

February xx, 2006

Joint Implementation Supervisory Committee (JISC)

UNFCCC Secretariat
Martin Luther King Strasse 8
P.O.Box 260124
D-53153
Germany

Attention: Ms Daniela Stovcheva

Dear Ms Stovcheva,

On behalf of the International Emission Trading Association (IETA), I would like to respond to your call for input on the Baseline setting and Monitoring for JI Projects.

1. Baseline setting

The setting of the correct Baseline is crucial to the JI process and as such IETA urges the JISCs to develop clear and transparent guidance for the setting of baselines. Nevertheless, IETA also recognises the fact that the principle criteria for developing and determining the baseline will be part of the host country approval process. As such IETA encourages that the Committee concentrates its procedures to providing a guidance document and not necessary a “one fit” all baseline setting methodology. At the same time clear lessons need to be taken from those early programmes developed by the various JI procurement programmes

At a minimum IETA would see that as part of the Baseline setting the following areas would be covered in the process:

- The baseline scenario shall be selected from all baseline candidates identified as relevant for the project
- Individual project based baselines can be applied if determined conservative by an IE and accepted by the Host Country
- As a consequence of the above, no baseline methodologies need be developed before application of the selected baseline scenario to the proposed JI project



2. Monitoring

The monitoring of emission reductions is key in the final determination of the amount of emission reductions that have been achieved. Providing clear guidance on the minimum level of monitoring is required without over burdening the project in monitoring unrelated or costly monitoring procedures. Examples of the different criteria for monitoring can be found in a number of the current JI procurement programmes run by a number of the Parties and institutions. Experience from these programmes should be taken into consideration by the Committee. But at the same time the guidelines for Monitoring should at a minimum cover the following aspects:

- The indicators used for monitoring the emission from the project are in a reliable and consistent way that enables comparison with the baseline scenario
- Not develop new techniques whilst previous techniques are already in use for similar projects.

As mentioned at the start of this letter we only hope to raise your awareness and some of the concerns within the Business community and trust that these points may help your forthcoming meetings. In the meantime we would like to wish you a successful first meeting.

Andrei Marcu
President