortium Agreement

Draft document of the International Consortium Agreement and status towards signing the agreement. The signed agreement must be submitted at the time of applying for the Contract for Financial Support.

(j) Form No. 5 Agreement on the Allocation of JCM Credits

- * Signed agreement must be submitted.

(k) MRV Implementation Pledge Form [Form 6].

Please submit a pledge form stating that you will fulfil the responsibilities of the representative participant during the MRV period.

(l) Form No. 7 Checklist for Submission of Proposal

- (m) Other supporting documents

* Attached documents should be saved in numerical order with a file name according to the number of Checklist [Form7].

In addition, during the evaluation process, applicants may be contacted by phone or e-mail if necessary and may be required to submit additional documents.

(4) Remarks

Please note the following when submitting an application:

- (a) Please submit the application electronically. The deadline is noon (12:00 JST) of each closing date of submission.
- (b) The call for proposals will end when the amount of subsidy for the selected Projects reaches the budget limit, so please submit the application promptly regardless of the deadline.
- (c) Before submitting the application in complete form, please have it checked by different persons, according to the checklist [Form 7].
- (d) For documents written in a language other than English, the examination may be hindered if a Japanese translation is not attached. Please attach Japanese translations to documents. For English documents, we may request Japanese translation after receiving the application.
- (e) Since the application guidelines this time have been changed from those of previous applications, even applicants who have applied in the past must read these guidelines and related documents carefully.
- (f) In principle, participants cannot change the application once submitted.
- (g) The submitted proposal information is used only for the selection of Projects.

(5) Pre-registration Form

<https://gec.jp/jcm/jp/pre-registration/> (Japanese only)

(6) Account Application Form

The Account Application Form is on our website:

<https://gec.jp/jcm/jp/apply/> (Japanese only)

(7) Information Session

The information session on submission of proposals will be held online on Tuesday, 8 April 2025 at 14:00 (JST) (Japanese only).

(8) Questions and Answers

➤ Reception method

Questions can be sent via e-mail to: jcm-info@gec.jp. The subject of the e-mail should be “Question: Call for Proposals for JCM Projects financially supported by MOEJ in 2025.

➤ Reception period

Until 17:00 on Tuesday, 16 April 2025

➤ Answers

Answers will be posted on the GEC’s website approximately 1 week after the reception period ends.

7. Handling of Information

Documents including accounting documents and supporting documents (e.g. invoices, contracts, proof of payments), etc. and electronic data of these documents submitted to the GEC in accordance with these Guidelines and Financing Regulations are treated with the due care of a prudent manager and used only for: evaluation of proposals; conclusion of Contract for Financial Support; and determination of amount of subsidy.

8. Notes

(1) Presentations of Projects

The MOEJ will distribute information on the overviews and results of the Projects to the world. Therefore, the GEC will ask participants to share photographs of facilities/equipment installed by the Projects which can be made public. Additionally, participants are encouraged to present their Projects publicly by themselves and should explain that the Projects are implemented as JCM Projects financially supported by MOEJ.

(2) Other

In addition to these Guidelines, participants of the Project shall comply with the Act on the Regulation of Execution of Budgets Pertaining to Subsidies, etc. (Act No. 179 of 1955), the Order for Enforcement of said Act (Order No. 255 of 1955), and Financing Regulations.

Please also refer to the JCM Project financially supported by MOEJ – Gender Guidelines.

http://gec.jp/jcm/jp/kobo/r02/mp/jcmsbsdR2_gender_en.pdf

Annex 1 Evaluation Criteria for Selecting JCM Projects financially supported by MOEJ in 2025 (*Tentative translation*)

April 2025
Global Environment Centre

1. INTRODUCTION

Based on No. 3 (6) of “Implementation Guidelines of the Financially Supported Project for the Joint Crediting Mechanism” (hereafter “Implementation Guidelines”), in order to select JCM Projects financially supported by MOEJ (hereafter “Projects”) in a fair and transparent way, the Global Environment Centre (GEC) organised an external committee and established evaluation criteria, which were approved by the committee.

Based on this set of criteria, the GEC will consult with the Ministry of the Environment, Japan and select the Projects with consideration of the technological distribution, etc., after confirming that there is ‘no objection’ raised by the Joint Committee of respective partner countries regarding the selection of Projects. From now on, the term “subsidy” refers to “indirect subsidies” in the implementation guidelines.

2. PURPOSE OF PROJECTS

The purpose of the Projects is to financially support part of the cost of implementing Projects (including collaboration with projects supported by the Japan International Cooperation Agency (JICA) or other institutions including government-affiliated financial institutions) which reduce GHG emissions in the partner countries by utilising advanced technologies of the private sector including leading decarbonising technologies, and in return to acquire JCM credits for the achievement of Japan’s GHG emission reduction target (Nationally Determined Contribution: NDC). Moreover, along with the Decarbonisation Infrastructure Initiative (MOEJ in June 2021), the Plan for Global Warming Countermeasures (Cabinet decision, February 2025), MOE Japan’s Policy for Implementing Article 6 of the Paris Agreement after COP26 (MOEJ in November 2021), Grand Design and Action Plan for a New Form of Capitalism and Follow-up (Cabinet decision, June 2022), etc., the Projects aim to contribute to global GHG emission reductions, through the diffusion of leading decarbonising technologies while considering the needs of the partner countries.

Priority will be given to proposals for Projects in the partner countries listed below.

29 Partner Countries as of 7 April 2025

Mongolia, Bangladesh, Ethiopia, Kenya, Maldives, Vietnam, Laos, Indonesia, Costa Rica, Palau, Cambodia, Mexico, Saudi Arabia, Chile, Myanmar, Thailand^{*2}, Philippines, Senegal, Tunisia, Azerbaijan^{*1}, Moldova, Georgia, Sri Lanka^{*2}, Uzbekistan, Papua New Guinea, United Arab Emirates^{*1}, Kyrgyz Republic^{*1}, Kazakhstan, Ukraine^{*1}

*1: For those countries listed above, the process related to selection with the Joint Committee of the partner country will start soon after establishment of the Joint Committee and adoption of JCM rules and guidelines, such as rules of procedures for the Joint Committee rules of implementation, etc. For information on the Joint Committees of the new partner countries, please refer to the relevant page on the JCM website.

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

*2: For countries that have a positive list related to Article 6 of the Paris Agreement, such as Thailand and Sri Lanka, priority will be given to technologies listed on the positive list. However, this does not mean that technologies not listed on the positive list will be excluded, but in such cases, please be prepared to provide a sufficiently convincing explanation of the necessity of implementing the relevant Project in the partner country, even if it is not listed on the positive list.

*3: Selection of project proposals may be delayed depending on the time required for screening in the partner country. For this reason, it is strongly recommended that the representative or partner participant provide an explanation of the Project outline, etc. to the relevant government officials of the partner country in advance.

Based on the objective of increasing the number of partner countries to around 30 in accordance with the Grand Design and Action Plan for a New Form of Capitalism and Follow-up (Cabinet decision, June 2022), proposals for Projects in non-partner countries will also be accepted on the basis that their selection will be considered in parallel with the bilateral negotiations for new partnership.

Additionally, projects that demonstrate the certainty of business development in the Programme to Demonstrate Decarbonising Technology for Realising Co-Innovation, its predecessor Programme, as well as the Demonstration Programme for Application of New

Decarbonising Technology may receive preferential treatment.

3. OVERVIEW OF CRITERIA

When selecting subsidy recipients, we will conduct a document screening of the submitted proposals based on the items in “(1) Eligibility Review” and “(2) Assessment Review” of the screening criteria, and conduct an interview. If the proposal does not meet the required standard of the document screening, it will be screened out without an interview.

(1) Eligibility Review

A proposal will be reviewed as to whether it meets the following eligibility criteria. If any of these eligibility criteria are not met, the application will be screened out.

- 1) Does the representative applicant meet the criteria for an eligible participant?
The representative applicant shall meet 2. (4) in the “Guidelines for Submitting Proposals”.
- 2) Is the Project expected to reduce/remove emissions of GHG including energy-related CO₂ and contribute to achieving Japan’s NDC through the JCM?
 - The Project should be consistent with the climate change policies of the partner countries where Projects are implemented.
 - The technology applied in the Project shall reduce emissions of GHG including energy-related CO₂ (amount of emission reductions/removal can be quantitatively calculated, the emission reductions is not the result of decreased activities such as lower production, and the emission reductions/removal from the Project can be clearly separated from the reductions/removal by other factors that may influence the emissions).
 - No objections have been expressed by the partner and other related stakeholders in terms of GHG emission reductions/removal from the implementation of the Project being credited and allocated in accordance with the JCM regulations.
- 3) Does the subsidy promote investment in Projects* with leading decarbonising technologies by private companies and others?
* In principle, it should not be a business related to thermal power generation using fossil fuels, except for equipment that effectively utilises the heat generated during power generation and equipment that contributes to decarbonisation such as carbon capture and storage (CCS).
- 4) Can the applicant objectively show the superiority of the decarbonising technologies

implemented through the Project? This means:

- Evidence of their superiority, such as data or literature, should be available, or if there is data that demonstrates their high performance in energy saving standards, etc.
- If the technology to be adopted is a technology mentioned in the Attachment of Annex 1 “Conditions for Adoption by Technology” in these guidelines, the technology shall meet the specified conditions.

5) Are the decarbonising technologies internationally in practical use and able to be introduced in the partner and other countries? This means:

- The technologies should be realised in other project(s) (a track record of commercial operation or demonstration project, etc. will be reviewed), or the facilities/equipment using the technology should be commercially manufactured (catalogues, specifications, etc. will be reviewed).
- Are equipment maintenance technologies and local support available in the partner and other countries?

6) Is there marketability and high potential that the decarbonising technologies to be introduced will be diffused in the partner country or other countries where they are not currently sufficiently widespread? Also, is there a concrete strategy for the self-sustaining diffusion of the technology in the country, which will lead to its diffusion on a commercial basis in the future?

When the number of similar technological Projects in a partner country reaches 10 as listed below, no more Projects using similar technology will be selected:

Hydropower: Indonesia

For stand-alone solar power generation Projects (silicon-based Projects without storage batteries), the number of Projects selected in each country will be limited to three. In the following countries, where there are more than three Projects, the relevant technology will not be selected.

Solar Power (except for 2. Solar Power with Storage Battery described in the Attachment of Annex 1 “Conditions for Adoption by Technology”): Mongolia, Kenya, Vietnam, Laos, Indonesia, Palau, Cambodia, Chile, Thailand, Philippines and Sri Lanka

7) Are GHG emission reduction calculation methodologies and monitoring methods appropriate?

- In case the Project is going to introduce a technology that is similar to what was implemented in the past, does the Project meet the eligibility criteria of approved JCM

methodologies for similar technology of the partner and other countries in which the Project will be implemented? If there is no methodology approved by the JCM, are the reference emission amount and Project emission amount calculated conservatively?

- The monitoring method and implementation organisation required to calculate GHG emission reductions are appropriate.

8) Are the expenses for the Project appropriately estimated?

- The expenses should be estimated using the same or similar Project implemented in the past, or the expenses should be based on the actual design and specification.
- The evidence for estimating personnel expense and travel cost is clear and appropriate.

9) Is the Project consistent with the Decarbonisation Infrastructure Initiatives (MOEJ in June 2021), the Plan for Global Warming Countermeasures (Cabinet decision in February 2025) and Implementation of Article 6 following COP26 (MOEJ in November 2021), etc.?

10) Does the Project adhere to environmental and social legal system requirements?

The installation and operation of the facilities/equipment shall comply with the environmental laws and regulations of the partner country and refer to international practices and guidelines regarding environmental protection (air pollution, water contamination, waste treatment, noise/vibration, ecosystem, etc.).

11) Does it contribute to realisation of the Sustainable Development Goals (SDGs)?

It contributes to sustainable development and the realisation of the SDGs* and it complies with the gender guidelines.

http://gec.jp/jcm/jp/kobo/r02/mp/jcmsbsdR2_gender_en.pdf

* International goals from 2016 to 2030 described in the “2030 Agenda for Sustainable Development” adopted at the United Nations Summit in September 2015

12) Is the representative participant taking the best possible measures to respect human rights (introduction of human rights due diligence process, dialogue with stakeholders, etc.) under its own responsibility in accordance with the Action Plan on Business and Human Rights (2020-2025) (the Inter-Ministerial Committee for Japan’s National Action Plan on Business and Human Rights, October 2020) (see URL below)? (whether the participating company is providing specific details of its actions)

<https://www.mofa.go.jp/files/100173319.pdf>

In addition, in accordance with the Guidelines on Respecting Human Rights in Responsible Supply Chains (The Inter-Ministerial Committee on Policy Promotion for the Implementation of Japan's National Action Plan on Business and Human Rights, September 2022) (see URL below), are the representative participant taking the best possible human rights measures in their supply chains (introduction of human rights due diligence processes, dialogue with stakeholders, etc.) under their own responsibility? (whether the participating company is providing specific details of its actions)

https://www.meti.go.jp/english/press/2022/pdf/0913_001a.pdf

- 13) If the Project is implemented in collaboration with another project for which JICA or other institutions including government-affiliated financial institutions provide equity or a loan, can the applicant draw a clear line between the part covered by this subsidy (to the extent applicable) and the part covered by ODA under projects of JICA or government-affiliated financial institutions?
- 14) The facilities/equipment introduced by the Project shall not receive any other subsidy from the Government of Japan.
- 15) If the Project is a tendered project by the partner country government or a state-owned enterprise, or if the Feed-in Tariff (FIT) system is applied, has an agreement on the transfer of credits from the partner country government to the Japanese government been obtained?
- 16) For countries with a positive list regarding Article 6 of the Paris Agreement, whether the technology is listed on the positive list, and if it is not listed, whether the necessity of implementing it as a JCM Project can be explained.

(2) Assessment Review (100 points)

After passing the eligibility review, the proposal will be reviewed and scored using the following assessment criteria.

A) Robustness of the Project implementation (20 points)

- 1) Management and operational capacities of a representative participant and co-participant(s) to implement the Project (10 points)
- 2) Status of the Project implementation structure (including the decision on roles of each entity in the international consortium) (10 points)

B) Business Certainty (30 points)

- 1) Appropriateness of the Project plan (including the schedule, decisions for the Project location, concession and licence for the Project implementation, and status of concluding a Power Purchase Agreement in case of a power generation Project). When Projects require participants to participate in bidding to obtain the right of Project implementation, effects of the subsidy for the Project and the schedule for bidding must be submitted. (10 points)
- 2) Profitability of the Project, including economic performance, forecast of cash flow and payback period (For a tentative indicator, the payback period is preferred to be 3 years or longer with subsidy.) (10 points)
- 3) Appropriateness of financial plan (The amount of investment by each entity is clearly stated, including the certainty of financial arrangement.) (10 points)

- C) Total emission reductions of GHGs (including energy-related CO₂) and its certainty (20 points)

Total emission reductions [tCO₂eq]

= GHG emission reductions per year [tCO₂eq/y] × MRV period [y]*

The total amount of GHG emission reductions and its certainty are assessed comprehensively, also taking into account the following:

- (i) Operation and maintenance management system of the introduced facility and monitoring implementation system
- (ii) Risks during the MRV implementation period (after the facility starts operation) and how they are addressed

*The MRV period shall be the shorter of the crediting period (fixed at 10 years) or the legal durable years, and the legal durable years shall be as stipulated in the Ministerial Ordinance on the Useful Lives of Depreciable Assets (Ordinance of the Ministry of Finance No. 15 of 1965). However, in the case of JCM Eco Lease Projects, the MRV period shall be the lease period.

- D) Cost-effectiveness of emission reductions of GHGs in terms of subsidy (the amount of subsidy required to reduce GHG emissions by 1 ton) and its certainty (20 points)

Cost-effectiveness for GHG emission reductions [JPY/tCO₂eq]

= Amount of subsidy [JPY] / Total emission reductions of GHGs [tCO₂eq]

The cost-effectiveness and certainty of the results will be evaluated comprehensively, taking into account the following items in the same way as (C).

- (1) Management system for operating and maintaining the installed equipment and monitoring system

- (2) Risks during the MRV implementation period (after the equipment starts operating) and how to deal with them

The cost-effectiveness of GHG emission reductions should be 4,000 JPY/tCO₂eq or lower. However, when the number of similar technological Projects in a partner country is between 5 to 9 in Annex 2 “Categorisation by Applied Technology Type, Number of JCM Projects financially supported by MOEJ by Each Country”, its cost-effectiveness is expected to be 3,000 JPY/tCO₂eq or lower as listed below.

Chillers (for air-conditioning): Vietnam, Indonesia, Thailand

Notwithstanding the above, in principle, the cost effectiveness for a solar power Project is 2,500 JPY/tCO₂eq or lower, and 1,000 JPY/tCO₂eq or lower for a hydropower Project.

- E) Efforts towards the achievement of carbon neutrality in 2050 and the 2030 GHG emission reduction target by representative participants (10 points)

- 1) Setting GHG emission reduction targets towards carbon neutrality in 2050

- Describe the GHG emission reduction targets set by representative participants, such as achieving carbon neutrality by 2050 or earlier (Scope 1 + 2). (3 points)

If the representative company has set interim targets (e.g., 46% or more reduction in FY2030 compared to FY2013), and Scope 3 reduction targets, etc., they should also be listed. (3 points)

*In principle, targets should be publicly declared, and the URL of the web page where such targets are announced should be included, or relevant documents should be attached.

- 2) Participation in Decokatsu Support Team (2 points)

- 3) Registration for Decokatsu (National Movement for New and Prosperous Lifestyles towards Decarbonisation) (2 points)

Reference:

Decokatsu web page (Ministry of the Environment, Japan)

<https://ondankataisaku.env.go.jp/decokatsu/en/>

- F) Additional points

- Projects that completed the Programme to Demonstrate Decarbonising Technology for Realising Co-Innovation and its predecessor Programme as well as the Demonstration Programme for Application of New Decarbonising Technology (5 points)
- Projects that introduce the following leading decarbonising technologies that are among the focus areas for JCM according to the Infrastructure Initiative for Decarbonisation (MOEJ in June 2021) (*Excluding countries that have already introduced or are introducing these

technologies as JCM Projects): (5 points)

- 1) Renewable energies (solar power, wind power, hydropower, geothermal energy, biomass energy, green hydrogen, etc.)
- 2) Green logistics including cold chain (non-fluorocarbon cooling system, modal shift, airports, ports and harbours, etc.)
- 3) Waste management infrastructure (waste to energy, etc.)

* * *

Annex 2 Categorisation by Applied Technology Type, Number of JCM Projects financially supported by MOEJ by Each Country

(As of 7 April 2025)

If one JCM model project applies several technologies, the numbers are counted for each technology.

Percentage of Financial Support (other than Silicon Solar Power Plant) :

Up to 50%
(0 project)Up to 40%
(1-3 project(s))Up to 30%
(4-7 projects)Up to 20%
(8-9 projects)Not applicable
(more than 10 projects)

Percentage of Financial Support (Silicon Solar Power Plant) :

Up to 50%
(0 project)Up to 40%
(1-2 project(s))Not applicable
(more than 3 projects)

Sector	Technology	JCM Methodology	Monrovia	Benin	Kenya	Maldives	Viet Nam	Laos PDR	Indonesia	Costa Rica	Palau	Cameroon	Mexico	Saudi Arabia	Chile	Myanmar	Thailand	Philippines	Tunisia	Si Lanka	
			MR	BD	KE	MV	VN	LA	ID	CR	PW	KH	MX	SA	CL	MM	TH	PH	TN	LK	
1. Energy Efficiency	Air Conditioning System	VN_AM006, ID_AM004					4		2												7
	Chiller	BD_AM001, VN_AM011, ID_AM002, CR_AM002, KH_AM003, TH_AM003, TH_AM005		2			5		5	1		1						5			19
	Refrigerator	ID_AM003, MM_AM002, TH_AM008, TH_AM011, TH_AM013							1							2	4				7
	Absorption Chiller Using Waste Heat	ID_AM022							2									2			4
	Swirling Induction Type Air-conditioning System	TH_AM006																1			1
	Fridge and Freezer Showcase	ID_AM008, TH_AM014							1									1			2
	Boiler	MM_AM002, ID_AM015, MM_AM003, TH_AM010, ID_AM029	2				2		4				1			2	3				14
	Heat Medium Boiler								1												1
	Double Bundle-type Heat Pump	VN_AM012, ID_AM030					3		1									1			3
	Water Heater Using Waste	CR_AM003							1												1
	Waste Heat Recovery System	TH_AM012														2	1				3
	Heat Exchanger																1				1
	Transformer	VN_AM005, LA_AM003					4	2													6
	LED Lighting	ID_AM005, ID_AM020, TH_AM016							2									1			3
	LED Lighting with Dimming System	ID_AM018, KH_AM001					2		1			1									4
	Pump	VN_AM013					1														1
	Air Compressor	TH_AM002					1											1			2
	Aeration System	ID_AM024							1												1
	Regenerative Burners	ID_AM009							1												1
	Gas Fired Baking Furnace	VN_AM010					1														1
	Induction Furnace																	1			1
	Gas Fired Melting Furnace								1									1			1
	Aluminum Ingot Production Furnace																				1
	Electric Heating Furnace								1												1
	Air Conditioning Control System	VN_AM015					1											1			2
	Frequency Inverter for Pump	KH_AM005					1					1									2
	Loom	ID_AM003, ID_AM011, TH_AM004		1					2									1			4
	Old Corrugated Cartons	ID_AM012							1												1
	Battery Case Forming Device	VN_AM009					1														1
	Electrolyzer in Chlorine Production	SA_AM001, TH_AM015											1				1				2
	Wire Stranding Machines	VN_AM014					1														1
	Autoclave	ID_AM028							2					1							2
	Multi-effect Distillation System																				1
	Injection Molding Machine	ID_AM025							1												1
2. Renewable Energy	Silicon Solar Power Plant	MM_AM005, BD_AM002, KE_AM002, MM_AM001, VN_AM007, LA_AM002, ID_AM013, CR_AM001, PW_AM001, KH_AM002, MX_AM001, CL_AM001, TH_AM001, PH_AM002	5	1	4	1	16	3	11	1	5	4	2	2	12	1	24	11	2	3	108
	Solar Power Plant with Battery	MM_AM002, ID_AM017, CL_AM002	1						1		1	1			2						6
	Small Hydropower Plant	KE_AM003, ID_AM019, ID_AM021, PH_AM001					1		10									3			14
	Wind Power Plant						1														1
	Geothermal Power (Binary)																	3			3
	Geothermal Power (Flash)																	1			1
	Biomass Power Plant	ID_AM027, MM_AM004, PH_AM003, CL_AM003					3		1						1	1					6
	Biogas Power Plant																	1			1
	Biogas boiler						2											1	2		3
	Biogas boiler																				2
3. Effective Use of Energy	Biomass Co-generation	ET_AM003																2			2
	Power Generation by Waste Heat Recovery	ID_AM001, MM_AM005, TH_AM007							1							1	2	1			5
	Gas Co-generation	ID_AM016, ID_AM023, TH_AM009							2									4			6
4. Waste Handling and Disposal	Battery														1						1
	Waste-to-Energy Plant	MM_AM001					1									1					2
5. Transportation	Power Generation by Methane Recovery											1									1
	Digital Tachograph System	VN_AM001					1														1
	CNG-Diesel Hybrid Bus	ID_AM026							1												1
Total	Reefer Container						1														1
	Number of technology : 53	No. of Methodology : 86	8	4	4	1	51	5	57	3	6	8	5	3	16	11	60	21	2	3	268

Attachment of Annex 1 “Conditions for Adoption by Technology”

1. Solar Power

The conversion rate from optical to electric energy of photovoltaic modules must be 22.5% or higher. Applications will not be accepted for the partner countries where the number of adoptions has reached three.

*This only applies to silicon solar cells and excludes particular technologies such as installation of building-material integrated photovoltaic modules, such as perovskite solar cells.

2. Solar Power with Storage Battery

All the following conditions must be met.

➤ Photovoltaic module

The efficiency of photovoltaic modules must be 22.5% or higher.

* This only applies to silicon solar cells and excludes particular technologies such as installation of building-material integrated photovoltaic modules. such as perovskite solar cells.

➤ Storage battery

(1) A battery charges only the power generated by photovoltaic modules to be introduced, and the amount of power supplied from the battery can be measured.

(2) Regarding the necessity of installing a battery, one of the following requirements must be met:

1) Installation at off-the-grid areas

2) In case of supplying the generated power to the grid, the installation of storage batteries is in line with the partner country's energy policy, or that the installation of storage batteries is included in the relevant authorities' required specifications and that it is reasonable. However, the storage battery capacity (MWh) shall be the capacity required to store at least 20% of the amount of electricity generated by the photovoltaic modules introduced at its rated generation capacity (MW) for one hour (MWh).

3) All of the following must be met in case of self-consumption in the factory or local power supply network:

(a) In principle, the battery should be charged and discharged every day.

(b) The storage battery capacity (MWh) shall be the capacity required to store at least 20% of the amount of electricity (MWh) generated by the photovoltaic modules introduced at its rated capacity (MW) for one hour, and shall be less than the capacity to store electricity on days when the difference between electricity generation and daytime demand is at its maximum.

3. Installation of only Storage Battery

- (1) The storage battery shall charge only the electricity generated by the renewable energy generation facilities, and the amount of electricity supplied by the storage battery shall be measurable.
- (2) The following requirements must be met regarding the need for storage batteries:
 - 1) There is a surplus supply of electricity from renewable energy sources and electricity is not being used effectively due to power generation restrictions, etc. at the site.
 - Justifiable and reasonable reasons for the existence of a surplus in power supply and power generation restrictions, etc. shall be provided. The situation is expected to continue for the duration of the legal depreciation period.