



What to Keep in Mind for a Successful JCM Project Development -Based on OECC's Experience-

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Basic Requirements and Expectations

- Eligible entity for JCM application
- Documents required for JCM application
- Expected milestone of a JCM project
- Actions needed to meet the basic requirements and expectations

Basic Requirements and Expectations

-Eligible entity for JCM application

- A representative participant (**Japanese entity**) of an international consortium can apply for JCM. To apply for JCM, the partner-country entity needs to have a Japanese partner.



- Examples of representative participants: product suppliers, renewable energy development companies, consulting companies, general trading companies, etc.
- The subsidy will be given to the representative participant for distribution with the partner participant, etc.

Basic Requirements and Expectations

-Documents required for JCM application

- Application form (Form No. 1)
- Declaration by Representative Participant (Form No. 2)
- Project Implementation Plan (Form No. 3-0a)
- Supporting documents of Project Implementation Plan
- Project Idea Note (PIN) for the JCM Project (Form No. 3-16)
- Expenses breakdown (Form No. 4)
- Company information
- Financial statements of both the representative participant and co-participant (s)
- International Consortium Agreement
- Agreement on the Allocation of JCM Credits (Form No. 5)
- Checklist for Submission of Proposal (Form No. 6)



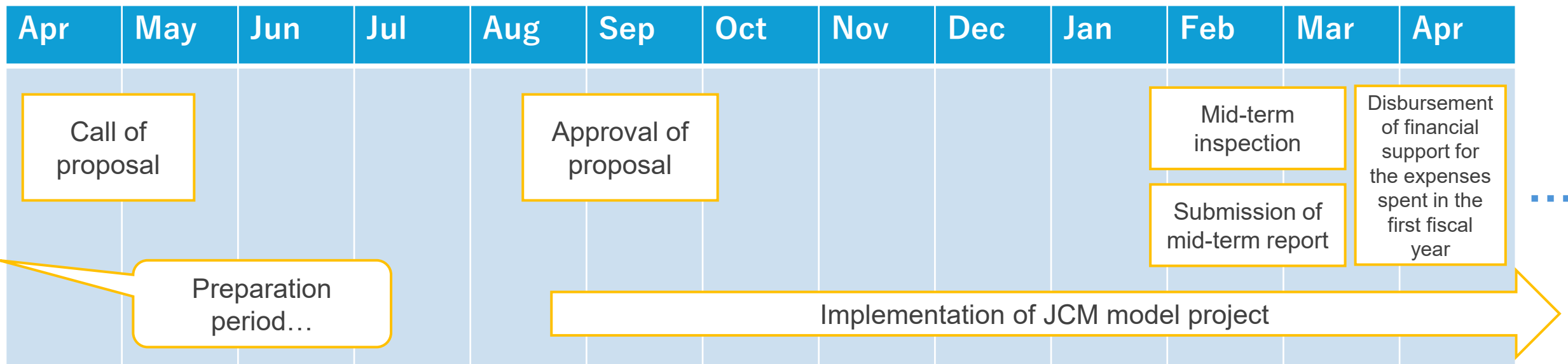
Includes calculation of emission reduction, map of project site, approval status of necessary authorizations and permits, approval status of EIA, financial model, list of installation facilities, etc.

Note: Written in blue are documents with specified format (Japanese)

Basic Requirements and Expectations

-Expected milestone of a JCM project

- Call for proposal of JCM model projects starts every April and ends in November. The conditions of JCM differ every year (e.g. Number of calls of proposals. In 2024, there were calls of proposals in April, June, and September. In 2023, there was also a call of proposal in November).
- Approved project is usually selected within 4 months after the closing of submission.
- **JCM model project must be completed within 3 years after the approval.**



Basic Requirements and Expectations

-Actions needed to meet the basic requirements and expectations



The project must be concrete and ready for operation.



Actions needed to meet the basic requirements and expectations include...

- Preparing documents showing the certainty of the financial plan of the project such as the Power Purchase Agreement, specific pricing of energy, etc.
- Obtaining documents from the government, off-taker, and other relevant stakeholders permitting the implementation of the project, such as land use rights, approval for using the grid, etc.
- Completion of engineering planning.
- Obtaining the result of the Environmental Impact Assessment.
- Determination of methodologies for calculation of project emissions.
- Preparing precise schedules and documents that prove that the project could be conducted as scheduled.

Note: the project must be as concrete as possible, but the purchase order must wait until the approval of financial support.

Necessary/Preferable Factors for JCM Application

- Amount of GHG emission reduction
- Consistency with the partner country's policies
- Consideration of synergies and trade-offs
- Decarbonization technology

Necessary/Preferable Factors

-Amount of GHG emission reduction



Projects with large GHG emission reductions are usually given priority.

- The amount of GHG emissions reduced by the project must be calculated strictly.
- Methane avoidance could be calculated as emission reduction, if as an addition to the reduction of energy-derived CO₂ emission.
- Renewable energy projects are prioritized over energy efficiency projects, etc.
- The capacity factors of projects whose emission reductions depend on the weather conditions (e.g. solar power, wind power generation) must be considered based on actual observations.
- GHG emissions associated with the implementation of the reduction measures (e.g. fuel combustion for biomass transportation, etc.) must be taken into consideration.

Necessary/Preferable Factors

-Consistency with the partner country's policies



Projects must be consistent with the partner country's policies for the partner country's benefit and smooth implementation.

- Projects are required to be consistent with the partner country's climate change policies including NDC (Nationally Determined Contributions), LT-LEDS (long-term low-emission development strategies), implementation plan of Article 6 of the Paris Agreement, etc.
- Projects should also be consistent with energy-related policies and other related policies.

Necessary/Preferable Factors

-Consideration of synergies and trade-offs



The project should have synergies with the partner country's & global targets.

- The project should contribute to solving environmental/ development problems (e.g. air pollution, water pollution, waste problems) in the partner country.
- The project should contribute to sustainable development and the realization of the SDGs.
- The project should comply with the gender guidelines.



The project should avoid trade-offs.



- Possible trade-offs of implementation of the project should be considered (e.g. hydropower generation project with negative influence on the biodiversity, biomass power generation project which involves deforestation, etc.).

Necessary/Preferable Factors

-Decarbonization technology

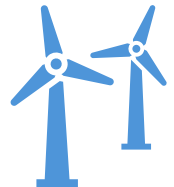


Leading decarbonization technology with high efficiency is prioritized.



Decarbonization technology should have high marketability and potential for its diffusion in the partner country on a commercial basis.

- For example, the Philippines has high potentials of...
 - **Geothermal power project** --- The Philippines has the world's third-largest geothermal capacity.
 - **Wind power project** --- World Bank's analysis shows that the Philippines has 178 GW of technical offshore wind potential.
 - **Waste to Energy (WtE) project** --- The Department of Energy estimates that the Philippines has a biomass potential of more than 200 MW.



Necessary/Preferable Factors

-Decarbonization technology



Maximum percentage of financial support is determined according to the number of previously selected project(s) using a similar technology in each partner country.

Number of previously selected project(s) using a similar technology in each partner country	None (0)	Up to 3 (1-3)	Up to 7 (4-7)	Up to 9 (8-9)	10 or more
Percentage of financial support	Up to 50%	Up to 40%	Up to 30%	Up to 20%	Not Applicable

Necessary/Preferable Factors

-Decarbonization technology

- There are 20 approved JCM projects in the Philippines (As of Jan 2025).
 - 11 solar power projects --- JCM financial support no longer applicable
 - 4 geothermal power projects --- Financial support for a new geothermal project is up to 30%
 - 2 hydropower projects --- up to 40%
 - 1 biomass power generation project --- up to 40%
 - 1 waste heat recovery project (energy efficiency project) --- up to 40 %
 - 1 F-gas recovery and destruction project --- up to 40 %



A “solar power project” and a “solar power project with storage battery” are considered different.

- In the Philippines, solar power projects with storage batteries are still applicable for JCM financial support.

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OECC's Support for JCM Project Development

OECC's Support for JCM Project Development

JPFY2024 target Countries (15 Asian countries):
Mongolia, Bangladesh, Vietnam, Laos, Indonesia,
Cambodia, Thailand, **Philippines**, Azerbaijan, Moldova,
Georgia, Uzbekistan, Kyrgyzstan, Kazakhstan, Ukraine

- Identification of the partner country's local needs, potentials, and environmental issues through local consultation

- Technology study
- Development of GHG reduction methodology

- Support for creating business flows
- Clarifying and resolving issues for JCM application

- JCM application
- Preparation of documents



OECC's Support for JCM Project Development

28 projects
as of Jan
2025

Supported
development
of 4 projects
in the
Philippines

Selected Year	Partner country	Representative Participants	Project Title	Expected GHG Emission Reductions (tCO2/year)
2023	Indonesia	AGC Inc.	Improvement of Combustion Method and Furnace Shapes in Flat Glass Production Melting Furnace	5,747
2023	Mongolia	Overseas Environmental Cooperation Center, Japan	Demonstration project for green hydrogen production by wind power generation and heat supply using hydrogen boiler	2,400
2023	Sri Lanka	Shibata Corporation Co., Ltd.	13.5MW Solar Power Project in Kebithigollewa, North Central Province	6,511
2022	New partner candidate	Confidential	Confidential	About 60,000
2021	Indonesia	Sumitomo Forestry Co., Ltd.	Introduction of 3.3MW Rooftop Solar Power System in Woodworking Factories	2,396
2020	Vietnam	Idemitsu Kosan Co., Ltd.	Introduction of 2MW Solar Power System for Pellet Factory	945
2019	Philippines	ITOCHU Corporation	Biogas Power Generation and Fuel Conversion Project in Pineapple Canneries	52,156
2019	Mongolia	Saisan Co., Ltd.	Fuel Conversion by Introduction of LPG Boilers to Beverage Factory	5,781
2019	Philippines	Tokyo Century Corporation	7.3MW Solar Power Project at Mandalay Airport and Yangon City	3,276
2018	Myanmar	Global Engineering Co., Ltd.	Introduction of 8.8MW Power Generation System by Waste Heat Recovery for Cement Plant	19,241
2018	Mongolia	Ministry of Energy, Mongolia (ADB JFJCM)	Upscaling Renewable Energy Sector Project	6,423
2017	Mongolia	Sharp Corporation	Introduction of a 20MW Solar Power System in Darkhan City	22,927
2017	Indonesia	Tokyo Century Corporation	Introduction of Absorption Chiller to Chemical Factory	1,084
2017	Philippines	Tokyo Century Corporation	Installation of 1.2MW Rooftop Solar Power System in Refrigerating Warehouse	838
2017	Mongolia	Sharp Corporation	Introduction of 15MW Solar Power System near New Airport	18,438
2017	Philippines	Tokyo Century Corporation	Introduction of 1.53MW Rooftop Solar Power System in Auto Parts Factories	1,124
2017	Laos	Yuko Keiso Co., Ltd.	Introduction of Amorphous High Efficiency Transformers in Power Grid	2,099
2017	Vietnam	Yuko Keiso Co., Ltd.	Introduction of Amorphous High Efficiency Transformers in Southern and Central Power Grids II	1,469
2016	Myanmar	Ryobi Holdings Co., Ltd.	Introduction of Energy Efficient Refrigeration System in Logistics Center	125
2016	Vietnam	Yuko Keiso Co., Ltd.	Introduction of Amorphous High Efficiency Transformers in Northern, Central and Southern Power Grids	2,098
2016	Thailand	Finetech Co., Ltd.	Introduction of 1.5MW Rooftop Solar Power System and Advanced EMS for Power Supply in Paint Factory	1,344
2016	Cambodia	Asian Gateway Corporation	Introduction of 0.8MW Solar Power Generation in International School	772
2016	Mongolia	Farmdo Co., Ltd.	Installation of 8.3MW Solar Power Plant in Ulaanbaatar suburb Farm	10,580
2015	Vietnam	Yuko Keiso Co., Ltd.	Introduction of Amorphous High Efficiency Transformers in Southern and Central Power Grids	4,360
2015	Bangladesh	Toyota Tsusho Corporation	Installation of High Efficiency Loom at Weaving Factory	1,518
2015	Mongolia	Sharp Corporation	10MW Solar Power Project in Darkhan City	14,746
2015	Mongolia	Farmdo Co., Ltd.	Installation of 2.1MW Solar Power Plant for Power Supply in Ulaanbaatar suburb	2,707
2015	Bangladesh	YKK Corporation	Introduction of PV-diesel Hybrid System at Fastening Manufacturing Plant	265

Thank you for your attention!
Please feel free to contact us 😊



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