

**Annex 4****DRAFT LIST OF SECTORAL SCOPES****Note by the secretariat**

1. At its third meeting, the Joint Implementation Supervisory Committee (JISC) established the Joint Implementation Accreditation Panel (JI-AP) to draw on the relevant expertise in performing its function of accrediting independent entities in accordance with standards and procedures contained in appendix A to the annex to decision 9/CMP.1 (JI guidelines), as mandated by paragraph 3 (b) of the JI guidelines.
2. The present annex lists sectoral scopes for which applicant independent entities may choose to apply. Further, appendix A of the present annex contains specific requirements to be met for independent entities to be accredited, which are in addition to those contained in appendix A to the JI guidelines. It was agreed by the JI-AP at its first meeting (15-16 July 2006) as one of the essential documents that need to be in place when the JI accreditation procedure begins operation. It is hereby submitted to the JISC for adoption.



## LIST OF SECTORAL SCOPES

(Version 01)

1. Energy industries (renewable/non-renewable sources)
2. Energy distribution
3. Energy demand
4. Manufacturing industries
5. Chemical industry
6. Construction
7. Transport
8. Mining/mineral production
9. Metal production
10. Fugitive emissions from fuels (solid, oil and gas)
11. Fugitive emissions from production and consumption of halocarbons and sulphur hexafluoride
12. Solvents use
13. Waste handling and disposal
14. Land-use, land-use change and forestry
15. Agriculture

In accordance with the procedure for accrediting independent entities by the Joint Implementation Supervisory Committee (hereinafter referred as “JI accreditation procedure”), the Joint Implementation Supervisory Committee (JISC) [adopted] this list of sectoral scopes, which is based on the list of sectors and sources contained in Annex A of the Kyoto Protocol. The listing of scopes is the same as the one for the accreditation under the clean development mechanism (CDM) except for the scope 14, reflecting the difference in the relevant provisions in the Marrakesh Accords. Scopes 1 to 9 are industrial sectors and 10 to 13 are sectors based on sources of GHG emissions. For some of these scopes there might be partial overlap in terms of knowledge and skills. This list may be further modified in accordance with the JI accreditation procedure.

Applicant independent entities may choose to apply for one or more sectoral scopes. The specific requirements to be met, in addition to those contained in Appendix A of the annex of decision 9/CMP.1 on guidelines for the implementation of Article 6 of the Kyoto Protocol (JI guidelines) are contained in Appendix A to this list. An applicant independent entity may also propose a new scope in accordance with the JI accreditation procedure.



## Appendix A

### COMPETENCE CRITERIA FOR AN APPLICANT INDEPENDENT ENTITY AND ACCREDITED INDEPENDENT ENTITY UNDER JOINT IMPLEMENTATION

#### A. General

1. An applicant independent entity (IE) or accredited IE (AIE) shall demonstrate competence through analysis of the competence required for the joint implementation (JI) activity in the sectoral scopes applied for accreditation at the following two levels:

- (a) At the management level.
- (b) At the determination team level.

2. The management of the applicant IE or AIE shall have enough knowledge of the typical JI project including the technical process, baseline setting and monitoring, additionality, project boundary and leakage relevant to the sectoral scopes in which the applicant IE or AIE is active to enable it to operate an effective system to perform determinations<sup>1</sup>.

**Note:** The sectoral scopes referred to above are likely to be further subdivided into technical areas for the analysis of the competence required as the JI projects within one sectoral scope are likely to vary in technical process, baseline setting and monitoring, project boundary, additionality, geographical location etc.

#### B. Competence requirements at management level

3. The management of the applicant IE or AIE shall demonstrate that it has performed an initial competence analysis for each technical area in which it operates. In particular, the management shall be able to demonstrate that the applicant IE or AIE has the competence to perform the following activities:

- (a) Identify the major processes and environmental issues associated with each technical area within a sectoral scope in which it operates;
- (b) Identify the requirements relevant to the baseline and monitoring methodologies in each technical area within a sectoral scope in which it operates;
- (c) Define the competence needed in the applicant IE or AIE to determine regarding PDDs and emissions reductions or enhancements of removals by sinks, in each technical area in which it operates (this includes the competence of its auditors and of those responsible for conducting contract reviews, selecting assessment teams and making determinations).

#### C. System required at management level

4. The management shall:

- (a) Have a system, which ensures up-to-date knowledge of process technology, methodologies, the JI guidelines, JISC decisions and clarifications, and the applicable legal issues relating to the JI project cycle in the sectoral scope(s) applied for;

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<sup>1</sup> In the verification procedure under the JISC, defined in paragraphs 30-45 of the JI guidelines, there are two different determinations by AIEs made at different stages of the verification procedure under the JISC: one is regarding project design documents referred to in paragraph 33 of the JI guidelines, and the other is of emissions reductions or enhancements of removals by sinks referred to in paragraph 37 of the JI guidelines.



- (b) Have a system for assessing the adequacy of competence requirements for undertaking determinations regarding each JI project on which it wishes to accept a contract of determinations within the sectoral scope(s) applied for;
- (c) Be able to demonstrate that it has performed a competence analysis of the requirements of each sectoral scope applied for;
- (d) Have the system to complete the following activities:
  - (i) Identify the typical JI aspects, e.g. methodologies, baseline setting and monitoring, additionality, PDD etc. of the areas of activity of the sectoral scope;
  - (ii) Define the competence needed to determine the application of baseline and monitoring methodologies approved by the CDM Executive Board and determine emissions reductions or enhancements of removals by sinks in relation to the sectoral scope, with specific reference to JI aspects.
  - (iii) Define the competence needed to determine the application of other methodologies and determine emissions reductions or enhancements of removals by sinks in relation to the sectoral scope, with specific reference to JI aspects.

#### **D. Contract review**

5. The management shall be able to demonstrate that it has the competence to complete the following activities for each of the JI projects it determines:

- (a) Confirm the appropriateness of the sectoral scope of the project;
- (b) Confirm that the typical JI aspects, arising from the complete range of the project's activities, correspond to those referred to in paragraph 4(d) (i) above;
- (c) Confirm the availability of the required resources under its own control.

#### **E. Training and selection of determination teams**

6. The management shall have criteria for the selection and training of determination teams, consistent with the competence requirements for determination team personnel (see section "Competence requirements for determination team personnel"). Such criteria shall ensure the appropriate levels of understanding and knowledge in the following areas:

- (a) The Kyoto protocol and JI project cycle;
- (b) Technical and operational aspects of a project in the sectoral scope applied for ;
- (c) Regulatory requirements relevant to JI project cycle;
- (d) Environmental issues relevant to the sectoral scope applied for;
- (e) Environmental management system;
- (f) Management system audit

7. The management shall have a procedure for monitoring the performance of the determination team members. The monitoring methods and frequency would be dependent on the type, range and volume of work performed by different personnel.



### **F. Management of the determination decision process**

8. The management shall have the competence and procedures in place for decision-making regarding the determinations regarding PDDs and of emissions reductions or enhancements of removals by sinks.

### **G. Competence requirements at the determination team personnel level**

9. The competence requirements for determination team personnel of applicant IE or AIE are classified into three levels:

- (a) Individual team member,
- (b) Determination team;
- (c) External experts that may be required.

10. All individual members of the determination team should meet similar requirements to those in international standards for auditor competence (e.g. ISO 19011<sup>2</sup>), and as may be specified by the JISC from time to time. In addition, all members shall, as a minimum, be familiar with the following:

- (a) The Kyoto Protocol and the JI guidelines;
- (b) The concepts of management systems in general;
- (c) Issues related to various aspects of JI project.

11. The determination team shall collectively have experience, training and up-to-date knowledge through at least one determination team member taking responsibility within the team for:

- (a) Leading the team and managing the determination process;
- (b) Regulatory and applicable legal requirements of JI;
- (c) Baseline and monitoring methodologies (including GHG inventories);
- (d) Management systems and auditing methods;
- (e) Applicable environmental and social impacts and aspects of the JI project;
- (f) Current technical and operational knowledge of the specific sectoral scope;
- (g) Sector specific technologies and their applications.

12. Notwithstanding the above responsibility, some of this expertise may be supplemented from external sources as described below.

### **H. The level of the external experts**

13. The work of the determination team may be supported by input from technical experts with specific knowledge regarding:

- (a) Regulatory and applicable legal requirements of JI;
- (b) Baselines and monitoring methodologies (including GHG inventories);

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<sup>2</sup> Where international standards for audit competence refer to "environmental science and technology" this shall be understood as "science and technology relevant for the understanding of the Kyoto protocol and JI and their social and environmental impacts".



- (c) Applicable environmental and social impacts and aspects of JI project;
  - (d) Current technical and operational knowledge of the specific sectoral scope;
  - (e) Sector specific technologies and their applications.
14. Such experts shall not be considered as members of the determination team.

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