



“DEVELOPMENT OF PROJECTS TRIGGERING A PARADIGM SHIFT:
SCALING-UP PROJECT IMPLEMENTATION CONTRIBUTING
TOWARDS ENHANCING NDC’S LEVEL OF AMBITION”

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WHY A PARADIGM SHIFT NOW?

- In GCF scheme, paradigm shift potential is one of key criteria for investment: **long term impact beyond one-off investment** is expected.
- In NDC development, **transformational projects** are expected to enhance NDC's level of ambition.
- **When self sustainable development is realized** by projects which cover large areas (across and beyond the nation), that new business model could **trigger a paradigm shift**.
e.g. Amorphous transformers project in Vietnam (using the JCM financing program)
- From the perspective of mitigation, bigger projects are encouraged to reduce large emissions. At the same time, **the project should influence local entities' attitude** and spur a transition to resilient low-carbon society.
- **How we make the project long-lasting** without it being reverted upon the project completion?



Reference: Yuriko Koyanagi, OECC (2017) OECC's Field Activities to Enhance Low-Carbon Technology Transfer: Project Match Making in Viet Nam

WHAT KIND OF ASPECTS SHOULD WE TAKE INTO ACCOUNT IN PROJECT DESIGN? TIPS GAINED THROUGH THE JCM EXPERIENCE

1. Alignment with prioritized sector outlined in NDC: Country ownership/Governance

- Based on the experience of supporting NAMA development in South-East Asia as MOEJ program, the OECC has encouraged project participants (PPs) to formulate projects which focus on partner countries' NAMA/NDC

e.g. Solar Farm® Project developed in Mongolia align with 145 MW installation target of solar PV facilities.



2. Evaluation of climate impact potential: Robust accounting is also vital under Art. 6

- Developing methodologies that enable robust accounting of emissions toward global emissions reduction
e.g. Conservative calculation below BAU emissions and the project emissions.

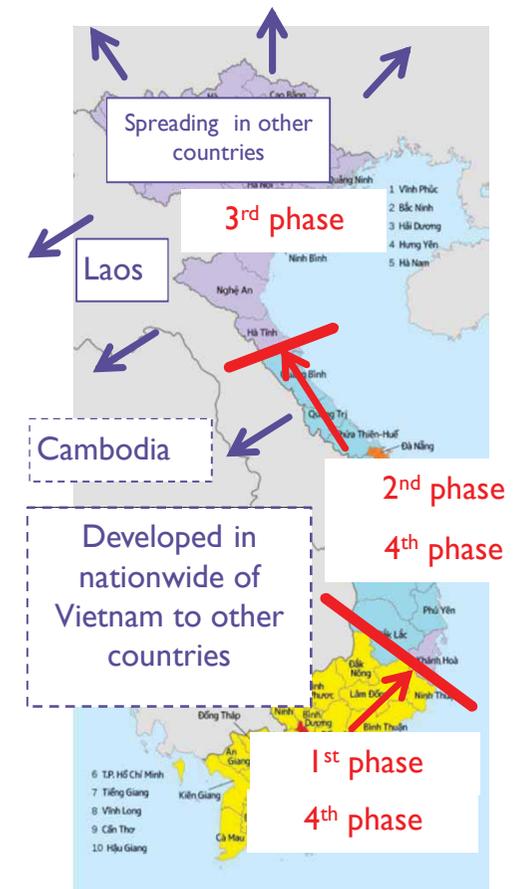
3. Evaluation of impact

- Co-financing could be subject to discussion to improve cost-effectiveness.

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4. Consideration of long-term impact: Starting from pilot project, “showcasing” and then scaling-up!

- Amorphous transformers project has been initiated in south part of Vietnam (phase I), then developed nationwide (phase 2-4) and expanded to Laos and other countries.
- The OECC organized workshops with MONRE in Hanoi to share the benefit of Amorphous project, inviting speakers from PPs of 1st phase project. Then, local power companies based in Hanoi and other areas decided to join the Amorphous project.
- Elaborating specifications in procurement standards of local entities!
- High-efficient transformers experimentally installed by a local power company through the JCM model project scheme. **As the impact is widely recognized, local energy distribution company included specifications for hiring the technology in its procurement standard.**



TO TRIGGER A PARADIGM SHIFT, WHAT SHOULD BE DONE BY THE INTERESTED PARTIES? – THE CASE OF INDONESIA AND THAILAND

Good cooperation amongst stakeholders

- When PP visit the Indonesia JCM Secretariat's office, the Secretariat gives **advice on which local stakeholders the PPs should interact with.**
- The Secretariat advises PPs to **disseminate information about the project in visually catchy ways to attract local communities' attention.**
 - e.g. pasting stickers at the entrance of the grocery store.
- Indonesia JCM Secretariat **actively conduct press conference to enhance JCM understanding among stakeholders.**



Source of the photos: LAWSON, INC. (2016) CVS Energy Saving Project in Indonesia

Reference: Rizal Edwin Manansang, Indonesia JCM Joint Committee (2018) The experiences of JCM scheme implementation in Indonesia from 2013-2018

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Learning from one other (the front runner is not always the developed countries!)

- Although Thailand joined the JCM late (they are 16th partner country among 17 partner countries,) the number of approved projects under the JCM financing program is the 2nd highest, behind Indonesia. **Credits were issued** for the JCM project between Thailand and Japan in last April.
- These tremendous success was achieved partly due to **the government of Thailand (Thailand Greenhouse Gas Management Organization: TGO) providing tailored support to PPs, borrowing a leaf from Indonesia's achievements!**
- TGO organized **a targeting local business organizations** to share the JCM information from as well as **a technical meeting** to exchange views between TGO and the Indonesia JCM Secretariat **to empower their management capacity.**



THANK YOU FOR YOUR ATTENTION !

- Please subscribe to the **Carbon Markets Express E-mail Newsletter**

https://www.carbon-markets.go.jp/eng/en_newsletter/

- **Projects in the pipeline** at a glance in JCM brochure ! →
- **OECC's activities** related to the JCM is available at

<https://www.oecc.or.jp/en/activity/jcm/>

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