Developing a JCM Project

**STEP 01**
Develop business idea

- Secure finance other than JCM or
- Find another financial source for the rest of initial cost (JCM financing programs will not cover all cost, e.g. JCM Model Project covers less than half of the investment cost)

**STEP 02**
Find Indonesian partner and vice versa

- Through workshop & Secretariat
- IGES matchmaking platform

**STEP 03**
Develop consortium (Joint Venture, etc.)

- Apply JCM financing programme & develop methodology

**FINAL**
Japanese entity submits application (in Japanese)

Sample document of “Agreement on International Consortium (Example)”

Source: IGES, 2016
How to access JCM information

Access the information through JCM Website
https://www.jcm.go.jp/id-jp
http://jcm.ekon.go.id/id/
http://gec.jp/jcm/

Discuss with Japan JCM Secretariat and Apply the Study Idea
email: jcm-bocm@murc.jp

Business Entity in Japan

Business Entity in Indonesia

Access the information through JCM Website
https://www.jcm.go.jp/id-jp
http://jcm.ekon.go.id/id/
http://gec.jp/jcm/

Discuss with Indonesia JCM Secretariat and Apply the Study Idea
Email: secretariat@jcmindonesia.com

PREPARING PROJECT IDEA NOTES and SUPPORTING MATERIALS
Project Idea Note for the JCM Model Project

Title of the proposed project
JCM Model Project
Introduction of Gas Cogeneration System by absorption type refrigeration system and PV System in Large Shopping Mall in Indonesia

Host country
Republic of Indonesia

The main contact for the project (for identification of the person in charge for the project in terms of communication)
Name of the contact entity (company, etc.): AEON Mall co., Ltd.
Address of the contact entity: XXXX
Website of the contact entity: XXXX
Name and position of the main contact person in the entity: XXX
Email of the main contact person: XXX
Phone number of the main contact person: XXX

Japanese participant[s] for the project and their roles in the project (if possible, please indicate the contact person of each entity involved in the project)
Name of the entity (company, etc.): AEON Mall co., Ltd.
Roles of the entity in the project: Representative Company
Address of the entity: XXXX
Website of the entity: XXX
Name and position of the contact person in the entity: XXX
Email of the contact person: XXX
Phone number of the contact person: XXX

Participant[s] of host country for the project and their roles in the project (if possible, please indicate the contact person of each entity involved in the project)
Name of the entity (company, etc.): PT. AMSL DELTA MAS
Roles of the entity in the project: Co Participant
Address of the entity: Jl. XXXX
Website of the entity: XXX
Name and position of the contact person in the entity: XXX
Email of the contact person: XXX
Phone number of the contact person: XXX

Brief summary of the project
Example:
- Objective of the project
- Location of the project
- Scale of investment including planned source of investment
- Technology[ies] to be adopted for the project, and brief description of the technology[ies]
- Project implementation scheme, and role of each participant
- Current status and progress of the project

Outline of the JCM Model Project
PT. AMSL DELTA MAS will open “AEON MALL DELTA MAS” in late 2019. This mall will be the third core mall for Aeon Mall in Indonesia. The theme of this JCM Model Project is Introduction of Gas Cogeneration System by absorption type refrigeration system and PV System for CO2 reduction.

- Scale of investment including planned source of investment
  - Total investment: JPY XXX (IDR XXX)
  - Investment with subsidy: JPY XXX (IDR XXX)

- Location of the project
  Jl. XXXX

- Technology[ies] to be adopted for the project, and brief description of the technology[ies]
  Gas cogeneration system consists of Gas engine generator (3.8MW) and Absorption type refrigeration system (670RT). Absorption type refrigeration system use the waste heat from Gas engine generator in order to generate cool water for air conditioning in the mall.
  The capacity of PV system is 107.52kW and generates 138.118kWh/year.

- Project implementation scheme, and role of each participant

Rough estimation of expected GHG emission reductions (unit: tCO2/year)
- Gas Cogeneration System by absorption type refrigeration system: 6,883.34tCO2/year
- Solar Power Generation: 112.4 tCO2/year

Expected schedule up to the EPC completion and the registration under the JCM
- 2017 May: Submit proposal to JCM application
- 2017 Nov: Start engineering and manufacturing of facilities/machinery
Global Environment Center, a Japanese institution, was appointed to be an international matchmaker for JCM projects.

JCM overview: http://gec.jp/jcm/about/
Call for proposals: http://gec.jp/jcm/kobo/

Twitter (EN/JP): https://twitter.com/GEC_JCM_Info
JCM financing scheme

01 JCM Model Projects

02 ADB Trust Fund: Japan Fund for Joint Crediting Mechanism (JFJCM)

03 JCM DEMONSTRATION PROJECT
JCM financing scheme
JCM Model Projects by Ministry of Environment

The budget for projects starting from FY 2018 is 6.9 billion JPY (approx. USD 69 million) in total by FY2020.

Government of Japan

Finance part of an investment cost (less than half)

International consortiums (which include Japanese entities)

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

※Includes collaboration with projects supported by JICA and other governmental-affiliated financial institute.

Source: Ministry of Environment Japan, 2018
**ADB Trust Fund: Japan Fund for Joint Crediting Mechanism (JFJCM)**

**Budget for FY2018**

JPY 1 billion (approx. USD 10 million)  
(1 USD = 100 JPY)

**Scheme**

To provide the financial incentives for the adoption of advanced low-carbon technologies which are superior in GHG emission reduction but expensive in ADB (Asian Development Bank)-financed projects

**Purpose**

To develop ADB projects with sustainable and low-carbon transition perspective by introducing advanced low-carbon technologies as well as to acquire JCM credits

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1 Ordinary Capital Resources are from: (1) Paid-in capital provided by shareholders, (2) Funds borrowed from capital markets and private placements, (3) Accumulated retained income (reserves). OCR loans are provided to middle-income countries at a quasi-market rate.

2 Asian Development Fund offers concessional loan and grant to low-income countries.
JCM demonstration project (METIJ)

Funded by Ministry of Economy, Trade & Industry Japan and implemented by New Energy and Industry Technology Development

- Coverage of funding:
  Cost of the JCM Demonstration project necessary MRV e.g. cost of design, machinery, material, labor travel, etc.
- Within certain period, the equipment will be owned by METI, subsequently it will be transferred to the participant
- Establishment of Joint Venture is not mandatory
TERIMA KASIH
Thank you