Outlines of Joint Crediting Mechanism Guidelines for Developing Proposed Methodology for REDD-plus

Mitsuo MATSUMOTO

REDD Research and Development Center

Forest and Forest Research Institute, Japan

独立行政法人 森林総合研究所REDD研究開発センター

FFPRI REDD Research and Development Center Japan

Joint Crediting Mechanism (JCM)

- Japanese government is promoting the Joint Crediting Mechanism (JCM) as a potential mitigation measure.

- The JCM facilitates diffusion of leading low carbon technologies, products, systems, services, and infrastructure as well as implementation of mitigation actions, and contributes to sustainable development of developing countries.

- The JCM is managed by the Joint Committee that is established between Japan and each host country.

Quoted from the Web of "New Mechanism Information Platform"

- 12 countries which have signed bilateral documents for the JCM as of January 2015
  - Mongolia
  - Bangladesh
  - Ethiopia
  - Kenya
  - Maldives
  - Vietnam
  - Laos
  - Indonesia
  - Costa Rica
  - Palau
  - Cambodia
  - Mexico

Joint Crediting Mechanism Guidelines for Developing Proposed Methodology for REDD-plus

Note: These draft guidelines are tentative.

The draft guidelines are subject to a consultation

and decision by each Joint Committee.

独立行政法人 森林総合研究所REDD研究開発センター

REDD Research and Development Center

FFPRI

Japan

A Set of the JCM Guidelines

- Rules of Implementation for the JCM
- JCM Glossary of Term
- JCM Project Cycle Procedure
- JCM Guideline for Designation as a Third-Party Entity
- JCM Guidelines for Developing Proposed Methodology
- JCM Guidelines for Developing Project Design Document and Monitoring Report
- JCM Guidelines for Validation and Verification

Title

Joint Crediting Mechanism Guidelines for Developing Proposed Methodology for Reducing Emissions from Deforestation and Forest Degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries (REDD-plus)

(JCM Guidelines for Developing Proposed Methodology for REDD-plus)

Contents

- 1. Scope and applicability
- 2. Terms and definitions
- 3. Key concepts
    - 3.1. Reference levels
    - 3.2. Eligibility criteria
    - 3.3 Specific guidelines for REDD-plus
- 4. General Guidelines
- 5. Instructions for completing the Proposed Methodology Form for REDD-plus
- 6. Instructions for completing the Proposed Methodology Spreadsheet for REDD-plus
- Annex I. Guidance for establishment of reference levels
- Annex II. Guidance for project boundary
- Annex III. Guidance for monitoring of net GHG emissions
- Annex IV. Guidance for promoting and supporting REDD-plus safeguards under the JCM

独立行政法人 森林総合研究所REDD研究開発センター

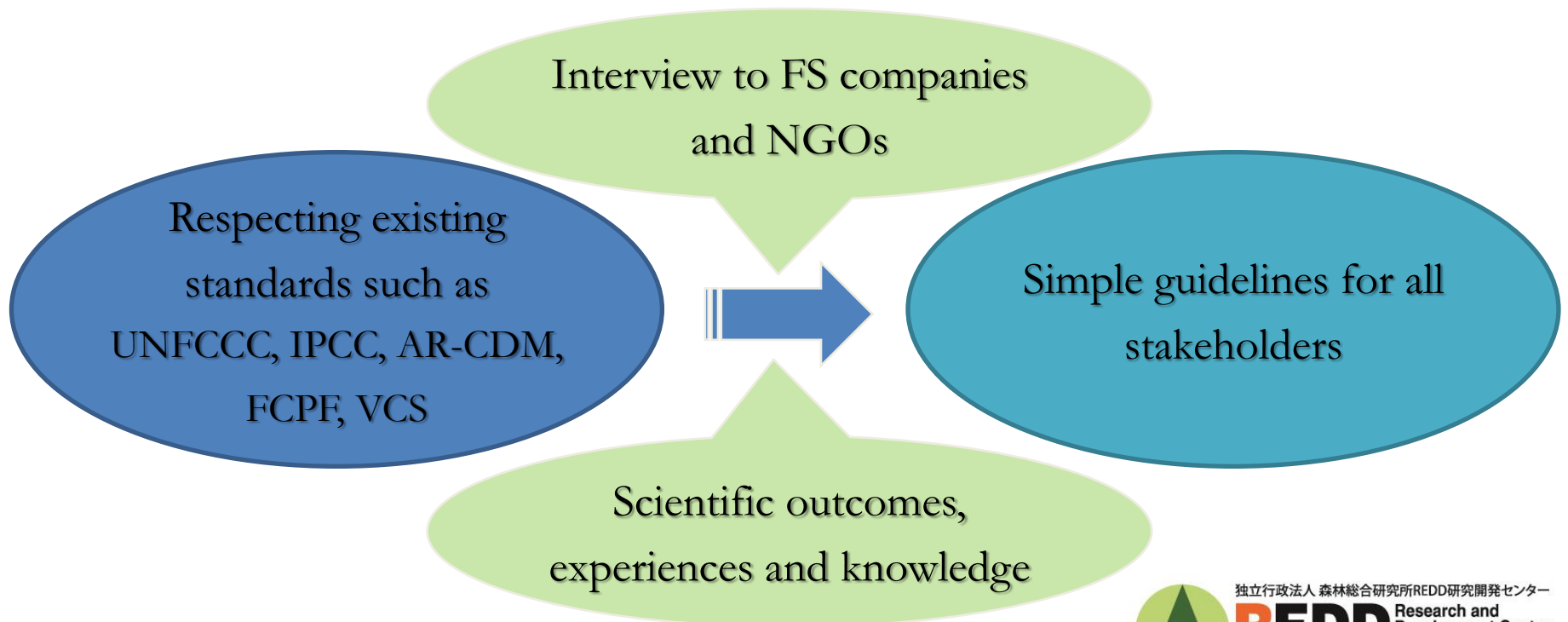REDD Research and Development Center Japan

FFPRI

- Scope

- Project level activities

- Reference levels

- Boundaries

- Monitoring

- Discount factors

- Safeguards

Concept of the Guidelines

- Operational and transparent
- Promoting participation of multi stakeholders
- Scaling up from project levels to sub-national levels
- Continuous improvement of the guidelines

Interview to FS companies and NGOs

Respecting existing standards such as UNFCCC, IPCC, AR-CDM, FCPF, VCS

Simple guidelines for all stakeholders

Scientific outcomes, experiences and knowledge

独立行政法人 森林総合研究所REDD研究開発センター
FFPRI REDD Research and Development Center Japan

Scope

- These Guidelines are to be referred to by the Joint Committee in developing and assessing proposed methodologies for REDD-plus.

- In line with the Cancun Agreements, REDD-plus activities are to contribute to: (a) reducing emissions from deforestation; (b) reducing emissions from forest degradation; (c) conservation of forest carbon stocks; (d) sustainable management of forests; and (e) enhancement of forest carbon stocks.

- These Guidelines for REDD-plus seek to assist developing the methodologies for REDD-plus to achieve <u>reducing net emissions in forest land by these activities</u>.
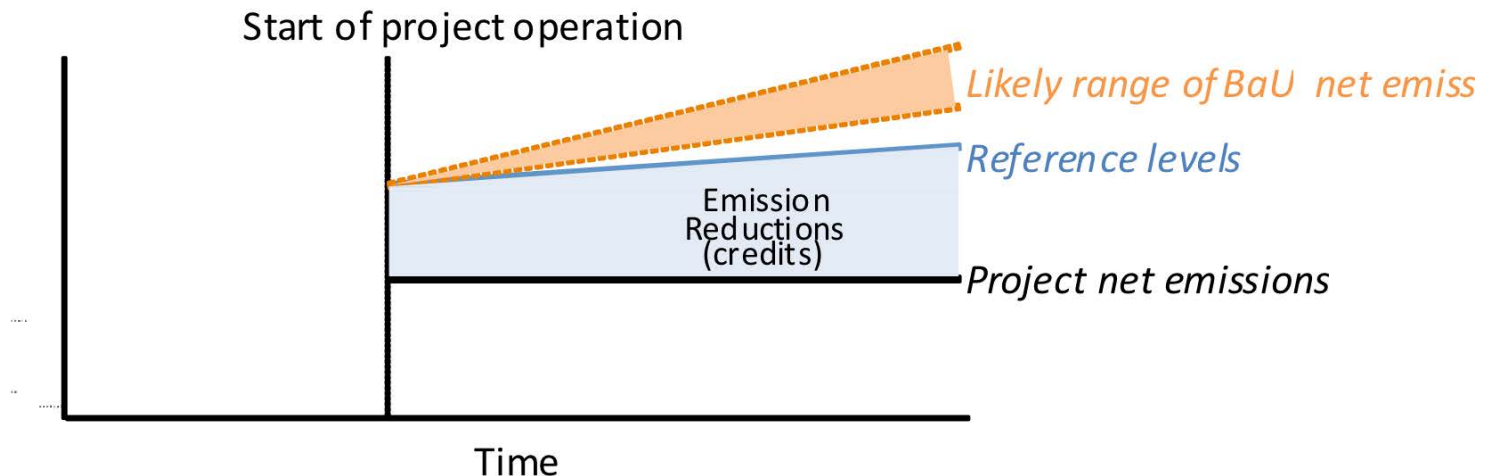
The draft guidelines are subject to a consultation and decision by each Joint Committee.

独立行政法人 森林総合研究所REDD研究開発センター

REDD Research and Development Center
FFPRI
Japan

- JCM projects are not national/sub-national but project level.

- Eligibility criteria in proposed methodologies for REDD-plus contain the following:
  - (a) Requirements for the project in order to be registered as a JCM project.
  - (b) Requirements for the project to be able to apply the approved methodology for REDD-plus.
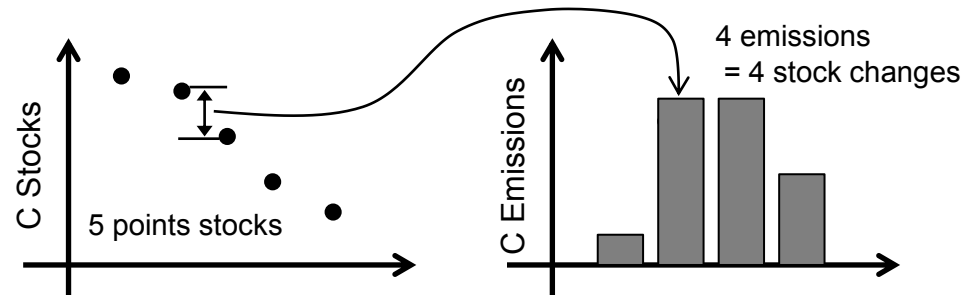
Reference levels

- In the JCM, emission reductions to be credited are defined as the difference between reference levels and project net emissions.

- The reference levels are calculated to be below business-as-usual (BaU) net emissions which represent plausible emissions in providing the same outputs or service level of the proposed JCM project in PARTNER COUNTRY.

Indicative diagram of the relationship between the BaU net emissions, reference levels and project net emissions

How to establish reference levels

- Reference levels should be established using carbon stock data from at least five points of time (which means four net emissions data) during reference period which dates back at least about 10 years from the start of the project.

- The following three approaches are available:
  - (a) Based on <u>average</u> GHG net emissions in the past
  - (b) Using a <u>regression</u> formula based on historical trends
  - (c) Using <u>models</u>
- If a national or sub-national reference levels has already been established for an area that includes the project area, the relationship between the project's reference level and the national or sub-national reference level is explained.
- The reference levels are <u>reassessed within five years intervals</u>.

Boundaries

- The project area fulfills the internationally accepted national definitions of forest especially reported to the UNFCCC by the country.
  - The project area is to have been fulfilling the definitions for <u>a minimum 10 years before the project start</u>.
- The proposed methodology for REDD-plus is examined following four items when considering the project's boundaries,: project area, reference area, carbon pools and GHG types.
- Guidance:
  - At least <u>80 percent</u> of the project area is under the control <u>at validation</u>, and the entire project area comes to be under the control by first verification event.
  - Reference area: The reference area is <u>similar to a project area</u> regarding the drivers of deforestation and/or forest degradation, landscape configuration, socio-economic and cultural conditions.
  - Carbon pools and GHG sources: Five carbon pools: above-ground biomass; below-ground biomass; dead wood, litter and soil organic carbon. <u>Net GHG emissions may be excluded if</u> net GHG emissions associated with these carbon pools and GHG are <u>less than five percent</u> of total of net GHG emissions from the project.

独立行政法人 森林総合研究所REDD研究開発センター

REDD Research and Development Center Japan

FFPRI

Monitoring

- The monitoring of net GHG emissions should apply a combination of remote sensing and ground-based survey.

- Guidance
    - Remote sensing: <u>no less than 30 meter resolution of satellite imagery</u> is used for monitoring land use and land-use changes. The imagery analysis has <u>a forest/non-forest classification accuracy of 80 percent</u> or [above][higher]. Analyses for each <u>forest type have an accuracy of 80 percent</u> or [above][higher], and it is encouraged that forest type is classified in consideration of the amount of carbon stock per area. Forest types should reflect each country's designated forest types.
    - Ground-based survey: measurements used for estimating carbon stocks per area should be based on <u>data obtained from ground-based surveys</u>. If it is not applicable, <u>the IPCC's Emission Factor Database (EFDB)</u>, national forest inventories or other internationally recognized data may be used.

Discount factors

- Potential sources of reversal of net emission reductions are identified.

- As approaches for effectively dealing with reversals, reference levels are estimated using discount factor considering internal risks, external risks and natural risks.

- <u>Discount factor, as default value, should be accounted as 30 percent.</u>
  - Based on the results of feasibility studies so far, 30 percent discounts were required to cover the risks.

- When different approach is used to deal with risk of reversals, its accounting method and reasonable explanation are provided.

Safeguards

- Guidance for promoting and supporting REDD+ Safeguards under the JCM will be shown in the "JCM Guidelines for Developing Project Design Document and Monitoring Report".

- Guidance
  - According to Cancun safeguard items including national forest governance structures, the knowledge and rights of indigenous peoples and members of local communities, participation of relevant stakeholders and the conservation of natural forests and biological diversity, or promoting and supporting REDD+ Safeguards under the JCM are explained.
  - Respecting Cancun safeguard, criteria and general steps to ensure the criteria are explained.

Japan Public-Private Platform for REDD+

Japan Public-Private Platform for REDD+

- The Purpose of the Platform
  - to facilitate REDD+ activities that aim to contribute to addressing climate change, conservation of biodiversity, sustainable development, and poverty reduction by conserving forests severely damaged by human activities in developing countries, in collaboration with private companies, private organization, government agencies, and research institutions

- Our Activities
  - Activities of the platform
    - Promotion of understanding of REDD+
    - Sharing information and knowledge
    - Development of win-win business model
  - Activities of participating organizations are:
    - Working with other stakeholders to contribute to the platform activities
    - Actively engaged in the activities in the forest conservation including
    - REDD+ in developing countries from the medium- and long-perspective

Government: "We have JCM"

Private Sector: "We have Resources"

FFPRI: "We have Knowledge"

JICA: "We have Readiness Experiences"

REDD+

Thank you for attention