



Promoting Article 6 together with stakeholders in the post COP29

January 23, 2025

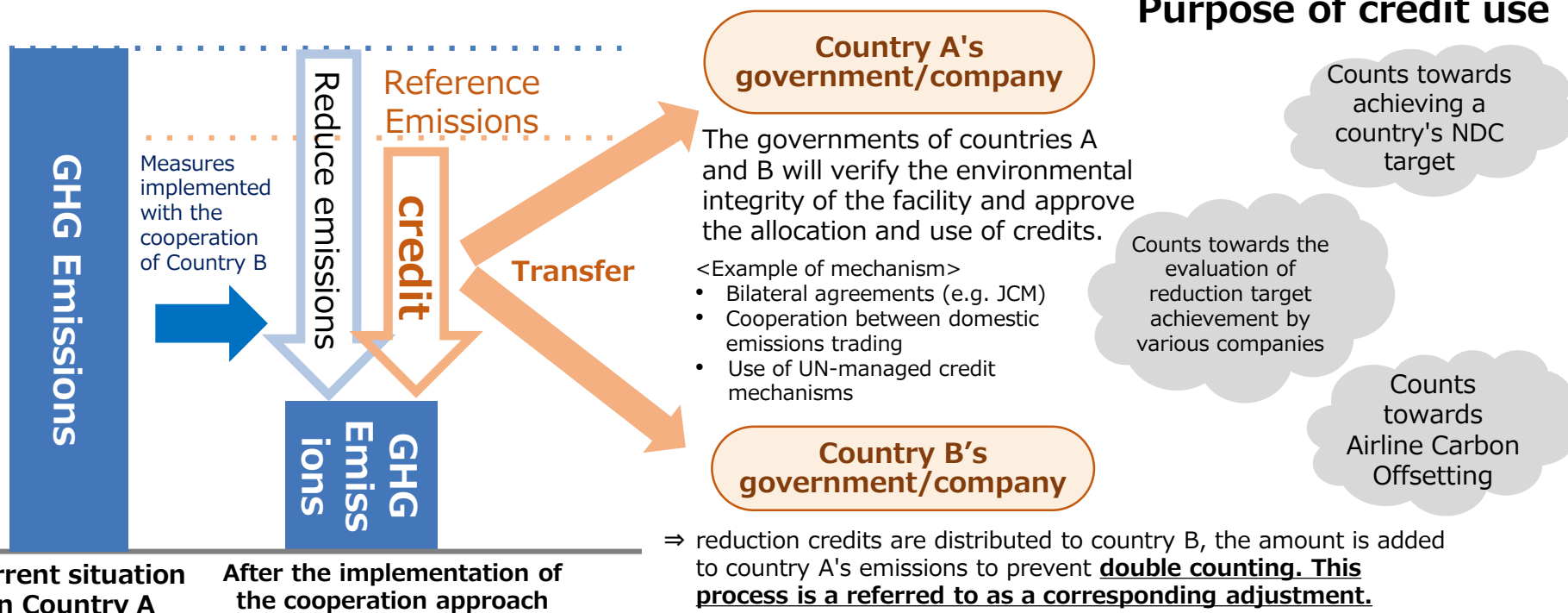
Ministry of the Environment
Office of International Carbon Market

Outline of Article 6 of the Paris Agreement (Cooperative Approaches)

- The Paris Agreement stipulates that all Parties set greenhouse gas emission reduction targets, referred to as nationally determined contributions (NDCs).
- Article 6 enables Parties cooperate to implement mitigation measures. Mitigation outcomes can be transferred among participating Parties, entities, etc., and can be counted toward the achievement of NDCs and other international mitigation purposes (OIMPs).
- In implementing the cooperative approach, participating Parties are required to authorize the use of ITMOs while ensuring environmental integrity, transparency and the avoidance of double counting.

Structure of a cooperative approach aligned with Article 6 of the Paris Agreement

(Example: An image of a case where Country A (host country) cooperates with Country B (acquiring country) to implement emission reduction measures.

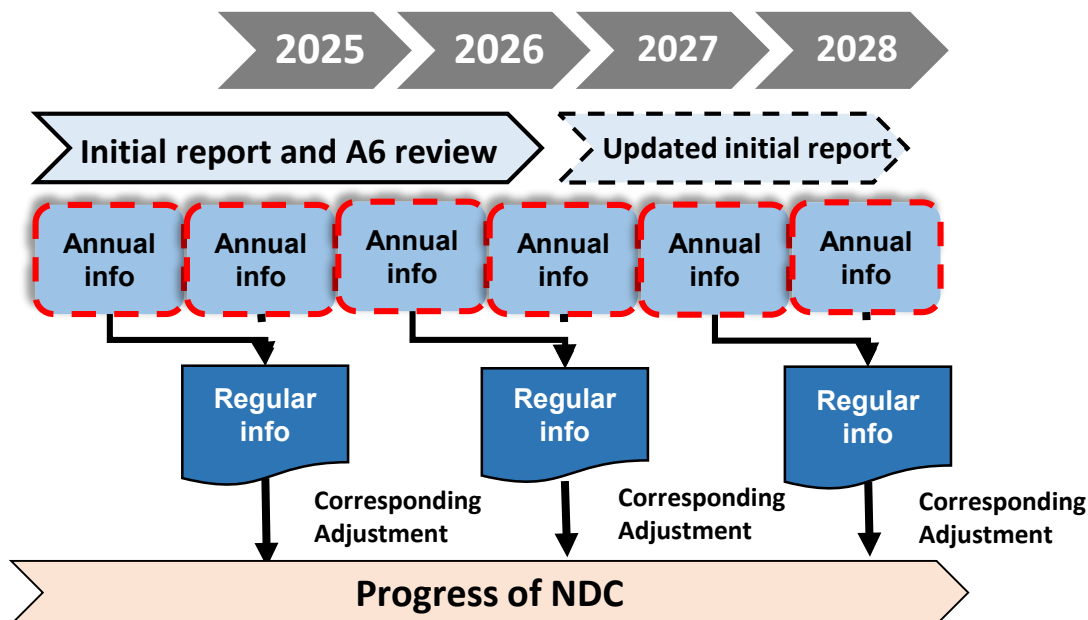


* The above is an example of cooperation between countries (multilateral approach), but there are many other forms of cooperative approaches, such as cooperation between Country A (host country) and Company C (business) (unilateral approach).

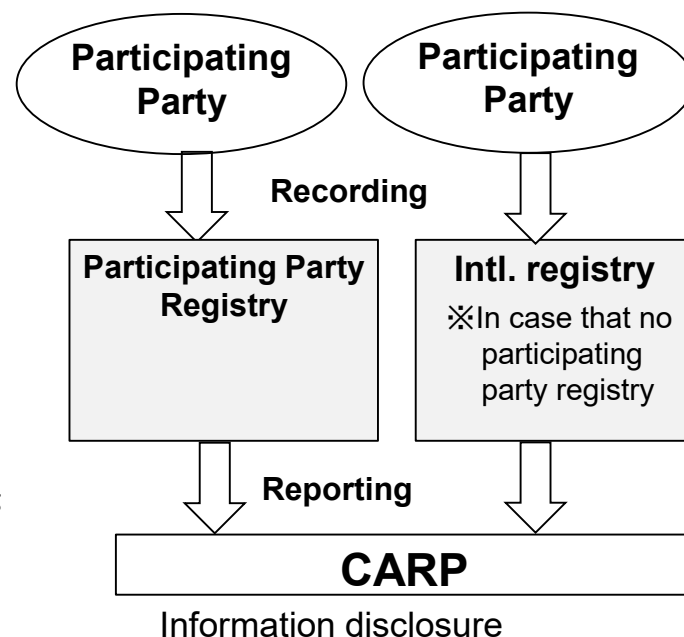
Article 6 reporting cycle and recording system

- Parties that implement cooperative approaches will report to UNFCCC on the content of their cooperative approaches, environmental integrity, and the status of transfer of ITMOs and their use towards NDCs through initial report and annual information.
- Submitted information will be reviewed by technical experts and made publicly available.
- Each party maintain a registry for recording and tracking ITMOs (Parties that have not yet done their registry system will use the international registry maintained by UNFCCC secretariat to record and track ITMOs).

Article 6 reporting cycle



Article 6 recording system



COP29 (CMA6): Achievements of Article 6 of the Paris Agreement and Future Direction (Summary)



- During COP29 (CMA6), an agreement was reached to fully operationalize the rules for implementing Article 6 of the Paris Agreement, which calls for international cooperation in implementing greenhouse gas mitigation activities.
- The outcome details rules regarding government authorization, tracking, and reporting. With globally common rules now in place, Japan will further strengthen the expansion and acceleration of the Joint Crediting Mechanism (JCM) and the development of international cooperation consistent with Article 6, making use of the knowledge and experience gained from the JCM .

Authorization and reporting

- Clarification of the process, content and format of authorization for the use of ITMOs, how it should be made public, changes to authorizations
- The format of the annual information and the elements of additional information for the initial report were decided.



Registry

- Voluntary connection of registries of participating parties with Article 6.4 mechanism registry has become possible. Decision also include the support for capacity building related to the registry.



Standards for methodologies and removal activities

- The standard for the development and assesment of methodologies under the Article 6.4 mechanism, as well as standard for activities involving removals, were approved.



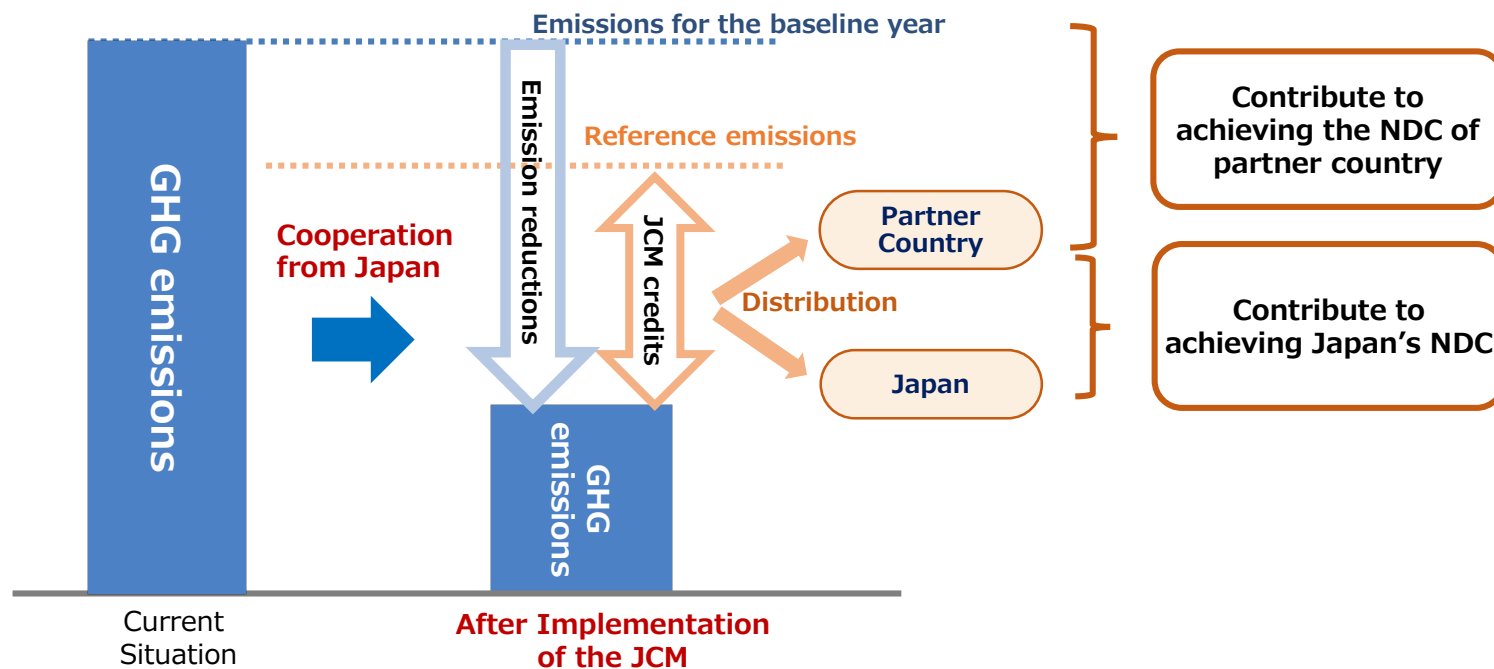
Japan's response policy

- The JCM will be operated consistent with the decision under Article 6.2 with regard to authorization and reporting
- JCM registry will be operated consistent with Article 6.2 and experience regarding the JCM registry will be shared internationally.
- The knowledge and experience of JCM methodology will be shared at the SBM and contribute to the prompt operation of the Article 6.4 mechanism.

Basic Concept of the JCM

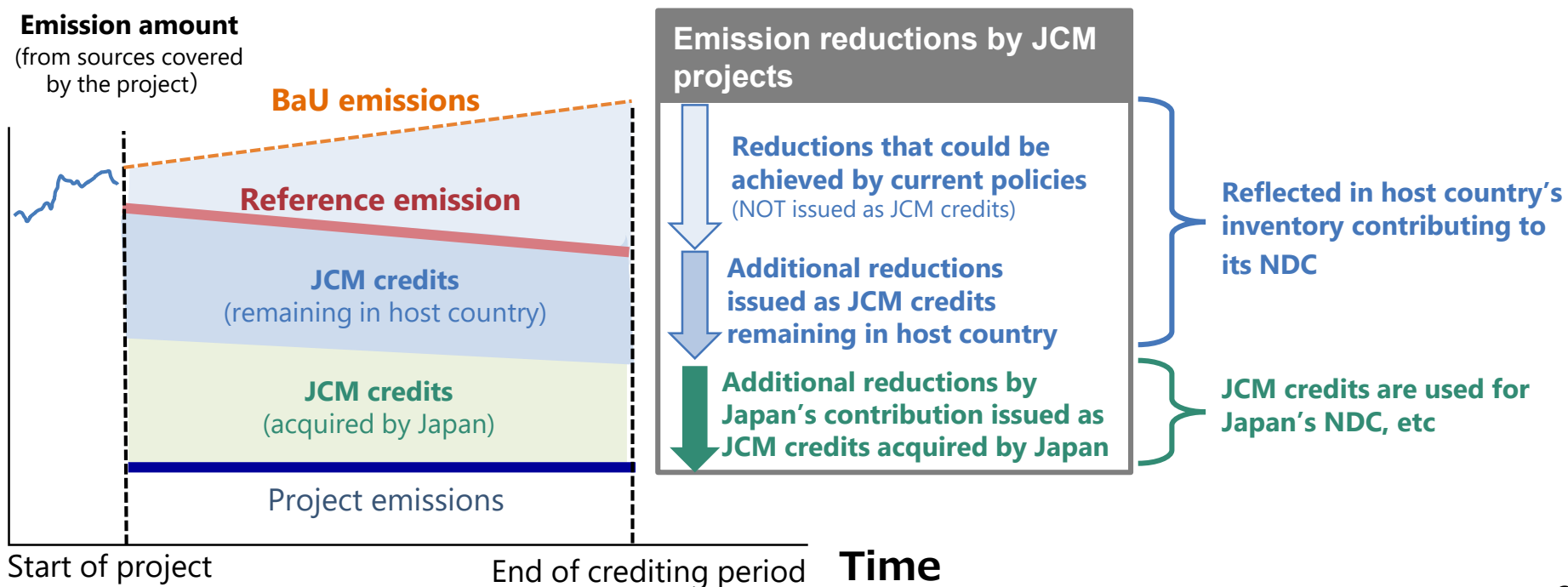
- In partner countries mainly in the Global South, Japanese companies and the Japanese government collaborate on implementing mitigation measures in terms of **technology and financial investment**. **The part of the achieved GHG emission reductions or removals will be shared as JCM credits** between the partner countries and Japan.
- Japan has established the JCM with **29 countries** and over **250 projects** are currently being implemented.
- JCM credit can be counted towards achieving partner country and Japan's NDC target. JCM credit can be used for domestic system such as emission trading system in the partner country.

Basic Concept



Evaluation & crediting of emission reductions under the JCM

- JCM projects' emission reductions includes emission reductions that could be achieved by current policies. Such reductions are calculated between BaU and reference emissions and will be reflected in host country's inventory contributing to its NDC (NOT issued as JCM credits)
- Emission reductions to be credited are defined as the difference between reference emissions and project emissions. The reference emissions are established taking into account the emission reductions that could be achieved by current policies.
- Additional reductions issued as JCM credits remaining in the host country will be reflected in host country's inventory contributing to the achievement of the host country's NDC.
- JCM credits acquired by Japan and used for Japan's NDC are calculated based on Japan's contribution to JCM projects, such as financial, technological and operational contribution.



Benefits from the JCM



- The JCM offers **Social, Economic, Environmental Benefits** to both Japan and partner countries.

Japan

- Exploring **New Business Opportunities**
- Enhancing **Corporate Value**
→ Attracting new investment
- Acquiring **JCM Credits**
→ **Contribute to NDC(Reduction & Absorption Target)**
→ Utilizing them for emission offset
 ※Generating revenue from their sale
- **Enhancing Presence** through contributions to global decarbonization

Partner countries

- Exploring **New Business Opportunities**
- Enhancing **Corporate Value**
→ Attracting new investment
- Diffusion of superior decarbonization technologies and products
- Contribute to NDC (Reduction and absorption target) of partner countries
- **Solving Social, Economic, Environmental issues** such as air pollution and infrastructure development

Variety of JCM project types

- So far, there have been **257 technology adoptions** in 18 countries.
*Note: The number of adoptions exceeds the number of projects because multiple technologies can be implemented within a single project.
- 56% of these are related to renewable energy, followed by 34% for energy efficiency, making up the majority.

Renewable Energy

Solar power



Solar power, FARMLAND Co., Ltd., Chile



Floating Solar PV, TSB Co., Ltd., Thailand

Hydro power



Hydro Power Plant, Toyo Energy Farm Co., Ltd., Indonesia

Biogas



Biogas Power Generation, ITOCHU Corporation, Philippines

Geothermal power



Binary Power Generation Project at Geothermal Power Plant, MHI, Ltd., Philippines

Variety of JCM project types

Energy efficiency

Consumer sector



Energy saving at convenience stores, Panasonic, Indonesia



High-efficiency refrigerator, Mayekawa MFG, Indonesia



Introduction of Amorphous High Efficiency Transformers in Power Grid, Yuko Keiso Co., Ltd., ①Vietnam, ②Lao PDR

Industrial sector



Energy-saving of mobile communications base transceiver stations, KDDI Corp. Indonesia



Optimization in petroleum refining plant, Yokogawa Electric Corp. Indonesia



Introduction of High Efficiency Once Through Boiler to Garment Factory, Osaka Gas Co., Ltd., Thailand

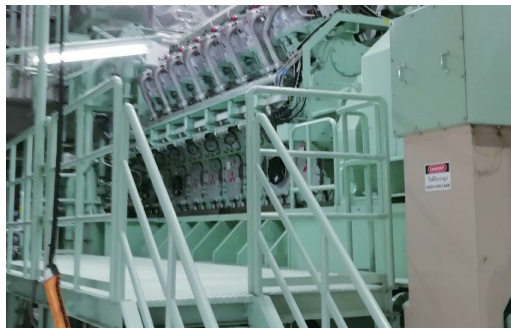
Variety of JCM project types

Waste



Waste to Energy Plant,
JFE engineering, Viet Nam

Effective Use of Energy



Gas Co-generation System and
Absorption Chiller, Kansai Electric
Power, Thailand

F-gas



Development of a Fluorocarbon Collection and
Destruction Model Project in Metro Manila,
Philippines Utilizing Mixed Combustion
Technologies, Marubeni Corporation,
Philippines

Transport



CNG-Diesel Hybrid Public Bus,
Hokusan Co., Ltd., Indonesia

REDD+



REDD+ project in Luang Prabang
Province through controlling slash-and-
burn, Waseda University,

List of JCM partner countries and projects supported by MOEJ (FY2013-2024) as of December 6, 2024



Total 255 projects (29 partner countries)

(Model Project: 238 projects(including Eco Lease: 7projects), ADB: 8 projects, UNIDO: 1 project, REDD+: 2 projects, F-gas: 4 projects, New Technology : 2project)

Eastern Europe

-  20. Azerbaijan
-  21. Moldova
-  22. Georgia
-  29. Ukraine

Asia Pacific

-  1. Mongolia: 11 projects
-  2. Bangladesh: 5 projects
-  5. Maldives: 4 projects
-  6. Viet Nam: 50 projects
-  7. Laos: 6 projects
-  8. Indonesia: 52 projects
-  10. Palau: 7 projects
-  11. Cambodia: 5 projects
-  15. Myanmar: 8 projects
-  16. Thailand: 51 projects
-  17. Philippines: 20 projects
-  23. Sri Lanka: 3 projects
-  24. Uzbekistan
-  25. Papua New Guinea
-  27. Kyrgyz Republic
-  28. Kazakhstan

Latin America

-  9. Costa Rica: 2 projects
-  12. Mexico: 5 projects
-  14. Chile: 16 projects

Africa

-  3. Ethiopia
-  4. Kenya: 5 projects
-  18. Senegal
-  19. Tunisia: 2 projects

Middle East

-  13. Saudi Arabia: 3 projects
-  26. UAE

Overview of Japan's support for the JCM partner countries



Ministry of the Environment

Programme	Type of support
Project development/capacity building/MRV support	Technical cooperation
Finance Programme for JCM Model Projects*	Subsidy(Grant)
Finance Programme for F-gas Recovery and Destruction Model Projects*	
Japan Fund for the JCM (JF JCM) - managed by ADB	
JCM support programme by UNIDO*	
Demonstration Programme for Application of New Decarbonizing Technology*	

Ministry of Economy, Trade and Industry

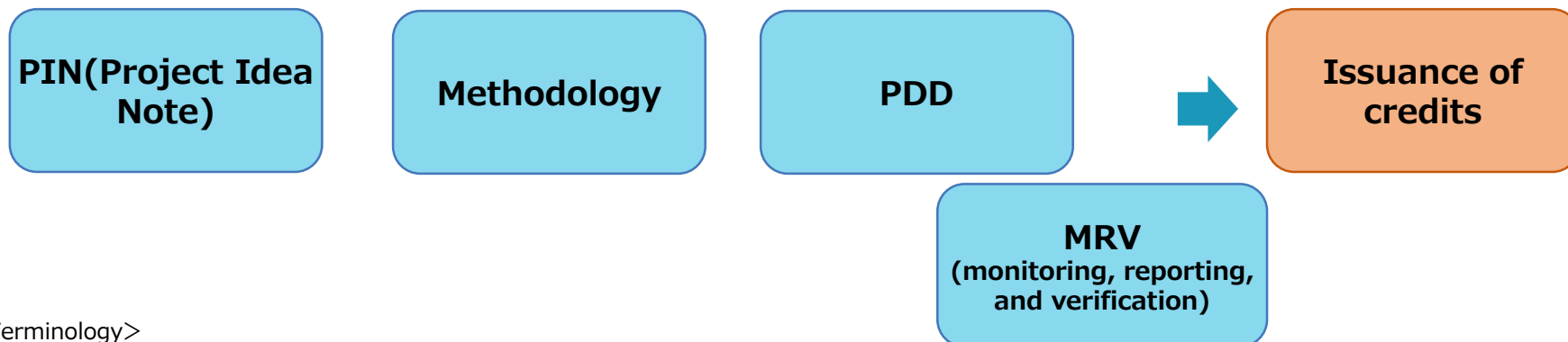
JCM Feasibility Study	Technical cooperation
JCM Demonstration Programme	Government-commissioned project
New JCM methodologies development study/ JCM Crediting support / MRV application study	Technical cooperation

Ministry of Agriculture, Forestry and Fisheries

Development of MRV for JCM projects in Agriculture –implemented by ADB	Technical cooperation
Field studies for JCM REDD+	Government-commissioned project

Scheme of the JCM

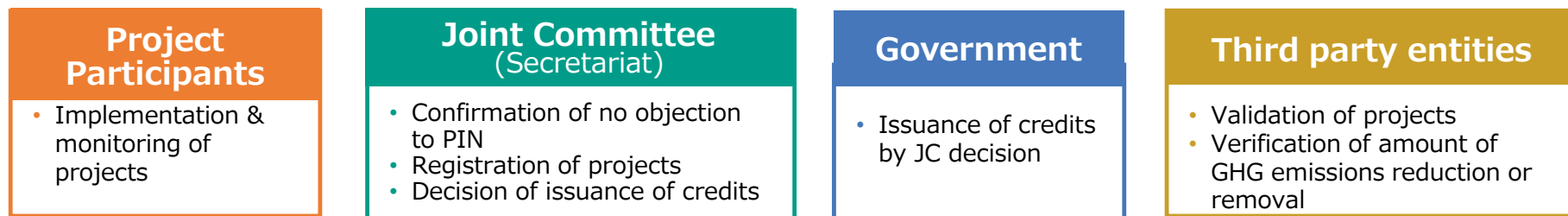
Flow of the JCM



<Terminology>

- **PIN (Project Idea Note)**: A document used to explain the outline of the project to the partner country and confirm whether there is an objection.
- **PDD (Project Design Document)**: A document that includes monitoring methods and estimated emission reductions. Required for project registration.

Key Players and Roles in the JCM



Thank you for your kind attention



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