

JI-JISC37

Meeting report

Joint Implementation Supervisory Committee thirty-seventh meeting

Version 01.0

Date of meeting: 29 and 30 September 2015

Place of meeting: Bonn, Germany



United Nations
Framework Convention on
Climate Change

Agenda item 1. Agenda and meeting organization

Agenda item 1.1. Opening

1. Ms. Julia Justo Soto, the Chair of the Joint Implementation Supervisory Committee (hereinafter referred to as the JISC), opened the meeting and asserted that the quorum requirement was met.
2. The JISC noted that Ms. Carola Borja, Mr. Benoît Leguet, Mr. Yuri Fedorov, Mr. Guoqiang Qian, and Ms. Irina Voitekhovitch were unable to attend the meeting. The members and alternate members provided proper justification.
3. Table 1 below represents the attendance of members and alternate members at the meeting. The names of members and alternate members present at the meeting are in bold print below. Where only the name of an alternate member is in bold print, the alternate participated as a member.

Table Attendance

Members	Alternates
Ms. Veneta Borikova ^(b)	<i>Ms. Irina Voitekhovitch</i> ^(b)
Ms. Carola Borja ^(a)	Mr. Carlos Fuller ^(a)
Mr. Piotr Dombrowicki ^(a)	<i>Mr. Yury Fedorov</i> ^(b)
Ms. Julia Justo Soto ^(b)	Mr. Komi Tomyeba ^(b)
Mr. Takahiko Tagami ^{(b), (1)}	<i>Vacant</i> ^{(b), (2)}
Mr. Benoît Leguet ^(b)	Mr. Jakob Lenz ^(b)
Ms. Gherghita Nicodim ^(b)	Mr. Mykhailo Chyzhenko ^(b)
Mr. Derrick Oderson ^(a)	<i>Vacant</i> ^{(a), (3)}
Mr. Guoqiang Qian ^(a)	Mr. Chebet Maikut ^(a)
Mr. Konrad Raeschke-Kessler ^(a)	Mr. Marko Berglund ^(a)

^(a) Term: Two years (term of service ends immediately before the first meeting in 2016).

^(b) Term: Two years (term of service ends immediately before the first meeting in 2017).

⁽¹⁾ Mr. Tagami replaced Mr. Hiroki Kudo as a JISC member effective 2 September 2015.

⁽²⁾ Nomination pending from CMP 10.

⁽³⁾ Mr. Albert Williams resigned effective 16 September 2015.

Agenda item 1.2. Adoption of the agenda

4. The JISC adopted the agenda of the meeting.

Agenda item 2. Governance and management matters

Agenda item 2.1. Membership issues

5. The JISC considered information provided by members and alternate members with respect to any potential conflict of interest relating to the work of the JISC.
6. The JISC took note of the resignation of Mr. Hiroki Kudo and Mr. Albert Williams and thanked them for their work provided to the JISC. The JISC welcomed Mr. Takahiko Tagami as a JISC member, who has been nominated by the relevant constituency.

Agenda item 3. Workplan

Agenda item 3.1. Accreditation of independent entities

7. The JISC took note of the notification by the Joint Implementation Accreditation Panel (JI-AP) on the request from the following accredited independent entity (AIE) on voluntary withdrawal of its accreditation: JI-E-0012 "TÜV Rheinland (China) Ltd".

Agenda item 3.2. Matters relating to determination and verification reports

8. The JISC took note of an update regarding the current status (as at 30 September 2015) of project submissions, determinations and verifications under the JISC (hereinafter referred to as the JI Track 2 procedure). Since the launch of the JI Track 2 procedure, 332 project design documents (PDDs) and one programme of activities design document (PoA -DD) have been submitted and made publicly available on the UNFCCC JI website, in accordance with paragraph 32 of the annex to decision 9/CMP.1 (the JI guidelines). A total of 52 determinations regarding PDDs have been published on the UNFCCC JI website in accordance with paragraph 34 of the JI guidelines, of which 51 have been deemed final in accordance with paragraph 35 of the JI guidelines, and one has been rejected.
9. The JISC also took note that 130 verifications have been published on the UNFCCC JI website in accordance with paragraph 38 of the JI guidelines, of which 129 have been deemed final in accordance with paragraph 39 of the JI guidelines, and one has been withdrawn.
10. The JISC took note of the report 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. A total of 37 Annex I Parties have so far informed the secretariat of their DFPs.¹ Of these Parties, 32 have also submitted their national guidelines and procedures for approving JI projects.²

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

² Australia, Austria, Belarus, Belgium, Bulgaria, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Japan, Latvia, Liechtenstein, Lithuania, Luxembourg, Netherlands, New Zealand, Poland, Portugal, Romania, Russian Federation, Slovakia, Spain, Sweden, Switzerland, Ukraine, United Kingdom.

11. The JISC further noted that 597 JI Track 1 projects have been published on the UNFCCC JI website, of which 548 have received unique project identifiers and have been submitted to the International Transaction Log.

Agenda item 3.3. Management plan and resources for the work on joint implementation

12. The JISC took note of an update on the status of the work undertaken by the JISC during this year.
13. Noting the need to continue to prudently manage its resources while ensuring that sufficient infrastructure and capacity for the JI mechanism's use by Parties remains in place until at least the end of the additional period for fulfilling commitments under the second commitment period of the Kyoto Protocol,³ the JISC adopted its joint implementation two-year business plan and management plan 2016–2017, as contained in [annex 1](#) to this report.

Agenda item 4. Other matters

Agenda item 4.1. Guidance by the CMP

14. The JISC agreed to its annual report to the eleventh session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP). The JISC requested the secretariat to include the outcomes of this meeting in the report and finalize it in consultation with the Chair and Vice-Chair of the JISC.
15. Taking into account the JI guidelines, including its appendix A and paragraph 1 of decision 6/CMP.10, the JISC agreed to allow designated operational entities (DOEs), accredited under the accreditation rules of the clean development mechanism (CDM) (see decision 3/CMP.1, annex, para. 5 (g)), (the CDM accreditation system) to act voluntarily as AIEs under JI, and agreed to rely on the CDM accreditation system for all accreditation functions, while taking measures to safeguard environmental integrity.
16. Regarding reliance on the CDM accreditation system the JISC:
 - (a) Agreed that all decisions of the CDM Executive Board (that was established under Article 12 of the Kyoto Protocol), relating to the CDM accreditation system in relation to CDM DOEs, such as withdrawal, initial accreditation, reaccreditation and suspension, shall apply mutatis mutandis to activities carried out by CDM DOEs acting as AIEs;
 - (b) Agreed that CDM DOEs may act as AIEs for the same sectoral scopes for which they are designated. CDM DOEs designated for sectoral scope 14 (under the CDM accreditation system) may act as AIEs for the sectoral scope for land use, land-use change and forestry. CDM DOEs designated for sectoral scope 16 (under the CDM accreditation system) may not act as AIEs for carbon dioxide capture and storage in geological formations, as there is no corresponding scope in JI;

³ Decision 5/CMP.10, paragraph 9.

- (c) Requested the secretariat to prepare a pro forma self-declaration for CDM DOEs to declare their competence regarding the JI-specific approach and to determine and verify projects in sectoral scope 14 (as applicable);
 - (d) Agreed that CDM DOEs that wish to voluntarily act as AIEs shall self-declare to the JISC using the pro forma declaration in subparagraph (c) above;
 - (e) Agreed to require that, thereafter, a CDM DOE acting as an AIE shall submit a self-declaration annually;
 - (f) Agreed that the effective date of relying on the CDM accreditation system shall be 2 August 2016. As of this date, meetings of the JI-AP, AIE assessment activities, calls for JI assessment team experts, and regulatory documents related to JI accreditation shall cease;
 - (g) Agreed that it will no longer accept applications for initial accreditation or reaccreditation as an AIE, from 30 September 2015 onward;
 - (h) Agreed that the accreditation for each of AENOR (JI-E-0009) and TUV NORD (JI-E-0011) shall remain valid until expiration of the accreditation;
 - (i) Noted that in accordance with the JI guidelines it retains the authority to suspend or to withdraw any entity accredited as an AIE with regard to JI determination and verification activities;
 - (j) Requested the secretariat to review, annually, the implementation of reliance on the CDM accreditation system and report to the JISC from the first meeting of 2017. The JISC agreed that such report is to allow the JISC to periodically review the experience of reliance on the CDM accreditation system and consider whether to re-introduce a JI-specific accreditation system;
 - (k) Requested the secretariat to carry out the following administrative steps and to report back to the JISC at a meeting in 2016:
 - (i) Inform AIEs of the JISC decision regarding reliance on the CDM accreditation system;
 - (ii) Grant CDM DOEs deemed accredited to act as AIEs access rights to the JI interface and to send them a communication confirming that they may act as AIEs (after receipt of the self-declaration referred to in subparagraph (d) above);
 - (iii) Update the AIE pages on the UNFCCC JI website to reflect the fact that CDM DOEs may act as AIEs;
 - (iv) Release the experts from the JI accreditation roster of experts and send them a communication accordingly;
 - (v) Release the members from the JI-AP and send them a communication accordingly;
 - (l) Agreed to inform the CDM Executive Board regarding this decision.
17. The JISC requested the secretariat to prepare a concept note, to be considered at its next meeting, in order to address any issues arising concerning DOEs acting as AIEs

given that neither the JISC nor the CDM Executive Board will actively review CDM DOEs acting as AIEs during JI determination and verification activities. The concept note should include options for the continuation of a complaints process. In addition the concept note should include options to enhance the appraisal and review of requests for determination and verification.

18. The JISC agreed to report to the CMP on the above decision in relation to the request of the CMP in paragraph 1 of decision 6/CMP.10.

Agenda item 4.2. Relations with stakeholders, intergovernmental and non-governmental organizations

19. The JISC held an interaction with the Chair of the Designated Operational Entities/Accredited Independent Entities Coordination Forum (DOE/AIE Coordination Forum), Mr. Werner Betzenbichler, via video conference. The Chair of the DOE/AIE Coordination Forum elaborated in particular on the recent market situation for DOEs and AIEs, noting that there are currently no JI activities for AIEs. He also noted that only two AIEs remain after a number of AIEs voluntarily withdrew their accreditation.
20. On specific agenda items for this meeting:
 - (a) On the concept note "Options for the JI accreditation system" (annex 4 to the annotated agenda of this meeting), the Chair of the forum mentioned that the preferred option by both the remaining AIEs is option 3 in the concept note. He stressed the need for continuing activities towards a joint accreditation scheme for JI and the CDM, while continuing to grant accreditation individually;
 - (b) On the recent Stockholm Environment Institute (SEI) publication regarding JI Track 1, he highlighted the views expressed by the authors on the role of JI Track 1 and involved AIEs and requested a communication from the JISC directly responding to the implications with regard to the robustness of JI accreditation.
21. The JISC thanked Mr. Betzenbichler for his inputs and encouraged the DOE/AIE Forum to continue raising issues related to the JISC.
22. The JISC held an interaction with the Chair of the Project Developer Forum (PD Forum), Mr. Philipp Hauser, via video conference. The Chair of the PD Forum elaborated in particular on the future of the Kyoto Protocol (KP) mechanisms to support intended nationally determined contributions (INDCs) in the context of the Paris agreement. He highlighted the role of JI/CDM in offering comparable and solid measurement, reporting and verification and flexible mechanisms in support of national policies such as nationally appropriate mitigation actions that complement other carbon financing such as results-based finance. He also highlighted that JI/CDM are robust and flexible enough for domestic offsetting and for establishing indirect linkages between countries to ensure transformational investments and a move towards an incrementally global carbon market and therefore should be recognized under the future climate agreement with enhanced usability and provision for due tracking and accounting of units.
23. The JISC thanked Mr. Hauser for his inputs and encouraged the PD Forum to continue its interaction with the JISC in the future.
24. No observers were registered to attend the JISC meeting. Observers to the thirty-eighth meeting of the JISC shall have registered with the secretariat by **13 May 2016**.

Agenda item 4.3. Other business

25. The JISC took note of the status of negotiations related to JI that took place during the latest UNFCCC sessions held in Bonn in June and September 2015, in particular on the review of the JI guidelines, modalities for expediting emission reduction unit (ERU) issuance and the latest updates from discussions on markets and mechanisms under the Ad Hoc Working Group on the Durban Platform for Enhanced Action.
26. The JISC took note of the informal interaction with the Chair and Vice-Chair of the CDM Executive Board, held in conjunction with the UNFCCC sessions in June 2015 in Bonn. The Vice-Chair reported that he held a discussion with the Chair and Vice-Chair of the CDM Executive Board, on their impressions on the current carbon market situation, their views on synergies relating to accreditation, and the roles of both bodies beyond 2020.
27. The JISC took note of a report on carbon market and policy developments over the past few months relating to carbon pricing mechanisms and carbon markets in the Asia-Pacific region, the European Union and North America, as well as references to the future use of carbon markets and mechanisms in the submitted INDCs.
28. The JISC considered an unsolicited communication (INQ-03801) from a stakeholder and agreed to provide a response in accordance with the "Procedures for communication of the public with the JISC".
29. The JISC agreed on the proposed theme for its side event during the United Nations Climate Change Conference in Paris, France, planned to take place on 1 December 2015. The JISC requested the secretariat to liaise with its Chair and Vice-Chair to agree on further arrangements for the event and to ensure gender balance among the invited panelists.
30. The JISC agreed to hold its thirty-eighth meeting on 27 and 28 May 2016 in Bonn. The JISC also agreed that at that meeting the JISC is to assess the need for a second meeting in 2016 based on the workload for the year.
31. The JISC agreed to the provisional agenda for its thirty-eighth meeting, as contained in [annex 2](#) to this report.

Agenda item 5. Conclusion of the meeting

32. The Chair summarized the main conclusions and closed the thirty-seventh meeting of the JISC.

Annexes to the report

Management plan and resources for the work on joint implementation

Annex 1 - Joint implementation two-year business plan and management plan 2016–2017
(version 01.0)

Other business

Annex 2 - Provisional agenda: Joint Implementation Supervisory Committee thirty-eighth
meeting (version 01.0)

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