

**Annex 3****DRAFT REVISED PROCEDURES FOR THE CHARGING OF FEES****Note by the secretariat**

1. The Joint Implementation Supervisory Committee (JISC), at its fourth meeting, agreed on provisions for the charging of fees to cover administrative costs relating to the activities of the JISC.
2. At its eighth meeting, the JISC revised these provisions in order to include preferential treatment of joint implementation small-scale projects.
3. The JISC, at its fifteenth meeting, while developing procedures on joint implementation programmes of activities (JI PoA), requested the secretariat to prepare a possible revision to the provision for the charging of fees, taking into account the JISC's deliberation on this item, for its consideration at the sixteenth meeting.
4. Draft revised provisions for the charging of fees, prepared in accordance with paragraph 3 above, are attached below.



Joint Implementation Supervisory Committee

**PROVISIONS FOR THE CHARGING OF FEES
TO COVER ADMINISTRATIVE COSTS RELATING TO THE ACTIVITIES
OF THE JOINT IMPLEMENTATION SUPERVISORY COMMITTEE**

Version 023

1. The fees to cover administrative costs relating to the activities of the Joint Implementation Supervisory Committee shall be:

- (a) Fees for accreditation:
 - (i) Application fee: USD 15,000 per application (one-off payment, non-reimbursable);
 - (ii) Cost of the work by assessment teams: direct payment from applicant or accredited independent entities;¹
- (b) Fee for processing of verification reports **for joint implementation (JI) projects**:²
 - (i) USD 0.10 per tonne of CO₂ equivalent of reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks for the first 15,000 tonnes of CO₂ equivalent generated by the project in question in a given calendar year;
 - (ii) USD 0.20 per tonne of CO₂ equivalent of reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks for any amount in excess of 15,000 tonnes of CO₂ equivalent generated by the project in question in a given calendar year;
 - (iii) A fee calculated in accordance with paragraph 1 (b) (i) and 1 (b) (ii) above and equal to the expected average annual generation over the crediting period of reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks by the project shall be paid as an advance payment when a determination report regarding a project design document is submitted to the secretariat in accordance with paragraph 34 of the annex to decision 9/CMP.1; this advance payment shall be deducted from the first payments due in accordance with paragraph 1 (b) (i) and 1 (b) (ii) above ; if no verification report is submitted, any advance payment above USD 30,000 shall be reimbursed;
 - (iv) No advance payment referred to in paragraph 1 (b) (iii) above shall be paid for joint implementation small-scale projects and for projects with an expected average annual generation over the crediting period of reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals

¹ Details are defined in the document entitled “Indicative level of fees to be paid to joint implementation assessment team by applicant independent entity or accredited independent entity” (P-JI-ACCR-05).

² “Verification report” means a report regarding reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks which has been submitted by an accredited independent entity to the secretariat in accordance with paragraph 38 of the annex to decision 9/CMP.1.

by sinks below 15,000 tonnes of CO₂ equivalent; the maximum advance payment due shall be USD 350,000.

(c) Fee for processing of verification reports for joint implementation programmes of activities (JI PoA):

- (i)** [USD 0.10 per tonne of CO₂ equivalent of reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks for the tonnes of CO₂ equivalent generated by the joint implementation programme activities (JPAs) in question in a given calendar year;]

[USD 0.10 per tonne of CO₂ equivalent of reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks for the first 15,000 tonnes of CO₂ equivalent generated by the JPAs in question in a given calendar year;

USD 0.20 per tonne of CO₂ equivalent of reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks for any amount in excess of 15,000 tonnes of CO₂ equivalent generated by the JPAs in question in a given calendar year;]
- (ii)** The advance payment referred to in paragraph 1 (b) (iii) above shall be paid for the JI PoA when the respective determination report is submitted to the secretariat. The fee should be calculated as follows: USD 0.10 per tonne of CO₂ equivalent of reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks for the tonnes of CO₂ equivalent generated by the JPAs in question based on the expected average annual emission reductions in a given calendar year;
- (iii)** The advance payment shall also be paid for any JPAs included after the determination of its JI PoA. The fee should be calculated as follows: USD 0.10 per tonne of CO₂ equivalent of reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks for the tonnes of CO₂ equivalent generated by the added JPAs based on the expected average annual emission reductions in a given calendar year;
- (iv)** These advance payments shall be deducted from the first payments due in accordance with the fee for processing of verification reports. If no verification report for the JI PoA is submitted, any advance payment above USD 30,000 shall be reimbursed;
- (v)** No advance payment referred to in paragraph 1 (c) (ii) above shall be paid for joint implementation small-scale programmes of activities.

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