

Date of meeting: 31 October - 1 November 2019

Place of meeting: Denpasar, Indonesia

**Joint Committee of the Joint Crediting Mechanism
between Indonesia and Japan
Ninth Meeting**

Meeting Report

Disclaimer: This document is the result of the 9th JC Meeting between Indonesia and Japan. Both parties may use it as a whole and/or partially for other purposes.

Agenda item 1. Opening

Mr. Rizal Edwin Manansang, Assistant Deputy Minister, Coordinating Ministry for Economic Affairs opened the ninth meeting of the Joint Committee (JC) of the Joint Crediting Mechanism (JCM) and gave opening remarks.

Mr. Yuji Mizuno, Senior Negotiator for Climate Change, Ministry of Foreign Affairs, gave opening remarks.

Table: Attendance

The names of members present at the meeting are in bold print.

JC Members from Indonesian side	
Mr. Rizal Edwin Manansang	Assistant Deputy Minister for Multilateral Economic Cooperation and Financing, Coordinating Ministry for Economic Affairs
Mr. Des Alwi (alternate)	Minister, Senior Official on SDGs at Directorate General of Multilateral Cooperation, Ministry of Foreign Affairs
Mr. Hariyanto	Director of Energy Conservation, Ministry of Energy and Mineral Resources
Mr. Dudi Rulliadi (alternate)	Head of International Cooperation and Climate Change Financing, Ministry of Finance
Mr. Ignatius Wahyu Marjaka	Director of Sectoral and Regional Resource Mobilization, Ministry of Environment and Forestry

Mr. Medrilzam	Director for the Environment, Ministry of National Development Planning/Bappenas
Mr. Dida Gardera	Assistant Deputy Minister for Environment Conservation, Coordinating Ministry for Economic Affairs
Mr. Syaiful Anwar	Head of Research and Development Center for Social, Economic, Policy, and Climate Change, Ministry of Environment and Forestry
Mr. Teddy Caster Sianturi	Head of Centre for Green Industry, Ministry of Industry
JC Members from Japanese side	
Mr. Tadayuki MIYASHITA	Minister for Economic Affairs and Development, Embassy of Japan in Indonesia
Mr. Shigemi ANDO	Counsellor, Embassy of Japan in Indonesia
Mr. Makoto NAKAMURA	Second Secretary for Forestry, Fishery and Nature Conservation, Embassy of Japan in Indonesia
Mr. Yuji MIZUNO (alternate)	Senior Negotiator for Climate Change, Climate Change Division, International Cooperation Bureau, Ministry of Foreign Affairs
Ms. Kaori TAKAGI (alternate)	Section Chief, Global Environment Partnership Office, Industrial Science and Technology Policy and Environment Bureau, Ministry of Economy, Trade and Industry
Mr. Maiko UGA (alternate)	Section Chief, Office of Market Mechanisms, Global Environment Bureau, Ministry of the Environment
Ms. Naoko TSUKADA	Director, International Forestry Cooperation Office, Forestry Agency

* The names of members present at the meeting are in bold print above. Mr. Tadayuki MIYASHITA, Mr. Shigemi ANDO, Mr. Makoto NAKAMURA, Ms. Naoko TSUKADA, Mr. Ignatius Wahyu Marjaka, Mr. Medrilzam, Mr. Dida Gardera, Mr. Syaiful Anwar and Mr. Teddy Caster Sianturi were absent.

Agenda item 2. Organizational matters

Agenda item 2.1. Adoption of the agenda

The JC consented to the proposal to modify the draft agenda and adopted the revised agenda of the meeting.

Agenda item 2.2. Attendance

The JC gave its consent to attendance of observers at this JC meeting.

Agenda item 3. Explanation on Japan's support for JCM in FY2019

The Japanese side explained its support and activities for the JCM in Indonesia during FY2019 including the financing programme, a seminar, and a training workshop for TPEs, which are implemented by the Ministry of the Environment, Japan.

The Japanese side also explained the JCM promotion scheme, JCM Demonstration Project, MRV Application Study, JCM Feasibility Study and progress made in the demonstration projects, which are implemented by the Ministry of Economy, Trade and Industry.

The JC discussed how to strengthen the cooperation under the JCM, especially the Japan Fund for the JCM (JFJCM), which is managed by the Asian Development Bank (ADB). In this regard, the Indonesian side requested dissemination of information on the JFJCM to further promote JCM projects in Indonesia including through seminars.

Agenda item 4. Progress reports of the JCM model projects

The Japanese side explained the progress made in the JCM model projects, which are implemented by the Ministry of the Environment, Japan.

The Indonesian side also explained current progress on the JCM implementation in Indonesia, including the city-to-city collaboration and business opportunities to introduce low carbon technologies with the JCM at the time of relocation of the Indonesian capital city from Jakarta to East Kalimantan.

Agenda item 5. JCM methodologies

Agenda item 5.1. Introduction of energy efficient and high color rendering LED downlight/spotlight

The JC considered the proposed methodology ID_PM030 "Introduction of energy efficient and high color rendering LED downlight/spotlight" including the outcome and responses to the review conducted by the secretariat. Based on consideration, the JC decided to approve it with

revisions that the methodology should be revised, if necessary, every 3 years as contained in Annex 1 to this meeting report.

Agenda item 5.2. Electricity generation by rehabilitation of run-of-river hydro power generation system(s) in Indonesia

The JC considered the proposed methodology ID_PM031 “Electricity generation by rehabilitation of run-of-river hydro power generation system(s) in Indonesia” including the outcome and responses to the review conducted by the secretariat. Based on consideration, the JC decided to approve it with revisions, as contained in Annex 2 to this meeting report.

Agenda item 5.3. Introduction of Absorption Chiller

The JC considered the proposed methodology ID_PM032 “Introduction of Absorption Chiller” including the outcome and responses to the review conducted by the secretariat. Based on consideration, the JC decided to approve it with revisions, as contained in Annex 3 to this meeting report.

Agenda item 6. Project registration

Agenda item 6.1. Introduction of High-efficiency Once-through Boiler in Film Factory

The JC considered the proposed project ID021 “Introduction of High-efficiency Once-through Boiler in Film Factory” and decided to register it.

Agenda item 7. Issuance of JCM credits

Agenda item 7.1. Energy Saving for Air-Conditioning at Shopping Mall with High Efficiency Centrifugal Chiller (ID009)

The JC considered the JCM credits issuance request form for the project ID009 “Energy Saving for Air-Conditioning and Process Cooling by Introducing High-efficiency Centrifugal Chiller” and accepted notifying each side of the amount of credits to be issued for the project subject to the resubmission of the request for issuance based on the allocation of credits consented to by the JC, in line with the Rules of Implementation. The JC noted that this proportion of the allocation is subject to change after operationalization of the Paris Agreement.

Agenda item 7.2. Reduction of Energy Consumption by Introducing an Energy-Efficient Waste Paper Processing System into a Packaging Paper Factory in Bekasi, West Java (ID011)

The Japanese side introduced the status of preparation for the issuance request of the project ID011 “Reduction of Energy Consumption by Introducing an Energy-Efficient Waste Paper

Processing System into a Packaging Paper Factory in Bekasi, West Java”. The JC noted the allocation of credits and consented that it will accept notifying each side of the amount of credits to be issued for the project, subject to the submission of the request for issuance, in line with the Rules of Implementation. The JC noted that this proportion of the allocation is subject to change after operationalization of the Paris Agreement.

Agenda item 7.3. GHG emission reductions through utility facility operation optimization system for refineries in the Republic of Indonesia (ID012)

The JC considered the JCM credits issuance request form and accepted notifying each side of the amount of credits to be issued for the project ID012 “GHG emission reductions through utility facility operation optimization system for refineries in the Republic of Indonesia”, subject to the completeness check by the secretariat and the evaluation by the JC on the SDIR, as well as the resubmission of the request for issuance based on the allocation of the credits consented to by the JC and its completeness check by the secretariat, recognizing that this proportion of the allocation of the credits is only applied for this request.

Agenda item 7.4. Power generation by waste heat recovery in the PT Semen Indonesia (Persero) Tbk factory in Tuban (ID013)

The Japanese side introduced the status of preparation for the issuance request of the project ID013 “Power generation by waste heat recovery in the PT Semen Indonesia (Persero) Tbk factory in Tuban”. The JC noted the status and concluded to continue considering this matter.

Agenda item 7.5. Energy saving by optimum operation at an oil refinery (ID014)

The JC considered the JCM credits issuance request form and accepted notifying each side of the amount of credits to be issued for the project ID014 “Energy saving by optimum operation at an oil refinery”, subject to the completeness check by the secretariat and the evaluation by the JC on the SDIR, as well as the resubmission of the request for issuance based on the allocation of the credits consented to by the JC and its completeness check by the secretariat, recognizing that this proportion of the allocation of the credits is only applied for this request.

Agenda item 7.6. Reducing GHG emission at textile factories by upgrading to air-saving loom (ID015)

The Japanese side introduced the status of preparation for the issuance request of the project ID015 “Reducing GHG emission at textile factories by upgrading to air-saving loom”. The JC noted the allocation of credits and consented that it will accept notifying each side of the amount of credits to be issued for the project, subject to the submission of the request for issuance, in

line with the Rules of Implementation. The JC noted that this proportion of the allocation is subject to change after operationalization of the Paris Agreement.

Agenda item 7.7. Installation of Tribrid System to mobile communication’s Base Transceiver Stations in Republic of Indonesia (ID016)

The JC considered the JCM credits issuance request form and accepted notifying each side of the amount of credits to be issued for the project ID016 “Installation of Tribrid System to mobile communication’s Base Transceiver Stations in Republic of Indonesia”, subject to the completeness check by the secretariat and the evaluation by the JC on the SDIR, as well as the resubmission of the request for issuance based on the allocation of the credits consented to by the JC and its completeness check by the secretariat, recognizing that this proportion of the allocation of the credits is only applied for this request.

JCM credits allocation:

ID	Account Holder	Verified Carbon Credits (tCO ₂)	Consent	
			(%)	(tCO ₂)
ID009	PT. Pakuwon Jati Tbk	252	5%	13
	NTT Facilities, Inc.		2%	5
	Government of Indonesia		43%	108
	Government of Japan		50%	126
ID011	PT Fajar Surya Wisesa Tbk.	16,177	6%	970
	Kanematsu Corporation		4%	647
	Government of Indonesia		40%	6,471
	Government of Japan		50%	8,089
ID012	PT Pertamina (Cilacap)	34,956	10.1%	3,531
	Government of Indonesia		20%	6,991
	Azbil Corp.		0%	0
	Government of Japan		69.9%	24,434
ID013	PT. Semen Indonesia (Persero) Tbk.	14,799		
	JFE Engineering Corporation			
	Government of Indonesia			
	Government of Japan			

ID014	PT. Pertamina (Balikpapan)	2,734	8.4%	230
	Government of Indonesia		20%	547
	Yokogawa Corporation		0%	0
	Government of Japan		71.6%	1,957
ID015	3 Partisipan Indonesia	1,244	0%	0
	Toray Industries, Inc.		10%	124
	Government of Indonesia		40%	498
	Government of Japan		50%	622
ID016	PT. XL Axiata	146	0%	0
	Government of Indonesia		20%	29
	KDDI Corp.		0%	0
	Government of Japan		80%	117

Agenda item 8. Possible extension of the JCM

The Japanese side explained the proposed procedures of extension of the partnership for the JCM. The JC took note of the procedures, and the Indonesian side will consult on this matter.

The Indonesian side has discussed the possibility of extension of the JCM at the Director General level of its line ministries and obtained a positive response on extending the JCM cooperation between the Government of Indonesia and the Government of Japan until 2030. Both sides confirmed that the official procedure will be undertaken through a diplomatic channel between both sides.

Agenda item 9. Rules and guidelines

Agenda item 9.1. Revisions related to possible extension of the JCM

The Japanese secretariat explained the draft revised “JCM Verification Report Form” and “JCM Credits Issuance Request Form”. The JC took note and supported the revisions subject to the decision of extension of the JCM by the JC.

Agenda item 9.2. New paragraph in Rules of Implementation

The Indonesian secretariat proposed a revision to “Rules of Implementation for The Joint Crediting Mechanism (JCM)”. The JC consented to further discussion on the revision.

Agenda item 10. Other matters

Agenda item 10.1. Explanation of possible schedule & contents for JC consideration

The Japanese side explained the current status and expected schedules of approval of

methodologies, registration of project and issuance of credit to be considered by the JC.

Agenda item 10.2. Application to CORSIA

The Japanese side explained the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) under the International Civil Aviation Organization (ICAO). The JC consented to future discuss a possible application of the JCM for the scheme.

The JC took note of the importance of this issue and decided to continue exchanging information on the CORSIA to further facilitate its comprehension in the Indonesian side. The Indonesian side explained a possibility of including personnel from the Ministry of Transport, Indonesia which is in charge of matters related to the CORSIA as a JC member in the future meetings.

Agenda item 11. Conclusion of the meeting

The Co-Chairs gave closing remarks and closed the meeting.

Annexes to the report

- Annex 1 ID_AM020 “Introduction of energy efficient and high color rendering LED downlight/spotlight”
- Annex 2 ID_AM021 “Electricity generation by rehabilitation of run-of-river hydro power generation system(s) in Indonesia”
- Annex 3 ID_AM022 “Introduction of Absorption Chiller”