

**JOINT IMPLEMENTATION SUPERVISORY COMMITTEE****Eighteenth meeting****Proposed agenda**

Bonn (Germany)
22–23 October 2009¹

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¹ The eighteenth meeting of the Joint Implementation Supervisory Committee will be preceded by informal consultations on 21 October 2009.



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I. PROPOSED AGENDA

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II. ANNOTATIONS TO THE PROPOSED AGENDA

1. Membership issues (including disclosure of possible conflict of interest)

1. **Background:** According to paragraph 14 of the annex to decision 9/CMP.1 on guidelines for the implementation of Article 6 of the Kyoto Protocol (hereinafter referred to as JI guidelines) at least two thirds of the members of the Joint Implementation Supervisory Committee (JISC), representing a majority of members from Parties included in Annex I and a majority of members from Parties not included in Annex I, must be present to constitute a quorum.
2. According to paragraph 10 (b) of the JI guidelines members, including alternate members, of the JISC shall have no pecuniary or financial interest in any aspect of a joint implementation (JI) project. Paragraph 2 of rule 9 of the rules of procedure of the JISC additionally stipulates that members, including alternate members, of the JISC shall have no pecuniary or financial interest in any accredited independent entity (AIE), or any designated operational entity (DOE) acting provisionally as an AIE.
3. According to paragraph 11 of the JI guidelines, quoted in paragraph 1 of rule 7 of the rules of procedure of the JISC, the JISC may suspend and recommend to the CMP the termination of the membership of a particular member, including an alternate member, for cause including, inter alia, breach of the conflict of interest provisions or failure to attend two consecutive meetings of the JISC without proper justification.
4. **Action:** The Chair shall ascertain whether (a) the members present constitute a quorum and (b) the absence of any member or alternate member is “without proper justification”.
5. The Chair shall request the members and alternate members of the JISC to disclose whether they consider to have any conflict of interest relating to the work of the JISC.
6. The JISC may wish to consider information provided by any member or alternate member, including with respect to any potential conflict of interest, and take action, if appropriate.

2. Adoption of the agenda

7. **Background:** The JISC agreed, at its seventeenth meeting, on items to be included in the provisional agenda of its eighteenth meeting. In accordance with rule 19 of the rules of procedure of the JISC, subsequent additions or changes to the provisional agenda of a meeting may be proposed to the secretariat by any member, or alternate member, and incorporated in the proposed agenda. No suggestions for additions or changes were received by the secretariat before the relevant deadline. The proposed agenda was transmitted to the JISC on 1 October 2009 and thereafter posted on the UNFCCC JI website.
8. **Action:** The JISC may wish to adopt the proposed agenda of the eighteenth meeting.

3. Work plan

(a) Accreditation of independent entities

9. **Background:** On the basis of the accreditation procedure adopted by the JISC at its fourth meeting, independent entities (IEs), including DOEs under the clean development mechanism (CDM), could start submitting applications for accreditation under JI to the secretariat on 6 October 2006.

10. Based on the terms of reference for JI assessment teams (JI-ATs), agreed on by the JISC also at its fourth meeting, the secretariat, as mandated, launched five public calls for experts to date to be included in the roster of experts for JI-ATs.

11. The Joint Implementation Accreditation Panel (JI-AP) held its nineteenth meeting on 24-25 September 2009. At this meeting, the JI-AP maintained the roster of experts for JI-ATs and considered the applications for accreditation from IEs.

12. Following the revision of the JI accreditation procedure adopted by the JISC at its seventeenth meeting, the JI-AP developed as well as revised some of the forms to be used by JI-ATs in their assessments of IEs and adopted them as contained in the fourteenth progress report on the work of the JI-AP, as information for the JISC.

13. As measures to further improve the JI accreditation process, the JI-AP has been developing a document elaborating JI accreditation standards/requirements, and an on-line training course for experts on the roster for JI-ATs.

14. **Action:** The JISC may wish to (a) take note of the fourteenth progress report on the work of the JI-AP and an oral report by its Chair, Ms. Gaye, on the work of the panel, and (b) consider further guidance to the JI-AP, as appropriate.

(b) Matters relating to determination and verification reports

15. **Background:** At its fifth meeting, the JISC officially launched the verification procedure under the JISC (hereinafter referred to as JI Track 2 procedure) on 26 October 2006. Since the launch of the JI Track 2 procedure, the information regarding Parties' designated focal points (DFPs) and national guidelines and procedures for approving JI projects, in accordance with paragraph 20 (a) and (b) of the JI guidelines, required for the submission of determination reports regarding project design documents (PDDs), has not been provided to the secretariat by some Parties.

16. **Action:** The JISC may wish to consider and discuss the status of (a) projects submitted under the JI Track 2 procedure as well as (b) information provided by Parties in accordance with paragraph 20 of the JI guidelines, and take action, as appropriate.

(c) Development of a determination and verification manual

17. **Background:** The JISC, at its fourteenth meeting, taking into account the public input on the development of a determination and verification manual (DVM), decided to develop a DVM. Taking into account diverse views expressed by JISC members and alternate members on the nature and contents of a DVM, the JISC, at its fifteenth meeting, considered the nature and structure of a DVM, and agreed on them.

18. Based on this, the JISC, also at its fifteenth meeting, requested the secretariat, in consultation with five JISC members/alternate members (Mr. Beck, Mr. Duan, Mr. Geletukha, Mr. Hubenthal and Mr. Trusca), to start preparing a first draft of a DVM immediately after the meeting. The JISC at the same time also requested the secretariat to launch a public call for inputs immediately after the meeting for 20 days, seeking to provide texts of the contents of a DVM, based on the nature and structure of a DVM as agreed by the JISC. The call was open from 27 April until 17 May 2009, resulting in six written inputs.

19. The JISC, at its sixteenth meeting, considered the first draft DVM taking into account the written inputs received from the call referred to in paragraph 18 above and the inputs from the participants of the roundtable consultations organized immediately prior to the meeting, and requested the secretariat, in consultation with six JISC members/alternate members (Mr. Beck, Mr. Duan, Mr. Geletukha, Mr. Hubenthal, Mr. Kudo and Mr. Trusca), to prepare a second draft DVM for discussion with stakeholders at the UNFCCC workshop on joint implementation (8–9 September 2009 in Kiev, Ukraine) as well as for consideration by the JISC at its seventeenth meeting. The JISC, at its sixteenth meeting, also requested the secretariat to launch a call for public inputs on the second draft DVM for four weeks. The call was open from 20 August until 16 September 2009, resulting in five written inputs.

20. The JISC, at its seventeenth meeting, considered the second draft taking into account the inputs from participants of the workshop referred to in paragraph 19 above, and agreed on priority areas that the JISC would try to incorporate in the first version of the DVM. At the same meeting, the JISC requested the secretariat to prepare a third draft DVM, in consultation with five JISC members/alternate members (Mr. Beck, Mr. Duan, Mr. Geletukha, Mr. Hubenthal, Mr. Kudo), taking into account the JISC's consideration on the second draft as referred to above and the inputs from the call referred to in paragraph 19 above as appropriate, and submit it to the JISC for its consideration at the eighteenth meeting.

21. **Action:** The JISC may wish to discuss the third draft DVM contained in annex 1, and provide guidance for preparing a fourth draft, as appropriate.

(d) Revisions to Joint Implementation Supervisory Committee documents relevant to determination and verification manual

22. **Background:** The JISC, at its seventeenth meeting took note of analysis prepared by the secretariat regarding possible revisions to existing documents adopted by the JISC. The JISC also agreed on priority areas for document revisions, including, a grace period for the use of approved CDM methodologies, partial use of approved CDM methodologies under the JI specific approach, to be considered in parallel with the development of the DVM, and requested the secretariat to prepare draft revisions of the existing documentation reflecting these priority areas.

23. The primary JISC document defining the use of CDM methodologies in JI projects, is the "Guidance on Criteria for Baseline setting and monitoring". The secretariat has prepared a draft revision of this document to clarify the complete or partial use of CDM methodologies, as well as the grace period. As a result of the proposed changes to the "Guidance on criteria for baseline setting and monitoring", several other JISC documents are also impacted and the secretariat has prepared draft revisions to all relevant documents. These revised documents are provided as annexes to this agenda and include:

- (a) Draft guidance for baseline setting and monitoring (annex 2)
- (b) Draft provisions for joint implementation small-scale projects (annex 3)
- (c) Draft guidelines for users of the JI PDD form(annex 4)
- (d) Draft guidelines for users of the JI SSC PDD form and the form for submission of bundled JI SSC projects (annex 5)
- (e) Draft guidelines for users of the JI LULUCF PDD form (annex 6)

24. **Action:** The JISC may wish to review the proposed revisions to the "Guidance for baseline setting and monitoring" as well as the proposed revisions to related documents, and following this review adopt the revised documents or request further revisions, as appropriate.

(e) Development of definitions, forms, guidelines and procedures for joint implementation programmes of activities

25. **Background:** At its sixteenth meeting, the JISC considered public inputs and the inputs from the roundtable consultation held in conjunction with this meeting, and requested the secretariat to prepare a second draft, in consultation with eight JISC members/alternate members (Mr. Björk, Mr. Chowdhury, Mr. Fuller, Ms. Galán, Mr. Geletukha, Mr. Hubenthal, Mr. Leguet and Mr. Oderson) along with forms, as well as launch a call for public inputs on the second draft. The call was open between 28 August, 2009 and 25 September, 2009.

26. At its seventeenth meeting, the JISC considered the second draft of the PoA along with inputs received during the JI workshop held in Kiev in conjunction with the meeting and requested the secretariat to prepare a third draft of the procedure, reflecting inputs received from the second call for public inputs, referred to in paragraph 25 above. In particular, the JISC requested that the third draft:

- (a) Addresses issues of fraud associated with the verification procedure for a JI PoA;
- (b) Modifies paragraphs 1, 6-8, and 52 of the second draft PoA in accordance with the language agreed by the JISC.

27. The third draft of the JI PoA along with a summary of inputs received from the second call for inputs referred to in paragraph 26, above, as well as related forms and guidelines are provided in the following annexes:

- (a) Draft procedures for programmes of activities (annex 7)
- (b) Draft joint implementation programme of activities design document form (JI PoA DD) (annex 8)
- (c) Draft guidelines for users of the JI PoA DD form (annex 9)
- (d) Draft glossary of JI terms (annex 10)
- (e) Information note on the public inputs for the 2nd draft of procedures for programmes of activities (annex 11)

28. At its seventeenth meeting, the JISC also discussed the draft provision for the charging of fees for JI PoAs and agreed in principle to using a simplified approach that is based on a flat rate of USD 0.10 per tonne of CO₂ equivalent. A draft provision for the charging of fees that incorporates provisions for the PoA and this agreement is attached as annex 12 which will be further discussed under agenda item 3(g).

29. **Action:** The JISC may wish to discuss the third draft of the JI PoA referred to in paragraph 27 above, and provide further guidance as appropriate, including the adoption of the third draft and related documents. The JISC may also wish to discuss the proposed provision for the charging of fees as part of agenda item 3(g).

(f) Management plan and resources for the work on joint implementation

30. **Background:** According to paragraph 4 of decision 3/CMP.2, the JISC shall keep the joint implementation management plan (JI-MAP) 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.

31. At its twelfth meeting, the JISC agreed on a revision to the JI-MAP for the biennium 2008–2009 and included it in the annual report of the JISC to the CMP. In its report, the JISC indicated it would continually keep the JI-MAP under review to ensure the assumptions and arrangements included therein are adequate.

32. At its seventeenth meeting the JISC noted the process for the development of the JI-MAP for the biennium 2010–2011, including relevant timelines for its preparation, and agreed to consider at its eighteenth meeting the JI-MAP for the biennium 2010–2011. The JISC requested the secretariat to prepare a draft JI-MAP for its consideration.

33. **Action:** The JISC may wish to consider the draft JI-MAP prepared by the secretariat contained in annex 13 with a view to adopting the JI-MAP for the biennium 2010–2011 and forwarding it to the CMP as an annex to its annual report (see item 4.(b) below).

34. The JISC also may wish to take note of the status of resources and contributions, and consider its schedule of meetings and workprogramme, as appropriate.

(g) Revision of the provision for the charging of fees

35. **Background:** At its seventeenth meeting, the JISC discussed the draft provision for the charging of fees for JI PoAs and agreed in principle to using a simplified approach that is based on a flat rate of USD 0.10 per tonne of CO₂ equivalent, with a view to further elaborating this approach in conjunction with a broad discussion on fees. The JISC requested the secretariat to prepare options to revise the provision for the charging of fees to be considered at its eighteenth meeting.

36. A draft revision of the Provisions for the charging of fees is provided in annex 12, reflecting options referred to in paragraph 35 above.

37. **Action:** The JISC may wish to consider information provided by the secretariat concerning implications of broad changes to the charging of fees as well as provisions for fees pertaining to programmes of activities (PoA), and provide further guidance as appropriate.

4. Other matters

(a) Collaboration of the Joint Implementation Supervisory Committee with others

38. **Background:** The CMP, through paragraph 5 of 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 DFPs for Article 6 under the Kyoto Protocol and (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.

39. The JISC, at its tenth meeting, decided to recognize the DOE/AIE coordination forum as a communication channel between the JISC and applicant IEs and AIEs, to invite written inputs from the forum to be submitted 14 days prior to each JISC meeting at the latest for discussion under an agenda item dedicated to interactions between the JISC and the forum on issues relevant to applicant IEs and AIEs at the corresponding JISC meeting, and to request the secretariat to facilitate the organization of meetings of the forum.

40. At its seventeenth meeting the JISC considered the issue of establishing a communication channel with project participants. At the same meeting the JISC considered the responses to a call for public inputs from project participants regarding the establishment of a communication channel with project participants with the JISC. The call for public inputs was open from 9 August to 4 September 2009.

41. Taking into account the interest that the Joint Implementation Action Group (JIAG) had already expressed to the JISC to act as a communication channel, and the input provided to the JISC by the JIAG at its seventeenth meeting, the JISC agreed that, subject to a final decision of the JISC, that it would continue to tentatively invite the JIAG to interact with the JISC at its meetings. In addition, noting the interest expressed by the Project Developer Forum (PDF) to act as a communication channel as well, the JISC agreed to tentatively invite the PDF to interact with the JISC at its eighteenth meeting.

42. **Action:** The JISC may wish to consider written inputs from the DOE/AIE coordination forum if any, invite the Chair of the forum to the meeting and interact with the Chair, as appropriate.

43. The JISC may wish to consider any inputs received from the JIAG or the PDF, interact with them, as appropriate, and decide how to proceed with the establishment of a communication channel with project participants.

44. The JISC may also wish to discuss means by which to collaborate with stakeholders, in particular with those mentioned in paragraph 38 above, on the basis of experience gained in this respect since its establishment.

(b) Annual report of the Joint Implementation Supervisory Committee to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol

45. **Background:** In accordance with paragraph 3 (a) of the JI guidelines, the JISC shall be responsible for reporting on its activities to each session of the CMP with a view to the CMP reviewing, inter alia, these annual reports and taking decisions, as appropriate, on any recommendations made by the JISC, in accordance with the JI guidelines.

46. Taking into account the discussions of the JISC at its seventeenth meeting, the secretariat has prepared a draft of the annual report of the JISC to the CMP for consideration of the JISC at its eighteenth meeting.

47. **Action:** The JISC may wish to discuss the draft annual report to the CMP contained in annex 14 with a view to adopting it and forwarding it to the CMP for consideration at its fifth session.

(c) Areas for further guidance to be considered by the Joint Implementation Supervisory Committee

48. **Background:** At its seventeenth meeting the JISC discussed areas of possible revisions to existing documentation and decided to continue to give consideration to certain areas as a priority, as referred to in paragraph 22 above. With regard to other areas that have been identified and may require revisions to documentation, the JISC agreed to consider the matter further with a view to considering possible revisions to existing documentation at future JISC meetings as necessary.

49. **Action:** The JISC may wish to consider the inputs previously received through the public calls for inputs and roundtable consultations in this regard, as well as the note of analysis prepared by the secretariat for the seventeenth meeting of the JISC regarding possible revisions to existing documents, and take any actions it feels appropriate.

**(d) Other business****Provisional agenda**

50. **Background:** According to paragraph 1 of rule 19 of the rules of procedure of the JISC, the JISC shall, at each meeting, agree upon the provisional agenda of its next meeting.

51. **Action:** The JISC may wish to discuss and agree on the provisional agenda of its nineteenth meeting.

Other items

52. As necessary, the JISC may wish to consider other issues.

Informal interaction with registered observers

53. **Background:** The CMP, through paragraph 5 (d) of decision 10/CMP.1, encouraged the JISC to collaborate with observers to its meetings through regular question-and-answer sessions held in this context. Since its establishment, the JISC met with observers for a webcasted question-and-answer session at each meeting.

54. **Action:** The JISC may wish to continue the practice of informal interaction with observers, referred to in paragraph 53 above, at the second day of its eighteenth meeting.

5. Conclusion of the meeting

55. **Action:** The Chair may wish to summarize the meeting and the decisions taken.

56. The JISC may wish to adopt the report of its eighteenth meeting.

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