



Annex 14

**DRAFT ANNUAL REPORT TO THE CONFERENCE OF THE PARTIES
SERVING AS THE MEETING OF THE PARTIES TO THE KYOTO PROTOCOL**



I. Executive summary

1. This annual report of the Joint Implementation Supervisory Committee (JISC) to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) covers activities during the period from 13 September 2008 to 23 October 2009, the closing date of the eighteenth meeting of the JISC. During this period the JISC held six meetings and one roundtable consultation with stakeholders. In addition, the secretariat organized one technical workshop on joint implementation (JI), inviting a wide range of stakeholders. The report does not cover the period from 24 October to 6 December 2009; however, the Chair of the JISC, Mr. Derrick Oderson, will highlight any relevant matters during this period in his oral report to the CMP at its fifth session.
2. The report recommends actions to be taken by the CMP at its fifth session. It also refers to work undertaken by the JISC during the reporting period, including on the further operationalization of the verification procedure under the JISC (hereinafter referred to as the Track 2 procedure) and the associated project caseload, and operation of the joint implementation accreditation process. Based on this information, the CMP may wish to provide further guidance on JI to the JISC.
3. The report also highlights the areas of governance, management and resources, which are critical to ensuring the efficient, cost-effective and transparent functioning of the JISC. With regard to the status of the Track 2 procedure, it notes that [195] project design documents (PDDs) have been submitted and published on the UNFCCC JI website and that [nine] positive determinations regarding PDDs have been deemed final by the JISC. The [195] JI projects described in the PDDs would achieve emission reductions of approximately [320] million tonnes of carbon dioxide equivalent (t CO₂ eq) during the first commitment period of the Kyoto Protocol. The [nine] projects that have received positive determinations would achieve reductions of [19] million t CO₂ eq in the same period.
4. The JISC, in the JI management plan for 2010–2011,¹ notes that while it has reduced the estimated budget compared to the previous biennium, the work on JI will need to rely on contributions by Parties for the biennium 2010–2011, and it reiterates the urgent need for adequate and predictable resources to implement its activities. The JISC notes that a lack of such contributions could result in envisaged work and planned activities with regard to the consideration of determinations and the accreditation of independent entities (IEs) not being fully undertaken.

II. Introduction

A. Mandate

5. The CMP, by its decision 10/CMP.1, established the JISC to supervise, inter alia, the verification of emission reduction units generated by projects under Article 6 of the Kyoto Protocol (hereinafter referred to as JI projects) as per the guidelines for the implementation of Article 6 of the Kyoto Protocol (hereinafter referred to as the JI guidelines).²
6. The JI guidelines require that the JISC reports on its activities to each session of the CMP and that the CMP provides guidance regarding the implementation of Article 6 of the Kyoto Protocol and exercises authority over the JISC.

¹ FCCC/KP/CMP/2009/[xx] (Part II).

² Decision 9/CMP.1, annex.



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B. Scope of the report

7. This report provides information on the work undertaken by the JISC since its written report to the fourth session of the CMP.³ Since completing the operationalization of the Track 2 procedure⁴ in October 2006, the JISC has been operating the procedure. This report gives information on the decisions and actions taken by the JISC in the further operationalization and operation of the Track 2 procedure and highlights issues that the CMP may wish to consider at its fifth session. The report also addresses governance issues, notably measures undertaken to ensure the efficient, cost-effective and transparent functioning of the JISC, as well as resource requirements for the work on JI during the 2010–2011 biennium.

8. The report highlights work accomplished and challenges faced over the reporting period (defined in paragraph 9 below) and summarizes the status of JI-related matters handled by the JISC during this period. Full details on the operation and functions of the JISC are available on the UNFCCC JI website, which is the central repository for reports of JISC meetings and documentation adopted by the Committee.⁵

9. The report covers the period from 13 September 2008 to 23 October 2009 (the reporting period). The report does not cover the period from 24 October to 6 December 2009; however, the Chair will highlight any relevant matters during this period in his oral report to the CMP at its fifth session.

**C. Action to be taken by the Conference of the Parties serving
as the meeting of the Parties to the Kyoto Protocol**

10. After reviewing the annual report of the JISC and taking note of all matters agreed by the Committee, the CMP, at its fifth session, may wish:

- (a) To provide further guidance relating to JI, notably to the JISC;
- (b) To take note of the JI management plan covering the biennium 2010–2011;
- (c) To adopt the revision to rules of procedure of the JISC (see annex I);
- (d) To endorse the revision to the fee structure adopted by the JISC (see annex II);
- (e) To urge Parties included in Annex I to the Convention (Annex I Parties) to make contributions to the Trust Fund for Supplementary Activities for funding the work on JI in the biennium 2010–2011, at a level that would allow the full implementation of the JI management plan for the biennium;
- (f) To elect one member and one alternate member to the JISC from each of the following constituencies for a term of two years, based on nominations being received:
 - (i) Annex I Parties that are undergoing the process of transition to a market economy;
 - (ii) Other Annex I Parties;
 - (iii) Alliance of Small Island States.

³ FCCC/KP/CMP/ 2008/3 (Part I)

⁴ Defined in paragraphs 30–45 of the JI guidelines.

⁵ See <<http://ji.unfccc.int>>. Further details on operations, functions, agreements and decisions of the JISC are also available on this website.



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- (g) To elect two members and two alternate members to the JISC from Parties not included in Annex I to the Convention (non-Annex I Parties), for a term of two years, based on nominations being received.

11. As of the date of this report, the JISC was not able to appoint a new member to replace the member who had resigned (Mr. Vlad Trusca), since no nomination had been received from the constituency concerned. Thus the CMP may need to elect an additional member from an Annex I Party that is undergoing the process of transition to a market economy to replace the resigned member for the remainder of his term (see paragraph 47 below).

III. Work undertaken since the report of the Joint Implementation Supervisory Committee to the third session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol

A. Summary of the work undertaken

12. With the official launch of the Track 2 procedure in October 2006, the JISC shifted its focus to the operation of the procedure. Over the past two years it has handled project-related submissions and worked, including through its accreditation panel (JI-AP), on the accreditation of applicant IEs. Moreover, it has issued guidance and clarifications, where necessary, with regard to both the Track 2 procedure and the accreditation procedure.

13. To ensure that information on decisions by the JISC and the processes leading thereto was well communicated, members and alternate members of the JISC, and the secretariat, convened and/or took part in a number of events at which the processes were explained and results presented. The JISC took note of interests and concerns of stakeholders and, wherever feasible and appropriate, sought to address them through improvements to the processes and procedures.

14. The JISC has prepared a JI management plan⁶ for the biennium 2010–2011, taking into account a proposal by the Executive Secretary, and with the assistance of the secretariat. This plan has been formulated to ensure adequate support to the JISC and its work, aiming to make best use of time and resources in handling the workload and meeting future challenges.

15. In summary, the JISC has worked hard to perform its functions and tasks efficiently and effectively. It should be noted that the achievements were made possible by the time and effort devoted by members and alternate members of the JISC, the JI-AP and the secretariat.

B. Verification procedure under the Joint Implementation Supervisory Committee

16. Since the launch of the Track 2 procedure, the JISC's work has focused largely on the consideration of project submissions. However, with a view to continuously improving the operation of the Track 2 procedure, the JISC has continued to improve upon the Track 2 procedure, including through consultations with and taking into account the needs of stakeholders concerned.

⁶ FCCC/KP/CMP/2009/[xx] (Part II).



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1. Operation of the Track 2 procedure

17. As at 23 October 2009, [195] PDDs had been submitted and made publicly available on the UNFCCC JI website in accordance with paragraph 32 of the JI guidelines. During the first commitment period of the Kyoto Protocol, all these projects combined would achieve emission reductions of approximately [320] million t CO₂ eq.⁷

18. In total, [14] determinations regarding PDDs have been published on the UNFCCC JI website in accordance with paragraph 34 of the JI guidelines, of which:

- (a) [Nine] positive determinations regarding PDDs for projects located in three host Parties⁸ were deemed final in accordance with paragraph 35 of the JI guidelines. During the first commitment period of the Kyoto Protocol, these projects would achieve reductions of emissions by sources of approximately [19] million t CO₂ eq;⁹
- (b) [One] determination was rejected by the JISC.

19. Detailed information on the determinations referred to in paragraph 18 above is available under the heading “JI Projects” on the UNFCCC JI website.

2. Further operationalization of the Track 2 procedure

20. During the reporting period, the JISC also considered ways to enhance the efficiency and smooth operation of the Track 2 procedure, as follows:¹⁰

- (a) At its thirteenth meeting, the JISC adopted:
 - (i) Glossary of joint implementation terms (version 01);
 - (ii) Procedure for the withdrawal of submissions under the verification procedure under the Joint Implementation Supervisory Committee (version 01);
 - (iii) Procedures for requests for clarification under the verification procedure under the Joint Implementation Supervisory Committee (version 01);
 - (iv) Clarification regarding overlapping monitoring periods under the verification procedure under the Joint Implementation Supervisory Committee (version 01).
- (b) At its thirteenth meeting, the JISC also agreed on revisions to four documents and adopted:
 - (i) Clarification regarding the public availability of documents under the verification procedure under the Joint Implementation Supervisory Committee (version 03);
 - (ii) Guidelines for users of the joint implementation project design document form (version 03);
 - (iii) Guidelines for users of the joint implementation project design document form for small-scale projects and the form for submission of bundled joint implementation small-scale projects (version 03);

⁷ This figure is based on the indications given in the PDDs, as determined.

⁸ Bulgaria, Lithuania and Ukraine.

⁹ This figure is based on the indications given in the PDDs, as determined.

¹⁰ See <http://ji.unfccc.int/Sup_Committee/Meetings/index.html>.



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- (iv) Guidelines for users of the joint implementation land use, land-use change and forestry project design document form (version 03).
- (c) At its fifteenth meeting, the JISC agreed on the scope of a determination and verification manual (DVM) and considered the first draft of procedures for programmes of activities (PoA) under the verification procedure under the JISC. The JISC progressed on the development of a DVM and procedures for PoA over the course of the sixteenth, seventeenth and eighteenth meeting. The JISC undertook calls for public inputs on these matters and engaged stakeholders in two in-person consultations, i.e. at the roundtable consultation in June 2009 and during the UNFCCC technical worksho on JI held in September 2009.
- (d) At its fifteenth meeting, the JISC agreed on revisions of two procedures and adopted:
 - (i) Procedures for communication of the public with the Joint Implementation Supervisory Committee (version 2);
 - (ii) Procedures for the withdrawal of submissions under the verification procedure under the Joint Implementation Supervisory Committee (version 02).
- (e) During the course of the development of a DVM, both the JISC and stakeholders identified the need for further revision to or clarification of existing documents adopted by the JISC. The JISC identified priority areas in this respect at its seventeenth meeting, and started considering at its eighteenth meeting revisions to some of the existing documents.

C. Accreditation of independent entities

21. The JI-AP held seven meetings during the reporting period. Since the announcement on 26 October 2006 that the JI accreditation process would start on 15 November 2006, 15 applications for accreditation from IEs have been received. All of these applications are from entities that also applied for accreditation under the clean development mechanism (CDM); 13 of these may act provisionally as accredited independent entities (AIEs) under JI for at least one function (determination regarding a PDD or determination of reductions of emissions by sources or enhancements of removals by sinks) in at least one sectoral scope, in accordance with decision 10/CMP.1, paragraph 3, and the JISC clarification regarding conditions for designated operational entities for acting provisionally as AIEs (C-JI-ACCR-01).¹¹

22. The JI-AP has established JI assessment teams (JI-ATs) for all 15 applications for accreditation by selecting experts from the roster of experts established for this purpose. There are currently 41 experts on the roster, selected from five public calls in total, of which two calls were conducted during the reporting period. Based on the assessment work of the JI-ATs, the JI-AP issued an “indicative letter” (a letter indicating successful completion of the desk review and the on-site assessment) to six applicant IEs during the reporting period, leading to the issuance of an indicative letter to 14 applicant IEs in total by the end of the reporting period.

23. The JISC, based on the recommendations from the JI-AP, accredited the following three IEs at its fourteenth, fifteenth and sixteenth meetings, respectively:

- (a) TÜV SÜD Industrie Service GmbH;

¹¹ See <<http://ji.unfccc.int/Ref/Guida.html>>.



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- (b) SGS United Kingdom Ltd.;
 - (c) Bureau Veritas Certification Holding SAS.
24. At its thirteenth meeting, the JISC, following the recommendation by the JI-AP, adopted:
- (a) Procedure for accrediting independent entities by the Joint Implementation Supervisory Committee (version 04), modifying, inter alia, the accreditation term from three to five years, and the timing of witnessing activities, allowing for accreditation for all sectoral scopes applied for upon successful completion of a single witnessing activity, subject to subsequent confirmation of accreditation through successful completion of an ex-post witnessing activity for each sectoral group that has not been witnessed;
 - (b) List of sectoral scopes (version 02);
 - (c) Clarification regarding identification of witnessing opportunities by designated operational entities acting provisionally as accredited independent entities (version 02).
25. At its fourteenth meeting, the JISC agreed to change the Chair and Vice-Chair of the JI-AP, by appointing two JISC members, Ms. Fatou Gaye and Mr. Oleg Pluzhnikov, as Chair and Vice-Chair, respectively.
26. At its fourteenth meeting, the JISC, based on the recommendation by the JI-AP, agreed to revisions to two clarifications and adopted:
- (a) Clarification regarding scopes and steps of witnessing activities under the JI accreditation procedures (version 03);
 - (b) Clarification regarding responsibility of accredited premises of accredited independent entities (version 02).
27. Following the resignation of a JI-AP member, Mr. Massamba Thioye, as of 31 March 2009, and based on the result of a subsequent call for experts, the JISC, at its fifteenth meeting, selected Mr. Dmytro Paderno as a new JI-AP member. Mr. Paderno took up his duty on 27 April 2009 and started participating in JI-AP meetings from the seventeenth meeting onwards.
28. At its fifteenth meeting, the JISC, based on the recommendation by the JI-AP, adopted Indicative level of fees to be paid to joint implementation assessment teams by applicant independent entity or accredited independent entity (version 03), intending to accommodate the cases where JI-AT members are requested to perform additional tasks after the completion of an on-site assessment or a witnessing activity.
29. At its seventeenth meeting, the JISC elected the following three experts as members of the JI-AP for a term starting from its twentieth meeting for a two-year term, replacing three existing members whose term ends on the day before the twentieth meeting:
- Mr. Pierre Boileau
 - Ms. Anastasia Moskelenko
 - Mr. Takashi Otsubo



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30. At its seventeenth meeting, the JISC, following the recommendation by the JI-AP, adopted Procedure for accrediting independent entities by the Joint Implementation Supervisory Committee (version 05), introducing/revising provisions to strengthen the monitoring of performance of AIEs as well as streamline some assessment steps.

31. The JISC took note that the JI-AP has been considering measures to further improve the JI accreditation process, inter alia,:

- (a) Elaboration of JI accreditation standards/requirements;
- (b) Management of JI-AT experts, including the development of an on-line training course for experts on the roster.

32. The JISC expressed its appreciation of the efficient work of the JI-AP and the resulting progress made in the JI accreditation process during the reporting period.

IV. Governance matters

A. Provisions for charging fees

Mandate and background

33. The CMP, by its decision 10/CMP.1, requested the JISC to develop provisions for charging fees to cover administrative costs relating to the activities of the JISC. The JISC developed these provisions and subsequently reported to the CMP at its second session. By its decision 3/CMP.2, the CMP endorsed the fee structure proposed by the JISC and requested the JISC to report annually to the CMP on the revenue received by the secretariat to cover administrative costs relating to the activities of the JISC, with a view to reviewing these arrangements as necessary.¹²

34. In its decision 3/CMP.3, the CMP also noted that income from fees to cover administrative costs relating to the activities of the JISC will accrue during the biennium 2008–2009 and that income from fees may cover the administrative expenses only as of the beginning of 2010 at the earliest.

Actions under taken

35. In reporting to the CMP on revenues received (see chapter V below), the JISC would like to bring the attention of the CMP the limited revenues that have accrued to date from the charging of fees. As a result of this situation it is not possible that the income from fees fully cover the expenses immediately from 2010.

36. At its seventeenth and eighteenth meetings, the JISC considered possible revisions to the fee structure endorsed by the CMP through decision 3/CMP.2, paragraph 16, to take into account the development of procedures for PoA and to reflect adequate level of fees under the foreseeable circumstances. [On the basis of its consideration, the JISC adopted draft version 03 of the Provisions for the charging of fees to cover administrative costs relating to the activities of the Joint Implementation Supervisory Committee, as contained in annex II, and agreed to submit it for endorsement to the CMP at its fifth session, after which time it would enter into force.]

¹² The provisions for charging fees to cover administrative costs relating to the activities of the JISC were revised to incorporate preferential treatment of JI small-scale projects and were submitted to the CMP for endorsement at its third session (decision 3/CMP.3).



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37. At each of its meetings during the reporting period, the JISC took note of the status of revenues received by the secretariat to that date from fees to cover administrative costs relating to JISC activities. By the end of the reporting period, revenues amounting to USD [1.2] million were received from the fees for the processing of verification reports (including advance payments upon submission of determination reports). No application fee for accreditation was received during the reporting period as there was no new applications for accreditation in the same period.

B. Cooperation with other bodies and stakeholders

Mandate and background

38. The CMP, by its decision 10/CMP.1, encouraged the JISC to collaborate with:
- (a) The Executive Board of the CDM;
 - (b) The Compliance Committee under the Kyoto Protocol, in particular with regard to the list of Parties referred to in paragraph 27 of the JI guidelines;
 - (c) The designated focal points (DFPs) for Article 6 under the Kyoto Protocol;
 - (d) Observers to meetings of the JISC, referred to in paragraph 18 of the JI guidelines, through regular question-and-answer sessions held in this context.

Actions under taken

39. At each meeting, the JISC discussed cooperation with other bodies, taking into account the request of the CMP by its decision 10/CMP.1 (referred to in paragraph 38 above), and agreed that, in addition to its regular interactions (see paragraphs 41-45 below), it would collaborate as and when the need arises. With regard to collaboration with the CDM Executive Board, communication has continued as necessary in the area of accreditation through the accreditation panels of the JISC and the CDM Executive Board.

40. In relation to the mandate referred to in paragraph 38 (c) above, the JISC noted the information on the designation of focal points and national guidelines and procedures for approving JI projects submitted from Parties to the secretariat so far in accordance with paragraph 20 of the JI guidelines, and encouraged the Parties that have not submitted the information to do so. To ensure opportunities to interact and collaborate, DFps were invited to participate in the technical workshop on JI held in September 2009. Although participation was limited, this allowed for some interaction between the JISC and DFps as well as other JI stakeholders. The JISC also agreed to reinstate its survey of DFps with regard to their expectation of approving JI projects and will consider other means to engage DFps, including DFP specific events over the course of the 2010-2011 biennium.

41. Based on the decision at its tenth meeting, the JISC continued the regular interaction with applicant IEs and AIEs, inviting written inputs from them as well as the Chair of the DOE/AIE coordination forum on JI issues to each JISC meeting for in-person interaction. Based on the same decision, the secretariat also continued its support to the activities of the forum.

42. At its sixteenth, seventeenth and eighteenth meeting, the JISC discussed the possibility of establishing a communication channel with project participants (e.g. provision of regular inputs at JISC meetings), and invited the Joint Implementation Action Group and the Project Developer Forum to these meetings to interact with the JISC and express their interests in collaborating with the JISC.



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43. [At its eighteenth meeting the JISC decided:
- (a) To recognize [.....] as [a] communication channel[s] between the JISC and project participants;
 - (b) To invite written inputs from [.....] to be submitted 14 days before each JISC meeting at the latest for discussion at that meeting under an agenda item dedicated to interactions between the JISC and [.....] on issues relevant to project participants;
44. Based on this decision, the JISC agreed to start regular interactions with [.....] at its nineteenth meeting.]
45. With regard to the mandate referred to in paragraph 38 (d) above, the JISC has continued to have question-and-answer sessions with registered observers at each of its meetings and to webcast these sessions.¹³

C. Membership

46. The CMP, by its decision 9/CMP.1, established the JISC; subsequently the CMP elected members and alternate members of the JISC in accordance with paragraphs 4, 5 and 8 of the JI guidelines. At its third and fourth sessions, the CMP elected members and alternate members to replace those whose terms were ending (see table 1). At its fourteenth meeting (its first meeting of the calendar year 2009), the JISC elected by consensus Mr. Derrick Oderson, a member from a non-Annex I Party, as its Chair, and Mr. Vlad Trusca, a member from an Annex I Party, as its Vice-Chair. The tenures of the Chair and Vice-Chair will end immediately before the first meeting of the JISC in 2010.
47. During the reporting period, one member, Mr. Vlad Trusca, resigned as of 30 September 2009. The JISC decided to request the relevant constituency to nominate a new member, in accordance with rule 8 of the rules of procedure of the JISC. As at 23 October 2009, the relevant constituency had not nominated a replacement, and in the absence of a nomination, the CMP may elect a replacement member at its fifth session in conjunction with the regular election of members and alternate members.
48. Following the announcement of the resignation of Mr. Trusca as a JISC member, at its seventeenth meeting, the JISC elected Mr. Benoît Leguet, a member from an Annex I Party, to the position of Vice-Chair effective 1 October 2009 for the remainder of the term.
49. The JISC, at its seventeenth meeting, agreed to recommend to the CMP for adoption a revised rules of procedure of the JISC. The revisions were made to clarify the application of the rules concerning the terms of alternate members to the JISC. The recommended revised rules of procedure are attached to this report as annex I.

¹³ <http://ji.unfccc.int/Sup_Committee/Meetings>.



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Table 1. Members and alternate members of the Joint Implementation Supervisory Committee as elected by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its fourth session

Members	Alternate members	Nominated by
Mr. Olle Björk ^a	Mr. Franzjosef Schafhausen ^a	Other Annex I Parties
Mr. Hiroki Kudo ^b	Mr. Anton Beck ^b	Other Annex I Parties
Mr. Benoît Leguet ^b (Vice-Chair) ^c	Mr. Evgeny Sokolov ^b	Other Annex I Parties
Mr. Muhammed Quamrul Chowdury ^a	Mr. Maosheng Duan ^a	Non-Annex I Parties
Mr. Carlos Fuller ^a	Mr. Javier Andrés Hubenthal ^a	Non-Annex I Parties
Ms. Fatou Gaye ^b	Mr. Benjamin Longo Mbenza ^b	Non-Annex I Parties
Mr. Derrick Oderson ^a (Chair)	Ms. Ngedikes Olai Uludong-Polloi ^a	Alliance of Small Island States
Mr. Oleg Pluzhnikov ^a	Ms. Agnieszka Gałan ^a	Annex I Parties with economies in transition
Ms. Georgiy Geletukha ^b	Mr. Yoncho Georgiev Pelovski ^b	Annex I Parties with economies in transition
Mr. Vlad Trusca ^{b, c}	Mr. Irina Voitekhovitch ^b	Annex I Parties with economies in transition

^a Term: two years, ending immediately before the first meeting of the Joint Implementation Supervisory Committee (JISC) in 2010.

^b Term: two years, ending immediately before the first meeting of the JISC in 2011.

^c Resigned as of 30 September 2009.

D. Calendar of meetings in 2009

50. The JISC adopted a tentative meeting schedule for 2009 at its thirteenth meeting, and revised it at its subsequent meetings as necessary, deciding to schedule six meetings during 2009 (see table 2). Although the JISC considered earlier in the year the possibility of scheduling only five meetings, it decided to schedule six meetings to ensure it made every effort to complete its work on a DVM and procedures for PoA by the end of 2009.

Table 2. Joint Implementation Supervisory Committee meetings in 2009

Meeting	Date	Location
Fourteenth	17–18 February	UNFCCC headquarters, Bonn, Germany
Fifteenth	21–22 April	UNFCCC headquarters, Bonn, Germany
Sixteenth	17–18 June	UNFCCC headquarters, Bonn, Germany (in conjunction with the twenty-eighth sessions of the subsidiary bodies)
Seventeenth	10–11 September	Kiev, Ukraine
Eighteenth	22–23 October	UNFCCC headquarters, Bonn, Germany
Nineteenth	3–4 December	Copenhagen, Denmark (in conjunction with the thirty-first sessions of the subsidiary bodies and the fifth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol)

51. The annotated agendas for the JISC meetings, as well as documentation supporting agenda items, and reports containing all agreements reached by the JISC, are available on the UNFCCC JI website.¹⁴

¹⁴ <http://ji.unfccc.int/Sup_Committee/Meetings>.



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52. To ensure the efficient organization and management of work, the meetings of the JISC in the reporting period were always preceded by one-day informal consultations.

E. Transparency, communication and information

53. Rule 21 of the rules of procedure of the JISC requires that the work of the JISC be transparent, subject to the need to protect confidential information. This encompasses the timely public availability of documentation and provision of channels through which external comments by all Parties and all UNFCCC accredited observers and stakeholders can be submitted for consideration by the JISC.¹⁵ Rule 20 of the rules of procedure of the JISC requires that documentation be made available via the Internet.¹⁶ Furthermore, the JI guidelines (in particular paragraph 16) require that decisions by the JISC be made available to the public.¹⁷

54. The UNFCCC JI website is the principal means by which these requirements are met. It contains reports of JISC meetings, documentation on all matters adopted by the JISC, and documentation relating to operations and functions of the JISC, the JI-AP, AIEs and the secretariat. It also functions as a database of all JI projects covering both those submitted to the Track 2 procedure and “Track 1” projects.¹⁸ It further provides information on DFPs (e.g. contacts) and host Parties’ national guidelines for approving JI projects. In addition, the website contains a wide range of background information relating to JI (ranging from CMP decisions to summaries of relevant regulations). Furthermore, it provides, as appropriate, interfaces for public input on various topics as deemed necessary by the JISC and for experts to apply for membership of supporting bodies (e.g. the JI-AP). Linked to the website is the JI News facility, which sends the latest information on JI to more than 1,600 subscribers.¹⁹

55. The secretariat also operates two extranets and over 60 listserves to promote efficient, cost-effective and transparent exchange of information between the JISC, the JI-AP, JI-ATs and the secretariat. These electronic facilities are essential for the smooth and cost-effective functioning of the JISC. Additional extranets, improved contact and expert roster interfaces and a messaging centre to facilitate communications relating to the Track 2 procedure and the accreditation process under the JISC, may be added in future.

56. In accordance with paragraph 18 of the JI guidelines and rule 22 of the rules of procedure of the JISC, all Parties and UNFCCC accredited observers and stakeholders may attend JISC meetings as observers, except where otherwise decided by the JISC, provided they register at least two weeks before the meeting. The JISC always allocated time for interaction with observers at each meeting. In addition, the JISC held question-and-answer sessions as side events of the fourth session of CMP and the thirtieth sessions of the subsidiary bodies, which were open to all participants of the sessions.²⁰

57. To further improve transparency, the JISC webcasts its meetings and its question-and-answer sessions, to the extent possible.²¹

¹⁵ At its first meeting, the JISC had agreed that communications addressed to the JISC, or its members and alternate members, received by the secretariat would be made available on the JISC extranet and that all such communications would receive a standard acknowledgement of receipt. On this basis, the JISC, at its seventh meeting, agreed on procedures for communication of the public with the JISC. At its fifteenth meeting the procedures were revised.

¹⁶ Includes agendas, draft work programmes and annotations to proposed agendas.

¹⁷ <http://ji.unfccc.int/Sup_Committee/Meetings>.

¹⁸ “Track 1” projects are JI projects implemented under paragraph 23 of the JI guidelines

¹⁹ As at 23 October 2009.

²⁰ <<http://ji.unfccc.int/Workshop>>.

²¹ <http://ji.unfccc.int/Sup_Committee/Meetings> and <<http://ji.unfccc.int/Workshop>>.



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58. In addition, one technical workshop on JI was held in Kiev, Ukraine, 8–9 September 2009.²² Organized by the secretariat, the workshop brought together JISC members and alternate members, and about 200 stakeholders in the JI process, including DFPs, IEs, non-governmental and intergovernmental organizations, project participants, project developers and consultants. Workshop participants shared experiences, views and information on JI and the progress of the work of the JISC, and provided inputs on specific topics, in particular with regard to a DVM and procedures for PoA that are under development by the JISC. The JISC also had an opportunity to collect stakeholders' inputs on the development of a DVM and procedures for PoA at roundtable consultations that it held in June 2009.

59. The JISC as well issued several public calls for inputs on various issues in the course of the reporting period.

60. During the interactions the JISC has had with various actors and stakeholders in the JI process, it has taken note of concerns and suggestions raised. The JISC has striven to give them due consideration in the implementation of its work programme. Additionally, concerns have been raised with regard to the need for clarity about the role of JI beyond the first commitment period of the Kyoto Protocol and the need for continuing to explore ways to enhance the implementation of the verification procedure under the Committee.

F. Role of the secretariat

61. The UNFCCC secretariat services the JISC, in accordance with paragraph 19 of the JI guidelines and rule 28 of the rules of procedure of the JISC.

62. The secretariat provided administrative, logistical and substantive support to six JISC meetings and seven JI-AP meetings during the reporting period. It also administered the workflows behind the processes (project cycle and accreditation), developed and maintained the JI information system and the web interfaces for calls for public input and experts, and responded to external queries.

63. The secretariat has maintained and is further developing the JI information system for supporting the workflow associated with the Track 2 procedure and the necessary interface with the international transaction log (ITL) to ensure timely and accurate communication of JI-project-related information to the ITL.

64. The CMP, by its decision 3/CMP.3, requested the secretariat, inter alia, with a view to establishing an overview of all JI projects, to develop a web-based interface that shall be used by DFPs of Parties that have provided information in accordance with paragraph 20 of the JI guidelines and host JI projects:

- (a) To provide transparent access to project information published in accordance with paragraph 28 of the JI guidelines;
- (b) To provide information to the ITL on the establishment of JI projects implemented in accordance with paragraph 23 of the JI guidelines (also referred to as JI Track 1 projects);
- (c) To receive project identifiers of JI projects issued by the JI information system, thereby ensuring their uniqueness, and used by the ITL.

²² A report is available at <<http://ji.unfccc.int/Workshop>>.



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65. Based on this request, the secretariat continued to maintain and revised as necessary, the interface on the UNFCCC JI website and ensured availability of the interface by DFPs. As a result of the operation of this interface, an overview of all JI projects (Track 1 and Track 2) is now available on the website.²³

66. In the course of the 2008-2009 biennium the number of secretariat staff supporting the JISC has slowly increased to reach a level adequate to maintain timely and adequate support to the process. At present although further growth is not envisaged, pending developments in JI, the secretariat may need additional staff as the process evolves or the caseload increases. To ensure an adequate long-term provision of timely, high-quality support to the JISC and the JI-AP, particularly with respect to case handling under the project cycle and accreditation, the resources requirement will need to be carefully reviewed as the work associated with the procedures progresses, as reflected in the JI management plan for 2010–2011.²⁴

67. The secretariat undertook fund-raising in support of the work on JI, managed contributions from Parties, and reported regularly to the JISC on the status of resources (see chapter V below).

V. Resources

A. Joint implementation management plan 2010–2011

68. The CMP, by its decisions 3/CMP.2, 3/CMP.3 and 5/CMP.4, requested the JISC to keep the JI management plan under review and make adjustments as necessary to continue ensuring the efficient, cost-effective and transparent functioning of the JISC and related activities on JI by, inter alia:

- (a) Identifying and implementing further measures aimed at strengthening the JI process and its responsiveness to the needs of Parties and stakeholders;
- (b) Adopting appropriate management indicators.

69. At its eighteenth meeting, the JISC considered and agreed on the management plan for 2010–2011 prepared by the secretariat, as contained in document FCCC/KP/CMP/2009/[xx] (Part II). The management plan takes into account the potential increase in workload with regard to the project cycle caseload and ongoing work on the accreditation of IEs. However, the JISC has taken into account the continued uncertainty concerning the level of activities to be undertaken, and has continued to try to contain costs associated with its related activities, while ensuring the efficiency of its work. The JISC has developed a management plan for 2010-2011 that has no increase in the year to year costs from 2009 to 2010-2011.

70. The JISC noted the need, in accordance with decision 3/CMP.2, to develop appropriate management indicators. The JISC has implemented some initial indicators over the last year. Pending review of its experience with the initial indicators, with the assistance of the secretariat, it will refine indicators and subsequently report to the CMP.

²³ <http://ji.unfccc.int/JI_Projects/ProjectInfo.html>.

²⁴ FCCC/KP/CMP/2009/xx (Part II).



B. Resources for the work on joint implementation

71. During the reporting period, the JISC monitored and reviewed the status of resources for the work on JI, based on reports by the secretariat. Information on the major activity areas (i.e. meetings and activities of the JISC, activities relating to the project cycle including the handling of submissions of PDDs and determinations, activities relating to the accreditation of IEs including meetings of the JI-AP, and technical workshops and stakeholder consultations) and resource requirements was developed and maintained by the secretariat. This information was used for fund-raising, and has been included in the JI management plan. Updated information on resource availability is also included in the plan.

72. Annex III to this document contains a summary of contributions by Parties to support work on JI in 2008–2009. The contributions for the biennium amounted to USD [1.7] million. These contributions are acknowledged with appreciation by the JISC.

73. The CMP, by its decision 9/CMP.1, decided that administrative costs arising from procedures contained in the JI guidelines relating to the functions of the JISC shall be borne both by Annex I Parties and by the project participants according to specifications set out in a decision by the CMP at its first session. In this context, the CMP, by its decision 10/CMP.1, requested the JISC to develop provisions for charging fees. The JISC developed these provisions and subsequently reported to the CMP at its second session. At its eighth meeting, the JISC agreed to recommend a revision to the fee structure, which was endorsed by the CMP at its third session. At its [xx] meeting, the JISC agreed to recommend a further revision to the fee structure to the CMP (see paragraph 36 above).

74. At the end of the reporting period, the shortfall was USD [1.0] million for the remainder of the 2008–2009 biennium, based on the budget as contained in the JI management plan for 2008-2009. It should also be noted that with the agreed provisions on fees referred to in paragraph 33 above the total revenues from the fees for processing verification reports amount to USD [1.2] million, far from adequate for funding the work of the JISC from 2010 from this source. Therefore, voluntary contributions from Annex I Parties need to continue to cover the administrative expenses for implementing Article 6 of the Kyoto Protocol. Depending on developments during the course of the next biennium, the self-financing objective may be reached.

75. Given this situation, the JISC would recommend the CMP to continue to encourage Annex I Parties to make contributions to the Trust Fund for Supplementary Activities in a predictable and sustainable manner to ensure that all necessary activities envisaged in support of Article 6 of the Kyoto Protocol can be carried out. A lack of such contributions could result in the JISC not being able to undertake the envisaged work and planned activities with regard to the accreditation of IEs and consideration of determinations.

VI. Summary of decisions

76. In accordance with paragraph 16 of the JI guidelines, decisions of the JISC are made publicly available in all six official languages of the United Nations by including the decisions or referring to them (indicating their placement on the UNFCCC JI website) in the JISC annual report to the CMP.



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Annexes

To be added

- Annex I: Draft rules of procedure of the Joint Implementation Supervisory Committee (Version 02)
- Annex II: Provisions for the charging of fees to cover administrative costs relating to the activities of the Joint Implementation Supervisory Committee (Version 03)
- Annex III: Status of contributions to support joint implementation activities in the biennium 2008–2009 (as at 23 October 2009)