

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

Party	Japan
NDC period	First NDC: 2021–2030 / Second NDC: 2031-2040
Report number for the NDC period^a	1
Report type	Initial report ☒ Updated initial report ☐
Updated initial report number	1
Version^b	1.0
Date	10 th Oct., 2025
Name(s) of cooperative approach(es) included in this report	Joint Crediting Mechanism between the Government of Japan and: Mongolia People’s Republic of Bangladesh Federal Democratic Republic of Ethiopia Republic of Kenya Republic of Maldives Socialist Republic of Viet Nam Lao People's Democratic Republic Republic of Indonesia Republic of Costa Rica Republic of Palau Kingdom of Cambodia United Mexican States (Mexico) Republic of Chile Republic of the Philippines Republic of Senegal Republic of Tunisia Republic of Azerbaijan Republic of Moldova Georgia Democratic Socialist Republic of Sri Lanka Republic of Uzbekistan Independent State of Papua New Guinea United Arab Emirates Kyrgyz Republic Republic of Kazakhstan Ukraine United Republic of Tanzania *Note 1: The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed above separately. *Note 2: Joint Crediting Mechanism between the Government of Japan and Thailand was described in the Initial Report submitted on 31/10/2024. https://unfccc.int/sites/default/files/resource/Annex%20%E2%85%A2_Initial%20report_Japan_241031_0.pdf

^a Note: The number “1” means the initial report.

^b Note: Decimal increase for minor revisions (typos, corrections) 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))

Japan deposited the instrument of acceptance of the Paris Agreement with the Secretary-General of the United Nations at the UN Headquarters in New York on 8 November 2016.

Reference:

- United Nations Treaty Repository (Paris Agreement)
https://treaties.un.org/Pages/ViewDetails.aspx?src=TREATY&mtsg_no=XXVII-7-d&chapter=27&clang=_en

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))

The Government of Japan communicated the updated NDC on 22 October 2021 and 18 February 2025. The Government of Japan continues to implement the updated NDC.

Reference:

- Japan's First NDC for 2030 (Submitted on Oct 22, 2021)
https://unfccc.int/sites/default/files/NDC/2022-06/JAPAN_FIRST%20NDC%20%28UPDATED%20SUBMISSION%29.pdf
- Japan's Second NDC for 2035 and 2040 (Submitted on Feb. 18, 2025)
<https://unfccc.int/sites/default/files/2025-02/Japans%202035-2040%20NDC.pdf>

C. Information on how the Party ensures it has arrangements in place for authorizing the use of ITMOs towards 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 Japan establishes and implements the Joint Crediting Mechanism (JCM) in order to quantitatively evaluate contributions of the Government of Japan to greenhouse gas emission reductions and removals which are achieved through the diffusion of decarbonizing technologies, products, systems, services, and infrastructures as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC.

In order to implement the JCM, in the Government of Japan, consistent with the Paris Agreement and other relevant decisions, five ministries, the Ministry of the Environment, the Ministry of Economy, Trade and Industry, the Ministry of Foreign Affairs, the Ministry of Agriculture, Forestry and Fisheries, and the Ministry of Land, Infrastructure, Transport and Tourism, which are the JCM implementing authorities, established the **JCM Promotion and Utilization Council** in January 2022¹ based on the *Plan for Global Warming Countermeasures* (approved by the Cabinet on October 22, 2021).

In summary, the Council's duties include the following:

- Authorization of JCM credits as a Party to the Paris Agreement
- Determination of a method to apply corresponding adjustments to prevent double counting.

Reference:

- Establishment of the JCM Promotion and Utilization Council
<https://www.env.go.jp/content/000060591.pdf>

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))

The Government of Japan uses the **JCM Registry for Japan** for tracking JCM credits as internationally transferred mitigation outcomes (ITMOs), which is provided for in the Act on Promotion of Global Warming Countermeasures (Act No. 56 of 2024).

The registry has been developed in line with the Common Specifications of the JCM Registry and will be implemented consistent with relevant decisions of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) in relation to cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement.

In the Japanese JCM registry, unique identifiers are assigned to JCM credits to record authorization, first transfer, transfer, acquisition, use towards the NDCs, authorization for use towards other international mitigation purposes, and voluntary cancellation.

The Ministry of the Environment and the Ministry of Economy, Trade and Industry are the JCM registry management authorities, and the contact information of both ministries is available on the following registry page:

<https://www.jcmregistry.go.jp/contents/JP/Contact/Contact.html>

Reference:

- The JCM registry system for Japan
<https://www.jcmregistry.go.jp/>

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. 4I, to be updated by para. 21(a))

The Government of Japan submitted its most recent national inventory report in line with decision 18/CMA.1 on April 25, 2025. It covers the inventory reporting years between 1990 and 2023.

Reference:

- Japan. National Inventory Document (NID)
<https://unfccc.int/documents/646591>

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))

The Government of Japan aims to reduce its greenhouse gas emissions by 46 percent in FY 2030 from its FY 2013 levels, setting an ambitious target that is aligned with the long-term goal of achieving net zero by 2050. Furthermore, the Government of Japan will continue strenuous efforts in its challenge to meet the lofty goal of cutting its emissions by 50 percent.

In addition, Japan aims to reduce its greenhouse gas emissions by 60 percent in FY 2035 and by 73 percent in FY 2040, respectively, from its FY 2013 levels, as ambitious targets aligned with the global 1.5°C goal and on a straight pathway towards the achievement of net zero by 2050.

Furthermore, in its Long-Term Strategy under the Paris Agreement submitted in October 2021, Japan describes the JCM as a part of international cooperation with the goal of driving global greenhouse gas (GHG) emission reductions and removals, thereby contributing to the realization of carbon neutrality in the world.

Reference:

- Long-Term Strategy under the Paris Agreement (Cabinet decision, October 22, 2021)
https://unfccc.int/sites/default/files/resource/Japan_LTS2021.pdf

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))

All the information in Section II is provided on the basis of the Japan First NDC (Updated submission) (Submitted on Oct 22, 2021) and 2035/2040 NDC (Submitted on Feb 18, 2025).

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

Target(s) and description: Economy-wide absolute GHG emission reduction target (A reduction of 46% in total GHGs by FY 2030, 60% by FY2035 and 73% by FY2040, respectively compared to FY 2013 level)

Target type: Single-year target

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))

Target year: FY 2030 (from April 1, 2030, to March 31, 2031), FY2035 (from April 1, 2035, to March 31, 2036) and FY2040 (from April 1, 2040, to March 31, 2041), single-year target

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))

Base year: FY 2013 (from April 1, 2013, to March 31, 2014)

Total GHG emissions (excluding LULUCF) in the base year: 1,407 Mt CO₂eq (based on GHG inventory submitted to the UNFCCC in April 2024)

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

From April 1, 2021 to March 31, 2031, and April 1, 2031 to March 31, 2041

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 of coverage:

All sectors and categories encompassing the following:

(a) Energy

- Fuel Combustion (Energy industries, Manufacturing industries and Construction, Transport, Commercial/Institutional, Residential, Agriculture/Forestry/Fishing, and Others)
- Fugitive emissions from fuels
- CO₂ transport and storage

(b) Industrial processes and product use

(c) Agriculture

(d) Land Use, Land-Use Change and Forestry (LULUCF)

Activities related to contributions from the LULUCF sector:

afforestation and reforestation (AR), deforestation (D), forest management (FM), cropland management (CM) grazing land management (GM), and urban greening (UG)

Carbon Pools for the LULUCF sector:

Above ground biomass, below ground biomass, dead wood, litter, soils, and harvested wood products (HWP)

(e) Waste

Targeted gases:

Carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆) and nitrogen trifluoride (NF₃).

Percentage of coverage:

100 percent

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))

The Government of Japan establishes and implements the JCM in order to quantitatively evaluate the contributions of the Japanese government to GHG emission reductions and removals, which are achieved through the diffusion of decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC.

By doing so, through public-private collaborations, the Government of Japan aims to contribute to accumulated emission reductions and removals at the level of approximately 100 million tonnes of CO₂ by FY 2030 and approximately 200 million tonnes of CO₂ by FY 2040. The Government of Japan will appropriately count the acquired credits to achieve its NDC.

With regard to the JCM, the Government of Japan secures environmental integrity and the avoidance of double-counting consistent with the guidance on cooperative approaches as referred to in Article 6, paragraph 2, of the Paris Agreement (hereinafter referred to as "the Article 6.2 guidance").

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))

Methods of estimations are in line with the Guidelines for National Greenhouse Gas Inventories prepared by the IPCC and adopted by the COP.

The metrics used for the total GHG emissions and removals (CO₂ equivalent) are the Global Warming Potentials of a 100-year time horizon that were presented in the *IPCC Fifth Assessment Report*.

Reference: Japan First NDC (Updated submission) (2021), 2025 NID

B. Method for applying corresponding adjustments as per chapter III.B (Application of corresponding adjustment (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))

The Government of Japan has **single-year NDC targets** to reduce its GHG emissions by 46 percent by FY2030, 60 percent by FY2035 and 73 percent by FY2040 from its FY2013 level. The Government of Japan will apply corresponding adjustments to its FY 2030 target using the **averaging method** in line with para. 7(a)(ii), annex to decision 2/CMA.3. The detailed method is described in the Procedures for Corresponding Adjustments regarding the Joint Crediting Mechanism.

(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 GHG 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 GHG emissions covered by its NDC and which have been transferred to the retirement account in the JCM registry of Japan from January 1, 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 GHG 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 1, 2021 to December 31, 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 which 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.

Reference:

- Procedures for Corresponding Adjustments regarding the Joint Crediting Mechanism <https://www.env.go.jp/content/000060562.pdf>

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 CO₂ 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 CO₂ eq (para. 18(d))

Sectors and sources covered by the NDC	Energy, IPPU, Agriculture, LULUCF, and Waste
GHGs covered by the NDC	CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , and NF ₃
Time period covered by the NDC	From April 1, 2021, to March 31, 2031, and From April 1, 2031, to March 31, 2041
Reference level of emissions and removals for the relevant year or period	GHG emissions in FY 2013: 1,407 Mt CO ₂ eq (based on NID submitted in 2024)
Target level for the NDC	760 Mt CO ₂ eq in FY 2030 (46 percent of the reference level) 570 Mt CO ₂ eq in FY 2035 (60 percent of the reference level) 380 Mt CO ₂ eq in FY 2040 (73 percent of the reference level)

Reference: Japan First NDC (Updated submission) (2021)

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 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: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Mongolia

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to GHG emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Mongolia: Jan. 8, 2013 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and People’s Republic of Bangladesh

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan’s NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries’ NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

People's Republic of Bangladesh: Mar. 19, 2013 – Dec. 31, 2030

Reference:

- the bilateral document and rules of implementation are available on the JCM website:
<https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below:
<https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Federal Democratic Republic of Ethiopia

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Federal Democratic Republic of Ethiopia: May. 27, 2013 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Republic of Kenya

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Republic of Kenya: Jun. 12, 2013 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Republic of Maldives

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Republic of Maldives: Jun. 29, 2013 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Socialist Republic of Viet Nam

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Socialist Republic of Viet Nam: Jul. 2, 2013 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Lao People's Democratic Republic

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Lao People's Democratic Republic: Aug. 7, 2013 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Arrangements to minimize the risk of non-permanence of mitigation are established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Republic of Indonesia

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Republic of Indonesia: Aug. 26, 2013 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Arrangements to minimize the risk of non-permanence of mitigation are established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits is subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved are held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits are cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled is equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Republic of Costa Rica

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Republic of Costa Rica: Dec. 9, 2013 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Republic of Palau

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Republic of Palau: Jan. 13, 2014 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Kingdom of Cambodia

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Kingdom of Cambodia: Apr. 11, 2014 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Arrangements to minimize the risk of non-permanence of mitigation are established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and United Mexican States (Mexico)

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

United Mexican States: Jul. 25, 2014 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Republic of Chile

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Republic of Chile: May. 26, 2015 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Republic of the Philippines

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Republic of the Philippines: Jan. 12, 2017 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Republic of Senegal

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Republic of Senegal: Aug. 25, 2022 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Republic of Tunisia

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Republic of Tunisia: Aug. 26, 2022 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Republic of Azerbaijan

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The JCM covers the period starting from the signing of bilateral document. Either government may terminate the bilateral cooperation by giving a prior notice to the other government in line with the bilateral document.

Duration of the cooperation under the JCM is listed below.

Republic of Azerbaijan: Sept. 5, 2022 – (*to be decided*)

Reference:

- The bilateral document and rules of implementation are available on the JCM website:
<https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below:
<https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Republic of Moldova

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Republic of Moldova: Sept. 6, 2022 –Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website:
<https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below:
<https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Georgia

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Georgia: Sept. 13, 2022 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Democratic Socialist Republic of Sri Lanka

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Democratic Socialist Republic of Sri Lanka: Oct. 10, 2022 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Republic of Uzbekistan

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Republic of Uzbekistan: Oct. 25, 2022 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Independent State of Papua New Guinea

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The JCM covers the period starting from the signing of bilateral document. Either government may terminate the bilateral cooperation by giving a prior notice to the other government in line with the bilateral document.

Duration of the cooperation under the JCM is listed below.

Independent State of Papua New Guinea: Nov. 18, 2022 – until terminated

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and United Arab Emirates

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The JCM covers the period starting from the signing of bilateral document. Either government may terminate the bilateral cooperation by giving a prior notice to the other government in line with the bilateral document.

Duration of the cooperation under the JCM is listed below.

United Arab Emirates: April. 16, 2023 – *(to be decided)*

Reference:

- Each bilateral document and rules of implementation are available on the JCM website:
<https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below:
<https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Kyrgyz Republic

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Kyrgyz Republic: July. 6, 2023 – December 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Republic of Kazakhstan

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.

Duration of the cooperation under the JCM is listed below.

Republic of Kazakhstan: Oct. 30, 2023 – Dec. 31, 2030

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine
United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country's registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and Ukraine

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

Either of followings are applied:

- (a) The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.
- (b) The JCM covers the period starting from the signing of bilateral document. Either government may terminate the bilateral cooperation by giving a prior notice to the other government in line with the bilateral document.

Duration of the cooperation under the JCM is listed below.

Ukraine: Feb. 19, 2024 – (*to be decided*)

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine

United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country’s registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

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

Note: This Section is for Joint Crediting Mechanism (JCM) between the Government of Japan and United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry for the Government of Japan and promptly publishes the information on the authorization on the JCM website (<https://www.jcm.go.jp>), including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number, and the status of authorization by the relevant partner country etc.

Procedures for Authorization as a Party in relation to the JCM credits in line with Article 6 of the Paris Agreement regarding the Joint Crediting Mechanism (JCM) can be found at <https://www.env.go.jp/content/000060562.pdf>

As per the paragraph 2 of the decision 4/CMA.6 regarding Article 6 paragraph 2 guidance on cooperative approaches, the authorization is clarified as the authorization of the use of internationally transferred mitigation outcomes from a cooperative approach referred to in decision 2/CMA.3, annex, paragraph 18. It was also noted that there are three components of authorization, as applicable: authorization of the cooperative approach, authorization of internationally transferred mitigation outcomes and authorization of entities.

Government of Japan authorizes the JCM as a cooperative approach and authorizes the JCM credits issued in the JCM registry of Japan as the ITMOs for use towards achievement of the NDC, and authorizes the entities, if any, as per the copy of authorization.

Following approach will be implemented in line with JCM rules and guidelines:

1. Authorize the JCM as the cooperative approach
 - Attach such authorization document to Initial Report (please refer to Attachment 2)
2. Authorize ITMOs on each project basis (unless otherwise stipulated in any applicable laws, regulations, or any regulatory guidelines of each respective Participating Parties)
 - At the time of JCM registration, Partner country and Japan each authorizes the estimated amount of ITMOs and entities
 - At the time of JCM credit issuance, Partner country and Japan each confirms the amount of ITMOs and reports by annual information

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

The Joint Crediting Mechanism (JCM) is a bilateral crediting mechanism established in order to quantitatively evaluate the contributions of Japan to greenhouse gas emission reductions and removals, which are achieved through the diffusion of, among others, leading decarbonizing technologies, products, systems, services, and infrastructures, as well as through the implementation of measures in developing countries and others, and in order to use such contributions to achieve Japan's NDC consistent with the Article 6.2 guidance and relevant decisions of the CMA.

The JCM between the Government of Japan and a partner country is implemented consistently with the Article 6.2 guidance, contributing to the achievement of both countries' NDCs while ensuring the avoidance of double counting through corresponding adjustments.

Both governments establish a Joint Committee (JC) consisting of representatives from both countries to make the necessary decisions.

All the relevant rules, guidelines, and decisions made by the Joint Committee, including approval of methodologies, registration of projects, notification to issue JCM credits, and issuance of credits by each government are made publicly available on the JCM website <https://www.jcm.go.jp/>. In addition, all calls for public input on the proposed methodologies and proposed projects are announced on the same website.

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

Either of followings are applied:

- (a) The cooperation covers the period for the issuance of credits that covers GHG emission reductions or removals from JCM projects until December 31, 2030. Both governments may consider a possible extension of the above-mentioned period and reach a decision by 2030.
- (b) The JCM covers the period starting from the signing of bilateral document. Either government may terminate the bilateral cooperation by giving a prior notice to the other government in line with the bilateral document.

Duration of the cooperation under the JCM is listed below.

United Republic of Tanzania: May 28, 2025 - (*to be decided*)

Reference:

- The bilateral document and rules of implementation are available on the JCM website: <https://www.jcm.go.jp/>

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

Estimated emission reductions in each year for JCM projects are included in a Project Design Document (PDD), a document that includes monitoring methods and estimated emission reductions.

For those projects and their emission reductions or removals (average), see the website below: <https://www.jcm.go.jp/projects/registers>

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

The Government of Japan establishes and implements the Joint Crediting Mechanism (JCM) with respective countries listed below separately

Mongolia
People's Republic of Bangladesh
Federal Democratic Republic of Ethiopia
Republic of Kenya
Republic of Maldives
Socialist Republic of Viet Nam
Lao People's Democratic Republic
Republic of Indonesia
Republic of Costa Rica
Republic of Palau
Kingdom of Cambodia
United Mexican States (Mexico)
Republic of Chile
Kingdom of Thailand
Republic of the Philippines
Republic of Senegal
Republic of Tunisia
Republic of Azerbaijan
Republic of Moldova
Georgia
Democratic Socialist Republic of Sri Lanka
Republic of Uzbekistan
Independent State of Papua New Guinea
United Arab Emirates
Kyrgyz Republic
Republic of Kazakhstan
Ukraine

United Republic of Tanzania

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

The JCM Promotion and Utilization Council in the Government of Japan authorizes JCM credits issued in the JCM registry of Japan and publicizes, among others, legal entities acquiring those JCM credits on the JCM website (<https://www.jcm.go.jp>).

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))

Both governments mutually recognize that part of the credits issued from emission reductions and removals achieved by the JCM projects may be used towards the achievement of Japan's NDC while ensuring that double counting is avoided on the basis of corresponding adjustments consistent with the Article 6.2 guidance. The corresponding adjustments are applied to authorized credits.

In Japan, the Act on Promotion of Global Warming Countermeasures requires the Government of Japan to apply corresponding adjustments consistent with Article 6, paragraph 2 of the Paris Agreement, when those JCM credits are used for its NDC *.

Furthermore, in line with para. 8(b) of Annex to decision 2/CMA.3, JCM credits will be authorized by both Japan and a partner country, and such authorized JCM credits acquired by the government of Japan will be used towards the achievement of Japan's NDC within the same NDC implementation period as when they occurred to ensure there is no net increase in global emissions within and between NDC implementation periods.

The Government of Japan may use retired JCM credits, which are issued for emission reductions and removals that are realized on or after 1 January 2021 in the JCM registry of Japan to achieve Japan's NDC, therefore, Japan ensures that there is no net increase in emissions within and between NDC implementation periods through methodologies with conservative reference levels (described in G.2.) and application of corresponding adjustments in line with the guidance by the CMA.

*For a detailed explanation of the method of corresponding adjustment, please refer to III. B in this report.

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))

The JCM is established by a Memorandum of Cooperation (MoC) signed between both governments and implemented in line with the relevant domestic laws and regulations. In line with the MoC, the JC is established, consisting of representatives from both countries.

The JC adopted relevant rules and guidelines, which 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 line with JCM Guidelines for Developing Proposed Methodology, which explain 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 on the JCM website (<https://www.jcm.go.jp>).

The JCM Guidelines for Developing Proposed Methodology stipulate that project participants to justify 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 by adopting conservative figure/data as reference among available sources or that from the best available technology, where reasonable. 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))

If a project is susceptible to the risk of non-permanence, the relevant rules and procedures will be applied concerning buffer credits, which are withheld from issued credits of the project and may be released in line with the relevant decisions.

Where there is any REDD+ project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM REDD+ projects. Project developers of JCM REDD+ projects are required to prepare “REDD plus Safeguard Activity Implementation Plan” (SGIP) as an ex-ante description of current situation of the project site, risks of reversals, and plans for safeguards activities including its monitoring. For reporting of the progress, project developers need to submit “REDD-plus Safeguard Activity Progress Report” (SGPR) to report the monitoring results and improvements for next monitoring period. SGIP is reviewed by the JC for its decisions on project registration, and SGPR is reviewed by the JC for credit issuance requests.

Where there is any CCU or CCUS project, arrangements to minimize the risk of non-permanence of mitigation will be established for JCM CCU and CCUS projects. Project participants are required to follow “Guidelines for Developing Proposed Methodology for Carbon Capture and Storage and Carbon Capture, Utilization, and Storage (CCS and CCUS)” to respond to risk of non-permanence and reversal.

Taking into consideration the risk of reversal during post-injection period, a portion of JCM credits will be subtracted from issued credits as reserve or project participants may purchase insurance or schemes that provide equivalent assurance for supplementing JCM credits of CO₂ leakage.

Credits to be reserved will be held in a reserve account separately opened in respective country’s registry by each project participants.

The reserve rate, in principle, will be established at 3% as default, however, project participants may also establish specific reserve rate in a methodology.

When CO₂ leakage is monitored, credits will be cancelled at the time of credit issuance in the following procedure. The amount of credits to be cancelled will be equal to the amount of leakage detected. Any remaining credits in reserve at the time of end of monitoring period will be allocated to project participants.

The post termination monitoring should be carried out in line with the laws and regulations of the host country or region.

Please refer to the Attachment 1 for applicable Partner country. The reference guidelines can be found on the JCM website (<https://www.jcm.go.jp>).

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))

The JCM is implemented taking the negative environmental, economic, and social impacts into consideration in consultation with the relevant stakeholders in line with the relevant domestic laws and regulations in force. Where negative impacts are found, project participants are requested to propose and implement safeguard measures.

Guideline for developing sustainable development is applied.

When designing a proposed JCM project, project participants 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 (SDIP) form and an ex-post evaluation of the contribution to SD using the Sustainable Development Implementation Report (SDIR) form.

The reference can be found on the JCM website (<https://www.jcm.go.jp>).

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))

Each project’s compliance with the domestic laws and regulations is monitored by both governments, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected by the JCM projects.

In addition, project participants who receive financial support from the Government of Japan should take the best possible measures in line with the National Action Plan on Business and Human Rights (2020-2025) and the Guidelines on Respecting Human Rights in Responsible Supply Chains.

Guideline for developing sustainable development is also applied.

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).

Website: [jcmsbsdR6_gender_en.pdf](#)

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))

The JCM is implemented to contribute to the sustainable development in consultation with relevant stakeholders in a way that is consistent with their national objectives by adopting rules and guidelines for sustainable development.

The Sustainable Development Implementation Plan and Report guidelines for the JCM projects was approved. 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).

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))

The Government of Japan does not require adaptation contribution from mitigation activities under the JCM.

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 Government of Japan does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation of global emissions.

Attachment 1: Summary of JCM Implementation Status and Respective Item in Section IV

Participating Party	MoC	G.2, H.1, H.2: Rules and Guidelines adopted	URL	G.3: Arrangements to minimize the risk of non-permanence of mitigation for REDD+	URL	G.3: Arrangements to minimize the risk of non-permanence of mitigation for CCS and CCUS	URL
Mongolia	Signed	Adopted	JCM Mongolia - Japan				
Bangladesh	Signed	Adopted	JCM Bangladesh - Japan				
Ethiopia	Signed	Adopted*	JCM Ethiopia - Japan				
Kenya	Signed	Adopted*	JCM Kenya - Japan				
Maldives	Signed	Adopted*	JCM Maldives - Japan				
Viet Nam	Signed	Adopted*	JCM Viet Nam - Japan				
Lao PDR	Signed	Adopted*	JCM Laos - Japan	Adopted	JCM LA GL SG REDD+ ver01.0.pdf		
Indonesia	Signed	Adopted	JCM Indonesia - Japan			Adopted	JCM ID GL PDD MR CCS-CCUS ver01.0.pdf
Costa Rica	Signed	Adopted*	JCM Costa Rica - Japan				
Palau	Signed	Adopted*	JCM Palau - Japan				
Cambodia	Signed	Adopted*	JCM Cambodia - Japan	Adopted	JCM KH GL SG REDD+ ver01.0.pdf		
Mexico	Signed	Adopted*	JCM Mexico - Japan				
Chile	Signed	Adopted*	JCM Chile - Japan				
Thailand	Signed	Adopted	JCM Thailand - Japan				
Philippines	Signed	Adopted*	JCM Philippines - Japan				

Participating Party	MoC	G.2, H.1, H.2: Rules and Guidelines adopted	URL	G.3: Arrangements to minimize the risk of non-permanence of mitigation for REDD+	URL	G.3: Arrangements to minimize the risk of non-permanence of mitigation for CCS and CCUS	URL
Senegal	Signed	Adopted*	JCM Senegal - Japan				
Tunisia	Signed	Adopted	JCM Tunisia - Japan				
Azerbaijan	Signed	To be adopted**					
Moldova	Signed	Adopted	JCM Moldova - Japan				
Georgia	Signed	Adopted	JCM Georgia - Japan				
Sri Lanka	Signed	Adopted	JCM Sri Lanka - Japan				
Uzbekistan	Signed	Adopted*	JCM Uzbekistan - Japan				
Papua New Guinea	Signed	Adopted	JCM Papua New Guinea - Japan				
UAE	Signed	To be adopted**					
Kyrgyz	Signed	Adopted	JCM Kyrgys- Japan				
Kazakhstan	Signed	Adopted	JCM Kazakhstan - Japan				
Ukraine	Signed	To be adopted**					
Tanzania	Signed	Adopted					

*Guideline for developing sustainable development will be included.

** Memorandum of Cooperation (MOC), which refers to corresponding adjustments, transparency and environmental integrity, has already been executed. Detailed of JCM will be made clear under the rules and guidelines to be adopted.

Authorization of the JCM as a cooperative approach

1. The Government of Japan, hereby authorizes the Joint Crediting Mechanism (“JCM”) between each respective JCM Partner Country listed in (b) below and Japan as a cooperative approach that involves the use of Internationally Transferred Mitigation Outcomes (“ITMOs”) and is conducted in line with Article 6 of the Paris Agreement and its relevant guidance.

Elements of authorization of the JCM as a cooperative approach are as follows in line with decision 4/CMA.6, paragraph 5.

- (a) A unique identifier for the cooperative approach, obtained from the centralized accounting and reporting platform, where available:

Mongolia CA0008

Kingdom of Thailand CA0007

Unique identifiers have yet to be assigned to the other partner countries, as the initial reports have not been submitted

- (b) The name(s) of the participating Party(ies) and/or entities, if known, covered by the authorization:

Participating Parties covered by the authorization: Japan and each respective JCM Partner Country ; namely Mongolia, People’s Republic of Bangladesh, Federal Democratic Republic of Ethiopia, Republic of Kenya, Republic of Maldives, Socialist Republic of Viet Nam, Lao People's Democratic Republic, Republic of Indonesia, Republic of Costa Rica, Republic of Palau, Kingdom of Cambodia, United Mexican States (Mexico), Kingdom of Saudi Arabia, Republic of Chile, Kingdom of Thailand, Republic of the Philippines, Republic of Senegal, Republic of Tunisia, Republic of Azerbaijan, Republic of Moldova, Georgia, Democratic Socialist Republic of Sri Lanka, Republic of Uzbekistan, Independent State of Papua New Guinea, United Arab Emirates, Kyrgyz Republic, Republic of Kazakhstan, Ukraine, United Republic of Tanzania, Republic of India

Entities covered by the authorization: The Government of Japan will authorize, in subsequent authorization at the time of project registration and credit issuance on each project basis, project participants from the Japanese side as well as entities that open a holding account in the JCM registry of Japan as “authorized entities”.

- (c) The date and duration of the authorization, including the final date for mitigation outcomes to be issued, or to be used or cancelled, in connection with the first transfer specified by the Party as per decision 2/CMA.3, annex, paragraph 2(b):

The date of authorization will be specified in subsequent authorization at the time of project registration and credit issuance on each project basis. There is no duration of the authorization. In any cases, in order to ensure environmental integrity, the use of ITMOs towards the achievement of an NDC will be made in line with decision 2/CMA 3, annex, para 8b, and the first transfer of ITMOs towards the other international mitigation purposes will be recorded in line with decision 4/CMA.6, paragraph 14.

- (d) The specification of the first transfer of the mitigation outcome, as specified by participating Parties, as per decision 2/CMA.3, annex, paragraph 2:

Specification of first transfer for use towards the achievement of an NDC is the first international transfer of the mitigation outcome as per decision 2/CMA.3, annex, paragraph 2(a). Specification of first transfer for use for other international mitigation purposes, is the issuance as per decision 2/CMA.3, annex, paragraph 2(b), where a mitigation outcome has been authorized for such purposes.

- (e) The uses covered by the authorization, consistent with decision 2/CMA.3, annex, paragraph 1(d) and (f):

The use covered by the authorization will be specified in subsequent authorization at the time of project registration and credit issuance on each project basis.

- (f) The identification of or cross-reference to underlying regulations, frameworks, standards or procedures, including any specific methodologies underpinning the cooperative approach:

All underlying regulations, frameworks, standards or procedures are set out in the relevant rules, guidelines, and decisions made by the Joint Committee (“JC”). Those rules, guidelines and decisions are made publicly available on the JCM website (<https://www.jcm.go.jp/>).

- (g) Where changes to the authorization occur, information on the circumstances in which such changes may occur and a description of the process for effecting such changes in a way that avoids double counting:

Any changes to authorization of the use of ITMOs will not apply to, or affect, mitigation outcomes that have already been first transferred unless it is found that the project participants deliberately provided false information that significantly differs from the fact, undermining sustainable development, environmental integrity and transparency as required under Article 6.2 of the Paris Agreement, and the authorization were issued based on such false information. In such cases, the authorization will be revisited, and if necessary, revised to ensure that

any possibility of double counting is avoided and all relevant records and information will be updated accordingly. Further circumstances may be specified in subsequent authorization at the time of project registration and credit issuance on each project basis.

(h) The quantity of internationally transferred mitigation outcomes:

The information on estimated quantity of ITMOs (t-CO₂ equivalent) will be specified based on the information provided in the project design document (PDD) at the time of project registration and the information on confirmed quantity of ITMOs (t-CO₂ equivalent) will be specified based on the decision by the JC on credit issuance at the time of credit issuance on each project basis.

(i) Identification of the registry the participating Party has, or has access to, for the purpose of tracking and recording internationally transferred mitigation outcomes:

The Government of Japan uses the JCM registry of Japan for tracking and recording JCM credits as ITMOs, which is provided for in the Act on Promotion of Global Warming Countermeasures. JCM registry system of Japan: <https://www.jcmregistry.go.jp>.

(j) Identification of the relevant registry(ies) in the underlying regulations, frameworks, standards or procedures that (1) contain mitigation outcomes or inform their calculation by the participating Party(ies) and (2) transparently track the status of underlying mitigation activities and outcomes as well as participation and transactions by entities:

The JCM registry explained above contains mitigation outcomes or informs their calculation, and transparently tracks the status of underlying mitigation activities.

(k) The vintage(s) covered by the authorization:

The information on expected vintage(s) will be specified based on the information provided in the PDD at the time of project registration and the information on actual vintage(s) will be specified based on the decision by the JC on credit issuance at the time of credit issuance on each project basis.

(l) The metrics and units of measurement or conversion and the greenhouse gases covered by the authorization:

The JCM uses GHG metrics and ITMO is measured in t-CO₂ equivalent. Greenhouse gases covered by the authorization will be specified in subsequent authorization at the time of project registration and credit issuance on each project basis.

(m) The sector(s) covered:

The information on sector(s) will be specified in subsequent authorization at the time of project registration and credit issuance on each project basis.

(n) The activity type(s) and/or activity(ies) covered:

The information on activity type(s) and/or activity(ies) will be specified in subsequent authorization at the time of project registration and credit issuance on each project basis.

2. The Government of Japan, hereby declares that it will authorize, as per Article 6, paragraph 3 of the Paris Agreement, the international transfer and use of JCM credits as ITMOs issued based on quantified amount of GHG emission reductions or removals that will be achieved by each proposed JCM project. Such authorization will be made before or soon after JC's decision to register such project.

The amount of ITMOs subject to such authorization will be the estimated amount of JCM credits at the time of the JC's decision for registration of the project. The authorized specific amount of JCM credits to be transferred and their corresponding crediting periods will be confirmed by the Government of Japan as decided at the JC for the issuance of credits.

Notwithstanding the foregoing, if there are any applicable laws, regulations, or any regulatory guidelines of any Participating Parties covered by the authorization stipulating the authorization procedures, the procedures for authorization of each JCM project described in this Article 2 that involves the use of ITMOs will be adjusted in line with such laws, regulations, or any regulatory guidelines with respect to the procedures for authorization between the Government of Japan and such specific Participating Parties which enacted applicable laws, regulations, or regulatory guidelines.

3. The Government of Japan reports the authorization of the JCM as a cooperative approach and any authorization for each proposed JCM project to the United Nations in line with relevant decisions/guidance under the Paris Agreement.

Date, Month, Year 5 Sep 2025

Name JCM Promotion and Utilization Council in Japan

Document information

<i>Version</i>	<i>Date of issuance</i>	<i>Description</i>
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