Date of meeting: 13–14 April 2010

Location: Bonn, Germany

Attendance: The names of members and alternate members of the Joint Implementation Supervisory Committee (JISC) present at the twenty-first meeting are in bold print below. Where only the name of an alternate member is in bold print, the alternate member participated as a member.

<table>
<thead>
<tr>
<th>Members</th>
<th>Alternate Members</th>
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<tbody>
<tr>
<td>Mr. Muhammed Quamrul Chowdhury</td>
<td>No alternate elected</td>
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<tr>
<td>Mr. Carlos Fuller</td>
<td>Ms. Carola Borja</td>
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<tr>
<td>Ms. Fatou Gaye</td>
<td>Mr. Benjamin Longo-Mbenza</td>
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<tr>
<td>Ms. Agnieszka Galan</td>
<td>Mr. Oleg Pluzhnikov</td>
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<tr>
<td>Mr. Georgiy Geletukha</td>
<td>Mr. Yoncho Georgiev Pelovski</td>
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<tr>
<td>Mr. Hiroki Kudo</td>
<td>Mr. Anton Beck</td>
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<tr>
<td>Mr. Benoît Leguet</td>
<td>Mr. Evgeny Sokolov</td>
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<tr>
<td>Ms. Miriana Roman</td>
<td>Ms. Irina Voitekhovitich</td>
</tr>
<tr>
<td>Mr. Wolfgang Seidel</td>
<td>Mr. Olle Björk</td>
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<tr>
<td>Mr. Andrew Yatilman</td>
<td>Mr. Derrick Oderson</td>
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</table>

Quorum (in parenthesis required numbers):
10 (7) members/alternate members acting as members were present of which
6 (4) were from Annex I Parties and
4 (3) were from non-Annex I Parties.

WWW broadcasting: <http://ji.unfccc.int/Sup_Committee/Meetings>.
Agenda item 1: Membership issues (including disclosure of possible conflict of interest)

1. The Chair opened the meeting and asserted that the quorum was met. No conflict of interest was identified by any member or alternate member of the JISC present at the meeting.

Agenda item 2: Adoption of the agenda

2. With regard to the proposed agenda, the Chair suggested to additionally discuss the following issue under proposed agenda item 4 (e) “Other business”:

   (a) An unsolicited communication received by the JISC.

3. The JISC adopted the agenda with the change referred to in paragraph 2 above.

Agenda item 3: Work plan

Agenda sub-item 3 (a): Accreditation of independent entities

4. The JISC took note of the seventeenth progress report on the work of the Joint Implementation Accreditation Panel (JI-AP), orally presented by its Chair, Ms. Fatou Gaye. The report summarized information relating to the work of the JI-AP, including the status of applications for accreditation, the submission to the JISC of a draft “Joint implementation accreditation standard (version 01)” (JI accreditation standard), a draft “Procedure for accrediting independent entities by the Joint Implementation Supervisory Committee (version 06)” (JI accreditation procedure) and two information notes on policy issues, the status of the roster of experts for joint implementation assessment teams (JI-ATs) and other outcomes of the JI-AP.

General guidance and process

5. The secretariat presented the second draft JI accreditation standard recommended by the JI-AP to the JISC, which took into account the inputs received from the call for public inputs on the first draft conducted from 8 December 2009 until 18 January 2010.

6. The JISC considered the second draft JI accreditation standard and adopted it as recommended by the JI-AP, as contained in annex 1, effective on 15 April 2010 and three months of grace period for compliance. In this context, the JISC also adopted the JI-AP’s recommendation regarding the verification of compliance by independent entities (IEs) with the JI accreditation standard after the grace period as follows:

   − Accredited IEs (AIEs) and applicant IEs that have been issued an indicative letter in accordance with the JI accreditation procedure shall provide to the JISC, by 22 July 2010, a declaration that they fully comply with the JI accreditation standard, including the list of policies, procedures and systems that they adopted, established, revised or implemented to comply with the JI accreditation standard along with a copy of all new or revised related documents. Based on this declaration and documentation, the JI-AP will consider, on a case-by-case basis, whether to conduct a desk review of such documentation to be performed by a JI-AT.

7. The JISC requested the JI-AP to further consider the following two issues in a revision of the JI accreditation standard or in a future adoption or revision of any other relevant document:

   (a) Signing of contracts regarding determination and verification work by entities affiliated with the AIE;

   (b) Introduction of a time limitation for AIEs to perform determinations and verifications.
8. Along with the adoption of the JI accreditation standard, the JISC decided to cancel the following documents, which were incorporated in the standard with appropriate modifications:
   (a) Appendix A of “List of sectoral scopes (version 02)” (P-JI-ACCR-03);
   (b) “Clarification regarding responsibilities of accredited premises of accredited independent entities (version 02)” (C-JI-ACCR-04).

9. The JISC noted that the JI-AP will revise relevant forms to be used in the JI accreditation process in accordance with the provisions of the JI accreditation standard.

10. The secretariat presented the draft JI accreditation procedure (version 06) recommended by the JI-AP to the JISC, which revision is necessary with the adoption of the JI accreditation standard.

11. The JISC considered the draft JI accreditation procedure (version 06) and adopted it as recommended by the JI-AP, as contained in annex 2, with 15 April 2010 as the effective date.

12. Along with the adoption of the JI accreditation procedure (version 06), the JISC decided to cancel the following documents, which were incorporated in the procedure with appropriate modifications:
   (a) Main part of “List of sectoral scopes (version 02)” (P-JI-ACCR-03);
   (b) “Indicative level of fees to be paid to joint implementation assessment team by applicant independent entity or accredited independent entity (version 03)” (P-JI-ACCR-05);
   (c) “Clarification regarding conditions for designated operational entities for acting provisionally as accredited independent entities (version 02)” (C-JI-ACCR-01);
   (d) “Clarification regarding scopes and steps of witnessing activities under the joint implementation accreditation procedure (version 03)” (C-JI-ACCR-02);
   (e) “Clarification regarding identification of witnessing opportunities by designated operational entities acting provisionally as accredited independent entities (version 02)” (C-JI-ACCR-03);
   (f) “Clarification regarding monitoring period of joint implementation project for witnessing of verification function of applicant independent entities (C-JI-ACCR-05)”;
   (g) “Clarification regarding the timing of witnessing activities (C-JI-ACCR-07)”.

13. The secretariat presented an information note recommended by the JI-AP containing an analysis of the current situation and options for changes of the procedures on witnessing activities in the JI accreditation process, prepared taking into account the inputs from the DOE/AIE coordination forum, the Joint Implementation Action Group (JIAG) and the Project Developer Forum (PD Forum), in response to the JISC’s request made at its nineteenth and twentieth meetings.

14. The JISC considered the options presented and agreed with the option recommended by the JI-AP, i.e. to maintain one successful witnessing activity before granting accreditation and replace ex-post witnessing activities with “performance assessments” after accreditation.

15. The JISC requested the JI-AP to elaborate the modalities of the option agreed on as referred to in paragraph 14 above, including the introduction of time limitations for submission of documentary evidence by applicant IEs for a witnessing activity after the acceptance of the witnessing opportunity by the JI-AT leader, as well as the revision of the current grouping of sectoral scopes taking into account the following the JISC’s proposal in this regard, and report back to the JISC at future meetings.
(a) Merging sectoral group I (sectoral scopes 1 (energy industries), 2 (energy distribution) and 3 (energy demand)) and sectoral group IV (sectoral scope 7 (transport));

(b) Merging sectoral group V (sectoral scope 14 (Land-use, land-use change and forestry) and sectoral group VI (sectoral scope 15 (agriculture)).

16. The JISC also requested the JI-AP to analyze all inputs from the stakeholders referred to in paragraph 13 above and take them into account when proposing the modalities.

17. The JISC reiterated that joint implementation (JI) Track 1 projects may be used for witnessing activities provided that JI Track 2 rules and requirements are applied in the determination or verification assessed.

18. The secretariat presented an information note recommended by the JI-AP containing options for approaches to be taken by the JISC in cases where accreditation of a designated operational entity (DOE), that is also an AIE, is suspended or withdrawn under the Clean Development Mechanism (CDM).

19. The JISC considered the options and agreed that it would revise the relevant provision in the spot-check section of the JI accreditation procedure in its next revision to clarify that the suspension or withdrawal of accreditation under the CDM may be a reason for the JI-AP to recommend to the JISC to initiate a spot-check. For this purpose, the JISC requested the JI-AP to propose a revised text of the relevant provisions of the JI accreditation procedure, and report back to the JISC at future meetings.

20. The JISC took note of other progress made by the JI-AP as well as the measures under consideration by the JI-AP to further improve the JI accreditation process.

Further schedule

21. The JISC noted that the twenty-third meeting of the JI-AP is to take place on 19-20 May 2010.

**Agenda sub-item 3 (b): Matters relating to determination and verification reports**

22. The JISC took note of the report by the secretariat regarding the submission of documents under the verification procedure under the JISC (hereinafter referred to as JI Track 2 procedure). Since the launch of the JI Track 2 procedure on 26 October 2006, 226 PDDs had been submitted and made publicly available on the UNFCCC JI website in accordance with paragraph 32 of the annex to decision 9/CMP.1 (JI guidelines). Eighteen determinations regarding a PDD had been published on the UNFCCC JI website in accordance with paragraph 34 of the JI guidelines, of which:

   (a) Sixteen determinations had been deemed final in accordance with paragraph 35 of the JI guidelines;

   (b) One determination had been rejected;

   (c) One determination is open for requests for review by the JISC.

23. Sixteen monitoring reports had been submitted and made publicly available on the UNFCCC JI website in accordance with paragraph 36 of the JI guidelines. Eleven verifications had been published on the UNFCCC JI website in accordance with paragraph 38 of the JI guidelines, nine of which have been deemed final in accordance with paragraph 39 of the JI guidelines.

24. The JISC also took note of the report by the secretariat regarding the survey of AIEs, providing their expectations regarding activities concerning PDD submissions, determinations and verifications in the next twelve months. The JISC discussed the quality of the survey information and requested the secretariat to investigate whether the JISC can obtain more complete and possibly more accurate information through project participants and report its findings at the next meeting.
25. The JISC noted the report by the secretariat on the status of information from Parties regarding their designated focal points (DFPs) and national guidelines and procedures for approving JI projects, in accordance with paragraph 20 (a) and (b) of the JI guidelines, required for the submission of determinations regarding a PDD. 35 Annex I Parties had informed the secretariat of their DFPs. 29 of these Parties had also submitted their national guidelines and procedures for approving JI projects.1

Agenda sub-item 3 (c): Areas for further guidance to be considered by the Joint Implementation Supervisory Committee regarding materiality and revisions of JI documents during project implementation

26. At its twentieth meeting the JISC took note of the information and analysis prepared by the secretariat as requested in its nineteenth meeting regarding priority areas and agreed on two areas for further work by the JISC in 2010: the concept of materiality in determinations and verifications; and changes during project implementation from a determined project design and/or monitoring plan, with a view to adopting new or revised regulatory documents pertaining to these items by the twenty-fourth meeting. At its 20th meeting the JISC also requested the secretariat to conduct a call for public inputs on the two areas and report the findings of this call at the twenty-first JISC meeting.

27. The JISC took note of the result of the public call conducted by the secretariat along with a summary of the findings contained in annex 1 of the annotated agenda, and discussed next steps.

28. The JISC agreed that five members/alternate members of the JISC, Mr. Geletukha, Mr Kudo, Mr. Leguet, Mr. Oderson and Mr. Seidel, with the support of the secretariat, would prepare a first draft text regarding materiality for the JISC’s consideration at its next meeting, with a view to also discussing this first draft during the roundtable consultations referred to in paragraph 48 below, and subsequently revising the draft for possible adoption at the twenty-third meeting.

29. The JISC agreed that six members/alternate members of the JISC, Ms. Borja, Mr. Chowdhury, Ms. Gaye, Mr. Sokolov, Ms. Voitekhovitch and Mr. Yatilman, with the support of the secretariat, would prepare a first draft text regarding changes during project implementation from a determined project design and/or monitoring plan, for the JISC’s consideration at its next meeting, with a view to also discussing this first draft during the roundtable consultations referred to in paragraph 48 below, and subsequently revising the draft for possible adoption at the twenty-third meeting.

Agenda sub-item 3 (d): Management plan and resources for the work on joint implementation

30. The JISC noted that it had agreed at its twentieth meeting to consider the need for revisions to the management plan at its twenty-second meeting.

31. The JISC considered the financial status of JI activities, noting the information provided by the secretariat, including the status of contributions from Parties so far for the biennium 2010–2011. In this regard, the JISC thanked those Parties that had contributed to the funding of the work of the JISC to date.

32. Recognizing that the current level of contributions is dramatically lower than what is required, the JISC urged Parties to make early contributions this biennium to ensure that all necessary activities envisaged by the JISC can be carried out in a predictable and sustainable manner. The status of resources and contributions is contained in annex 3.

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1 Australia, Austria, Belarus, Belgium, Bulgaria, Canada, Croatia, Czech Republic, Denmark, Estonia, European Community, Finland, France, Germany, Hungary, Ireland, Italy, Japan, Latvia, Liechtenstein, Lithuania, Luxembourg, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Russian Federation, Slovenia, Spain, Sweden, Switzerland, Ukraine, United Kingdom.

2 Australia, Austria, Belarus, Belgium, Bulgaria, Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Ireland, Italy, Japan, Latvia, Liechtenstein, Lithuania, Netherlands, New Zealand, Poland, Portugal, Romania, Russian Federation, Spain, Sweden, Switzerland, Ukraine, United Kingdom.
33. The JISC considered its schedule of meetings for the year and agreed that at the moment no revisions were required. However, the JISC noted the need to possibly reduce the duration of the meetings in the second half of 2010.

34. The JISC also considered the work programme for the Committee for 2010 on the basis of standing items requiring its attention, ongoing activities of the Committee and requests from the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol (CMP). A revised work programme for 2010 is contained in annex 4.

**Agenda item 4: Other matters**

**Agenda sub-item 4 (a): Collaboration of the Joint Implementation Supervisory Committee with others**

35. The JISC invited the Chair of the DOE/AIE coordination forum (Mr. Flavio Gomes) to the meeting for interaction between the JISC and the forum on JI issues.

36. The Chair of the DOE/AIE coordination forum elaborated the inputs from the forum sent to the JISC for the present meeting for consideration by the JISC, requesting the JISC to:

   (a) Clarify whether or how new decisions/requirements/rules/guidance relating to JI need to be reflected in the determinations that have already been finalized by the AIEs and have only been waiting for host Party approval;

   (b) Confirm that an AIE’s local offices may enter into contract for determinations and verifications under adequate contractual arrangements between the AIE and the local offices to ensure that the overall responsibility for all determination and verification work remains with the AIE;

   (c) Include the concept of materiality in determinations and verifications.

37. The JISC took note of the input of the DOE/AIE coordination forum and agreed to consider the inputs, as appropriate, in future adoption of new or revision of existing regulatory documents.

38. The Chair of the JISC thanked the Chair of the DOE/AIE coordination forum for his attendance and expressed the usefulness of the inputs and interaction with the forum.

39. The JISC invited the representative of the JIAG, Mr. Morten Prehn Sorensen, to the meeting for interaction between the JISC and the group on JI issues.

40. The representative of the JIAG elaborated the inputs that the group had provided prior to the meeting as well as the input it provided during the call for public inputs regarding materiality and changes of project design during project implementation, and invited the JISC to give them due consideration. In particular, the JIAG raised concerns regarding the application of revised JI rules and guidelines to PDDs and determinations which have been prepared prior to the change of such rules and guidelines. The JISC took note of the inputs from the JIAG and agreed to consider the inputs, as appropriate, in future adoption of new or revision of regulatory documents.

41. The Chair of the JISC thanked the representative of the JIAG for his attendance and expressed the usefulness of the inputs and interaction.

42. The JISC invited the representative of the PD Forum, Mr. Werner Betzenbichler, to the meeting for interaction between the JISC and the group on JI issues.
43. The representative of the PD Forum elaborated the Forum’s inputs provided during the call for public inputs regarding materiality and changes of project design during project implementation, and invited the JISC to give them due consideration. In particular, the PD Forum emphasized the need for procedures to accommodate project design changes during implementation and also expressed support for the development of guidance regarding materiality. The JISC took note of the inputs from the PD Forum and agreed to consider the inputs, as appropriate, in future adoption of new or revision of regulatory documents.

44. The Chair of the JISC thanked the representative of the PD Forum for his attendance and expressed the usefulness of the inputs and interaction.

**Agenda sub-item 4 (b): Consideration of the means to enhance the outreach activities to improve the overall understanding of JI**

45. At its fifth session, the CMP requested the JISC and the secretariat to enhance their outreach activities to improve the overall understanding of JI. The JISC considered information provided by the secretariat on outreach activities that have been undertaken to date and possible further means that could be considered by the JISC.

46. The JISC requested the secretariat to provide for its consideration at its next meeting a draft communication strategy, focusing on reaching a broader group of stakeholders, including DFPs, and possibly increased collaboration with other organizations with an interest in JI. The JISC also requested the secretariat to consider financial implications of the elements in the preparation of the draft communication strategy.

**Agenda sub-item 4 (c): Preparations for a UNFCCC technical workshop on joint implementation and roundtable consultations in 2010**

47. At its twentieth meeting the JISC agreed to hold a roundtable consultations in conjunction with its twenty-second meeting and tentatively planned to hold a UNFCCC technical workshop on JI in the second half of 2010, including, to the extent possible, organizing the workshop in a JI host country.

48. The JISC considered the structure and content of the roundtable consultations and requested the secretariat to organize the roundtable consultations for one day, immediately prior to its twenty-second meeting, with a focus on the issues of 1) materiality; 2) revisions of project design during project implementation; 3) experiences with the verification procedure under the JISC with a view to making improvements for the future operation of JI; and 4) outreach activities on JI. The JISC agreed to invite DFPs, members of the DOE/AIE coordination forum, JIAG and PD Forum. The JISC further agreed to invite other stakeholders and for that purpose requested the secretariat to open a call for participation in the roundtable consultations and, in consultation with the Chair, to finalise the agenda and list of participants.

49. The JISC considered the organization of the UNFCCC technical workshop on JI, including the date and location of the event. In this regard, the JISC noted with appreciation the offer of Mr. Pluzhnikov to organize the workshop and the twenty-third meeting of the JISC in the Russian Federation. The JISC accepted this offer and requested the secretariat, subject to clearance of all necessary administrative issues, to start preparing the formal, legal and logistical arrangements for these events and report back to the JISC at its next meeting.
Agenda sub-item 4 (d): Consideration of experiences with the joint implementation verification procedure under the JISC, with a view to making improvements for the future operation of joint implementation

50. At its fifth session, the CMP requested the JISC to report to the CMP at its sixth session on its experiences with the verification procedure under the JISC, with a view to making improvements for the future operation of JI, taking into account relevant decisions of the CMP at its fifth session. The JISC considered the information presented by the secretariat on the matter, including the possible schedule for development and structure of the required report.

51. The JISC requested the secretariat to prepare a background paper, in consultation with nine selected JISC members/alternate members (Mr. Beck, Mr. Björk, Mr. Geletukha, Mr. Leguet, Mr. Pelovski, Mr. Pluzhnikov, Ms. Roman, Mr. Seidel and Ms. Voitekhovitch), which would identify possible areas of focus and structure of the report to the CMP. The JISC also requested the secretariat to work on the scope of the report in consultation with the selected JISC members/alternate members prior to its next meeting.

52. The JISC further requested the secretariat to launch a call for public inputs on experiences with the verification procedure under the JISC, with a view to making improvements for the future operation of JI. The JISC further requested the secretariat to compile the inputs received from the call for its consideration at its next meeting and at the roundtable consultations referred to in paragraph 48 above.

Agenda sub-item 4 (e): Other business

Consideration and clarification regarding one unsolicited communication received by the JISC

53. Prior to the twenty-first meeting, the JISC received an unsolicited communication that the JISC agreed to consider as an additional item during this meeting. The unsolicited communication seeks clarification regarding under what conditions a project participant may choose to change AIE, after the PDD has been published and its public commenting period finalized but prior to the submission of a determination in accordance with paragraph 34 of the JI guidelines. A clarification from the JISC on this matter is contained in annex 5.

Provisional agenda

54. The JISC agreed on the provisional agenda of its twenty-second meeting, to be held on 15–16 June 2010, as contained in annex 6.

Informal interaction with registered observers

55. The JISC invited registered observers for a webcasted question-and-answer session.

Agenda item 5: Conclusion of the meeting

56. The Chair summarized the main conclusions and closed the twenty-first meeting of the JISC.
Annexes to the report

Accreditation of independent entities

Annex 1: Joint implementation accreditation standard (version 01)
Annex 2: Procedure for accrediting independent entities by the Joint Implementation Supervisory Committee (version 06)

Management plan and resources for the work on joint implementation

Annex 3: Status of resources and contributions
Annex 4: Joint Implementation Supervisory Committee work programme for 2010 (revision 1)

Other Matters

Annex 5: Clarification regarding project participants’ change of accredited independent entity

Provisional agenda

Annex 6: Provisional agenda of the twenty-second meeting of the Joint Implementation Supervisory Committee