



JCM and its opportunities for Mongolia

24 June 2013

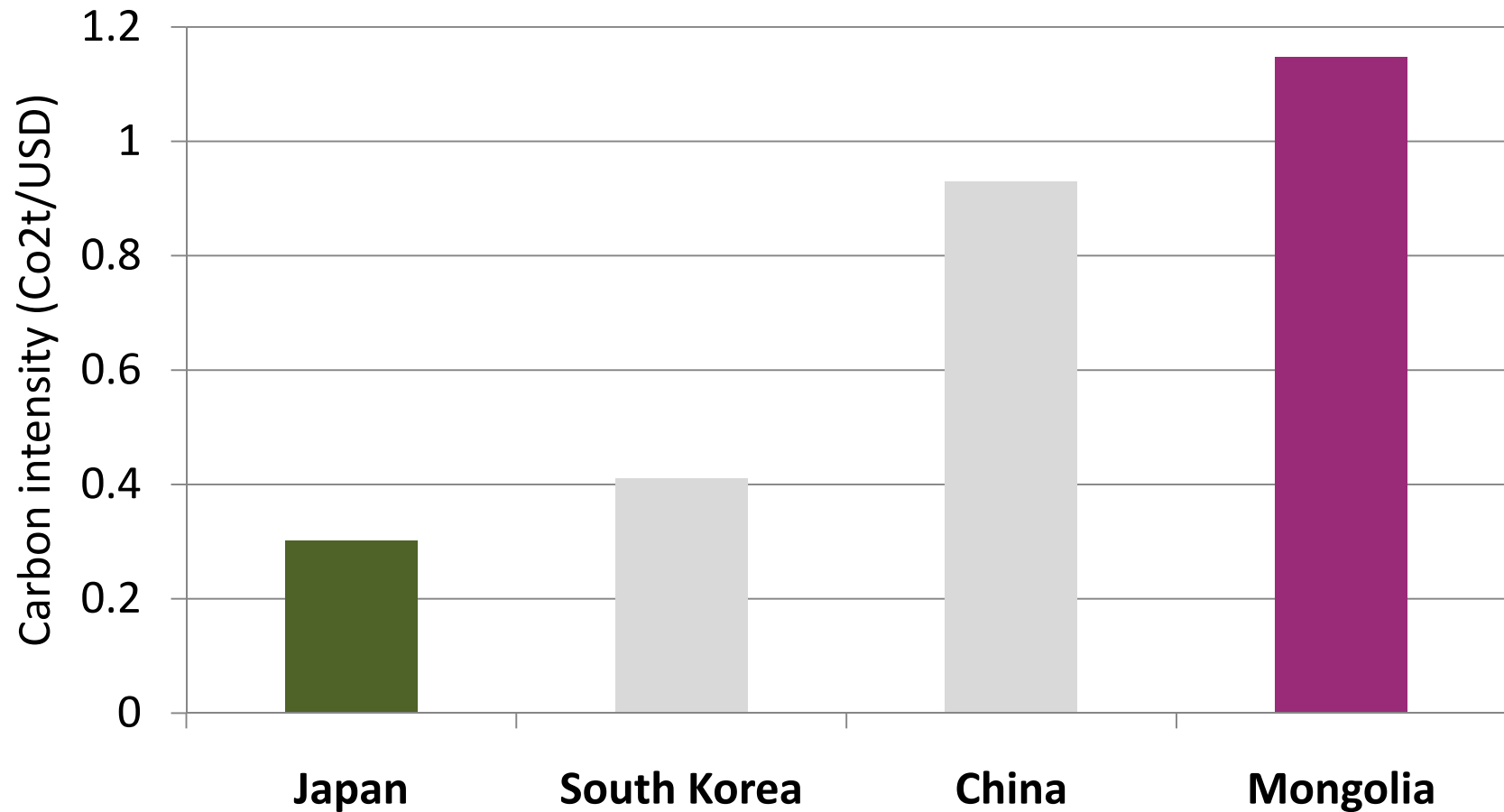
Kenta Usui

Climate and Energy Area, IGES

Climate is there...

- Climate change is already happening- need to reduce greenhouse gas (GHG).
- Developed countries need to reduce GHG – what is so hard about it?

Carbon intensity- high and low



Based on World Bank Development Indicators, 2008 data

GHG reduction cost matters

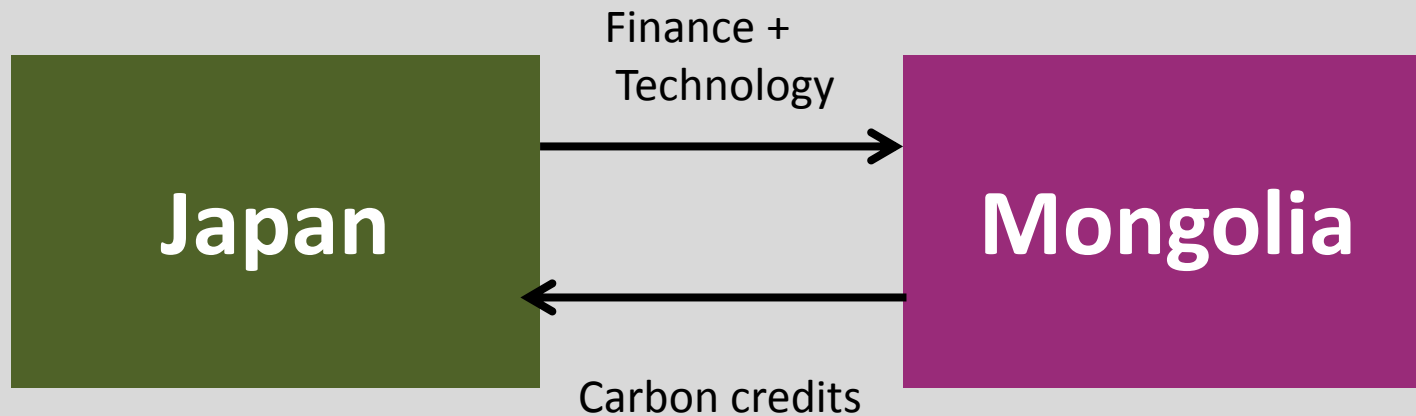
Japan's economy is at the highest level of energy/carbon intensity. This means:



1. It is costly to reduce GHG in Japan

2. If Japanese technologies are introduced in less energy-efficient countries, more GHG can be reduced at the same cost.

JCM for latest technologies – at lower cost



Benefits to Japan

- GHG reduction at lower cost
- Market opportunities for Japanese firms

Benefits to Mongolia

- Japanese technology at significantly lower cost
- Reduced fossil fuel consumption and air pollution
- Increased technical capacity of Mongolian private firms

What finance?

- **Global Environment Centre Foundation (GEC)**

- Finance up to 50% of the initial investment cost
- Budgetary scale- 1.2 billion JPY/ 18 billion MNT(FY2013)



- **New Energy Development Organisation (NEDO)**

- Almost full finance, but the installed facilities need to be purchased by the consortiums at a discounted price later
- 3.1 billion JPY/ 46 billion MTG (FY2013)
- 50 million-1000 million per project / 733 million-14700 million MTG per project



Accessing JCM finance

- A Mongolian firm should partner with Japanese firm to apply for funding
- Timeline
 - GEC: application has been closed on 12 June for this FY (but there may be second call for application)
 - NEDO: application open until 9 July.
- The funded projects also need to be approved by the Joint Committee

What technologies?

- Four feasibility studies completed in Mongolia to explore technology potentials
 1. Energy efficiency improvement of CHP (2011)
 2. Energy efficiency improvement of HOBs (2012)
 3. Application of geothermal heat-pumps (2011-2012)
 4. High-efficiency power transmission (2012)
- More studies upcoming this year

How can you involved in the JCM?

1. Develop a project idea to reduce GHG emission
2. Partner with Japanese firms to develop consortiums
3. If possible, undertake feasibility studies for GHG-reducing projects, including how to calculate GHG emission reduction
4. Contact IGES(or MEGD) for more information

Thank you.
Баярлалаа.