JCM Project Design Document Form

A. Project description

A.1. Title of the JCM project

Introduction of High Efficiency Once-through Boiler in Golf Ball Factory

A.2. General description of project and applied technologies and/or measures

The proposed JCM project aims to improve energy saving for steam supply by introducing a high-efficiency once-through boiler at a golf factory in Indonesia. The golf ball factory needs considerable energy, and boilers consume significant amount of energy at the golf ball factory. The proposed project covers golf ball production process of No. 2 Golf Ball Factory, PT Sumi Rubber Indonesia in Karawang Regency, West Java Province of Republic of Indonesia. The golf ball factory introduced high efficiency once-through boiler and Reverse Osmosis (RO) water treatment system to achieve the increase in the boiler efficiency and stable steam supply. For this, existing 3 ton/h once-through boiler (fuel: oil and gas) was replaced with 3 ton/h higher-efficiency once-through boiler (fuel: gas only).

A.3. Location of project, including coordinates

| Country | Republic of Indonesia |
|-----------------------------|--------------------------|
| Region/State/Province etc.: | West Java Province |
| City/Town/Community etc: | Karawang Regency |
| Latitude, longitude | S 6°24'54", E 107°24'51" |

A.4. Name of project participants

| The Republic of Indonesia | PT Sumi Rubber Indonesia |
|---------------------------|----------------------------------|
| Japan | Sumitomo Rubber Industries, Ltd. |
| | Nippon Koei Co., Ltd. |

A.5. Duration

| Starting date of project operation | 01/07/2016 |
|--|------------|
| Expected operational lifetime of project | 9 years |

A.6. Contribution from Japan

The proposed project was partially supported by the Ministry of Environment, Japan (MOEJ)

through the financing programme for JCM model projects, which provided financial support of less than half of the initial investment for the projects in order to acquire JCM credits. As for technology transfer, Kawasaki Thermal Engineering Co., Ltd. (KTE) has provided the following supports to PT Sumi Rubber Indonesia during commissioning test in the factory in Karawang Regency (16/06/16).

- Direct instruction on proper operation of once-through boiler to boiler operators
- Effective periodical checks to maintain efficiency of the boiler (explanation by the staff of boiler manufacturer using maintenance manual)

B. Application of an approved methodology(ies)

B.1. Selection of methodology(ies)

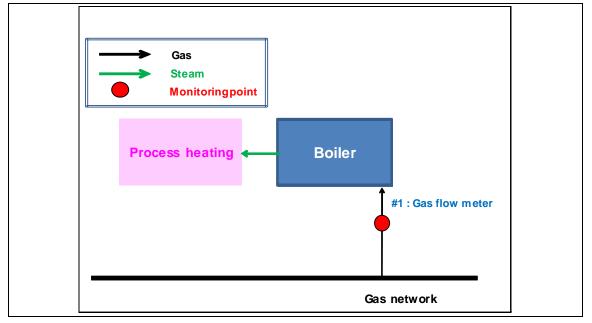
| Selected approved methodology No. | ID_AM015 | |
|-----------------------------------|----------|--|
| Version number | 1.0 | |

| Eligibility | igibility Descriptions specified in the Project information | |
|-------------|---|--|
| criteria | methodology | |
| Criterion 1 | The project boiler is a once-through | The project boiler is a once-through |
| | boiler with a rated capacity of 7 | boiler with a rated capacity of 3 ton/hour |
| | ton/hour per unit or less (equivalent | (equivalent evaporation). |
| | evaporation) | |
| Criterion 2 | Periodical check and maintenance | PT Sumi Rubber Indonesia arranges |
| | by the manufacturer of boiler or | necessary periodical check and |
| | authorized agent is implemented in | maintenance by authorized agent (PT |
| | accordance with the manufacturer's | Gikoko Kogyo Indonesia) and/or KTE in |
| | requirement. | accordance with the requirement of |
| | | KTE. It is carried out yearly. |
| Criterion 3 | Appropriate water | PT Sumi Rubber Indonesia installed RO |
| | purification/demineralization | water treatment system for boiler water. |
| | system such as Reverse Osmosis | |
| | (RO) membrane treatment is | |
| | installed. | |

B.2. Explanation of how the project meets eligibility criteria of the approved methodology

| C. Calculation of emission reductions | | |
|---|-----------------|--|
| C.1. All emission sources and their associated greenhouse gases relevant to the JCM project | | |
| Reference emissions | | |
| Emission sources GHG type | | |
| Fuel consumption by reference boiler | CO ₂ | |
| Project emissions | | |
| Emission sources | GHG type | |
| Fuel consumption by project boiler | CO ₂ | |

C.2. Figure of all emission sources and monitoring points relevant to the JCM project



C.3. Estimated emissions reductions in each year

| Year | Estimated Reference | Estimated Project | Estimated Emission |
|------|--------------------------------|--------------------------------|---------------------------------|
| | emissions (tCO ₂ e) | Emissions (tCO ₂ e) | Reductions (tCO ₂ e) |
| 2013 | - | - | - |
| 2014 | - | - | - |
| 2015 | - | - | - |
| 2016 | 657.7 | 597.7 | 59 |
| 2017 | 1,631.4 | 1,482.7 | 148 |
| 2018 | 1,634.5 | 1,485.5 | 148 |
| 2019 | 1,634.5 | 1,485.5 | 148 |
| 2020 | 1,634.5 | 1,485.5 | 148 |

| 2021 | 1,634.5 | 1,485.5 | 148 |
|----------------------------|---------|---------|-----|
| 2022 | 1,634.5 | 1,485.5 | 148 |
| 2023 | 1,634.5 | 1,485.5 | 148 |
| 2024 | 1,634.5 | 1,485.5 | 148 |
| 2025 | 817.3 | 742.8 | 74 |
| 2026 | - | - | - |
| 2027 | - | - | - |
| 2028 | - | - | - |
| 2029 | - | - | - |
| 2030 | - | - | - |
| Total (tCO ₂ e) | | 1,317 | |

Note:

The estimated emission reductions in each year are rounded down after the decimal point.

| D. Environmental impact assessment | |
|---|--|
| Legal requirement of environmental impact assessment for No | |
| the proposed project | |

E. Local stakeholder consultation

E.1. Solicitation of comments from local stakeholders

The local stakeholder meeting was held in a meeting room of the government office of West Java Province on 03 March 2017.

FIOVINCE ON 03 WATCH 201

The list of participants:

National and regional government staff

- Coordinating Ministry of Economy Affairs
- Cooperation Division of West Java Province
- Division of the Environment of West Java Province
- Department of Industry and Trade of West Java Province
- Department of the Environment of West Java Province
- Regional Development Planning of Karawang Regency
- Department of the environment of Karawang Regency
- Indonesia JCM Secretariat

A meeting with the staff of PTSumi Rubber Indonesia was also conducted at the boiler room in

their factory on 3 March 2017.

| E.2. Summary of comments received and their consideration | | | | |
|---|---|------------------------------------|--|--|
| Stakeholders | Comments received | Consideration of comments received | | |
| PT. Sumi Rubber | It is good for the factory and it should | No action is needed. | | |
| Indonesia | be noted that monitoring is obliged. | | | |
| PT. Sumi Rubber | JCM was the good support for | No action is needed. | | |
| Indonesia | introducing technologies into the | | | |
| | factory. The boiler is running without | | | |
| | serious troubles. | | | |
| PT. Sumi Rubber | It is easy to operate the project boiler. | No action is needed. | | |
| Indonesia | | | | |
| Department of | It is a good chance to introduce good | No action is needed. | | |
| the Environment | technology. We would like to extend | | | |
| of Karawang | this information to the industries in | | | |
| Regency | Karawang Regency. | | | |
| Division of the | In Sumedang, Bandung and Cimahi, | No action is needed. | | |
| Environment of | there are many industries using coal | | | |
| West Java | for their factory. It is expected that | | | |
| Province | JCM can help the fuel switch from | | | |
| | coal to oil and gas. | | | |
| | We should consider awarding the | | | |
| | effort for mitigation by private | | | |
| | entities. | | | |
| Coordinating | Coordinating Ministry of Economic | No action is needed. | | |
| Ministry of | Affairs is ready to collaborate with | | | |
| Economic Affairs | local governments to implement | | | |
| | public information activities related | | | |
| | to JCM and emission reduction. | | | |

E.2. Summary of comments received and their consideration

F. References

Reference lists to support descriptions in the PDD, if any.

Annex

| Revision history of PDD | | |
|-------------------------|--------------------------|--|
| Version | Date | Contents revised |
| 1.0 | 30/10/2018 | First Version |
| 2.0 | 03/04/2019 03/09/2019 | Revision of Section C.3. based on the findings from validation. Initial registration by the Joint Committee through electronic decision |
| | | |