

Rules of Implementation for the Joint Crediting Mechanism (JCM) track under Premium T-VER

The Government of Japan and the Government of the Kingdom of Thailand (hereinafter referred to individually as a “government” and collectively as “both governments”) hereby establish the rules of implementation for the JCM track under Premium T-VER as follows:

A. Terms and Definitions

1. For the purposes of these Rules of Implementation, the following definitions apply:
 - (a) “**Authorization**” is a process specified by each government to authorize the use of credits issued from emission reductions and removals achieved by a project that are realized on or after 1 January 2021 towards the achievement of a nationally determined contribution of Japan, and other international mitigation purposes as appropriate, consistent with the guidance on cooperative approaches, referred to in Article 6, paragraph 2 of the Paris Agreement (hereinafter referred to as “the guidance”);
 - (b) “**Corresponding adjustment**” is an adjustment to avoid double counting consistent with the guidance;
 - (c) “**Crediting period**” is the period in which verified GHG emission reductions or removals attributable to a JCM project, as applicable, may result in the issuance of credits from that JCM project;
 - (d) “**DCCE**” is Department of Climate Change and Environment under the supervision of the Minister of Natural Resources and Environment, the Government of the Kingdom of Thailand;
 - (e) “**GHGs**” are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃);
 - (f) “**Guidance**” is relevant decisions of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) in relation to cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement;
 - (g) “**JCM credits**” are credits issued in the JCM registry of Japan for verified GHG emission reductions or removals, as applicable, attributable to a JCM project;
 - (h) “**JCM project**” is a project registered with the JCM track under Premium T-VER.
 - (i) “**JCM track under Premium T-VER**” is bilateral cooperation implemented in

line with the standards of Premium T-VER and these Rules of Implementation;

- (j) “**Joint Committee**” is a committee established by paragraph 5 of the Memorandum of Cooperation on the Joint Crediting Mechanism between the Government of Japan and the Government of the Kingdom of Thailand;
- (k) “**Methodology**” is a method for calculating and monitoring emission reductions or removals achieved by a project;
- (l) “**PDD**” is a project design document prepared by a project participant(s) of the JCM track under Premium T-VER, which sets out in detail the project;
- (m) “**PIN**” is a project idea note which describes an overview of a planned project of project participants;
- (n) “**Premium T-VER**” is the Premium Thailand Voluntary Emission Reduction Program administered by TGO and implemented consistent with the guidance;
- (o) “**Special account for the JCM**” is the account in the Thai registry for credits to be internationally transferred to the JCM registry of Japan;
- (p) “**Sustainable development and safeguards assessment report**” is a document prepared by the project participant(s), containing information relating to the possible contribution to the Sustainable Development Goals, negative impacts of the project and their mitigation measures;
- (q) “**Sustainable development and safeguards monitoring report**” is a document prepared by the project participant(s), containing information relating to the contribution to the Sustainable Development Goals and, where applicable, negative impacts of the project and their mitigation measures taken;
- (r) “**Thai registry**” is the Thailand Carbon Credit Registry System administered by TGO;
- (s) “**TGO**” is the Thailand Greenhouse Gas Management Organization (Public Organization) under the supervision of the Minister of Natural Resources and Environment, the Government of the Kingdom of Thailand;
- (t) “**Validation**” is the process of independent evaluation of a proposed project to be registered with the JCM track under Premium T-VER by a validation and verification body against the Manual for T-VER Validation and Verification;
- (u) “**Validation and verification body**” is a third-party entity accredited under an international standard and registered by TGO to validate proposed projects as well as verify GHG emission reductions or removals;
- (v) “**Verification**” is the periodic independent review and *ex post* determination of

monitored GHG emissions reductions or removals for a specific monitoring period of a JCM project conducted by a validation and verification body.

2. These Rules of Implementation describe standards which are requirements to be met except those paragraphs which include terms “should” and “may” as defined in paragraph 3 below.
3. The following terms apply in these Rules of Implementation:
 - (a) “Should” is used to indicate that among several possibilities, one course of action is recommended as particularly suitable;
 - (b) “May” is used to indicate what is permitted.

B. Scope and Applicability

4. Credits are issued based on the quantified amount of GHG emission reductions or removals achieved by the contribution of project participants in the implementation of GHG emission reductions or removals project activities in line with the JCM track under Premium T-VER during the crediting period.
5. The applicable period for issuance of credits covers GHG emission reductions or removals from JCM projects occurred after 1 January 2021 until 31 December 2030. Both governments may consider possible extension of the above-mentioned period and reach a decision by 2030.
6. Each JCM project selects the crediting period which is either a fixed period of 10 years, or a renewable period of five (5) years which may be renewed twice at the maximum. Credits are issued based on GHG emission reductions or removals occurred within the applicable period referred to in paragraph 5 above.

C. Project Idea Note

7. Project participants of a planned project who seek to request registration with the JCM track under Premium T-VER prepare a PIN and submit it, using the latest version of the “JCM Project Idea Note Form”, to the Joint Committee through the Secretariat, before implementing the project.
8. In case project participants of the planned project expect to receive financial support for the project from the Government of Japan, the PIN should be submitted from a relevant ministry in the Government of Japan to the Joint Committee through the Secretariat.
9. Project participants may submit the PIN using the previous version of the “JCM Project

Idea Note Form” within the grace period of six (6) months from the date of publication of a new version. The Joint Committee does not accept the PIN using the previous version after the grace period of six (6) months.

10. The Secretariat notifies receipt of the submission of the PIN to the project participants who have submitted the PIN.

11. Upon receiving the PIN, the Secretariat conducts a completeness check within five (5) calendar days to determine whether the submission is complete.

12. Upon completion of the completeness check, the Secretariat notifies the project participants of the result of the completeness check.

13. Upon a positive result of the completeness check, the Secretariat notifies the project participants of a unique reference number and forwards the PIN to the Joint Committee.

14. The Joint Committee considers and approves the planned project described in the PIN within twenty (20) calendar days.

15. The Joint Committee makes the result publicly available, including the reference number of the PIN, the name of the planned project, the date of submission and the reason for disapproval when the Joint Committee disapproves the planned project described in the PIN through the JCM website, and the Secretariat notifies the project participants or the relevant ministry in the Government of Japan described in paragraph 8 of the result.

16. Upon approval by the Joint Committee on the planned project, project participants may proceed to a request for registration.

17. If project participants wish to resubmit the PIN due to substantive changes after approval by the Joint Committee, they may revise the PIN and submit the revised PIN to the Joint Committee for their approval through the Secretariat or the relevant ministry of the Japanese government, notifying the reference number which has already been issued to the planned project.

18. Project participants may resubmit a PIN that has been assessed as incomplete by the Secretariat or has been disapproved by the Joint Committee. Such submission addresses the reasons for incompleteness stated by the Secretariat or disapproval stated by the Joint Committee.

D. Development of Methodologies

19. Project participants may submit a proposed methodology in line with the JCM track under Premium T-VER to the Government of Japan through the secretariat of Japan and the Government of the Kingdom of Thailand, acting through TGO.

20. Methodologies are developed in a manner that the proposed project contributes to the achievement of the latest nationally determined contribution of the Kingdom of Thailand under the Paris Agreement.
21. The Government of Japan considers and approves a proposed methodology and notifies the result to the project participants and the Government of Kingdom of Thailand, acting through TGO.
22. The Government of the Kingdom of Thailand, acting through TGO, considers and approves the proposed methodology and notifies the project participants and the Government of Japan.
23. Project participants may request the Government of Japan to approve a methodology that is already approved by the Government of the Kingdom of Thailand, acting through TGO, for Premium T-VER.
24. Project participants who seek registration with the JCM track under Premium T-VER only use methodologies approved by the Government of Japan and the Government of the Kingdom of Thailand, acting through TGO.
25. Project participants may resubmit any proposed methodologies that have not been approved by the Government of Japan or/and the Government of the Kingdom of Thailand, acting through TGO. Such submission addresses the reasons for non-approval stated by the Government of Japan or/and the Government of the Kingdom of Thailand, acting through TGO.

E. Validation

26. Project Participants that seek registration of projects with the JCM track under Premium T-VER go through validation of their project.
27. The validation and verification body, in line with the Manual for T-VER Validation and Verification, validates the proposed JCM project as described in the PDD and notifies the result of the validation to the project participants.
28. The validation and verification body determines whether the proposed project is not registered under other climate mitigation mechanisms.

F. Registration

29. Registration is the formal acceptance of a validated proposed project as a JCM project.
30. Project participants of a proposed project prepare a draft PDD and draft sustainable development and safeguards assessment report and submit them together with supporting

documentation, as appropriate, to a validation and verification body contracted by the project participants to perform validation of the project and to the Government of the Kingdom of Thailand, acting through TGO, for public comments and review.

31. Project participants of a proposed project consult among themselves and with both governments the percentage of credit allocation among the project participants of Japan, the project participants of the Kingdom of Thailand, and both governments respectively, taking into consideration their respective contributions to GHG emission reductions or removals by the project and, where applicable, any principles and guidelines stipulated by each government.

32. Project participants of a proposed project submit the PDD, which was validated by the validation and verification body, validation report, positively reviewed sustainable development and safeguards assessment report, percentage of credit allocation form and other supporting documents, as appropriate, to the Government of Japan and the Government of the Kingdom of Thailand, acting through TGO, for the registration of the project.

33. Both governments may request additional evidence and quantified information relating to the respective contributions, including contribution to investment in the project, to the project participants for the purpose of their consideration of the percentage of credit allocation referred to in paragraph 31 above.

34. In case project participants of the proposed project receive financial support for the project from the Government of Japan, the Government of the Kingdom of Thailand, acting through TGO, may request additional evidence and quantified information relating to the respective contributions, including contribution to investment in the project, to the Government of Japan for the purpose of its consideration of the percentage of credit allocation referred to in paragraph 31 above.

35. Project participants, where necessary, request the Government of the Kingdom of Thailand, acting through TGO, to open an account in the Thai registry.

36. The project participants may submit an authorization request to the Government of the Kingdom of Thailand, acting through DCCE.

37. The Government of Japan considers and approves registration of the proposed project, including the percentage of credit allocation, and notifies the project participants and the Government of the Kingdom of Thailand, acting through TGO.

38. The Government of the Kingdom of Thailand, acting through DCCE, considers and provides authorization for the credits to be generated from the JCM project, which will be internationally transferred for use toward the achievement of Japan's nationally determined contribution as per the percentage of credit allocation described in paragraph 31.

39. The Government of the Kingdom of Thailand, acting through TGO, registers the project with the JCM track under Premium T-VER.

40. After the registration of the project, project participants prepare and submit a progress report to update the current status of the JCM project to the Secretariat annually until the end of the operational lifetime of the JCM project or the end of the crediting period, whichever comes first.

G. Monitoring

41. Project participants implement a JCM project and monitor GHG emission reductions or removals by the project based on the PDD as well as results of corrective actions preventing negative impacts and contribution to the Sustainable Development Goals.

H. Verification

42. Project participants prepare a monitoring report and request a validation and verification body for verification.

43. The validation and verification body, in line with the Manual for T-VER Validation and Verification, verifies the amount of GHG emission reductions or removals on the basis of the monitoring report submitted by the project participants, prepares a verification report and sends the report to the project participants who requested verification.

I. Registry

44. The Government of Japan establishes and maintains the JCM registry of Japan consistent with the guidance.

45. The Government of the Kingdom of Thailand, acting through TGO, establishes and maintains the Thai registry, including the special account for the JCM, consistent with the guidance.

46. The Government of Japan and the Government of the Kingdom of Thailand, acting through TGO, each record the credits, measured in metric tonnes of carbon dioxide equivalent (tCO₂eq), in line with the methodologies and metrics assessed by the Intergovernmental Panel on Climate Change.

J. Issuance of Credits

47. Project participants submit an issuance request form including credit allocation based

on the percentage of credit allocation, verified monitoring report, verification report, positively reviewed sustainable development and safeguards monitoring report, where applicable, non-permanence risk report, and other required documents, to the Government of Japan and the Government of the Kingdom of Thailand, acting through TGO, for the issuance of credits.

48. The Government of Japan considers and approves the issuance of the credits and notifies the project participants and TGO.

49. The Government of the Kingdom of Thailand, acting through DCCE, considers and approves fulfillment of authorizations.

50. The Government of the Kingdom of Thailand, acting through TGO, issues credits in the special account for the JCM in the Thai registry and, when applicable, a holding account in the Thai registry according to the issuance request form.

51. The Government of the Kingdom of Thailand, acting through TGO, immediately cancels the credits in the special account for the JCM in the Thai registry and, without delay, notifies the Government of Japan.

52. When the Government of Japan confirms the cancellation of the credits in the special account for the JCM in the Thai registry, the Government of Japan issues the corresponding amount of JCM credits in a holding account(s) of the JCM registry of Japan.

53. The Government of Japan provides authorization for the JCM credits described in paragraph 52, consistent with the guidance, completing the first international transfer of mitigation outcome described in the guidance.

K. Use of Credits

54. JCM credits may be used towards the achievement of Japan's nationally determined contribution, while ensuring that double counting is avoided on the basis of corresponding adjustments.

55. Each government may authorize part of JCM credits for use for other international mitigation purposes, as appropriate.

56. The Government of the Kingdom of Thailand, acting through DCCE, applies a corresponding adjustment to the JCM credits as well as the credits issued in the Thai registry and authorized for the use for other international mitigation purposes.

L. Transparency

57. Each government takes necessary measures to ensure transparency in the

implementation of the JCM track under Premium T-VER, including in governance, consistent with the guidance.

58. The Government of Japan and the Government of the Kingdom of Thailand, acting through TGO, each make the information on development of methodologies, registration, issuance of credits, use of credits, and relevant documents publicly available.

59. The Government of Japan and the Government of the Kingdom of Thailand, acting through TGO, each make non-confidential information in their respective registries publicly available consistent with the guidance and provide a publicly accessible user interface through the Internet that allows interested persons to query and view it.

60. The information referred to in paragraph 59 above includes up-to-date information on entities that have holding accounts in their respective registries.

61. Each government promptly makes the relevant information on the authorization publicly available, including but not limited to the project title, the name of a legal entity acquiring JCM credits, credit serial numbers, and the status of authorization by each country.

M. Modification of Premium T-VER

62. If TGO intends to modify the guidelines, announcements and any other relevant documents under Premium T-VER, TGO:

- (a) without delay, notify the Government of Japan, including through the Joint Committee, and provide all relevant information;
- (b) upon request, provide the Government of Japan with a reasonable opportunity for consultation with respect to any matter related to such modification.