

Joint Crediting Mechanism latest progress

The bilateral agreement was signed!

Some negotiation milestones:

- ❑ The discussion started from the first informal meeting with Japan representative in October 2010.
- ❑ The first formal negotiation was held in July 2011. Indonesia established a formal negotiation team in May 2012 based on Ministry of Economic Affairs decree.
- ❑ Japan has finished 57 FS during 2010-2013.
- ❑ The category of FS's are varied from the RE, EE, CCS, REDD+, transportation, to the LULUCF.

The JCM discussion and negotiation bilateral discussions were emphasized in the possibilities of emission reduction trading and investments development at the same time. Indonesia and Japan also seek the possibilities of the JCM implementation under UNFCCC.

Why it's named Joint?

- ❑ The JCM is the final evolution of Bilateral Offset Crediting Mechanism (BOM) and Bilateral Offset Credit Mechanism (BOCM).
- ❑ **J is not Japan or Jakarta**, but stands from JOINT, it means that another country were welcomed to join this opportunity together with Japan and Indonesia and other countries to use the instruments.



The way forward of JCM development

Both countries have decided to establish “Joint Committee”, which involve of representatives from Indonesia and Japan. The role of the Joint Committee will be similar to roles of the CDM-Executive Board in the CDM system.

And what's next?

- Methodologies and guidelines development (it is adopted last week) for the JCM implementation.
- Sustainable development and environmental integrity criterias that meet with both countries requirements.
- Demonstration projects will be done on this fiscal year to examine the whole process of the JCM project cycle.

What we hope from JCM implementation

- Low carbon development implementation projects in Indonesia.
- Green investment as well as technology transfer and capacity building.
- Catalyst to the new carbon market mechanism.



The Surabaya projects

The Surabaya JCM feasibility study project was conducted by The Japan Ministry of Environment, IGES, Kitakyushu government, and JICA. The local partner of the Surabaya project is the government of Surabaya and the local universities.

Surabaya FS Projects

- Surabaya is the second largest city in Indonesia and has its unique characteristic as well as local initiatives. Currently Surabaya is the most green city in Indonesia.
- Cooperation between Surabaya and Kitakyushu hopefully will bring new opportunities for both cities to grow in a green ways.
- Surabaya projects

Our hopes for Surabaya projects

- The GOI has a very high expectation and fully support Surabaya JCM projects.
- We hope that the Surabaya JCM projects can be a national pilot projects on how to develop a green and sustainable cities.

