



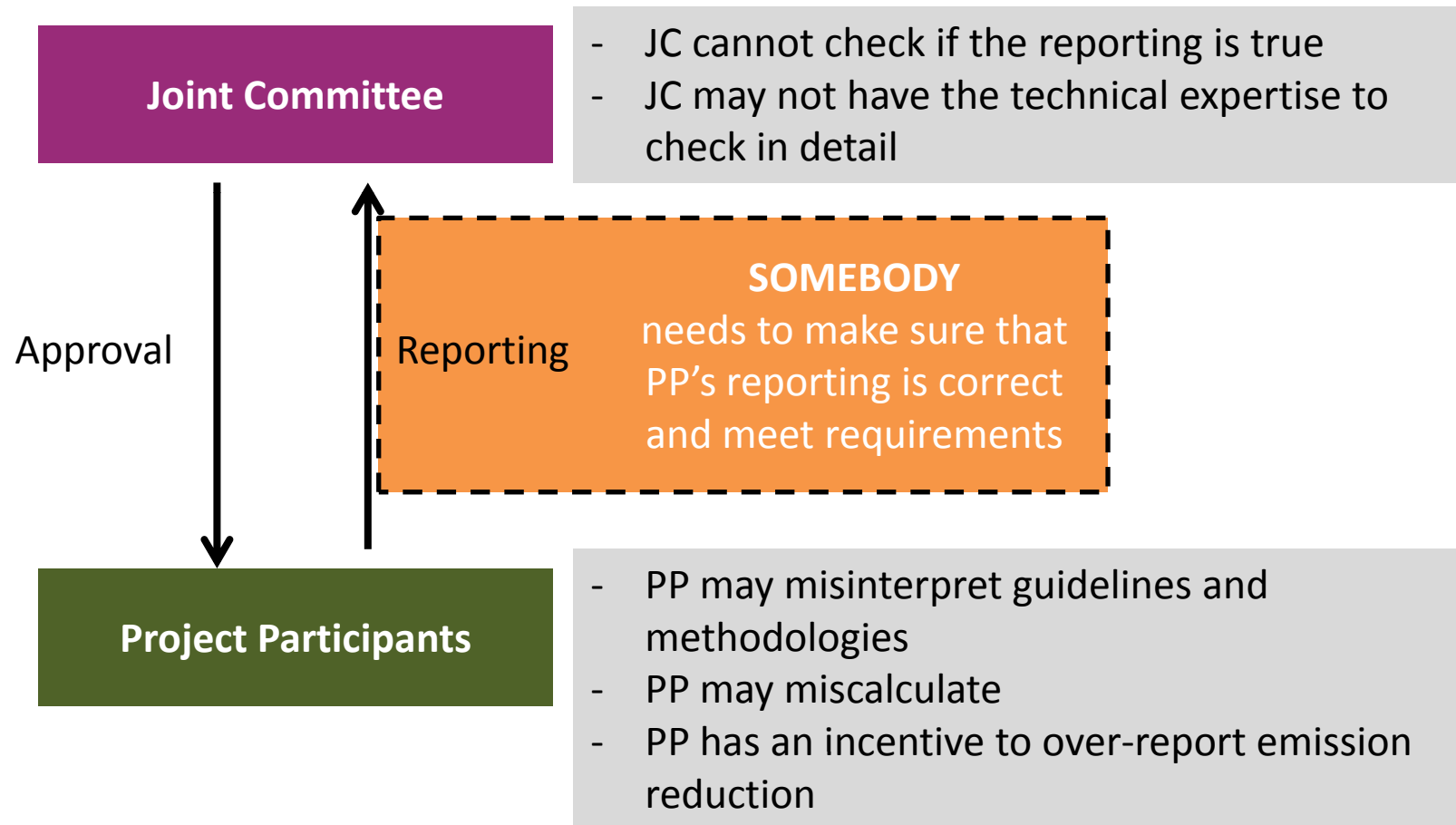
Why Validation and Verification matter in JCM

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Kenta Usui

Climate and Energy Area, IGES

Somebody has to check quality



“TPE” - the quality keeper

- **“Third-Party Entity (TPE)”** is the quality keeper of JCM.
- TPE’s jobs are to:
 1. Ensure that the project meets JCM requirements
 2. Ensure that the greenhouse gas (GHG) has been reduced.



TPE's jobs – Validation and Verification

- **Validation** – is a process to check if the project meets JCM requirements



JCM requirements

- Does it have a methodology approved by JC?
- Does the project meet the eligibility criteria of the methodology?

- **Verification** – is a process to check if the GHG emission has been reduced.



GHG reduction

- Did you monitor the project correctly?
- Do you have document proof?
- Did you calculate the emission reduction according to the methodology?

Who pays TPE?

- In principles, TPE is paid by the project participants.
- At the initial stage of JCM implementation, Japanese government is likely to subsidise the TPE-related cost.



Who can be a TPE?

- Option 1: Accredited as the **Designated Operation Entity of the Clean Development Mechanisms (CDM-DOE)**
 - Accredited by the UN
 - Now 42 entities are DOE worldwide
 - DOE is recognised only for CDM – but CDM carbon market is currently very inactive



United Nations
Framework Convention on
Climate Change

Who can be a TPE?

- Option 2: Accredited under **ISO 14065**
 - ISO 14065 is a global standard to accredit competent body for validation and verification
 - Accredited by a national body (e.g. potentially Mongolian Agency for Standardization and Metrology).
 - Also recognised beyond JCM – e.g. Voluntary Carbon Scheme



ISO 14065 – an opportunity?

- If there is an entity accredited under ISO 14065, the entity
 - Can perform validation and verification processes under the JCM.
 - Same goes for Voluntary Carbon Scheme and other voluntary schemes
 - Adds credibility to certify emission reductions by large corporates

Thank you.
Баярлалаа.