

## The initial report referred to in decision 2/CMA.3, annex, chapter IV.A (Initial report)

<b>Party</b>	Mongolia
<b>NDC period</b>	2021-2030
<b>Report number for the NDC period</b>	1
<b>Report type</b> Initial report Updated initial report	<input checked="" type="checkbox"/> <input type="checkbox"/>
<b>Version<sup>a</sup></b>	1.0
<b>Date</b>	15/11/2024
<b>Name(s) of cooperative approach(es) included in this report</b>  (Include a line for each additional cooperative approach)	The Joint Crediting Mechanism (JCM), established within the framework of the "Low Carbon Development Partnership" between the Governments of Mongolia and Japan, operates in accordance with Article 6 of the Paris Agreement.

<sup>a</sup> Note: Decimal increase for minor revisions (typos, small corrections, rephrasing) and digit increase for content changes

### I. Participation responsibilities (para. 18(a))

A. Information on how the Party ensures that it is a Party to the Paris Agreement (para. 18(a), para. 4(a), to be updated by para. 21(a))

Mongolia ratified the Paris Agreement on 1 September 2016 and is a Party to the Paris Agreement.<sup>1</sup>  
Mongolia has developed its Nationally Determined Contribution (NDC), which was approved by the Government Decree No.407 of 19 November 2019.<sup>2</sup>

B. Information on how the Party ensures that it has prepared, communicated, and is maintaining an NDC in accordance with Article 4, paragraph 2 (para. 18(a), para. 4(b), to be updated by para. 21(a))

Mongolia has submitted its NDC in 2020.<sup>3</sup>

C. Information on how the Party ensures it has arrangements in place for authorizing the use of ITMOs towards the achievement of NDCs pursuant to Article 6, paragraph 3 (para. 18(a), para. 4(c), to be updated by para. 21(a))

The Government of Mongolia authorizes the use of JCM credits as ITMOs towards NDCs, in accordance with JCM bilateral documents. Within these arrangements, the responsible body for authorization is the Ministry of Environment and Climate Change (MECC).

D. Information on how the Party ensures it has arrangements in place that are consistent with the Article 6, paragraph 2, guidance and relevant decisions of the CMA for tracking ITMOs (para. 18(a), para. 4(d), to be updated by para. 21(a))

Mongolia developed a web-based JCM Registry system<sup>4</sup> within the JCM registry of Japan in 2022 as arrangements for tracking JCM credits. It is developed in accordance with the Common Specifications of the JCM Registry<sup>5</sup>, which have been agreed upon with the Government of Japan. It defines identifiers used for issued JCM credits, transfer, acquisition, cancellation, and retirement for the use of NDCs. It also specifies the operation of the JCM Registry including accounts, issuance of JCM credits, transaction records, and publicly accessible information.

<sup>1</sup> <https://legalinfo.mn/mn/detail/12109>

<sup>2</sup> <https://legalinfo.mn/mn/detail?lawId=14843>

<sup>3</sup> <https://unfccc.int/sites/default/files/NDC/2022-06/First%20Submission%20of%20Mongolia%27s%20NDC.pdf>

<sup>4</sup> <https://www.jcmregistry.go.jp/>

<sup>5</sup> [www.jcm.go.jp/opt/mn-jp/rules\\_and\\_guidelines/download/JCM\\_MN\\_Spec\\_Registry\\_ver02.0.pdf](http://www.jcm.go.jp/opt/mn-jp/rules_and_guidelines/download/JCM_MN_Spec_Registry_ver02.0.pdf)

E. Information on whether the most recent national inventory report required in accordance with decision 18/CMA.1 has been provided (para. 18(a), para. 4(e), to be updated by para. 21(a))

Mongolia submitted its most recent National Inventory Report as an Annex of the second BUR in 2023.<sup>6</sup> The report covers inventory reporting years between 1990 and 2020.

F. Information on how the Party ensures participation contributes to the implementation of its NDC and long-term low-emission development strategy, if it has submitted one, and the long-term goals of the Paris Agreement (para. 18(a), para. 4(f), to be updated by para. 21(a))

Mongolia intends to use Article 6 to promote the implementation of mitigation activities in addition to its domestic efforts which generates emission reductions, part of which are maintained in the country and contribute to the implementation of its NDC.

## **II. Description of the Party's NDC, as referred to in decision 18/CMA.1, annex, paragraph 64, where a participating Party has not yet submitted a biennial transparency report (para. 18(b), to be updated by para. 21(b))**

A. Target(s) and description, including target type(s) (decision 18/CMA.1, annex, para. 64(a))

Mongolia's NDC target is a 22.7% reduction in total national greenhouse gas (GHG) emissions by 2030 compared to the business-as-usual scenario for 2010. Mongolia aims to achieve a conditional NDC target of 27.2% with international support.

B. Target year(s) or period(s), and whether they are single-year or multi-year target(s) (decision 18/CMA.1, annex, para. 64(b))

Mongolia's NDC has a single-year target which is in 2030.

C. Reference point(s), level(s), baseline(s), base year(s) or starting point(s), and their respective value(s) (decision 18/CMA.1, annex, para. 64(c))

The base year is 2010 and the national total emissions in 2010 are estimated at 25.8 MtCO<sub>2</sub>-eq. In the development of this NDC, Mongolia re-calculated the baseline emissions up to 2030, which are estimated to reach 74.3 MtCO<sub>2</sub>-eq. in 2030 without LULUCF, compared to 2015's INDC baseline of 51.3 MtCO<sub>2</sub>-eq.

D. Time frame(s) and/or periods for implementation (decision 18/CMA.1, annex, para. 64(d))

The NDC implementation period is from 2021-2030.

E. Scope and coverage, including, as relevant, sectors, categories, activities, sources and sinks, pools and gases (decision 18/CMA.1, annex, para. 64(e))

Sectors covered:

The expected total GHG emission reduction (unconditional measures) is 22.7% in the following main sectors:

- Energy sector (Energy production, Energy consumption)
- Non-energy sector: (Agriculture, Industry, Waste)

Coverage: Nationwide

Gases covered: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs

<sup>6</sup> [https://unfccc.int/sites/default/files/resource/20231112\\_BUR\\_II\\_MGL\\_Final.pdf](https://unfccc.int/sites/default/files/resource/20231112_BUR_II_MGL_Final.pdf)

F. Intention to use cooperative approaches that involve the use of internationally transferred mitigation outcomes under Article 6 towards NDCs under Article 4 of the Paris Agreement (decision 18/CMA.1, annex, para. 64(f))

Mongolia's unconditional emission reduction target is 16.9 MtCO<sub>2</sub>-eq. In addition, if conditional mitigation measures such as carbon capture and storage, and waste-to-energy technology are implemented, then Mongolia could achieve an additional reduction of 3.3 MtCO<sub>2</sub>-eq. Along with that, actions and measures to remove GHG emissions by forest are determined, which sets the total removal of 2.6 MtCO<sub>2</sub>-eq. Those targets add up to 22.8 MtCO<sub>2</sub>eq of GHG emission reduction to be achieved through domestic and international cooperation by 2030.

Mongolia intends to take the opportunities for climate-resilient socio-economic development with international cooperation and support including the carbon market under Article 6 of the Paris Agreement to enhance the ambition beyond the NDC target.

G. Any updates or clarifications of previously reported information (e.g. recalculation of previously reported inventory data, or greater detail on methodologies or use of cooperative approaches) (decision 18/CMA.1, annex, para. 64(g))

Not applicable

### III. Information on ITMO metrics, method for applying corresponding adjustments and method for quantification of the NDC (para. 18(c–f))

A. ITMO metrics (para. 18(c))

The ITMOs are measured in metric tonnes of carbon dioxide equivalent (tCO<sub>2</sub>eq)

B. Method for applying corresponding adjustments as per chapter III.B (Application of corresponding adjustments) (para. 18(c))

1. Description of the method for applying corresponding adjustment for multi- or single-year NDCs that will be applied consistently throughout the period of NDC implementation, if applicable (para. 18(c))

Mongolia will apply corresponding adjustments by using the method referred to in decision 2/CMA.3, annex, III.B., para. 7(a)(ii), calculating the average annual amount of ITMOs first transferred and used over the NDC implementation period.

2. Description of the method for applying corresponding adjustments where the method is a multi-year emissions trajectory, trajectories or budget, if applicable (para. 18(c))

Not applicable

C. Quantification of the Party's mitigation information in its NDC in t CO<sub>2</sub> eq, including the sectors, sources, GHGs and time periods covered by the NDC, the reference level of emissions and removals for the relevant year or period, and the target level for its NDC or, where this is not possible, the methodology for the quantification of the NDC in t CO<sub>2</sub> eq (para. 18(d))

Sectors: Energy sector (energy production, and energy consumption) and non-energy sector (agriculture, industry, and waste)

Sources: All source categories covered by the 2006 IPCC Guidelines for National Greenhouse Gas Inventories

GHGs: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, and HFCs

Time period covered by the NDC: 2021–2030

Reference level of emissions and removals for the relevant year or period: GHG emission in the base year (2010) is 25.8 MtCO<sub>2</sub>eq. and BAU emission in the target year (2030) is 74.3 MtCO<sub>2</sub>eq.

The target level for the NDC: 57.4 MtCO<sub>2</sub>eq. in 2030 without LULUCF

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D. Quantification of the Party's NDC, or the portion in the relevant non-GHG indicator, in a non-GHG metric determined by each participating Party, if applicable (para. 18(e))

Not applicable

E. For a first or first updated NDC consisting of policies and measures that is not quantified, information on the quantification of the Party's emission level resulting from the policies and measures that are relevant to the implementation of the cooperative approach and its mitigation activities for the categories of anthropogenic emissions by sources and removals by sinks, as identified by the first transferring Party pursuant to paragraph 10, and the time periods covered by the NDC (para. 18(f))

Not applicable

#### IV. Information on each cooperative approach (para. 18(g–i), para. 19)

*Note: For the initial report and the updated initial report, chapters A–H below should be repeated for each cooperative approach. For each further cooperative approach, each participating Party shall submit the information referred to in para. 18(g–i) of the annex to decision 2/CMA.3 in an updated initial report (decision 2/CMA.3, annex, para. 19).*

A. Copy of the authorization by the participating Party (para. 18(g))

MECC 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. Authorization documents will be available on the JCM website (<https://www.jcm.go.jp/mn-jp>).

B. Description of the cooperative approach (para. 18(g))

Mongolia implements the JCM to appropriately evaluate GHG emission reductions or removals in a quantitative manner achieved through the diffusion of decarbonizing technologies, products, systems, services, and infrastructure as well as implementation of mitigation actions, and to use them to achieve Mongolia's emission reduction targets. The JCM is implemented through investment by Japanese entities in partnership with Mongolian entities and implemented consistently with the guidance on cooperative approaches, referred to in Article 6, paragraph 2 of the Paris Agreement, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments. Both sides establish a Joint Committee (JC) consisting of representatives from both governments. The JC develops rules and guidelines necessary for the implementation of the JCM.

C. Duration of the cooperative approach (para. 18(g))

From 08-01-2013 to 08-01-2030\*  
\*This date will be extended before 2030

D. Expected mitigation for each year of the duration of the cooperative approach (para. 18(g))

Estimated emissions reductions in each year until 2030 will be included in the Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions. Actual reductions will be recorded in the PDD based on the methodology agreed upon for each project. Information can be found on the JCM website: <https://www.jcm.go.jp/mn-jp>.

E. Participating Parties involved in the cooperative approach (para. 18(g))

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Mongolia and Japan

F. Authorized entities (para. 18(g))

Not applicable

G. Description of how the cooperative approach ensures environmental integrity (para. 18(h), to be updated by para. 22(b))

1. Description of how the cooperative approach ensures that there is no net increase in global emissions within and between NDC implementation periods (para. 18(h)(i), to be updated by para. 22(b)(i))

The JCM methods use conservative baselines known as "reference emissions" that are set much below the baseline emissions level. To assure the quality of mitigation outcomes, the JCM additionally employs a robust MRV system, in which its methodologies and procedures are available to the public on the JCM website. Further, to ensure there is no net increase, both governments apply corresponding adjustments to avoid double counting in accordance with the guidance of the CMA.

2. Description of how the cooperative approach ensures environmental integrity through robust, transparent governance and the quality of mitigation outcomes, including through conservative reference levels and baselines set in a conservative way and below 'business as usual' emission projections (including by taking into account all existing policies and addressing uncertainties in quantification and potential leakage) (para. 18 (h)(ii), to be updated by para. 22(b)(ii))

JCM is established by a bilateral document signed between both governments and implemented in line with the relevant domestic laws and regulations. In accordance with the bilateral document, the JC is established as the governing body, consisting of government officials from Japan and each partner country. All the rules and guidelines as well as decisions made by the JC are made publicly available on the JCM website. In addition, all calls for public inputs on proposed methodologies and proposed projects are informed on the same website.

The methodologies are developed in accordance with "JCM Guidelines for Developing Proposed Methodology", which explains the key concepts such as reference emissions and eligibility criteria under the JCM. The JC assesses and considers the approval of the proposed methodologies. The list of approved JCM methodologies can be found in the JCM website.

The JCM Guidelines for Developing Proposed Methodology stipulates that the reference emissions are calculated to be below business-as-usual (BaU) emissions which represent plausible emissions in providing the same outputs or service level of the proposed JCM project. Therefore, the baselines are to be set in such a way that emission reductions would not overestimate mitigation from an activity.

3. Description of how the cooperative approach is minimizing the risk of non-permanence of mitigation across several NDC periods and how, when reversals of emission reductions or removals occur, the cooperative approach will ensure that these are addressed in full (para. 18(h)(iii), to be updated by para. 22(b)(iii))

Currently, there are no projects with the risk of non-permanence in Mongolia.

H. Additional description of the cooperative approach (para. 18(i))

1. Description of how the cooperative approach minimizes and, where possible, avoids negative environmental, economic, and social impacts (para. 18(i)(i), to be updated by para. 22(f))

All JCM projects must undergo a general or detailed assessment under Mongolian environmental impact assessment law. In 2018, JCM Mongolia approved the Sustainable Development Implementation Plan and Report guidelines for the JCM projects. These documents regulate SDG and environmental impact assessment within the JCM project development and implementation. Before the credit issuance, a third party will verify the overall project assessment including the environmental impact assessment. Based on the monitoring report and the third-party verification report, the final decisions will be issued by the Joint Committee.

When designing a proposed JCM project, PPs are required to apply these Guidelines and provide a comprehensive description of an implementation plan on contributions to sustainable development (hereinafter referred to as “SD”) through their project. PPs should conduct an ex-ante analysis of the contribution to SD using the Sustainable Development Implementation Plan form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report form.

2. Description of how the cooperative approach reflects the eleventh preambular paragraph of the Paris Agreement, acknowledging that climate change is a common concern of humankind, Parties should, when taking action to address climate change, respect, promote and consider their respective obligations on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity (para. 18(i)(ii), to be updated by para. 22(g))

Mongolia monitors each JCM project’s compliance with the domestic laws and regulations, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects. In general, the long-term policy documents of Mongolia (e.g., Vision 2050) includes common concern about human rights. Additionally, the “Guideline on Gender Equality for the JCM” was developed to provide basic principles and specific recommendations on gender equality and to encourages stakeholders, especially project participants who implement a JCM model project, to take actions at all the stages of the project cycle (planning, implementation, and monitoring).

3. Description of how the cooperative approach is consistent with the sustainable development objectives of the Party, noting national prerogatives (para. 18(i)(iii), to be updated by para. 22(h))

In 2018, JCM Mongolia approved the Sustainable Development Implementation Plan and Report guidelines for the JCM projects. These documents assess sustainable development contributions through JCM project development and implementation. Before the credit issuance, a third party will verify the overall project assessment including the environmental impact assessment. Based on the monitoring report and the third-party verification report, the final decisions will be issued by the Joint Committee (JC).

The contribution to sustainable development objectives is ensured through the JC, where government representatives from Mongolia and Japan make decisions on the implementation of the JCM. The JC has the authority to decide on the registration of the JCM projects by which the representatives from a partner country would have the opportunity to consider the contribution to their SD objectives, noting national prerogatives.

4. Description of how the cooperative approach applies any safeguards and limits set out in further guidance from the CMA pursuant to chapter III.D (para. 18(i)(iv), to be updated by para. 22(i))

Not applicable.

5. Description of how the cooperative approach contributes resources for adaptation pursuant to chapter VII (Ambition in mitigation and adaptation actions), if applicable (para. 18(i)(v), to be updated by para. 22(j))

In accordance with the bilateral document, both governments aim to contribute to the adaptation efforts in Mongolia through supporting projects with adaptation co-benefits. Any further information as per discussions between Japan and Mongolia or as applied by the partner country on a voluntary basis. Any updates will be communicated by an updated initial report.

6. Description of how the cooperative approach delivers overall mitigation in global emissions pursuant to chapter VII (Ambition in mitigation and adaptation actions), if applicable (para. 18(i)(vi), to be updated by para. 22(k))

The JCM aims to deliver overall mitigation of global emissions. Any further information as per discussions between Japan and Mongolia or as applied by the partner country on a voluntary basis. Any updates will be communicated by an updated initial report.

<p><b>Submitted on behalf of Mongolia by:</b></p> <ol style="list-style-type: none"><li>1. Mr. Batkhashig Purevdoo, Special Envoy and National Focal Point to UNFCCC, MECC</li><li>2. Ms. Narangaravuu Altangerel, Senior Analyst of International Cooperation Department and Technical focal point to UNFCCC, MECC</li></ol>	<p><b>For further information, contact:</b></p> <ol style="list-style-type: none"><li>1. Ministry of Environment and Climate Change: Mr. Munkhzul Kharnuden, Director General, Unified Policy and Planning Department munkhzul.kh@mecc.gov.mn</li><li>2. JCM Secretariat office between Mongolia and Japan: Ms. Otgontsetseg Luvsandash, JCM Secretariat between Mongolia and Japan jcmmongolia@gmail.com</li></ol>
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