

# JCM Project Opportunities under the Bangkok Master Plan on Climate Change

December 2015

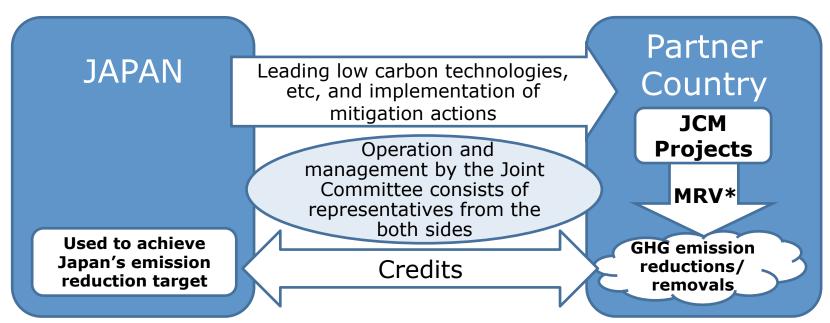
Overseas Environmental Cooperation Center, Japan (OECC)

### Out line of the Presentation

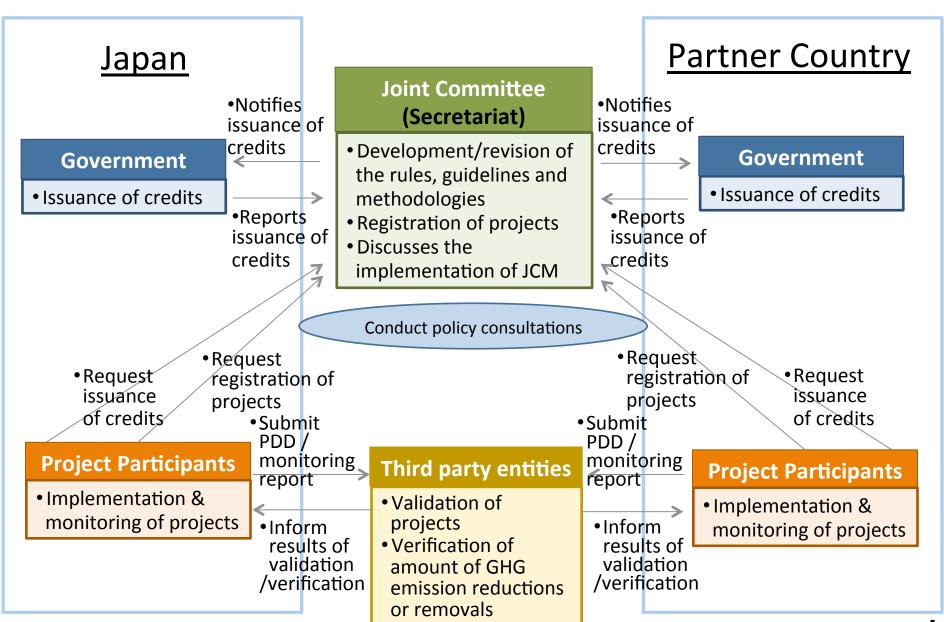
- ✓ Basic concept of the JCM and the Background
- ✓ Outline of the Feasibility Study in FY 2015
- ✓ Financing Programme for JCM Model Projects by the MOEJ
- ✓ Formulating Projects
- ✓ Japanese Entities

## Basic Concept of the JCM

- > Facilitating diffusion of leading low carbon technologies, products, systems, services, and infrastructure as well as implementation of mitigation actions, and contributing to sustainable development of developing countries.
- Appropriately evaluating contributions from Japan to GHG emission reductions or removals in a quantitative manner and use them to achieve Japan's emission reduction target.
- Contributing to the ultimate objective of the UNFCCC by facilitating global actions for GHG emission reductions or removals.



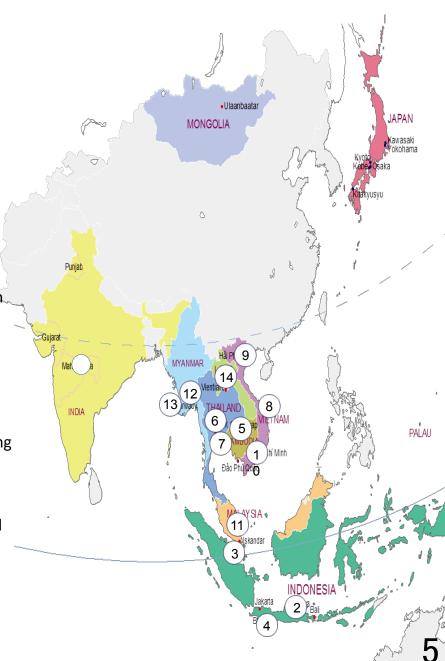
### Scheme of the JCM



#### FY2015 Feasibility studies for city to city collaboration project by MOEJ

#### Project List

- 1. Promotion of low carbon city by properly developing material recycling systems in Bengaluru City (Bengaluru City)
- 2. Establishment of Base for Low-Carbon Project Expansion in Surabaya(Surabaya)
- 3. Project for Developing JCM projects under city-to-city collaboration between Yokohama city and Batam city(Batam)
- 4. Project for Low Carbon Society Development under Collaboration between Bandung City and City of Kawasaki(Bandung City)
- 5. Project for Developing Low-carbon Tourism Cities through the Joint Crediting Mechanism in Siem Reap (Siem Reap)
- 6. JCM projects development (energy efficiency, and waste and waste water) under the Bangkok Master Plan on Climate Change, and study on financial and other facilitation schemes for introducing low carbon technologies (Bangkok)
- 7. Promotion of Decarbonizing of Municipal Waste Management and Ecological Industrial Town in Rayong Prefecture (Rayong Pref.)
- 8. JCM Feasibility Study in Da Nang through "Technical Cooperation for Sustainable Urban Development" with Yokohama City (Da Nang)
- 9. The whole city low carbonization in Hai Phong City (Hai Phong)
- 10.Ho Chi Minh City Osaka City Cooperation Programme for Developing Low Carbon City(Ho Chi Minh)
- 11.Establishment of Base for Low-Carbon Project Expansion in Iskandar (Iskandar)
- 12.Study for building a sustainable low carbon city around the industrial zone in Pathein city, Ayeyarwady Division, Myanmar(Pathein)
- 13.JCM Project Formulation Study through City-to-City Collaboration in Yangon(Yangon)
- 14.Programme for the Establishment of Low-Carbon Historic City in Vientiane, based on City-to-City Cooperation between Vientiane Capital and Kyoto City(Vientiane Capital)



# Background: JICA Technical Cooperation Project for BMA Master Plan on Climate Change 2013-2023

### **Objectives**

- (1) Drafting a Bangkok Master Plan on Climate Change 2013-2023
- (2) Capacity development for the implementation of the Master Plan

#### **City of Yokohama**



Yokohama Partnership of Resources and Technologies

- Know-how to low carbon development
- Environmental technology



Dr. Vallop Suwandee, Chairman of the Advisors to the Governor of BMA (right) and Ms. Fumiko Hayashi, Mayor of Yokohama City (left), are signing the inter-city cooperation agreement

#### **BMA**



#### Climate Change Master Plan

- **≻**Energy
- **≻**Transport
- >Waste management
- >Turban Green Planning
- **≻**Adaptation

### Focal Areas of Cooperation

- (1) Energy management, public transport, waste and wastewater etc.
- (2)Participation by the private sector, academia, and local communities
- (3)Call for participation by the Thai and Japanese Government and international organization for their support

(4)Information sharing

## Background: Towards implementation of Bangkok Master

Plan [Level 1]

> Bangkok Master Plan on Climate Change 2013-2023

Policy development & Capacity-buildling





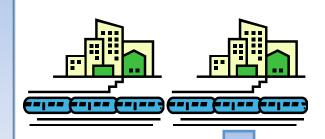






**BMA** 

[Level 2]



Sustainable Development & **Technical Cooperation** 





[Level 3]



Sustainable Development

Mobilizing advanced technology and incentives (Utilizing the support programs for the JCM projects by MOEJ)









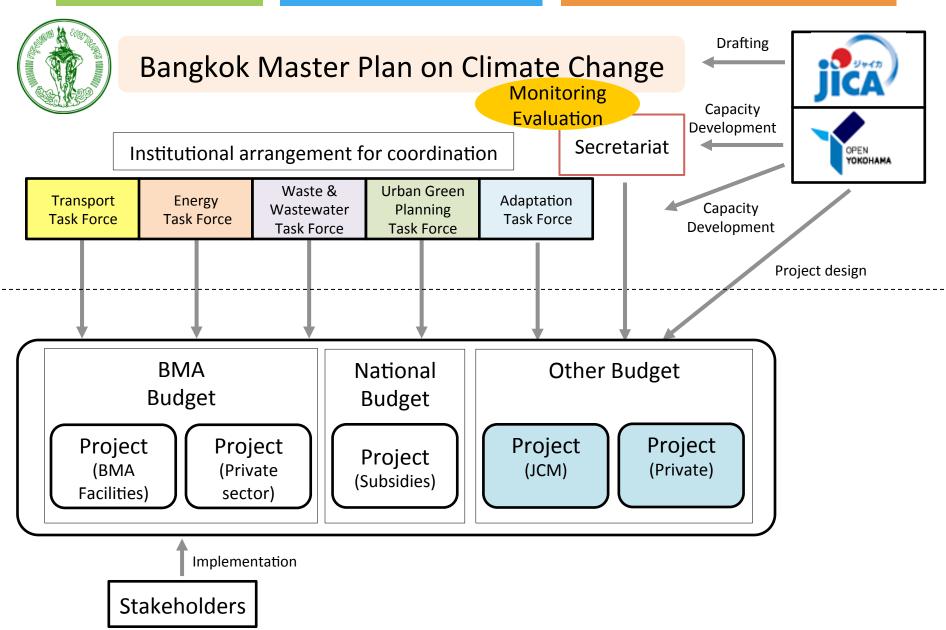






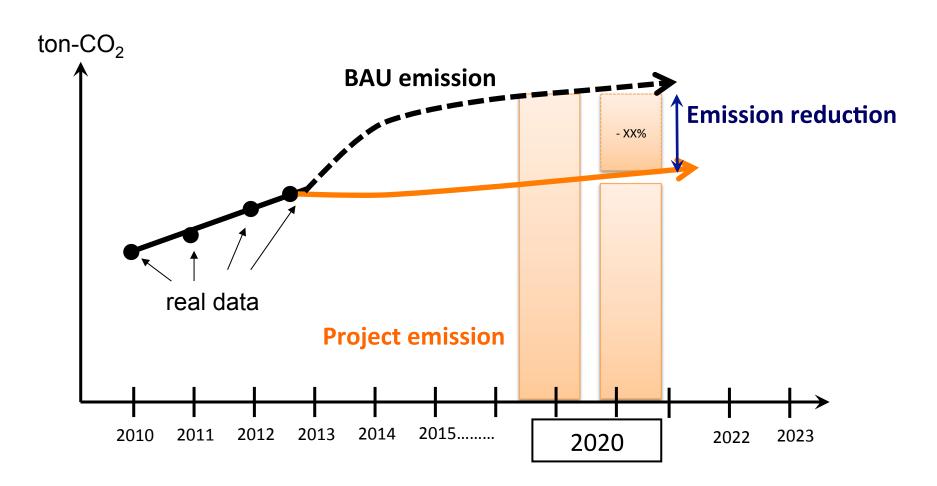
**Business** 

## Background:Towards implementation of Bangkok Master Plan



## Background: Bangkok Master Plan

BMA, representing a leading City of Southeast Asia and the world, in partnership with national government ministries and agencies, the City of Yokohama, and OECC, takes proactive measures to mitigate and adapt to climate change in the short, mid, and long term.



## Background: Scope and emissions reduction goals

(1) Environmental Sustainable Transport; (2) Energy Efficiency and Alternative Energy; (3) Efficient Solid waste management and Wastewater Treatment, (4) Green Urban Planning; and (5) Adaptation planning.



+6.9%

## Outline of Feasibility Study in FY 2015

- ✓ **Study Name**: JCM projects development (energy efficiency, and waste and waste water) under the Bangkok Master Plan on Climate Change, and study on financial and other facilitation schemes for introducing low carbon technologies
- ✓ **Objective**: To identify and select potential projects that can reduce CO2 emission and support the implementation of the Bangkok Master Plan on Climate Change
- ✓ Period: April 2015 to February 2016
- ✓ Target sectors: energy efficiency, and waste and waste water
- ✓ **Study participants:** Overseas Environmental Cooperation Center, Japan (OECC), Yokohama City, finetech inc., InterAct Inc., JFE Engineering Corporation
- ★ \*Financial support for the study is provided by the Ministry of the Environment, Japan

## Structure of the Feasibility Study in FY 2015

## Study on Energy efficiency, Waste & Waste water

Bangkok Metropolitan Administration, City of Yokohama, TGO, DEDE, (Secretariat) OECC, InterAct

#### **Energy Efficiency Group Alliance**

(Y-PORT Members and Private Sector in Bangkok)

Cluster1: ESCO Companies, Engineering Service Companies

Cluster 2 : Energy Efficiency project owners
(Owners and sites are Indentified)
BMA hospitals, Private hospitals
Industrial Parks

Cluster3: Finance and trading companies

#### **Expected Outputs**

- ✓ Realization of JCM projects of hospitals (subsidy program etc.)
- ✓ Elaboration of applying "Program approach for building energy efficiency" and program support scheme with introduction of private finance
- ✓ Introduction of Energy Code such as CASBEE
- ✓ Developing JCM project in Industrial Parks

Bangkok Metropolitan Administration, City of Yokohama, (Secretariat) OECC, InterAct

#### **Waste Project Development**

( Y-PORT Members and Private Sector in Bangkok)

Cluster1: J corporation

(JCM project at large-scale incineration plant)

Cluster 2: F corporation

(Waste disposal of public facilities)

Cluster 3: Project Development (wastewater) (Low carbon tech. for a new waste water treatment plant planed by BMA)

#### **Expected Outputs**

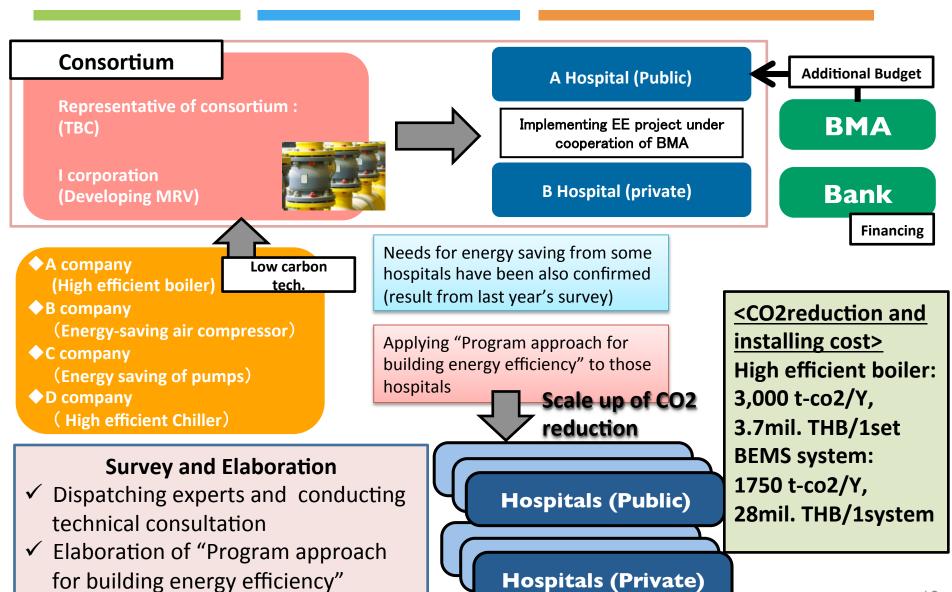
- ✓ Realization of JCM projects (subsidy program etc.)
- ✓ Elaboration of JCM project plans at incineration plants in Bangkok and other administrative procedure
- ✓ Project development of JCM for waste water plants

#### **Study on Potential JCM projects**

(Y-PORT Members and Private Sector in Bangkok)

- ✓ Elaboration of JCM projects which identified by last year's survey
- ✓ Technical consultation and by Japanese experts and data collecting which is useful for JCM project development

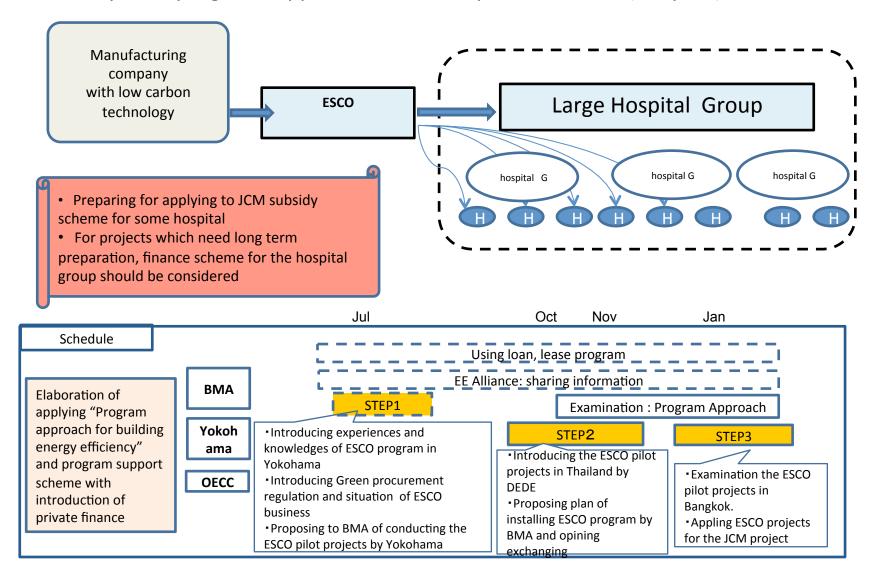
Energy efficiency sector: Elaboration of applying "Program approach for building energy efficiency" and program support scheme with introduction of private finance



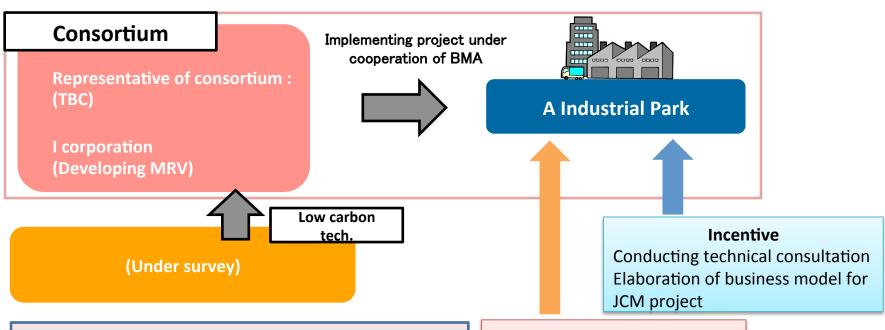
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## **Expanding Green Hospital Concept**

Energy efficiency: Elaboration of applying "Program approach for building energy efficiency" and program support scheme with private finance (Hospital)



## **Energy efficiency sector: Elaboration of comprehensive energy saving in the industrial park**



#### **Survey and Elaboration**

- Dispatching experts and conducting technical consultation
- Elaboration of business model for JCM project
- ✓ Elaboration of environmental standard to introducing incineration plants

#### **Regulatory approach**

Elaboration of introducing the GHG reporting and disclosure scheme

Achieving comprehensive energy saving and CO2 reduction

## Waste & Waste water sector: Elaboration of JCM project plans at incineration plants in Bangkok and other administrative procedure

#### Consortium

Representative of consortium: (TBC)

I corporation (Developing MRV)

Implementing project under cooperation of BMA





<CO2reduction >
High efficient boiler,
furnace, turbine:

**Incineration plant** 

Low carbon tech.

◆J corporation
Stoker type incinerator
Large-scale boiler
Steam turbine

#### **Survey and Elaboration**

- ✓ Capacity development of operational skill by regional government
- ✓ Elaboration of environmental standard to introducing incineration plants
- ✓ Elaboration of business model for JCM project

#### Yokohama

- Experience of policy implementation of waste disposal measures
- Knowledge of operation and maintenance of facility

#### J corporation

> Technical knowledge





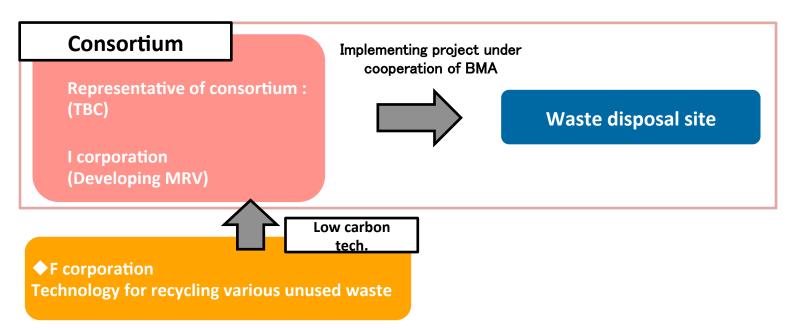


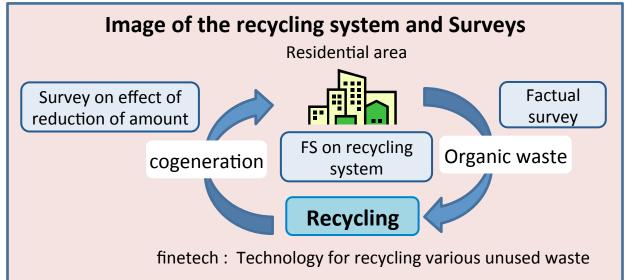
**BMA** 

#### **Political and Technical dialogue**

 construct common understanding for waste disposal and introduction of incineration plants

## Waste & Waste water sector : Project development of JCM for waste disposal of public facilities





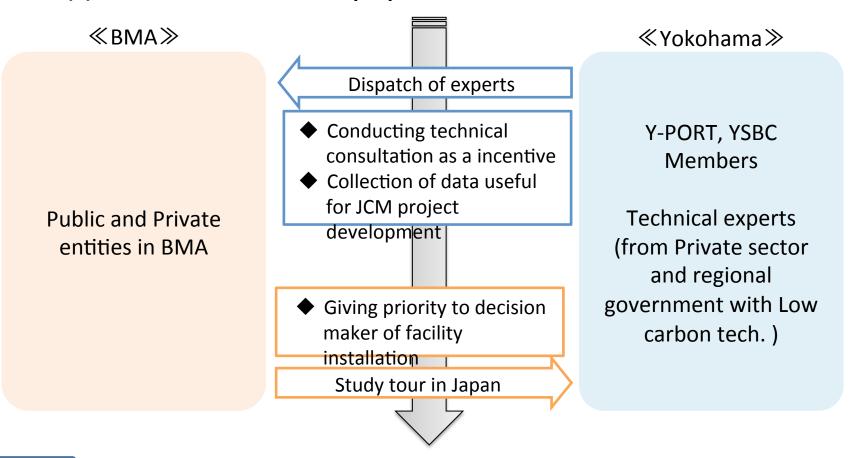
## Other survey and elaboration

Survey on pickup system
 of general waste in
 Thailand and in central
 and regional governments

## Survey on potential JCM projects development

**Current** status

- (1) Needs from Thailand companies clarified last year's survey
- (2) GHG reduction measures proposed under BMA Master Plan on Climate Change



**Expected** output

(1) Clarifying compatibility of tech., requirements of JCM scheme

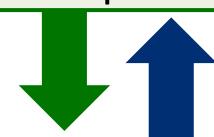
(2)Finding GHG reducing PJ→Clarifying Feasibility of JCM project development

## Financing Programme for JCM Model Projects by MOEJ

The budget for FY 2015
2.4 billion JPY (approx. <u>USD24</u>
<u>million</u>) per year by FY2017
(total <u>7.2 billion JPY</u>)

Finance part of an investment cost (up to the half)





Conduct MRV and expected to deliver at least half of JCM credits issued

International consortiums (which include Japanese entities)







- > Scope of the financing: facilities, equipment, vehicles, etc. which reduce CO2 from fossil fuel combustion as well as construction cost for installing those facilities, etc.
- ➤ Eligible Projects: starting installation after the adoption of the financing and finishing installation within three years.

## Support Program Enabling "Leapfrog" Development (Finance/ADB) by MOE

### **Collaborative Financing Programme**

## **ADB Trust Fund (JF JCM)**

Budget for FY 2015[Budget for FY2014]

Budget for FY 2015[Budget for FY2014]

1.8 billion JPY (approx. USD18 million) per year by FY2018 (total 7.2 billion JPY) [4.2 billion JPY]

1.8 billion JPY (approx. USD18 million)[1.8 billion JPY]

Scheme

Scheme

To finance the projects which have the better efficiency of reducing GHG emission in collaboration with other projects supported by JICA and other governmentalaffiliated financial institute.

To provide the financial incentives for the adoption of the advanced low-carbon technologies which are superior in GHG emission reduction but expensive in ADB- financed projects.

#### **Purpose** To expand superior and advanced low-carbon

**MOEJ** 

Purpose

technologies for building the low carbon society as the whole city wise and area wise in the wider fields, and to acquire credits by the JCM.

To develop ADB projects as the "Leapfrog" developments by the advanced technologies and to show the effectiveness of the JCM scheme by the acquisition of credits of the JCM.

Financial assistance/Financial investments for overseas investment and lending JICA, other

Contribution

Supported Project by JICA, etc.

Collaboration

**Superior Advanced Low** 

**Carbon Technologies** 

 Renewable Energies Water Supply and Sewage

Waste to Energy Plant

**Systems** 

Transportation

**Finance** 

**JCM Project** 



**GHG** 

**Emission** Reduction

Trust Fund

**ADB** 

**ADB Project** 

**Finance** 

## Thank you!