JCM project cycle procedure and Technical support

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The JCM project cycle

- Project proponents prepare methodology, submit PDD and monitoring
- The JC approves methodology, registers project and decides the amount of credits to be issued by each government
- Validation and verification can be conducted by the same Third Party Entity (TPE)

**Step 1**
- Project Participant (PP)/ Each Government, Joint Committee
  - Submission of Methodology
  - Approval of Methodology

**Step 2**
- PP
  - Development of PDD

**Step 3**
- Third Party Entities
  - Validation
  - Registration

**Step 4**
- Joint Committee
  - Monitoring
  - Verification

**Step 5**
- PP
  - Issuance of credits

**Step 6**
- Third Party Entities
  - Can be conducted simultaneously

**Step 7**
- Joint Committee decides the amount of credits
  - Can be conducted simultaneously

**Step 8**
- Each Government issues the credit
  - Can be conducted simultaneously
Step 1: Approval of methodologies

1. PPs submits a proposed methodology.
2. Secretariat notifies the receipt of the submission to PPs and conducts the completeness check.
3. Secretariat promptly make the methodology publicly available for public comments.
4. Secretariat reviews the proposed methodology.
5. Secretariat submit the outcomes to the JC.
6. The JC considers the proposed methodology and should conclude it.
7. Secretariat makes publicly available the outcome of the consideration as well as relevant documents.

Documents for submission
- JCM proposed methodology form
- JCM proposed methodology spreadsheet form

Cooperate with external experts and/or a panel

Expected outcomes of consideration
- Approval
- Approval with revision
- Non-approval
Step 2: PDD development

1. PPs prepares a draft PDD and submits it to TPE and the secretariat.

2. Secretariat issues a unique reference number to the proposed JCM project.

3. Secretariat makes the draft PDD publicly available through the JCM website for public comments.

4. Secretariat also makes the other information publicly available.

5. Validation and verification can be conducted simultaneously or separately.

Documents for preparation:
- JCM Project Design Document, Monitoring plan and Modalities of communication (MoC)

List of information for publication:
- Name of the proposed JCM project
- Location of the proposed JCM project
- Name of all project participants
- Name of the TPE for validation
- Estimated annual ERs on removals
- Name of an approved methodology applied
- Proposed starting date and operation period
Step 3: Validation

1. Validate the Modalities of communication, the proposed JCM project (PDD and monitoring plan sheet etc)

2. Prepare a validation report (JCM validation report form)
**Step 4: Registration**

**Project participants**

1. Receives a positive validation opinion from TPE

2. Requests for registration through the JCM website
   - JCM project registration request form
   - PDD, Modalities of communication, validation report and other supporting documents

**Secretariat**

3. Maintains a publicly available list of all submitted requests for registration though the JCM website

4. Notifies the receipt of the request for registration to PPs.

5. Conducts completeness check within 7 calendar days.

6. Notifies PPs and the TPE of the conclusion

7. Reviews the submitted documents by PPs (only Indonesia)

8. Notifies PPs and the TPE of the conclusion of the completeness check.

**Joint Committee**

9. Receives the outcomes of the secretariat’s reviews

10. Decides whether to register the proposed JCM project

   - Register
   - Reject

Submit the outcomes to the JC
Step 5: Monitoring

1. Prepare a draft monitoring report in line with the methodology, the PDD and Monitoring guidelines
2. Submit it together with supporting documentation to the TPE contracted by PPs

Record of Monitored data

Prepare a monitoring report and submit it with evidences

Other supporting document
Step6: Verification

1. Verify the amount of GHG emission reductions or removals on the basis of the monitoring report
2. Prepare a verification report (JCM verification report form)
Step 7: Issuance of credits

1. PPs open an account in the registry of the Japanese side and/or the host country side.

2. PPs submit the completed “JCM credits issuance request form” to the secretariat.

3. Secretariat notifies the receipt of the request for issuance to the PPs.

4. Secretariat conducts the completeness check.

5. The JC decides on whether to notify each side of the amount of credits to be issued.

6. Secretariat notifies each side, PPs and TPEs of the result of the JC decision.

7. Each side issues the amount of credits in the registry.

8. Secretariat archives all the data of issuance of credits and make them publicly available through the website.

“JCM credits issuance request form”

Registry will be developed in the future
### Necessary forms for an application

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<th>General</th>
<th>Rules of Implementation</th>
<th>Glossary of Terms</th>
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<th>Project Cycle Procedure</th>
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<td>• Project Registration Request Form</td>
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<td>• Credits Issuance Request Form</td>
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<td>• Approved Methodology Revision Request Form</td>
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<td>• Post-Registration Change Request Form</td>
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<td>• Registration Request Withdrawal Form</td>
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<td>• Project Withdrawal Request Form</td>
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<td>• Issuance Request Withdrawal Form</td>
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<td>• Proposed Methodology Spreadsheet</td>
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<td>• Project Design Document Form</td>
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## Necessary forms for an application

<table>
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<tr>
<th>Third-Party Entity (TPE)</th>
<th>Guidelines for Designation as a Third-Party Entity</th>
<th>• Application Form for Designation as a Third-Party Entity</th>
<th>Guidelines for Validation and Verification</th>
<th>• Validation Report Form • Verification Report Form</th>
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<td>Joint Committee (JC)</td>
<td>Rules of Procedures for the Joint Committee</td>
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Website for JCM information

The JCM rules and guidelines

https://www.jcm.go.jp/
Website for JCM information

New Mechanisms Information Platform

http://www.mmechanisms.org/e/

Financial and project development support scheme

http://gec.jp/jcm/index.html
## Registration of 1\textsuperscript{st} JCM project in Indonesia

<table>
<thead>
<tr>
<th>Project title</th>
<th>Energy Saving for Air-Conditioning and Process Cooling by Introducing High-efficiency Centrifugal Chiller</th>
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<tr>
<td>Ref. No</td>
<td>ID001</td>
</tr>
<tr>
<td>Name of project participants (Indonesia)</td>
<td>PT. Primatexco Indonesia</td>
</tr>
<tr>
<td>Name of project participants (Japan)</td>
<td>Nippon Koei Co., Ltd. (Focal Point), Ebara Refrigeration Equipment &amp; Systems Co., Ltd.</td>
</tr>
<tr>
<td>Name of third party entity (TPE)</td>
<td>TPE-ID-002 Lloyd’s Register Quality Assurance Limited</td>
</tr>
<tr>
<td>Methodology No.</td>
<td>ID_AM002 Ver1.0</td>
</tr>
<tr>
<td>Registration date</td>
<td>31 Oct 2014</td>
</tr>
</tbody>
</table>
| Location of project | Country: Republic of Indonesia  
Region/State/Province etc: Central Java Province  
City/Town/Community etc: Batang |
| Emission Reduction (Ave.)      | 117 tCO\textsubscript{2}/year |

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ID001: Project History

**Methodology**
- Public comments (15 days)
  - 01-15 May 2014
- JC consideration
  - 19 May 2014
- Approved (Electronic Decision)
  - 14 Sep 2014

**Validation**
- Public comments (30 days)
  - 25 Sep-24 Oct 2014
- Desk Review and Onsite Visit by TPE
  - 28 Oct 2014
- Completion of Val report by TPE
  - 28 Oct 2014

**Request for registration**
- Request for Registration
  - 28 Oct 2014
- Completeness check by JCM secretariat
  - 29 Oct 2014
- Registration by JC
  - 30 Oct 2014
Technical support by IGES (1)

Methodological Development

- **IGES will**
  - Develop and Manage the schedule until the approval at JC meeting
  - Provide technical consultation and instruction on how to develop the methodology in cooperation with a consulting firm
  - Supervise a consulting firm for finalizing the draft methodology through a series of regular meetings
  - Support for starting the public inputs and Coordinate with Ministry of the Environment Japan (MOEJ) and JCM secretariat if necessary

- **Project Participant should**
  - Give the technical specification and information to set the eligibility criteria in the methodology
  - Conduct the market survey etc and Collect the necessary information to set the reference emissions
  - Prepare the draft methodology including spreadsheet with additional information
  - Check the applicability whether the proposed methodology is reflected on the basis of the project implementation or not
Case 1: Energy Saving by Introduction of High Efficiency Centrifugal Chiller
## Eligibility criteria

| Criterion 1 | Project chiller is a centrifugal chiller with a capacity of less than 1,250 USRt.  
|            | * 1 USRt = 3.52 kW |
| Criterion 2 | COP (Coefficient of Performance) for project chiller i calculated under the standardizing temperature conditions* (COP_{PJ,tc,i}) is more than 6.0. |
| Criterion 3 | Periodical check is planned more than four (4) times annually. |
| Criterion 4 | Ozone Depletion Potential (ODP) of the refrigerant used for project chiller is zero. |
| Criterion 5 | Plan for not releasing refrigerant used for project chiller is prepared. In the case of replacing the existing chiller with the project chiller, refrigerant used for the existing chiller is not released to the air. |

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**Case1:** “Energy Saving by Introduction of High Efficiency Centrifugal Chiller in Indonesia” (JCM_ID_AM002_ver01.0)
Example of Reference emissions

Case 1: “Energy Saving by Introduction of High Efficiency Centrifugal Chiller in Indonesia” (JCM_ID_AM002_ver01.0)

- \( \text{RE}_p \): Reference emissions during period \( p \) [tCO2/p]
- \( \text{EC}_{PJ,I,p} \): Power consumption of project chiller \( i \) during the period \( p \) [MWh/p]
- \( \text{COP}_{PJ,tc,i} \): COP of project chiller \( i \) calculated under the standardizing temperature conditions
- \( \text{COP}_{RE,i} \): COP of reference chiller \( i \) under the standardizing temperature conditions
- \( \text{EF}_{elc} \): CO2 emission factor for consumed electricity [tCO2/MWh]

\[
\text{GHG emissions} = \text{PE} \times \left( \frac{\text{COP}_{p,tc,i}}{\text{COP}_{RE,i}} \right)
\]
Technical support by IGES (2)

PDD Development

• IGES will
  - Develop and Manage the schedule until the registration at JC meeting
  - Provide an instruction on how to develop PDD in cooperation with a consulting firm through a series of meetings
  - Coordinate with JCM secretariat in a host country for organizing the Local Stakeholder Consultation (LSC)
  - Support for starting the public inputs and validation process
  - Support for preparing the form of requesting the registration (including necessary documents etc)

• Project Participant should
  - Collect the project specific information to calculate ERs
  - Check the contents of PDD whether the documents including evidences are appropriately prepared or not.
  - Participate in the LSC in a host country
  - Participate in the validation process (desk review and on site visit if necessary)
  - Check the contents of the form of requesting registration
Technical support by IGES (3)

Monitoring Report

- IGES will
  - Develop and Manage the schedule until the issuance of credit
  - Provide an instruction on how to develop monitoring report in cooperation with a consulting firm through a series of meetings
  - Support for the verification process including inquiries from TPE
  - Support for preparing the request of credit issuance (necessary documents etc)

- Project Participant should
  - Record and collect the monitoring data for calculating ERs
  - Provide the information for preparing the monitoring report with any supporting documents
  - Participate in the verification process (desk review and on site visit if necessary)
  - Check the documents for requesting the credit issuance
Thank you for your attention.

For more information, contact:
Market Mechanism Task
Climate and Energy Area
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Email: k-takahashi@iges.or.jp
http://www.iges.or.jp/jp/climate-energy/mm/index.html