

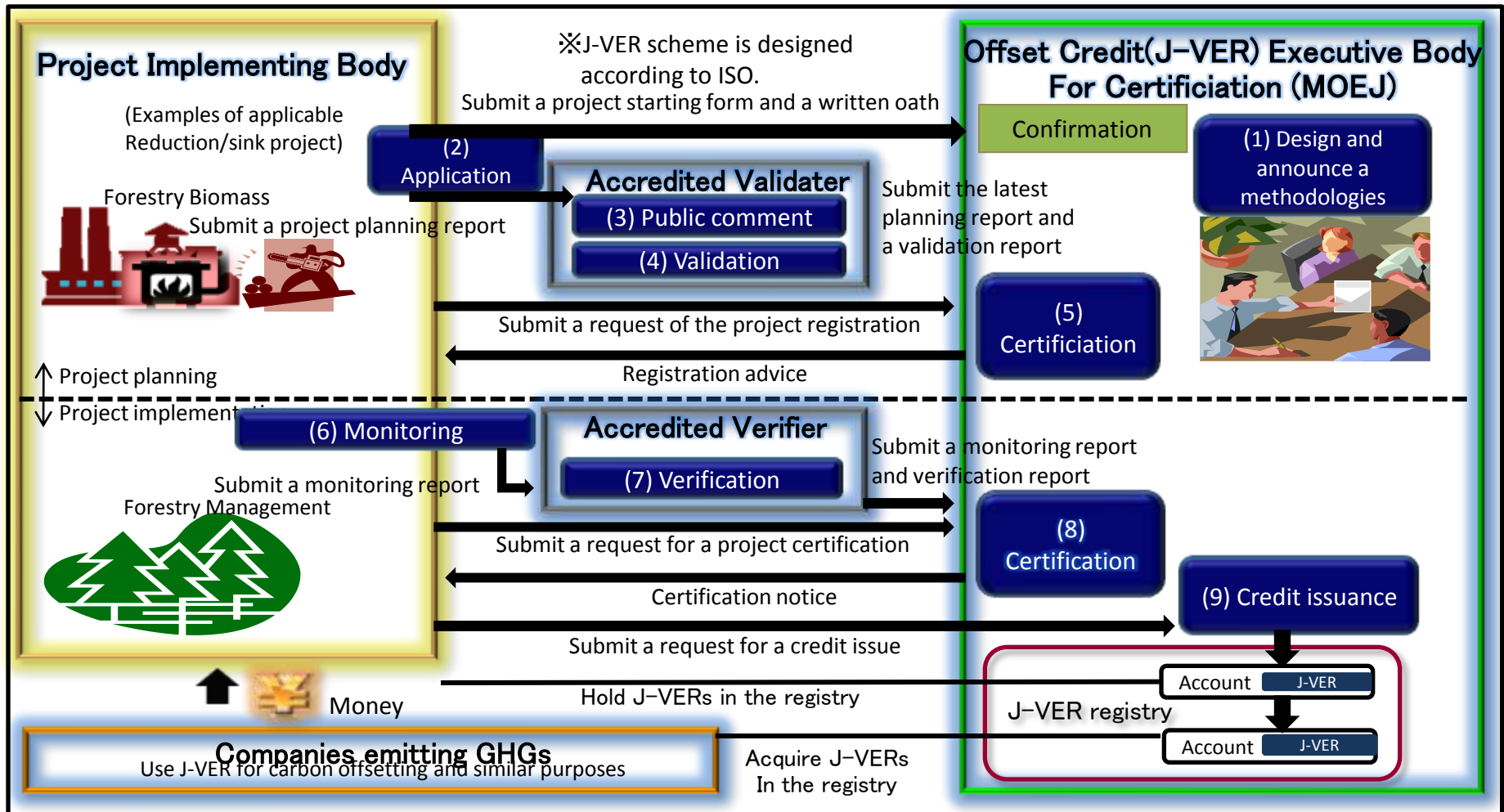
Offset Credit (J-VER) Scheme

Office of Market Mechanisms
Climate Change Policy Division
Ministry of the Environment, JAPAN
May 2011

Offset Credit (J-VER) Scheme

- J-VER Scheme, established by MOEJ in November 2008, is a verification scheme for credits generated through the reduction/removal by sinks of greenhouse gases carried out via domestic projects.

- By utilizing the J-VER scheme, funds for carbon offsetting by individuals, businesses, local governments and others can be directed to domestic project proponents in forest management or local industries. J-VER is a new mechanism to promote the domestic *Green New Deal* program through a global warming prevention campaign, expansion of job opportunities, and economic measures by using private-sector capital.



Target Project Types for the J-VER Scheme

The J-VER Certification and Steering Committee (MOEJ) identifies project types that should be promoted under the scheme. These projects which would not be implemented without this scheme are added to a list of target project types for the J-VER scheme.

<Emission Reduction>

※As of January 31, 2011

E001	Fuel switch from fossil fuels to woody biomass fuels for a boiler	E009	Reduction of fuel consumption by monitoring vehicles, utilizing IT technology	E018	Fuel switching from fossil fuels to waste based biogas for supply of heat and electricity
E002	Fuel switch from fossil fuels to woody pellet fuels for a boiler	E010	Renewal of lighting facilities	E019	Introduction of heat pump
E003	Fuel switch from fossil fuels using woody pellet heater stoves	E011	Renewal of boilers	E020	Production and use of Refuse Paper & plastic Fuels (RPF)
E004	Fuel switch from fossil fuels to biodiesel fuels (waste cooking oil base) used in vehicles and others	E012	Renewal of compressor in air conditioning facilities	E021	Conversion and utilization of waste plastic to oil or gas as fuels by thermal decomposition
E005	Fuel switch from fossil fuels to solid biomass fuels (sewage sludge based)	E013	Energy efficiency improvement of air conditioning by introducing free-cooling and introducing fresh air	E022	Recovery and utilization of waste heat for waste treatment facilities
E006	Recovery and utilization of waste heat	E014	Renewal of iron equipment	E023	Transportation Energy Efficiency Activities by installing digital tachograph systems for commercial vehicles
E007	Fuel switch from fossil fuels to woody biomass (firewood) for a firewood stove	E015	Substitution of grid electricity for small hydroelectric power generation	E024	Substitution of grid electricity for solar power generation
E008	Reduction of fuel consumption by improving transport efficiency, utilizing IT technology	E016	Introduction of co-generation equipment	L001	Abatement of N2O emission from pig excreta disposal by utilizing low-protein feed
		E017	Renewal of fan and pump or introduction of inverter and controlling equipment		

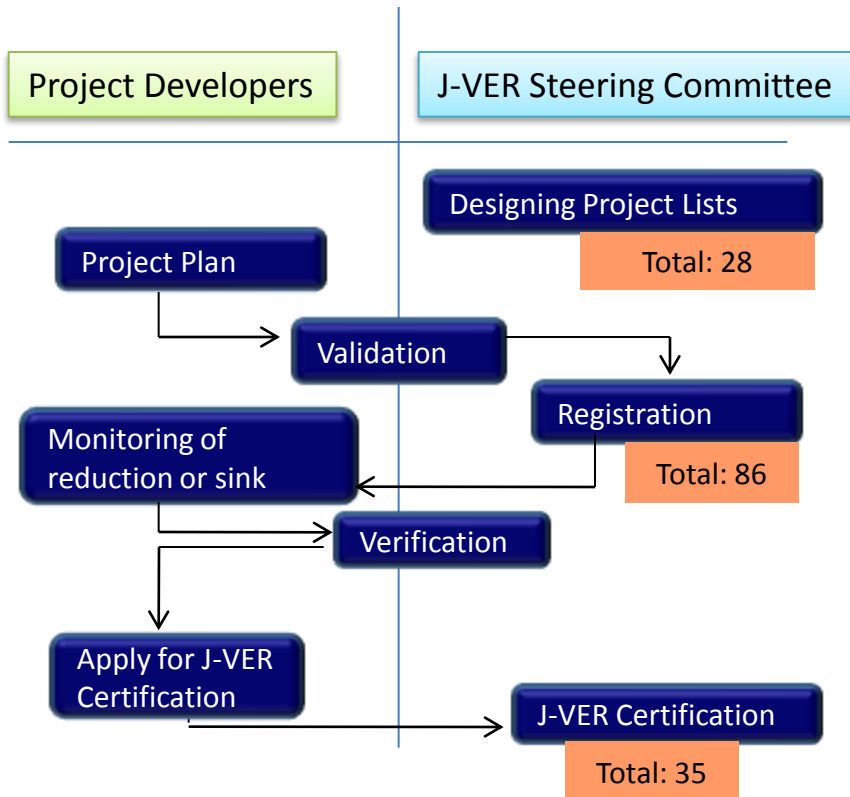
<Forest Sink>

R001	Forest Management Project (Thinning)
R002	Forest Management Project (Sustainable Forest Management)
R003	Afforestation Project

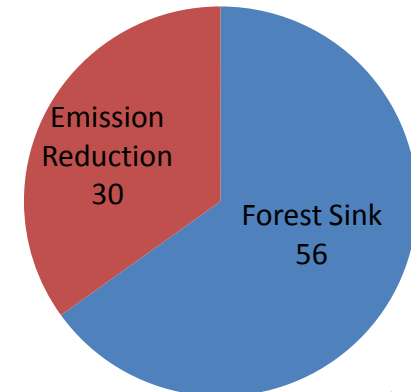
Offset Credit(J-VER) Scheme Certification and Registration

- In February 2010, **86 projects are registered** in the J-VER scheme.
- From these projects, **35 projects receive certification of Offset Credit(J-VER).The amount of total certified credit is 41,502t-CO2.**
- In addition, over 100 projects are expected to be registered and to receive certification of J-VER within FY2010.

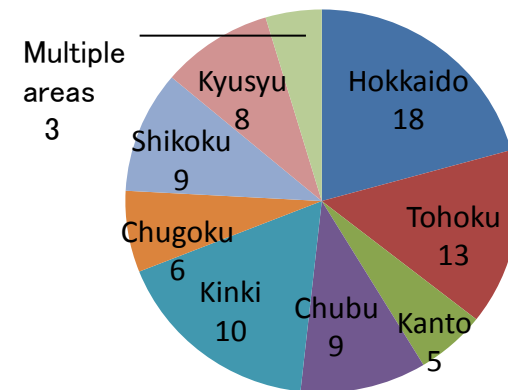
<Flow Chart of J-VER Scheme>



<Registered Projects by Type>

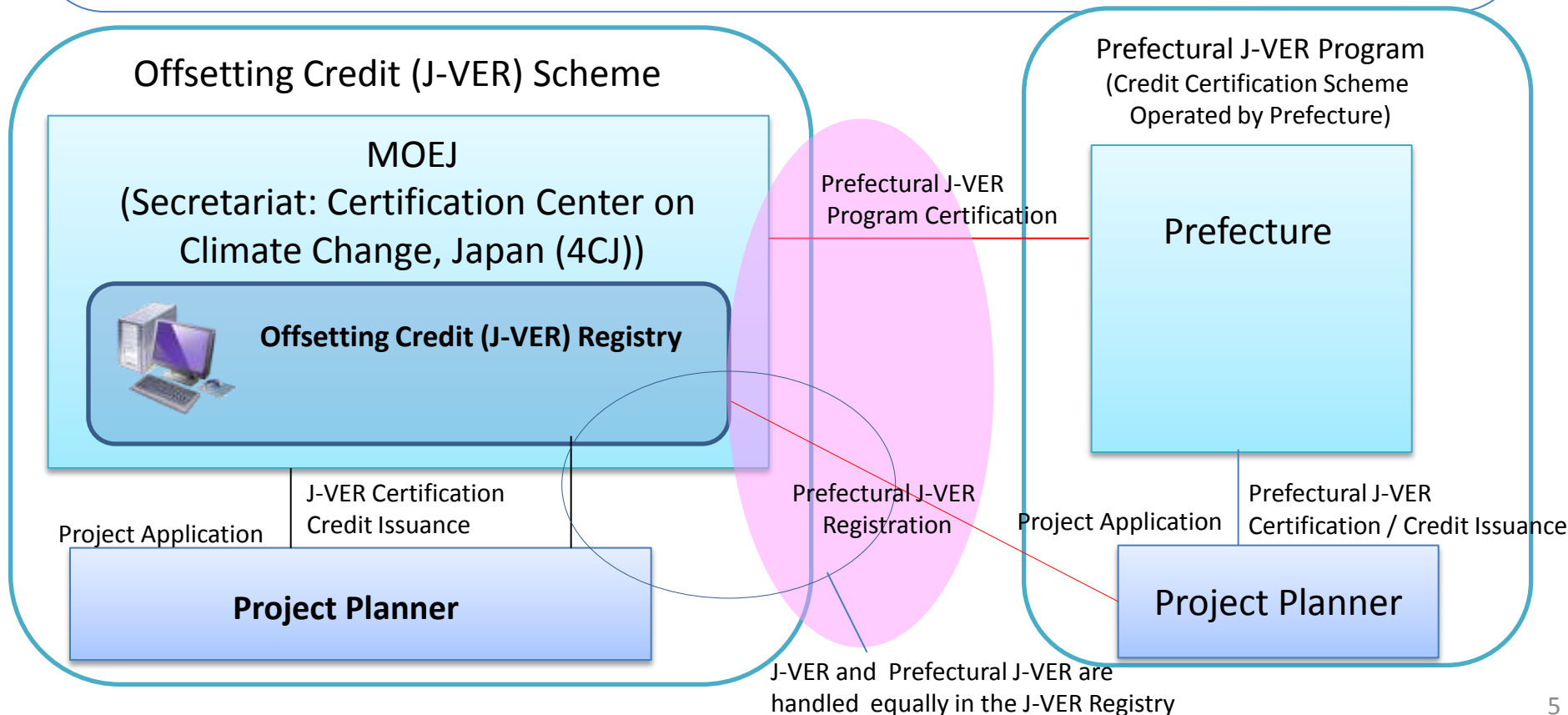


<Registered Projects by region>



Prefectural J-VER Program Certification

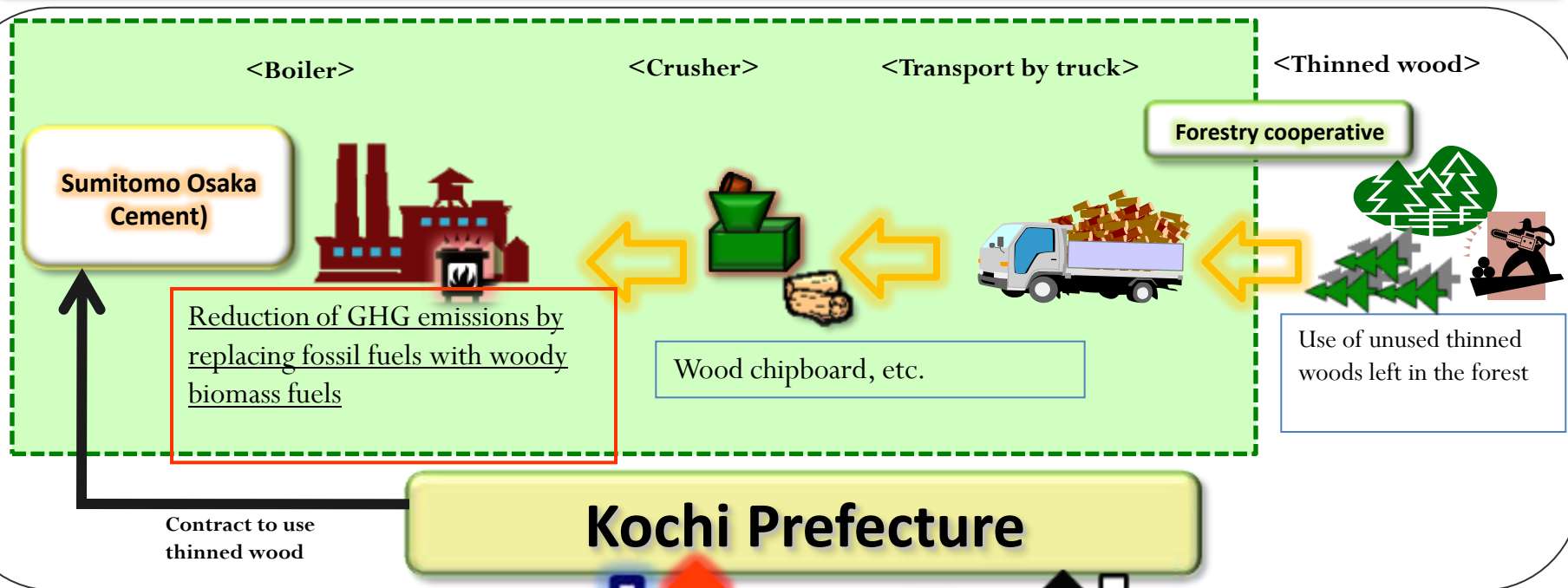
- In the Offsetting Credit (J-VER) Scheme, Prefectural J-VER Program Certification Scheme has been established. That is if J-VER Certification and Steering Committee certifies original Prefectural Scheme which certifies and issues GHG emission and removal as credit to match mother scheme, it is put up on Program Certification List.
(Ref. ⑩ 2.2 Chap.2 Implementation Rule, Offsetting Credit J-VER Scheme)
- Credit (Prefectural J-VER) issued by Prefectural J-VER Program is registered in the J-VER registry as same as J-VER credit.
- Prefecture Niigata and Kouchi are certified as of Feb, 2011.



Offsetting Credit (J-VER) Scheme Project No. 1: “Wood Biomass Utilization Project in Kochi”

This project certifies reduced GHG emissions as equivalent credits by replacing fossil fuels used in cement factory boilers with unused trees in the forest.

(Date of application: December 3, 2008, certified on March 10, 2009.
Estimated emissions reduction: 1,039t , from April to September 2008)



Application

Certification



Money

Credit

J-VER

Offsetting Credit (J-VER)
Certification and Steering Committee

Environmentally-advanced
businesses