IGES Capacity Building Activities for the JCM

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IGES Capacity Building Activities

2003~ Dissemination and reform of the CDM
(Workshop on the CDM, technical consultation, Policy proposals to CDM EB and UNFCCC secretariat)

2011~ The Joint Crediting Mechanism and Domestic market readiness
(Workshop on the JCM, Support of the designing of ETS & domestic carbon market and Research etc.)

Database and Publication
- Several CDM Database collaborated with UNFCCC secretariat
- CDM in Charts
- Country Fact Sheet
- CDM Reform paper
- Policy report

Our CB activities have operated for 10 collaborating countries.
Capacity building activities for the JCM

- IGES supports Asian 10 countries to enhance the human resources **in the host countries** for JCM implementation
  - Dissemination of JCM concept through the workshop and seminar
  - Project identification under the JCM
  - Consultation on methodologies to calculate the GHG emission reductions
  - Training programme for validation and verification body
Development of MRV methodologies

The JCM methodologies should:

- Be simplified, objective and practical, while lowering uncertainty and ensuring environmental integrity. (MOEJ, 2012)
- The JCM methodologies are designed in such a way that project participants can use them easily and verifiers can verify the data easily. (MOEJ, 2013)

Development of MRV methodology 2012-2013

<table>
<thead>
<tr>
<th>Countries</th>
<th>Sectors</th>
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<tbody>
<tr>
<td>Cambodia</td>
<td>Biomass (Rice husk)</td>
</tr>
<tr>
<td>Lao PDR</td>
<td>Waste (Composting)</td>
</tr>
<tr>
<td>Mongolia</td>
<td>Fuel switch (Bio diesel)</td>
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<tr>
<td>Viet Nam</td>
<td>Energy efficiency</td>
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</tbody>
</table>

Utilize those experience for IGES capacity building programme and project identification
CDM experience
Submission of standardized baseline

- IGES supported the development of “standardized baseline (SB) of energy use in rice mill sector of Cambodia” in cooperation with Ministry of the Environment Cambodia.

- AMS-I.B. – More than seven parameters should be monitored

⇒ Two parameters

\[ ER_{CO2} = BE_{CO2} - PE_{CO2} \]

\[ BE_{CO2} = \text{Milled rice } y(t\text{-rice}) \times \text{Baseline emission factor}(t\text{CO}_2/t\text{-rice}) \]

\[ PE_{CO2} = \text{Diesel consumptions (Liter)} \times \text{Diesel density (GJ/Liter)} \times \text{CO2 emission factor for diesel (GJ/Liter)} \]
IGES support for calculation of grid emission factor

- Cambodia
  - Phnom Penh Electricity Grid
- Philippine
  - Luzon-Visayas Grid and Mindanao Grid
- Mongolia
  - Ulaanbaatar Grid
- Lao PDR
  - Lao National Grid

GEFs can be utilized for any mechanisms other than the CDM
Validation and verification training for the JCM

Case in Mongolia

Training programme for validation and verification body
– ISO14064-3

Potential third party entity in Mongolia

Training programme for accreditation body
– ISO14065

Mongolian Agency for Standardization and Meteorology (MASM)

ISO-14064-3: Greenhouse gases -- Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions
ISO-14065: Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition
Capacity building programme from general matters to technical support

Business (Private sector)

- Consultation on PDD/methodology
- Training of validation and verification practice

Raising awareness

- Dissemination of information on finance incentive
- Project identification

Technical support

- Establishment of default values
- Consultation on criteria for projects

Area 1

- Introduction of policy instrument
- Dissemination of status of international negotiations

Area 2

Area 3

Area 4
JCM financial support for the implementation

The Japanese participant(s) can apply for:

1. MOEJ (GEC):
   - **Subsidy scheme, \( \leq \) half of the initial installation cost of the equipment**
   - **Overall budget for FY 2013: 1.2 bil. JPY**

2. METIJ (NEDO):
   - **Purchase back scheme, (NEDO could pay the total cost for the equipment & MRV, \( \leq \) 1 bil. JPY per a project, and the participant should purchase the equipment at its residual value (discounted value)**
   - **Overall budget for FY 2013: 3.5 bil. JPY**

Efficient energy use technology is one of feasible target
Japanese technologies are main target of the JCM

Typical cases supposed in the subsidy program

Case 1

MOEJ (GEC) → J Applicant & Supplier → H Purchaser & User

Subsidy

Sale (half price as usual)

Case 2

MOEJ (GEC) → Project identification & consultation

J Applicant & Supplier → H Purchaser & User

Consultation

Sale (half price as usual)

J: Japanese participant(s)
H: Host country participant(s)
T: Third country participant(s)
But technologies from host countries/third party can apply the JCM

Maybe called “international consortium” by MOEJ

Case 3
- MOEJ (GEC) → Subsidy
- J Applicant & Purchaser → H User
- T Supplier → Payment

Similar to “Unilateral project”

Case 4
- MOEJ (GEC) → Subsidy
- J Applicant → H User & Purchaser
- T Supplier → Payment

Consultation & reallocation of subsidy

Case 5
- MOEJ (GEC) → Subsidy
- J Applicant & Purchaser → H User
- H Supplier → Payment

Case 6
- MOEJ (GEC) → Subsidy
- J Applicant → H User & Purchaser
- H Supplier → Payment

Consultation & reallocation of subsidy
Lessons learned from JCM capacity building activities

- Under the JCM, host countries would be able to enhance basic capacity of baseline and crediting scheme.
- Participants in the JCM can fully utilize their experience from the CDM.
- The potential JCM projects in FY 2013 was to promote efficient energy use in host countries.
- Finding appropriate Japanese counter part is key step to apply the JCM.