Procedures for Authorization as a Party in relation to the JCM credits in accordance with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM)

April 7, 2022 March 31, 2025 revised JCM Promotion and Utilization Council in Japan

The JCM Promotion and Utilization Council hereby establishes the procedures for Japan's authorization in relation to the JCM credits in accordance with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM). This authorization is made as the "Authorization by Japan in accordance with Article 6, Paragraph 3 of the Paris Agreement" pursuant to Article 57-18, Paragraph 1 of Act on Promotion of Global Warming Countermeasures (Act No. 117 of 1998), as amended by Article 1 of Supplementary Provisions of the revising Act on the Act on Promotion of Global Warming Countermeasures (Act No. 56 of 2024), and is made consistent 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.

(1) The JCM Promotion and Utilization Council authorizes the JCM as a cooperative approach in accordance with Article 6 of the Paris Agreement.

(2) The JCM Promotion and Utilization Council authorizes, based on the authorization as descried in (1) above, JCM credits issued in the JCM registry of Japan, and entities acquiring JCM credits and others on each JCM projects basis.

(3) 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 March 31, 2025 revised JCM Promotion and Utilization Council in Japan

The JCM Promotion and Utilization Council hereby establishes the procedures for corresponding adjustments, regarding the JCM credits authorized consistent with "Procedures for Authorization as a Party in relation to the JCM credits in accordance with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM)." The corresponding adjustment is made as "the calculation method prescribed in Article 6, paragraph 2 of the Paris Agreement" pursuant to Article 57-18, Paragraph 2 of Act on Promotion of Global Warming Countermeasures (Act No. 117 of 1998), as amended by Article 1 of Supplementary Provisions of the revising Act on the Act on Promotion of Global Warming Countermeasures (Act No. 56 of 2024). Corresponding adjustments here mean subtracting the amount of authorized JCM credits from the amount of greenhouse gas emissions covered by Japan's Nationally Determined Contribution (NDC) for use towards 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.