



Japan Fund for the Joint Crediting Mechanism (JFJCM)

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ADB's Carbon Market Program

Japan Fund for the Joint Crediting Mechanism

Carbon finance to incentivize deployment of advanced low-carbon technologies

- Provides financial incentive for deploying advanced low-carbon technologies in ADB-financed projects, under the Joint Crediting Mechanism, aligned with Article 6.2.
- Upfront finance
- Demand signal

 **\$138.58 mn**

Article 6 Support Facility

Technical and capacity building support to enhance carbon market readiness and projects

- **Upstream:** National strategies, frameworks, institutional infrastructure for carbon markets
- **Midstream:** Pipeline of projects for carbon credits
- **Downstream:** Support development of carbon projects to generate carbon credits

 **\$8.8 mn**

Climate Action Catalyst Fund

Carbon finance to support transformative mitigation actions

- Pre-purchase of carbon credits from ADB financed projects generating carbon credits under Article 6 of the Paris Agreement
- Long term fixed price contracts and upfront payments
- Price signal

 **\$77 mn**

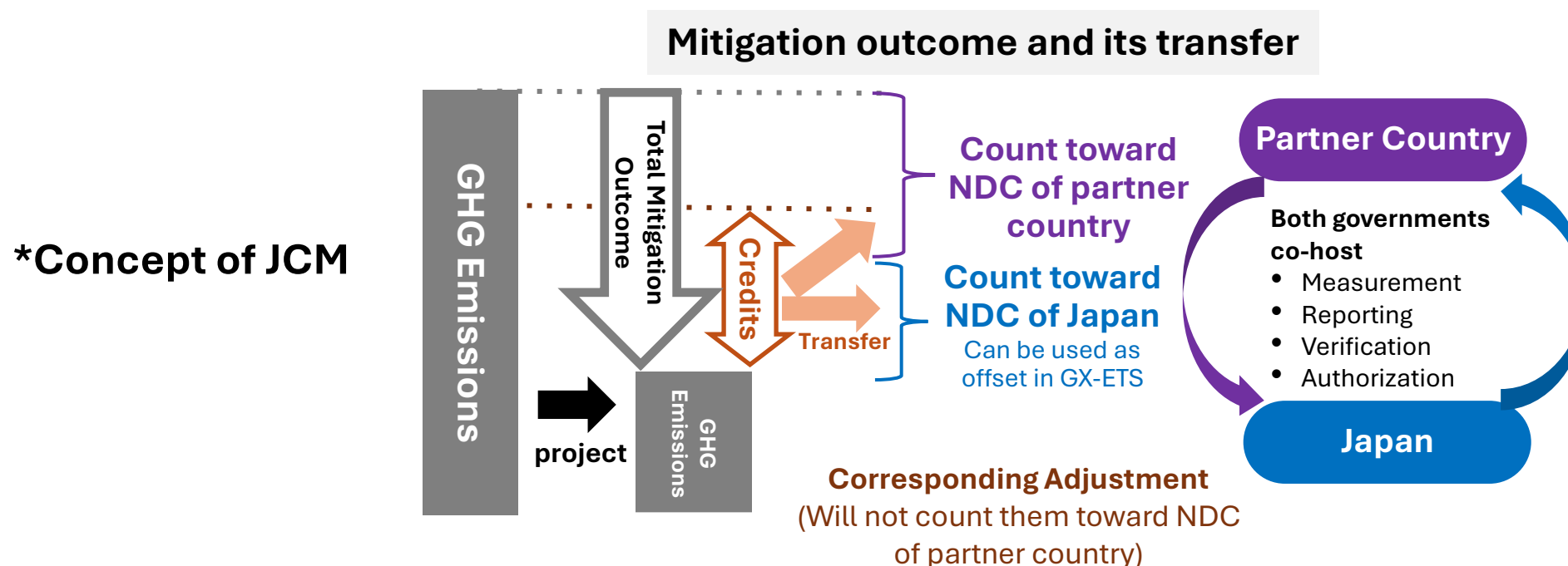
- Ministry of the Environment, Japan
- Ministry of Foreign Affairs and Trade, New Zealand

- Federal Ministry for Economic Cooperation and Development, Germany

- Swedish Energy Agency
- Norwegian Ministry of Climate and Environment

Japan Fund for the Joint Crediting Mechanism

- Established in June 2014 as one of ADB's trust funds
- Contribution by the Government of Japan: **\$138.58M** (2014-2025)
- Provides **financial incentive** for the adoption of **advanced low-carbon technologies** in **ADB-financed projects**
- Projects funded by JFJCM are required to generate carbon credits under the **Joint Crediting Mechanism (JCM)*** and allocate a portion of these credits to the Government of Japan
- Both **sovereign** and **nonsovereign** projects are eligible



Eligible Countries

- ❖ All ADB developing member countries that have [signed bilateral agreements on the JCM](#) with the Government of Japan (19 out of 31 JCM partner countries).
- ❖ Azerbaijan, Bangladesh, Cambodia, Georgia, India, Indonesia, Kazakhstan, Kyrgyz Republic, Laos, Maldives, Mongolia, Myanmar, Palau, Papua New Guinea, [Philippines](#), Sri Lanka, Thailand, Uzbekistan, and Viet Nam (as of August 2025).

Eligible Projects

- ❖ Investment project [financed by ADB](#) or ADB administered funds.
- ❖ ADB technical assistance for developing JFJCM pipeline projects.

* Can be used for additional financing to ongoing ADB project.

Eligible Technologies

- ❖ [Advanced low-carbon technologies](#) that reduce greenhouse gas (GHG) emissions from energy source.
- ❖ The technologies must have a [proven track record](#) but must be "advanced" in the partner country context.

JFJCM Project Portfolio



#	Project	Country	JFJCM support (\$ mn)	Total project cost (\$ mn)*	ADB approval	Technologies supported
1	Preparing Outer Islands for Sustainable Energy Development Project (POISED)	Maldives	5.00	129.00	2015	Advanced battery and energy management system (EMS)
2	Southwest Transmission Grid Expansion Project	Bangladesh	7.00	532.00	2018	Energy efficient transmission lines
3	Upscaling Renewable Energy Sector Project	Mongolia	6.00	66.22	2018	Solar PV with advanced battery system and EMS
4	Improving Access to Health Services for Disadvantaged Groups Investment Program	Mongolia	3.48	80.44	2019	Energy efficient HVAC, high insulation window, rooftop solar PV and ground source heat pump
5	Greater Male Waste to Energy Project	Maldives	10.00	151.13	2020	Waste-to-energy plant (incineration)
6	Geothermal Power Generation Project	Indonesia	10.00	479.20	2023	Geothermal power plant with advanced designs
7	Accelerating Sustainable System Development Using Renewable Energy Project (ASSURE)	Maldives	6.20	100.47	2023	Advanced flow battery system and ocean renewable energy pilot
8	Disaster Resilient Clean Energy Financing Project (DRCEF)	Palau	5.00	9.00	2023	Financial intermediation to support investment in low-carbon technologies
9	Bishkek Low-carbon Municipal Building Upgrading Pilot	Kyrgyz Republic	5.00	8.00	-	Energy efficient heat pumps, ventilation system with heat recovery, and building energy management systems (BEMS)
10	Sustainable Energy Sector Development Program – Subprogram 1	Papua New Guinea	10.00	110.00	2025	Energy efficient transmission lines
11	Accelerating Expansion and Sustainability of Health Services for Universal Health Care (ACCESS-UHC) Project	Philippines	3.5	514.00	-	Energy-efficient HVAC, rooftop solar PV and building-integrated PV (BIPV)
		Total	71.18	-	*Source: Project Administration Manual of each project or other published documents at ADB website under https://www.adb.org/projects	

Deployment of Advanced Mini-Grid Technologies in Maldives

Preparing Outer Islands for Sustainable Energy Development Project

- **Solar–diesel hybrid system aimed at transforming power grid in Maldives.**
- **JFJCM supported deployment of advanced battery energy storage and energy management system to enhance the performance of 1.6 MW Solar Photovoltaic project (ADB-funded).**
- **Project Cost: \$129 million**
- **JFJCM Support: \$5 million**
- **Verified GHG Emissions Reductions: 750 tCO₂e**
- **Issuance of JCM Credits: 16 December 2025**



BESS installed in Addu City

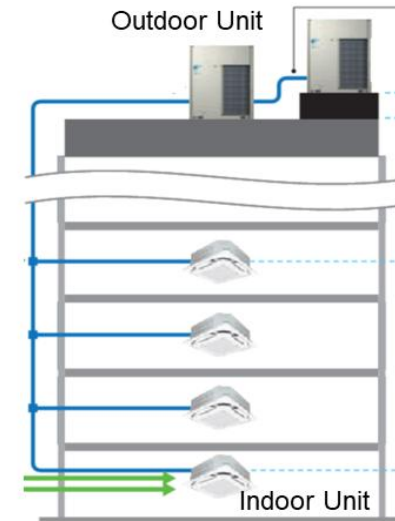


Solar PV at the project site

Energy-Efficient Health Facilities in the Philippines

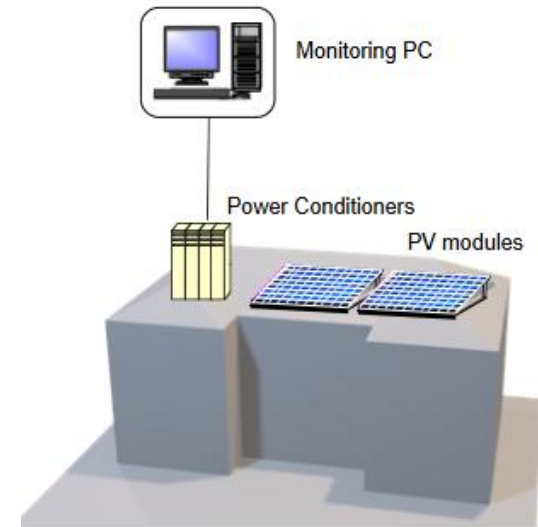
Accelerating Expansion and Sustainability of Health Services for Universal Health Care (ACCESS-UHC) Project

- Enhanced resilience of the Philippine health sector to climate change by improving access to climate-smart health services and interventions.
- JFJCM will support 10 health facilities by deploying energy-efficient air conditioning systems with advanced monitoring and control systems, and rooftop solar PVs, and pilot a building-integrated PV system.
- Target facilities are located in different regions across the country, including Ilocos, Bicol, Visayas, and Southern Mindanao.
- Project Cost: \$514 million
- JFJCM Support: \$3.5 million
- GHG Emission Reductions : ~4,800 tCO₂e/yr



Source: Daikin

Variable Refrigerant Flow (VRF)

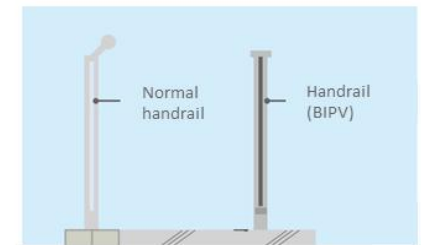


Rooftop solar PVs



Building-integrated PV system (BIPV)

building-integrated PV power system (BIPV)






Source: Kaneka

Thank You!



Japan Fund for the Joint Crediting Mechanism

Fund At A Glance

Established	June 2014
Funding	\$138.58 million contributed by the Ministry of Environment Japan, Government of Japan (GOJ)
Objective	JFJCM provides financial incentives for adoption of advanced low-carbon technologies in ADB-financed projects. In return, a portion of generated carbon credits under the Joint Crediting Mechanism (JCM) will be shared with the GOJ.
Support Provided	Support up to 10% of total project cost, capped to \$10 million for sovereign and nonsovereign projects
Eligible Countries	All ADB developing member countries that have signed bilateral agreements on the JCM with the Government of Japan: Azerbaijan, Bangladesh, Cambodia, Georgia, India, Indonesia, Kazakhstan, Kyrgyz Republic, Laos, Maldives, Mongolia, Myanmar, Palau, Papua New Guinea, Philippines, Sri Lanka, Thailand, Uzbekistan, and Viet Nam (19 developing member countries as of August 2025)
Project Portfolio	\$71.18 million allocated to 11 JCM projects which are expected to reduce 372,975 tCO ₂ e per year
Examples of Technologies Deployed	<div>  <p>Maldives: 500KWh Battery Energy Storage System</p> </div> <div>  <p>Bangladesh: High- Temperature Low-Sag Conductors</p> </div> <div>  <p>Mongolia: 5MW Solar Power Plant + 3.6MWh BESS</p> </div>