



**Report on the technical expert review under Article 6,
paragraph 2, of the Paris Agreement of the initial report
referred to in chapter IV.A (Initial report) of the annex to
decision 2/CMA.3 of Japan**

Addendum

Summary

This addendum to the report on the technical expert review under Article 6, paragraph 2, of the Paris Agreement of the initial report referred to in chapter IV.A (Initial report) of the annex to decision 2/CMA.3 of Japan, conducted by an Article 6 technical expert review team in accordance with chapter V (Review) of the annex to decision 2/CMA.3, the guidelines for the Article 6 technical expert review, contained in annex II to decision 6/CMA.4, and chapter VII (Process for identifying, notifying and correcting inconsistencies) of decision 4/CMA.6, contains the results of the review of the consistency of the information submitted by the Party with the reporting requirements in paragraph 18 of the annex to decision 2/CMA.3 and, as relevant, with the supplementary elements of information listed in annex I to decision 4/CMA.6. It presents the recommendations of the Article 6 technical expert review team relating to the areas it has identified for improvement of consistency with the reporting requirements as well as any capacity-building needs identified by the Article 6 technical expert review team in consultation with Japan during the review week, which took place from 8 to 12 December 2025 in Bonn.



Abbreviations and acronyms

CARP	centralized reporting and accounting platform
CCUS	carbon dioxide capture, use and storage
CMA	Conference of the Parties serving as the meeting of the Parties to the Paris Agreement
CO ₂	carbon dioxide
GHG	greenhouse gas
ITMO	internationally transferred mitigation outcome
JCM	Joint Crediting Mechanism
LT-LEDS	long-term low-emission development strategy(ies)
NDC	nationally determined contribution
Premium T-VER	Premium Thailand Voluntary Emission Reduction Program
SDG	Sustainable Development Goal
TERT	technical expert review team

I. Recommendations¹ relating to the areas for improvement identified during the technical expert review of the Party's initial report

1. Tables 1–2 present the recommendations of the Article² 6 TERT relating to the areas for improvement,³ identified during the technical expert review under Article 6, paragraph 2, of the initial report⁴ of Japan, of the consistency of the information submitted by the Party with the requirements in paragraph 18 of the annex to decision 2/CMA.3 and, as relevant, with the supplementary elements of information listed in annex I to decision 4/CMA.6.⁵

2. The recommendations are to be implemented for the Party's next relevant submission of information as per chapter IV (Reporting) of the annex to decision 2/CMA.3, unless otherwise specified. Recommendations for future reporting assume the submission of relevant and up-to-date information at the time of that reporting.

3. The recommendations may also be considered by the Party in the context of reporting the information referred to in paragraph 18(g–i) of the annex to decision 2/CMA.3 for any further Article 6, paragraph 2, cooperative approaches in which it is a participating Party as per paragraph 19 of the annex to the same decision, as relevant.

Table 1

Recommendations relating to identified areas for improvement of the consistency of the general information included in Japan's initial report with the requirements in paragraph 18(a–f) of the annex to decision 2/CMA.3 and, as relevant, with the supplementary elements of information listed in annex I to decision 4/CMA.6

<i>ID#</i>	<i>Element of information to be reported</i>	<i>Description of area for improvement with recommendation</i>
18.A/4.C	The Party has arrangements in place for authorizing the use of ITMOs towards achievement of NDCs pursuant to Article 6, paragraph 3 (decision 2/CMA.3, annex, para. 4(c))	Japan reported that the JCM Promotion and Utilization Council, which was established in 2022 by five of its ministries, is responsible for authorizing the use of ITMOs under the JCM. The Party included a link to a document, “Establishment of the JCM Promotion and Utilization Council”, which explains the mission, composition and functions of the Council. In addition, in the authorization of the JCM as a cooperative approach (available on the CARP), Japan indicated that authorizations of ITMOs and entities are provided at the time of project registration by the Joint Committee, which is composed of representatives of the Government of Japan and the Government of the other Party participating in the cooperative approach, established for the JCM. However, the information reported by Japan was not found to be sufficiently transparent or complete in relation to when the authorization of the cooperative approach is issued and how the Council and the Joint Committee coordinate their respective functions; and whether arrangements for authorizing the use of ITMOs towards achievement of NDCs are the same for the two tracks through which the cooperative approach is implemented (i.e. Premium T-VER track for JCM projects to be registered going forward and the JCM track for existing projects). During the review, Japan provided additional information, explaining that, as stated in paragraphs 1–2 of the authorization of the JCM as a cooperative approach, Japan's authorization is implemented in three steps: (1) the authorization of the cooperative approach is issued at the time of signing the bilateral document concerning JCM implementation (or as soon as possible thereafter); (2) upon registration of the JCM project, the first transfer of ITMOs is authorized on the basis of the estimated issuance volume and their use towards achievement of Japan's NDC, and the Japanese project participant is authorized as an authorized entity; and (3) at the time of credit issuance from

¹ As referred to in decision 6/CMA.4, annex II, para. 5(a).

² “Article” in this report refers to an Article of the Paris Agreement.

³ Referenced in document FCCC/A6/IRTERR.1/2025/JPN, tables 2–3.

⁴ Referred to in decision 2/CMA.3, annex, chap. IV.A (Initial report).

⁵ Such supplementary elements, as referred to in this report, are requested, but not required, to be incorporated in the (updated) initial report as per para. 18 of decision 4/CMA.6. The supplementary elements of information to be reported are written in italics in the tables in this report.

ID#	Element of information to be reported	Description of area for improvement with recommendation
18.A/4.D	The Party has arrangements in place that are consistent with the guidance in the annex to decision 2/CMA.3 and relevant decisions of the CMA for tracking ITMOs (decision 2/CMA.3, annex, para. 4(d))	the relevant JCM project, the first transfer of ITMOs is finalized. Japan also provided information on the composition of the Joint Committee and the JCM Promotion and Utilization Council as well as on their respective functions. In addition, Japan reported that for the Premium T-VER track authorization is implemented according to the above procedure, and that for the JCM track for existing projects authorization is, in principle, implemented in accordance with steps 2–3 above. The Article 6 TERT acknowledges the additional information provided by Japan and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that Japan include the information in its future reporting. The Article 6 TERT also recommends that Japan include further information in its future reporting on how the Joint Committee and the JCM Promotion and Utilization Council coordinate their respective functions, including how the Joint Committee informs the Council when a project has been registered. The Article 6 TERT further recommends that Japan include information in its future reporting to clarify any differences between the arrangements that are in place for authorizing the use of ITMOs towards achievement of NDCs under the two tracks through which the cooperative approach is implemented. Japan reported that it uses the JCM registry for Japan, the establishment of which was provided for in the Act on Promotion of Global Warming Countermeasures, for tracking the credits that are issued as ITMOs under the JCM. The Party noted that the registry was developed in line with the requirements set out in the document “Common Specifications of the JCM Registry” and that it will be implemented in a manner consistent with relevant decisions of the CMA. However, the information reported by Japan was not found to be sufficiently transparent or complete in relation to the compliance of the JCM registry with relevant decisions of the CMA. Regarding the “Common Specifications of the JCM Registry”, the Party did not provide a link to the document or explain how the specifications align with the requirements in chapter I.A of annex I to decision 6/CMA.4. It is, in particular, unclear whether the JCM registry assigns unique identifiers to JCM credits and records information and data on authorization, first transfer, transfer, acquisition, use towards NDCs, authorization for use towards other international mitigation purposes and voluntary cancellation, as required by paragraphs 5 and 7 of annex I to decision 6/CMA.4. The Article 6 TERT has determined this inconsistency to be significant, considering that having arrangements in place for tracking ITMOs, consistently with relevant decisions of the CMA, is a requirement for participating in cooperative approaches and essential for ensuring environmental integrity, particularly in order to avoid double counting and prevent any impact on the emissions balance and/or adjusted indicator. During the review, Japan provided additional information, explaining that the JCM registry has been operating since November 2015 and that the “Common Specifications of the JCM Registry” were developed before the adoption of the guidance in the annex to decision 2/CMA.3 and other relevant decisions of the CMA. Japan also explained that, in the course of updating the JCM bilateral document between Japan and Thailand after 2021, the “Common Specifications of the JCM Registry” have been integrated into the “Rules of Implementation for the JCM for Existing Projects” and are thus no longer active. A link to the “Common Specifications of the JCM Registry” for the Japan–Thailand JCM was provided by Japan. Japan further explained that section N of those rules of implementation states that the Government of each of the participating Parties establishes and maintains the JCM registry consistently with the guidance in the annex to decision 2/CMA.3, and that the JCM registry consists of a database that includes holding accounts, cancellation accounts and retirement accounts, in which credits are assigned unique identifiers, which include the year (vintage)

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18.A/4.F	The Party's participation in any cooperative approach contributes to the implementation of its NDC and LT-LEDS, if it has submitted one, and the long-term goals of the Paris Agreement (decision 2/CMA.3, annex, para. 4(f))	of the emission reductions or removals, and are tagged as ITMOs, when applicable. All information regarding the issuance, holding, transfer, acquisition, cancellation and retirement of credits is maintained within the system. Japan clarified that the JCM registry is undergoing a major upgrade and currently does not have a function to specify authorization details, such as use towards other international mitigation purposes other than the Carbon Offsetting and Reduction Scheme for International Aviation. Japan reported that it intends to make the upgraded registry operational by the second quarter of 2026 and that, until then, a provisional ITMO registry is in operation alongside the current JCM registry to record all actions concerning JCM credits that become ITMOs, including authorization, in a manner that satisfies the unique identifier requirements specified in paragraph 5 of annex I to decision 6/CMA.4. The Article 6 TERT acknowledges the additional information provided by Japan and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that Japan include the information in its future reporting. The Article 6 TERT also recommends that Japan operationalize the upgraded JCM registry as soon as possible and include further information in its future reporting on how the registry meets all the requirements in chapter I.A of annex I to decision 6/CMA.4. Japan reported that it aims to reduce its GHG emissions by 46 per cent in fiscal year 2030, by 60 per cent in fiscal year 2035 and by 73 per cent in fiscal year 2040 relative to the level in fiscal year 2013. These ambitious targets are aligned with the global goal to limit the global temperature increase to 1.5 °C above pre-industrial levels and they set the Party on a linear pathway towards achieving net zero emissions by 2050. Japan noted that it submitted on 29 October 2021 an LT-LEDS in which the JCM is presented as contributing to international cooperation on climate change through its goal of driving global GHG emission reductions and removals, thereby contributing to carbon neutrality. However, the information reported by Japan was not found to be sufficiently transparent or complete in relation to how the Party's participation in the cooperative approach will contribute to the implementation of its NDC, the achievement of any specific NDC target and/or the realization of GHG emission reductions or removals for any particular source (sector or category). In addition, Japan did not quantify or explain the expected contribution of the cooperative approach to achieving its LT-LEDS or the long-term goals of the Paris Agreement. During the review, Japan provided additional information, explaining that it aims to secure cumulative emission reductions and removals of approximately 100 Mt CO₂ by fiscal year 2030 and 200 Mt CO₂ by fiscal year 2040 through public-private collaboration under the JCM. It will use these credits to achieve its NDC. Japan also clarified that its LT-LEDS states that the JCM will contribute to GHG emission reductions and removals in partner countries through the diffusion of advanced decarbonization technologies and the implementation of mitigation measures, thus supporting carbon neutrality in global terms. With these efforts, Japan will ultimately contribute to achieving the long-term goals of the Paris Agreement. The Article 6 TERT acknowledges the additional information provided by Japan and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that Japan include the information in its future reporting.

Table 2

Recommendations relating to identified areas for improvement of the consistency of the information included in Japan's initial report with the requirements in paragraph 18(g–i) of the annex to decision 2/CMA.3 and, as relevant, with the supplementary elements of information listed in annex I to decision 4/CMA.6 for cooperative approach CA0007, “Joint Crediting Mechanism between the Government of Japan and the Government of the Kingdom of Thailand”

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18.G.1	Copy of the authorization by the participating Party (decision 2/CMA.3, annex, para. 18(g))	Japan reported that the JCM Promotion and Utilization Council promptly publishes information on authorization on the JCM website, including the name of the relevant partner country, the name of the JCM project, the name of the legal entity acquiring JCM credits, the JCM credit identification number and the status of authorization by the relevant partner country. The authorization of the JCM as the cooperative approach between Japan and Thailand is available on the CARP, which states that “any changes to authorization of the use of ITMOs will not apply to, or affect, mitigation outcomes that have already been first transferred unless it is found that the projects participants deliberately provided false information that significantly differs from fact...and the authorization was issued based on such false information”. However, the information reported by Japan was not found to be sufficiently transparent or complete in relation to where on the JCM website and in what format the authorizations of entities and ITMOs issued by Japan will be made available. It is also unclear how double counting will be avoided if changes to authorization of the use of ITMOs occur. During the review, Japan provided additional information relating to authorization, explaining that the authorization of entities and ITMOs will be announced on the “News” section of the JCM website for the cooperative approach and that the authorization documents will be made available on the CARP. The Party clarified that Japan and Thailand will decide on appropriate measures to implement to prevent double counting when any changes to authorization occur and that those measures will be published on the JCM website as well as on the website of the new JCM registry that is under development. The Article 6 TERT acknowledges the additional information provided by Japan and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that Japan include the information in its future reporting.
18.G.2	Description of the cooperative approach (decision 2/CMA.3, annex, para. 18(g))	Japan reported that the JCM is a bilateral crediting mechanism that was established with the aim of quantitatively evaluating the Party's contributions to global GHG emission reductions and removals and using this contribution towards achieving its NDC in a manner consistent with the guidance in the annex to decision 2/CMA.3 and other relevant decisions of the CMA. Under the JCM, emission reductions are achieved through the diffusion of, inter alia, advanced decarbonization technologies, products, systems, services and infrastructure and through the implementation of mitigation measures in developing and other countries. The Party also reported that the JCM between the Governments of Japan and Thailand is implemented through two tracks: the Premium T-VER for projects other than existing projects and the JCM for existing projects. However, the information reported by Japan was not found to be sufficiently transparent or complete in relation to the differences between the two tracks and when each track would be used. During the review, Japan provided additional information, explaining that the differences relate mainly to the decision-making bodies and the applicable rules and guidelines. It clarified that, under the Premium T-VER, decisions are made individually by the Governments of Japan and Thailand except for the approval of the project idea note by the Joint Committee, and that methodology development, project registration and credit issuance are carried out in line with the rules and guidelines for the Premium T-VER, developed by Thailand. Japan also explained that, for existing JCM projects (that are listed in the

ID#	Element of information to be reported	Description of area of improvement with recommendation
18.H.1	How the cooperative approach ensures environmental integrity, including that there is no net increase in global emissions within and between NDC implementation periods (decision 2/CMA.3, annex, para. 18(h)(i))	appendix to the “Rules of Implementation for the JCM for Existing Projects”), decisions are made by the Joint Committee and projects are implemented in line with the rules and guidelines decided by the Committee. The Article 6 TERT acknowledges the additional information provided by Japan and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that Japan include the information in its future reporting. Japan reported that the Governments of both Japan and Thailand recognize that part of the credits issued from emission reductions and removals achieved by JCM projects may be used towards the achievement of Japan’s NDC while ensuring that double counting of ITMOs is avoided by applying corresponding adjustments consistently with the guidance in the annex to decision 2/CMA.3. However, the information reported by Japan was not found to be sufficiently transparent or complete in relation to the methods and assumptions used to demonstrate that the application of corresponding adjustments ensures that there is no net increase in global emissions within and between NDC implementation periods. The Article 6 TERT has determined this inconsistency to be significant, considering that demonstrating that the cooperative approach ensures environmental integrity, including that there is no net increase in global emissions within and between NDC implementation periods, is essential to prevent any impact on the emissions balance and/or adjusted indicator. During the review, Japan provided additional information, explaining that, for credits that are authorized and first transferred to Japan, corresponding adjustments are applied by both Parties participating in the cooperative approach to avoid double counting of ITMOs. Japan clarified that only mitigation activities that a partner country determines to contribute to the achievement of the partner country’s NDC and the long-term goals of the Paris Agreement are approved as pipeline projects; and that a baseline (reference emissions) below ‘business as usual’ is set for the quantification of emission reductions and differences between ‘business as usual’ and reference emissions are not credited and are counted as a net reduction for the partner country. In the additional information provided, Japan explained that the provisions in paragraphs 1(a), 4(f) and 18(h)(ii) of the annex to decision 2/CMA.3 are reflected in the JCM rules and guidelines and/or domestic regulations, thus ensuring that the cooperative approach avoids an increase in net global emissions within an NDC implementation period. Japan clarified that JCM credits are those achieved from a baseline that is below ‘business as usual’ and that such credits are verified by an accredited, independent third-party verification entity. Japan noted that its participation in the JCM thus contributes to the implementation of its NDC and LT-LEDs and the long-term goals of the Paris Agreement, as stated in its LT-LEDs. Japan also explained that the provisions in paragraphs 8, 12 and 18(h)(iii) of the annex to decision 2/CMA.3 and paragraph 14 of decision 4/CMA.6 are reflected in the JCM rules and guidelines and/or domestic regulations, thus ensuring that the cooperative approach avoids an increase in net global emissions between NDC implementation periods. Japan clarified that mitigation outcomes are used within the same NDC implementation period as when they occurred and are not used beyond that period, in accordance with domestic procedures and the annex to decision 2/CMA.3. Regarding paragraph 12 of the annex to decision 2/CMA.3, Japan clarified that corresponding adjustments for the target year would be finalized prior to the initiation of the review of the first biennial transparency report that contains information on the end year or end of the implementation period of the NDC, by a date to be determined by the CMA. Japan also referred to the information provided in response to the reporting requirement relating to minimizing the risk of non-permanence of mitigation across several NDC periods and, when reversals of emission reductions or removals occur, ensuring that these are addressed in full (see ID# 18.H.3 below). Regarding paragraph 14 of decision 4/CMA.6, Japan clarified that it would coordinate with its partner countries to

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		ensure that the first transfer of mitigation outcomes is recorded no later than 31 December of the year prior to the submission of the biennial transparency report, if such mitigation outcomes are authorized for use for other international mitigation purposes. The Article 6 TERT acknowledges the additional information provided by Japan and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that Japan include the information in its future reporting. In line with Article 6, paragraph 2, which states that Parties shall ensure environmental integrity and transparency, including in governance, and apply robust accounting to ensure, inter alia, the avoidance of double counting, the Article 6 TERT also recommends that Japan report complete and transparent information on other reporting requirements relevant to how the Party ensures that there is no net increase in global emissions within and between NDC implementation periods. These include the following reporting requirements set out in the annex to decision 2/CMA.3: how Japan's participation contributes to the implementation of its NDC and long-term low-emission development strategy, if it has submitted one, and the long-term goals of the Paris Agreement (para. 18(a) in relation to para. 4(f)); communication of ITMO metrics and the method for applying corresponding adjustments (para. 18(c)); description of the delivery of overall mitigation in global emissions (para. 18(i)(vi)); and description of how each cooperative approach ensures environmental integrity (para. 18(h)(ii–iii)), including of how ITMOs are real, verifiable and additional (para. 1(a)). The Article 6 TERT further recommends that Japan describe how the approaches it implements in addressing such other reporting requirements contribute to avoiding a net increase in global emissions within and between NDC implementation periods, as relevant.
18.H.2	How the cooperative approach ensures environmental integrity, including through robust, transparent governance and the quality of mitigation outcomes, including through conservative reference levels, baselines set in a conservative way and below 'business as usual' emission projections (including by taking into account all existing policies and addressing uncertainties in quantification and potential leakage) (decision 2/CMA.3, annex, para. 18(h)(ii))	Japan reported that, under the Premium T-VER track, JCM projects are implemented in line with the rules of implementation adopted between the Governments of Japan and Thailand and the rules and guidelines for the Premium T-VER. Japan also reported that the baseline applied for the projects under the Premium T-VER is set in a conservative manner below 'business as usual' emission projections. The Party indicated that, under the JCM track for existing projects, methodologies are developed in line with the "JCM Guidelines for Developing Proposed Methodology", which explain key concepts, such as reference emissions and eligibility criteria, under the JCM and stipulate that the reference emissions be calculated to be below 'business as usual' emissions, which represent plausible emissions in providing the same outputs or service level as the proposed JCM project. However, the information reported by Japan was not found to be sufficiently transparent or complete in relation to how the application of the "JCM Guidelines for Developing Proposed Methodology" ensures the consideration of all existing policies, takes into account uncertainties in quantification and potential leakage, and results in conservative reference levels, baselines set in a conservative way and below 'business as usual' emission projections. The Article 6 TERT has determined this inconsistency to be significant, considering that demonstrating that the cooperative approach ensures environmental integrity, including through conservative reference levels, baselines set in a conservative way and below 'business as usual' emission projections, is essential to prevent any impact on the emissions balance and/or adjusted indicator. During the review, Japan provided additional information on how uncertainties in quantification and potential leakage are addressed. Under the Premium T-VER track, when there are concerns about uncertainty of monitoring values or default values used for calculating emission reductions or removals, a discount factor is applied to adjust the amount of reductions, while leakage is addressed as part of the methodology being applied, and approaches such as discounting credits according to the amount of leakage or requiring proof of appropriate disposal of existing equipment are applied to minimize or avoid the occurrence of leakage.

ID#	<i>Element of information to be reported</i>	<i>Description of area of improvement with recommendation</i>
18.H.3	How the cooperative approach ensures environmental integrity, including by minimizing the risk of non-permanence of mitigation across several NDC periods, and how, when reversals of emission reductions or removals occur, the cooperative approach will ensure that these are addressed in full (decision 2/CMA.3, annex, para. 18(h)(iii))	In the additional information provided, Japan clarified that, under the JCM track for existing projects, JCM project participants should reduce, as far as practical, uncertainties related to the quantification of emission reductions, noting that, for instance, when confidence intervals are set for default values, more conservative values for quantification are to be used, and the accuracy of monitoring data is to be improved by calibrating measurement equipment in accordance with local laws and regulations. Japan explained that all GHG emissions that are significant and reasonably attributable to the JCM project, regardless of whether from inside or outside a project boundary, are required to be identified in the methodologies applied. Therefore, Japan clarified that leakage emissions are fully addressed under the JCM because material emissions that may result from the implementation of the JCM projects are assessed and calculated as project emissions. Further, Japan explained that according to the “JCM Guidelines for Developing Proposed Methodology”, reference emissions should comply with all applicable regulations of Thailand and be established in a manner such that the proposed project contributes to the achievement of the latest NDC . Therefore, the establishment of reference emissions takes into account all existing policies and results in conservative reference levels, baselines set in a conservative way and below ‘business as usual’ emission projections. The Article 6 TERT acknowledges the additional information provided by Japan and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that Japan include the information in its future reporting. The Article 6 TERT also recommends that Japan include further information in its future reporting on how application of the “JCM Guidelines for Developing Proposed Methodology” results in baselines set in a conservative way and below ‘business as usual’ emission projections. Japan reported that, if a JCM project is deemed susceptible to the risk of non-permanence of mitigation, the relevant rules and procedures concerning buffer credits are applied, namely they are withheld from credits issued under the project and may be released in line with relevant decisions of the Joint Committee. However, the information reported by Japan was not found to be sufficiently transparent or complete in relation to these rules and procedures and how they would be specifically applied in the context of the cooperative approach. During the review, Japan provided additional information, specifying that, under the Premium T-VER track, when implementing projects related to carbon sequestration and removals in the forestry and agriculture sectors or CCUS projects, a certain amount of credits issued must be set aside as buffer credits to allow for the risk of reversals. Japan explained that a JCM project participant shall prepare a non-permanence risk report, in which the risk caused by natural disasters and human and/or other risk factors, as determined from project monitoring results, is assessed and that the project participant shall then deposit buffer credits into a pooled buffer account as collateral for the risk of non-permanence in the implementation of the project. Japan clarified that there is a document that prescribes the rules, procedures and conditions relating to monitoring and assessment of risk of carbon loss from non-permanence of forestry and agriculture projects under the Premium T-VER, and deposition, release, cancellation and holding of buffer credits to compensate for carbon loss. In the additional information provided, Japan clarified that, under the JCM track for existing projects, none of the 53 activities eligible to be part of the cooperative approach involve carbon sequestration or removals in the forestry and agriculture sectors or CCUS and that, therefore, buffer credits and related rules are not applicable. The Article 6 TERT acknowledges the additional information provided by Japan and considers it relevant to the reporting requirement. Therefore, the

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18.I.1	How the cooperative approach will minimize and, where possible, avoid negative environmental, economic and social impacts (decision 2/CMA.3, annex, para. 18(i)(i))	Article 6 TERT recommends that Japan include the information in its future reporting. The Article 6 TERT also recommends that Japan include information in its future reporting describing how, should projects related to carbon sequestration and removals in the forestry and agriculture sectors or CCUS be carried out, the cooperative approach minimizes the risk of non-permanence of mitigation across several NDC periods, notably by specifying how the emissions from such projects are monitored after the end of the crediting period. Japan reported that each project under the cooperative approach is implemented taking the potential negative environmental, economic and social impacts into consideration, in consultation with stakeholders, in line with domestic laws and regulations. The Party also reported that, where negative impacts are found, the project participants are requested to propose and implement safeguard measures. Japan included in its initial report links to the “Guidelines for Assessment and Monitoring the Sustainable Development and Safeguards of T-VER Project” and “Joint Crediting Mechanism Guidelines for Developing Sustainable Development and Safeguards Assessment Report and Monitoring Report”. However, the information reported by Japan was not found to be sufficiently transparent or complete as the link provided to the “Guidelines for Assessment and Monitoring the Sustainable Development and Safeguards of T-VER Project” was not working. In addition, the information provided by Japan in relation to the JCM track for existing projects was not found to be sufficiently transparent or complete in relation to how project participants may be requested to propose and implement safeguard measures thereunder. The information reported by Japan was also not found to be sufficiently transparent or complete in relation to whether the ways in which negative environmental, economic and social impacts are minimized and, where possible, avoided differ between the “Guidelines for Assessment and Monitoring the Sustainable Development and Safeguards of T-VER Project” and the “Joint Crediting Mechanism Guidelines for Developing Sustainable Development and Safeguards Assessment Report and Monitoring Report”. During the review, Japan provided additional information, including a functioning link to the “Guidelines for Assessment and Monitoring the Sustainable Development and Safeguards of Premium T-VER projects”. Japan clarified that the content of the sustainable development and safeguards assessment report and monitoring report under the Premium T-VER track and under the JCM track for existing projects is not identical but covers similar matters. The Article 6 TERT acknowledges the additional information provided by Japan and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that Japan include the information in its future reporting. The Article 6 TERT also recommends that Japan include further information in its future reporting clearly describing how the application of the guidelines minimizes and, where possible, avoids the cooperative approach having negative environmental, economic or social impacts.
18.I.2	How the cooperative approach will reflect the eleventh preambular paragraph of the Paris Agreement, which acknowledges that climate change is a common concern of humankind and notes that Parties should, when taking action to address climate change, respect, promote and consider	Japan reported that the compliance of each JCM project with domestic laws and regulations is monitored by the Government of Japan and the Government of its partner country, ensuring that the eleventh preambular paragraph of the Paris Agreement is respected. As reference documents, the Party provided links to the “Guidelines for Assessment and Monitoring the Sustainable Development and Safeguards of T-VER Project” and “Joint Crediting Mechanism Guidelines for Developing Sustainable Development and Safeguards Assessment Report and Monitoring Report”. In addition, Japan reported that project participants that receive financial support from the Government of Japan are required to take measures that align with Japan’s National Action Plan on Business and Human Rights 2020–2025 and the “Guidelines on Respecting Human Rights in Responsible Supply Chains”.

ID#	Element of information to be reported	Description of area of improvement with recommendation
18.I.3	their respective obligations on human rights, the right to health, the rights of Indigenous Peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity (decision 2/CMA.3, annex, para. 18(i)(ii)) How the cooperative approach will be consistent with the sustainable development objectives of the Party, noting national prerogatives (decision 2/CMA.3, annex, para. 18(i)(iii))	However, the information reported by Japan was not found to be sufficiently transparent or complete in relation to how the cooperative approach reflects the elements of the eleventh preambular paragraph of the Paris Agreement relating to the rights of Indigenous Peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations (the Article 6 TERT recognizes that all elements may not be relevant to every cooperative approach). During the review, Japan provided additional information relating to the “Guidelines for Assessment and Monitoring the Sustainable Development and Safeguards of T-VER Project”, which apply to the JCM between Japan and Thailand. The Guidelines refer to Article 4 of the Constitution of the Kingdom of Thailand, which stipulates that respect for human dignity, rights, freedoms and equality shall be protected, including rights based on fundamental human rights principles. The Guidelines state that project developers must study other domestic laws concerning human rights and demonstrate that the project respects and does not infringe on any human rights, including the rights of children, the elderly, persons with disabilities and gender equality, as well as the right to access information, and that public health, education and consumer rights are guaranteed. The Article 6 TERT acknowledges the additional information provided by Japan and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that Japan include the information in its future reporting and identify the paragraphs or pages of the Guidelines mentioned that indicate that the cooperative approach reflects the eleventh preambular paragraph of the Paris Agreement. The Article 6 TERT also recommends that Japan include further information in its future reporting on how the application of the “Joint Crediting Mechanism Guidelines for Developing Sustainable Development and Safeguards Assessment Report and Monitoring Report” ensures that the cooperative approach reflects the eleventh preambular paragraph of the Paris Agreement. Japan reported that the JCM is implemented in such a way as to contribute to achieving the SDGs in consultation with stakeholders and consistently with its national objectives through the adoption under the JCM of rules and guidelines for sustainable development. However, the information reported by Japan was not found to be sufficiently complete in relation to how the cooperative approach is consistent with Japan’s sustainable development objectives. During the review, Japan provided additional information relating to the alignment of the JCM with its national sustainable development goals, explaining that in 2016 it established and published the <i>SDGs Implementation Guiding Principles</i>, which identify energy conservation, renewable energy, climate change mitigation measures and “sound material-cycle society” as priority areas. Japan noted that the guiding principles include engaging in international negotiations regarding climate change action and supporting developing countries by fostering the implementation of the JCM. The Article 6 TERT acknowledges the additional information provided by Japan and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that Japan include the information in its future reporting.
18.I.5	How the cooperative approach will contribute resources for adaptation pursuant to chapter VII (Ambition in mitigation and adaptation actions) of the annex to decision 2/CMA.3, if applicable (decision 2/CMA.3, annex, para. 18(i)(v))	Japan reported that it does not require resources for adaptation to be contributed by mitigation activities under the cooperative approach. However, the information reported by Japan was not found to be sufficiently transparent in relation to whether the cooperative approach itself, as a bilateral crediting mechanism (i.e. the JCM), voluntarily contributes resources for adaptation. During the review, Japan provided additional information, confirming that the JCM, as the cooperative approach, does not voluntarily contribute resources for adaptation.

<i>ID#</i>	<i>Element of information to be reported</i>	<i>Description of area of improvement with recommendation</i>
18.I.6	How the cooperative approach will deliver overall mitigation in global emissions pursuant to chapter VII (Ambition in mitigation and adaptation actions) of the annex to decision 2/CMA.3, if applicable (decision 2/CMA.3, annex, para. 18(i)(vi))	The Article 6 TERT acknowledges the additional information provided by Japan and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that Japan include the information in its future reporting. Japan reported that it does not require the cancellation of a certain amount of JCM credits for delivering overall mitigation in global emissions under the cooperative approach. However, the information reported by Japan was not found to be sufficiently transparent in relation to whether the cooperative approach itself, as a bilateral crediting mechanism (i.e. the JCM), voluntarily delivers overall mitigation in global emissions. During the review, Japan provided additional information, confirming that the JCM, as the cooperative approach, does not voluntarily deliver overall mitigation in global emissions. The Article 6 TERT acknowledges the additional information provided by Japan and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that Japan include the information in its future reporting.

II. Capacity-building needs⁶ identified by the Article 6 technical expert review team in consultation with the Party during the review of its initial report

4. The Article 6 TERT did not identify any capacity-building needs in consultation with Japan during the Article 6 technical expert review of its initial report.

⁶ As referred to in decision 6/CMA.4, annex II, para. 7.

Annex

Documents and information used during the review

I. Reference documents

“Guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement”. Annex to decision 2/CMA.3. FCCC/PA/CMA/2021/10/Add.1. Available at <https://unfccc.int/documents/460950>.

“Guidelines for the Article 6 technical expert review referred to in decision 2/CMA.3, annex, chapter V (Review)”. Annex II to decision 6/CMA.4. FCCC/PA/CMA/2022/10/Add.2. Available at <https://unfccc.int/documents/626570>.

Initial report of Japan. Available at <https://unfccc.int/process-and-meetings/the-paris-agreement/article-6/article-62/carp/reports>.

“Matters relating to cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement”. Decision 4/CMA.6. FCCC/PA/CMA/2024/17/Add.1. Available at <https://unfccc.int/documents/644937>.

“Modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement”. Annex to decision 18/CMA.1. FCCC/PA/CMA/2018/3/Add.2. Available at <https://unfccc.int/documents/193408>.

II. Additional information provided by the Party

Responses to questions during the review were received from Kentaro Takahashi (Ministry of the Environment of Japan), including additional material. The following references were provided by Japan and may not conform to UNFCCC editorial style as some have been reproduced as received:

“Authorization of the JCM as a cooperative approach”. Available at https://submissions.unfccc.int/api/files/download?serverRelativeFilePath=/submissions/Arc_hive/202510150749---Authorization_Japan.pdf

“Common Specifications of the JCM Registry”. Available at https://www.jcm.go.jp/jc/wp-content/uploads/sites/3/JCM_TH_Spec_Registry_ver01.0.pdf

“Guidelines for Assessment and Monitoring the Sustainable Development and Safeguards of T-VER project”. Available at <https://ghgreduction.tgo.or.th/en/component/flexicontent/download/13885/6385/32.html?method=view>.

“Guideline for the Development of Premium T-VER Methodology, Version 01”. Available at <https://ghgreduction.tgo.or.th/en/premium-t-ver-methodology/procedure-for-development-of-methodology.html>

“Guidelines on Respecting Human Rights in Responsible Supply Chains”. Available at <https://www.meti.go.jp/policy/economy/business-jinken/guidelines/provisionalenglishtranslation.pdf>

“JCM Projects”. Available at <https://www.jcm.go.jp/jc/projects>

“Joint Crediting Mechanism Guidelines for Developing Project Design Document and Monitoring Report (Ver03.0)”. Available at https://www.jcm.go.jp/jc/wp-content/uploads/sites/3/JCM_TH_GL_PDD_MR_ver03.0.pdf

“Joint Crediting Mechanism Guidelines for Developing Proposed Methodology (Ver02.0)”. Available at https://www.jcm.go.jp/jc/wp-content/uploads/sites/3/JCM_TH_GL_PM_ver02.0.pdf

“Joint Crediting Mechanism Guidelines for Developing Sustainable Development and Safeguards Assessment Report and Monitoring Report”. Available at

https://www.jcm.go.jp/jc/wp-content/uploads/sites/3/JCM_TH_GL_SDSAR_MR_ver01.1.pdf

“Project Idea Note for JCM Projects”. Available at https://www.jcm.go.jp/jc/wp-content/uploads/sites/3/JCM_TH_F_PIN_ver01.0.pdf

“Rules and Conditions for PT-VER”. Available at <https://www.jcm.go.jp/jc/th-rules-and-guidelines>

“Rules and Guidelines for the JCM for Existing Projects”. Available at <https://www.jcm.go.jp/jc/th-rules-and-guidelines>

“Rules of Implementation for the Joint Crediting Mechanism (JCM) track under Premium T-VER”. Available at https://www.jcm.go.jp/jc/wp-content/uploads/sites/3/JCM_TH_RoI_ver01.0_Premium_T-VER_att1.pdf

“Rules of Implementation for the Joint Crediting Mechanism (JCM) for Existing Projects”. Available at https://www.jcm.go.jp/jc/wp-content/uploads/sites/3/JCM_TH_RoI_ver03.0_Existing_Projects_att2.pdf

“SDGs Implementation Guiding Principles (2016)”. Available at <https://www.mofa.go.jp/files/000252819.pdf>

“SDGs Implementation Guiding Principles (Revised Edition, 2023)”. Available at https://www.mofa.go.jp/mofaj/gaiko/oda/sdgs/pdf/kaitei_2023_en.pdf

“Sustainable Development and Safeguard Assessment Guidelines for Premium T-VER projects”. Available at <https://tver.tgo.or.th/database/Uploads/Document/943138ad-07d9-45aa-9bfl-fa3b889863d0.pdf>
