

**Japan's Low carbon technology
and
BOCM(Bilateral Offset Credit Mechanism
/JCM(Joint Crediting Mechanism)
- as a tool for mitigation technology transfer -**

December 5th, 2012

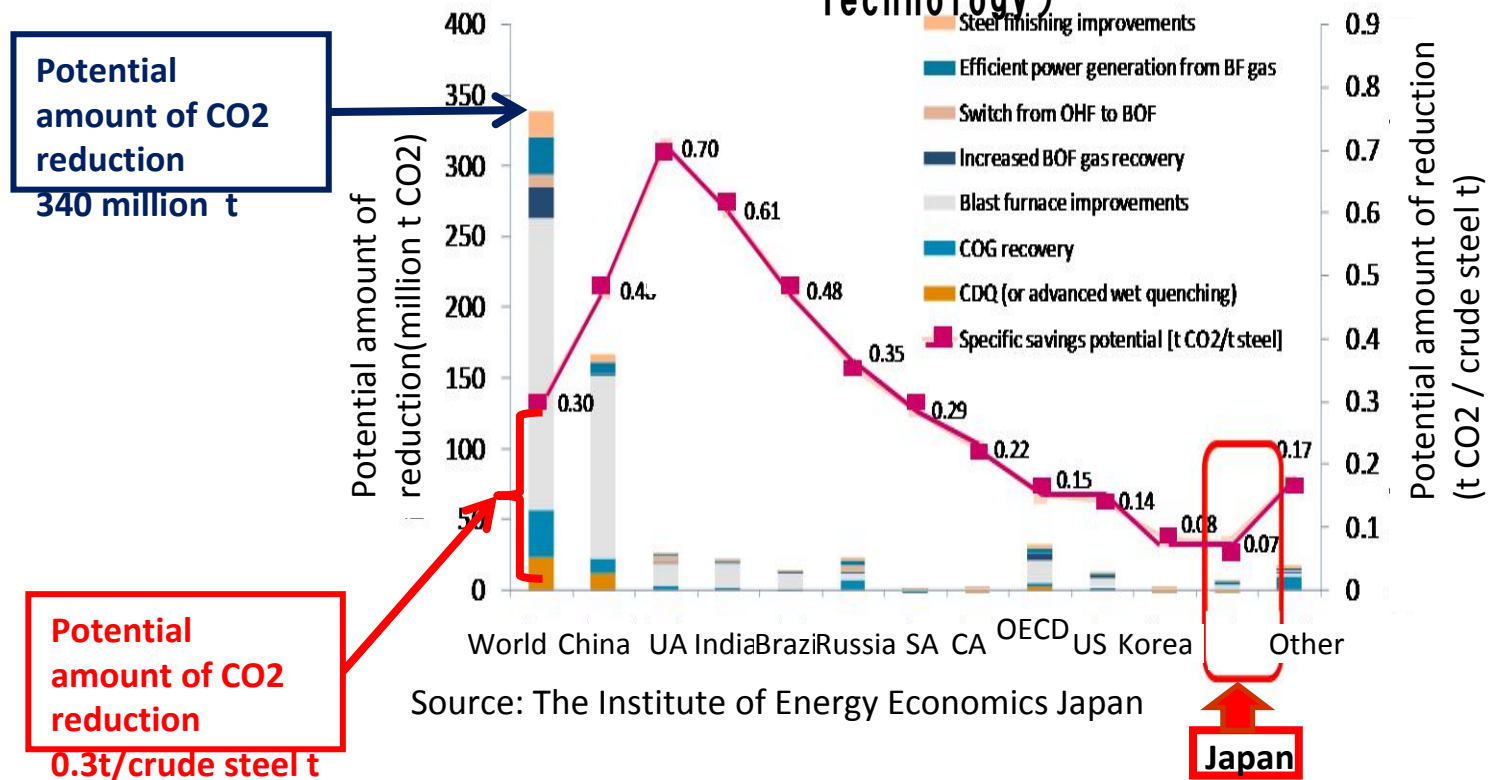
Ministry of Economy, Trade and Industry
Government of Japan

Japan's Low-Carbon Technology and Potential Contribution

Iron and Steel

- By applying the best practice of iron and steel plants in Japan to that of the world's plants, it is estimated to be reduced **340 million tons** of CO₂

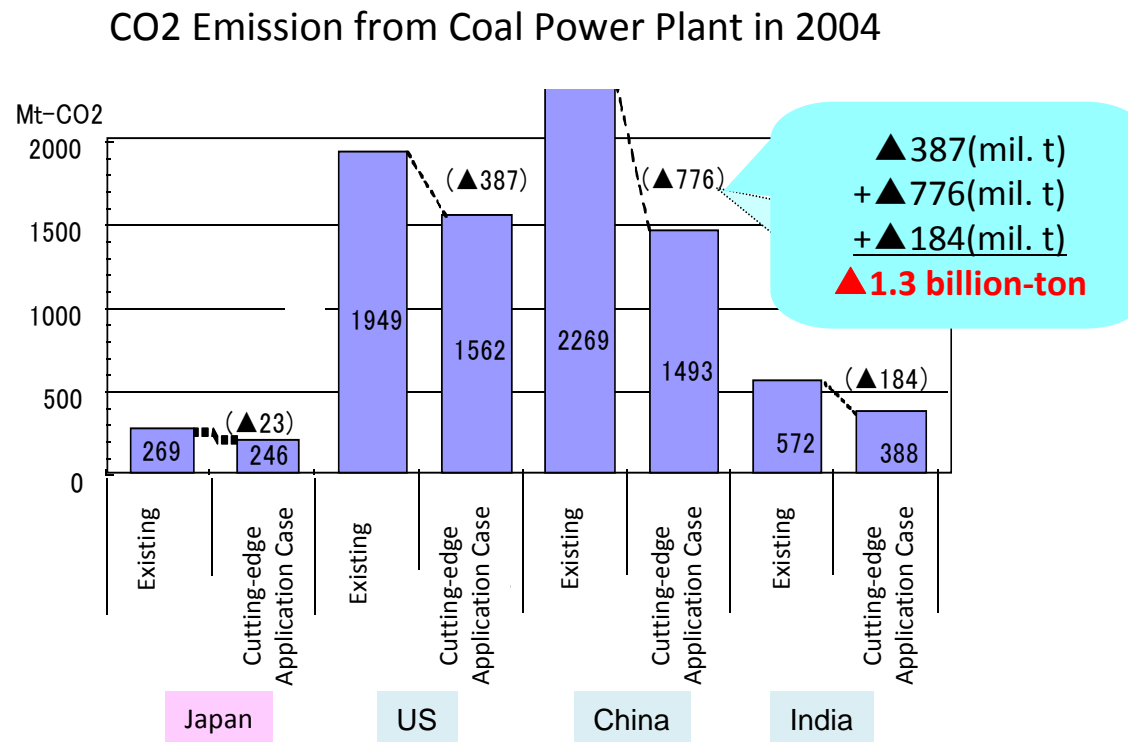
Potential reduction of CO₂ by applying BAT (Best Available Technology)



Japan's Low-Carbon Technology and Potential Contribution

Coal Power Generation

- By applying the best practice of coal-fired power plants in Japan to that of the US, China and India, it is estimated to be reduced **1.3 billion tons** of CO₂ which is equivalent to Japan's total emission.

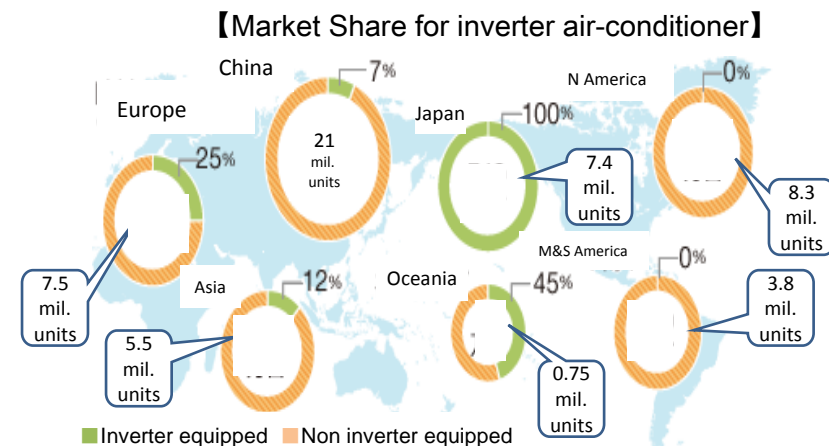
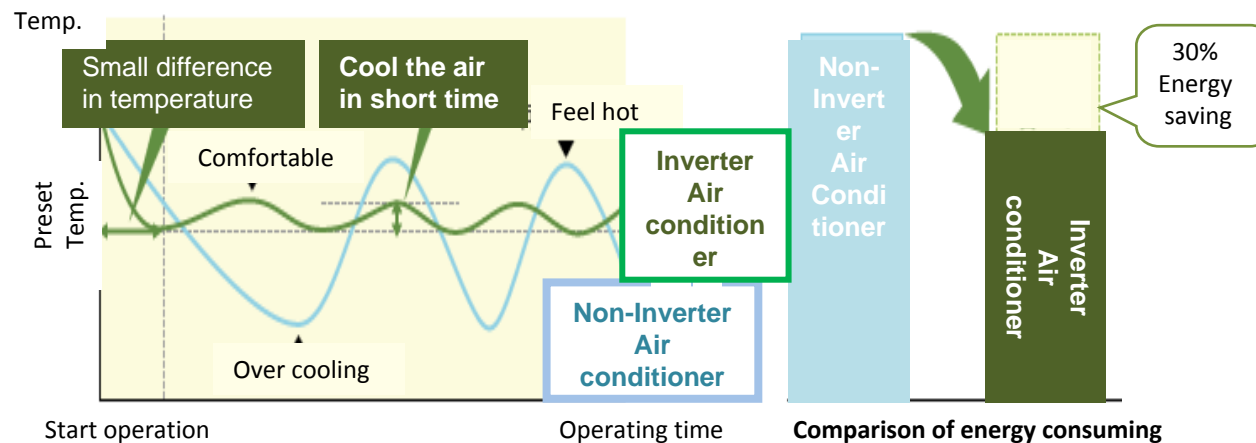


Source: The Institute of Energy Economics Japan

Japan's Low-Carbon Technology and Potential Contribution

Home Electrical Appliance (Air Conditioner)

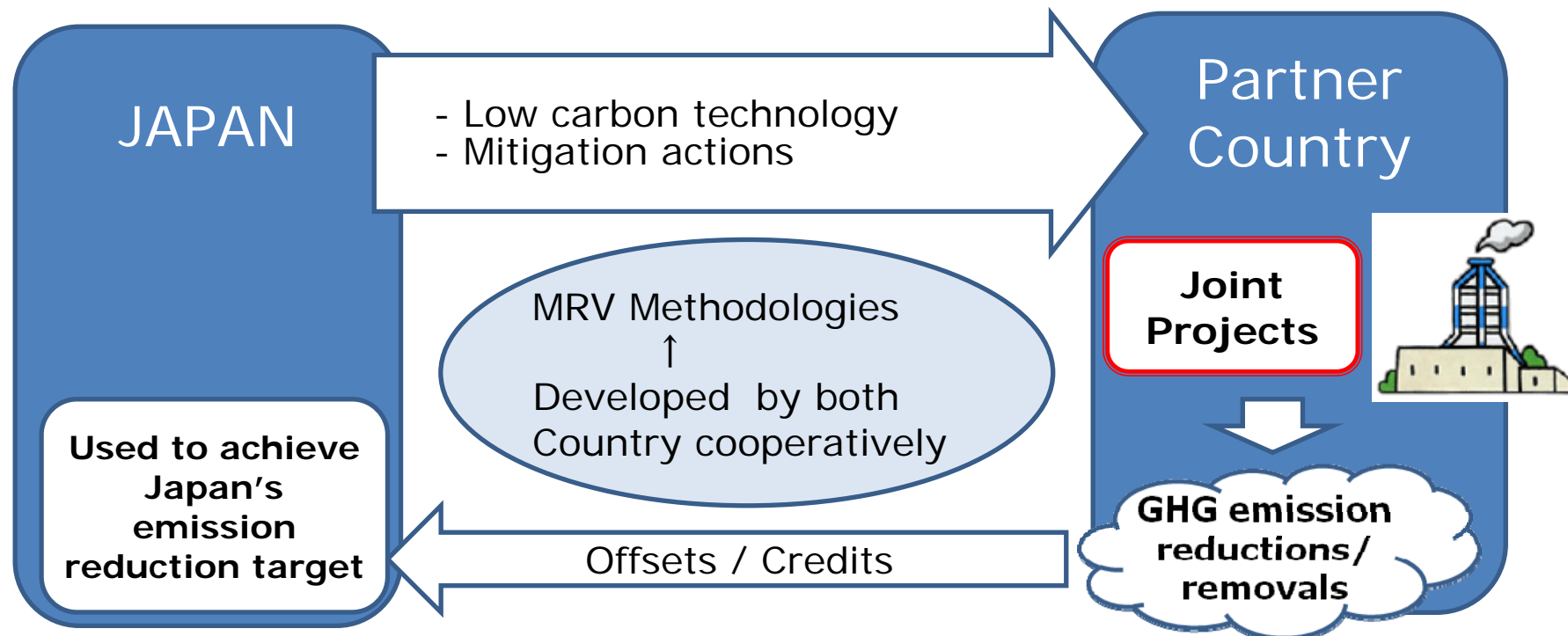
- By improving efficiency of all air-conditioners' in the world as efficient as Japan's air-conditioners which is equipped with inverter controller, it is estimated to be reduced **100 million tons** of CO₂.



Outline of BOCM/JCM

- ◆ To facilitate diffusion of advanced low-carbon technology (technologies, products, systems, services, infrastructure etc.)
- ◆ To contribute (1) implementation of mitigation actions, (2) sustainable development of developing countries.
- ◆ To appropriately evaluate contributions to GHG emission reductions/removals
- ◆ To contribute to the ultimate objective of the UNFCCC

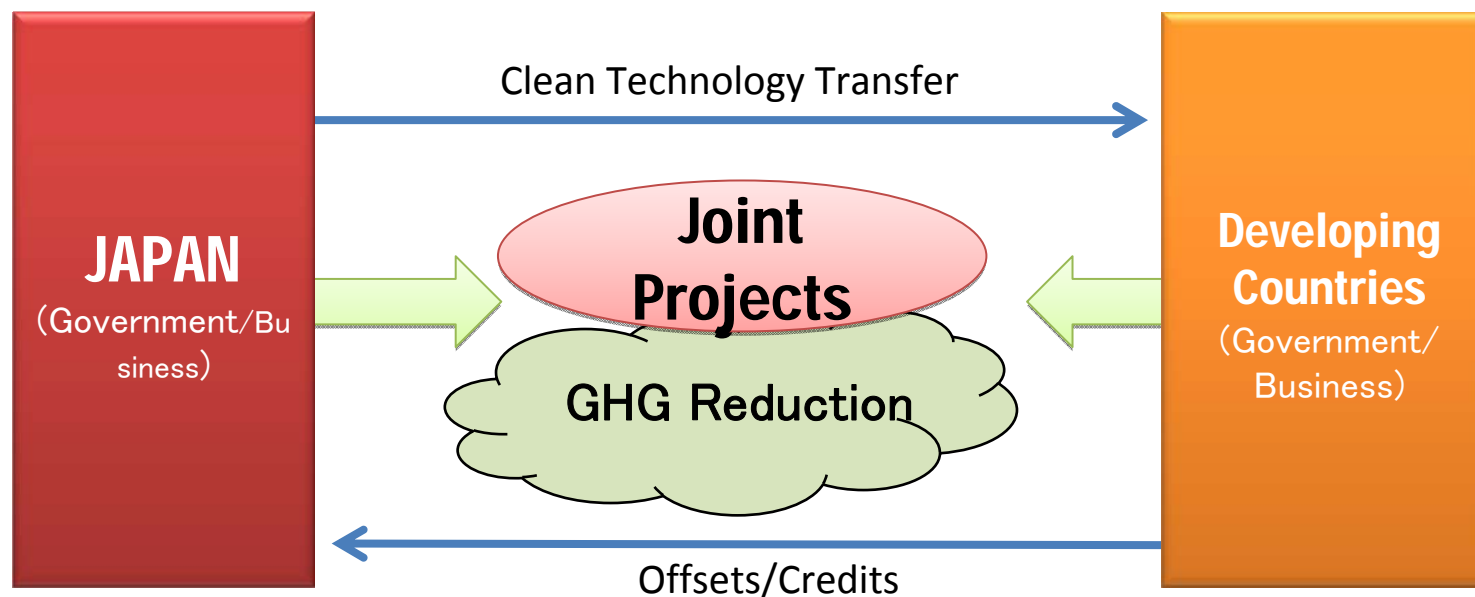
※ GHG: Greenhouse gas



Feasibility Studies for BOCM/JCM

Feasibility Studies for BOCM/JCM

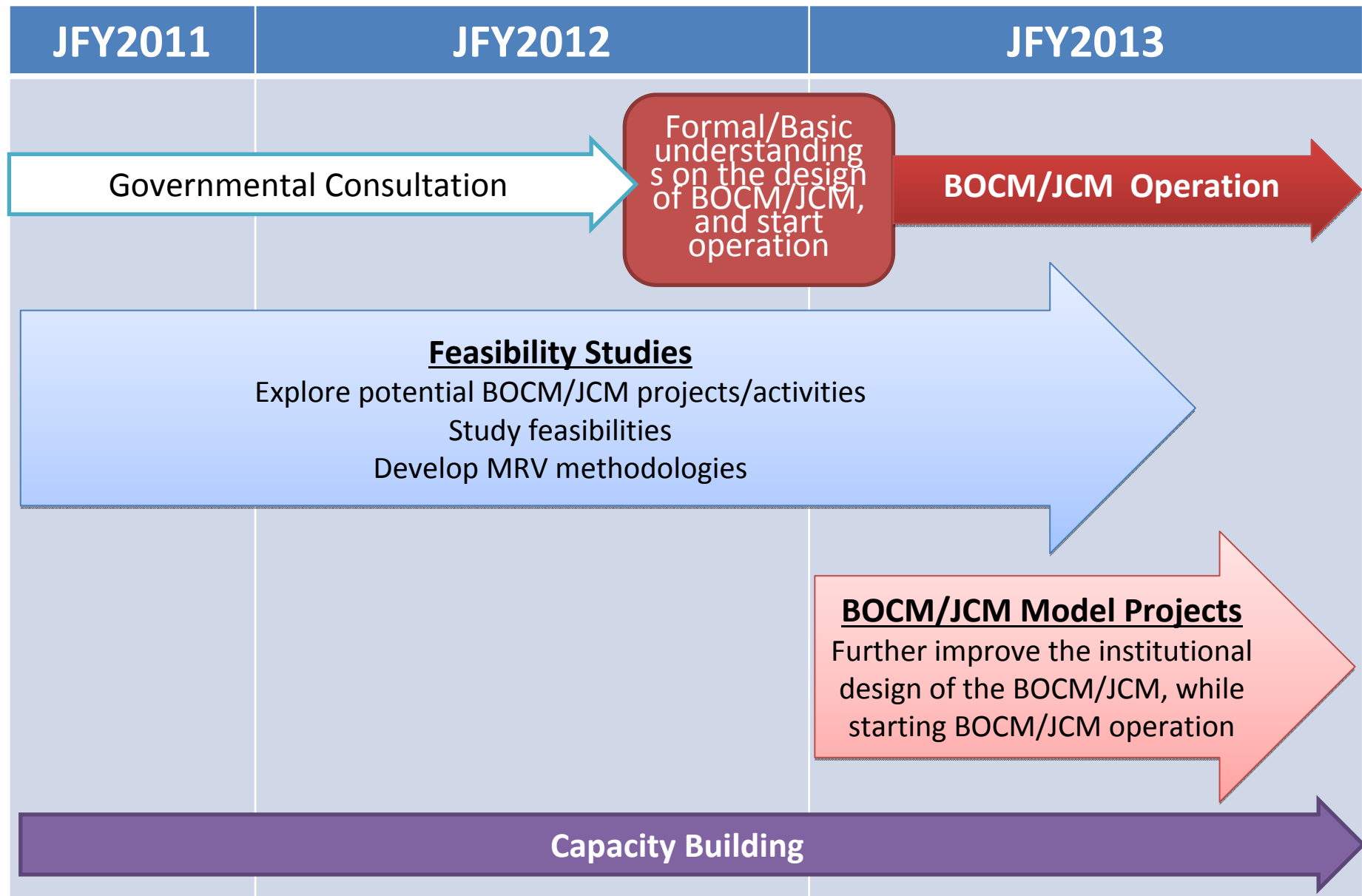
- started from 2010.
- funded by Government of Japan (conducted by Japanese private companies)
- purpose
 - to explore and design possible BOCM/JCM
 - to develop MRV methodologies
 - to estimate GHG emissions reduction potential
 - to evaluate financial aspects of projects



Approaches of BOCM/JCM

- The BOCM/JCM should be designed and implemented, taking into account the followings:
 - (1) Ensuring environmental integrity and transparency
 - (2) Maintaining simplicity and practicality
 - (3) Promoting concrete actions for global GHG emission reductions/removals
 - (4) Avoiding uses of any mitigation projects registered under the BOCM/JCM for the purpose of any other international climate mitigation mechanisms
 - (5) Aiming for concrete contributions to assisting adaptation efforts of developing countries through the BOCM/JCM
- Eligibility of projects in BOCM/JCM
 - several approaches are proposed (“positive list”, “benchmarking”, etc.)

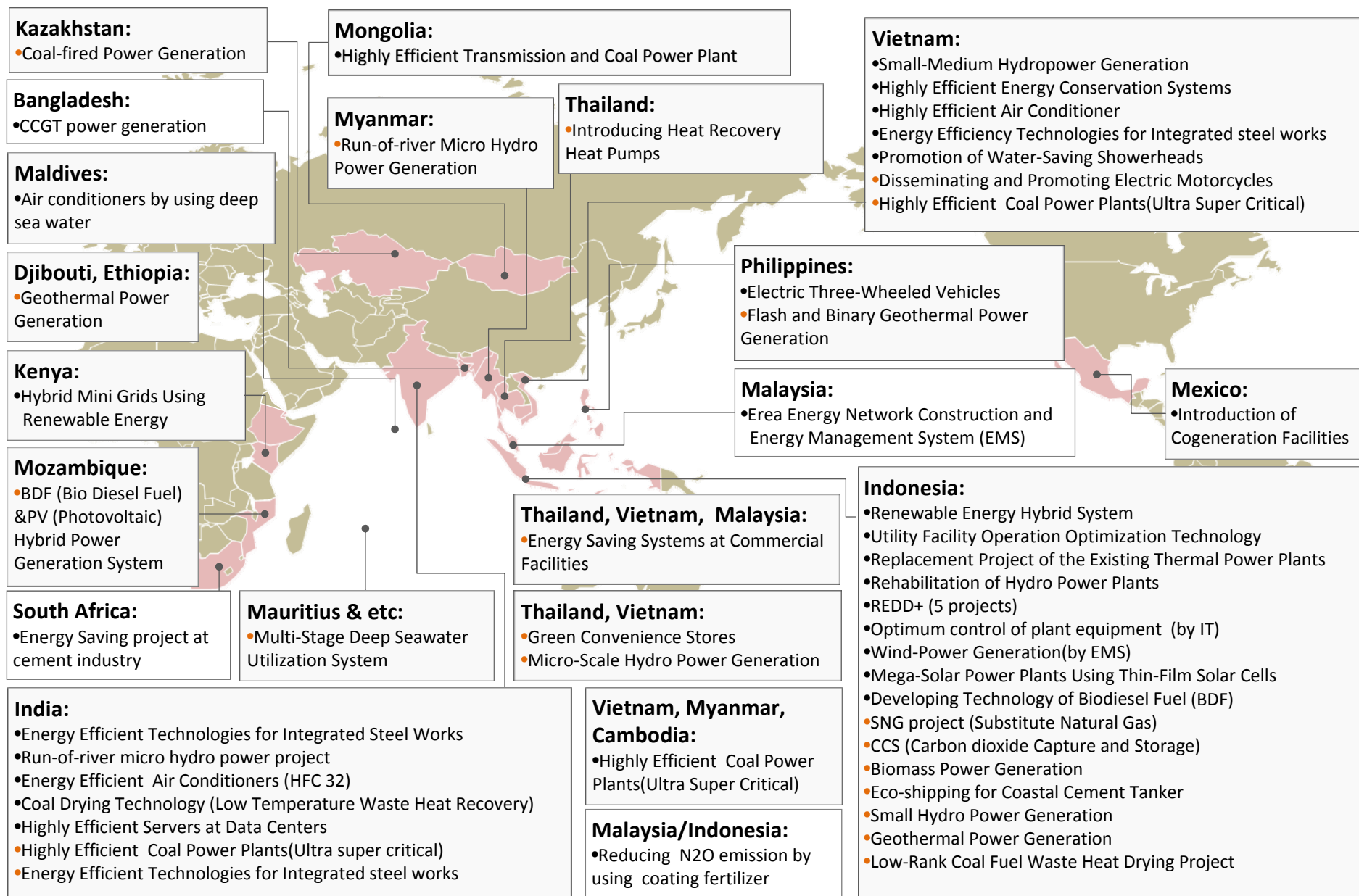
Roadmap & MRV/[BOCM] Model Project



BOCM/JCM Feasibility Studies (FSs) by METI & NEDO in FY2012

54 projects were selected (19 countries)

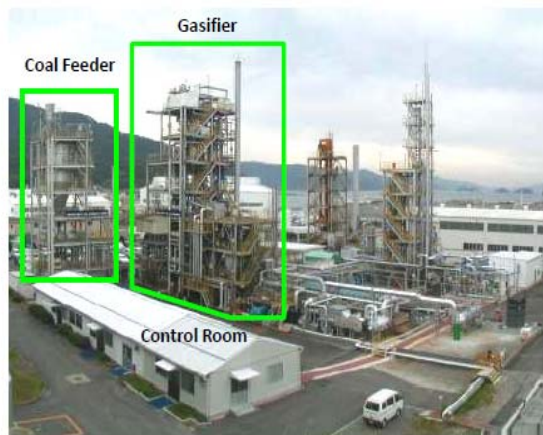
- (Black) → METI's FSs for Policy Recommendation (33 projects)
- (Yellow) → NEDO's FSs for Project Exploration /Development (21 projects)



Example of Feasibility Study (Indonesia)

SNG: Substitute Natural Gas

Site : South Sumatra
CO2 Reduction: 1,3150,000 CO2 t/year



Appearance of 50 t/d class Coal Gasification Pilot Plant

Energy efficiency in factories

Site: Refinery/Textile/Pulp and paper plants etc
CO2 Reduction: 1,000,000CO2 t/year



Geothermal Power

Site: Rabtau Dedap
CO2 Reduction: 900,000 CO2 t/year



REDD+ (Peat land)

Site: Central Kalimantan
CO2 Reduction:
a tens of millions CO2 t/ 30 years

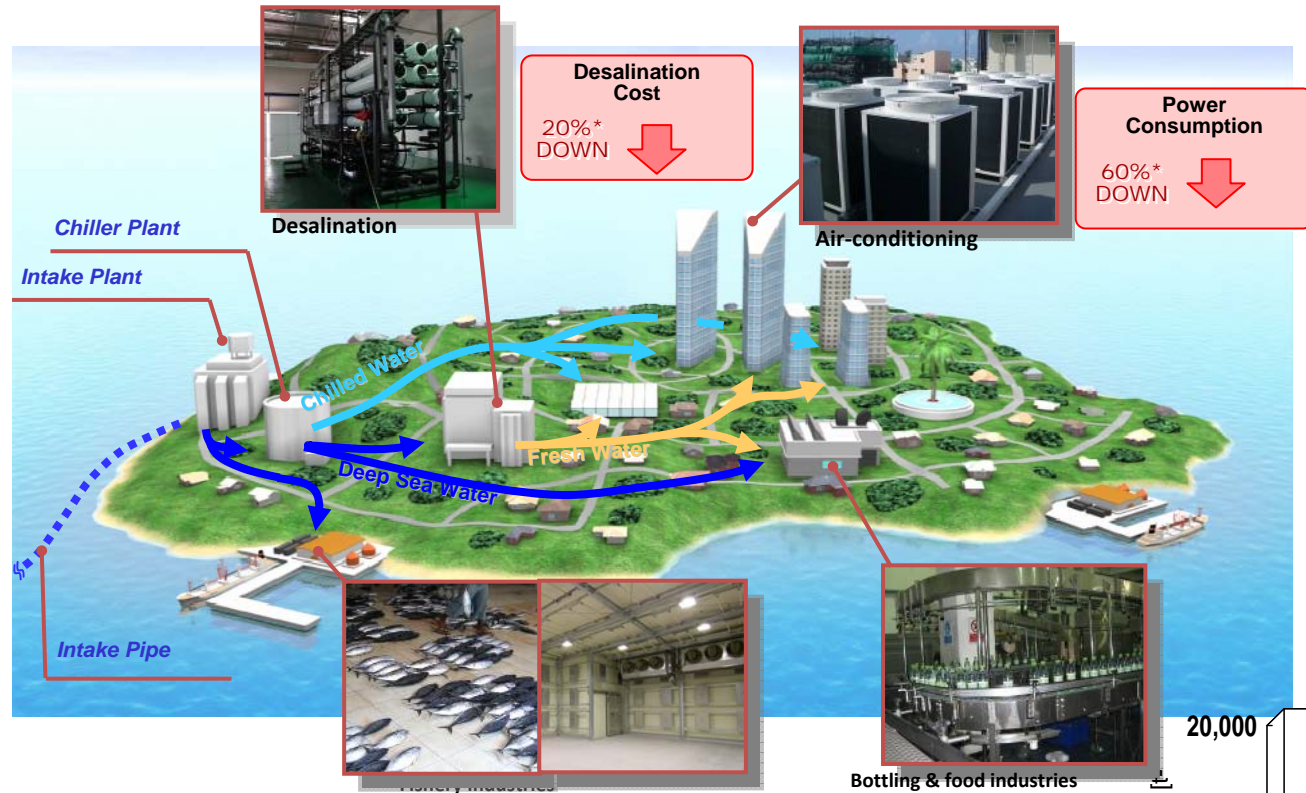


High efficiency solar cells

Site: Un-electrified area
Cell-phone base-system(BTS)
CO2 Reduction: 470,000 CO2 t/year

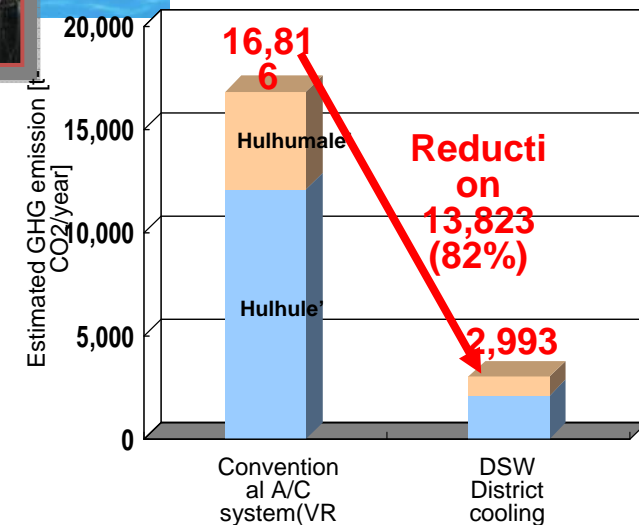
Example of Feasibility Study (Maldives)

Concept of Multistage Deep Seawater Utilization



- More than 100 cities in 20 countries are expected as potential sites for deep seawater cooling system.
- Up to 1 million t-CO₂/year of total GHG emission reduction is expected at those potential sites.

Estimated GHG reduction at 2 FS sites



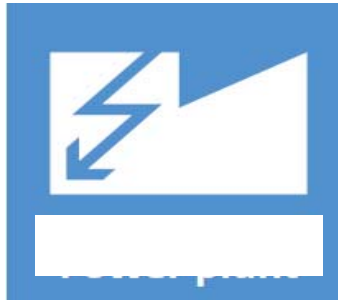
Example of Feasibility Study (Kenya)

Outline of F/S

- To study the feasibility of participation in a business of rural electrification by Hybrid Mini-Grid system (Hybrid of Solar and Wind with Diesel Generator)
- To propose MRV in case of Hybrid Mini-Grid system

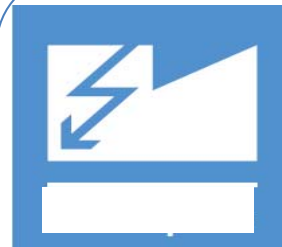
Technologies / Products

**Diesel
Generators**



Replace

Hybrid of Solar and Wind
with Diesel Generator



Diesel
Generators

+



Wind power



Solar power

Estimated
reduction:13,0
00 tones
CO2/year