

# Operationalizing the JCM under Art 6.2

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# Outline

- **Joint Crediting Mechanism (JCM)**
- **Article 6 of the Paris Agreement (PA)**
- **Sustainable Development (SD) under the JCM**
- **SD under the JCM in Mongolia**
- **Environmental Integrity**
- **Ensuing Transparency**
- **Governance of the JCM**
- **Summary**

# JCM introduction

- **Joint Crediting Mechanism (JCM):**

Diffusion of leading low carbon technologies, products, systems, services, and infrastructure as well as **implementation of mitigation actions**, and contributes **to sustainable development of developing countries**.

- **Current status:**

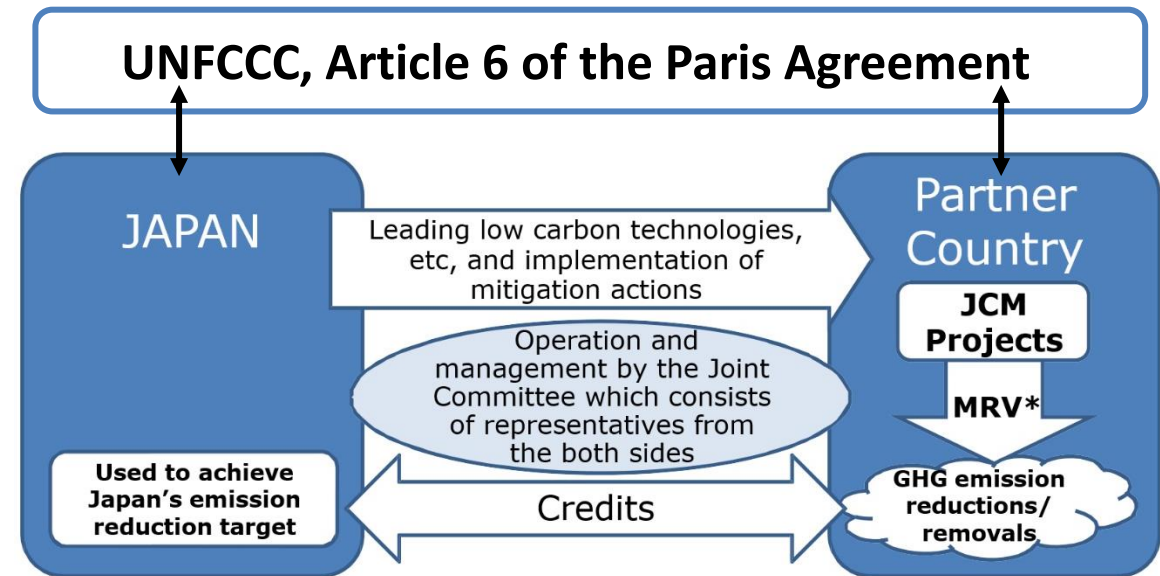
**17 partner countries** and more **177 projects** in different sectors

By 2030, the expected GHG emission reduction is **19.7 million tons** (as of 12 Jan 2021)

- **Introduced technologies:**

**Renewable energy** power generation technologies (Solar, wind, run-off hydro, biomass, waste-to-energy)

**Energy efficiency** technologies (Air-conditioning system, gas co-generation, transmission system)



# Article 6 of the Paris Agreement (PA)

## Article 6 of the PA<sup>1</sup>

1. Parties recognize that some Parties choose to pursue **voluntary cooperation in the implementation of their NDCs** to allow for higher ambition in their mitigation and adaptation actions and **to promote sustainable development and environmental integrity**.
2. Parties shall, where engaging on a voluntary basis **in cooperative approaches that involve the use of internationally transferred mitigation outcomes towards NDCs, promote sustainable development and ensure environmental integrity and transparency, including in governance, and shall apply robust accounting to ensure, inter alia, the avoidance of double counting,** consistent with guidance adopted by the CMA.
3. The use of internationally transferred mitigation outcomes to achieve NDCs under this Agreement shall be voluntary and **authorized by participating Parties**.

1. [https://unfccc.int/sites/default/files/english\\_paris\\_agreement.pdf](https://unfccc.int/sites/default/files/english_paris_agreement.pdf)

# Sustainable Development (SD) under the JCM

## Low Carbon Development Partnership between the Japanese side and the Mongolian side<sup>2</sup>

**Para 1.** The Japanese side and the Mongolian side (hereinafter referred to as “both sides”), in pursuit of the ultimate objective of the United Nations Framework Convention on Climate Change (hereinafter referred to as the “Convention”) as stated in its Article 2 and of **achieving sustainable development**, and in order **to continue to address climate change** in cooperation beyond 2012, promote the Low Carbon Development Partnership as follows

## Rules of Implementation for the Joint Crediting Mechanism (JCM)<sup>3</sup>

### A. Purpose of the JCM

**Para 1. (a).** To facilitate diffusion of leading low carbon technologies, products, systems, services, and infrastructure as well as implementation of mitigation actions, and **contributing to sustainable development of Mongolia;**

2. [https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_09/JCM\\_MN\\_bilateral\\_document.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_09/JCM_MN_bilateral_document.pdf)

3. [https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_01/JCM\\_MN\\_Rol\\_ver04.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_01/JCM_MN_Rol_ver04.0.pdf)

# SD under the JCM in Mongolia

## Sustainable Development Contribution Plan (SDCP)<sup>4</sup>

- Project participants set out SDCP of the JCM project during the project registration process
- **Prevention of Negative Impacts and Possible Contribution to Sustainable Development (8 items):** Policy alignment, Environmental Impact Assessment, Pollution control, Safety and Health, Natural Environment and Biodiversity, Economy, Social Environment and Community Participation, Technology
- **22 Questionnaire** to identify potential of negative impacts
- **Potential contribution to Sustainable Development Goals (SDGs):** To check each Goal

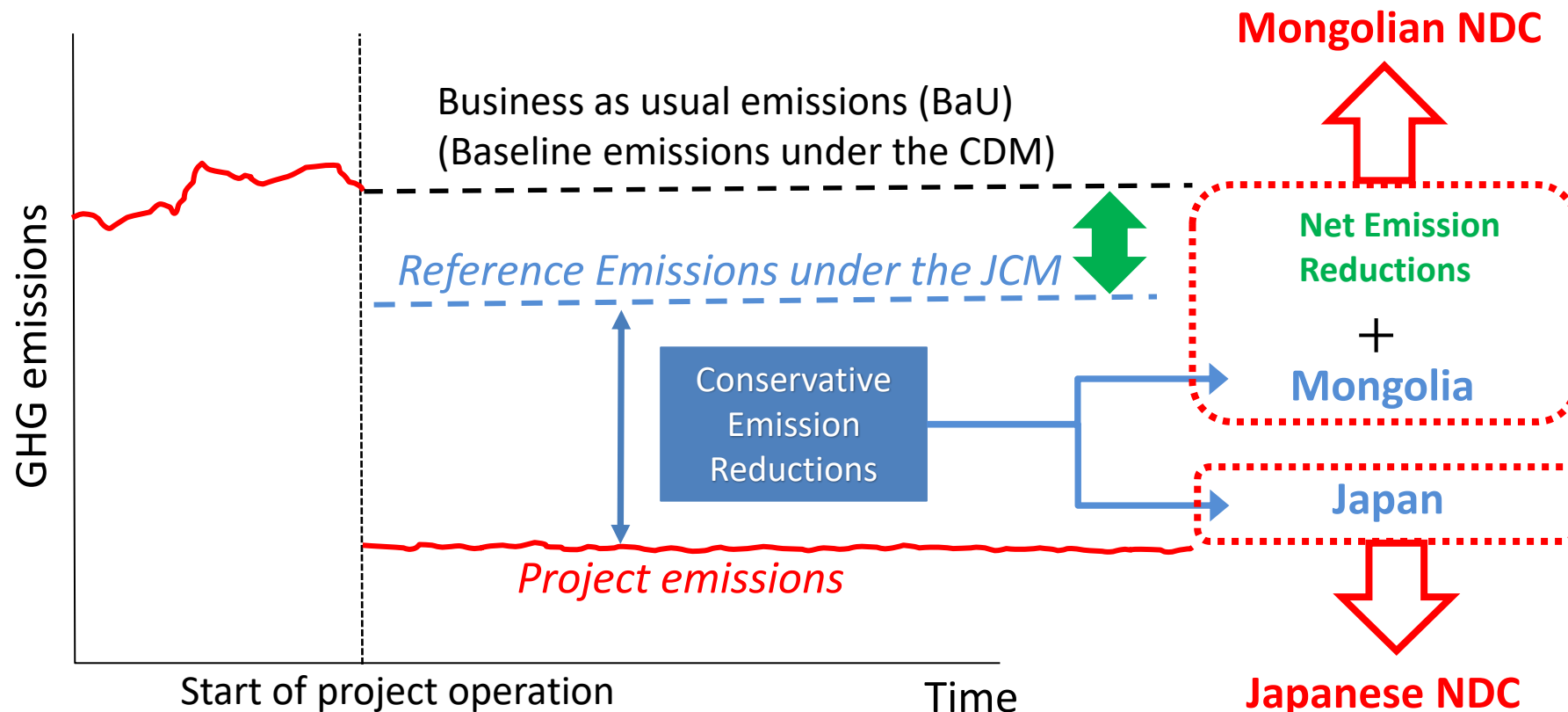
## Sustainable Development Contribution Report (SDCR)<sup>4</sup>

- Project participant report SDCR by confirming the achievement of SDCP implementation for a particular monitoring period
- Analyzing **the 8 items with 22 Questionnaire** checklist by identifying negative impacts or no negative impacts
- If any negative impacts of the project on SD are identified, project participants have to describe the activities to reduce these negative impacts

4. [https://www.jcm.go.jp/opt/mn-jp/rules\\_and\\_guidelines/download/JCM\\_MN\\_GL\\_SDCP\\_CR\\_ver01.0.pdf](https://www.jcm.go.jp/opt/mn-jp/rules_and_guidelines/download/JCM_MN_GL_SDCP_CR_ver01.0.pdf)

# Environmental Integrity

- **JCM conservative emission reduction calculation:** Reference emissions below the Business as Usual emissions will **ensure a net decrease** and/or avoidance of GHG emissions.
- This part of emission reduction will automatically contribute to **the achievement of Mongolian National Determined Contribution (NDC)**.



# Ensuing Transparency

## Low Carbon Development Partnership between the Japanese side and the Mongolian side<sup>2</sup>

Para 6. Both sides ensure the robust methodologies, transparency and the environmental integrity of the JCM and maintain the JCM simple and practical, to promote concrete actions for global greenhouse gases emissions reductions or removals.

## Public participation

Public inputs and local stakeholder consultations in the process of approval of methodologies (15 calendar days) and project registration (30 calendar days) are being conducted .

## Transparency

All relevant information on rules and guidelines, methodologies, project registration and issuance of credit and other information on project descriptions have been disclosed on the JCM website (<https://www.jcm.go.jp/mn-jp>)



# Ensuing Transparency

## JCM website:

**JCM HOME** JCM Projects data (CSV) | Home

**The Joint Crediting Mechanism (JCM)**

**About the Mechanism**

- Third Party Entity
- Rules and Guidelines
- Project Cycle Search
  - Project Cycle Search
  - Request for registration
  - Registered project
  - Issuance of credits
  - Request for post-registration changes
- Mongolia - Japan Page
- Bangladesh - Japan Page
- Ethiopia - Japan Page
- Kenya - Japan Page
- Maldives - Japan Page
- Viet Nam - Japan Page
- Laos - Japan Page
- Indonesia - Japan Page
- Costa Rica - Japan Page
- Palau - Japan Page
- Cambodia - Japan Page
- Mexico - Japan Page
- Saudi Arabia - Japan Page
- Chile - Japan Page
- Myanmar - Japan Page

**Basic Concept of the JCM**

**News**

Published date	Country	Subject
05 Apr 16	Cambodia	Call for public inputs on a JCM proposed methodology "Installation of LED street lighting system with wireless network control" (5 April to 19 April 2016)
04 Apr 16	Myanmar	1st Joint Committee in Naypyidaw
24 Mar 16	Indonesia	Electronic Decision by the JIC
14 Mar 16	Ethiopia	Decision by the JIC
09 Mar 16	Bangladesh	3rd Joint Committee in Dhaka
19 Feb 16	Viet Nam	Call for public inputs on a proposed JCM project (Viet Nam): "Introduction of amorphous high efficiency transformers in power distribution systems in the southern part of Viet Nam" (19 February to 19 March 2016)

## Japan JCM registry website:

**JCM** The Joint Crediting Mechanism Registry system

**JCM Registry system for Japan**

[To Login Page](#)

About the JCM Registry  
Application forms and procedures  
Contact

**What's new**

- 24/2/2016 The JCM registry system will be offline for scheduled maintenance on 2nd March 2016 between the hours of 01:00 GMT (10:00 JST) and 09:00 GMT (18:00 JST).
- 18/1/2016 The JCM registry system will be offline for scheduled maintenance on 25th January 2016 between the hours of 02:00 GMT (11:00 JST) and 03:00 GMT (12:00 JST).
- 10/12/2015 The JCM registry system will be offline for scheduled maintenance on 17th December 2015 between the hours of 01:00 GMT (10:00 JST) and 09:00 GMT (18:00 JST).

[JCM HOME](#)

## Mongolian JCM website

ХАМТАРСАН КРЕДИТ ОЛГОХ МЕХАНИЗМ

Хайлт хийх ...

Нүүр хуудас | ХКОМ-ын тухай | ХКОМ-ын дүрэм, журам | ХКОМ-ын төслүүд | Мэдээ & Үйл явдал | Төсөлд оролцогчдыг холбох талбар | MON

**JCM Workshop:**  
Upscaling the JCM for Enhancing NDCs Implementation towards Achieving the Goal of Paris Agreement  
27-28 February 2019

Group photo of workshop participants in front of a banner.

<http://www.jcm-mongolia.com/>

# Governance of the JCM

## Rules of Implementation for the Joint Crediting Mechanism (JCM) <sup>3</sup>

**Para 3.** Both sides, in order to promote investment and deployment of low carbon technologies, products, systems, services and infrastructure to achieve low carbon development in Mongolia, **establish a Joint Crediting Mechanism** (hereinafter referred to as the “JCM”) and implement it in accordance with the relevant domestic laws and regulations in force in respective countries.

**Para 4.** Both sides establish the **Joint Committee (JC)** to operate the JCM.

(1) The Joint Committee consists of **representatives from both sides**.



# Summary

## The JCM meets all requirements of Article 6 of the Paris Agreement:

- Promotion of Sustainable Development: Sustainable Development Contribution Plan and Report
- Ensuring Environmental Integrity: Net emission reduction secured via methodology
- Ensuring Transparency: Local stakeholder consultation, Public inputs on methodology
- Governance: Authorized by participating Parties: Mongolian side and Japanese side
- Avoidance of double counting: will apply the future decision of Article 6 rule book

**Thank you for your attention**

# Annex: JCM Global Partnership

- JCM Global Partnership was established as an online platform to promote information sharing (Aug 2020)
- The Partnership includes: International organization (ADB, WB, UNIDO), Local governments (17 Partner countries), Private companies and NGOs
- The three key pillars: JCM & Carbon Neutral Project, **JCM & Art 6.2 of PA**, JCM & SDGs



JCM Global Partnership website:

<https://www.carbon-markets.go.jp/eng/icmgrp/sdgs.html>