

## **Low Carbon Growth Partnership between the Japanese side and the Ethiopian side**

1. The Japanese side and the Ethiopian 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 and of achieving sustainable development, and in order to continue to address climate change in cooperation beyond 2012, promote the Low Carbon Growth Partnership as follows.
2. Both sides hold close consultations at various levels for cooperation toward low carbon growth under the UN, at the regional and at the bilateral frameworks.
3. Both sides, in order to promote investment and deployment of low carbon technologies, products, systems, services and infrastructure to achieve low carbon growth in Ethiopia, establish a Joint Crediting Mechanism (hereinafter referred to as the “JCM”) and implement it in accordance with the relevant domestic laws and regulations in force in their respective countries.
4. Both sides establish a Joint Committee through which they will operate the JCM.
  - (1) The Joint Committee consists of representatives from both sides.
  - (2) Rules of procedures of the Joint Committee, including its membership, are formulated through consultations between both sides.
  - (3) The Joint Committee develops rules and guidelines regarding the JCM, methodologies to quantify the amount of greenhouse gas emission reductions or removals, requirements for the designation of third-party entities, and other matters relating to the implementation and administration of the JCM as necessary.
  - (4) The Joint Committee convenes meetings on a regular basis to evaluate the implementation of the JCM.
5. Both sides mutually recognize that verified emission reductions or removals by the mitigation projects under the JCM can be used as a part of their own internationally pledged mitigation efforts.
6. Both sides ensure the need for robust methodologies, transparency and environmental integrity of the JCM and maintain the JCM simple and practical, so as to promote concrete actions for global greenhouse gas emission reductions or removals.
7. Neither side uses any mitigation project registered under the JCM for the purpose of any

other international climate mitigation mechanisms so as to avoid double counting on greenhouse gas emission reductions or removals.

8. Both sides work in close cooperation so as to facilitate financial, technological and capacity building support necessary for the implementation of the JCM.
9. The JCM starts its operation as a non-tradable credit type mechanism. Both sides continue consultations for transition to a tradable credit type mechanism and reach a conclusion of such consultation at the earliest possible time, taking account of the implementation of the JCM.
10. Both sides aim for concrete contributions to assisting adaptation efforts of developing countries through the JCM after it is converted to the tradable credit type mechanism.
11. This partnership covers the period until a possible coming into effect of a new international framework under the Convention. Both sides consider possible extensions of this partnership and reach a conclusion before its termination, taking into account, *inter alia*, the progress made in the United Nations negotiations on climate change.
12. Any content of this partnership may be modified only by mutual written consent between both sides.

Signed in Addis Ababa on 27th May 2013, in two originals in the English language.

[SIGNATURE OF JAPANESE SIDE]

[SIGNATURE OF ETHIOPIAN SIDE]

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