Implementation of the Joint Crediting Mechanism (JCM) in Asia

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UNFCCC Side Event
East Asia Low Carbon Growth Dialogue

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The Joint Crediting Mechanism (JCM)

- Implement jointly by both country
- Promote to diffuse leading low carbon technologies, products, etc.
- Evaluating GHG emission reductions by measurement, reporting and verification (MRV)

Japan

Leading low carbon technologies, etc. and implementation of mitigation actions

Used to achieve Japan’s emission reduction target

Host Country

JCM projects

MRV

GHG emission reductions

Operation and management by the Joint Committee consists of representatives from the both side

Credits
16 Countries signed the JCM for last 3 years

2013
1. Mongolia
2. Bangladesh
3. Ethiopia
4. Kenya
5. Maldives
6. Viet Nam
7. Lao PDR
8. Indonesia
9. Costa Rica

2014
10. Palau
11. Cambodia
12. Mexico

2015
13. Saudi Arabia
14. Chile
15. Myanmar
16. Thailand
JCM Operation to date

- Establishment & Operation of the Joint Committee (JC)
  - 13 countries have organized the JC and adopted rules and guidelines, approved methodology, registered projects

- Establishment & Operation of the website
  - JCM web page has launched and operated (https://www.jcm.go.jp/)
  - Some partner countries have established its own website (Indonesia, Vietnam, Bangladesh, etc.)

- Establishment & Operation of the registry
  - https://www.jcmregistry.go.jp/
  - Operation since last Nov.
Typical Sectors for JCM Projects

- Renewable Energy
- Energy Saving (Energy Efficiency)
- Waste Handling & Disposal
- Transport
## Example of Registered JCM projects

<table>
<thead>
<tr>
<th>Project Type</th>
<th>Project Title</th>
<th>ERs (t-CO2/y)</th>
<th>Registration Date</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Efficiency</td>
<td>Project of Introducing High Efficiency Refrigerator to a Frozen Food Processing Plant in Indonesia</td>
<td>120</td>
<td>29-Mar-15</td>
<td>Indonesia</td>
</tr>
<tr>
<td>Energy Efficiency</td>
<td>Project of Introducing High Efficiency Refrigerator to a Food Industry Cold Storage in Indonesia</td>
<td>21</td>
<td>29-Mar-15</td>
<td>Indonesia</td>
</tr>
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Left: High-efficiency Centrifugal Chiler, Middle and Right : High Efficiency Refrigerator
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<tr>
<td>Energy Efficiency</td>
<td>Centralization of heat supply system by installation of high-efficiency Heat Only Boilers in Bornuur soum Project</td>
<td>92</td>
<td>30-Jun-15</td>
<td>Mongolia</td>
</tr>
<tr>
<td>Energy Efficiency</td>
<td>Installation of high-efficiency Heat Only Boilers in 118th School of Ulaanbaatar City Project</td>
<td>206</td>
<td>30-Jun-15</td>
<td>Mongolia</td>
</tr>
<tr>
<td>Renewable energy</td>
<td>Small scale solar power plants for commercial facilities in island states</td>
<td>227</td>
<td>21-Apr-15</td>
<td>Palau</td>
</tr>
<tr>
<td>Transport</td>
<td>Eco-Driving by Utilizing Digital Tachograph System</td>
<td>296</td>
<td>4-Aug-15</td>
<td>Vietnam</td>
</tr>
</tbody>
</table>

Left: High-efficiency Heat Only Boilers, Middle: Solar Power Plants and Right: Digital Tachograph System
JCM Promotes Energy Efficiency Projects

Type of project covered by 19 approved methodologies

- Energy Efficiency, 14, 74%
- Transportation, 1, 5%
- Waste gas/heat utilization, 1, 5%
- Biogas, 1, 5%
- Other renewable energies (small-scale Solar PV), 2, 11%

Project Category:
- Energy efficiency: 14
  - Commercial and household: 6
  - Factory: 6
  - Supply side: 2
- Renewable energies: 2
  - PV: 2

Source: IGES JCM Project Database
Financed JCM Projects have increased

Number of Financed JCM Projects

<table>
<thead>
<tr>
<th></th>
<th>FY2013</th>
<th>FY2014</th>
<th>FY2015</th>
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<td>ADB Trust Fund</td>
<td>14</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>JCM REDD+ Model Project</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>JCM Demonstration Project</td>
<td>9</td>
<td>23</td>
<td>24</td>
</tr>
<tr>
<td>JCM Model Project</td>
<td></td>
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</tr>
</tbody>
</table>

By Country

- **Bangladesh**, 3
- **Cambodia**, 2
- **Vietnam**, 11
- **Thailand**, 5
- **Palau**, 3
- **Myanmar**, 1
- **Mongolia**, 3
- **Mexico**, 2
- **Maldives**, 2
- **Lao PDR**, 2
- **Kenya**, 1
- **Indonesia**, 25
- **Cambodia**, 2

Source: IGES JCM Project Database (Dec. 2015)
Many countries will utilize Market Mechanism for INDCs.

Source: IGES INDCs and Market Mechanism Database (Dec. 2015)
JCM Implementation now and Beyond

• Many member country of East Asia have agreed and started to implement the JCM such as Cambodia, Indonesia, Mongolia, Myanmar, Lao PDR, Thailand, and Vietnam.

• After the Paris, how to implement the INDCs will be come the next question where JCM can support the introduction of low carbon technology with the support for partly financing project and for capacity building.

• After the adoption and actual implementation of the JCM, we have seen that many countries have increased their capacity to develop both institutional arrangement and to attract more new emission reduction projects.