JCM and its opportunities for Mongolia

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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 to 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)

• 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.
Баярлааа.