

Memorandum of Cooperation on the Low Carbon Growth between the Japanese side and the Costa Rican side

The Japanese side and the Costa Rican side (hereinafter referred to as “both sides”), in pursuit of the ultimate objective of the United Nations Framework Convention on Climate Change (hereinafter referred to as the “Convention”) as stated in its Article 2 as well as the achievement of sustainable development and continued cooperation beyond 2012 in order to address climate change, promote the initiative on the Low Carbon Growth, which is governed by the following items:

1. Both sides will promote close policy consultations at various levels of cooperation focused on low carbon growth in regional and bilateral frameworks.
2. Both sides, in order to promote investment and deployment of low carbon technologies, products, systems, services and infrastructure to achieve low carbon growth in the Republic of Costa Rica, establish a Joint Crediting Mechanism (hereinafter referred to as the “JCM”) and implement it, according to the principles of the Convention and national laws and regulations in each country on the subject.
3. Both sides establish the Joint Committee to operate the JCM, which consists of representatives of both sides.
 - (1) The rules of procedures of the Joint Committee are formulated through consultations between both sides.
 - (2) The Joint Committee develops rules and guidelines, methodologies to quantify the amount of emissions reductions or removals of greenhouse gases, the requirements for the designation of third-party entities and other matters related to the implementation and administration of the JCM as needed.
 - (3) The Joint Committee convenes meetings on regular basis to evaluate the implementation of the JCM.
4. Both sides mutually recognize that verified emission reductions or removals from the mitigation projects under the JCM can be used as a part of their own internationally pledged greenhouse gases mitigation efforts.
5. Both sides ensure the robust methodologies, transparency and the environmental integrity of the JCM and maintain the JCM simple and practical, to promote concrete actions for global greenhouse gases emissions reductions or removals.
6. Neither side uses any mitigation projects registered under the JCM for the purpose of any other international climate mitigation mechanisms to avoid double counting on greenhouse gases emission reductions or removals.

7. Both sides work in close cooperation to facilitate financial, technological and capacity building support necessary for the implementation of the JCM, according to national capacities of each side.
8. The JCM starts its operation as the non-tradable credit type mechanism. Both sides will continue consultation for the transition to the tradable credit type mechanism and reach a conclusion of such consultation at the earliest possible timing, taking account of implementation of the JCM.
9. Both sides have aim to contribute concretely in adaptation efforts in developing countries, through the JCM, once the JCM becomes a tradable credit type mechanism.
10. Both sides may modify this document by mutual written consent between both sides.
11. The term of this document covers the period until a possible entry into effect of a new international framework under the Convention. Both sides consider an extension or completion of this document before the period above-mentioned, taking into account, among other things, progress made in the negotiations of the United Nations on Climate Change.

Signed in Tokyo on 9th December 2013, in duplicate original in English. Two duplicate originals in Japanese and Spanish will be signed. All texts have equal values. In case of any divergence of interpretation of the texts, the English text will be referred to.

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