Agreement on International Consortium *(JCM Eco Lease Example)*

This agreement (hereinafter referred to as “Agreement”) is made and executed to establish an International Consortium (hereinafter referred to as “Consortium”) and utilize the Financing Programme for the project on CO2 emission reductions as “The Joint Crediting Mechanism (hereinafter referred to as "JCM") Model Project 2020”, which is referred to below.

Title of the project: ＿＿＿＿＿＿＿ (hereinafter referred to as “Project”)

Article 1 (Appellation)

The International Consortium established based on this Agreement shall be termed ＿＿＿＿＿＿＿ project consortium.

Article 2 (Locations and appellations of constituent members)

This Consortium shall consist of a Japanese participant(s) and a JCM partner-country participant(s), and the constituent members shall be as follows.

1. Participant name
Address
2. Participant name
Address
3. Participant name
Address

Article 3 (Representative participant and partner participant(s))

The representative of this Consortium shall be a Japanese participant, and \_\_\_\_\_\_\_\_\_\_\_ is hereby appointed. The other constituent members shall be a partner participant(s).

Article 4 (Liabilities and authorities of the representative participant)

The representative participant of this Consortium shall be liable for purchase, installation, and commissioning of the facilities and equipment introduced by the Project (hereinafter referred to as “Facilities”). Regarding implementation of the Project, the representative participant shall also be liable for operational management and accounting of the project. The representative participant shall apply and receive the financial support and also administer the property belonging to this Consortium.

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Article 5 (Joint liabilities of constituent members)

1. Each constituent member of this Consortium shall strive for progress in their assignments and is jointly liable for implementation of the Project.

2. Each constituent member of this Consortium is also jointly liable for the following obligations of constituent members of the Project:

(1) To cooperate with JCM methodology developers by providing information required to develop a methodology applicable to the project for greenhouse gas (GHG) emission reductions utilizing the Facilities.

(2) To cooperate with Third Party Entities (TPEs) by providing materials and information required to efficiently conduct validation of the abovementioned project and verification of GHG emission reductions at the project site.

(3) To reduce, monitor and calculate GHG emissions utilizing the Facilities.

(4) To execute measurement and reporting on the effect of GHG emission reductions by the Facilities, and to report it to the Ministry of the Environment, Japan, annually until the end of the leasing period of the Facilities, that is \_\_\_\_ years for the Project.

(5) To take necessary actions such as application for the project registration by the Joint Committee set up or to be set up by the governments of Japan and JCM partner-country.

(6) To request the Joint Committee to issue credits and deliver fifty percent or more of the issued JCM credit corresponding to GHG emission reductions achieved by the registered JCM project for the abovementioned leasing period to the Japanese government.

(7) To manage the Facilities with due care of a vigilant manager within their leasing period in order to realize their efficient operation in accordance with the purpose of the financial support even after the completion of the JCM Model Project.

(8) To report to GEC in case that a constituent member is changed and to continue the above obligations from (1) to (7),

Article 6 (Implementation structure of International Consortium)

Implementation structure based on this Agreement shall be referred to in the Appendix.

Article 7 (Terms of establishment and valid period of this Agreement)

1. This Agreement comes into effect on ●● of \_\_, 2020 and expires at the end of Japanese fiscal year (March) after the value of Facilities is fully depreciated in accordance with the Japanese law.

2. The valid period of this Agreement set forth in the preceding paragraph can be extended based on an agreement between the representative participant and the partner participant(s).

Article 8 (Steering Committee)

This Consortium shall organize a steering committee consisting of all the constituent members to manage the Project.

Article 9 (Project Supervisor)

In this Consortium, the representative participant shall serve as the project supervisor and as the authority overseeing and supervising the Project.

Article 10 (Persons in charge and engaged persons)

Representatives of the constituent members in this Consortium shall appoint a responsible person and persons in charge to engage in the Project under the project supervisor.

Article 11 (Several liability and role of the constituent members)

If a constituent member of this Consortium causes damage to the other members or a third party due to that member's fault related to implementation of the Project, the member is liable for the damage.

Article 12 (Restriction of transferring rights and obligations)

All or part of the rights and obligations conferred by this Agreement shall not be transferred or succeeded to a third party.

Article 13 (Confidentiality obligation)

The treatment of this Agreement shall be a matter of mutual consent among the constituent members of the Project and shall not be disclosed to any third parties.

Article 14 (Measures concerning bankruptcy or dissolution of the constituent members in the middle of the Project)

If any of the constituent members becomes bankrupt or is dissolved, the remaining members shall jointly complete the task originally assigned to the member that becomes bankrupt or is dissolved.

Article 15 (Defect liability after dissolution)

If any defect is found in the Project after the dissolution of this Consortium, each constituent member shall be jointly liable for the defect.

Article 16 (Matters not provided for in this Agreement)

Matters not provided for in this Agreement shall be determined by the Steering Committee.

Article 17 (Solutions for disputes or doubts)

If there is any dispute or doubt in the interpretation of this Agreement, the representative participant and the partner participant(s) shall consult with each other and attempt to settle the matter amicably.

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In witness whereof, this Agreement has been made in \_\_\_\_\_\_ (\_) originals and one copy and each constituent member shall place its signature and seal respectively thereon, and retain the original. The copy shall be submitted to the GEC together with the grant application form.

Date ● of , 2020

Representative participant:

 (Signature)

Name:

Title:

(Name of the Representative participant)

Partner participant(s):

 (Signature)

Name:

Title:

(Name of the Partner participant)

 (Signature)

Name:

Title:

(Name of the Partner participant)

Appendix: Implementation structure



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