



**Joint Implementation Supervisory Committee** 

Twenty-fourth meeting Report - Annex 3

#### Annex 3

# PROVISIONS FOR THE CHARGING OF FEES TO COVER ADMINISTRATIVE COSTS RELATING TO THE ACTIVITIES OF THE JOINT IMPLEMENTATION SUPERVISORY COMMITTEE AND ITS SUPPORTING STRUCTURES

(Version 04)





## Joint Implementation Supervisory Committee

# PROVISIONS FOR THE CHARGING OF FEES TO COVER ADMINISTRATIVE COSTS RELATING TO THE ACTIVITIES OF THE JOINT IMPLEMENTATION SUPERVISORY COMMITTEE AND ITS SUPPORTING STRUCTURES

(Version 04)

Revision history of the document		
<b>Document version</b>	Adoption	Revision
Version 01	JISC 04 <sup>1</sup>	Initial adoption of the document on the basis of paragraph 2 (h) of decision 10/CMP.1
Version 02	JISC 08	Revision, on the basis of paragraph 16 of decision 3/CMP.2, incorporating preferential treatment of joint implementation small-scale projects regarding advance payments
Version 03	JISC 18	Revision to incorporate provisions for joint implementation programmes of activities, a revised advance fee cap and clarification of the fee structure for all projects
Version 04	JISC 24	Revision to incorporate provisions for charging of fees for activities under the Track 1 procedure on the basis of decision 4/CMP.6

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<sup>&</sup>lt;sup>1</sup> Fourth meeting of the Joint Implementation Supervisory Committee.



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#### A. Background

- Paragraphs 30–45 of the annex to decision 9/CMP.1 (hereinafter referred to as JI guidelines) define the verification procedure under the Joint Implementation Supervisory Committee (JISC) (hereinafter referred to as the Track 2 procedure).
- The Track 2 procedure represents the determination by an independent entity, accredited pursuant to appendix A of the JI guidelines, of whether a project and the ensuing reductions of anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks meet the relevant requirements of Article 6 of the Kyoto Protocol and the JI guidelines.
- 3. The Track 1 procedure represents the determination by the host Party of whether a project and the ensuing reductions of anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks meet the relevant requirements of Article 6 of the Kyoto Protocol in accordance with paragraph 23 of the JI guidelines.
- In accordance with paragraph 2 (h) of decision 10/CMP.1 and paragraph 30 of decision 4/CMP.6, the JISC shall be responsible for developing and implementing provisions for the charging of fees to cover administrative costs relating to the activities of the JISC, and its supporting structures.
- 5. The present document presents the fees to cover administrative costs relating to the activities of the Joint Implementation Supervisory Committee and its supporting structures.

#### **B.** Fees for accreditation

- 6. The fees for processing accreditation are:
  - (a) Application fee: USD 15,000 per application (one-off payment, non-reimbursable);
  - Cost of the work by assessment teams: direct payment from applicant or accredited (b) independent entities.<sup>2</sup>
    - C. Fees for processing of verification reports under the Track 2 procedure<sup>3</sup>
- 7. The fees for processing verification reports under the Track 2 procedure are:
  - (a) USD 0.10 per tonne of CO<sub>2</sub> equivalent of reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks for the first 15,000 tonnes of CO<sub>2</sub> equivalent generated by the project in question in a given calendar year;
  - (b) USD 0.20 per tonne of CO<sub>2</sub> 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 CO<sub>2</sub> equivalent generated by the project in question in a given calendar year, except as noted in 7. (c) below.
  - (c) For joint implementation programmes of activities, the fee in accordance with paragraph 7. (a) above shall apply to all reductions of anthropogenic emissions by sources or enhancements of removals by sinks in a given calendar year.
- An advance payment based on the expected annual average emission reduction calculated in accordance with paragraphs 7. (a) and (b) above shall be charged when a determination report regarding

Details are defined in annex 6 of "Procedure for accrediting independent entities by the Joint Implementation Supervisory Committee" (version 06).

<sup>&</sup>quot;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.



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a project design document is submitted to the secretariat in accordance with paragraph 34 of the annex to decision 9/CMP.1.

- 9. The advance payment shall be used to cover the first verification fees that are due in accordance with paragraphs 7. (a) and (b) above, until the advance payment has been exhausted
- 10. If no verification report is submitted, any advance payment above USD 30,000 shall be reimbursed.
- 11. No advance payment shall be charged for joint implementation small-scale projects, joint implementation programmes of activities or for projects with an expected average annual emission reduction or enhancements of anthropogenic removals by sinks below 15,000 tonnes of CO<sub>2</sub> equivalent. The maximum advance payment due shall be USD 30,000.

## D. Fees for registering projects under the Track 1 procedure

- 12. The fees for registering projects under the Track 1 procedure are:
  - (a) USD 20,000 for each Track 1 joint implementation large-scale project;
  - (b) USD 3,000 for each Track 1 joint implementation small-scale project<sup>4</sup>, and each Track 1 joint implementation programme of activities.
- 13. The fees shall be charged only one time after publishing the Track 1 joint implementation project on the UNFCCC JI website and before issuing a project identifier by the joint implementation information system and submitting the project information to the international transaction log.
- 14. The host Parties requesting registration of Track 1 joint implementation small-scale projects and/or programmes of activities shall submit sufficient information confirming the scale of the respective projects or programmes when uploading the project documentation for publishing on the UNFCCC JI website.

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Definition of small-scale projects and programmes of activities under the Track 2 procedure shall apply for the purpose of these fee provisions.