

September 16, 2026
LNG Japan Corporation

LNG Japan Awarded Support under FY2026 JCM Feasibility Study Program Conducting a JCM Feasibility Study for a CCS Project in Indonesia

LNG Japan Corporation ("LNG Japan") is pleased to announce that it has been awarded support under the FY2026 *Infrastructure Development Survey Program for Bilateral Credit Acquisition, etc. (JCM Feasibility Study)*, a program administered by Japan's Ministry of Economy, Trade and Industry (METI).

Under the program, LNG Japan will conduct a feasibility study for a CCS project in Indonesia targeting CO₂ emissions from hard-to-abate industrial sectors. The study will assess the project's feasibility and examine the potential application of the Joint Crediting Mechanism (JCM), a bilateral framework designed to facilitate greenhouse gas emission reductions and crediting through cooperation between Japan and partner countries. LNG Japan will outsource part of the study to Mitsubishi Research Institute, Inc. and utilize its expertise in carrying out the study.

The study forms part of LNG Japan's ongoing collaboration with POSCO INTERNATIONAL pursuant to the Memorandum of Understanding signed in November 2024. Through preliminary discussions and assessments to date, the parties have identified certain potential aspects that may support further consideration of a CCS business concept in Indonesia. The feasibility study will examine how the application of the JCM could help further develop the concept and enhance its potential future feasibility.

Indonesia has been advancing its carbon reduction policies and CCS-related regulatory framework as part of its long-term decarbonization efforts. Against this backdrop, LNG Japan believes that CCS can play an important role in supporting the decarbonization of hard-to-abate industrial sectors while contributing to sustainable economic development.

Through this study, LNG Japan aims to contribute to climate change mitigation in both Japan and Indonesia while exploring future opportunities in emerging CCS value chains and low-carbon energy solutions. Drawing on its experience in LNG and natural gas-related businesses, LNG Japan will continue pursuing initiatives that contribute to both energy security and decarbonization.

Reference Information

Program

FY2026 Infrastructure Development Survey Program for Bilateral Credit Acquisition, etc. (JCM Feasibility Study)

Project Scope

Feasibility study for an industrial CCS project in Indonesia, including assessment of project viability, emissions reduction potential, JCM methodology development, and carbon credit utilization.

Main Study Activities

- Assessment of CCS project feasibility and business model development
- Evaluation of greenhouse gas emission reduction potential
- Development of a JCM methodology concept
- Examination of carbon credit generation and utilization pathways
- Regulatory and stakeholder engagement activities in Indonesia