How to participate in the Joint Crediting Mechanism from private sector

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List of financial supports under the JCM

• Financing Programme for JCM Model Projects by MOE
  – Draft budget: 2.4 billion JPY (approx. USD24 million) per year by FY2017 (total 7.2 billion JPY))

• JCM Demonstration Projects by METI
  – Draft budget: 3 billion JPY (approximately $30 million) for FY 2015

• ADB Trust Fund (JFJCM)
  – Draft budget: 1.8 billion JPY (approx. USD18 million) for FY2015

• Financial support for expansion of low carbon technologies
  – Draft budget: 1.8 billion JPY (approx. USD18 million) per year by FY2018
Financing Programme for JCM by MOEJ (budget size)

• Every year, MOEJ plans to prepare the budget which is valid for 3 years

<table>
<thead>
<tr>
<th>Year</th>
<th>Budget Size</th>
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</thead>
<tbody>
<tr>
<td>2014</td>
<td>Approx 36 M USD</td>
</tr>
<tr>
<td>2015</td>
<td>Approx 72 M USD</td>
</tr>
<tr>
<td>2016</td>
<td>TBD</td>
</tr>
<tr>
<td>2017</td>
<td>TBD</td>
</tr>
<tr>
<td>2018</td>
<td>TBD</td>
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<tr>
<td>2019</td>
<td>TBD</td>
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</tbody>
</table>
The document discusses the JCM financing programme by MOEJ, which covers the half of the cost for installing equipment that reduces CO₂ emissions from fossil fuel combustion. The table outlines the various cost items and their detailed components:

<table>
<thead>
<tr>
<th>Item</th>
<th>Detailed item</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction cost</td>
<td>Cost of equipment and materials, Cost of labor, Direct expenses (including electricity cost and water charge for construction and machinery costs etc)</td>
</tr>
<tr>
<td>Ancillary work cost</td>
<td>—</td>
</tr>
<tr>
<td>Survey and measurement cost</td>
<td>Investigation cost, Design cost, Survey and measurement cost</td>
</tr>
<tr>
<td>Administrative cost</td>
<td>Salary of staffs, Cost of service operation, Cost of Travel Rental cost etc</td>
</tr>
<tr>
<td>Monitoring equipment</td>
<td></td>
</tr>
</tbody>
</table>

Technologies to reduce CO₂ emissions from energy-related sources.
Int. Consortium with Japanese company for financing programme

Ministry of the Environment (operated by GEC)

Financing an investment cost (up to half)

Conduct MRV and expected to deliver at least half of JCM credits issued

International consortium

Japanese company
To be in charge of application of financing programme

Local company in a host country
To install high energy saving or renewable energy equipment

Technology installation

Other companies, if any

Other companies, if any

GEC: Global Environment Center Foundation, secretariat of the financial scheme by MOEJ
JCM promotion scheme by MOEJ for project development: Feasibility Studies

JCM Project Planning Study
To make concrete project plans in order to develop a JCM Model Project in the next fiscal year, including financial plans, construction plans, operation plans, implementation schemes, and MRV structures.

JCM Feasibility Study
To develop potential projects/activities that can be part of the JCM
• Developing MRV methodologies applicable to the respective projects/activities;
• Assessing the possibility of each project/activity to be implemented under the JCM;
Timeline of MOEJ programme

- PPs have to start installation of equipment after decision of financial support
- MOEJ provides other supports for development of methodology, validation, verification and MRV for the 1st year monitoring.

*During this phase, PP conducts resource arrangement of project, design, procurement of materials, producing, transporting, installing and testing an equipment
Support Program Enabling “Leapfrog” Development (Finance/ADB) by MOE

**Financial support for expansion of low-carbon technologies**

**Draft Budget for FY 2015 (Budget for FY2014)**
1.8 billion JPY (approx. USD18 million) per year by FY2018 (total 7.2 billion JPY) (4.2 billion JPY)

**Scheme**
To finance the projects which have the better efficiency of reducing GHG emission in collaboration with other projects supported by JICA and other governmental-affiliated financial institute.

**Purpose**
To expand superior and advanced low-carbon technologies for building the low carbon society as the whole city wise and area wise in the wider fields, and to acquire credits by the JCM.

**ADB Trust Fund**

**Draft Budget for FY 2015 (Budget for FY2014)**
1.8 billion JPY (approx. USD18 million) (1.8 billion JPY

**Scheme**
To provide the financial incentives for the adoption of the advanced low-carbon technologies which are superior in GHG emission reduction but expensive in ADB-financed projects.

**Purpose**
To develop ADB projects as the “Leapfrog” developments by the advanced technologies and to show the effectiveness of the JCM scheme by the acquisition of credits of the JCM.

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**JICA, other**

Financial assistance/financial investments for overseas investment and lending

**MOEJ**
Finance

**MOEJ**
Contribution

**Financial support for expansion of low-carbon technologies**

**ADB Trust Fund**

**Supported Project by JICA, etc.**

**JCM Project**

**Superior Advanced Low Carbon Technologies**

**ADB Project**

**GHG Emission Reduction**

- Waste to Energy Plant
- Renewable Energies
- Water Supply and Sewage Systems
- Transportation