

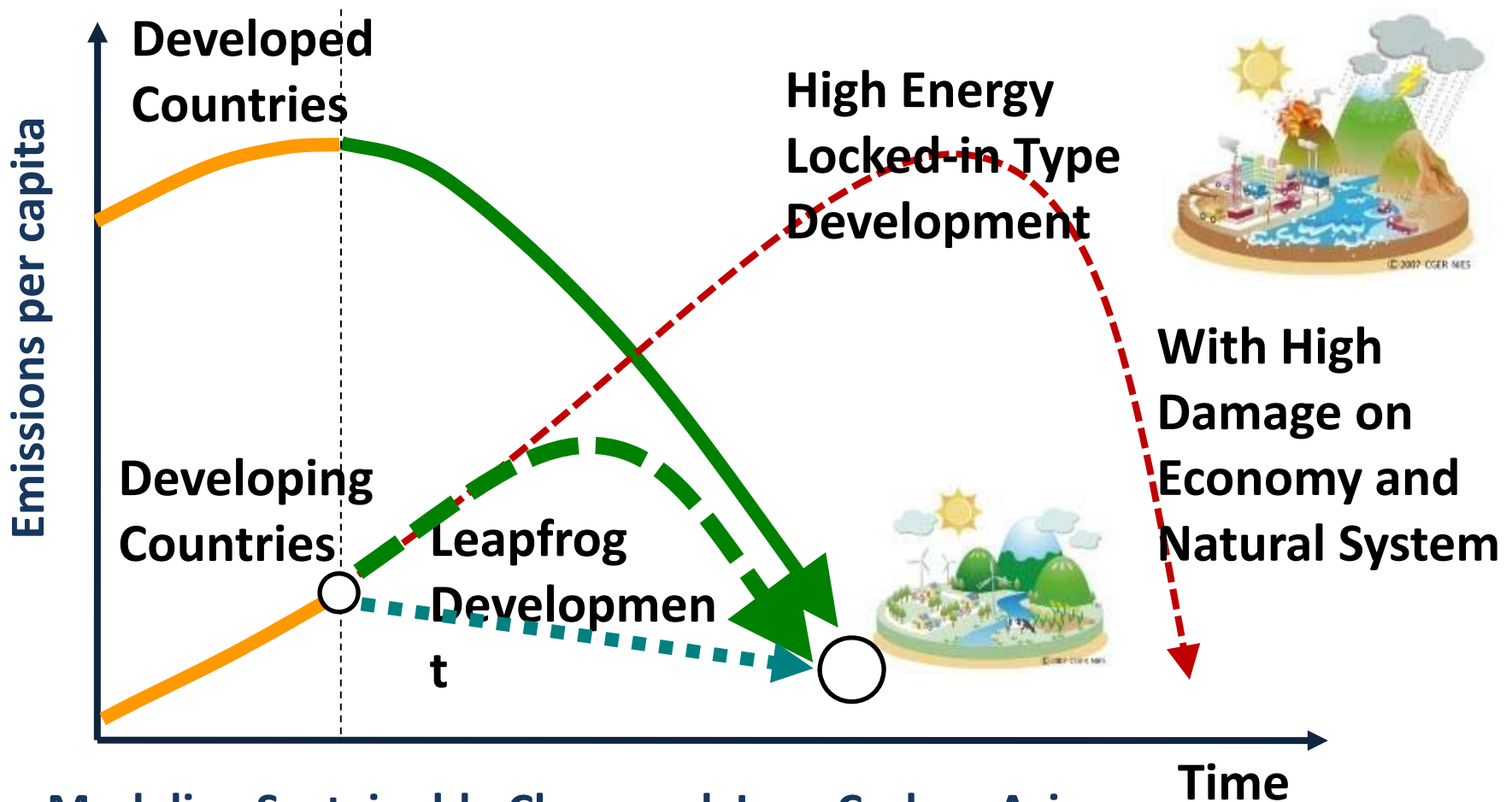
Japan's initiative for low carbon development: updates on the state of the Joint Crediting Mechanism (JCM)

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Green Growth Path

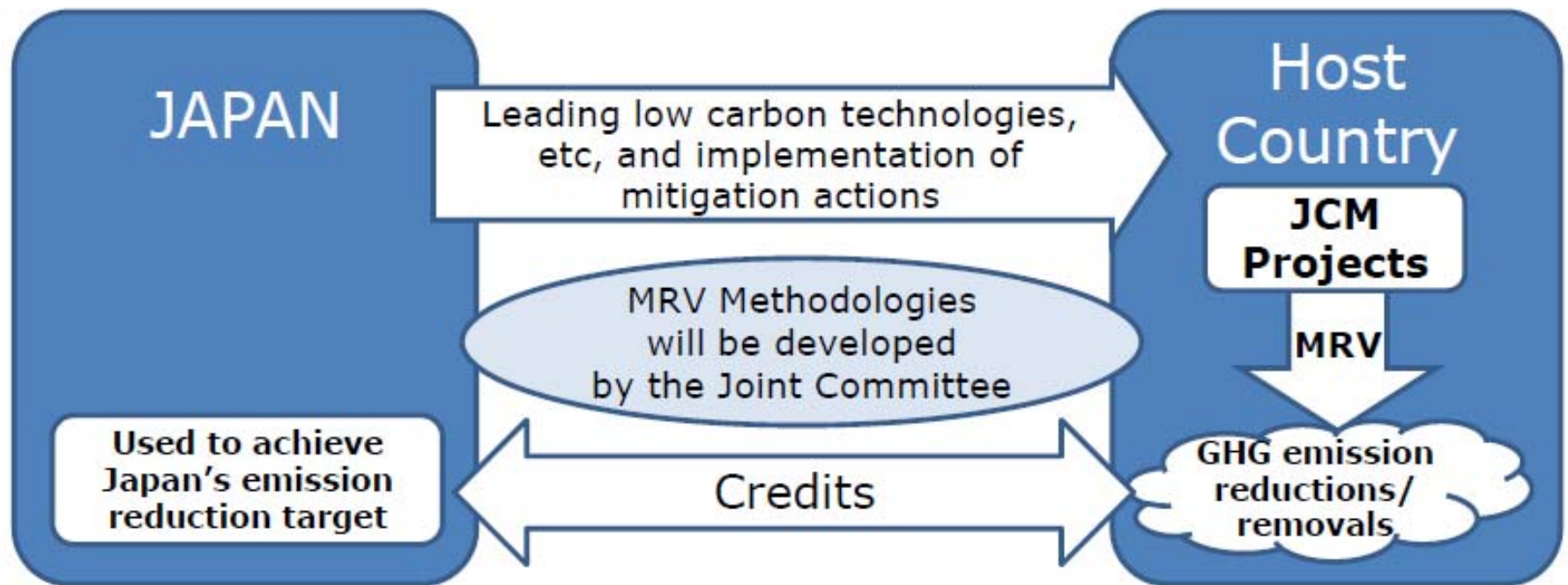


Modeling Sustainable Clean and Low-Carbon Asia

“Asian Low-Carbon Society Scenario Development Study” FY2009-2013, funded by
Global Environmental Research Program, MOEJ

<http://2050.nies.go.jp/index.html>

Basic concept of the JCM



Note: 'MRV' stands for measurement, reporting, verification.

Japan's Package Support

Japan

- Ministries
- Local Gov
- Private sector
- Research institutions

- *Joint Crediting Mechanism*

Japan's Package Support

Technology Transfer

Action plan
Legislations, Standards

Capacity Building

Environmentally Sustainable Cities



Technology

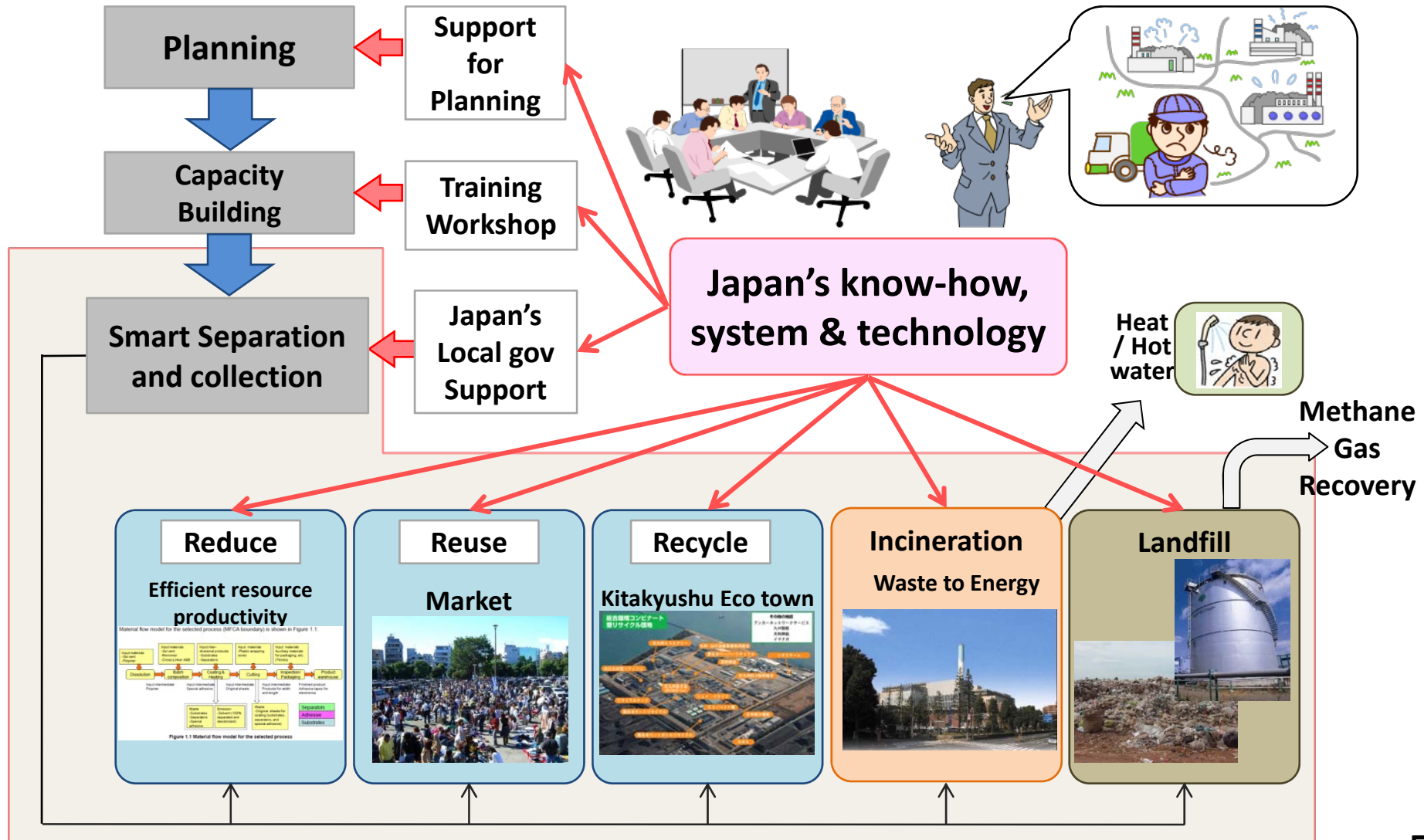
System

Human resource

Partner Cities

Example of Japan's Package Support

In case of Waste Management



Capacity Building Support in Asia for Market Mechanisms

- CDM (2003~)
- JCM, New Market Mechanisms (2011~)

Our activities:

- Awareness raising and consultation
- Training
- Methodology development
- Policy research and outreach



Overviews of JCM capacity building



Introduction of the JCM

Matching

Methodology check
Eligibility criteria

Validation and Verification

Workshop



Consultation

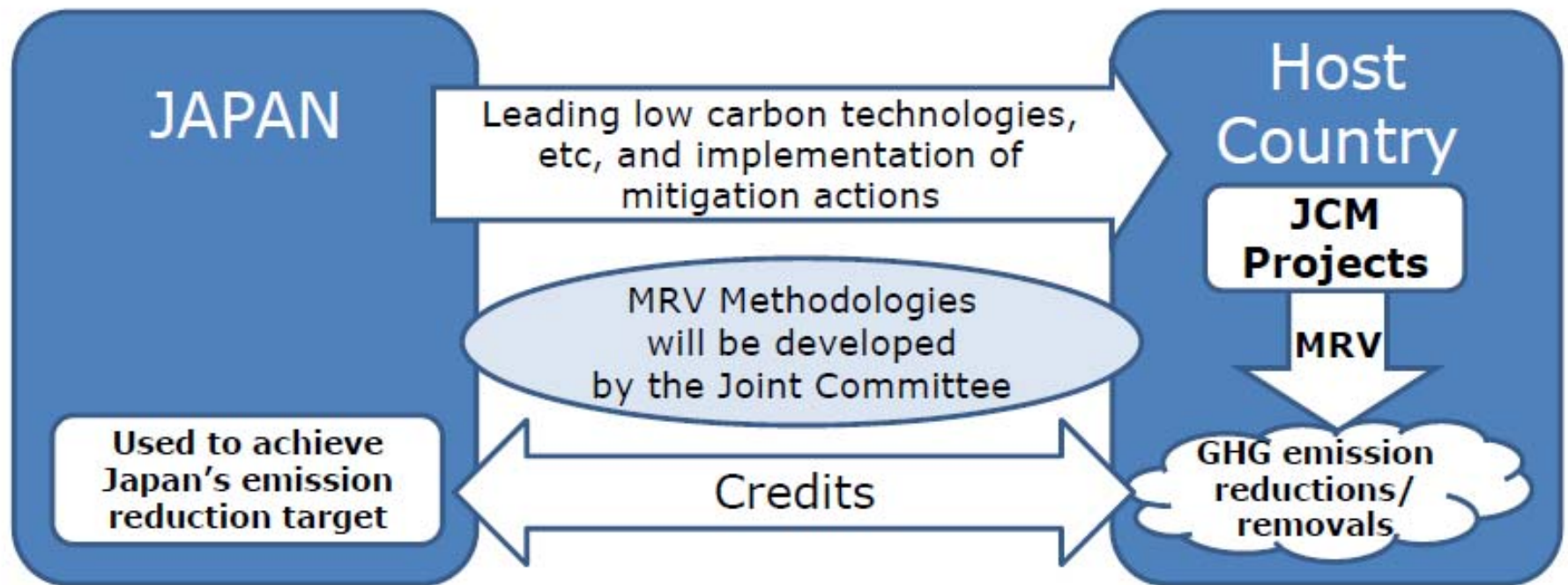


Project development
Feasibility studies



For any queries, please contact at: mrv-info@iges.or.jp

Basic concept of the JCM



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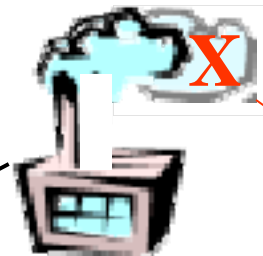
Image of JCM projects: renewable energy

Reference Case



Reference emissions = 

Project Case



Project emissions = 

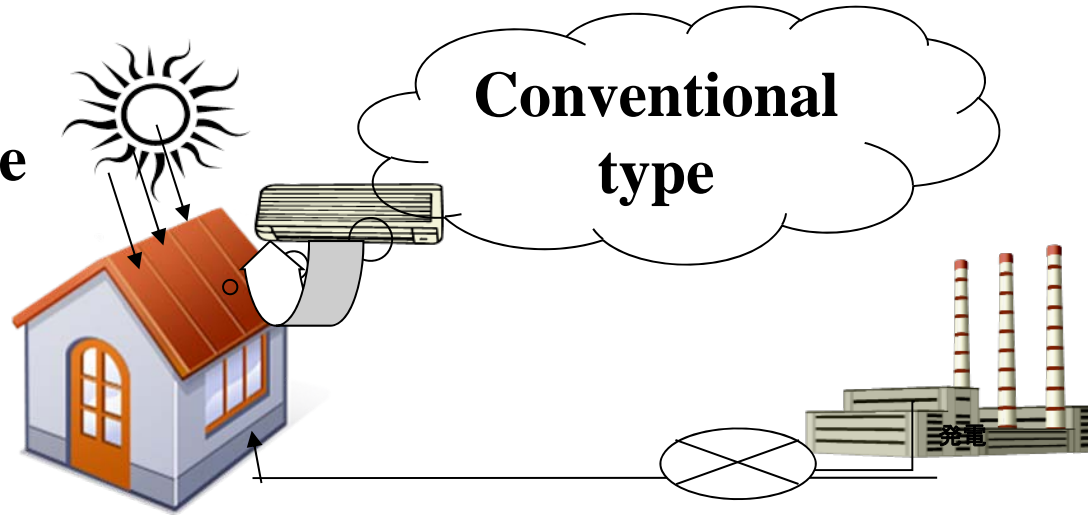
Reduction



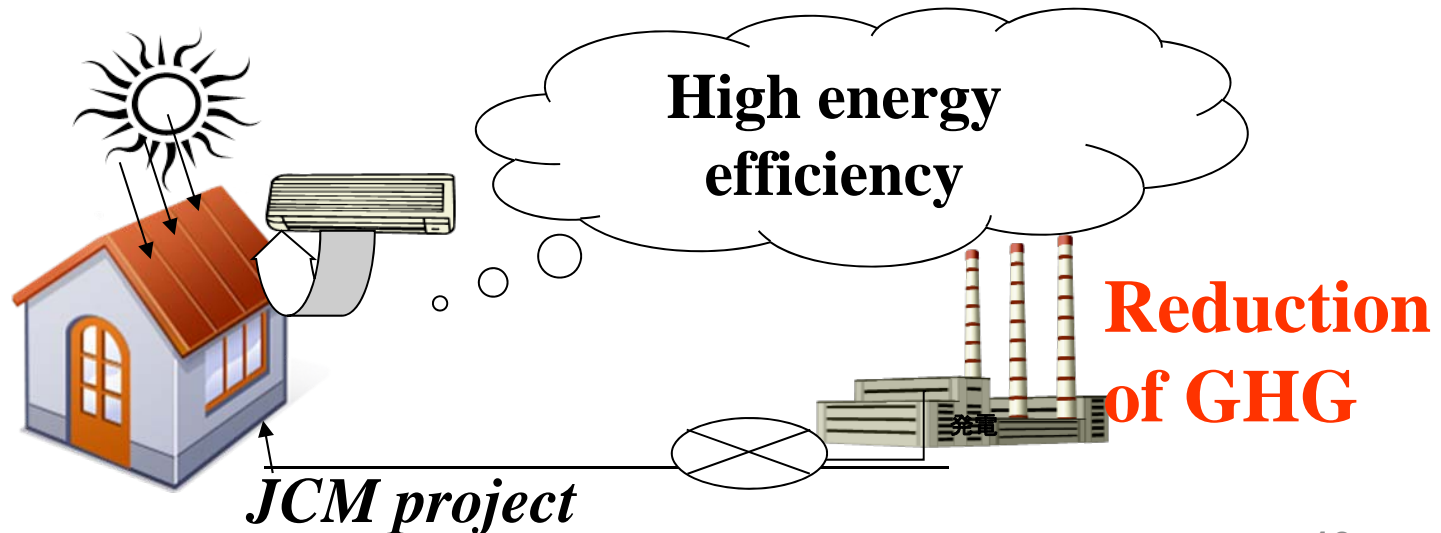
JCM project

Image of JCM projects (2): energy efficiency

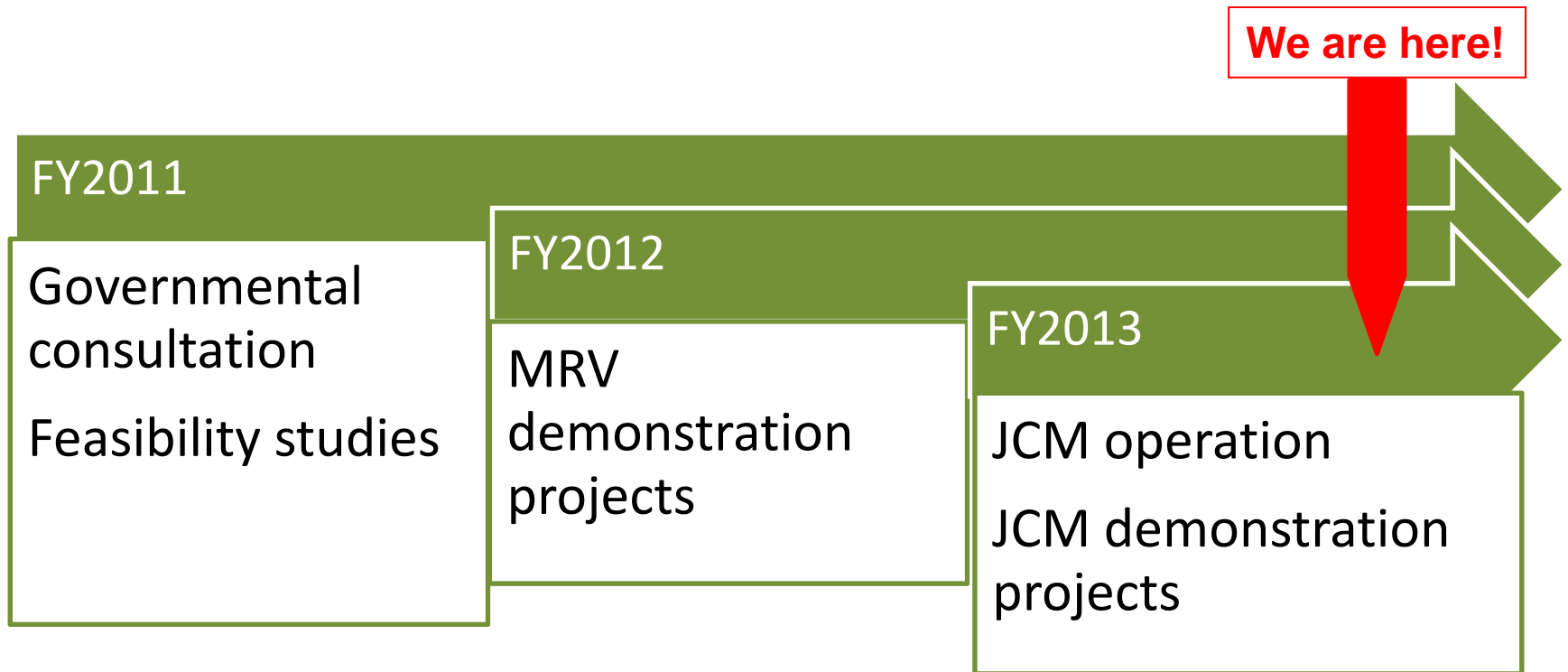
Reference Case



Project Case



Status of development



10 signatory countries

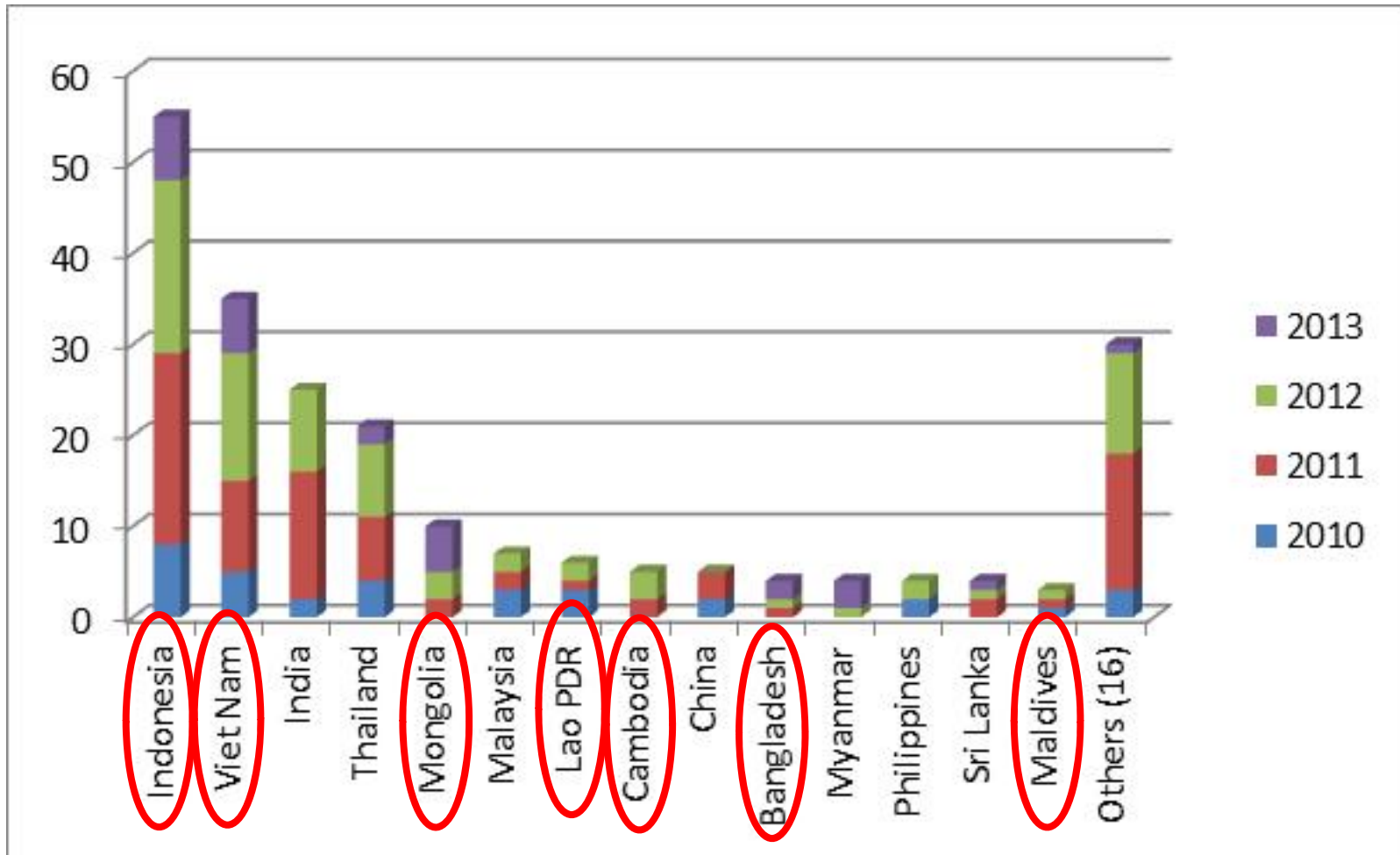
In 2013;

1. Mongolia (January)
2. Bangladesh (March)
3. Ethiopia (May)
4. Kenya (June)
5. Maldives (June)
6. Vietnam (July)
7. Lao PDR (August)
8. Indonesia (August)
9. Costa Rica (December)

In 2014;

10. Republic of Palau (January)

Targeted countries of feasibility and other studies



Note: Data cover the period between 2010 and July in 2013. Total number of studies is 248.

Relationship to UNFCCC

Views of Japan:

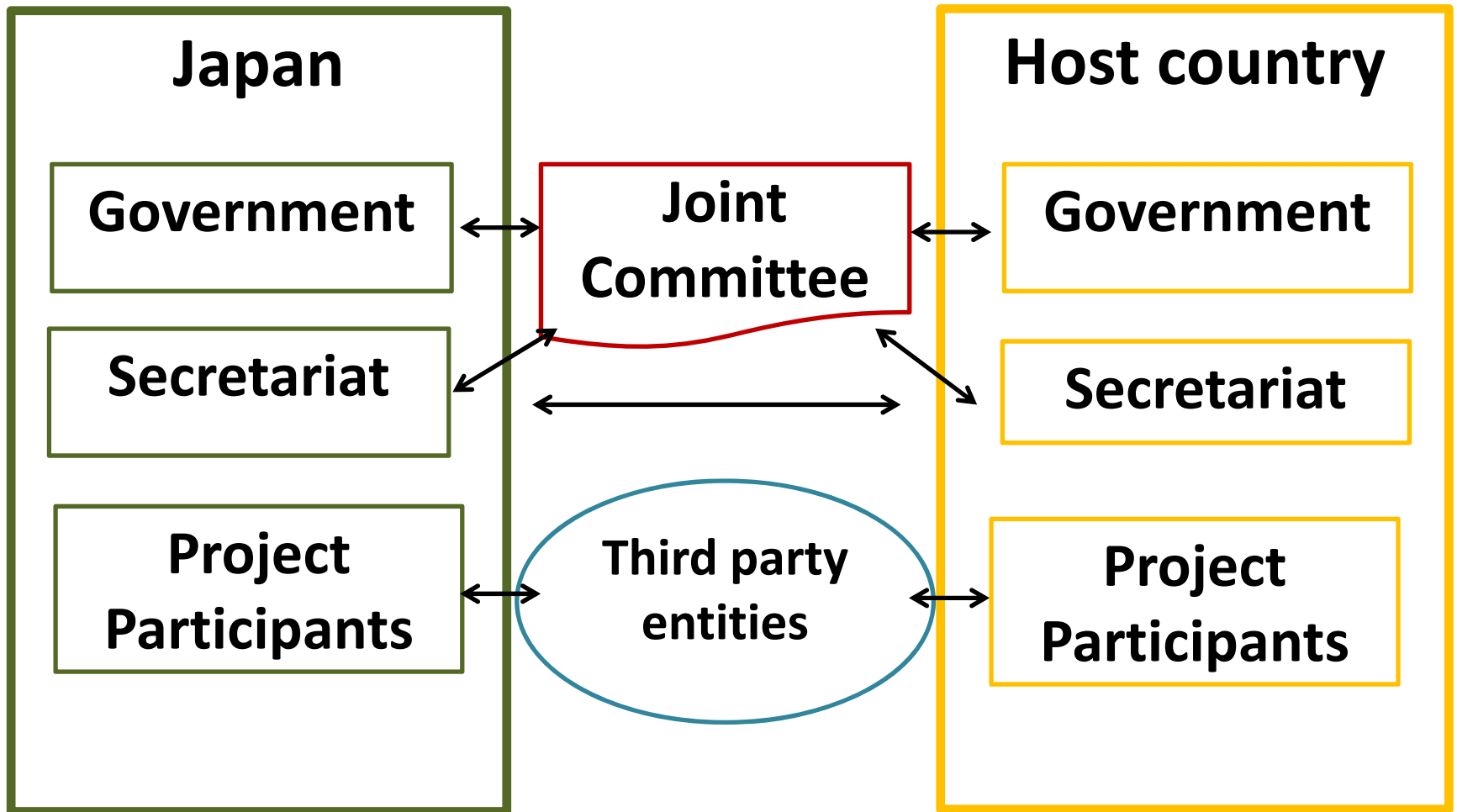
- Include JCM in broad approaches under the framework for various approaches for long-term cooperative action under the Convention (i.e., beyond 2020)

Source: Government of Japan. (2013)

Kea features of the JCM

- *“The JCM starts its operation as the non-tradable credit type mechanism”.*
- *“A project which started operation on or after 1 January 2013 is eligible for consideration as the JCM project”.*
- *“The JCM covers the period until a possible coming into effect of a new international framework under the UNFCCC. Both sides consider possible extension of the JCM....”*

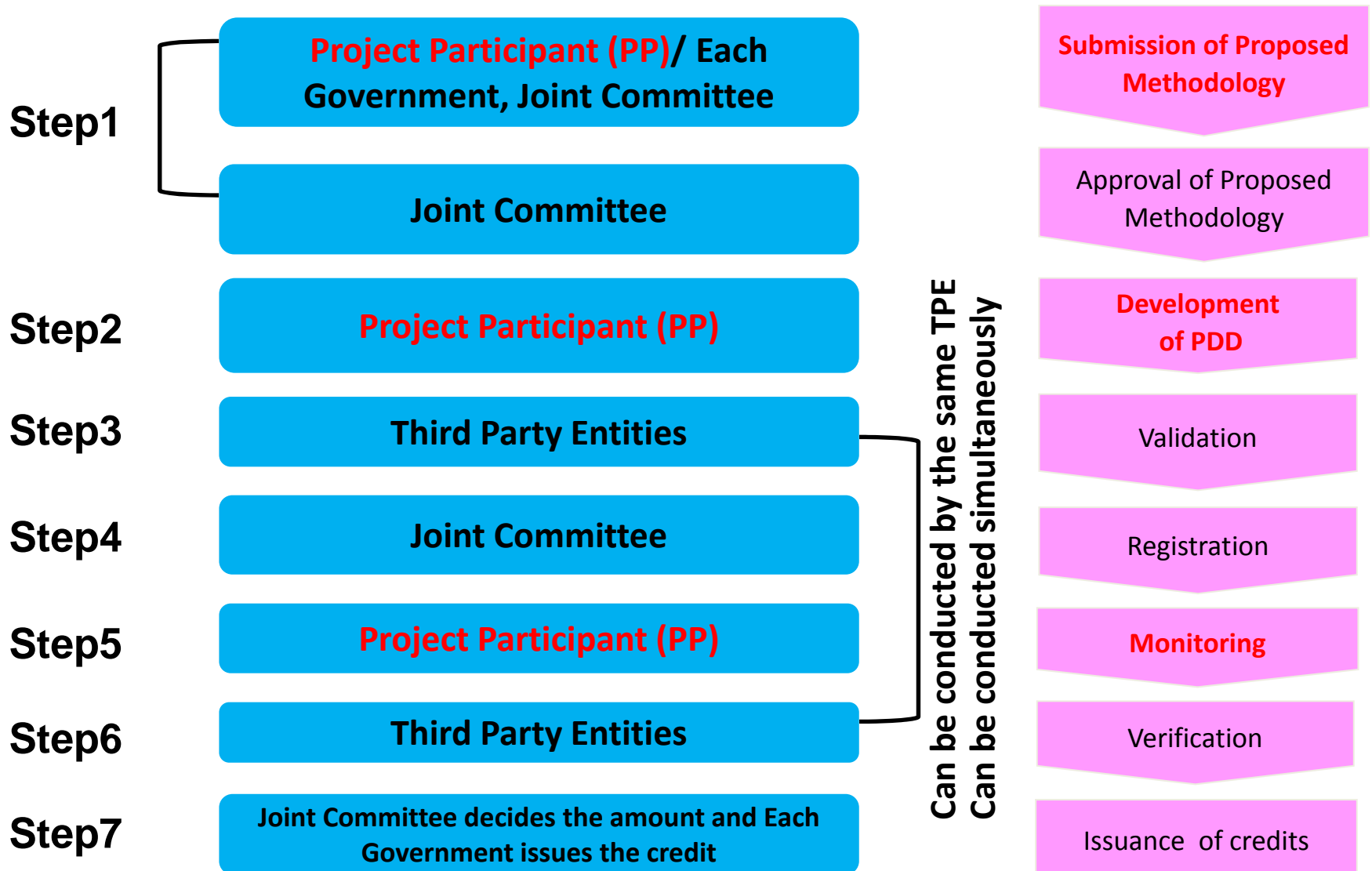
Overview of institutions



Necessary documents prepared by JC (Joint Committee)

- a. rules of procedures of the Joint Committee;
- b. guidelines for the development of methodologies;
- c. methodologies;
- d. guidelines for the designation of third-party entities;
- e. guidelines for the validation;
- f. monitoring guidelines;
- g. guidelines for the verification of GHG emission reductions or removals;
- h. common specifications for registries;
- i. formats for project design document (hereinafter referred to as “PDD”), request for registration of JCM projects, monitoring report, request for verification of emission reductions or removals, etc.

Project cycle of JCM



Financial support

Subsidy programme is available for energy-related projects:

- By MoEJ (1.2 billion JPY in FY2013)
 - No more than half of the initial installation cost of equipment
- By METI (3.51 billion JPY in FY2013)
 - A participant(s) should purchase equipment at its residual value after MRV

Note: METI stands for Ministry of Economy, Trade and Industry;
MoEJ for The Ministry of the Environment.

Coverage of subsidy programme by MoEJ

- Construction cost
- Ancillary work cost
- Machinery and appliances cost
- Measurement and survey cost
- Administrative cost

Source: Ministry of the Environment of Japan. (2013)

Additional financial support

- Funding for JICA and ADB to promote JCM for FY2014

Source: Ministry of the Environment of Japan. (2013c)

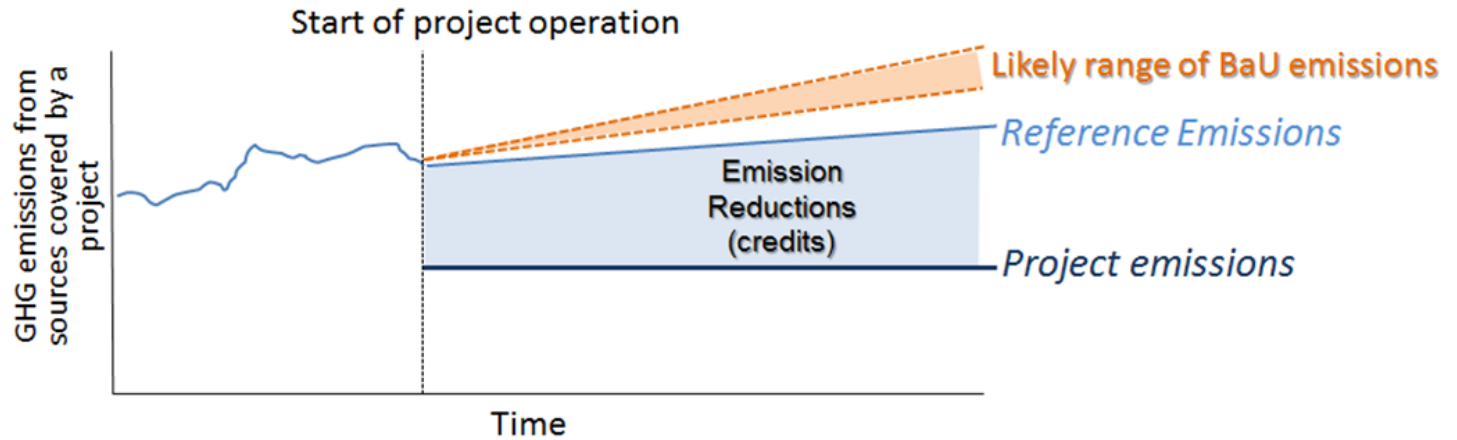
Key features of methodology

To reduce burdens:

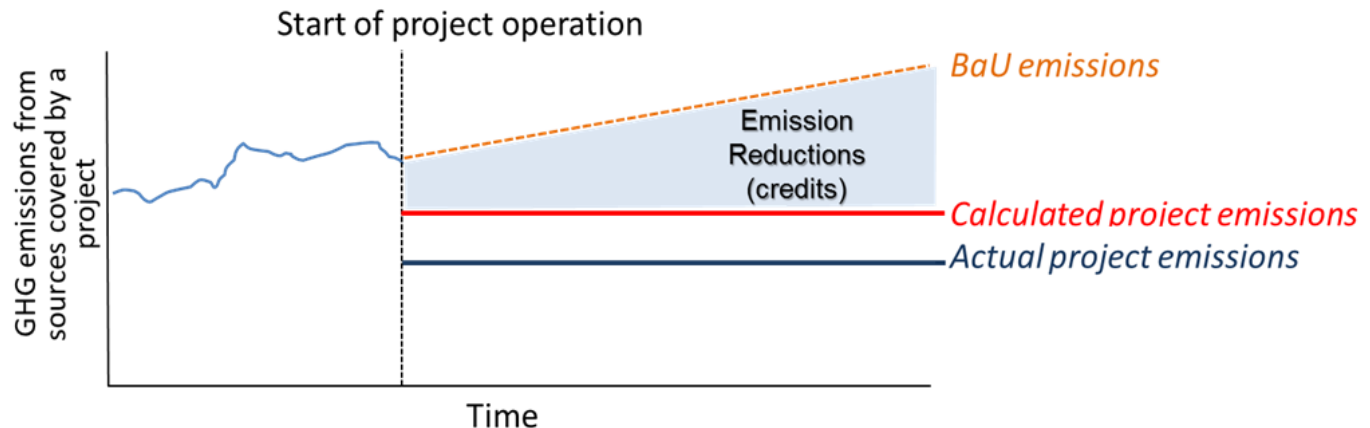
- A check list for eligibility criteria
 - E.g., Efficiency above XXX; historical data available for longer than YYY
- List of parameters to be informed
- List of default values available beforehand
- Premade sheet for calculation

Conservative way of calculation

Option 1:



Option 2:



Source: Adopted from the Government of Japan (2014)

Summary

- The JCM, currently being promoted by Japan, is to support low carbon development in Asia and other regions
- Cooperation among local governments, private sector, ministries, and others is essential for implementation of the JCM
 - Local government: planning and policy implementation
 - Private sector: low carbon technologies

Summary (2)

- The JCM represents the unique opportunity to reduce emissions jointly under the UNFCCC
- The design of the JCM has been developed in cooperation between Japan and a host country
- The effective scheme design and implementation is key for the implementation of the JCM

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New Mechanisms Information Platform

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Joint Crediting Mechanism (JCM) | Support Programmes | Information on NAMAs | Useful Experiences | Useful Calculation Methodology | REDD/REDD+

http://www.mmechanisms.org/e/

THANK YOU FOR YOUR ATTENTION!

For any queries, please contact at:

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