

Procedures for Authorization as a Party to the Paris Agreement regarding the Joint Crediting Mechanism (JCM)

April 7, 2022

JCM Promotion and Utilization Council in Japan

The procedures described as separately specified in Article 6 "Authorization as a Party to the Paris Agreement", paragraph 1 of the Guidelines for the Implementation of the JCM in Japan (effective since January 17th, 2022) are defined as follows, in accordance with Article 6, paragraph 3 of the Paris Agreement and the CMA decision concerning guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement (decision 2/CMA.3).

(1) The JCM Promotion and Utilization Council authorizes JCM credits issued in the JCM registry of Japan, JCM projects issuing those JCM credits and legal entities acquiring those JCM credits, etc., based on the notification from the Joint Committees decided in line with the JCM bilateral documents, rules and guidelines.

(2) The JCM implementing authorities promptly publish the information on authorization on the JCM website (<https://www.jcm.go.jp>) including the name of a relevant partner country, the name of a JCM project, the name of a legal entity acquiring JCM credits, JCM credit identification number, and the status of authorization by the relevant partner country, etc.

Procedures for Corresponding Adjustments regarding the Joint Crediting Mechanism

April 7th, 2022

JCM Promotion and Utilization Council in Japan

The procedures described as separately specified in Article 7 “Corresponding adjustments”, paragraph 1 of the Guidelines for the Implementation of the JCM in Japan (effective since January 17th, 2022) are defined as follows, in accordance with Article 6, paragraph 3 of the Paris Agreement and the CMA decision concerning guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement (decision 2/CMA.3).

Corresponding adjustments here mean subtracting the amount of JCM credits authorized by Japan as a Party to the Paris Agreement in line with Article 6, paragraph 1 of the said Guidelines, from the amount of greenhouse gas emissions covered by Japan’s NDC (hereinafter referred to as "corresponding adjustments as Japan"), for use towards the purpose specified in Article 5, paragraph 1 of the said Guidelines (the achievement of the NDC), in the NDC target year of fiscal year 2030.

(1) For each year from 2021 to 2029, the Government of Japan applies indicative corresponding adjustments by subtracting the average annual amount of JCM credits as of the said year, from the amount of Japan's total greenhouse gas emissions for the said year submitted to the Secretariat of the United Nations Framework Convention on Climate Change. The average amount of JCM credits as of the said year is calculated by dividing the cumulative amount of JCM credits which have been confirmed that the government of the partner country, as a Party to the Paris Agreement, authorizes and applies corresponding adjustments by adding to the greenhouse gas emissions covered by its NDC, and have been transferred to the retirement account in the JCM registry of Japan, from January 1st, 2021 to December 31st of the said year, by the number of years elapsed from 2021 to the said year.

(2) For 2030, the Government of Japan applies corresponding adjustments by subtracting the average annual amount of JCM credits from the total amount of Japan's greenhouse gas

emissions covered by the NDC. The average annual amount of JCM credits is calculated by dividing the cumulative amount of JCM credits issued for emission reductions and removals realized from January 1st, 2021 to December 31st, 2030, which have been confirmed that the government of the partner country, as a Party to the Paris Agreement, authorizes and applies corresponding adjustments, and have been transferred to the retirement account in the JCM registry of Japan, by 10 which is the number of years of the NDC implementation period.