Joint Crediting Mechanism (JCM)

Prelims: *Current events of national and international importance*

Why in News?

Recently, India and Japan have finalized and adopted the Rules of Implementation for the Joint Crediting Mechanism (JCM).

- **JCM –** It is a bilateral framework designed to promote the adoption of advanced low-carbon technologies, systems, and infrastructure through investments by Japanese organizations while supporting sustainable development in partner countries.
- **Proposed by** – Japan**.**
- **Launched in** – 2013.
- **International Backing** – The mechanism functions in accordance with Article 6 of the Paris Agreement.
- It helps both participating countries achieve their Nationally Determined Contributions (NDCs).
- It does so by quantifying Japan's contribution to greenhouse gas emission reductions and allocating a portion of the resulting carbon credits to Japan.
- **Operates under** – The framework of the *United Nations Framework Convention on Climate Change*.
- It complements existing international carbon market mechanisms such as the Clean Development Mechanism and Joint Implementation.
- Currently, India is among the 31 partner countries participating in the JCM.
- **Focus Areas –** The mechanism prioritizes cooperation in key decarbonization sectors, including:
    - Renewable energy integrated with energy storage systems
    - Sustainable aviation fuel (SAF)
    - Compressed biogas (CBG)
    - Green hydrogen
    - Green ammonia
    - Hard-to-abate industrial sectors with high carbon emissions
- Through these focus areas, the JCM aims to accelerate climate action, support clean energy transitions, and promote sustainable economic growth among participating countries.

Reference

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