RECOMMENDATION TO THE CMP:

FUNCTIONING OF JOINT IMPLEMENTATION IN THE TRANSITION FROM THE FIRST TO THE SECOND COMMITMENT PERIOD OF THE KYOTO PROTOCOL

(Version 01.0)

I. Background

1. The Joint Implementation Supervisory Committee (JISC), at its thirtieth meeting, considered the implications and possible solutions for joint implementation (JI) projects during the transition from the first commitment period (CP1) to the second commitment period (CP2) of the Kyoto Protocol, and agreed to a recommendation to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP), as presented below, by including it in its annual report to the CMP.

II. Recommendation to CMP

2. In order to ensure the continuation of JI without interruption, the JISC wishes to inform the CMP, that:

   (a) The JISC will continue to operate the verification procedure under the JISC (the Track 2 procedure) in accordance with section E of the annex to decision 9/CMP.1 (the JI guidelines) during the period before the amendments to Annex B of the Kyoto Protocol enter into force, provided that the relevant host Parties meet the requirement of paragraph 20 of the JI guidelines, and taking into account paragraph 10 of decision 4/CMP.6;

   (b) The JISC will continue to provide guidance on the mechanism as needed.

3. In order to also accommodate the issuance of emission reduction units (ERUs) during the period before Parties are able to issue ERUs under the current rules, the JISC recommends to the CMP that it decide that:

   (a) In the period prior to the issuance of assigned amount units (AAUs) for CP2 in its national registry, any host Party that [has a quantified emission limitation or reduction objective (QELRO) for CP2 in an amendment adopted by the CMP] [has declared, in accordance with any relevant provisions agreed by the Parties to be bound by a QELRO for CP2]¹ may issue ERUs for emission reductions or removal enhancements that occur in this period resulting from JI projects registered in CP1 or CP2, provided that the Party’s eligibility has not been suspended in accordance with section XV of decision 27/CMP.1; the amount of AAUs or removal units (RMUs) for CP2 corresponding to the amount of such ERUs issued shall be subsequently deducted from the host Party’s national registry upon AAUs or RMUs for CP2 having been established for that Party; or

   (b) Until the end of the CP1 true-up period² or when AAUs or RMUs for CP2 have been established for that Party, whichever is the earlier, ERUs may be issued by any host

¹ The CMP may wish to note that the first bracketed text may be more relevant if it adopts the amendments to Annex B to the Kyoto Protocol at its eighth session, otherwise the second bracketed text may be more relevant.

² The “True-up period”, which is formally known as the “additional period for fulfilling commitments”, is defined by decision 27/CMP.1, annex, article XIII, as extending to 100 days after the date agreed by the Parties for completing the reviews of Annex I Parties’ emission inventories for the 2012 calendar year.
Party that [has a QELRO for CP2 in the amendment to Annex B of the Kyoto Protocol adopted by the CMP] [has declared in accordance with any relevant provisions agreed by the Parties to be bound by a QELRO for CP2] for emission reductions or removal enhancements that occur in this period resulting from JI projects registered in CP1 or CP2, provided that the Party’s eligibility has not been suspended in accordance with section XV of decision 27/CMP.1, by converting the corresponding amount of AAUs or RMUs, as appropriate, for CP1; such ERUs may be used only for the purpose of compliance with the commitments for CP2.

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### History of the document

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3 Same as footnote 1 above.