Useful tips to implement the JCM project

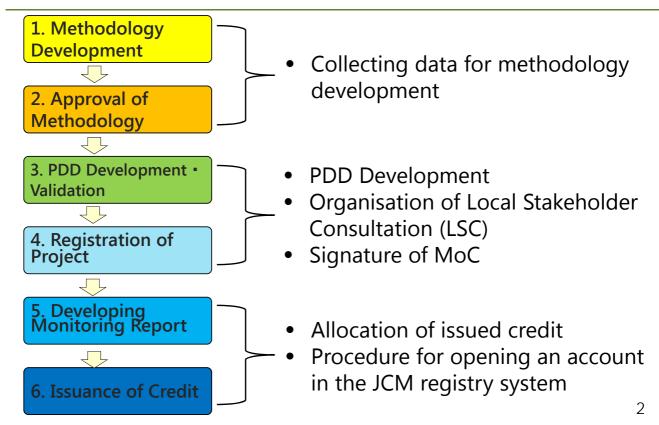
JCM Open Seminar

| Sharing experiences and lessons learned from JCM project developments | 1 March 2017

Kentaro Takahashi, Task Manager/ Senior Policy Researcher, Climate and Energy Area IGES

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Important point to promote the JCM



Collecting data for methodology development

- ➤ Setting default value is a key point in the development of JCM methodology. It is also important to reduce monitoring burdens for project participants.
- For example, it is very helpful to collect information and catalogue related to technology which will be similar to a proposed project.
- Fundamental approach is to develop JCM methodology by using only monitoring parameter which will be monitored anyway in the implementation of the project.

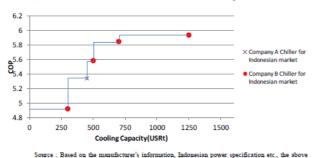


figure was prepared.

Figure 1 : COP Values of Candidate Reference Chillers

 COP values by cooling capacity were collected through investigation. The maximum value of collected COP values was adopted for reference COP. (Indonesia: Chiller Project)

Source: JCM approved methodology ID_AM002 version2 additional information

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PDD Development

- > Emission reductions are calculated by spreadsheet automatically.
- Main point in the PDD development is that the result of LSC should be explained in the form of PDD.
 - ✓ The objective of LSC is to explain a proposed project to relevant stakeholders in the JCM partner country.
 - ✓ The scheme of the JCM is not necessarily explained in the LSC.
- Since PDD form is simplified, PDD can be developed for short term except for LSC information.

Necessary information for PDD

- 1) Overview of project & technology
- 2) Location of project
- 3) Starting date of project operation
- 4) Emission reduction
- 5) Monitoring point and structure
- 6) Result of LSC
- 7) EIA





PDD Form and Spreadsheet

Local Stakeholder Consultation (LSC)

- > It is important to communicate with project participants (partner country) as well as governments (partner country).
- > Early preparation is necessary because it will take some time for coordination. Project participants have to identify stakeholders who participate in the LSC in advance.

Necessary action for LSC by Project Participants

- 1. Selection of potential participants
- 2. Coordination to decide date and venue
- 3. Preparation of explanation material

The following record should be prepared in the validation.

- Explanation material of LSC
- Minutes of meetings (prepared by English) Note: In particular, comments from participants



Photo: LSC in the JCM project (ID005)

Example of LCS's participants

- **Project Participants**
- Local Government
- **Indonesia Fiber Association**
- Regional of chamber and commerce
- Indonesia JCM secretariat

* It is recommended that participant's list with signatures and photo of LSC should be recorded for validation. (Not mandatory)

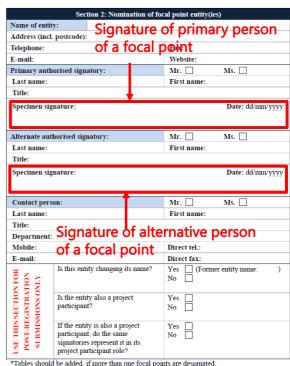
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Signature of MoC

What is MoC?: Modalities of Communication State Form

- ➤ MoC is a form to designate a focal point of a project participant in order to communicate the JCM secretariat and JC.
- > It may take time to prepare MoC because the signature of focal point (primary and alternate persons) is necessary in the form.
- > It is also needed to prepare the signature of a project participant (host country).



Source: JCM Modalities of Communication Statement Form version1.0 (Japan-Indonesia)

Allocation of issued credits

- Allocation of credits is decided by project participants between Japan and the JCM partner country. It is the first time for each JCM partner country to issue the credits.
- ➤ Since some JCM partner countries will acquire the part of credits, it is recommend that the close coordination with both governments is helpful for project participants.
- ➤ The project supported by the JCM financial programme is required to provide more than 50% of the issued credits to Japanese government. It is important to coordinate among project participants about the allocation ratio in advance.
- ➤ The account number of project participants is necessary to be filled in the JCM credit issuance form.



Amount of allocation credit for government

Source : JCM Credit Issuance Form version3.0

(Japan- Indonesia)

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Procedure for opening an account

- In case of the Japanese registry system, it is possible to open an account by mail. (submission to Japanese government).
- ➤ It will take 2 weeks to open an account in the Japanese registry system. A company has to decide a focal point who acquires, holds and transfers the JCM credit.
- ➤ It is necessary to establish the JCM registry and procedure for opening an account in the JCM partner country.
- Japanese companies does not necessarily open an account in the registry system of JCM partner countries.







Request form and operation manual (Source : https://www.jcmregistry.go.jp/)

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Summary

- ◆ The development of JCM methodology is aimed to reduce monitoring burdens for project participants by setting default values. In order to do so, it is necessary to collect the information. It is also not necessarily to follow the CDM concept.
- It is important to coordinate among project participants for preparing LSC and MoC in the stage of request for registration. A PDD could be developed in the short term.
- ◆ The procedure for opening an account in the registry system is needed in the preparation stage of credits issuance. In addition, it is helpful that the allocation of credits (ratio) is decided by agreement among project participants.

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