Current Status of JCM in Indonesia

33 private sectors join the JCM implementation
2 Indonesia third party entities had been accredited by ISO 14065
JCM Financing in Indonesia

Subsidy and grant from Government of Japan for JCM scheme in Indonesia

- Grant for Feasibility Studies: ± US$ 10 million
- Subsidy for implementation of low carbon development projects: ≥ US$ 37 million

The subsidy has mobilized fund...

low carbon investment from private sectors & Indonesian State-owned company: ≥ US$ 113 million

Current total JCM project investment in Indonesia: ± US$ 150 million

*Calculation based on estimation

JCM Project Implementation in Indonesia

- 21 Projects in pipeline
- 7 JCM registered projects
- 2 Registered projects which already issuing the credit
- 108 Feasibility studies have already implemented in Indonesia

Types of implemented projects

- Energy efficiency in industry
- Renewable energy
- Waste handling and utilization
- Low carbon infrastructure development
- Energy efficiency in building
- Sustainable forest management
JCM’s infrastructure

- As a bilateral scheme, JCM comply to each country’s policy
- Decision makers in JCM are related ministries as the representative of each respective country

Guideline:
1. Project Design Document
2. Proposed Methodology
3. Third Party Entity
4. Validation and Verification
5. Sustainable Development Implementation Plan and Report


Procedure: Project Cycle Procedure

Methodologies:
12 methodologies of energy efficiencies and renewable energy have been developed

Registry system

ISO 14065 based

Carbon Credit Issuance

40 tCO2 carbon credit has been issued from 2 project and both are energy efficiency project

ID 002 Project of Introducing High Efficiency Refrigerator to a Food Industry Cold Storage in Indonesia

29 tCO2

6 tCO2

23 tCO2

ID 003 Project of Introducing High Efficiency Refrigerator to a Frozen Food Processing Plant in Indonesia

11 tCO2

3 tCO2

8 tCO2

The issued carbon credit is the world’s first JCM carbon credit and it is the first time for Indonesia to issue carbon credit
Communication between private sectors in Indonesia and Japan

Lack of capacity among Indonesia’s private sector on JCM scheme

Projects related to Indonesia’s state budget:
- Tender process is required
- The start of fiscal year in Indonesia is different with Japan
- Implemented technology should fulfill the local content portion as regulated

Projects related to power generation:
- Any companies who generate electricity while still utilizing power from the National Electricity Company (PLN) will be imposed with parallel cost
- Uncertainty of Feed-in-Tariff for renewable energy

Challenges in Implementation
Thank you! Terima kasih!

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