Experience of issuance of JCM credits in Palau

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Overview

Credit Allocation
Credit Allocation Shares

Private Sector’s Agreement

Credit Issuance Process
Efficient Process
Registry Software

Lessons Learned
Credit Allocation

 Citadel Allocation Shares

- Understanding the formula
  - Discuss and accept shorter term period from 20 years to 10 years
- Credit for Palau side used for contribution towards Palau’s reduction in GHGs
Credit Allocation

❖ Private Sector’s/Project Participant Agreement

➢ Provide to Palau JCM Committee (PJCMC) all of its earned carbon credits

➢ Will not encumber its earned carbon credits or dispose to any third party

➢ Will preserve as reasonably as possible its carbon credits for delivery to PJCMC

➢ Will take no action that could interfere with PJCMC’s rights to earned carbon credits

➢ Will take no action that could interfere with its transfer of carbon credits to PJCMC
Credit Allocation

❖ Private Sector’s/Project Participant Agreement

➢ In exchange for project participant’s earned carbon credits, PJCMC will grant project participant’s participation to the subsidized costs of alternative energy source hardware and installation at PP’s place of operation.
Credit Issuance Process

❖ Efficient Process

Section 1.9. Issuance of credits of JCM Project Cycle Procedure document. *Process executed by electronic means in line with the JCM Rules of Procedures for the Joint Committee*

➢ Submission of request - first credit issuance initiated by Japan Side

➢ Processing of request - No negative assertions from either side

➢ Finalizing request - Issuance of credits on registry. Notify joint committee

❖ Published to the JCM Website
Credit Issuance Process

❖ Registry Software

➢ Training on software provided by Japan Side

■ Hands-on in Palau

■ From registering a project through to issuance of credits

➢ Technical issues

■ Errors on automatic fields during initial processing of “Issuance of Credits” worksheet, but was swiftly corrected by Japan-side on the same day
Lessons Learned

❖ Include private sector in process to gain their understanding and agreement to process.

❖ Allow time for unknowns, like errors in registry software or internet connectivity issues.

❖ Communications is key between both sides. Discuss technical and non-technical issues so both sides are in agreement.

❖ Flexibility. Need to be flexible since this is a new process for Palau.
Mesulang!