

**International Civil Aviation Organization (ICAO) Carbon Offsetting and Reduction  
Scheme for International Aviation (CORSA)**

**Application Form for Emissions Unit Programmes**

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## **SECTION I: ABOUT THIS ASSESSMENT**

### **Background**

ICAO Member States and the aviation industry are implementing the Carbon Offsetting and Reduction Scheme for International Aviation (CORSA). Together with other mitigation measures, CORSA will help achieve international aviation's aspirational goal of carbon neutral growth from the year 2020.

Aeroplane operators will meet their offsetting requirements under CORSA by purchasing and cancelling CORSA eligible emissions units. The ICAO Council determines CORSA eligible emissions units upon recommendations by its Technical Advisory Body (TAB) and consistent with the CORSA Emissions Unit Eligibility Criteria (EUC).

In March 2019, the ICAO Council unanimously approved the CORSA Emissions Unit Eligibility Criteria for use by TAB in undertaking its tasks<sup>1</sup>. TAB conducted its first cycle of assessment in 2019, and its recommendations were considered by the Council in March 2020.

Now, ICAO invites emissions unit programmes<sup>2</sup> to apply for the second cycle of assessment by the TAB, which will involve collecting information from each programme through this programme application form and supplementary materials and requested evidence.

Through this assessment, the TAB will develop recommendations on the list of eligible emissions unit programmes (and potentially project types) for use under the CORSA, which will then be considered by the ICAO Council.

This form is accompanied by, and refers to, Appendix A “*Supplementary Information for Assessment of Emissions Unit Programmes*”<sup>3</sup>, containing the EUC and *Guidelines for Criteria Interpretation*. These EUC and Guidelines are provided to inform programmes' completion of this application form, in which they are cross-referenced **by paragraph number**.

This form is also accompanied by Appendix B “*Programme Assessment Scope*”, and Appendix C “*Programme Exclusions Scope*”, which request all applicants to identify the programme elements<sup>4</sup> they wish to submit for, or exclude from, TAB's assessment.

This form also requests *evidence of programme procedures or programme elements*. These evidentiary documents enable TAB to a) confirm that a given procedure or program element is *in place*, b) more fully comprehend the programme's summary responses, and c) archive the information as a reference for potential future assessments.

Programme responses to this application form will serve as the primary basis for the assessment. Such assessment may involve e.g. clarification questions, live interview(s) with TAB, and a completeness check of the application, as further requested.

**Translation:** The working language of the assessment process is English. Translation services are not available for this process. If the programme documents and information are not published in English, the programme should fully describe in English (*rather than summarize*) this information in the fields provided in this form, and in response to any additional questions. Where this form requests *evidence of programme procedures*, programmes are strongly encouraged to provide these documents in English, to provide for accuracy and comprehension. Where this is not possible due to time constraints or document length, the programme may

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<sup>1</sup> Available on the ICAO CORSA website: <https://www.icao.int/environmental-protection/CORSA/Pages/CORSA-Emissions-Units.aspx>

<sup>2</sup> “Emissions Unit Programme”, for the purposes of TAB's assessment, refers to an organization that administers standards and procedures for developing activities that generate offsets, and for verifying and “issuing” offsets created by those activities. For more information, please review the TAB FAQs on the ICAO CORSA website: <https://www.icao.int/environmental-protection/CORSA/Pages/TAB.aspx>

<sup>3</sup> Available on the ICAO CORSA website: <https://www.icao.int/environmental-protection/CORSA/Pages/TAB.aspx>

<sup>4</sup> At the “activity type” level (e.g., sector(s), sub-sector(s), and/or project “type(s)”)

provide such documents in their original language in a readily translatable format (e.g., Microsoft Word). Those programmes that need to translate documents prior to submission may contact the ICAO Secretariat regarding accommodation.

**Disclaimer:** The information contained in the application, and any supporting evidence or clarification provided by the applicant including information designated as “business confidential” by the applicant, will be provided to the members of the TAB to properly assess the programme and make recommendations to the ICAO Council. The application and such other evidence or clarification will be made publicly available on the ICAO CORSIA website for the public to provide comments, except for information which the applicant designates as “business confidential”. The applicant shall bear all expenses related to the collection of information for the preparation of the application, preparation and submission of the application to the ICAO Secretariat and provision of any subsequent clarification sought by the Secretariat and/or the members of the TAB. Under no circumstances shall ICAO be responsible for the reimbursement of such or any other expenses borne by the applicant in this regard, or any loss or damages that the applicant may incur in relation to the assessment and outcome of this process.

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## **SECTION II: INSTRUCTIONS**

### **Submission and contacts**

A programme is invited to complete and submit the form, and accompanying evidence, through the ICAO CORSIA website no later than close of business on **20 April 2020**. Within seven business days of receiving this form, the Secretariat will notify the programme that its form was received.

If the programme has questions regarding the completion of this form, please contact ICAO Secretariat via email: [officeenv@icao.int](mailto:officeenv@icao.int). Programmes will be informed, in a timely manner, of clarifications provided by ICAO to any other programme.

### **Form basis and cross-references**

Questions in this form are derived from the CORSIA emissions unit eligibility criteria (EUC) and any *Guidelines for Criteria Interpretation* introduced in Section I (above). To help inform the programme's completion of this form, each question includes the paragraph number for its corresponding criterion or guideline that can be found in [Appendix A "Supplementary Information for Assessment of Emissions Unit Programmes"](#).

### **Form completion**

The programme should respond to all questions in this application form. A "complete" response involves three components: a) a written summary response, b) selection of the "YES" check box if a procedure is fully *in place*, and c) supporting evidence.

- a) **Written summary responses:** The programme is encouraged to construct written summary responses in a manner that provides for general comprehension of the given programme procedure, independent of supporting evidence. TAB will confirm each response in the supplementary evidence provided by the programme. Please note that written summary responses should be provided in all cases—supporting evidence (described in *c*) below) should not be considered as an alternative to a complete summary response.
- b) **"YES" check box:** Each question is accompanied by a check box for the programme to indicate the status of a given procedure or programme element. Here, programmes should accurately represent the status of its procedures and programme elements. Please note that an unselected check box does not, in itself, disqualify an application from further assessment; it will be taken into account when TAB reviews the programme's accompanying information.

The programme *should* select the "YES" check box if a procedure or element is *in place*.

The programme *should not* select the check box in the following instances:

1. The procedure in question is *not relevant to the programme's application* (if, e.g., the question applies to activity(ies) that the programme is not submitting for assessment, or an alternative approach is taken to the procedure or element in question). In such cases, please provide justification in the written summary response.
  2. The procedure in question is *not yet in place, but the programme is planning to introduce such a procedure*. In such cases, please describe any such plans in the written summary response, according to form instructions.
  3. The procedure in question is *not in place*. In such cases, please provide justification in the written summary response.
- c) **Supporting evidence:** Most questions in this form request *evidence of programme procedures or programme elements*. Such evidence may be found in programme standards, requirements, or guidance documents; templates; programme website or registry contents; or in some cases, in specific methodologies. To help manage file size, the programme should limit supporting documentation to that

which directly substantiates the programme's statements in this form.

Regarding such requests for evidence, programmes can substantiate their responses in any of these ways (**in order of preference**):

1. web links to supporting documentation included along with the written summary response; with instructions for finding the relevant information within the linked source, if necessary;
2. copying/pasting information directly into this form (no character limits) along with the written summary response;
3. attaching supporting documentation to this form at the time of submission, with instructions for finding the relevant information within the attached document(s);

### **Form scope**

The programme may elect to submit for TAB assessment all, *or only a subset*, of the activities supported by the programme. The programme is requested to identify, in the following Appendices, the activities that it wishes to submit for, or exclude from, TAB's assessment:

In **Appendix B** "*Programme Assessment Scope*", the programme should clearly identify, at the "activity type" level (e.g., sector(s), sub-sector(s), and/or programme/project "type(s)"), elements that the programme **is submitting for TAB's assessment** of CORSIA eligibility; as well as the specific methodologies, protocols, and/or framework(s) associated with these programme elements; which *are* described in this form.

In **Appendix C** "*Programme Exclusions Scope*", the programme should clearly identify, at the "activity type" level (e.g., sector(s), sub-sector(s), and/or programme/project "type(s)"), any elements the programme **is not submitting for TAB's assessment** of CORSIA eligibility, which *are not* described in this form; as well as the specific methodologies, protocols, and/or framework(s) associated with these programme elements.

### **Programme revisions**

Where the programme has any plans to revise the programme (e.g., its policies, procedures, measures, tracking systems, governance or legal arrangements), including to enhance consistency with a given criterion or guideline, please provide the following information in response to any and all relevant form question(s):

- a) Proposed revision(s);
- b) Process and proposed timeline to develop and implement the proposed revision(s);
- c) Process and timeline for external communication and implementation of the revision(s).

### **"Linked" certification schemes**

This application form should be completed and submitted exclusively on behalf of the programme that is described in Part I of this form.

Some programmes may supplement their standards by collaborating with other schemes that certify, e.g., the social or ecological "co-benefits" of mitigation. The programme can reflect a linked scheme's procedures in responses to this form, where this is seen as enhancing—i.e. going "above and beyond"—the programme's own procedures.

For example, the programme may describe how a linked scheme audits sustainable development outcomes; but is not expected to report the linked scheme's board members or staff persons.

Programmes should clearly identify any information provided in this form that pertains to a linked certification scheme and/or only applies when a linked certification scheme is used.

### **Disclosure of programme application forms**

Applications, including information submitted in Appendices B and C, and other information submitted by

applicants will be publicly available on the ICAO CORSIA website, except for materials which the applicants designate as business confidential.

The public will be invited to submit comments on the information submitted, including regarding consistency with the emissions unit criteria (EUC), through the ICAO CORSIA website, for consideration by the TAB in its assessment.

## **SECTION III: APPLICATION FORM**

### **PART 1: General information**

#### **A. Programme Information**

Programme name:	Joint Crediting Mechanism (JCM) between Japan and Mongolia
Administering Organization <sup>5</sup> :	Ministry of the Environment/Ministry of Economy, Trade and Industry/Ministry of Foreign Affairs
Official mailing address:	Office of Market Mechanisms, Climate Change Policy Division, Global Environmental Bureau, Ministry of the Environment, 1-2-2 Kasumigaseki, Chiyoda-ku, Tokyo 100-8975, Japan  Global Environment Partnership Office, Industrial Science and Technology Policy and Environment Bureau, Ministry of Economy, Trade and Industry, 1-3-1 Kasumigaseki, Chiyoda-ku, Tokyo 100-8901, Japan  Climate Change Division, International Cooperation Bureau, Ministry of Foreign Affairs, 2-2-1 Kasumigaseki, Chiyoda-ku, Tokyo 100-8919, Japan
Telephone #:	+81-3-5521-8354
Official web address:	<a href="https://www.jcm.go.jp/">https://www.jcm.go.jp/</a>

#### **B. Programme Administrator Information**

Full name and title:	Ministry of the Environment/Ministry of Economy, Trade and Industry		
Employer / Company (if not programme):	N/A		
E-mail address:	<a href="mailto:jcm@env.go.jp">jcm@env.go.jp</a> <a href="mailto:jcm@meti.go.jp">jcm@meti.go.jp</a>	Telephone #:	Same as above

#### **C. Programme Representative Information (if different from Programme Administrator)**

Full name and title:	Ministry of the Environment/Ministry of Economy, Trade and Industry		
Employer / Company (if not Programme):	N/A		
E-mail address:	<a href="mailto:jcm@env.go.jp">jcm@env.go.jp</a> <a href="mailto:jcm@meti.go.jp">jcm@meti.go.jp</a>	Telephone #:	Same as above

<sup>5</sup> Name of the business, government agency, organization, or other entity that administers the Emissions Unit Programme, if different from "Programme Name".

**D. Programme Senior Staff / Leadership** (e.g., *President / CEO, board members*)

List the names and titles of programme's senior staff / leadership, including board members:

The Joint Crediting Mechanism (JCM) between Japan and Mongolia was established by a bilateral document signed between both sides and implemented in accordance with the relevant domestic laws and regulations in force in respective countries.

The Joint Committee (JC) is the governing body for the JCM, established by the aforementioned bilateral document. The JC consists of officials from Japan and Mongolia while other persons may also be designated as necessary. For the Japanese side, the JC members consist of the representatives from embassies in Mongolia and the officials listed below:

- Mr. HAYASHI Shinichirou, Minister-Counsellor, Embassy of Japan in Mongolia
- Mr. MAGOSAKI Kaoru, Director, Climate Change Division, International Cooperation Bureau, Ministry of Foreign Affairs, Japan
- Mr. NAGATA Toshiaki, Director, Global Environment Partnership Office, Industrial Science and Technology Policy and Environment Bureau, Ministry of Economy, Trade and Industry, Japan
- Mr. KOAKUTSU Kazuhisa, Director for International Negotiations, Office of Market Mechanisms, Global Environment Bureau, Ministry of the Environment, Japan
- Mr. YAMAZAKI Takashi, Director, International Forestry Cooperation Office, Forestry Agency, Japan
- Mr. MIYASHITA Hiromichi, First Secretary, Embassy of Japan in Mongolia

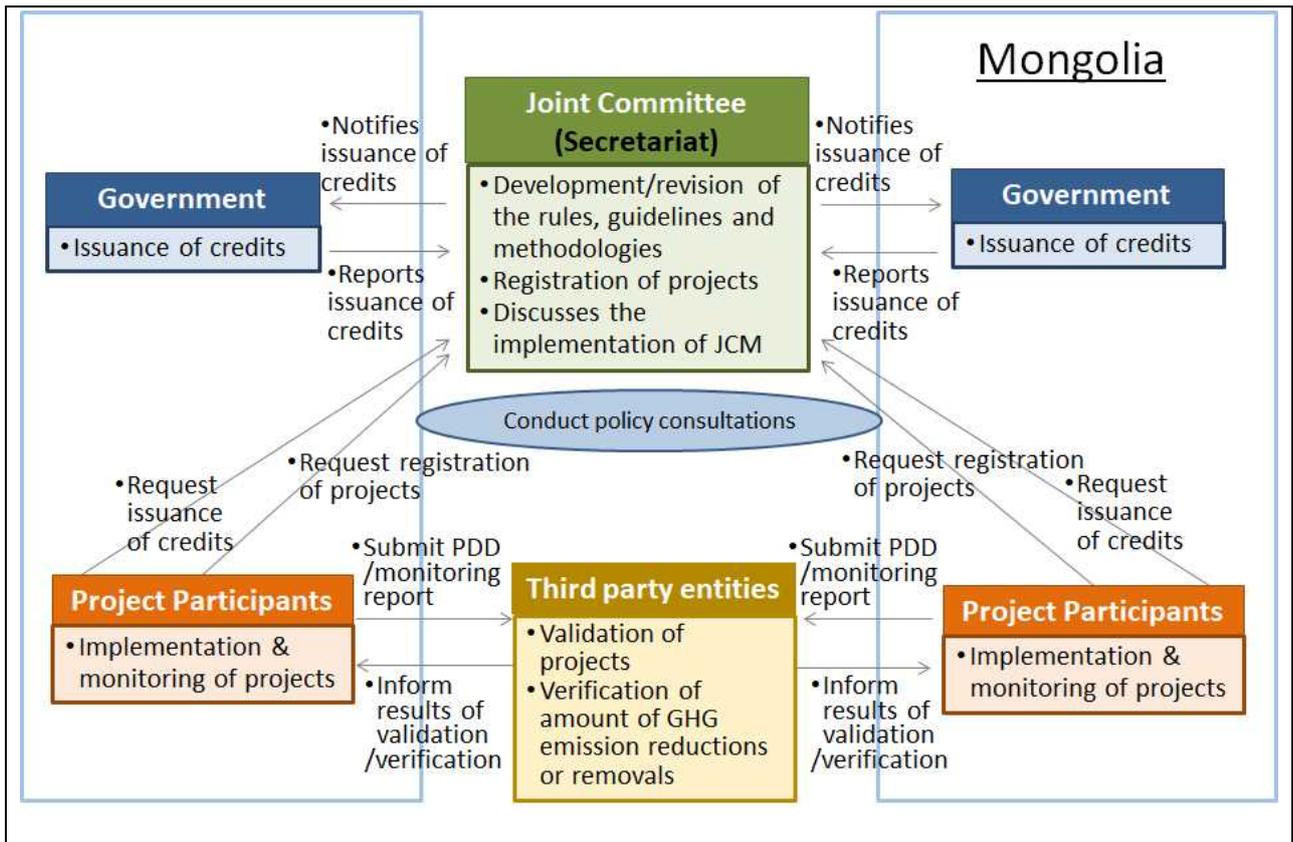
For the Mongolian side, the JC members consist of the officials listed below:

- Mr. Batjargal Z (Zamba), UNFCCC focal point, IPCC focal point, JCM Co-Chair, Advisor of Climate Change Project Implementation Unit under the MET, Ministry of Environment and Tourism
- Mr. Batjargal Kh, Director of Public Administration and Management Department, Ministry of Environment and Tourism
- Mr. Erkhembayar B, Managing director, Energy Regulatory Commission of Mongolia
- Mr. Ankhbayar B, Head of the Heavy Industry and Petroleum Policy Implementation and Coordination Department, Ministry of Mining and Heavy Industry
- Mr. Altaibaatar B, Head of the Investment and Industry Division, Ministry of Construction and Urban Development
- Mr. Enkh-Amar M, General Director, Policy and Planning department, Ministry of Food Agriculture and Light Industry
- Ms. Sarantogos E, Director, Department of Asia-Pacific countries, Ministry of Foreign Affairs
- Mr. Sereeter J, Head of Standards and Norms Division, Policy and Planning department, Ministry of Road and Transportation
- Mr. Galimbek Kh, Acting Director of the Department of Air Pollution Reduction, The Governor's office of the Capital city
- Mr. Bavuudorj O (PhD), Head of the Renewable Energy Division, Ministry of Energy

Provide an organization chart (in the space below or as an attachment) that illustrates, or otherwise describes, the functional relationship a) between the individuals listed in D; and b) between those individuals and programme staff / employees; and c) the functions of each organizational unit and interlinkages with other units.

As described above, the JC members consist of officials from Japan and Mongolia. Each JC member represents different ministries with varying expertise to contribute to making decisions by consensus. Tasks of JC members are listed in the green box in the below organization chart in the middle, and the secretariat of the JC supports the JC members perform its tasks.

The below organization chart illustrates the functions of each organizational unit and interlinkages with other units.



## PART 2: Programme summary

Provide a summary description of your programme

### ● Overview

The Joint Crediting Mechanism (JCM) between Japan and Mongolia, a project-based bilateral crediting mechanism, was inaugurated in Jan. 2013 and have been cooperating on the implementation and enhancement of the JCM.

The JCM has a similar structure, procedure and governance as in other international offsetting schemes including the clean development mechanism, Verified Carbon Standard, Climate Action Reserve, with compatibility to ISO14064.

### ● Objectives of the JCM

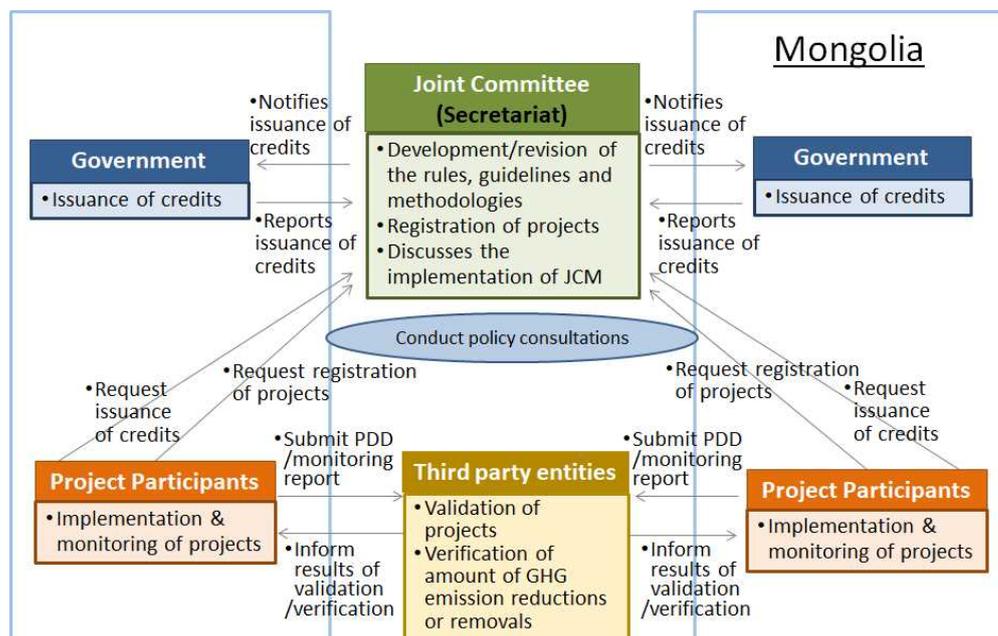
Its basic concept is to achieve the followings:

- Facilitating diffusion of leading low carbon technologies, products, systems, services, and infrastructure as well as implementation of mitigation actions, and contributing to sustainable development of developing countries.
- Appropriately evaluating contributions from Japan to GHG emission reductions or removals in a quantitative manner and use them to achieve Japan's emission reduction target.
- Contributing to the ultimate objective of the UNFCCC by facilitating global actions for GHG emission reductions or removals.

It should be noted that the JCM started its operation as an internationally non-tradable credit type mechanism, and the transition to a tradable credit type mechanism will be consulted between both sides.

### ● Institutional arrangement

The JCM consists of the following governing body and stakeholders with their roles in the administrative steps of the mechanism as shown in the diagram.



JCM rules and guidelines discussed between Japan and Mongolia are adopted reflecting national circumstances, rules and regulations of Mongolia.

As an infrastructure to enable the issuance of JCM credits, a registry system is established by each side. The JCM registry is established in line with the common specifications described below. Japan has been operating its registry since Nov. 2015. Mongolia also established its own registry.

### ● Rules and guidelines

To operationalize the JCM, the Japanese and Mongolian sides signed the bilateral document for cooperation, and based on the document, the Joint Committee was established to adopt all rules and guidelines necessary

for the implementation of the JCM. These rules and guidelines consist of 10 documents in Mongolia as shown below:

Rules of Implementation	Rules of Procedures for the Joint Committee (JC rules)
Project Cycle Procedure	Guidelines for Developing Proposed Methodology (methodology guidelines)
Glossary of Terms	Guidelines for Developing Project Design Document and Monitoring Report (PDD and monitoring guidelines)
Guidelines for Designation as a Third-Party Entity (TPE guidelines)	Guidelines for Validation and Verification (VV guidelines)
Common Specifications of the JCM Registry	Guidelines for Developing Sustainable Development Contribution Plan and Report

- Transparency

All the rules and guidelines, decisions made by each Joint Committee including approval of methodologies, registration of projects, notification to issue JCM credits and issuance of credits by both sides are made publicly available on the JCM website <<https://www.jcm.go.jp/mn-jp>>. In addition, all calls for public inputs on proposed methodologies and proposed projects are informed on the same website. Furthermore, information on all calls are circulated through the Climate-L mailing list for transparency.

### PART 3: Emissions Unit Programme Design Elements

**Note**—where “evidence” is requested throughout *Part 3* and *Part 4*, the programme should provide web links to documentation. If that is not possible, then the programme may provide evidence of programme procedures directly in the text boxes provided (by copying/pasting the relevant provisions) and/or by attached supporting documentation, as recommended in “SECTION II: INSTRUCTIONS—*Form Completion*”.

**Note**—“*Paragraph X.X*” in this form refers to corresponding paragraph(s) in Appendix A “Supplementary Information for Assessment of Emissions Unit Programmes”.

**Note**—Where the programme has any plans to revise the programme (e.g., its policies, procedures, measures, tracking systems, governance or legal arrangements), including to enhance consistency with a given criterion or guideline, provide the following information in response to any and all relevant form question(s):

- Proposed revision(s);
- Process and proposed timeline to develop and implement the proposed revision(s);
- Process and timeline for external communication and implementation of the revision(s).

#### Question 3.1. Clear methodologies and protocols, and their development process

Provide *evidence*<sup>6</sup> that the programme’s qualification and quantification methodologies and protocols are *in place* and *available for use*, including where the programme’s existing methodologies and protocols are publicly disclosed: (*Paragraph 2.1*)

The JCM methodologies are in place and available for use by project participants. Those methodologies are made publicly disclosed on the following URL:

<<https://www.jcm.go.jp/mn-jp/methodologies/approved>>

Summarize the programme’s process for developing further methodologies and protocols, including the timing and process for revision of existing methodologies: (*Paragraph 2.1*)

Under the JCM, all methodologies are proposed and approved in line with “Joint Crediting Mechanism Project Cycle Procedure”, which sets the following processes for approval of the current methodologies, including the timing and processes for revision of previous methodologies.

#### ● Methodology approval

The Japanese side, Mongolian side, or project participants (PPs) may prepare a proposed methodology and submit it to the Joint Committee (JC). Methodologies may also be developed under the initiative of the JC.

Upon receipt of the proposed methodology, the secretariat of the JC:

- conducts a completeness check of the submission unless the proposed methodology is developed under the initiative of the JC; and
- communicates the result to the methodology proponents (MP) within seven (7) calendar days.

(\*a) Upon satisfaction of the completeness check, the proposed methodology is promptly made publicly available for public inputs through the JCM website for fifteen (15) calendar days. Methodologies developed under the initiative of the JC are also subject to this process.

Reference: JCM website for publication of proposed methodologies for public inputs

<sup>6</sup> For this and subsequent “evidence” requests, evidence should be provided in the text box (e.g., web links to documentation), and/or in attachments, as recommended in “SECTION II: INSTRUCTIONS—*Form Completion*”.

<<https://www.jcm.go.jp/mn-jp/methodologies/proposed>>

(\*b) After the closing of public inputs, the JC:

- assesses the proposed methodology based on, but not limited to, the materials submitted by the MP and the submitted public inputs; and
- considers the approval of the proposed methodology within ninety (90) calendar days at the longest.

Upon conclusion of consideration, the secretariat:

- notifies the outcome of consideration to the MP with its reasons; and
- makes publicly available the outcome of the consideration as well as relevant information on the approved methodology through the JCM website.

Reference: JCM website for publication of approved methodologies

<<https://www.jcm.go.jp/mn-jp/methodologies/approved>>

● Revision of approved methodologies

The MP or the JC itself may request the JC to revise an approved methodology.

Upon receipt of the request and proposed revision, the secretariat of the JC:

- conducts a completeness check of the submission within seven (7) calendar days; and
- assesses the nature and complexity of the proposed revision and classifies it as one of the followings:
  - ✧ Substantive revision proposal; or
  - ✧ Editorial revision proposal.

Substantive revision proposals are subject to the public inputs procedure as stated in (\*a), followed by JC's assessment and consideration as stated in (\*b). Editorial revision proposals are reflected as appropriate by the secretariat after approval by the JC.

Source: Joint Crediting Mechanism Project Cycle Procedure of Mongolia

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_03/JCM\\_MN\\_PCP\\_ver06.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_03/JCM_MN_PCP_ver06.0.pdf)>

Provide *evidence of the public availability* of the programme's process for developing further methodologies and protocols: (*Paragraph 2.1*)

The Program's current processes for developing methodologies and protocols

Joint Crediting Mechanism Guidelines for Developing Proposed Methodology

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_05/JCM\\_MN\\_GL\\_PM\\_ver02.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_05/JCM_MN_GL_PM_ver02.0.pdf)>

b) the methodologies / protocols themselves

Approved methodologies

<<https://www.jcm.go.jp/mn-jp/methodologies/approved>>

### Question 3.2. Scope considerations

Summarize the level at which activities are allowed under the programme (e.g., project based, programme of activities, jurisdiction-scale): (*Paragraph 2.2*)

The level at which activities are allowed under the JCM is at project as of now although programme levels is not necessarily excluded.

Summarize the eligibility criteria for each type of offset activity (e.g., which sectors, project types, and geographic locations are covered): (*Paragraph 2.2*)

In the JCM, JCM projects are implemented within Mongolia which implements the mechanism with Japan. Sectoral scopes are identified in “Programme\_Application\_Form\_Appendix\_B\_Programme\_Assessment\_Scope”. Annex I of the Joint Crediting Mechanism Guidelines for Developing Proposed Methodology <[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_05/JCM\\_MN\\_GL\\_PM\\_ver02.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_05/JCM_MN_GL_PM_ver02.0.pdf)>

Provide *evidence* of the Programme information defining a) level at which activities are allowed under the Programme, and b) the eligibility criteria for each type of offset activity, including its availability to the public: (*Paragraph 2.2*)

Programme of activities have not been implemented and there is no information as of now.

### Question 3.3. Offset credit issuance and retirement procedures

Are procedures in place defining how offset credits are... (*Paragraph 2.3*)

- a) issued?  YES
- b) retired / cancelled?  YES
- c) subject to discounting (*if any*)?  YES

Are procedures in place defining... (*Paragraph 2.3*)

- d) the length of crediting period(s)?  YES
- e) whether crediting periods are renewable?  YES

Provide evidence of the procedures referred to in a) through e) (if any, in the case of “c”), including their availability to the public:

#### ● a) Issuance

Under the JCM, the PPs of a registered JCM project in line with the relevant approved methodology:

- conducts monitoring of project and elaborate a monitoring report using the spreadsheet for the selected approved methodology
- have verification by an independent Third-Party Entity (TPE) designated by the JC on the monitoring report and project itself
- request issuance of JCM credits using a credit issuance request form once the TPE provides a positive opinion of verification to the monitoring report and project itself

The secretariat of the JC conducts a completeness check of the submission and if the submission is deemed complete, it forwards the submission to the JC.

After consideration, the JC decides to notify the amount of credits to be issued, it notifies the concerned Governments the amount of credits to be issued and the governments issue the notified amount of credits to designated accounts of PPs in the corresponding JCM registries.

Source: Joint Crediting Mechanism Project Cycle Procedure

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_03/JCM\\_MN\\_PCP\\_ver06.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_03/JCM_MN_PCP_ver06.0.pdf)>

- b) Retirement / cancellation

The procedures for retirement / cancellation are stipulated in the Guidelines for the Implementation of the JCM in Japan. Retirement is conducted through the account holding entity or the Government of Japan transferring JCM credits to the retirement account for the purpose of evaluating its own efforts on greenhouse gas emission reductions while making the JCM credits not to be further transferred. Cancellation is conducted through the account holding entity or the Government of Japan transferring JCM credits to the cancellation account so that the JCM credits are not further transferred.

Source: Guidelines for the Implementation of the JCM in Japan

<[https://www.jcmregistry.go.jp/contents/JP/Summary/guidelines\\_en.pdf](https://www.jcmregistry.go.jp/contents/JP/Summary/guidelines_en.pdf)>

- c) Discounting

The JCM does not have procedures for unit discounting as the methodologies approved under the program apply conservative reference emission estimation which results in reduced amount of credit issuance.

- d) The length and e) renewal of crediting periods

The JCM does not employ the concept of crediting period while the PPs need to stipulate operational lifetime of project in the project design documents (PDDs). The operational lifetime may be explained with publicly available statistical data, reference data from similar projects, legal durable years, expert judgment, etc.

Source: Joint Crediting Mechanism Guidelines for Developing Project Design Document and Monitoring Report

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_04/JCM\\_MN\\_GL\\_PDD\\_MR\\_ver03.1.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_04/JCM_MN_GL_PDD_MR_ver03.1.pdf)>

### Question 3.4 Identification and Tracking

Does the programme utilize an electronic registry or registries? (*Paragraph 2.4.2*)  YES

Provide web link(s) to the programme registry(ies) and indicate whether the registry is administered by the programme or outsourced to a third party (*Paragraph 2.4.2*):

The JCM utilizes electronic registries.

For the JCM registry of Japan, refer to the following URL: <<https://www.jcmregistry.go.jp/>>

The program is administered by the Program Administrator mentioned above and its development and maintenance are outsourced to a vendor.

Does the programme have procedures in place to ensure that the programme registry or registries...:

- a) have the capability to transparently identify emissions units that are deemed ICAO-eligible, in all account types? (*Paragraph 2.4.3*)  YES
- b) identify, and facilitate tracking and transfer of, unit ownership/holding from issuance to cancellation/retirement? (*Paragraphs 2.4 (a) and (d) and 2.4.4*)  YES
- c) identify unit status, including retirement / cancellation, and issuance status? (*Paragraph 2.4.4*)  YES
- d) assign unique serial numbers to issued units? (*Paragraphs 2.4 (b) and 2.4.5*)  YES
- e) identify in serialization, or designate on a public platform, each unique unit's country and sector of origin, vintage, and original (and, if relevant, revised) project registration date? (*Paragraph 2.4.5*)  YES
- f) are secure (i.e. that robust security provisions are in place)? (*Paragraph 2.4 (c)*)  YES

Summarize and provide evidence of the procedures referred to in a) through f), including the availability to the public of the procedures referred to in b), d), and f):

● Japanese JCM registry

The Japanese JCM registry has a function to track and record every single unit transferred from issuance to cancellation / retirement. It is possible to designate specific unit of credits used for the purpose of ICAO by including such information at the time of cancellation by the credit holders. Legal entities which have an account in the JCM registry are able to identify all the relevant information.

The JCM registry has a function to identify unit status, and its summary is publicly available from the below URL:

<[https://www.jcmregistry.go.jp/contents/JP/Summary/JCM\\_credits.pdf](https://www.jcmregistry.go.jp/contents/JP/Summary/JCM_credits.pdf)>

Each of the JCM credit is assigned a unique serial number as an example can be seen in the below URL:

<<https://www.jcm.go.jp/mn-jp/projects/5#!/issuance>>

As shown in the URL above, unit's country and sector of origin can be identified. A vintage year in which a credit is generated can be identified using the JCM registry.

The Japanese JCM registry is operating in line with the basic principle on cyber security, responsibility of the Government of Japan, and elaboration of cybersecurity strategy to enhance related policy and measures which are stipulated in the Basic Act on Cybersecurity together with the Basic Act on the Formation of an Advanced Information and Telecommunications Network Society.

<<http://www.japaneselawtranslation.go.jp/law/detail/?vm=04&re=01&id=2760>>

<<http://www.japaneselawtranslation.go.jp/law/detail/?id=3339&vm=&re=>>>

The Government of Japanese government also stipulates standardized requirements on security measures for all information system procured or developed for the government. The National Center of Incident readiness and Strategy for Cybersecurity (NISC) makes publicly available the Common Standards on Information Security Measures of Government Entities to raise the level of information security for all governmental agencies and related agencies, as the baseline standard. Based on the standard, NISC oversees the status of implementation of it across agencies by audits.

All the information systems go through risk assessment, elaborate security documents, develop management institution, plan for enhancement for security measures, etc. to ensure the robustness of the cyber security system.

All the relevant documents are available from the below URL:

<<https://www.nisc.go.jp/eng/index.html>>

- Mongolian JCM registry

The Mongolian JCM registry has a function to track and record every single unit from issuance to cancellation / retirement. The registry is technically capable of designating specific units cancelled for the purpose of the CORSIA while including such information at the time of cancellation by the credit holders. Legal entities which have an account in the JCM registry are able to identify all the relevant information.

Each of the JCM credit is assigned a unique serial number, and such example can be seen in the below URL:

<<https://www.jcm.go.jp/mn-jp/projects/5#!/issuance>>

As shown in the URL above, unit's country and sector of origin can be identified. A vintage year in which a credit is generated can also be identified using the JCM registry.

The Mongolian JCM registry is a macro programmed Microsoft Excel which is operated in a government facility with secure network environment.

The Mongolian JCM registry programme is encrypted with security code which prevents from unauthorized access, alteration or manipulation. The registry is programmed in such a way that records all actions taken within the registry as a history log which cannot be altered. The registry also has a function to generate back-up files for each operation which is recorded on the file.

In addition to the above, credit issuance data are made available on the JCM website and original data for issuance requests are stored in the JCM website for cross-checking of issuance data.

List any/all international data exchange standards to which the programme's registry(ies) conform: (*Paragraph 2.4 (f)*)

N/A: The JCM started its operation as the "non-tradable credit type mechanism" under which credits are not to be transferred between registries. Therefore, at this moment, there is no international data exchange standards as credits are only transferred within a respective registry established by each government involved in the JCM.

Are policies and robust procedures in place to...

a) prevent the programme registry administrators from having financial, commercial or fiduciary conflicts of interest in the governance or provision of registry services?  YES  
(*Paragraph 2.4.6*)

b) ensure that, where such conflicts arise, they are appropriately declared, and addressed and isolated? (*Paragraph 2.4.6*)  YES

Summarize and provide evidence of the policies and procedures referred to in a) and b):

The JCM registry is operated under the supervision of the Ministry of the Environment and the Ministry of Economy, Trade and Industry. <<https://www.jcmregistry.go.jp/contents/JP/Contact/Contact.html>>

As they are the competent authority in the Government of Japan, conflict of interests is prevented under the law (source: National Public Service Ethics Act, Act No. 129 of August 13, 1999)

<<http://www.japaneselawtranslation.go.jp/law/detail/?ft=1&re=2&dn=1&co=01&ia=03&x=30&y=16&ky=national+public+service+ethics+act&page=7>>

Are provisions in place...

- a) ensuring the screening of requests for registry accounts? (*Paragraph 2.4.7*)  YES
- b) restricting the programme registry (or registries) accounts to registered businesses and individuals? (*Paragraph 2.4.7*)  YES
- c) ensuring the periodic audit or evaluation of registry compliance with security provisions? (*Paragraph 2.4.8*)  YES

Summarize and provide evidence of the registry security provisions referred to in a) through c):

- The JCM requires that each side establishes a registry to record and use the credits according to “Common Specifications of the JCM Registry”. The specifications of the JCM between Japan and Mongolia are made public at the following URL:  
<[https://www.jcm.go.jp/opt/mn-jp/rules\\_and\\_guidelines/download/JCM\\_MN\\_Spec\\_Registry\\_ver01.0.pdf](https://www.jcm.go.jp/opt/mn-jp/rules_and_guidelines/download/JCM_MN_Spec_Registry_ver01.0.pdf)>
- For example, in Japan, a legal entity that seeks to acquire, hold, and transfer JCM credits issued by the Government of Japan has an entity holding account opened in the JCM registry of Japan by the JCM implementing authorities, where only one entity holding account may be opened for each legal entity.
- The legal entity that seeks to have an entity holding account opened in the JCM registry of Japan attaches materials as listed in the right column of the table below, based on the type of legal entity indicated in the left column of said table:

Japanese entity	The certificate of registered matters, the certificate of seal impression, and the articles of incorporation of the legal entity, indicated in Japanese
Foreign entity	A document that indicates, either in English or in Japanese, the name, the name of the representative, and address of the legal entity and that the legal entity is legitimately established and present in the country where its head office is located (hereinafter referred to as "home country"), which is certified by the authority of the home country; a notarized or certified true copy of the passport or other certificates of signature issued by a public agency, of the representative of the legal entity either in English or in Japanese; and the articles of incorporation or equivalent documents that indicate, either in English or in Japanese, the purpose of establishment and businesses of the legal entity; When documents not in English or in Japanese are to be attached, also attach English or Japanese translation thereof, and a written oath for the translation certified by a notary public

- The security provisions of the JCM registry are specified as follows:

The basic principle on cyber security, responsibility of the Government of Japan, elaboration of cybersecurity strategy to enhance related policy and measures are stipulated in the Basic Act on Cybersecurity together with the Basic Act on the Formation of an Advanced Information and Telecommunications Network Society.

<<http://www.japaneselawtranslation.go.jp/law/detail/?vm=04&re=01&id=2760>>

<<http://www.japaneselawtranslation.go.jp/law/detail/?id=3339&vm=&re=>>>

Further, the Government of Japan has detailed standards, guidelines and manuals to ensure cybersecurity for the Government itself and its agencies.

As the JCM registry is an internet-based system operated by a system engineering company commissioned by the government, it is subject to rigorous cybersecurity assessment of security level as well as periodical audits.

➤ Selection standard for outsourcee

Before a government body commissions system development to an engineering company, it assesses the security level of the company. In case the system developed involves handling of confidential or proprietary data, the selection process involves risk analysis of potential threats and corresponding countermeasures. After the risk analysis is concluded with a positive result, the Government may commission the work.

The below is the list of security measures that the government require the outsourcee to satisfy:

- ◇ Institutional arrangement to ensure cybersecurity
- ◇ Protection of confidential information
- ◇ Installment of functions to ensure security
- ◇ Implementation of information security measures during operation, maintenance and inspection
- ◇ Measures against vulnerability
- ◇ Measures against intrusion
- ◇ Implementation of inspection
- ◇ Evaluation of security level against international standards, and so forth.

After successful completion of those assessments and risk analysis above, the engineering company is able to proceed to contract with the government body/agency as an outsourcee.

➤ Audit/inspection of the system

The government body which commissioned a task of developing a system such as a registry, needs to conduct periodic audits in line with the procedure for information security audit. The procedure provides instructions on ways in which a government body should conduct audits, set up institutional arrangement, plan an annual audit, report the results thereof, and measures needed to be taken to the audit results.

### Question 3.5 Legal nature and transfer of units

Does the programme define and ensure the underlying attributes and property aspects of a unit? (Paragraph 2.5)  YES

Summarize and provide evidence of *the process by which the programme defines and ensures the underlying attributes and property aspects of a unit*, including its availability to the public:

Terms and definitions in Article 2 of the Guidelines for the Implementation of the JCM in Japan define that a JCM credit indicates the amount of greenhouse gases as issued in the JCM registry of Japan (greenhouse gases other than carbon dioxide are converted into the amount of carbon dioxide based on their effect on global warming), which indicates verified emission reductions overseas, as stipulated in Item 6, Article 1 of the order for reporting of carbon dioxide equivalent greenhouse gas emissions.

Furthermore, the underlying attributes and property aspects of a unit are ensured in Article 24 of the same Guidelines above which describes that “the account holding entity is in legal possession of JCM credits recorded in its entity holding account”.

Source: Guidelines for the Implementation of the JCM in Japan

<[https://www.jcmregistry.go.jp/contents/JP/Summary/guidelines\\_en.pdf](https://www.jcmregistry.go.jp/contents/JP/Summary/guidelines_en.pdf)>

The treatments of JCM credits from taxation aspects have been clarified by the National Tax Agency in the URL below (only in Japanese):

<<https://www.nta.go.jp/shiraberu/zeiho-kaishaku/bunshokaito/hojin/160701/01.htm>>

### Question 3.6 Validation and verification procedures

Are standards, requirements, and procedures in place for... (*Paragraph 2.6*)

- |  |   |
|--|---|
| a) the validation of activities?             | <input checked="" type="checkbox"/> YES |
| b) the verification of emissions reductions? | <input checked="" type="checkbox"/> YES |
| c) the accreditation of validators?          | <input checked="" type="checkbox"/> YES |
| d) the accreditation of verifiers?           | <input checked="" type="checkbox"/> YES |

Provide evidence of the standards, requirements, and procedures referred to in a) through d), including their availability to the public:

The validation and verification process under the JCM is based on ISO14065, and the detailed requirements and processes are described in Joint Crediting Mechanism Guidelines for Validation and Verification. <[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_06/JCM\\_MN\\_GL\\_VV\\_ver01.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_06/JCM_MN_GL_VV_ver01.0.pdf)>

The JCM accepts accreditation system of ISO14065 and the clean development mechanism (CDM) of UNFCCC.

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_07/JCM\\_MN\\_GL\\_TPE\\_ver04.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_07/JCM_MN_GL_TPE_ver04.0.pdf)>

### Question 3.7 Programme governance

Does the programme publicly disclose who is responsible for the administration of the programme? (*Paragraph 2.7*)  YES

Does the programme publicly disclose how decisions are made? (*Paragraph 2.7*)  YES

Provide evidence that this information is available to the public:

The JCM is administered by the Joint Committee (JC), which is the governing body of the JCM which and is established by a bilateral document signed between Japan and Mongolia. The JC has the authority to develop or modify the Rules of Implementation for the JCM and other rules and guidelines necessary for the implementation of the JCM. The JC members are publicly available at the JCM website <[https://www.jcm.go.jp/mn-jp/jc\\_members](https://www.jcm.go.jp/mn-jp/jc_members)>. The rules and guidelines including procedural documents are available to the public at the JCM website <[https://www.jcm.go.jp/mn-jp/rules\\_and\\_guidelines](https://www.jcm.go.jp/mn-jp/rules_and_guidelines)>

Can the programme demonstrate that it has... (*Paragraph 2.7.2*)

- a) been continuously governed and operational for at least the last two years?  YES
- b) been continuously operational for at least the last two years?  YES
- c) a plan for the long-term administration of multi-decadal programme elements?  YES
- d) a plan for possible responses to the dissolution of the programme in its current form?  YES

Provide evidence of the activities, policies, and procedures referred to in a) through d):

The JCM is a bilateral cooperation mechanism established between Japan and Mongolia and started in 2013.

Both Japan and Mongolia have consented to extension of the period of the JCM, the Rules of Implementation for the Joint Crediting Mechanism is revised to cover the period of the program to be until 2030.

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_01/JCM\\_MN\\_RoI\\_ver04.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_01/JCM_MN_RoI_ver04.0.pdf)>

Both Japan and Mongolia sign a bilateral document to implement the JCM. The bilateral document defines period for the JCM to be effective and also possibility of any modification to the document by mutual consent.

<[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)> and modified bilateral document <[https://www.jcm.go.jp/opt/mn-jp/rules\\_and\\_guidelines/download/modification\\_bilat\\_doc.pdf](https://www.jcm.go.jp/opt/mn-jp/rules_and_guidelines/download/modification_bilat_doc.pdf)>

Are policies and robust procedures in place to...

- a) prevent the programme staff, board members, and management from having financial, commercial or fiduciary conflicts of interest in the governance or provision of programme services? (*Paragraph 2.7.3*)  YES
- b) ensure that, where such conflicts arise, they are appropriately declared, and addressed and isolated? (*Paragraph 2.7.3*)  YES

Summarize and provide evidence of the policies and procedures referred to in a) and b):

The Rules of Procedure for the Joint Committee stipulate that the JC members should have no personal or direct financial interest in any matter under consideration by the Joint Committee. In this regard, such conflicts are not expected to occur.

The JCM has a set of rules for the JC members which is stipulated in the Joint Crediting Mechanism Rules of Procedures for the Joint Committee. A paragraph in the document stipulates that the JC members should have no personal or direct financial interest in any matter under consideration by the Joint Committee.

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_02/JCM\\_MN\\_RoP\\_JC\\_ver02.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_02/JCM_MN_RoP_JC_ver02.0.pdf)>

Furthermore, to strengthen the avoidance and prevention of conflicts of interest, introduction of a conflicts of interest declaration form for those involved in decision making during a JC meeting is considered.

If the programme is not directly and currently administered by a public agency, can the programme demonstrate up-to-date professional liability insurance policy of at least USD\$5M? (*Paragraph 2.7.4*)  YES

Provide evidence of such coverage:

N/A. The JCM is operated directly by the relevant ministries of Japan and Mongolia.

### Question 3.8 Transparency and public participation provisions

Does the programme publicly disclose... (Paragraph 2.8)

- a) what information is captured and made available to different stakeholders?  YES
- b) its local stakeholder consultation requirements (if applicable)?  YES
- c) its public comments provisions and requirements, and how they are considered (if applicable)?  YES

Provide evidence of the public availability of items a) through c):

a) what information is captured and made available to different stakeholders?

All the stakeholders are able to access to the JCM website where all rules, guidelines, forms, approved methodologies, registered projects, issued credits, designated TPE and decisions made by the JC under the JCM between Japan and Mongolia are available.

Source: JCM website <https://www.jcm.go.jp/mn-jp>

b) its local stakeholder consultation requirements (if applicable)?

PPs fill in solicitation of comments from local stakeholders in their PDD. PPs also identify stakeholders that have made comments, provide summary of these comments and explain how due account have been taken of comments received.

During the process of validation, a TPE checks completion of local consultation process.

Source: Joint Crediting Mechanism Guidelines for Developing Project Design Document and Monitoring Report

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_04/JCM\\_MN\\_GL\\_PDD\\_MR\\_ver03.1.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_04/JCM_MN_GL_PDD_MR_ver03.1.pdf)>

Source: Joint Crediting Mechanism Guidelines for Validation and Verification

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_06/JCM\\_MN\\_GL\\_VV\\_ver01.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_06/JCM_MN_GL_VV_ver01.0.pdf)>

Submitted PDDs are available on the JCM website.

e.g. MN001 “Installation of high-efficiency Heat Only Boilers in 118th School of Ulaanbaatar City Project” <[https://www.jcm.go.jp/mn-jp/projects/5/pdd\\_file](https://www.jcm.go.jp/mn-jp/projects/5/pdd_file)>

c) its public comments provisions and requirements, and how they are considered (if applicable)?

Under the JCM, the PCP stipulates requirements for proposed methodologies and project design document (PDD) to undergo public comment procedures.

For proposed methodologies, all received comments are publicly made available through the JCM website. The name and contact details of the submitters are also made publicly available on the website as well. Received comments are considered during the review processes of proposed methodologies under the JC.

For proposed project, public input process which makes submitted PDD open on the JCM website is also conducted in parallel to validation. During the process of validation, TPE needs to ensure that all comments on the PDD are taken into account by the PPs.

Does the programme conduct public comment periods relating to... (*Paragraph 2.8*)

- a) methodologies, protocols, or frameworks under development?  YES
- b) activities seeking registration or approval?  YES
- c) operational activities (e.g., ongoing stakeholder feedback)  YES
- d) additions or revisions to programme procedures or rulesets?  YES

Summarize and provide evidence of any programme procedures referred to in a) through d):

Procedures for submission and treatment of public comments are stipulated in the Joint Crediting Mechanism Project Cycle Procedure.

● Methodologies

- After the secretariat deems that the proposed methodology satisfies the completeness check, the secretariat makes the methodology publicly available for public comments through the JCM website for fifteen (15) calendar days.
- The secretariat makes all received comments publicly available through the JCM website.

● PDD

- Upon receipt of the submission, the secretariat makes the PDD publicly available through the JCM website for public comments for thirty (30) calendar days.

All stakeholders can provide their comments on the proposed methodology or PDD through electronic means specified on the JCM website.

Source: JCM website <<https://www.jcm.go.jp/>>,

Joint Crediting Mechanism Project Cycle Procedure

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_03/JCM\\_MN\\_PCP\\_ver06.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_03/JCM_MN_PCP_ver06.0.pdf)>

### Question 3.9 Safeguards system

Are safeguards in place to address... (*Paragraph 2.9*)

- a) environmental risks?  YES
- b) social risks?  YES

Summarize and provide evidence of the safeguards referred to in a) and b), including their availability to the public:

For environmental risks, the JCM has guidelines for Project Design Documents (PDD) in which the PPs are requested to follow legal requirement of environmental impact assessment for the proposed project. For social risks, the PPs will gather opinions from stakeholders through local stakeholder consultation as required in the same guidelines. Further, all the proposed JCM projects as required by the Project Cycle Procedure (PCP), undergo global public input process where all the stakeholders around the world have access to the project information:

- Joint Crediting Mechanism Guidelines for Developing Project Design Document and Monitoring Report  
<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_04/JCM\\_MN\\_GL\\_PDD\\_MR\\_ver03.1.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_04/JCM_MN_GL_PDD_MR_ver03.1.pdf)>
- Joint Crediting Mechanism Project Cycle Procedure  
<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_03/JCM\\_MN\\_PCP\\_ver06.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_03/JCM_MN_PCP_ver06.0.pdf)>

### 3.10 Sustainable development criteria

Does the programme use sustainable development criteria? (*Paragraph 2.10*)  YES

Does the programme have provisions for monitoring, reporting and verification in accordance with these criteria? (*Paragraph 2.10*)  YES

Summarize and provide evidence of the policies and procedures referred to above:

The Guidelines for Developing Sustainable Development Contribution Plan and Report has been adopted as part of the JCM project cycle. When designing a proposed JCM project, PPs apply these Guidelines and provide a comprehensive description of plan and implementation on contributions on sustainable development (hereinafter referred to as “SD”) through their project. PPs should conduct ex-ante analysis of the contribution to SD using the SDCP (Sustainable Development Contribution Plan) form and ex-post evaluation of the contribution to SD using the SDCR (Sustainable Development Contribution Report) form. A sustainable development plan is reviewed by the secretariat of the JC and sustainable development report is evaluated by the JC.

The procedure is described in PCP as described in 3.9 above, and sustainable development criteria are described in the Guidelines in the below URL:

<[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)>

### 3.11 Avoidance of double counting, issuance and claiming

Does the Programme provide information on how it addresses double counting, issuance and claiming in the context of evolving national and international regimes for carbon markets and emissions trading? (*Paragraph 2.11*)  YES

Summarize and provide evidence of the information referred to above, including its availability to the public:

Japan and Mongolia will operationalize the avoidance of double claiming according to the decisions on the guidance of Article 6 under the Paris Agreement. Japan and Mongolia will further discuss how to avoid double counting of JCM credits canceled for the purpose of achieving an emission reduction goal of an airline company, including by marking them as cancelled for the use under the CORSIA in the JCM to distinguish the purpose of cancellation.

Regarding the reporting of the use of credits for the CORSIA, the use of mitigation outcomes for international mitigation purposes other than achievement of its NDC will require reporting under Article 13 of the Paris Agreement, and Japan and Mongolia will follow the international rules.

## PART 4: Carbon Offset Credit Integrity Assessment Criteria

*Note*—where “evidence” is requested throughout *Part 3* and *Part 4*, the Programme should provide web links to documentation. If that is not possible, then the programme may provide evidence of programme procedures directly in the text boxes provided (by copying/pasting the relevant provisions) and/or by attached supporting documentation, as recommended in “SECTION II: INSTRUCTIONS—*Form Completion*”.

*Note*—“*Paragraph X.X*” in this form refers to corresponding paragraph(s) in Appendix A “Supplementary Information for Assessment of Emissions Unit Programmes”.

*Note*—Where the programme has any plans to revise the programme (e.g., its policies, procedures, measures, tracking systems, governance or legal arrangements), including to enhance consistency with a given criterion or guideline, provide the following information in response to any and all relevant form question(s):

- Proposed revision(s);
- Process and proposed timeline to develop and implement the proposed revision(s);
- Process and timeline for external communication and implementation of the revision(s).

### Question 4.1 Are additional

Do the Programme’s carbon offsets... (*Paragraph 3.1*)

- a) represent greenhouse gas emissions reductions or carbon sequestration or removals that exceed any greenhouse gas reduction or removals required by law, regulation, or legally binding mandate?  YES
- b) exceed any greenhouse gas reductions or removals that would otherwise occur in a conservative, business-as-usual scenario?  YES

Summarize and provide evidence of the policies and procedures referred to in a) and b), including their availability to the public:

The JCM incorporates the concept of additionality and baseline-setting into its methodology development. The JC only approves methodologies that apply for advanced low carbon technologies which would not have been introduced in each country without the JCM. Additionality is demonstrated through various methods. For instance, similar to the CDM, a first-of-its-kind approach can be applied to ensure the technology has not been introduced in Mongolia. At the same time, financial or technological barriers can be analyzed to demonstrate the project assumed under such a methodology is not a part of the baseline scenario, thus additional.

Joint Crediting Mechanism Guidelines for Developing Proposed Methodology stipulates that reference emissions are calculated to be below business-as-usual (BaU) emissions ensuring conservativeness hence supporting additionality of proposed projects.

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_05/JCM\\_MN\\_GL\\_PM\\_ver02.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_05/JCM_MN_GL_PM_ver02.0.pdf)>

Is additionality and baseline-setting... (*Paragraph 3.1*)

- a) assessed by an accredited and independent third-party verification entity?  YES
- b) reviewed by the programme?  YES

Summarize and provide evidence of the policies and procedures referred to in a) and b), including their availability to the public:

As explained in the same section above, the JCM methodologies incorporate the concept of additionality and baseline setting, designated Third-Party Entities (TPEs) are not required to assess those aspects of a JCM project.

Instead of having TPEs assess additionality and baseline-setting, the JC together with its secretariat and external experts, if necessary, assess the proposed methodologies whether those concepts are properly reflected in the methodologies.

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_05/JCM\\_MN\\_GL\\_PM\\_ver02.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_05/JCM_MN_GL_PM_ver02.0.pdf)>

Identify one or more of the methods below that the programme has procedures in place to ensure, and to support activities to analyze and demonstrate, that credited mitigation is additional; which can be applied at the project- and/or programme-level: (*Paragraphs 3.1, and 3.1.2 - 3.1.3*)

- Barrier analysis
- Common practice / market penetration analysis
- Investment, cost, or other financial analysis
- Performance standards / benchmarks
- Legal or regulatory additionality analysis (as defined in *Paragraph 3.1*)

Summarize and provide evidence of the policies and procedures referred to in the above list, including describing any/all additionality analyses and test types that are utilized under the programme:

Joint Crediting Mechanism Guidelines for Developing Proposed Methodology stipulates that reference emissions are calculated to be below business-as-usual (BaU) emissions ensuring conservativeness hence supporting additionality of proposed projects. More specifically, these guidelines provide detailed instruction on how reference emissions may be derived from as listed below:

- The current situation and performance;
- Average historical performance;
- Performance of similar products and technologies which compete with the project technology;
- Legal requirements;
- Voluntary standards and targets;
- Best available technology of the partner country

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_05/JCM\\_MN\\_GL\\_PM\\_ver02.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_05/JCM_MN_GL_PM_ver02.0.pdf)>

Although it is not explicitly mentioned in the guidelines, PPs are able to use any analysis listed above. For example, in the Mongolian first methodology applies common practice approach as explained in the additional information <[https://www.jcm.go.jp/mn-jp/methodologies/5/attached\\_document1](https://www.jcm.go.jp/mn-jp/methodologies/5/attached_document1)>

If the Programme provides for the use of method(s) not listed above, describe the alternative procedures and how they ensure that activities are additional: (*Paragraph 3.1*)

N/A

If the programme designates certain activities as automatically additional (e.g., through a “positive list” of eligible project types), does the programme provide clear evidence on how the activity was determined to be additional? (*Paragraph 3.1*)  YES

Summarize and provide evidence of the policies and procedures for determining the automatic additionality of activities, including a) the criteria used to determine additionality and b) their availability to the public:

Please refer to the explanation above.

Explain how the procedures described under Question 4.1 provide a reasonable assurance that the

mitigation would not have occurred in the absence of the offset programme: (*Paragraph 3.1*)

A reasonable assurance is given by a TPE at the verification stage to the claimed emission reductions for ensuring the amount of emission reductions is free of material errors. The threshold of materiality for verification is set at five (5) percent of emission reductions.

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_06/JCM\\_MN\\_GL\\_VV\\_ver01.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_06/JCM_MN_GL_VV_ver01.0.pdf)>

#### Question 4.2 Are based on a realistic and credible baseline

Are procedures in place to... (*Paragraph 3.2*)

a) issue emissions units against realistic, defensible, and conservative baseline estimations of emissions?  YES

b) publicly disclose baselines and underlying assumptions?  YES

Summarize and provide evidence of the policies and procedures referred to in a) and b), including how “*conservativeness*” of baselines and underlying assumptions is defined and ensured:

Joint Crediting Mechanism Guidelines for Developing Proposed Methodology stipulates that reference emissions are calculated to be below business-as-usual (BaU) emissions ensuring conservativeness.

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_05/JCM\\_MN\\_GL\\_PM\\_ver02.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_05/JCM_MN_GL_PM_ver02.0.pdf)>

Are procedures in place to ensure that *methods of developing baselines*, including modelling, benchmarking or the use of historical data, use assumptions, methodologies, and values do not over-estimate mitigation from an activity? (*Paragraph 3.2.2*)  YES

Summarize and provide evidence of the policies and procedures referred to above:

The conservative baselines are established as per methodology. The list of approved methodologies and relevant documents are publicly available.

<<https://www.jcm.go.jp/mn-jp/methodologies/approved>>

Are procedures in place for activities to respond, as appropriate, to changing baseline conditions that were not expected at the time of registration? (*Paragraph 3.2.3*)  YES

Summarize and provide evidence of the policies and procedures referred to above:

Baseline conditions may change depending on technologies used in projects and countries, and revision of baseline is considered and conducted based on its necessity. Certain methodologies require the JC to review and update default values and emission factors used to calculate emission reductions.

An example of solar PV power generation methodology in Mongolia stipulates that the default heat efficiency value to be revised if deemed necessary by the JC. This principle will be applied to all the methodologies approved under the JCM in Mongolia.

<[https://www.jcm.go.jp/mn-jp/methodologies/47/approved\\_pdf\\_file](https://www.jcm.go.jp/mn-jp/methodologies/47/approved_pdf_file)>

Question 4.3 Are quantified, monitored, reported, and verified

Are procedures in place to ensure that...

- a) emissions units are based on accurate measurements and valid quantification methods/protocols? (*Paragraph 3.3*)  YES
- b) validation occurs prior to or in tandem with verification? (*Paragraph 3.3.2*)  YES
- c) the results of validation and verification are made publicly available? (*Paragraph 3.3.2*)  YES
- d) monitoring, measuring, and reporting of both activities and the resulting mitigation is conducted at *specified intervals* throughout the duration of the crediting period? (*Paragraph 3.3*)  YES
- e) mitigation is measured and verified by an accredited and independent third-party verification entity? (*Paragraph 3.3*)  YES
- f) *ex-post* verification of mitigation is required in advance of issuance of emissions units? (*Paragraph 3.3*)  YES

Are provisions in place... (*Paragraph 3.3.3*)

- a) to manage and/or prevent conflicts of interest between accredited third-party(ies) performing the validation and/or verification procedures, and the programme and the activities it supports?  YES
- b) requiring accredited third-party(ies) to disclose whether they or any of their family members are dealing in, promoting, or otherwise have a fiduciary relationship with anyone promoting or dealing in, the offset credits being evaluated?  YES
- c) to address and isolate such conflicts, should they arise?  YES

Summarize and provide evidence of the policies and procedures referred to in a) through c):

JCM credits are issued based on accurate measurements in line with measurement methods and procedures in the monitoring spreadsheet of each methodology. An example of a spreadsheet can be found in the URL <[https://www.jcm.go.jp/mn-jp/methodologies/5/monitoring\\_spreadsheet\\_file](https://www.jcm.go.jp/mn-jp/methodologies/5/monitoring_spreadsheet_file)>

If detailed description is not available, PPs can follow instructions in the Joint Crediting Mechanism Guidelines for Developing Project Design Document and Monitoring Report which defines accuracy level and calibration requirements for measuring equipment used in JCM projects.

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_04/JCM\\_MN\\_GL\\_PDD\\_MR\\_ver03.1.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_04/JCM_MN_GL_PDD_MR_ver03.1.pdf)>

Validation is required to occur prior to or in tandem with verification under the JCM, and the procedure is described in PCP. <[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_03/JCM\\_MN\\_PCP\\_ver06.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_03/JCM_MN_PCP_ver06.0.pdf)>

The results of validation and verification is made available for each project on the JCM website:

<<https://www.jcm.go.jp/>>

Monitoring, measuring, and reporting of both activities and the resulting mitigation is conducted at specified intervals that PPs decide.

Mitigation is measured and verified by an accredited and independent third-party verification entity and *ex-post* verification of mitigation is required in advance of issuance of emissions units.

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_03/JCM\\_MN\\_PCP\\_ver06.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_03/JCM_MN_PCP_ver06.0.pdf)>

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_06/JCM\\_MN\\_GL\\_VV\\_ver01.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_06/JCM_MN_GL_VV_ver01.0.pdf)>

The JCM allows entities accredited under ISO14065 and designated under the CDM to perform validation and verification. The provisions in ISO14065 and CDM accreditation standards ensure management and/or prevention of conflict of interests.

For ISO14065, validation or verification bodies are required to act impartially and avoid conflicts of interest. <<https://www.iso.org/standard/60168.html>>

For DOE, the CDM accreditation standard stipulates that “the DOE shall act impartially and avoid any conflict of interest that may compromise its ability to make impartial decisions”.

<[https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20180323155152132/accr\\_stan01.pdf](https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20180323155152132/accr_stan01.pdf)>

Are procedures in place requiring that... (Paragraph 3.3.4)

a) the renewal of any activity at the end of its crediting period includes a reevaluation of its baselines, and procedures and assumptions for quantifying, monitoring, and verifying mitigation, including the baseline scenario?  YES

b) the same procedures apply to activities that wish to undergo verification but have not done so within the programme's allowable number of years between verification events?  YES

Summarize and provide evidence of the policies and procedures referred to in a) and b), including identifying the allowable number of years between verification events:

The JCM does not employ the concept of crediting period which will be applied to all types of JCM projects. The PPs need to stipulate operational lifetime of emission reductions technologies (equipment and machines) in the PDDs. With regard to reevaluation and update of baseline, JCM approved methodologies have requirements for regular updates of default values and certain factors, as necessary, to ensure conservativeness in the event of broader dissemination of new technologies.

Are procedures in place to transparently identify units that are issued *ex-ante* and thus ineligible for use in the CORSIA? (Paragraph 3.3.5)  YES

Provide evidence of the policies and procedures referred to above:

There is no procedure allowed for ex-ante credit issuance in the PCP.  
<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_03/JCM\\_MN\\_PCP\\_ver06.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_03/JCM_MN_PCP_ver06.0.pdf)>

#### Question 4.4 Have a clear and transparent chain of custody

SECTION III, Part 3.4—*Identification and tracking* includes questions related to this criterion. No additional information is requested here.

#### Question 4.5 Represent permanent emissions reductions

List all emissions sectors (if possible, activity types) supported by the Programme that present a potential risk of reversal of emissions reductions, avoidance, or carbon sequestration:

N/A

What is the minimum scale of reversal for which the Programme provisions or measures require a response? (Quantify if possible)

N/A

For sectors/activity types identified in the first question in this section, are procedures and measures in place to require and support these activities to...

a) undertake a risk assessment that accounts for, *inter alia*, any potential causes, relative scale, and relative likelihood of reversals? (Paragraph 3.5.2)  YES

b) monitor identified risks of reversals? (Paragraph 3.5.3)  YES

- c) mitigate identified risks of reversals? (*Paragraph 3.5.3*)  YES
- d) ensure full compensation for material reversals of mitigation issued as emissions units and used toward offsetting obligations under the CORSIA? (*Paragraph 3.5.4*)  YES

Summarize and provide evidence of the policies and procedures referred to in a) through d)

N/A

Are provisions in place that... (*Paragraph 3.5.5*)

- a) confer liability on the activity proponent to monitor, mitigate, and respond to reversals in a manner mandated in the programme procedures?  YES
- b) require activity proponents, upon being made aware of a material reversal event, to notify the programme within a specified number of days?  YES
- c) confer responsibility to the programme to, upon such notification, ensure and confirm that such reversals are fully compensated in a manner mandated in the programme procedures?  YES

Summarize and provide evidence of the policies and procedures referred to in a) through c), including indicating the *number of days within which activity proponents must notify the programme of a material reversal event*:

N/A

- Does the programme have the capability to ensure that any emissions units which compensate for the material reversal of mitigation issued as emissions units and used toward offsetting obligations under the CORSIA are fully eligible for use under the CORSIA? (*Paragraph 3.5.6*)  YES

Summarize and provide evidence of the policies and procedures referred to above:

N/A

- Would the programme be willing and able, upon request, to demonstrate that its permanence provisions can fully compensate for the reversal of mitigation issued as emissions units and used under the CORSIA? (*Paragraph 3.5.7*)  YES

#### Question 4.6 Assess and mitigate against potential increase in emissions elsewhere

List all emissions sectors (if possible, activity types) supported by the programme that present a potential risk of material emissions leakage:

Under the JCM, all GHG emissions that are significant and reasonably attributable to the JCM project, regardless of whether those from inside or outside a project boundary, are required to be identified in methodologies in line with the “Joint Crediting Mechanism Guidelines for Developing Proposed Methodology”. Thus, “leakage” emissions are fully addressed under the JCM since material emissions that may result from the implementation of the JCM projects are assessed and calculated as project emissions.

Source: Joint Crediting Mechanism Guidelines for Developing Proposed Methodology

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_05/JCM\\_MN\\_GL\\_PM\\_ver02.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_05/JCM_MN_GL_PM_ver02.0.pdf)>

Are measures in place to assess and mitigate incidences of material leakage of emissions that may result from the implementation of an offset project or program? (Paragraph 3.6)  YES

Summarize and provide evidence of the policies and procedures referred to above:

As stated in response to the previous instruction, all GHG emissions that are significant and reasonably attributable to the JCM project, regardless of whether those from inside or outside a project boundary, are required to be identified and material emissions that may result from the implementation of the JCM projects are assessed and calculated as project emissions.  
Source: Joint Crediting Mechanism Guidelines for Developing Proposed Methodology  
<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_05/JCM\\_MN\\_GL\\_PM\\_ver02.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_05/JCM_MN_GL_PM_ver02.0.pdf)>

Are provisions in place requiring activities that pose a risk of leakage when implemented at the project-level to be implemented at a national level, or on an interim basis on a subnational level, in order to mitigate the risk of leakage? (Paragraph 3.6.2)  YES

Summarize and provide evidence of the policies and procedures referred to above:

N/A

Are procedures in place requiring and supporting activities to monitor identified leakage? (Paragraph 3.6.3)  YES

Summarize and provide evidence of the policies and procedures referred to above:

As stated in response to the previous instruction, all GHG emissions that are significant and reasonably attributable to the JCM project, regardless of whether those from inside or outside a project boundary, are required to be identified and material emissions that may result from the implementation of the JCM projects are assessed and calculated as project emissions.  
Source: Joint Crediting Mechanism Guidelines for Developing Proposed Methodology  
<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_05/JCM\\_MN\\_GL\\_PM\\_ver02.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_05/JCM_MN_GL_PM_ver02.0.pdf)>

Are procedures in place requiring activities to deduct from their accounting emissions from any identified leakage that reduces the mitigation benefits of the activities? (Paragraph 3.6.4)  YES

Summarize and provide evidence of the policies and procedures referred to above:

As stated in the first instruction in this section, the concept of “leakage” is not defined or used under the JCM, however, material emissions that may result from the implementation of the JCM projects are assessed and calculated as project emissions which are used to calculate emission reductions.  
Source: Joint Crediting Mechanism Guidelines for Developing Proposed Methodology  
<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_05/JCM\\_MN\\_GL\\_PM\\_ver02.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_05/JCM_MN_GL_PM_ver02.0.pdf)>

Question 4.7 Are only counted once towards a mitigation obligation

Does the Programme have measures in place for the following:

- a) to ensure the transparent transfer of units between registries; and that only one unit is issued for one tonne of mitigation (*Paragraphs 3.7.1 and 3.7.5*)  YES
- b) to ensure that one unit is issued or transferred to, or owned or cancelled by, only one entity at any given time? (*Paragraphs 3.7.2 and 3.7.6*)  YES
- c) to discourage and prohibit the double-selling of units, which occurs when one or more entities sell the same unit more than once? (*Paragraph 3.7.7*)  YES
- d) to require and demonstrate that host countries of emissions reduction activities agree to account for any offset units issued as a result of those activities such that double claiming does not occur between the airline and the host country of the emissions reduction activity? (*Paragraph 3.7.3*)  YES

Summarize and provide evidence of the policies and procedures referred to in a) through d):

- a)
- The JCM started its operation as the internationally non-tradable credit type mechanism, therefore, the transfer of units between registries does not occur. Under the JCM, each Government issues JCM credits to an account in the respective registry upon notification by the secretariat of the decision by the Joint Committee regarding credit issuance. As each Government is required to notify the issuance of credits to its registry to the Joint Committee through the secretariat in line with the “Joint Crediting Mechanism Project Cycle Procedure”, it is possible to ensure that double issuance is avoided and that only one unit is issued for one tonne of mitigation.
- In addition, each side is required to check the status of the issuance and use of JCM credits to make sure that double counting for the JCM projects under any other international climate mitigation mechanisms is avoided in line with “Rules of Implementation for the Joint Crediting Mechanism (JCM)”. For this purpose, PPs are required to declare that their proposed JCM projects are not registered under any other international climate mitigation mechanisms other than the JCM on the “JCM Modalities of Communication Statement Form” and TPEs assess whether the (proposed) JCM projects are not registered under other international climate mitigation mechanisms during both validation and verification process in line with the “Joint Crediting Mechanism Guidelines for Validation and Verification”, it ensures to avoid double registration, then avoids double counting of GHG emission reductions by the JCM projects.
- PPs take necessary measures and declare the avoidance of double counting in the Modalities of Communications they submit.
- b)
- Under the JCM, each side is required to establish and maintain the JCM registry to ensure the accurate accounting of the issuance, holding, transfer, acquisition, cancellation and retirement of JCM credits in line with “Common Specifications of the JCM Registry”. The specifications stipulate that each JCM credit is held in only one account in one JCM registry at a given time and that the JCM credits transferred to the retirement account or the cancellation account cannot be further transferred, therefore, it contributes to avoidance of double use.
- c)
- “Common Specifications of the JCM Registry” stated above stipulate that each JCM credit is held in only one account in one JCM registry at a given time, therefore, it contributes to avoid double selling.
- d)
- Japan and Mongolia will consider measures to be implemented for the avoidance of double claiming between the airlines and the host country of the same emission reductions in accordance with decision under the Paris Agreement.

Source:

Joint Crediting Mechanism Project Cycle Procedure

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_03/JCM\\_MN\\_PCP\\_ver06.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_03/JCM_MN_PCP_ver06.0.pdf)>

Rules of Implementation for the Joint Crediting Mechanism (JCM)

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_01/JCM\\_MN\\_RoI\\_ver04.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_01/JCM_MN_RoI_ver04.0.pdf)>

JCM Modalities of Communication Statement Form

<[https://www.jcm.go.jp/forms/mn/moc\\_pdf/JCM\\_MN\\_F\\_MoC\\_ver02.0.pdf](https://www.jcm.go.jp/forms/mn/moc_pdf/JCM_MN_F_MoC_ver02.0.pdf)>

Joint Crediting Mechanism Guidelines for Validation and Verification

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_06/JCM\\_MN\\_GL\\_VV\\_ver01.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_06/JCM_MN_GL_VV_ver01.0.pdf)>

Common Specifications of the JCM Registry

<[https://www.jcm.go.jp/opt/mn-jp/rules\\_and\\_guidelines/download/JCM\\_MN\\_Spec\\_Registry\\_ver01.0.pdf](https://www.jcm.go.jp/opt/mn-jp/rules_and_guidelines/download/JCM_MN_Spec_Registry_ver01.0.pdf)>

Does the Programme have procedures in place for the following: (*Paragraph 3.7.8*)

- a) to obtain, or require activity proponents to obtain and provide to the programme, written attestation from the host country's national focal point or focal point's designee?  YES
- b) for the attestation(s) to specify, and describe any steps taken, to prevent mitigation associated with units used by operators under CORSIA from also being claimed toward a host country's national mitigation target(s) / pledge(s)?  YES
- c) for Host country attestations to be obtained and made publicly available prior to the use of units from the host country in the CORSIA?  YES

Summarize and provide evidence of the policies and procedures referred to in a) through c):

Japan and Mongolia plan to have procedure for attestation to incorporate the issues listed above.

Does the Programme have procedures in place requiring... (*Paragraph 3.7.9*)

- a) that activities take approach(es) described in (any or all of) these sub-paragraphs to prevent double-claiming?  YES
- Emissions units are created where mitigation is not also counted toward national target(s) pledge(s) / mitigation contributions / mitigation commitments. (*Paragraph 3.7.9.1*)
  - Mitigation from emissions units used by operators under the CORSIA is appropriately accounted for by the host country when claiming achievement of its target(s) / pledges(s) / mitigation contributions / mitigation commitments, in line with the relevant and applicable international provisions. (*Paragraph 3.7.9.2*)
  - Programme procedures provide for the use of method(s) to avoid double-claiming which are not listed above (*Paragraph 3.7.9.3*)
- b) that Host Country attestations confirm the use of approach(es) referred to in the list above?  YES

Summarize and provide evidence of the policies and procedures referred to in a) and b):

The bilateral document of the JCM stipulates that JCM projects are not registered under other mechanisms to avoid double counting. This leads to avoidance of double claiming.

<[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)> and its modification <[https://www.jcm.go.jp/opt/mn-jp/rules\\_and\\_guidelines/download/modification\\_bilat\\_doc.pdf](https://www.jcm.go.jp/opt/mn-jp/rules_and_guidelines/download/modification_bilat_doc.pdf)>

Japan and Mongolia will consider measures to be implemented for the avoidance of double claiming between the airline and the host country of the same emission reductions in accordance with decision under the Paris Agreement.

Does the Programme... (Paragraph 3.7.10)

a) make publicly available any national government decisions related to accounting for units used in ICAO, including the contents of host country attestations described in paragraph 3.7.8?  YES

b) update information pertaining to host country attestation as often as necessary to avoid double-claiming.  YES

Summarize and provide evidence of the policies and procedures referred to in a) and b):

Japan and Mongolia do not have specific decisions on accounting for units used in ICAO, including the contents of host country attestations, nor update information pertaining to host country attestation. However, Japan and Mongolia would consider taking decisions.

Does the Programme have procedures in place to compare countries' accounting for emissions units in national emissions reports against the volumes of eligible units issued by the programme and used under the CORSIA which the host country's national reporting focal point or designee otherwise attested to its intention to not double-claim? (Paragraph 3.7.11)  YES

Summarize and provide evidence of the policies and procedures referred to above:

Japan and Mongolia do not have specific procedures to compare countries' accounting for emissions units in national emissions reports against the volumes of eligible units issued by the JCM and used under the CORSIA currently. However, Japan and Mongolia would consider developing procedures if required.

Does the Programme have procedures in place for the programme, or proponents of the activities it supports, to compensate for, replace, or otherwise reconcile double-claimed mitigation associated with units used under the CORSIA which the host country's national accounting focal point or designee otherwise attested to its intention to not double-claim? (Paragraph 3.7.13)  YES

Summarize and provide evidence of the policies and procedures referred to above:

In case when JCM implementing authorities find an error in records in the JCM registry of Japan, they may take measures to correct errors including double issuance.

Source: Guidelines for the Implementation of the JCM in Japan

<[https://www.jcmregistry.go.jp/contents/JP/Summary/guidelines\\_en.pdf](https://www.jcmregistry.go.jp/contents/JP/Summary/guidelines_en.pdf)>

Japan and Mongolia will consider specific measures to be implemented for the avoidance of double claiming in this context.

Would the Programme be willing and able, upon request, to report to ICAO’s relevant bodies, as requested, performance information related to, *inter alia*, any material instances of and programme responses to country-level double-claiming; the nature of, and any changes to, the the number, scale, and/or scope of host country attestations; any relevant changes to related programme measures? (*Paragraph 3.7.12*)

YES

#### Question 4.8 Do no net harm

Are procedures in place to ensure that offset projects do not violate local, state/provincial, national or international regulations or obligations? (*Paragraph 3.8*)

YES

Summarize and provide evidence of the policies and procedures referred to above:

Under the JCM, PPs are required to state the legal requirement of environmental impact assessment for the proposed project in the project design document and to attach the conclusions of environmental assessment to the PDD if applicable in line with the “Joint Crediting Mechanism Guidelines for Developing Project Design Document and Monitoring Report” and it is confirmed by the TPEs in line with the “Joint Crediting Mechanism Guidelines for Validation and Verification”.

Source:

Joint Crediting Mechanism Guidelines for Developing Project Design Document and Monitoring Report  
<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_04/JCM\\_MN\\_GL\\_PDD\\_MR\\_ver03.1.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_04/JCM_MN_GL_PDD_MR_ver03.1.pdf)>

Joint Crediting Mechanism Guidelines for Validation and Verification

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_06/JCM\\_MN\\_GL\\_VV\\_ver01.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_06/JCM_MN_GL_VV_ver01.0.pdf)>

Describe, and provide evidence that demonstrates, how the programme complies with social and environmental safeguards: (*Paragraph 3.8*)

For environmental risks, PPs are required to state the legal requirement of environmental impact assessment for the proposed project in the PDD and to attach the conclusions of environmental assessment to the PDD if applicable in line with the “Joint Crediting Mechanism Guidelines for Developing Project Design Document and Monitoring Report” and it is confirmed by the TPEs in line with the “Joint Crediting Mechanism Guidelines for Validation and Verification”. For social risks, PPs will gather opinions from stakeholders through local stakeholder consultation. Further, all the proposed JCM projects as required by the “Joint Crediting Mechanism Project Cycle Procedure”, undergo global public input process where all the stakeholders around the world have access to the project information.

Source:

Joint Crediting Mechanism Guidelines for Developing Project Design Document and Monitoring Report  
<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_04/JCM\\_MN\\_GL\\_PDD\\_MR\\_ver03.1.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_04/JCM_MN_GL_PDD_MR_ver03.1.pdf)>

Joint Crediting Mechanism Guidelines for Validation and Verification

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_06/JCM\\_MN\\_GL\\_VV\\_ver01.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_06/JCM_MN_GL_VV_ver01.0.pdf)>

Joint Crediting Mechanism Project Cycle Procedure

<[https://www.jcm.go.jp/rules\\_and\\_guidelines/mn/file\\_03/JCM\\_MN\\_PCP\\_ver06.0.pdf](https://www.jcm.go.jp/rules_and_guidelines/mn/file_03/JCM_MN_PCP_ver06.0.pdf)>

Describe, and provide evidence of the programme’s public disclosure of, the institutions, processes, and procedures that are used to implement, monitor, and enforce safeguards to identify, assess and manage

environmental and social risks: (*Paragraph 3.8*)

Guidelines and procedures which are mentioned in the previous instruction and stipulate the process and procedures to implement, monitor and enforce safeguards, are made publicly available on the following JCM website.

<[https://www.jcm.go.jp/mn-jp/rules\\_and\\_guidelines](https://www.jcm.go.jp/mn-jp/rules_and_guidelines)>

**PART 5: Programme comments**

Are there any additional comments the programme wishes to make to support the information provided in this form?

N/A
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**SECTION IV: SIGNATURE**

*I certify* that I am the administrator or authorized representative (“Programme Representative”) of the emissions unit programme (“Programme”) represented in a) this form, b) evidence accompanying this form, and c) any subsequent oral and/or written correspondence (a-c: “Programme Submission”) between the Programme and ICAO; and that I am duly authorized to represent the Programme in all matters related to ICAO’s analysis of this application form; and that ICAO will be promptly informed of any changes to the contact person(s) or contact information listed in this form.

*As the Programme Representative, I certify* that all information in this form is true, accurate, and complete to the best of my knowledge.

*As the Programme Representative, I acknowledge* that:

the Programme’s participation in the assessment does not guarantee, equate to, or prejudice future decisions by Council regarding CORSIA-eligible emissions units; and

the ICAO is not responsible for and shall not be liable for any losses, damages, liabilities, or expenses that the Programme may incur arising from or associated with its voluntary participation in the assessment; and

as a condition of participating in the assessment, the Programme will not at any point publicly disseminate, communicate, or otherwise disclose the nature, content, or status of communications between the Programme and ICAO, and of the assessment process generally, unless the Programme has received prior notice from the ICAO Secretariat that such information has been and/or can be publicly disclosed.

*Signed:*

Kazuhiisa KOAKUTSU

20/04/2020

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Full name of Programme Representative (*Print*)

Date signed (*Print*)



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Programme Representative (*Signature*)

(This signature page may be printed, signed, scanned and submitted as a separate file attachment)



ICAO

## **Programme Application Form, Appendix B**

### **Programme Assessment Scope**

CONTENTS: With this document, programmes may define which of their activities they are submitting for assessment by the TAB. The two sheets are described below:

Sheet A) Activities the programme describes in this form, which will be assessed by ICAO's TAB

Sheet B) List of all methodologies / protocols that support activities described under Sheet A

**SHEET A: DESCRIBED ACTIVITIES** (Here, list activities supported by the programme that are described in this form for further assessment)

Sector	Supported activity type(s)	Implementation level(s)	Geography(ies)
1. Energy industries (renewable/non-renewable sources)	- Power and/or heat generation from renewable/non-renewable sources and biomass, including construction of new plants, capacity increases, plant retrofitting, energy efficiency and fuel switching - District heating systems and power grids, including construction of new grids and systems, extension of existing	Project-level (not excluding the possibility of program level activity)	Mongolia
2. Energy distribution	- Energy efficiency measures in power transmission and	Project-level (not excluding the possibility of program level activity)	Mongolia
3. Energy demand	- Demand-side energy efficiency measures in diverse sectors	Project-level (not excluding the possibility of program level activity)	Mongolia
4. Manufacturing industries	- Energy efficiency measures in manufacturing industries - Cement production, in particular fuel switching and use of alternative raw materials	Project-level (not excluding the possibility of program level activity)	Mongolia
5. Chemical industry	- Production of chemicals, processed and manufactured materials - Management and abatement of N2O emissions from caprolactam, nitric and adipic acid plants	Project-level (not excluding the possibility of program level activity)	Mongolia
6. Construction	- Activities related to construction of buildings, excluding energy efficiency in buildings	Project-level (not excluding the possibility of program level activity)	Mongolia
7. Transport	- Introduction of modal shifts, fuel switches and less GHG intensive transport modes in the transport of freight and	Project-level (not excluding the possibility of program level activity)	Mongolia
8. Mining/Mineral production	- Management of mine methane - Capture and use of waste gas	Project-level (not excluding the possibility of program level activity)	Mongolia
9. Metal production	- Management of PFC emissions in aluminium production - Management of CO2 emissions in iron production - Waste gas recovery and use in iron and steel production	Project-level (not excluding the possibility of program level activity)	Mongolia
10. Fugitive emissions from fuels (solid, oil and gas)	- Management of associated gas and waste gas in oil and gas facilities	Project-level (not excluding the possibility of program level activity)	Mongolia
11. Fugitive emissions from production and consumption of halocarbons and sulphur hexafluoride	- Mitigation of HFC emissions used as refrigerant and blowing agent - Mitigation of SF6 emissions used as insulating gas in electrical equipment - Mitigation of fluorinated gases emissions used in semiconductor manufacturing	Project-level (not excluding the possibility of program level activity)	Mongolia
12. Solvents use	- Projects involving the use of solvents	Project-level (not excluding the possibility of program level activity)	Mongolia
13. Waste handling and disposal	- Solid waste disposal in landfills - Alternative methods of solid waste management - Wastewater treatment systems - Manure management systems - Biogas management	Project-level (not excluding the possibility of program level activity)	Mongolia
14. Afforestation and	- Afforestation and reforestation projects	Project-level (not excluding the possibility of program level activity)	Mongolia
15. Agriculture	- Management of agricultural operations to reduce emissions - Management of fertilizers application	Project-level (not excluding the possibility of program level activity)	Mongolia

