Memorandum of Cooperation (MOC) on Low Carbon Growth Partnership between the Government of Japan and the Government of the Republic of Kenya

#### Preamble

The Government of Japan represented by the Embassy of Japan in the Republic of Kenya and the Government of the Republic of Kenya represented by the Ministry of Environment, Water and Natural Resources (hereinafter referred to as "both governments"); 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:

## 1. Areas of Cooperation

- (i) Both governments will hold close policy consultations at various levels for cooperation towards low carbon growth under the United Nations (UN), regional and bilateral frameworks.
- (ii) Both governments, in order to promote investment and deployment of low carbon technologies, products, systems, services and infrastructure to achieve low carbon growth in Kenya, will 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 the respective countries.

### 2. Organization of JCM

- (i) Both governments will establish a Joint Committee to operationalise the JCM:
  - The Joint Committee will consist of representatives from both governments.
  - Rules of procedures of the Joint Committee, including its membership will be formulated through consultations between both governments.

- The Joint Committee will develop rules and guidelines regarding the JCM, methodologies to quantify the amount of greenhouse gases emission reductions or removals, requirements for designation of third-party entities, and other matters relating to the implementation and administration of the JCM as necessary.
- The Joint Committee will convene meetings on regular basis to evaluate the implementation of the JCM.
- (ii) Both governments mutually recognize that verified 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 while avoiding double counting.
- (iii) Both governments will 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.
- (iv) Neither government will use 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.
- (v) Both governments will work in close cooperation to facilitate financial, technological and capacity building support necessary for the implementation of the JCM.
- (vi) The JCM will start its operation as the non-tradable credit type mechanism. Both governments continue consultation for the transition to the tradable credit type mechanism and reach a conclusion of such consultation at the earliest time possible, taking into account of implementation of the JCM.
- (vii) Both governments will aim for concrete contributions to assist adaptation efforts through the JCM after the JCM is converted to the tradable credit type mechanism.
- (viii) The modalities of operation of the JCM may be modified by mutual written consent between both governments taking into account developments under the UN climate change negotiations.

#### 3. Duration

This MOC covers the period from the date of signature of the approving officials until a possible coming into effect of a new international framework under the Convention.

Both governments may consider possible extension of this MOC and reach a conclusion before its termination, taking into account, inter alia, the progress made in the United Nations negotiations on climate change.

## 4. Confidentiality

Each government will protect the confidentiality of information received from the other government and will not disclose such information to any third party without the prior written consent of the other government.

In the event of termination of this MOC, both governments will continue to apply confidentiality to the existing activities under this MOC.

# 5. Settlement of Disputes

Any dispute arising from the interpretation, application or implementation of this MOC will be resolved through consultations between both governments.

Signed in Nairobi on 12th JUNE 2013, in two originals in the English language.

Signature for the Government of Japan

Signature for the Government of the Republic of Kenya

TOSHIHISA TAKATA Ambassador Extraordinary and Plenipotentiary of Japan to the

Republic of Kenya

ALI D. MOHAMED Permanent Secretary - Environment Ministry of Environment, Water and

Natural Resources, Kenya