Feasibility Study on the development of CCUS Methodology under JCM, recognizing generation of carbon credit using Tangguh CCUS

bp, together with Mitsubishi Research Institute (MRI), has been selected under a program commissioned by the Japan Ministry of Economy, Trade and Industry (METI) to conduct a feasibility study to develop a CCUS methodology under Joint Crediting Mechanism (JCM) framework which will recognise CCUS as a decarbonization option that could generate carbon credits under the JCM using Tangguh CCUS.

The study aims to develop a JCM CCUS methodology that would potentially be applied to future Indonesia domestic CO2 emissions for injection into Tangguh CCUS. This will potentially enable domestic CO2 emitters with Japanese investment to generate carbon credits in the future. The methodology developed would propose the mechanism by which CCUS/Enhanced Gas Recovery (EGR) can work under the JCM, exploring detailed implementation, including carbon accounting and monitoring & reporting of CCUS/EGR as a mechanism of internationally recognized carbon credit generation under the JCM.

Indonesia and Japan entered into the JCM Partnership Agreement in 2013, Joint Crediting Mechanism Guidelines for Developing Proposed Methodology for CCS and CCUS was adopted in December 2024 at the 10th Joint Committee in Jakarta.

The intent of this feasibility study is to establish a framework that allows multiple industries to capture, transport, and store CO_2 using CCUS and potentially generate carbon credit under the JCM. This initiative will support Indonesia's 2060 net zero target and Japan's decarbonization commitments by enabling cross-border collaboration on CCUS. Working with partners and governments, bp is committed to scaling up CCUS as an effective solution for large-scale emission reduction across Asia.