
Institutional and governance arrangements for the Joint Crediting Mechanism (JCM) in Japan

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Implementation of the Article 6 rules into domestic rules

Plan for Global Warming Countermeasures (Cabinet decision in October 2021)

- Based on Act on Promotion of Global Warming Countermeasures
- Mid-term target: **46.0% reduction by FY2030** compared to FY2013
- Promotion of global emission reduction, international collaboration and cooperation (including the Joint Crediting Mechanism)
- Establishment of the JCM Promotion and Utilization Council by the JCM implementing authorities.
 - ❑ Authorization
 - ❑ Method of corresponding adjustments
 - ❑ Revision of the Guidelines for the Implementation of the JCM in Japan
- Progress management and evaluation by the Global Warming Prevention Headquarters (ministerial decision-making body chaired by Prime Minister)

Implementation of the Article 6 rules into domestic rules

■ Establishment of the **JCM Promotion and Utilization Council** consisting of five relevant Ministries* (January 17,2022)

* Ministry of the Environment; Ministry of Economy, Trade and Industry; Ministry of Foreign Affairs; Ministry of Agriculture, Forestry and Fisheries and Ministry of Land, Infrastructure, Transport and Tourism

The Council's duties include:

1. the authorization of JCM credits as a Party to the Paris Agreement,
2. the determination of a method to apply corresponding adjustments to prevent double counting,
3. the revision of the Guidelines for the Implementation of the JCM.

■ Formulation of **the procedures on the authorization and corresponding adjustments** (April 7, 2022)

- Establishment "Procedures for Authorization as a Party to the Paris Agreement regarding the Joint Crediting Mechanism (JCM)" and "Procedures for Corresponding Adjustments regarding the Joint Crediting Mechanism."

Project Cycle of the JCM and the CDM

Can be conducted by the same TPE
Can be conducted simultaneously

JCM

Main actors at each process

CDM

Project Participant /
Each Government
Joint Committee

Joint Committee

Project Participant

Third Party Entities

Joint Committee

Project Participant

Third Party Entities

Joint Committee decides the amount
Each Government issues the credit

Submission of
Proposed Methodology

Approval of Proposed
Methodology

Development of PDD*

Validation

Registration

Monitoring

Verification

Issuance of credits

Project Participant

CDM Executive Board

Project Participant

Designated Operational
Entities (DOEs)

CDM Executive Board

Project Participant

DOEs

CDM Executive Board

*PDD: Project Design Document