

The CDM and the JCM under the Paris Agreement

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CER supply until now

- CERs issued in the world until June 2017: 1.851 billion t
 - CERs from CDM projects in Thailand: 0.012 billion t

- CERs used by Annex I countries for the compliance of 1st commitment period (2008-2012) 1.001 billion t

- Estimated surplus CERs at June 2017 0.850 billion t
 - Chinese CERs: 0.410 billion t
 - Indian CERs: 0.106 billion t
 - Korean CERs: 0.076 billion t
 - Thai CERs: 0.009 billion t

Estimated CER demand until 2020

- Upper limit for use of credits for the EU-ETS
(2008-2020): 1.6 billion t
- CERs used EU for the compliance of
1st commitment period (2008-2012) : 1.315 billion t
 - CERs from CDM projects in Thailand: 0.002 billion t
- Estimated potential CER demand from EU
until 2020: 0.285 billion t

Potential CER demand under the Paris Agreement

- Countries which do not mention using credits in their NDCs as of now: **EU, USA, Norway, Australia**
- Countries which mention using credits in their NDCs as of now: **Japan, Canada, NZ**
- Country which states its intention to use CERs toward Paris target (NDC) as of now: **Switzerland**.
 - Swiss NDC is 35% reduction from 1990, for 2021-2030
 - Swiss emissions in 2015 is 10% below 1990 level
 - Swiss emissions in 2015 is 0.048 billion t
 - 1990 emissions x 25% x 10 = 0.133 billion t

Current CER price

0.21 € / t (8 THB / t)



Ref: Maximum procurement price of JCM credits (as of April 2017) was \4,000 / t (1,212 THB / t).

Article 6 of the Paris Agreement

Article 6

Cooperative approaches
(Paragraph 2)

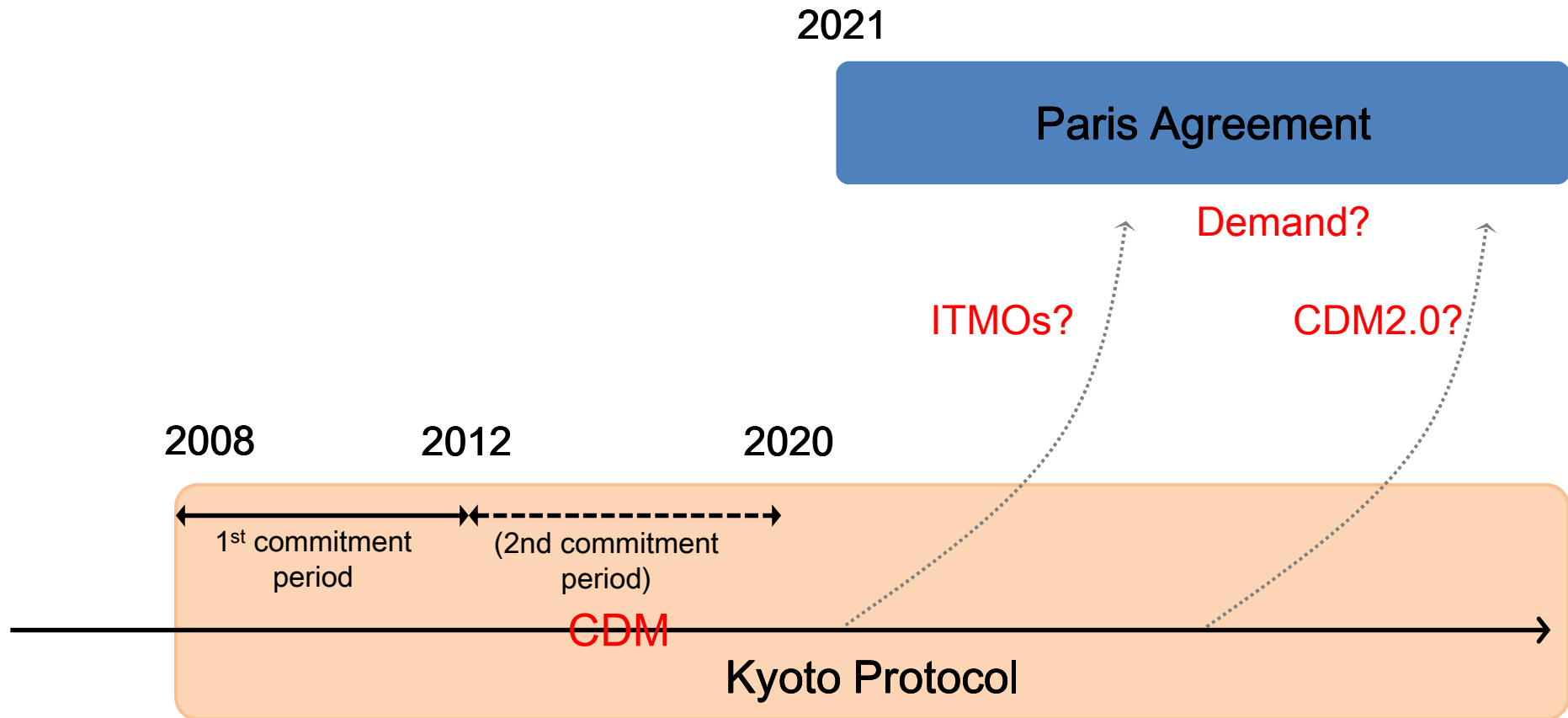
- Use of internationally transferred mitigation outcomes (ITMOs) towards nationally determined contributions (NDCs)
 - JCM
 - Emissions Trading between EU and Switzerland / Norway
 - Emissions Trading between California and Quebec

A mechanism authorized and guided by UNFCCC
(Paragraph 4)

- A mechanism to contribute to the mitigation of greenhouse gas emissions and support sustainable development is hereby established
 - New mechanism
 - ✓ Sectoral mechanism?
 - ✓ CDM 2.0?

Non-market approaches
(Paragraph 8)

The Kyoto Protocol and the Paris Agreement



UNFCCC

JCM

2011	COP17 Defined a new market-based mechanism
2012	COP18 Call for submissions for market mechanisms (MMs)
2013	COP19 (No decision for MMs)
2014	COP20 (No decision for MMs)
2015	COP21 Adapted the Paris Agreement Call for submissions for MMs
2016	COP22 Call for submissions for MMs
2017	COP23 Discussion will continue to COP24

- **Bilateral document** for the JCM signed in November

- 1st **Joint Committee** held in January
 - 2nd **Joint Committee** held in August
JCM guidelines adapted
Third Party Entities designated
JCM methodologies approved

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Avoidance of double counting in the Paris Agreement

Article 4.13 of the Paris Agreement

Parties shall account for their nationally determined contributions.
...and ensure the **avoidance of double counting**,...

Article 6.2 of the Paris Agreement

Parties shall, where engaging... the use of internationally transferred mitigation outcomes towards nationally determined contributions,... and shall apply robust accounting to ensure, inter alia, the **avoidance of double counting**,...

Avoidance of double counting in COP21 decision

36. Parties shall account for their nationally determined contributions. ...and ensure the **avoidance of double counting**,...

92(f). The need to ensure that **double counting is avoided**;

106. Encourages Parties to promote the voluntary cancellation by Party and non-Party stakeholders, **without double counting**, of units issued under the Kyoto Protocol, including certified emission reductions that are valid for the second commitment period;

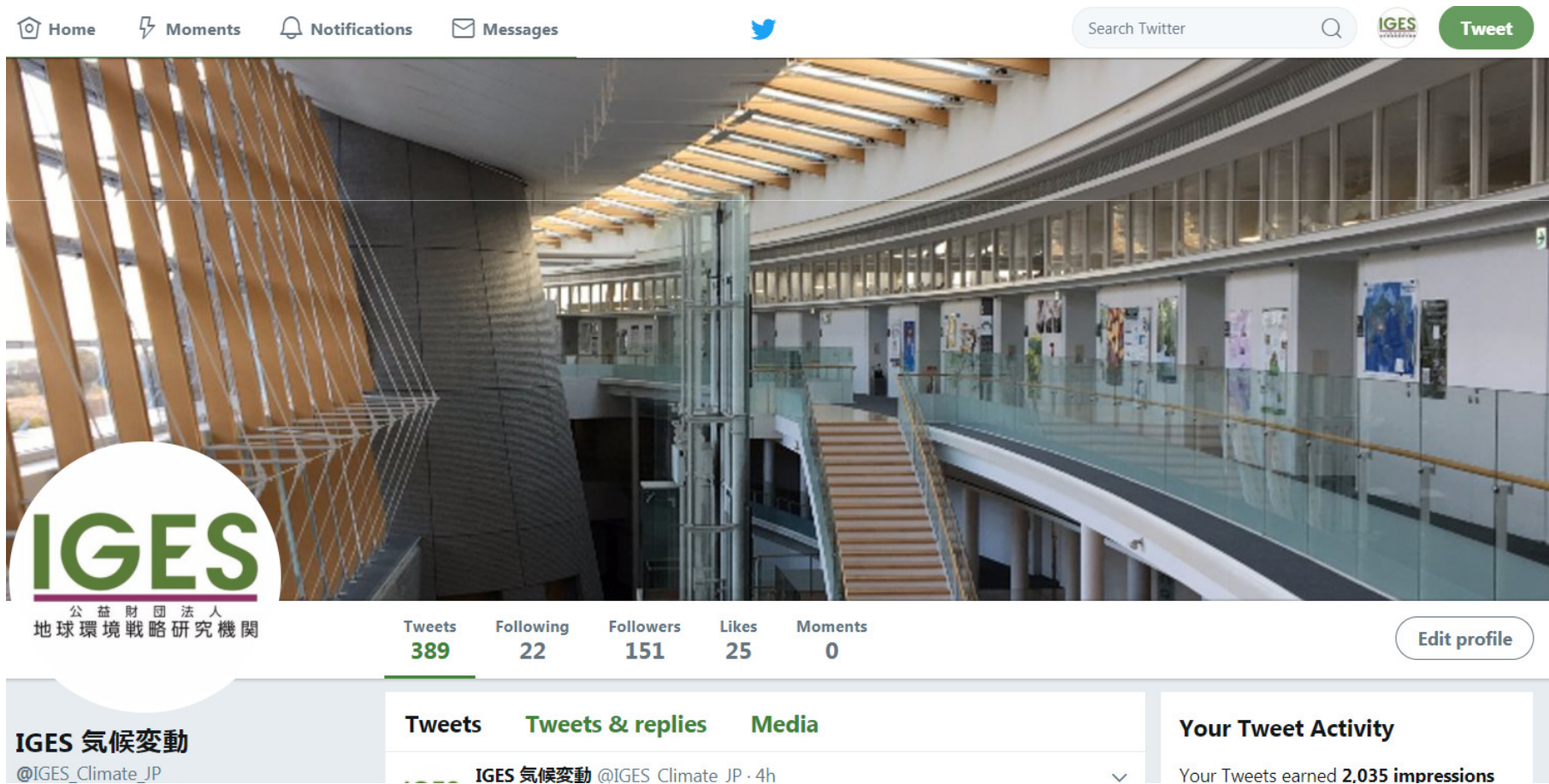
107. Urges host and purchasing Parties to report transparently on internationally transferred mitigation outcomes, including outcomes used to meet international pledges, and emission units issued under the Kyoto Protocol with a view to promoting environmental integrity and **avoiding double counting**;

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The screenshot shows the Twitter profile page for IGES Climate Japan (@IGES_Climate_JP). The profile picture is a circular logo with the text "IGES" and "公益財団法人 地球環境戦略研究機関" below it. The header includes navigation icons for Home, Moments, Notifications, and Messages, along with a search bar and a "Tweet" button. The main content area features a large image of a modern building interior with a glass and wood facade. Below the image, the profile statistics are displayed: 389 Tweets, 22 Following, 151 Followers, 25 Likes, and 0 Moments. The bio reads "IGES 気候変動 @IGES_Climate_JP". The "Your Tweet Activity" section shows that the user's tweets earned 2,035 impressions.

Tweets	Following	Followers	Likes	Moments
389	22	151	25	0

IGES 気候変動 @IGES_Climate_JP

Your Tweets earned 2,035 impressions