JCM Project Cycle Procedure

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JCM financed projects in Cambodia

<table>
<thead>
<tr>
<th>Support Scheme</th>
<th>Project Title</th>
<th>Project Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>JCM Model Project</td>
<td>Introduction of High Efficiency LED Lighting Utilizing Wireless Network</td>
<td>Minebea Co., Ltd.</td>
</tr>
<tr>
<td>JCM Model Project</td>
<td>Small-scale Biomass Power Generation by Using Stirling Engines</td>
<td>Promaterials inc.</td>
</tr>
<tr>
<td>JCM Model Project</td>
<td>Introduction of Ultra-lightweight Solar Panels for Power Generation at International School</td>
<td>Asia Gateway Corporation</td>
</tr>
</tbody>
</table>

Once selected, JCM financed projects should follow the JCM project cycle procedure to be registered and issue credits.

☞ JCM project cycle procedure (PCP): complete administrative steps for all JCM processes.  
   https://www.jcm.go.jp/kh-jp/rules_and_guidelines

☞ The “JCM in CHARTS for Cambodia”: descriptions in charts and diagrams.  

Current JCM registered projects

<table>
<thead>
<tr>
<th>Technology used</th>
<th>Registered project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boiler</td>
<td>3</td>
</tr>
<tr>
<td>Chiller</td>
<td>3</td>
</tr>
<tr>
<td>Refrigerator/freezer</td>
<td>3</td>
</tr>
<tr>
<td>Air conditioning with inverter</td>
<td>2</td>
</tr>
<tr>
<td>LED lighting</td>
<td>2</td>
</tr>
<tr>
<td>Digital tachograph</td>
<td>1</td>
</tr>
<tr>
<td>Heat pump</td>
<td>1</td>
</tr>
<tr>
<td>Solar PV system</td>
<td>1</td>
</tr>
</tbody>
</table>

Number of registered project by type

Source: IGES JCM Database, 2016
# JCM Project Cycle
## Measurement, Reporting, Verification (MRV)

<table>
<thead>
<tr>
<th>Process</th>
<th>Main Actor(s)</th>
<th>Output</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development and submission of Proposed Methodology</td>
<td>Methodology proponent/Project Participants Joint Committee</td>
<td>1. Proposed methodology 2. Proposed Methodology Spreadsheet</td>
</tr>
<tr>
<td>Approval of Proposed Methodology</td>
<td>Joint Committee</td>
<td>Approved Methodology</td>
</tr>
<tr>
<td>Validation</td>
<td>Third-Party Entity</td>
<td>Validation report</td>
</tr>
<tr>
<td>Registration</td>
<td>Joint Committee</td>
<td>Project reference number</td>
</tr>
<tr>
<td>Monitoring</td>
<td>Project Participants</td>
<td>Monitoring report</td>
</tr>
<tr>
<td>Verification</td>
<td>Third-Party Entity</td>
<td>Verification report</td>
</tr>
<tr>
<td>Issuance of credits</td>
<td>Each side</td>
<td>Allocation of credits</td>
</tr>
<tr>
<td>Use of credits</td>
<td>Each side</td>
<td>Credit serial number in the registry</td>
</tr>
</tbody>
</table>
Step 1: Approval of methodologies

1. PPs submits a proposed methodology.

2. Secretariat notifies the receipt of the submission to PPs and conducts the completeness check.

3. Secretariat promptly make the methodology publicly available for public comments.

4. Secretariat reviews the proposed methodology.

5. Secretariat submit the outcomes to the JC.

6. The JC considers the proposed methodology and should conclude it.

7. Secretariat makes publicly available the outcome of the consideration as well as relevant documents.

Documents for submission
- JCM proposed methodology form
- JCM proposed methodology spreadsheet form

Cooperate with external experts and/or a panel

Expected outcomes of consideration
- Approval
- Approval with revision
- Non-approval

Reference document: JCM Guidelines for Developing Proposed Methodology
Step 2: PDD Development

A draft PDD consists of a completed “JCM PDD Form” and monitoring plan.

1. PPs prepares a draft PDD and submits it to TPE and the secretariat.

2. Secretariat issues a unique reference number to the proposed JCM project.

3. Secretariat makes the draft PDD publicly available through the JCM website for public comments.

4. Secretariat also makes the other information publicly available.

5. Validation and verification can be conducted simultaneously or separately.

Documents for preparation
- JCM Project Design Document, Monitoring plan and Modalities of communication (MoC)

List of information for publication
- Name of the proposed JCM project
- Location of the proposed JCM project
- Name of all project participants
- Name of the TPE for validation
- Estimated annual ERs of removals
- Name of an approved methodology applied
- Proposed starting date and operation period

Reference document: JCM Guidelines for Developing PDD and Monitoring Report
Step 3: Validation

Validation is the process of independent evaluation of a proposed JCM project by a TPE against VV Guidelines.

1. Validate the Modalities of communication, the proposed JCM project (PDD and monitoring plan sheet etc)
2. Prepare a validation report (JCM validation report form)

TPEs designated by JC in each country are either accredited under ISO 14065 based on ISO 14064-2; or Designated Operational Entities (DOEs) under the Clean Development Mechanism (CDM).

Reference document: JCM Guidelines for Validation and Verification
List of TPEs: https://www.jcm.go.jp/kh-ja/tpes
Step 4: Registration

Registration is the formal acceptance by the Joint Committee of a validated project as a “JCM project”.

Project Participants

1. Receives a positive validation opinion from TPE
2. Requests for registration through the JCM website
   - JCM project registration request form
   - PDD, Modalities of communication, validation report and other supporting documents

Secretariat

3. Maintains a publicly available list of all submitted requests for registration though the JCM website
4. Notifies the receipt of the request for registration to PPs.
5. Conducts completeness check within 7 calendar days.
6. Notifies PPs and the TPE of the conclusion
7. Reviews the submitted documents by PPs
8. Notifies PPs and the TPE of the conclusion of the completeness check.

Joint Committee

9. Receives the outcomes of the secretariat’s reviews
10. Decides whether to register the proposed JCM project

Submit the outcomes to the JC

Reference document:
JCM Project Cycle Procedure
Step 5: Monitoring

1. Prepare a draft monitoring report in line with the methodology, the PDD and Monitoring guidelines

2. Submit it together with supporting documentation to the TPE contracted by PPs

Reference document: JCM Guidelines for Developing PDD and Monitoring Report
Step 5: Monitoring

Monitoring options:
(i) Option A: Based on public data measured by entities other than the project participants (use publicly recognized data e.g. statistical data and specifications)
(ii) Option B: Based on the amount of transaction which is measured directly using measuring equipment (use commercial evidence such as invoices)
(iii) Option C: Based on the actual measurement using measuring equipment (use measured values).

Monitoring spreadsheet

- Monitoring Plan Sheet
  is used before validation for developing a monitoring plan and calculating emission reductions *ex ante*.

- Monitoring Structure Sheet
  is used before validation for developing an operational and management structure to be implemented in order to conduct monitoring.

- Monitoring Report Sheet
  is used before verification for developing a monitoring report and calculating emission reductions *ex post*.

An approved methodology provides default values or methods to identify values for calculating emissions and reductions.

Ex-post monitoring parameters are set minimum as much as possible.

Number of methodology

<table>
<thead>
<tr>
<th>Key monitoring parameters defined in Approved Methodology</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 2</td>
</tr>
<tr>
<td>3 to 5</td>
</tr>
<tr>
<td>More than 5</td>
</tr>
</tbody>
</table>

Source: IGES JCM Database, 2016

Reference document: JCM Guidelines for Developing PDD and Monitoring Report
Verification is the periodic independent review and ex post determination by a TPE of the monitored GHG emissions reductions as a result of a registered JCM project during the verification period.

A TPE determines whether the project complies with the requirements of the applied methodology(ies), these Guidelines, and decisions by the JC. Main focus:

- Eligibility criteria are satisfied
- Monitoring report data credibility and reliability
- Double registration is avoided
- There are no post registration changes which prevent the use of the applied methodology.

Reference document: JCM Guidelines for Validation and Verification
List of TPEs: https://www.jcm.go.jp/kh-jp/tpes
Step 7: Issuance of credits

PPs request the JC to notify each side to issue the credits to its respective account in the registry on the basis of the verification report with the determined allocation of the credits among the project participants.

1. PPs open an account in the registry of the Japanese side and/or the host country side.

2. PPs submit the completed “JCM credits issuance request form” to the secretariat.

3. Secretariat notifies the receipt of the request for issuance to the PPs.

4. Secretariat conducts the completeness check.

5. The JC decides on whether to notify each side of the amount of credits to be issued.

6. Secretariat notifies each side, PPs and TPEs of the result of the JC decision.

7. Each side issues the amount of credits in the registry.

8. Secretariat archives all the data of issuance of credits and make them publicly available through the website.

The JCM Registry has been developed: https://www.jcmregistry.go.jp/

Reference document: JCM Project Cycle Procedure
Tips for developing PDD and Monitoring Plan

- **Eligibility criteria**: technology and project meet eligibility criteria determined by the applied methodology.
- **Rationality of setting a reference emission**: identify a reference scenario that ensure net emission reductions.
- **Confirm national and local regulations**: e.g. for environmental impact assessment, calibration.
- **Diagram** of emission sources and monitoring points: clarify project system and boundary.
- **Monitoring system**: set up monitoring team with persons responsible for managing monitoring points (collect data, maintain and control measuring instruments including calibration/regular inspection), people with an understanding of the JCM project cycle, procedure, and set up data backup system.
- **Follow up comments** raised by local stakeholders.
- **Consistency and accuracy**: recheck data, provide evidence, supporting documents, and equipment specification.
- **Good communication** between project participants, JCM secretariat, and supporting entities.

**Considerations for good practices**

- Quality local stakeholders consultation
  → invite company management, technology users, business associations, relevant government entities (central, provincial, district), general public (e.g. through mass media).
- Involvement of local experts in PDD development
- Manuals in local language
- Training for users
ID001: Project Registration History

Methodology (ID_AM002)

- Proposed methodology: 29 April 2014
- Public comments (15 days): 1-15 May 2014
- Approved (Electronic Decision): 17 Sept 2014

Average time from methodology proposed to methodology approved: **107 days**

Validation TPE-ID-002 LRQA

- Public comments (30 days): 25 Sep-24 Oct 2014
- Desk Review and Onsite Visit by TPE: 28 Oct 2014

Average time from completion of public comments to validation report: **11 days**

Request for registration

- Request for Registration: 28 Oct 2014
- Completeness check by JCM secretariat: 29 Oct 2014
- Registration by JC: 30 Oct 2014

Average time from request for registration to registration: **20 days**

Source: IGES JCM Database, 2016
Documents and Forms

<table>
<thead>
<tr>
<th>Activity</th>
<th>Reference Rules/Guideline Document</th>
<th>Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>• Low Carbon Growth Partnership between the Japanese side and the Cambodian side</td>
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<td></td>
<td>• Rules of Implementation for the Joint Crediting Mechanism (JCM)</td>
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<td></td>
<td>• JCM Glossary of Terms</td>
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<tr>
<td>Joint Committee</td>
<td>JCM Rules of Procedures for the Joint Committee</td>
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<tr>
<td>Project Procedures</td>
<td>Overall JCM Project Cycle Procedure</td>
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</tr>
<tr>
<td>Developing a Methodology</td>
<td>JCM Guidelines for Developing Proposed Methodology</td>
<td>• JCM Proposed Methodology Form</td>
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<tr>
<td></td>
<td></td>
<td>• JCM Proposed Methodology Spreadsheet Form</td>
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<td>• JCM Approved Methodology Revision Request Form</td>
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<td>JCM Guidelines for Developing Project Design Document and Monitoring Report</td>
<td>• JCM Project Design Document Form</td>
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<td></td>
<td>• JCM Modalities of Communication Statement Form</td>
</tr>
<tr>
<td>Monitoring</td>
<td>JCM Project Cycle Procedure</td>
<td>• Monitoring Plan Sheet</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Monitoring Structure Sheet</td>
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<tr>
<td></td>
<td></td>
<td>• Monitoring Report Sheet</td>
</tr>
<tr>
<td>TPE, Validation and Verification</td>
<td>• JCM Guidelines for Designation as a Third-Party Entity</td>
<td>• JCM Application Form for Designation as a Third-Party Entity</td>
</tr>
<tr>
<td></td>
<td>• JCM Guidelines for Validation and Verification</td>
<td>• JCM Validation Report Form</td>
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<td>• JCM Project Registration Request Form</td>
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<td>• JCM Post-Registration Changes Request Form</td>
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<td>• JCM Registration Request Withdrawal Form</td>
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<td>• JCM Project Withdrawal Request Form</td>
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<tr>
<td>Credit Issuance</td>
<td>JCM Project Cycle Procedure</td>
<td>• JCM Credits Issuance Request Form</td>
</tr>
<tr>
<td></td>
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<td>• JCM Issuance Request Withdrawal Form</td>
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Documents can be obtained from https://www.jcm.go.jp/kh-jp/rules_and_guidelines
“JCM in CHARTS for Cambodia” ver1.0 (Oct 2015)

Comprehensive description of the JCM rules and procedures, e.g. for requesting project registration, methodology approval process, validation requirements, etc.

Draft CHARTS in Khmer language under development

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