Forum on Promoting Business Engagement and Matching through JCM to Expand Indonesia's Carbon Market" Held in Jakarta Indonesia – August 21, 2025

Summary Report (English)

Opening Remarks

Mr. Keitaro Tsuji (Ministry of the Environment, Japan)

Mr. Tsuji welcomed more than 300 participants attending onsite and online, expressing appreciation for their engagement in the forum. He positioned the JCM as a long-standing example of Article 6 cooperation, noting that 60 projects have already been implemented across diverse sectors in Indonesia. He referred to the Mutual Recognition Arrangement (MRA) signed in 2024, which will connect JCM credits with Indonesia's domestic system and Japan's upcoming GX-ETS in 2026—creating significant new demand. Against this backdrop, he underlined that the forum should help accelerate concrete decarbonization projects through technology transfer, private sector participation, and strengthened bilateral collaboration.



Opening Remarks

Mr. Boby Wahyu Hernawan (Ministry of Finance, Indonesia)

Mr. Hernawan thanked the co-organizers and emphasized the importance of joint efforts between the government and the private sector to tackle climate change. He pointed out Indonesia's wealth of natural resources and highlighted how the JCM, with more than a decade of cooperation and 60 projects, has become a vital platform for technology transfer and investment. Referring to the recent MRA on carbon trading, he stressed that adopting low-carbon technologies is not only an environmental necessity but also

essential for strengthening Indonesia's export competitiveness in a global market increasingly shaped by ESG standards. He framed the forum as both a business platform and a milestone in deepening bilateral cooperation under the Paris Agreement.



Presentation - Introduction of JCM

Mr. Cahyadi Yudodahono (CMEA, JCM Secretariat)

Mr. Yudodahono provided an update on Indonesia's implementation of the JCM since its launch in 2013, highlighting the mechanism's role in promoting low-carbon technologies, financial support, and capacity building. He explained that governance of the JCM in Indonesia is jointly managed by a bilateral Joint Committee, comprising representatives from relevant ministries in both Japan and Indonesia, project participants, and third-party entities responsible for validation and verification of mitigation outcomes.

He outlined the operational structure, noting that project participants are responsible for implementing and monitoring projects according to internationally recognized standards, while third-party entities ensure the integrity of reporting and credit issuance. As of the presentation, Indonesia has implemented 60 projects, conducted over 120 feasibility studies, and approved 29 methodologies. Among these, 31 projects have been officially registered and 13 have already issued carbon credits.

Mr. Yudodahono emphasized the principle of conservative credit allocation, ensuring that a portion of mitigation outcomes remains with Indonesia to fulfill its NDC obligations. Financial support schemes include "Subsidy Programme for the JCM Facility Introduction" subsidized up to 50% by the Ministry of Environment, demonstration projects introducing new technologies with support exceeding 50%, and projects financed through ADB loans, which have so far been supported by approximately USD 10 billion in top-up subsidies I.

He also presented technical examples across sectors, including a 10 MW mini-hydro project in North Sumatra, public transport initiatives in Semarang, rural telecommunication networks in Sumatra, Java, and Kalimantan, energy efficiency improvements in Bekasi, and automobile manufacturing in Karawang. He highlighted

that JCM infrastructure in Indonesia aligns with ISO 14065 and related standards, and is fully integrated into the national registry system (SRN) developed by Indonesia's Ministry of Environment (KLH).

Mr. Yudodahono concluded that the JCM serves as a critical platform for advancing Indonesia's climate commitments, providing a structured and transparent mechanism for international cooperation, and generating valuable technical and operational experience to support future low-carbon development.



Presentation – Japan's Climate Change Policy and Latest JCM Developments

Mr. Keitaro Tsuji (Ministry of the Environment, Japan)

Mr. Tsuji presented Japan's recent climate policy updates and key developments in the JCM, with a particular focus on cooperation with Indonesia. He noted that the JCM now spans 30 partner countries and over 270 projects, mobilizing more than USD 3 billion in investment. Indonesia accounts for the largest number of projects, underscoring the depth of bilateral collaboration.

A milestone in 2024 was the adoption of revised JCM rules consistent with Article 6 of the Paris Agreement, fulfilling the prerequisites for international transfer of credits. In parallel, Japan and Indonesia signed a Mutual Recognition Arrangement (MRA) linking the JCM with Indonesia's SPEI system. This opened the door for new initiatives in forestry, land use, and waste management, complementing over 60 ongoing projects in Indonesia.

He also explained how mitigation outcomes are shared under the JCM. Total reductions achieved through a project are divided into three components: the portion not issued as credits, which contributes directly to Indonesia's NDC achievement; the portion issued and retained by Indonesia; and the portion issued and transferred to Japan. The allocation between the two countries is determined by their respective contributions—financial, technical, and operational—ensuring that both sides benefit fairly from cooperative efforts.

Looking forward, Mr. Tsuji underlined Japan's pledge to achieve reductions of 100 MtCO₂ by 2030 and 200 MtCO₂ by 2040 through JCM activities. To support this ambition, the JCM Agency was launched in April 2025 to manage operations, while Japan will establish its domestic compliance carbon market in 2026. Importantly, JCM credits will be eligible as compliance units, generating significant demand for high-integrity credits.

Mr. Tsuji emphasized that the next stage is not only about numbers and rules, but about translating this framework into tangible action. By scaling up JCM projects, both countries can accelerate NDC achievement, attract investment, and showcase best practices in international carbon markets. He invited Japanese and Indonesian partners to seize today's forum as a platform to move from dialogue to concrete cooperation.



Presentation – Overview of JCM Rules & Guidelines for CCS and CCUS in Indonesia

Mr. Norihiro Kimura (Ministry of Economy, Trade and Industry, Japan)

Mr. Kimura presented the recent development of CCS/CCUS rules under the JCM, responding to needs identified during feasibility studies in Indonesia from 2020 to 2022. After consultations with experts and stakeholders, a large-scale technical workshop was held in October 2024, and in December the Joint Committee formally adopted new CCS/CCUS guidelines.

He explained that the guidelines supplement existing JCM methodologies by introducing several important elements. The crediting period is defined as beginning with the injection of CO₂ and ending when storage operations are completed. Project participants are required to secure access to both the project site and relevant data to ensure proper monitoring. To address uncertainty, credit issuance follows a conservative approach: for instance, out of 10,000 tons of CO₂ injected, only 8,000 to 9,000 tons may be credited. The rules also introduce a reversal risk buffer, requiring 3% of credits to be set aside in a dedicated account that can be used in the event of leakage.

These provisions formally add CCS/CCUS to the JCM's sectoral scope, while ensuring consistency with Indonesian domestic law and ISO standards. At the same time, the

guidelines do not cover commercial arrangements or credit allocation, as these matters are addressed separately.

Mr. Kimura emphasized that financial support remains available for feasibility studies applying the new guidelines, and encouraged Japanese and Indonesian companies to explore project opportunities. He added that Japan also intends to share these experiences with other ASEAN countries interested in CCS development.



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

Ms. Maiko Uga (Ministry of the Environment, Japan)

Ms. Uga delivered a comprehensive update on the 2024 Mutual Recognition Arrangement (MRA) signed between Japan and Indonesia, which formally links the JCM with Indonesia's domestic carbon crediting system, SPEI, and its national registry platform, SRN. She underlined that this agreement is not only a legal requirement under Indonesia's domestic regulations but also a major milestone enabling the international transfer of JCM credits into Japan's system. The presence of representatives from Indonesia's Ministry of Environment (KLH) underscored the joint commitment to operationalize this framework.

She explained that under the MRA, methodologies developed under JCM and SPEI are recognized as equivalent, and validation/verification bodies (LV/V) are mutually accredited by both governments. Project registration follows established JCM procedures, but now requires formal entry into Indonesia's SRN system. The SRN serves both as a project information hub and as a registry that tracks issuance, transfer, and retirement of credits, ensuring transparency and preventing double counting. Training sessions have already been provided to familiarize project participants with SRN, and further capacity building is available upon request.

On credit sharing, Ms. Uga clarified that mitigation outcomes are first quantified as the difference between baseline emissions and project emissions. From this, credits are generated conservatively against a reference scenario, and then allocated between

Japan and Indonesia according to respective contributions. Contributions may take the form of direct financing, technology deployment, or other in-kind support, reflecting the flexibility required for sectoral differences.

She highlighted that the MRA explicitly identifies forestry, land use, and waste management as priority sectors for future cooperation. Japan has long sought to develop forestry projects under JCM, and with the new regulatory environment in Indonesia, both governments are now preparing enabling guidelines. Early initiatives are also emerging in waste-to-energy and peatland management, where projects can simultaneously reduce emissions and deliver socio-economic co-benefits.

While acknowledging the technical nature of these arrangements, Ms. Uga stressed that the MRA is designed to simplify rather than burden the private sector. By providing legal clarity, harmonized procedures, and robust registry functions, it reduces investment risk and creates confidence for companies considering long-term commitments in Indonesia. She concluded by affirming that the JCM, now embedded within both countries' compliance systems, offers a credible and durable framework for joint decarbonization.



Q&A Summary

During the discussion, questions focused on the role of forestry in the JCM and the treatment of reference levels. A participant from Kyoto University asked whether new forest reference emission levels (FRELs) are required for forestry projects or whether national FRELs can be applied. Representatives from MOEJ and IGES explained that such data must undergo UNFCCC technical review, while the Indonesian Ministry of Forestry noted that both national and sub-national FRELs are being developed. They further explained that Indonesia is working on a "nesting" approach to integrate jurisdictional programs and private projects, ensuring that private sector contributions are properly recognized.

Another question, raised by a private sector participant from Australia, related to how the 2035 NDC targets for Japan and Indonesia will affect the scale of abatement needs and incentives. Responding, MOEJ clarified that Japan's NDC includes intermediate targets

for 2035 and 2040, and reaffirmed that the JCM will remain an integral tool for achieving long-term mitigation goals. The message to private stakeholders was that investment through JCM will continue to be supported, providing long-term certainty for project developers.







Business Pitch Presentation

Technology-based Solutions

1. BP - Ms. Reza Radityastuty (Tangguh CCUS Project)

BP presented Indonesia's first commercial-scale CCUS project at Tangguh, Papua, highlighting both the technical and strategic dimensions of the initiative. The project plans to inject 15 million tons of CO₂ into geological reservoirs while simultaneously increasing natural gas production by 3 TCF. With an additional \$7 billion of investment and the creation of up to 6,000 jobs, BP aims to position Indonesia as a regional hub for carbon capture and storage (CCS). The presentation emphasized the project's closed-loop system, in which CO₂ generated from enhanced gas recovery is reinjected into the reservoir, ensuring no additional emissions. BP also underlined the importance of a supportive ecosystem, including regulatory frameworks, carbon pricing, and potential bilateral mechanisms like the JCM, to enable scalable CCS deployment in Indonesia and the broader Asia-Pacific region. The project leverages Japanese stakeholders across the value chain, including upstream operations, engineering, and LNG supply, demonstrating a strong model of international collaboration.

2. Kanadevia – Mr. Yasukazu Aono (Waste-to-Energy)

Kanadevia introduced its waste-to-energy technology specifically adapted for Indonesia's low-calorific-value waste. The system integrates waste reception, incineration with heat recovery, flue gas treatment, and energy generation, informed by experience from 1,575 plants worldwide. The technology addresses two key climate impacts: mitigation of methane emissions from landfills and substitution of fossil fuels through electricity and heat production. Kanadevia highlighted the flexibility of its system to process heterogeneous waste streams efficiently, and noted potential JCM application for future Indonesian projects, emphasizing both technical robustness and scalability.

3. SDG Impact Japan - Mr. Daichi Hirose

SDG Impact Japan discussed its role as an investment manager and incubator, supporting the development of JCM projects. A featured initiative in West Java converts cow manure into biogas, mitigating methane emissions and replacing fossil natural gas, with an estimated 70,000 tons of CO₂ reduction per year. The project illustrates the integration of financing, subsidies, and credit off-take agreements with Japanese corporates, demonstrating a model for combining technical deployment with investment facilitation. SDG Impact Japan also emphasized knowledge transfer and cross-country replication, including hydropower and biogas initiatives outside Indonesia, highlighting how financial and technical arrangements can accelerate JCM project implementation.

4. Toyo Engineering – Mr. Hong-Seok Choi (Geothermal Utilization)

Toyo Engineering presented its "Geothermal Carbon Neutral Park" concept, which integrates innovative technologies such as closed-loop geothermal systems to minimize carbon emissions. The approach combines subsurface engineering to limit emissions from steam and brines with energy production for green fuel generation. Toyo Engineering is collaborating with Indonesian geothermal operators, including Pertamina Geothermal Energy, Geo Dipa, and MEDCO, as well as government agencies, to develop a roadmap from master plan to pilot testing and eventual commercialization. The presentation stressed the phased approach to deploying Japanese geothermal technology at scale, ensuring technical reliability while facilitating broad adoption.

5. Alamport – Mr. Yasuharu Tokumasu (Rooftop Solar & Beyond)

Alamport shared its integrated approach to commercial and industrial decarbonization, focusing on rooftop solar PV rental / utilization schemes. The Indonesian subsidiary has deployed 10.3 MW across 16 sites under JCM, reducing upfront costs for customers and

providing comprehensive monitoring. Alamport is expanding toward solar-plus-battery solutions for off-grid areas and EV fleet integration, positioning itself as a long-term partner for achieving carbon neutrality. The presentation highlighted the technical and financial design of their rental model, emphasizing its replicability and potential for scaling in emerging markets.

Nature-based Solutions

6. Sumitomo Forestry – Mr. Masashi Hara (Peatland Restoration)

Sumitomo Forestry outlined a peatland restoration project covering 18,000 ha in Central Kalimantan. Through proper land management, the initiative can reduce CO₂ emissions up to five times more efficiently than conventional biomass power, at a cost of \$7/ton. The project combines conservation objectives with sustainable timber production, creating employment for local communities and addressing institutional barriers through collaboration with Indonesian ministries and the JCM framework. Technical aspects included hydrological management, reforestation, and monitoring to prevent fires, ensuring long-term emission reductions.

7. Faeger – Ms. Akiko Namiki (Alternate Wetting and Drying for Rice Farming, online)

Faeger presented its Alternate Wetting and Drying (AWD) system for rice paddies, which reduces methane emissions while improving water efficiency. Their approach includes immediate payment to farmers upon data submission, leveraging digital tools and satellite monitoring to build trust and ensure project scalability. Covering 25,000 ha in Asia and potentially 4.8 million ha of Indonesian irrigated rice, AWD represents a technically verifiable method for large-scale methane mitigation, with high potential for JCM adoption.

8. Sustainacraft – Mr. Shunji Minode (REDD+ & Carbon Project Support)

Sustainacraft described its support for Japanese companies sourcing and assessing carbon credits, particularly for nature-based solutions such as REDD+. Their services include methodology evaluation, procurement strategy, and satellite-based MRV, addressing challenges such as methodology approval delays and private sector risk tolerance. They are piloting REDD+ research projects with Indonesian partners to unlock opportunities in NbS, illustrating how technical expertise, monitoring, and advisory services can accelerate private sector engagement in carbon markets.

9. Terra Baru – Dr. Putri Rizka Lestari (Biochar for Food Security)

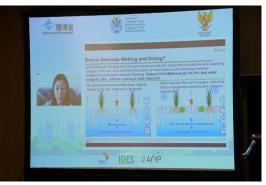
Terra Baru highlighted its biochar technology, converting agricultural waste into a stable carbon sink while enhancing soil quality, water retention, and crop productivity. Field trials across 14 commodities demonstrated up to 40% water savings. The company aims to expand to 10 biochar plants across Indonesia and pursue JCM certification, showcasing a circular approach that combines technical innovation, carbon removal, and agricultural co-benefits.

10. ACT Group – Mr. Nurul Iman Suansa (Wetland Ecosystems for Climate Action)

ACT Group presented wetland-focused NbS, including peatland and mangrove restoration covering tens of thousands of hectares. These initiatives could generate 10–45 million credits over their lifetimes, integrating aquaculture and social forestry to enhance livelihoods and food security. The presentation emphasized technical readiness, local partnership frameworks, and JCM alignment to ensure scalability and sustainability.







Presentation - Introduction of JCM Global Match

Mr. Mitsuru Yamashiro (JCM Implementation Agency)

Mr. Yamashiro introduced **JCM Global Match**, a free online platform designed to facilitate matchmaking among potential JCM project proponents. The tool enables Japanese and partner-country companies to connect through sector, country, or keyword searches. With more than 1,000 registered users from over 60 countries, it streamlines the process of finding suitable partners for JCM model projects. Key features include open chat rooms as well as private "invitation salons" for secure discussions. He encouraged participants to register and actively use the platform to accelerate project matching and collaboration.



Closing Remarks Key Takeaways and Session Summary

Mr. Keitaro Tsuji (Ministry of the Environment, Japan)

Mr. Tsuji closed the forum by thanking the more than 200 onsite participants and around 100 online attendees for their active engagement throughout the day. He reaffirmed Japan's strong commitment to further developing the JCM as a credible, high-integrity carbon market platform that benefits both countries. The session featured 10 (ten) presentations from Japanese and Indonesian companies, showcasing a wide range of cutting-edge technologies and nature-based solutions with strong potential to support Indonesia's decarbonization efforts. He emphasized that today's exchanges—particularly the individual business-matching meetings—should not remain as dialogue alone, but lead to concrete business opportunities and joint actions that deliver real emission reductions for both Indonesia and Japan. He encouraged participants to take full advantage of the business-matching sessions as the next step toward building lasting partnerships under the JCM framework.



Business Matching and Individual Meetings

10 booths for the private companies which conducted business pitch presentations, 1 Japanese Government Inquiry desk, 1 Indonesian Government Inquiry desk (12 desks in total) x 9 slots x 15 mins

















Reference:

■ Overview of the Forum on Promoting Business Engagement and Matching through the JCM to Expand Indonesia's Carbon Market

- **⊄ Date and Time**: August 21, 2025, 10:00–18:00 (Jakarta time)
- ∉ Venue: Pullman Hotel Jakarta (Central Jakarta), Indonesia
- ∉ Format: Hybrid (In-person and online)
- ∉ Organizers: MOEJ, CMEA, KLH
- **Supporters**: IGES/A6 Partnership Center, OECC, JCMA, JICA Indonesia Office,
 JETRO Jakarta Office, Jakarta Japan Club (JJC)
- ∉ Participants: Approx. 380 (230 in-person, 150 online)
- ∉ Languages: English and Indonesian (simultaneous interpretation will be provided)

https://a6partnership.org/training-events/forum-on-promoting-business-engagement-and-matching-through-the-joint-crediting-mechanism-jcm-to-expand-indonesias-carbon-market

Agenda

Time	Program	Speakers and Presenters
		Fresenters
9:30-	Participant registration	
Moderator: Mr. Ka	azuhisa Koakutsu, Director, A6IP Center, IGES	
10:00-10:20	Opening remarks	Mr. Keitaro Tsuji,
		Director, Office of
		International Carbon
		Market, Global Environmental
		Bureau, MOE, Japan
	Opening remarks	Mr. Boby Wahyu
		Hernawan, Head of
		the Center for Climate
		Finance and

		Multilateral Policy, Ministry of Finance, Indonesia (Member of the Joint Committee of JCM in
		Indonesia)
10:20-10:40	This presentation will introduce the JCM framework from Indonesia's perspective, highlighting its structure, implementation process, and contribution to the country's NDC. The presentation will also touch on how the JCM supports technology transfer, private sector engagement, and cooperation under Article 6 of the Paris Agreement.	Mr. Cahyadi Yudodahono, Head, JCM Secretariat, Coordinating Ministry for Economic Affairs, Indonesia
10:40-11:00	Japan's Climate Change Policy and latest development in JCM • This Presentation will provide an overview of Japan's climate policy and how the Joint Crediting Mechanism (JCM) contributes to achieving its updated NDC. It will highlight recent developments including the GX-ETS, which allows private sector use of JCM credits, and explain the JCM's alignment with Article 6.2 of the Paris Agreement. The expansion of private-led JCM projects and efforts to mobilize international climate finance will also be introduced.	Mr. Keitaro Tsuji, Director, Office of International Carbon Market, Global Environmental Bureau, MOE, Japan
11:00-11:10	Overview of JCM Rules & Guidelines for CCS and CCUS in	Mr. Norihiro Kimura (Online),
	 A notable recent development in the JCM in Indonesia is the adoption, in December 2024, of rules and guidelines for CCS and CCUS, enabling the country to pursue technology-based removal activities under the JCM. The Ministry of Economy, Trade, and Industry (METI) of Japan will present an overview of these rules and guidelines. 	Senior Negotiator for Climate Change, Global Environmental Affairs Office, GX Policy Group, Ministry of Economy, Trade and Industry (METI), Japan
11:10-11:25	Coffee Break	
11:25-12:25	Mutual Recognition Arrangement (MRA) on JCM between Japan and Indonesia and SPEI This session will present the MRA between Japan and Indonesia, which strengthens coordination and trust in JCM implementation, including Measurement, Reporting and	Ms. Maiko Uga, Program Manager for International Carbon Markets, Office of International Carbon Market, Global

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	Verification (MRV) processes. It will also introduce Indonesia's greenhouse gases emission reduction certification (SPEI) and its linkage with MRA. These developments may offer future synergies with domestic carbon market efforts, supporting transparency and investment readiness. • Q&A and Discussion	Environmental Bureau, MOE, Japan			
12:25-13:25	Networking Lunch				
Moderator: Mr. Jun Watanabe, Senior Researcher, OECC					
13:25-14:20	Pitch Presentations: JCM-Relevant Project Concepts from Japan and Indonesia				
(Presentations	 Technology-based Solutions 				
on project examples: 5 minutes from each company)	 CCUS: "Tangguh CCUS" Ms. Reza Radityastut Development Indonesia, bp 	y, Head of Business			
	 Waste Management "Waste-to-Energy (Efficient Mitigation of L by Mr. Yasukazu Anno, Director, PT Kana "Addressing Climate Finance through th Hirose, Partner, SDG Impact Japan Inc. 	devia Indonesia e JCM" Mr. Daichi			
	 Other hard-to-abate sectors and high-impact mitigation options "Comprehensive Geothermal Utilization Through Innovative Technologies and Approaches" by Mr. Hong-Seok Choi, Project Engineer- Business Coordinator, Carbon Neutral Division Next Generation Energy Project Development Department, Toyo Engineering Corporation "Carbon Zero for the C&I Market: Integrated Solutions from Rooftop Solar and Beyond" Mr. Yasuharu Tokumasu, Senior Vice President, Alamport. Inc. 				
	Nature-based Solutions				
	 Peatland: "Restoration and Management of De Ecosystems in Central Kalimantan Province" Leader, PT. Sumitomo Forestry Indonesia 				
	 AWD: "Farming the Future: Leveraging Agricult Credits for Sustainable Agriculture", by Ms. Akil Director Philippines Business, Faeger. Co. Ltd 	ko Namiki, Deputy			
	 REDD+ "Unlocking NbS in JCM through Carbon and Assessment Support" by Mr. Shunji Minode Specialist, Sustainacraft Inc. 				
	 Biochar: "From Local Soil to Global Stability: Information of the Stability of	a Lestari, Lead Market			
	 NbS: "Wetland Ecosystems for Climate Action Suansa, Climate Technical Manager, ACT Grant Grant				

14:20-14:30	Introduction of JCM Global Match	Mr. Mitsuru Yamashiro, Senior Coordinator, JCM Secretariat Group, JCM Implementation Agency (JCMA), Japan
14:30	 Key Takeaways and Session Summary Summary of key opportunities, needs, and matching potentials highlighted in the pitch presentations Practical guidance and next steps for business matching and individual meetings 	Mr. Keitaro Tsuji, Director, Office of International Carbon Market, Global Environmental Bureau, MOE, Japan
14:45-18:00	Business Matching and Individual Meetings 10 booths for the private companies which conducted business pitch presentations, 1 Japanese Government Inquiry desk, 1 Indonesian Government Inquiry desk (12 desks in total) x 9 slots x 15 mins	