Paris Agreement and Expectation to “City to City Collaboration”

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Adoption of the Paris Agreement at COP21

- The “Paris Agreement” was adopted at COP21 (November 30 through December 13, venue: Paris-Le Bruget, France)
  - A new international framework for GHG emissions reduction from 2020, to replace the Kyoto Protocol
  - Fair agreement by all of the countries, first time in history
- Prime Minister Abe attended the Summit Meeting.
  - He announced that Japan would offer in 2020 aid of about 1.3 trillion JPY, 1.3 times up from the current level.
  - He encouraged discussions for agreement by contributing to the accomplishment of the goal of $100billion in 2020.

- The Paris Agreement includes the following:
  ✓ It set the world-common long-term goal of 2°C and cited efforts to limit the temperature increase to 1.5 °C.
  ✓ All of the countries including the major emitters submit/update their reduction goals every 5 years.
  ✓ Emphasized the utilization of market mechanism, including JCM which Japan proposed.
  ✓ Establishment of a long-term adaptation goal, implementation of adaptation planning processes and activities of each country, periodical submission and updates of adaptation reports.
  ✓ Emphasized the importance of innovations
  ✓ Developing countries shall voluntarily provide funds, in addition to continued provision of funds from the developed countries
  ✓ All of the countries report their state of implementation by common and flexible methods, to be reviewed.
  ✓ System to confirm the state of implementation of the world every 5 years (global stocktake)
  ✓ The enactment of the Agreement is conditional on the number of countries and amount of emissions.
Adoption of the Paris Agreement at COP21

- The Decision of COP21 includes the following:
  - Non Party Stakeholders
    - Welcomes the efforts of all non-Party stakeholders to address and respond to climate change, including those of civil society, the private sector, financial institutions, cities and other subnational authorities.
    - Invite the non-Party stakeholders referred to in paragraph 134 above to scale up their efforts and support actions to reduce emissions and/or build resilience and decrease vulnerability to the adverse effects of climate change and demonstrate these efforts via the Non-State Actor Zone for Climate Action Platform referred to in paragraph 118.

French Foreign Minister Laurent Fabius, President of COP 21, said: ‘Non-state actor leadership is key to the success of COP21 and to the effective transition to a low-emissions and climate-resilient future. (At the Paris Pledge for Action)

Importance of City to City Collaboration recognized by COP

At COP20 in Dec. 2014, the below initiative is launched.
Non-state actors, city and private sector, are Leading up to COP21.

- The governments of Peru and France, as the incoming COP Presidency, launched a Lima-Paris Action Agenda to catalyze action on climate change, to further increase ambition pre-2020 and support the 2015 agreement.
- Building on the UN Climate Summit in September 2014, the agenda is designed to galvanize national, city and private sector action and will help to convene key global, national, subnational and local leaders and to showcase key significant partnerships and actions of non-state actors.
- French Government treats the agenda as “solution agenda”, which is the one of four pillars of COP21 in December 2015 and convenes a High Level Meeting on Climate Action, i.e. the ‘Action Day’. These official events will be expected to gather high-level attendance and will create a visible sequence during the COP.

- The Lima Climate Action High-level Meeting convened by the President of the Conference of the Parties, Mr. Manuel Pulgar-Vidal, the Minister of the Environment of Peru, on 11 December 2014.
- Nazca (Non-State Actor Zone for Climate Action) Climate Action Portal is newly launched by the government of Peru and developed with the support of the UNFCCC as part of Lima Call for Climate Action.
- The portal aims to increase the visibility of the wealth of climate action by cities, regions, companies and investors and is designed to add climate action data into the process leading up to Paris.
- The portal now displays thousands of climate action data, many of which have been supplied by ICLEI (International Council for Local Environmental Initiatives)’s carbon Climate Registry, including a lot of Municipalities in Japan.
http://climateaction.unfccc.int/
The JCM related Articles in the Paris Agreement

Article 6 of the Agreement

2. Parties shall, where engaging on a voluntary basis in cooperative approaches that involve the use of internationally transferred mitigation outcomes towards nationally determined contributions, promote sustainable development and ensure environmental integrity and transparency, including in governance, and shall apply robust accounting to ensure, inter alia, the avoidance of double counting, consistent with guidance adopted by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement.

3. The use of internationally transferred mitigation outcomes to achieve nationally determined contributions under this Agreement shall be voluntary and authorized by participating Parties.

- Use of market mechanisms, including the JCM, is referred to under Article 6 which prescribes use of emission reductions realized overseas towards national emission reduction target.
- The amount of emission reductions and removals acquired by Japan under the JCM will be appropriately counted as Japan’s reduction in accordance with the Paris Agreement.
- Japan is going to contribute to the development of the guidance for robust accounting including for avoidance of double counting to be adopted by the CPA*.

*the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement

Basic Concept of the JCM

- 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.

*measurement, reporting and verification
JCM Partner Countries

- Japan has held consultations for the JCM with developing countries since 2011 and has established the JCM with 16 countries as shown below.
- Total 7 JCM projects have been registered (3 JCM projects between Indonesia and Japan, 2 JCM projects between Mongolia and Japan, 2 JCM project between Viet Nam and Japan, and 1 JCM project between Palau and Japan).

JCM Project Flow and JCM Supports by MOEJ

JCM Project Flow

1. Project Formation
2. Project Development
3. Project Implementation
4. Acquisition of JCM Credits

JCM Supports by MOEJ

<table>
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<th>Capacity Building Programmes and Feasibility Studies</th>
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<td>FY16 (draft budget): JPY1.1B (US$9.17MM)</td>
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JCM Model Projects

- FY16 (draft budget): JPY6.7B (US$56MM) over 3 years
- This includes collaboration with projects supported by JICA and other governmental-affiliated financial institute.
  - Small/medium-scale projects (JPY several tens of million to several hundreds of million)
  - Applicable to infrastructure projects (PPP projects, JICA overseas investment projects) (JPY several billion to over 10 billion)

ADB Trust Fund (JFJCM: Japan Fund for Joint Crediting Mechanism)

- FY14: JPY1.8B, FY15: JPY1.8B and FY16 (draft budget): JPY1.2B
- Cumulative total over 3 years: JPY4.8B (USD40MM)
  - Infrastructure (ADB pipeline projects) (JPY several billion to over 10 billion)

*USD1=JPY120
City to City Collaboration as JCM Feasibility Study

- It is NECESSARY to establish LOW CARBON SOCIETIES in Asia and other developing and emerging countries to reduce GHG emission.
- Under the process of JCM project formulation, it aims NOT ONLY diffusion of advanced low carbon technologies BUT ALSO transfer of knowledge and know-how between Japanese and overseas Local Government in the JCM (Joint Crediting Mechanism) led by Japanese Government.
- Japanese Government emphasizes and supports the City to City Collaboration to leverage the knowledge and know-how of Japanese Local Government transformed or adopted for overseas Local Government in each city.

Win-Win Relation

Advanced low carbon technologies
Transformed Japanese Experience, knowledge and know-how
- Overcome of pollution and Establishment of LCS
- Operation Experiences of institutions and infrastructures

Contributions of establishment of Low Carbon Societies in JCM host Countries

<table>
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<tr>
<th>List of Participants for JCM Feasibility Study</th>
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<tr>
<td>Kitakyushu</td>
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<td>Fukushima</td>
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<td>Kanagawa-pref.</td>
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FY2015 Feasibility studies with City to City Collaboration

- Promotion of low carbon city by properly developing material recycling systems in Bengaluru City (Bengaluru City)
- Establishment of Base for Low-Carbon Project Expansion in Surabaya (Surabaya)
- Project for Developing JCM projects under city-to-city collaboration between Yokohama city and Batam city (Batam)
- Project for Low Carbon Society Development under Collaboration between Bandung City and City of Kawasaki (Bandung City)
- Project for Developing Low-carbon Tourism Cities through the Joint Crediting Mechanism in Siem Reap (Siem Reap)
- JCM projects development (energy efficiency, and waste and waste water) under the Bangkok Master Plan on Climate Change, and study on financial and other facilitation schemes for introducing low carbon technologies (Bangkok)
- Promotion of Decarbonizing of Municipal Waste Management and Ecological Industrial Town in Rayong Prefecture (Rayong Pref.)
- JCM Feasibility Study in Da Nang through “Technical Cooperation for Sustainable Urban Development” with Yokohama City (Da Nang)
- The whole city low carbonization in Hai Phong City (Hai Phong)
- Ho Chi Minh City – Osaka City Cooperation Programme for Developing Low Carbon City (Ho Chi Minh)
- Establishment of Base for Low-Carbon Project Expansion in Iskandar (Iskandar)
- Study for building a sustainable low carbon city around the industrial zone in Pathein city, Ayeyawady Division, Myanmar (Pathein)
- JCM Project Formulation Study through City-to-City Collaboration in Yangon (Yangon)
- Programme for the Establishment of Low-Carbon Historic City in Vientiane, based on City-to-City Cooperation between Vientiane Capital and Kyoto City (Vientiane Capital)
# Merits for City to City Collaboration and Target City

## Merits

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<thead>
<tr>
<th>Country</th>
<th>Local Government</th>
<th>Private Company</th>
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<tr>
<td><strong>Japan</strong></td>
<td>• Proceed the City to City Collaboration under the <strong>Central Government's Collaboration</strong>&lt;br&gt;• <strong>Activation of the regional economy</strong> by adopt of technologies and products of local companies&lt;br&gt;• <strong>Improvement of Name Recognition and Citizen awareness</strong> in host countries&lt;br&gt;• <strong>Involvement from the upstream</strong> to formulate comprehensive project plan like master plan&lt;br&gt;• <strong>Capacity Building and Technical Tradition</strong> for own staffs</td>
<td>• <strong>Easy Access to the Markets, Local Governments and Private Companies</strong> based on the trust between cities..&lt;br&gt;• <strong>Offer the appropriate technologies</strong> in accordance with the Master Plan&lt;br&gt;• <strong>Provide own technologies and experienced high quality infrastructure</strong> in collaboration with local government like waste management and water supply and sewerage systems</td>
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<td><strong>Host Countries</strong></td>
<td><strong>Local Government</strong>&lt;br&gt;• Establishment of LCS with <strong>Lower Administrative Experiences and Cost</strong> by utilizing of PPP scheme&lt;br&gt;• <strong>Raising the quality of life</strong> by enjoying the co-benefits that the improvement of air and water pollution, waste management, energy supply, not only GHG emission&lt;br&gt;• <strong>Enjoy long term support</strong> from Japanese Local Government and making for the operation and maintenance know-how and capacity building for own staffs.</td>
<td>• <strong>Available to install the advanced but expensive low carbon technologies</strong> by JCM financial support programme&lt;br&gt;• <strong>Enjoy the lower life cycle cost</strong> which include not only CAPEX but also OPEX&lt;br&gt;• <strong>Feel the security for the introduction of new technologies</strong> by expectation of assistance and support</td>
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## Target City

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<th>Feature</th>
<th>Details</th>
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<td>Existing Inter-city Relationship</td>
<td>Sister City, Green Sister City</td>
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<td>Similar City Personality</td>
<td>Industrial City, Tourist City</td>
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<tr>
<td>Dissemination Effect</td>
<td>Historically Famous City, Powerful Influential Mayor</td>
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