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Recent Development of the Joint Crediting Mechanism (JCM)



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Paris Agreement adopted at the COP21

The 21st session of the Conference of the Parties to the UNFCCC (COP21) and the 11th session of the Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP11) were held from 30 November to 13 December 2015, in Paris, France. On 12 December, the Paris Agreement was adopted by all Parties to the Convention (196 Parties). The following elements are included in the Paris Agreement.

- •A long term goal to limit temperature rise to 2 degrees, while striving to limit to 1.5 degrees.
- •All countries including large emitting countries to submit and revise their reduction target every 5 years, and report and get a review through a common and flexible manner.
- •Use of market mechanisms, including the JCM, is articulated under Article 6 which prescribes for the use of emission reductions realized oversees (internationally transferred mitigation outcomes: ITMO) towards national emission reduction targets.



Ms. Marukawa, Minister of the Environment, Japan making a statement in the Comité de Paris at COP21.

The amount of emission reductions and removals acquired by Japan under the JCM will be appropriately counted as Japan's reduction in accordance with the Paris Agreement. Japan is going to contribute to the development of the guidance for robust accounting including for avoidance of double counting to be adopted by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA).



UNFCCC official side event "The JCM: Achievements and current progress of project implementations"

The Ministry of the Environment, Japan (MOEJ), the Global Environment Centre Foundation (GEC), and the Overseas Environmental Cooperation Center, Japan (OECC) jointly held a side event on 11 December (photo on the right). The recent progress and expectations on the implementation of the JCM were reported and discussed among the representatives from Indonesia (a JCM partner country), MOEJ, JICA, OECC and GEC. This event was attended by approximately 50 participants including but not limited to government officials and experts. During the question and answers session, a variety of participants from developing countries, researchers and students have thrown questions and have exchanged ideas with other participants.

3rd JCM Partner Countries' High-level Meeting

Ministers and Representatives from 16 JCM partner countries and Japan have participated in the side event "3rd JCM Partner Countries' High-level Meeting" (photo on the left) held on 8 December at Japan Pavilion at the COP21. The Ministers and Representatives welcomed the progress of the JCM and shared their continuous will to further implement the JCM through mutual cooperation.

Remarks by Ms. Marukawa, Minister of the Environment, Japan and the list of Representatives is available at:

http://www.mmechanisms.org/document/ 151208_JCMmeeting_eng.pdf



Video coverage (5 min.)

prepared by International Institute for Sustainable Development (IISD) Reporting Service is available at: http://www.iisd.ca/videos/climate/unfccc-cop21/joint_crediting_mechanism/

Topic 2 New JCM partner country: Thailand

Japan and Thailand signed the bilateral document to start the JCM

On 19 November 2015, Ms. Tamayo Marukawa, Minister of the Environment, Japan and H.E. General Surasak Karnjanarat, Minister of Natural Resources and Environment, The Kingdom of Thailand signed the bilateral document of JCM in Tokyo. On 29 January 2016, the first Joint Committee (JC) of the JCM between Japan and Thailand was held in Bangkok. The JC adopted rules and guidelines for the JCM.

Having signed the bilateral document with Thailand, the goal to double the number of JCM partner countries to 16 countries within three years from November 2013 has been accomplished a year earlier than planned.



Signing ceremony in Tokyo

Selected projects and studies under the JCM support program targeting Thailand

The MOEJ selected 7 JCM Model Projects, 2 JCM Project Planning Studies (PS), 13 JCM Feasibility Studies (FS) and 2 Feasibility Studies for Large Scale Project Development in Thailand. By implementing each project steadily, Japan will realize emission reduction worldwide, disseminate advanced low carbon technology to the world and aim at acquiring JCM credits.



Pick Up! JCM project development making effective use of city to city collaboration

The City of Yokohama and the City of Kitakyushu has been supporting Thailand's JCM project development based on city to city collaboration in Bangkok and Rayong province, respectively. This effort aiming towards decarbonization of cities is in line with the welcomed and promoted climate change countermeasures by non-central government actors featured at COP21. This support is to make use of the experience and know-how of Japanese cities to realize low carbon, resilient and sustainable society in developing countries. Here, we will introduce a case of the City of Yokohama and Bangkok Metropolitan Administration (BMA) collaboration.



The first step was to support the formulation of "The Bangkok Climate Change Master Plan 2013-2023" in BMA together with the technical advice of the City of Yokohama and support from JICA. Following the partnership, the City of Yokohama and BMA has signed

"the MOU on Technical Cooperation Towards Sustainable City Development". The MOEJ is supporting JCM Feasibility Study and JCM Project Formulation to realize low carbon society in the BMA area by utilizing the experience and know-how of the City of Yokohama based on city to city collaboration. It is expected that the JCM scheme will benefit in terms of realizing the Bangkok Master Plan on Climate Change.

> This project was introduced at a side event hosted by JICA and OECC at COP21. The side event report is available at: http://cop21-japanpavilion.jp/en/program/151202/1515-1645/

Execution of Japan's JCM Implementation Guideline

The JCM Implementation Guideline has been released on 13 November 2015. Basic rules such as the issuance and transfer of JCM Credits are mentioned. The JCM Credit will be utilized to meet Japan's emission reduction target and it could be used for adjustment of emissions for Accounting, Reporting and Disclosure Program, and carbon offsets.

Japan's JCM Registry has started its operation

A registry will be established by each side. Japan established its registry and started its operation in November 2015. The partner countries will also establish their own registry.



Account holders can access both general information and their own accounts while general users can only access general information.

Both domestic and foreign entities are able to open a JCM Registry.
JCM credits can be transferred between each entity's accounts.

•JCM credits registered in the disabling account will be utilized for achieving Japan's GHG emission reduction target. •The registry is used exclusively for JCM Credits and it is different from Kyoto Mechanism Credit and J-Credit registry. •It is possible to acquire multiple JCM credits within one account.

Q. How will the JCM Credits be allocated? (Excerpted from OECC created "FAQ on JCM")

A. Considering the contribution towards GHG emission reductions and/or removals through the JCM project by the project participant (Japanese side), a part of the JCM credit will be allocated to the Japanese side (Japanese government and/or Japanese project participant). The actual amount will be decided between project participants and described in the credit issuance application form, and submitted to the Joint Committee. The amount of credit decided at the Joint Committee will be issued to each account.

Event report: JCM Workshop and JCM Open Seminar in Tokyo

In Tokyo on March 2nd -3rd, MOEJ and the Institute for Global Environmental Strategies (IGES) jointly hosted a JCM Workshop entitled "Workshop on facilitating JCM implementation in Asia" and a JCM Open Seminar.

At the JCM Workshop, government officials from 10 countries, namely Mongolia, Bangladesh, Viet Nam, Lao PDR, Indonesia, Cambodia, Malaysia, Myanmar, Thailand and the Philippines attended. Government officials and representatives from partner organizations in Japan also participated. A flagship model project in each partner countries, methodology development and demonstration of the registry in Indonesia were shared. Also, requests and further expectations towards technical supports for project development were feed backed from partner countries. Participants discussed on cooperation possibilities among JCM partner countries.

At the JCM Open Seminar, government officials were invited from 3 JCM countries (Indonesia, Viet Nam and Thailand) and they reported the current status of the JCM in their country. Also, the achievements of Model Project implementations were introduced by 4 business entities: MAYEKAWA MFG. CO., LTD, Lawson, INC., JFE Engineering Corporation and Yuko Keiso Co., Ltd..



Mr. Makoto Oniki, Parliamentary Vice-Minister of the Environment Japan and government officials invited





Welcome Speech by Ms. Tamayo Marukawa, Minister of the Environment, Japan Opening remark by Mr. Hiroshi Hiraguchi, State Minister of the Environment, Japan

Topic 4 Japan Pavilion at the COP21



Japan's presence at the Paris-Le Bourget consisted of 32 events and exhibitions, stretching from 30 November to 10 December 2015, under the theme "Transformation! - Low carbon and climate resilient society."

The events were organized by national and local governments, non-profit organizations, research institutes and their international partners, and covered four sub-themes – policies, cities, forests, and technology. Through the exhibitions and events the Pavilion showcased Japan's efforts in tackling climate change whilst also providing a locus for related stakeholders.

8 December was called "JCM Day" and held events such as "the 3rd JCM Partner Countries' High-level Meeting", experience and lessons learned from Climate Change Mitigation Policies and Actions through JCM in the South East Asia region and two JFJCM*-supported projects in the Maldives and Mongolia were presented as examples for the promotion of innovative low-carbon technology through this mechanism. In addition to that, we have named 2 December "City Day" and events such as presentation on the progress of the JCM city to city collaboration feasibility study was held.

*Japan Fund for JCM (JFJCM) is established by MOEJ and Asian Development Bank (ADB)

Side event report is available at http://cop21-japanpavilion.jp/en/

Japan Pavilion side event "Advanced Technologies to Tackle Climate Change: Application of the JCM and Project Development"

The GEC, Kansai Economic Federation (Kankeiren) and the OECC jointly held a side event on 7 December (photo on the right). This event was attended by around 30 participants including but not limited to government officials and experts. This event introduced and discussed about the advanced low-carbon technologies owned by private companies mainly based in western Japan, and the application of the JCM for international diffusion, as well as the JCM MRV procedures (methodologies) and JCM crediting. The Secretariat of the New Mechanisms Information Platform made an update on the latest information and introduced answers pertaining to frequently asked questions on the JCM.



Key messages

- •Now that the target of signing with 16 countries by 2016 has been achieved ahead of schedule, the Government of Japan emphasizes the importance of developing actual projects realizing emissions reduction. The Government of Japan estimates 50-100 million t-CO₂ emission reduction through JCM by 2030.
- •To promote low carbonization in the world, it is necessary to cooperate with private sectors to facilitate diffusion of advanced low carbon technologies.
- •First JCM project in Viet Nam was registered this year, and it is expected that more JCM projects will be implemented and JCM credit will be issued in the near future.

New Mechanisms Information Platform

Database: List of selected projects and studies

Following projects and studies newly selected under the JCM support programme is updated.

- JCM Model Projects (MOEJ)
- JCM Demonstration Projects and FS (METI/NEDO)
- Reports for each study have been linked to the database.

http://www.mmechanisms.org/e/support/adoption.html

Report: COP21

Outcome report of COP21 side event and exhibition booth: http://www.mmechanisms.org/e/info/event/details_ 151211COP21sideevent.html

Reports of other side events: http://www.mmechanisms.org/e/info/event/details_ oecc C0P21report.html

What's New

FAQ

Answers pertaining to frequently asked questions on the JCM prepared by OECC.

- Regarding the procedures of the JCM
- Regarding eligibility criteria
- Regarding MRV and Methodologies
- Regarding Credits

http://www.mmechanisms.org/e/initiatives/faq.html





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