

Ministry of the Environment Decree on Joint Implementation projects

Given in Helsinki on 28 September 2007

In accordance with the decision by the Ministry of the Environment, the following is hereby decreed by virtue of Sections 10 and 20 of the Act on the use of the Kyoto Mechanisms (109/2007), passed on 2 February 2007:

1 §

Definitions

For the purposes of this Decree:

1) *Mechanisms Act* means the Act on the Use of the Kyoto Mechanisms (109/2007);

2) *project developer* means a legal person responsible for the implementation of a Joint Implementation project;

3) *decision by the COP/MOP* means decision 9/CMP.1 adopted by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (SopS 37/2006);

4) *project design document* means a document required for the determination of a project, containing the information as defined in the decision by the COP/MOP;

5) *determination* means an advance evaluation of a project as referred to in the decision by the COP/MOP;

6) *determination report* means a report of the advance evaluation of the project as defined in the decision by the COP/MOP, drawn up by an accredited independent entity approved by the Joint Implementation Steering Committee;

7) *national procedures* mean the nationally selected procedures which are enacted in accordance with the decision by the COP/MOP and which may be used in the host countries of the projects if the host country meets the eligibility requirements as set down in the decision by the COP/MOP;

8) *Joint Implementation Steering Committee* means a committee established by virtue of the decision by the COP/MOP to function as a subordinate of the COP/MOP, responsible for the implementation and steering of the Joint Implementation;

9) *Joint Implementation Steering Committee procedure* means a procedure referred to in the decision by the COP/MOP, which is used when the host country does not meet the eligibility requirements as set down in the decision by the COP/MOP.

2 §

Application for authorisation concerning a Joint Implementation project implemented outside Finland

A legal person who intends to take part in a Joint Implementation project implemented outside Finland or in preparation thereof must apply for authorisation with a written application addressed to the Ministry of the Environment.

The application must state the applicant's name, domicile and contact details and specify the project for which authorisation is applied. The specification of the project must state the following:

- 1) host country or countries of the project;
- 2) project name and project type;
- 3) project developer's name and contact details;
- 4) size of the project.

If authorisation is applied for the preparation of a project, the project specification must state at least the host country of the project and the project type.

The application must also include a valid trade register extract or other corresponding register extract of the applicant, the latest approved financial statements of the applicant and, when deemed necessary, account of the fact that the applicant is able take part in project mechanisms in accordance with the international obligations of Finland. The appendices are not needed if the applicant is an operator referred to in Section 5 of the Emissions Trading Act (683/2004) or if the applicant is a foreign legal person managing a fund referred to in Section 8 of the Mechanism Act.

3 §

Application for a Letter of Approval of a Joint Implementation project implemented outside Finland

A legal person who wishes to receive a Letter of Approval for a Joint Implementation project to be implemented outside Finland must apply for approval with a written application addressed to the Ministry of the Environment.

If the Joint Implementation project is subject to the host country's national procedures, the application or its appendices must include:

- 1) the applicant's name, domicile and contact details;
- 2) a Letter of Approval issued by the host country of the project;
- 3) the project design document of the project.

If the Joint Implementation project is subject to the Joint Implementation Steering Committee procedure, the application or its appendices must include:

- 1) the applicant's name, domicile and contact details;
- 2) a Letter of Approval issued by the host country of the project;
- 3) the project design document of the project;

- 4) the determination report for the project.

If the project is a hydropower project with an output capacity of more than 20 megawatts, the applicant must also show that appropriate international obligations and guidelines have been taken into account in developing the project.

4 §

Application for a Letter or Approval of a Joint Implementation Project implemented in Finland

A legal person who wishes to receive a Letter of Approval for a Joint Implementation project to be implemented in Finland must apply for approval with a written application addressed to the Ministry of the Environment. The application or its appendices must include:

- 1) the applicant's name, domicile and contact details;
- 2) the applicant's valid trade register extract;
- 3) the applicant's latest approved financial statements;
- 4) a plan for the monitoring of project emissions and for the verifying of emission reductions generated by the project;
- 5) account of the fact that the project does not directly or indirectly reduce the greenhouse gas emissions of a plant taking part in the European Community Emissions Trading Scheme;
- 6) the project design document of the project.

The applicant must also present a report which contextually corresponds to a determination report but for which no approval is applied for from the Joint Implementation Steering Committee. The report may also be drawn up by a verifier referred to in Section 5. The report must be complete apart from the Letters of Approval of Finland and of the participating state or states.

When deemed necessary, the application or its appendices must include account of the fact that the applicant is able take part in

project mechanisms in accordance with the international obligations of Finland.

Letter of Approval for a Joint Implementation project to be implemented in Finland shall be conditional. It shall not enter into force until at least one of the countries taking part in the project approves the project as a Joint Implementation project.

5 §

Application for an approval of a verifier of a Joint Implementation Project implemented in Finland

A legal person who wishes to be approved as a verifier of a Joint Implementation project implemented in Finland must apply for approval with a written application addressed to the Ministry of the Environment. The application or its appendices must state:

- 1) the legal person's name, business identity code, domicile and contact details;
- 2) the names and contact details of persons acting in the legal person's governing body as well as of the managing director and of the general partners in a general and limited partnership;
- 3) the name and date of birth of the person acting as the verifier;
- 4) the documents required for the evaluation of the requirements referred to in paragraphs 2–6, subsection 2, Section 10 of the Mechanism Act.

The Ministry of the Environment may request the applicant to provide further clarification on the verifier requirements as defined in Section 10 of the Mechanism Act.

If necessary, the Ministry of the Environment may request a statement from an independent evaluator regarding the competence of the applicant.

An accredited independent entity approved by the Joint Implementation Steering Committee may act as a verifier of a project to be implemented in Finland without an approval given by the Ministry of the Environment.

6 §

Verification of a Joint Implementation project implemented in Finland

The verifier evaluates whether the methods applied by the project developer for the monitoring of emissions are in accordance with the decision by the COP/MOP, with the plan for the monitoring of project emissions and for the verifying of emission reductions, as well as with the report referred to in subsection 2, Section 4.

All greenhouse gas emissions of the evaluated project as well as the amount of emission reductions generated by the project and the reliability, credibility and accuracy of the monitoring system of the project emissions are to be verified.

The project developer must provide the verifier with all necessary information in his/her possession relevant to the verification, and arrange access for the verifier to all places and premises under his/her control which are relevant for the verification and are not covered by domiciliary peace.

7 §

Verifier's statement on a Joint Implementation project implemented in Finland

The verifier must give the project developer a written statement on the object of verification. The statement must include:

- 1) the verifier's name and contact details;
- 2) the details of the approval given to the verifier by the Ministry of the Environment, or account of the fact that the verifier is an accredited independent entity approved by the Joint Implementation Steering Committee;
- 3) the details of persons who have taken part in the verification as well as their duties and responsibilities in the verification;
- 4) the project type and location of the verified project;
- 5) the total amount of verified greenhouse gas emissions;

6) the amount of emission reduction units;
7) the instructions on how to appeal for a correction of the statement.

The statement must be signed by the verifier.

The project developer shall forward the verifier's statement and its appendices to the Ministry of the Environment. If necessary,

the Ministry of the Environment may request the verifier to supplement the statement.

8 §

Entry into force

This Decree will enter into force on 1 November 2007.

In Helsinki on 28 September 2007

Minister of the Environment *Paula Lehtomäki*

Counsellor *Tuomas Kuokkanen*