



Mutual Recognition Arrangement (MRA) on JCM between Japan and Indonesia and SPEI

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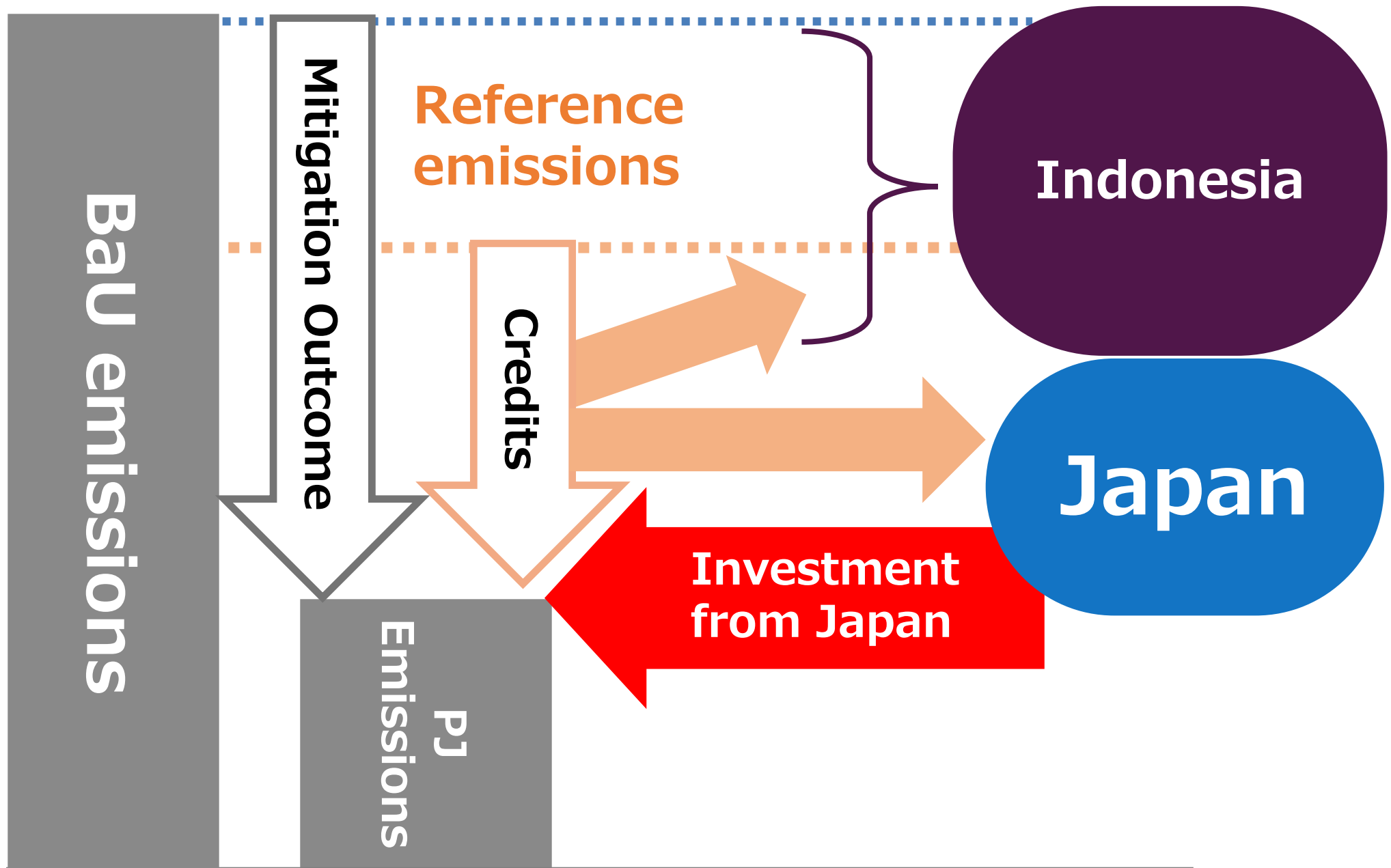
Ministry of the Environment, Japan

21 August 2025

Forum on Promoting Business Engagement and Matching through the Joint
Crediting Mechanism (JCM) to Expand Indonesia's Carbon Market



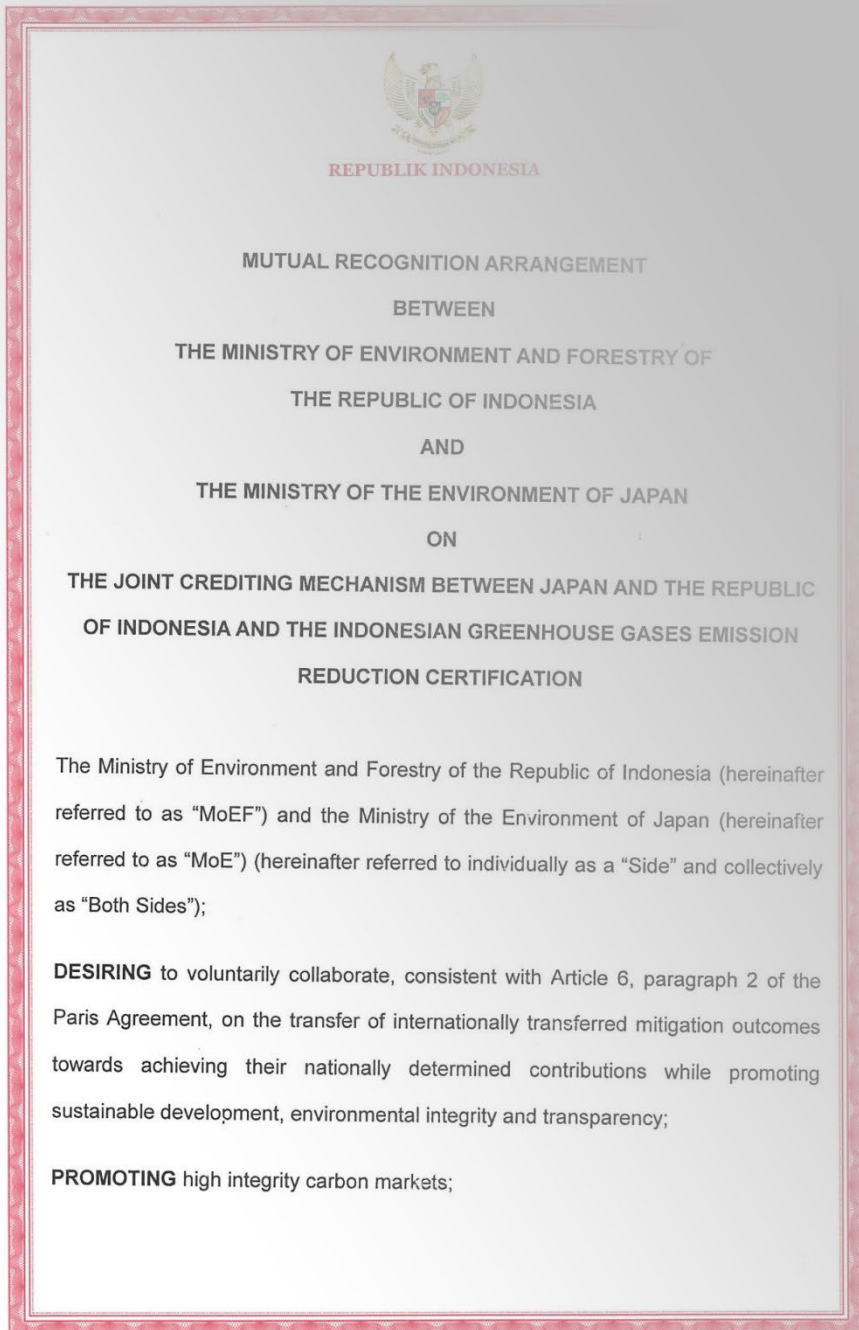
Ministry of the Environment



Mutual Recognition Arrangement

Mutual Recognition Arrangement between the Ministry of the Environment of Japan and the Ministry of Environment and Forestry of the Republic of Indonesia

on the Joint Crediting Mechanism between Japan and the Republic of Indonesia and the Indonesian Greenhouse Gases Emission Reduction Certification.

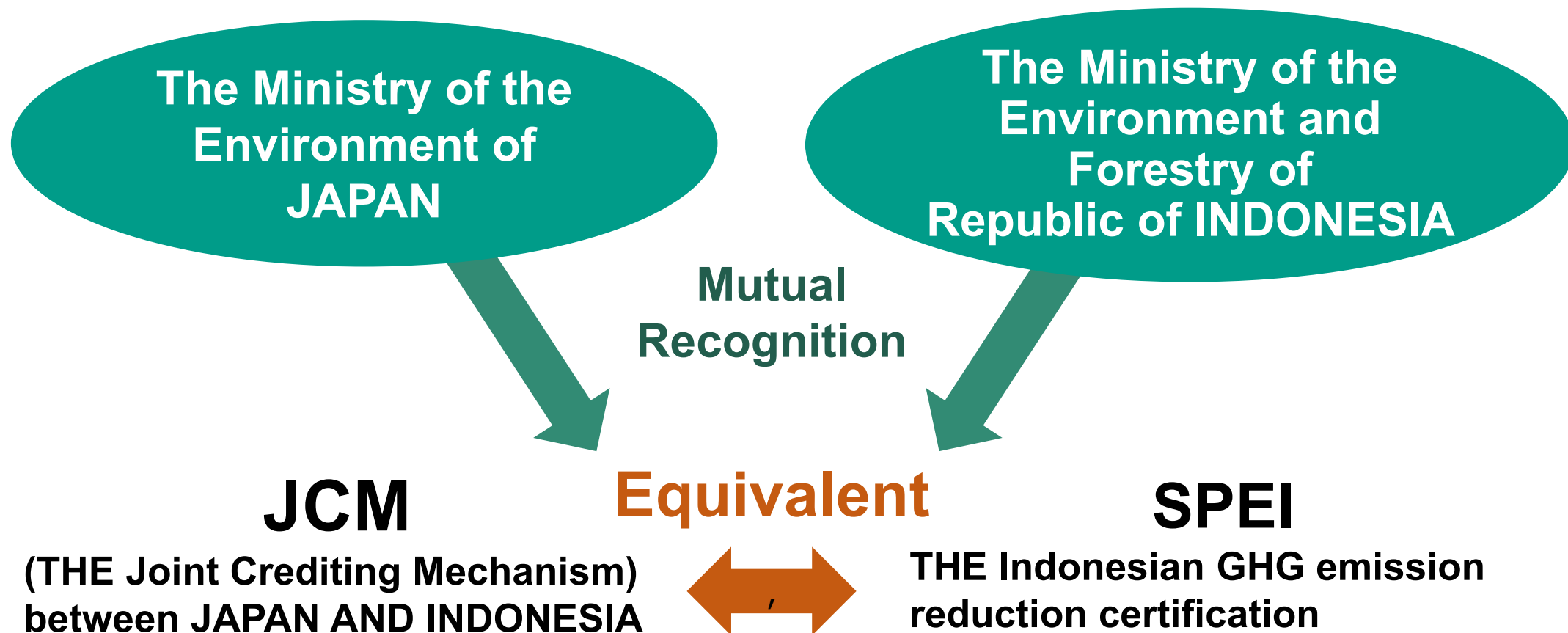


High-level Commitment on the MRA

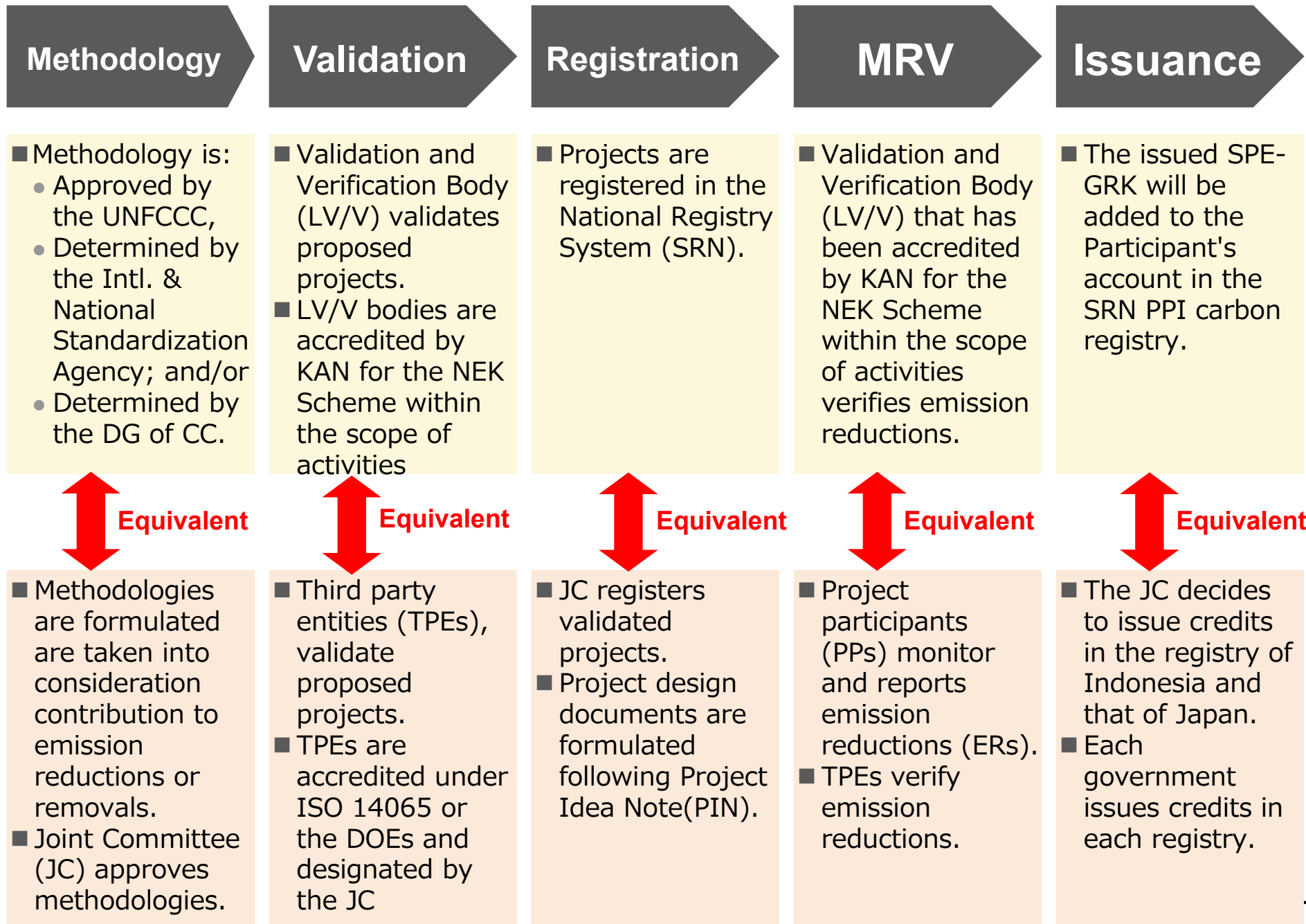


Mutual Recognition Arrangement on JCM and SPEI

- Mutually recognize each carbon credit registry, MRV, and certification system are operated and supervised consistent with the Paris Agreement
- Authorization and corresponding adjustments for registering JCM projects and issuing carbon credits in Indonesia are implemented in line with Indonesian regulations



Workflows of JCM/SRN&SPEI



E. Recording of JCM Projects in Indonesia

11. Both Sides recognize that the JCM project information is recorded in the National Registry System for Climate Change of Indonesia (SRN PPI).
12. The project information above includes a year of emission reduction or removal for credits, projects in process and planned projects under the JCM.



National Climate Change Registry System

Register your activities as a form of contribution to efforts to increase national resilience and prevent the increase in the earth's temperature from more than 1.5° C.

- Dashboard
- Climate Change Action
- Mitigation & Inventory Achievements
- Climate Change Action Spread

Registrant

4,545

Total Responsible Person

View Data >

Mitigation Action (2023)

607.94

Million Tons of CO₂e

Verified Emission Reduction Achievements

Technical Approval of Upper Emission Limits for Business Actors (PTBAE-PU)

246,300,000

PTBAE-PU Unit 2024

PTBAE-PU Trade 2024

246,300,000

PTBAE-PU Unit 2024

63

Company

146

Generating Unit

Available in IDXCarbon - PTBAE-PU 2024

300,000

PTBAE-PU Unit 2024

15

Company

23

Emission Reduction Certificate

6,116,830

SPE Unit

2,898,846

Issued

159,680

Available

985,130

Retired

0

Cancelled

0

Assigned

2,203,122

Available Carbon Exchange

Carbon Registry

Climate Change Action Activities

17,199

Total Registered Activities

1,617

Validated

1,387

Verified

Inventory (2023)

1,360.35

Tons of CO₂e

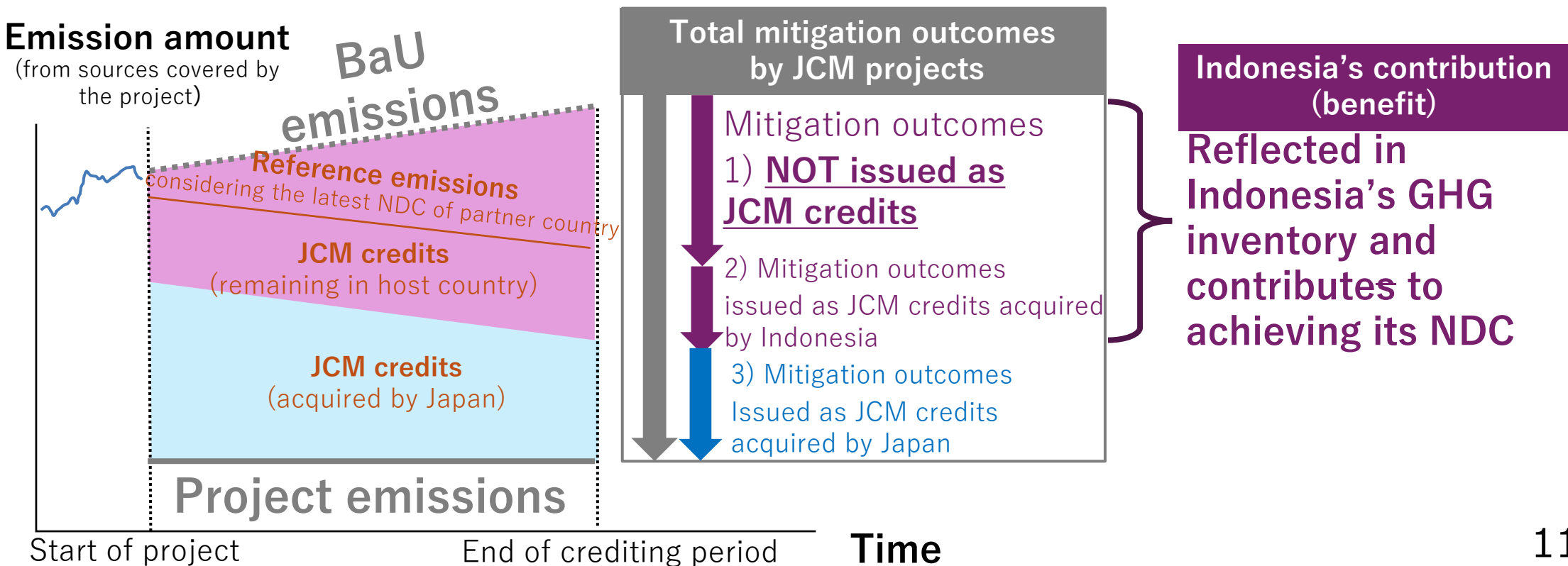
Emission Reduction

D. Sharing of Carbon Credits, Authorization, Corresponding Adjustment and Registration in NDCs

8. Both Sides acknowledge the fair sharing of carbon credits from JCM projects using SPEI, taking into account the contribution of each government and project participant for each project.
9. Both Sides acknowledge the implementation of authorization and corresponding adjustments for registering the carbon credits resulting from the JCM using SPEI as part of the NDCs.
10. Both Sides develop reports consistent with relevant guidance of the Paris Agreement.

1. Total mitigation outcomes by JCM projects

- **Total mitigation outcomes by JCM projects** are the difference between BaU and project emissions, consisting of
 - **1) NOT issued as JCM credits**
 - Issued as JCM credits acquired by 2) Indonesia and 3) Japan
- Mitigation outcomes 1) NOT issued as JCM credits and 2) issued as JCM credits acquired by Indonesia will be **reflected in Indonesia's GHG inventory and contribute to achieving its NDC**

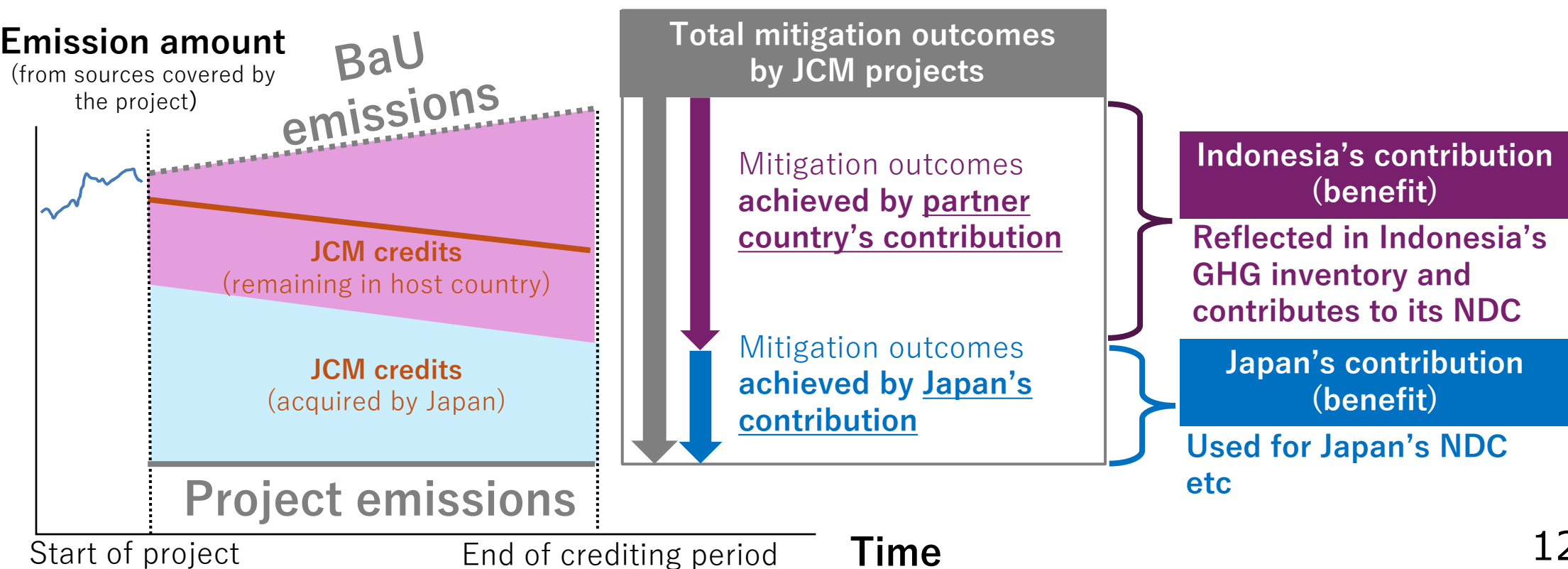


2. Allocation of mitigation outcomes

- Allocation of mitigation outcomes by each government and project participants will be decided by Joint Committee, taking into consideration their respective contributions to the JCM project.

<Examples of contribution>

- Private and public financial contributions
- In-kind contributions, such as technical and operational contributions.



Forest and Waste Sectors under the JCM

Legok Nangka Waste-to-Energy PPP Project in West Java

Sustainable Peatland Management Project in Central Kalimantan by Sumitomo Forestry



*Current condition at
Sarimukti Landfill (2024)*



*Sarimukti Landfill
fire (August 2023)*



Photos from a West Kalimantan project

Forest sector under the JCM

REDD+

**Afforestation
Reforestation**

As a first step, to address forest-related specific issues (including technical issues for FREL/REL and risk of reversals, safeguards, and coordination between national/sub-national REDD+ and JCM-forest project), specific JCM rules and guidelines for forest sector is to be developed.