

**Annex 3****DRAFT PROCEDURES FOR REVIEWS
UNDER THE VERIFICATION PROCEDURE UNDER THE
JOINT IMPLEMENTATION SUPERVISORY COMMITTEE****Note by the secretariat**

1. At its first meeting, the JISC requested the secretariat to prepare draft procedures for reviews under the verification procedure under the JISC.
2. The secretariat prepared JI specific draft procedures taking into account:
 - (a) “Procedures for review as referred to in paragraph 41 of the modalities and procedures for a clean development mechanism”;
 - (b) “Clarifications to facilitate the implementation of the procedures for review as referred to in paragraph 41 of the modalities and procedures for a clean development mechanism (Annex II to decision 18/CP.9)”; and
 - (c) “Procedures for review referred to in paragraph 65 of the modalities and procedures for a clean development mechanism”.



**PROCEDURES FOR REVIEWS
UNDER THE VERIFICATION PROCEDURE UNDER THE
JOINT IMPLEMENTATION SUPERVISORY COMMITTEE**

Version 01

A. Background

1. Paragraphs 30 - 45 of the annex of decision 9/CMP.1 on guidelines for the implementation of Article 6 of the Kyoto Protocol (hereinafter referred to as JI guidelines) define the verification procedure under the Joint Implementation Supervisory Committee (JISC) (hereinafter referred to as Track 2 procedure).
2. The Track 2 procedure is the determination by an independent entity, accredited pursuant to appendix A of the JI guidelines, of whether a project and the ensuing reductions of anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks meet the relevant requirements of Article 6 of the Kyoto Protocol and the JI guidelines.
3. In accordance with subparagraph 3 (f) of the JI guidelines the JISC shall be responsible for the review procedures set out in paragraphs 35 and 39 of the JI guidelines.
4. The document at hand defines procedures for reviews by elaborating on the provisions contained in paragraphs 35 and 39 of the JI guidelines.

B. Procedures for reviews referred to in paragraph 35 of the JI guidelines

1. Background

5. According to paragraph 35 of the JI guidelines the determination regarding a project design document (PDD) shall be deemed final 45 days after the date on which the determination is made public, unless a Party involved in the project or three of the members of the JISC request a review by the JISC. If such a review is requested, the JISC shall finalize the review as soon as possible, but no later than six months or at the second meeting following the request for review. The JISC shall communicate its decision on the determination and the reasons for it to the project participants and the public. Its decision shall be final.

2. Request for review

6. A request for review by a Party involved in the proposed project shall be sent by the relevant designated focal point to the JISC through the secretariat using official means of communication (such as recognized official letterhead and signature or an official dedicated email account).
7. A request for review by a member of the JISC shall be made by notifying the JISC through the secretariat.
8. The secretariat shall acknowledge the receipt of a request for review and promptly forward the request to the JISC via the JISC listserv. A request for review forwarded to the JISC is strictly confidential.



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9. A request for review shall:
- (a) Include the completed JI project determination review form (F-JI-DR) contained in appendix 1 to this document;¹
 - (b) Provide reasons for the request for review and any supporting documentation.
10. On the date a request for review is received by the secretariat it is considered to be received by the JISC. A request for review will not be considered by the JISC if it is received after 17:00 GMT on the last day of the 45 days period from the date on which the determination is made public.
11. As soon as a Party involved in the project or three members of the JISC request a review, the following actions shall be taken:
- (a) The consideration of the review shall be included in the proposed agenda of the next meeting of the JISC;
 - (b) The JISC shall notify the project participants and the AIE which performed the determination pursuant to paragraph 33 of the JI guidelines that a review has been requested. The project participants and the AIE shall be informed about the dates and venues of the next two JISC meetings at which the request for review shall be considered. The project participants and the AIE, when being notified of the request for review, shall be invited to submit comments to the JISC on issues raised as soon as possible but no later than one week before the next meeting. These inputs shall be made publicly available.
 - (c) Stakeholders interested in the review process shall be given the opportunity to attend the relevant JISC meetings. When requesting registration as observers, stakeholders shall briefly indicate how they are affected, or likely to be affected, by the proposed project;
 - (d) Both the project participants and the AIE shall name a contact person for the review process, including for conference calls in case the JISC wishes to address questions to them during the consideration of the review at its meetings;
 - (e) The proposed project shall be marked as being “under review” on the UNFCCC JI website and a notification shall be sent through the UNFCCC JI news facility. The request(s) for review shall be made publicly available on the UNFCCC JI website with the names of the requesting JISC members or Party(ies) remaining confidential.

3. Scope and modalities of review

12. If at least a Party involved in the project or three members of the JISC request a review, the JISC shall consider the review at its next meeting.
13. At this meeting the JISC shall decide on:
- (a) Whether the determination is accepted without conditions;
 - (b) Whether the determination is accepted subject to certain conditions, in which case
 - i. The JISC may request the AIE and the project participants to make corrections based on its findings from the consideration of the request(s) for review;

¹ This form can be downloaded in section “Reference/Procedures” of the UNFCCC JI website (<http://ji.unfccc.int/Ref/Procedures.html>) and/or obtained electronically from the UNFCCC secretariat.



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- ii. The revised documentation shall be checked by the secretariat, in consultation with the Chair of the JISC, if needed, before the determination is finally accepted.
- (c) Whether a more detailed review is required, in which case:
 - i. The JISC shall decide on the scope of the review based on the considerations in the request(s) for review;
 - ii. The JISC shall determine the composition of a review team. The review team shall consist of two JISC members, who will be responsible for supervising the review, and outside experts, as appropriate. One JISC member of the review team shall be identified as lead member of the team being responsible, inter alia, for drafting the final recommendation of the team to the JISC ensuring that any diverging views within the team are reflected. The review team, under the guidance of the JISC members responsible for supervising the review, shall provide inputs, prepare requests for clarification and/or further information to the AIE and/or project participants, and analyse information received during the review.

4. Review process

14. In case the JISC decides that a more detailed review is required, the decision by the JISC on the scope of the review and the composition of the review team shall be made publicly available as part of the report of its meeting.
15. The project participants and the AIE which performed the determination pursuant to paragraph 33 of the JI guidelines shall be notified of the decision by the JISC through their contact persons for the review process.
16. Requests for clarification and/or further information, as appropriate, shall be prepared and submitted to the project participants and/or the AIE through their contact persons for the review process by the review team selected by the JISC within one week after the JISC decided on the composition of the review team and communicated to the team the scope of review.
17. Answers shall be submitted by the contact persons for the review process to the review team through the secretariat within two weeks after the request for clarification and/or further information was made by the review team. The secretariat shall acknowledge the receipt of the answers and forward them to the review team.
18. The lead member of the review team may decide to have further interactions with regard to clarifications/further information if considered necessary.
19. The two JISC members supervising the review shall be responsible for compiling inputs and comments and preparing the final recommendation to the JISC. The recommendation shall be forwarded by the lead member of the review team to the JISC at least two weeks before the next JISC meeting via the JISC listserv.

5. Review decision

20. In accordance with paragraph 35 of the JI guidelines, the review by the JISC shall be finalized as soon as possible, but no later than six months or at the second meeting following the request for review.



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21. Taking into consideration recommendations by the two JISC members responsible for the review, the JISC shall decide on:

- (a) Whether the determination is accepted without conditions;
- (b) Whether the determination is be accepted subject to certain conditions, in which case:
 - i. The JISC may request the AIE and the project participants to make corrections based on findings of the review team;
 - ii. The revised documentation shall be submitted to the secretariat within 12 weeks in two versions, a version tracking the changes and a clean version;
 - iii. The secretariat shall make the revised documentation available to the JISC and the public;
 - iv. The revised documentation shall be checked by the Chair and the Vice-Chair of the JISC, assisted by the secretariat;
 - v. If the Chair and the Vice-Chair consider the corrections satisfactory, the determination is accepted, otherwise the Chair may, bearing in mind the proximity of the documentation deadline of the next JISC meeting, submit the revised documentation for consideration of the JISC at its next meeting or for electronic decision making by the JISC. If the JISC considers the corrections satisfactory, the determination is accepted, otherwise it is rejected.
- (c) Whether the determination is rejected.

22. The JISC decision on the review shall be final.

23. The JISC shall communicate its decision on the determination and the reasons for it to the project participants, the AIE which performed the determination pursuant to paragraph 33 of the JI guidelines and the public.

24. If the review indicates any issues relating to the performance of the AIE, the JISC shall consider whether or not to trigger a spot-check of the AIE, in accordance with the procedures for accrediting independent entities.

6. Costs

25. The JISC shall bear the costs for reviewing a determination pursuant to paragraph 35 of the JI guidelines. If the JISC decides to reject the determination and if the AIE is found to be in a situation of malfeasance or incompetence, the AIE shall reimburse the JISC for the expenses incurred as a result of the review. This provision is subject to review as experience accrues.



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C. Procedures for reviews referred to in paragraph 39 of the JI guidelines

1. Background

26. According to paragraph 39 of the JI guidelines the determination regarding reported reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks shall be deemed final 15 days after the date on which it is made public, unless a Party involved in the project or three of the members of the JISC request a review by the JISC. If such a review is requested, the JISC shall:

- (a) At its next meeting or no later than 30 days after the formal request for the review decide on its course of action. If it decides that the request has merit, it shall perform a review;
- (b) Complete its review within 30 days following its decision to perform the review;
- (c) Inform the project participants of the outcome of the review, and make public its decision and the reasons for it.

2. Request for review

27. A request for review by a Party involved in the project shall be sent by the relevant designated focal point to the JISC through the secretariat using official means of communication (such as recognized official letterhead and signature or an official dedicated email account).

28. A request for review by a member of the JISC shall be made by notifying the JISC through the secretariat.

29. The secretariat shall acknowledge the receipt of a request for review and promptly forward the request to the JISC via the JISC listserv. A request for review forwarded to the JISC is strictly confidential.

30. A request for review shall:

- (a) Include the completed JI project verification review form (F-JI-VR) contained in appendix 2 to this document;²
- (b) Provide reasons for the request for review and any supporting documentation.

31. On the date a request for review is received by the secretariat it is considered to be received by the JISC. A request for review will not be considered by the JISC if it is received after 17:00 GMT on the last day of the 15 days period from the date on which the determination is made public.

32. As soon as a Party involved in the project or three members of the JISC request a review, the following actions shall be taken:

- (a) The consideration of the request for review shall be included in the proposed agenda of the next meeting of the JISC. *(If no meeting is scheduled during a 30 days period and the JISC cannot wait until its next meeting, an electronic decision, in accordance with rule 25 of the draft rules of procedure of the JISC, on whether the request for review has merit would have to be made within 30 days or the Chair would have to convene an additional meeting within 30 days to decide on this issue);*

² This form can be downloaded in section “Reference/Procedures” of the UNFCCC JI website (<http://ji.unfccc.int/Ref/Procedures.html>) and/or obtained electronically from the UNFCCC secretariat.



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(b) The JISC shall notify the project participants and the AIE which performed the determination pursuant to paragraph 37 of the JI guidelines that a review has been requested. The project participants and the AIE shall be informed about the dates and venues of the JISC meetings at which the request for review shall be considered. The project participants and the AIE, when being notified of the request for review, shall be invited to submit comments to the JISC on issues raised as soon as possible but no later than one week before the next meeting. These inputs shall be made publicly available.

(c) Stakeholders interested in the review process shall be given the opportunity to attend the relevant JISC meetings. When requesting registration as observers, stakeholders shall briefly indicate how they are affected, or likely to be affected, by the project;

(d) Both the project participants and the AIE shall name a contact person for the review process, including for conference calls in case the JISC wishes to address questions to them during the consideration of the review at its meetings.

(e) The project shall be marked “review requested” on the UNFCCC JI website and a notification shall be sent through the UNFCCC JI news facility. The request(s) for review shall be made publicly available on the UNFCCC JI website with the names of the requesting JISC members or Party(ies) remaining confidential.

3. Scope and modalities of review

33. If at least a Party involved in the project or three members of the JISC request a review, the JISC shall consider the request for review at its next meeting.

34. At its next meeting the JISC shall decide on whether the request for review has merit.

35. If the JISC decides that the request for review does not have merit, it may:

- (a) Accept the determination without conditions;
- (b) Accept the determination subject to certain conditions, in which case
 - i. The JISC may request the AIE and the project participants to make corrections based on its findings from the consideration of the request(s) for review;
 - ii. The revised documentation shall be checked by the secretariat, in consultations with the Chair of the JISC, if needed, before the determination is finally accepted.

36. If the JISC decides that the request for review has merit, it shall, at the same meeting, decide on review, including:

- (a) The scope of the review based on the considerations in the request(s) for review;
- (b) The composition of a review team. The review team shall consist of two JISC members, who will be responsible for supervising the review, and outside experts, as appropriate. One JISC member of the review team shall be identified as lead member of the team being responsible, inter alia, for drafting the final recommendation of the team to the JISC ensuring that any diverging views within the team are reflected. The review team, under the guidance of the JISC members responsible for supervising the review, shall provide inputs, prepare requests for clarification and/or further information to the AIE and/or project participants, and analyse information received during the review.

37. As soon as the JISC decides that the request for review has merit the project shall be marked as being “under review” on the UNFCCC JI website and a notification shall be sent through the UNFCCC JI news facility.



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4. Review process

38. A decision by the JISC according to paragraph 36 above, including on the scope of the review and the composition of the review team, shall be made publicly available as part of the report of its meeting.

39. The project participants and the AIE which performed the determination pursuant to paragraph 37 of the JI guidelines shall be notified of the decision by the JISC through their contact persons for the review process.

40. Requests for clarification and/or further information, as appropriate, may be sent to the project participants and/or the AIE through their contact persons for the review process by the review team selected by the JISC. Answers shall be submitted by the contact persons for the review process to the review team through the secretariat within five working days after the receipt of the request for clarification and/or further information. The secretariat shall acknowledge the receipt of the answers and forward them to the review team.

41. The two JISC members supervising the review shall be responsible for compiling inputs and comments and preparing the final recommendation to be forwarded to the JISC via the JISC listserv.

5. Review decision

42. In accordance with paragraph 39 of the JI guidelines, the JISC shall complete its review within 30 days following its decision to perform the review.

43. Taking into consideration recommendations by the two JISC members responsible for the review, the JISC may decide to:

- (a) Accept the determination without conditions;
- (b) Request the AIE and the project participants to make corrections based on the findings of the review team;
- (c) Reject the determination.

44. The JISC shall inform the project participants and the AIE of the outcome of the review, and make public its decision and the reasons for it.

45. If the review indicates any issues relating to the performance of the AIE, the JISC shall consider whether or not to trigger a spot-check of the AIE, in accordance with the procedures for accrediting independent entities.

6. Costs

46. The JISC shall bear the costs for reviewing a determination pursuant to paragraph 39 of the JI guidelines. If the JISC decides to reject the determination and if the AIE is found to be in a situation of malfeasance or incompetence, the AIE shall reimburse the JISC for the expenses incurred as a result of the review. This provision is subject to review as experience accrues.



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APPENDIX 1

	JI PROJECT DETERMINATION REVIEW FORM (F-JI-DR) (By submitting this form, a Party involved in the project (through the designated focal point) or a JISC member may request a review in accordance with paragraph 35 of the JI guidelines)
Designated focal point/JISC member submitting this form	
Title of the proposed JI project	
Please provide reasons in support of the request for review, including any supporting documentation:	
Section below to be filled in by UNFCCC secretariat	
Date received at UNFCCC secretariat	

