



**FRAMEWORK CONVENTION ON CLIMATE CHANGE - Secretariat
CONVENTION - CADRE SUR LES CHANGEMENTS CLIMATIQUES -
Secrétariat**

Date: 16 June 2010
Ref: JISC 22

JOINT IMPLEMENTATION SUPERVISORY COMMITTEE

TWENTY-SECOND MEETING

Report

Date of meeting: 15–16 June 2010

Location: Bonn, Germany

Attendance: The names of members and alternate members of the Joint Implementation Supervisory Committee (JISC) present at the twenty-second meeting are in bold print below. Where only the name of an alternate member is in bold print, the alternate member participated as a member.

Members	Alternate Members
Mr. Muhammed Quamrul Chowdhury	<i>Mr. Hussein Badarin</i>
Mr. Carlos Fuller	<i>Ms. Carola Borja</i>
Ms. Fatou Gaye	<i>Mr. Benjamin Longo-Mbenza</i>
Ms. Agnieszka Gałan	<i>Mr. Oleg Pluzhnikov</i>
Mr. Georgiy Geletukha	<i>Mr. Yoncho Georgiev Pelovski</i>
Mr. Hiroki Kudo	<i>Mr. Anton Beck</i>
Mr. Benoît Leguet	<i>Mr. Evgeny Sokolov</i>
Ms. Miriana Roman	<i>Ms. Irina Voïtekhovitch</i>
Mr. Wolfgang Seidel	<i>Mr. Olle Björk</i>
Mr. Andrew Yatilman	<i>Mr. Derrick Oderson</i>

Quorum (in parenthesis required numbers):

10 (7) members/alternate members acting as members were present of which

6 (4) were from Annex I Parties and

4 (3) were from non-Annex I Parties.

WWW broadcasting: <http://ji.unfccc.int/Sup_Committee/Meetings>.

**Agenda item 1: Membership issues (including disclosure of possible conflict of interest)**

1. The Chair of the Joint Implementation Supervisory Committee (hereinafter referred to as the JISC) opened the meeting and asserted that the quorum was met. No conflict of interest was identified by any member or alternate member of the JISC present at the meeting.
2. The JISC noted that the secretariat was informed that Ms. Agnieszka Gałan, Mr. Andrew Yatilman and Mr. Benjamin Longo-Mbenza were unable to attend the meeting and had provided proper justification for their absence.
3. The JISC took note of the nomination for the Non-Annex I seat received by the secretariat for this vacant position, which was vacant since CMP 5, nominating Mr. Hussein Badarin from Jordan and decided to appoint him for the remainder of the term.

Agenda item 2: Adoption of the agenda

4. The JISC adopted the agenda of the meeting.

Agenda item 3: Work plan**Agenda sub-item 3 (a): Accreditation of independent entities**

5. The JISC took note of the eighteenth progress report on the work of the Joint Implementation Accreditation Panel (JI-AP), orally presented by its Chair, Ms. Fatou Gaye. The report summarized information relating to the work of the JI-AP, including the status of applications for accreditation, revision of the assessment forms, and other outcomes of the JI-AP. The JISC took note of the progress made by the JI-AP as well as the issues under consideration by the JI-AP to further improve the JI accreditation process.

Case-specific consideration

6. The JISC took note of the JI-AP's recommendation on initiating a spot-check of an accredited independent entity (AIE), and decided not to initiate the spot-check.

General guidance and process

7. The secretariat presented the on-going work of the JI-AP on the further revision of the JI accreditation standard. The secretariat also presented the JI-AP's recommendation on one area of the revision that is signing of contracts with project participants for determination and verification work by entities affiliated with an AIE, in response to a JISC's request at its twenty-first meeting. The JISC agreed to maintain the current requirement that only AIEs may sign contracts with project participants for determination and verification work, and entities affiliated with AIEs shall not sign such contracts, as recommended by the JI-AP.

8. The JISC requested the DOE/AIE coordination forum to provide inputs on the functions listed in paragraph 39 of the JI accreditation standard (version 01) whether the forum wishes AIEs be allowed to delegate some of these functions to entities/individuals outside AIEs, and also to provide inputs on how other accreditation schemes (other than the JI and CDM accreditation processes) handle delegation of key functions from an AIE to its entities/individuals outside AIEs. The JISC also requested the JI-AP to analyze the inputs provided by the forum and report back to the JISC at a future meeting.



9. The secretariat presented the on-going work of the JI-AP on the revision of the JI accreditation procedure. The JISC requested the JI-AP to intensify its work, specifically on the replacement of the ex-post witnessing activities with performance assessments, with a view to recommending a proposed text of the revised procedure to the JISC for its consideration at a future meeting.

10. The secretariat presented a clarification request from an AIE regarding an ex-post witnessing activity. Prompted by this request, the JISC, taking into account its decision at the twenty-first meeting to replace ex-post witnessing activities with performance assessments, decided to temporarily suspend provisions of paragraphs 16–17 of the JI accreditation procedure, thereby not to suspend accreditation of any AIE due to the failure to initiate an ex-post witnessing activity within the specified timeframe in these paragraphs.

11. The secretariat informed that three of the current JI-AP members' appointment term would expire in September this year at the earliest in accordance with the terms of reference and the rules of procedures of the JI-AP. Based on this, the JISC requested the secretariat to launch a call for experts for JI-AP members to fill the positions of these three members, and present a shortlist of candidates for its consideration at the next meeting.

Further schedule

12. The JISC decided to cancel the meeting of the JI-AP that would take place on 12–13 August 2010 due to the financial situation referred to in paragraph 22 below. The dates of the next JI-AP meeting will be decided later in consultation with the JI-AP Chair.

Agenda sub-item 3 (b): Matters relating to determination and verification reports

13. The JISC took note of the report by the secretariat regarding the submission of documents under the verification procedure under the JISC (hereinafter referred to as JI Track 2 procedure). Since the launch of the JI Track 2 procedure, 230 PDDs had been submitted and made publicly available on the UNFCCC JI website in accordance with paragraph 32 of the annex to decision 9/CMP.1 (JI guidelines). 20 determinations regarding a PDD had been published on the UNFCCC JI website in accordance with paragraph 34 of the JI guidelines, of which:

- (a) 17 determinations had been deemed final in accordance with paragraph 35 of the JI guidelines;
- (b) One determination had been rejected;
- (c) Two determinations are open for requests for review by the JISC.

14. The JISC also took note that 15 verifications had been published on the UNFCCC JI website in accordance with paragraph 38 of the JI guidelines, 12 of which have been deemed final in accordance with paragraph 39 of the JI guidelines.

15. The JISC took note of the report by the secretariat on the status of information from Parties regarding their 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 determinations regarding a PDD. 35 Annex I Parties had informed the secretariat of their DFPs.¹ 29 of these Parties had also submitted their national guidelines and procedures for approving JI projects.²

¹ Australia, Austria, Belarus, Belgium, Bulgaria, Canada, Croatia, Czech Republic, Denmark, Estonia, European Community, Finland, France, Germany, Hungary, Ireland, Italy, Japan, Latvia, Liechtenstein, Lithuania, Luxembourg, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Russian Federation, Slovenia, Spain, Sweden, Switzerland, Ukraine, United Kingdom.

² Australia, Austria, Belarus, Belgium, Bulgaria, Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Ireland, Italy, Japan, Latvia, Liechtenstein, Lithuania, Netherlands, New Zealand, Poland, Portugal, Romania, Russian Federation, Spain, Sweden, Switzerland, Ukraine, United Kingdom.



16. The JISC requested the secretariat to present the analysis whether it is possible to obtain more complete and more accurate information on expected projects through project participants in a view to improve the survey. The JISC decided to request more information, through the AIEs, on the PDDs published that have not submitted the determination phase. The JISC requested the secretariat to implement an online interface with the AIEs to gather information regarding the reasons for gaps between submission of the PDD and determination using the same fashion as the one for CDM Executive Board and report to the JISC at a future meeting.

Agenda sub-item 3 (c): Areas for further guidance to be considered by the Joint Implementation Supervisory Committee regarding materiality and revisions of JI documents during project implementation

17. At its twentieth meeting the JISC took note of the information and analysis prepared by the secretariat as requested in its nineteenth meeting regarding priority areas and agreed on two areas for further work by the JISC in 2010: the concept of materiality in determinations and verifications; and changes during project implementation from a determined project design and/or monitoring plan. The JISC also requested the secretariat to conduct a call for public inputs on the two areas and report the findings of this call at the twenty-first JISC meeting. The JISC also requested five members/alternate members of the JISC, Mr. Geletukha, Mr. Kudo, Mr. Leguet, Mr. Oderson and Mr. Seidel, with the support of the secretariat, to prepare a first draft text regarding materiality for the consideration of the JISC.

18. The JISC adopted the standard as contained in annex 1, and agreed to a grace period of three months for independent entities to start applying the standard in their submissions of verification reports. The JISC also requested the secretariat to reflect the standard in the Glossary of joint implementation terms.

19. At its twenty-first meeting, the JISC also agreed that six members/alternate members of the JISC, Ms. Borja, Mr. Chowdhury, Ms. Gaye, Mr. Sokolov, Ms. Voitekhovitch and Mr. Yatilman, with the support of the secretariat, would prepare a first draft text regarding changes during project implementation from a determined project design and/or monitoring plan. The JISC considered the draft procedure and adopted it as contained in annex 2 and requested the secretariat to reflect the procedures in the Glossary of joint implementation terms and the JI verification report form (F-JI-VRep).

Agenda sub-item 3 (d): Management plan and resources for the work on joint implementation

20. The JISC noted with concern the information provided by the secretariat on the financial status and budget projection, including the significant shortfall in voluntary contributions to fund the current activities of the JISC and the secretariat. The JISC agreed that its current financing model, which relies on voluntary contributions by Parties, in the expectation that the volume of projects will soon expand sufficiently to support a self-financing system based on fees, is not sustainable. In particular, the slow pace of receiving sufficient contributions from Parties has now reached crisis point.

21. The JISC agreed to cancel its JISC 23 meeting in September and JISC 24 meeting in December and replace them with an extraordinary meeting to be held in October 2010 with the objective of finalizing the JISC annual report to CMP 6 which will include proposals on:

- (a) A revision of its long term work programme to streamline its work and ensure an appropriate focus on the needs of the JI system;
- (b) Specific means for building upon the approach embodied in JI beyond the first commitment period of the Kyoto Protocol;
- (c) A more secure and sustainable financial model for undertaking JISC activities.

22. In light of the above, the JISC also agreed to cancel the JI-AP 24 meeting in August.



23. The JISC further agreed that the implications of the current financial situation, and the response of the JISC, is to be incorporated in a revision of JI-MAP for 2010 to be considered at the extraordinary meeting. The JISC also agreed to continue to engage with governments in order to identify means to resolve the current financial situation of the JISC.

24. The JISC took note of the status of resources and contributions, as contained in [annex 3](#) to this report.

25. Due to the budgetary situation referred to above, the JISC agreed on the revised schedule of meetings for 2010, as contained in [annex 4](#) to this report, and agreed to revise its workprogramme, as contained in [annex 5](#).

Agenda item 4: Other matters

Agenda sub-item 4 (a): Collaboration of the Joint Implementation Supervisory Committee with others

26. The JISC invited the Chair of the DOE/AIE coordination forum to the meeting for interaction between the JISC and the forum on JI issues.

27. The JISC took note of the input of the DOE/AIE coordination forum and agreed to consider the inputs, as appropriate, in future adoption of new or revision of existing regulatory documents.

28. The Chair of the JISC thanked the Chair of the DOE/AIE coordination forum for his attendance and expressed the usefulness of the inputs from and interaction with the forum.

29. The JISC invited the representatives of the JI Action Group (JIAG), to the meeting for interaction between the JISC and the group on JI issues.

30. The representative of the JIAG elaborated the inputs that the group had provided prior to the meeting as well as the input it provided during the call for public inputs regarding experiences on the JI verification procedure under the JISC and also in answering a request by the JISC for the case of inclusion of Annex B Parties to the Kyoto Protocol. The JISC took note of the inputs from the JIAG and agreed to consider the inputs, as appropriate, in future adoption of new or revision of regulatory documents.

31. The Chair of the JISC thanked the representatives of the JIAG for his attendance and expressed the usefulness of the inputs and interaction.

32. The JISC took note that the representative of the PD Forum was unable to attend the meeting for interaction between the JISC and the PD Forum.

Agenda sub-item 4 (b): Consideration of the means to enhance the outreach activities to improve the overall understanding of joint implementation

33. The JISC adopted the communication workprogramme which focused on reaching a broader group of stakeholders, including DFPs, and possibly increased collaboration with other organizations with an interest in JI; and also considering financial implications. The communication and outreach work plan is contained in [annex 6](#) to this report.

34. In adopting the communication and outreach work plan, the JISC decided to establish a working group, made up of JISC members, responsible for considering and giving input and support to communication and outreach efforts. Four members volunteered to participate as members of the new group: Mr. Beck, Mr. Fuller, Mr. Leguet, Mr. Seidel and Mr. Voitekhovitch.

**Agenda sub-item 4 (c): Consideration of experiences with the joint implementation verification procedure under the JISC, with a view to making improvements for the future operation of joint implementation**

35. At its fifth session, the CMP requested the JISC to report to the CMP at its sixth session on its experiences with the verification procedure under the JISC, with a view to making improvements for the future operation of JI, taking into account relevant decisions of the CMP at its fifth session.

36. At its twenty-first meeting, the JISC requested the secretariat to prepare a background paper, in consultation with nine selected JISC members/alternate members (Mr. Beck, Mr. Björk, Mr. Geletukha, Mr. Leguet, Mr. Pelovski, Mr. Pluzhnikov, Ms. Roman, Mr. Seidel and Ms. Voitekhovitch), which would identify the scope, the possible areas of focus, and the structure of the report to the CMP. At that meeting the JISC also requested the secretariat to launch a call for public inputs on experiences with the verification procedure under the JISC and to compile the inputs received from the call in a information note.

37. The JISC took note of the background paper and information note, which included a summary of the inputs received, prepared by the secretariat and requested the secretariat, in consultation with seven selected JISC members/alternate members (Mr. Beck, Ms. Borja, Ms. Gaye, Mr. Geletukha, Mr. Kudo, Mr. Pluzhnikov, Mr. Sokolov), to prepare a draft report on experiences with the joint implementation verification procedure under the JISC, focusing on the key messages that can be incorporated in the JISC report to CMP.

Agenda sub-item 4 (d): Legal matters concerning the participation in joint implementation of Parties awaiting inclusion in Annex B to the Kyoto Protocol

38. The JISC, at its twentieth meeting, considered an information note prepared by the secretariat in response to a query from the JIAG on legal issues regarding participation in JI of Belarus and Kazakhstan. The JISC requested the secretariat to compile additional background information and provide it to the JISC for its twenty-second meeting.

39. The JISC considered the background paper prepared by the secretariat in consultation with the following five JISC members/alternate members, Ms. Gałan, Mr. Oderson, Mr. Pluzhnikov, Mr. Seidel and Mr. Sokolov. The JISC also considered the input provided by the JIAG as requested.

40. The JISC agreed to recommend to the CMP that the UNFCCC secretariat may accept for publication PDDs for JI projects, and that the JISC may consider these projects in accordance with the JI guidelines, before the amendment to include the host Party in Annex B of the Kyoto Protocol enters into force, noting that the respective host Party may issue and transfer emission reduction units (ERUs) only after the amendment to include it in Annex B enters into force. This recommendation will be included in the JISC report to CMP 6.

Agenda sub-item 4 (e): Preparations for a UNFCCC technical workshop on joint implementation in 2010

41. The JISC took note of the update by the secretariat on the preparation of the planned UNFCCC technical workshop on JI taking into account the financial situation of the JISC referred to in paragraph 20 above. In this regard, and given the current financial constraints a limited financial support from the secretariat is envisaged unless financial resources are received in the short term.

42. The JISC requested the secretariat to work together with the host country to look into alternative options for the organization of the workshop, in order that adequate funding is secured and to keep the JISC informed on progress.

**Agenda sub-item 4 (f): Elements for the annual report of the JISC to the CMP**

43. The JISC took note of information provided by the secretariat on the report of the JISC to CMP 6, and considered the following elements for inclusion in its annual report to the CMP: work undertaken since the CMP 5, achievements and challenges, governance matters and resources.

Agenda sub-item 4 (g): Report to the CMP on a financial and budget projection up to 2012

44. At its twenty-first meeting, the JISC requested the secretariat to provide information on elements of a report on a financial and budget projection up to 2012, including an analysis of when and under which conditions the JISC will become self-financing, that was requested by the CMP at its fifth session. The JISC discussed the nature and structure of its report to the CMP on this matter and requested the secretariat to prepare a report on this matter, including it as part of the annual report to the CMP, and in particular to ensure it addresses the present and projected state of expenses, and under what conditions and when the JISC could be self-financing, if at all.

Agenda sub-item 4 (h): Possible means to enhance interaction of JISC with project participants, designated focal points and independent entities

45. In accordance with paragraph 16 (b) and (a) of decision 3/CMP.5, the CMP encouraged the JISC to enhance its interaction with designated focal points, project participants and independent entities. The JISC discussed on possible additional efforts and means to enhance the interactions with DFPs, PPs and AIEs. The JISC welcomed the efforts from the secretariat on enhancing this interaction.

Agenda sub-item 4 (i): Applicability of joint implementation rules and guidelines to published project design documents under determination

46. In response to inputs received from stakeholders regarding the applicability of JI rules and guidelines, and considering previous guidance that has been provided by the secretariat on this issue, the JISC discussed the matter and decided to continue the discussions at subsequent meetings. Project participants and AIEs should follow the current procedures and guidelines adopted by the JISC.

Agenda sub-item 4 (j): Other businessJISC roundtable consultations

47. The JISC expressed its appreciation for the positive participation and fruitful discussions in the JISC roundtable held back to back to JISC 22 on 14 June 2010 in Bonn, Germany. The deliberation among JISC members, DFP, AIEs and project developers focused on issues such as the concept of materiality, changes in projects during implementation, experiences on JI and outreach activities. The JISC thanked all participants to the event for the constructive inputs.

Provisional agenda

48. The JISC agreed on the provisional agenda of its next meeting, to be held in October, as contained in [annex 7](#).

Informal interaction with registered observers

49. The JISC invited registered observers for a webcasted question-and-answer session. Observers raised their concerns about the budgetary situation of the JISC and its implications and expressed support for the positive continuation of the work of JISC in the future.

Agenda item 5: Conclusion of the meeting

50. The Chair summarized the main conclusions and closed the twenty-second meeting of the JISC.



Annexes to the report

Areas for further guidance

- Annex 1: Standard for applying the concept of materiality in verification
- Annex 2: Procedures regarding changes during project implementation

Management plan and resources for the work on joint implementation

- Annex 3: Status of resources and contributions
- Annex 4: Revised schedule of meetings for 2010
- Annex 5: Joint Implementation Supervisory Committee work programme for 2010 (revision 2)

Other Matters

- Annex 6: Communication and outreach work plan

Provisional agenda

- Annex 7: Provisional agenda of the twenty-third meeting of the Joint Implementation Supervisory Committee

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