



## DRAFT

## Annex 3

## DRAFT JOINT IMPLEMENTATION MANAGEMENT PLAN 2012

## (Version 01)

## I. General

## A. Introduction

1. This Joint Implementation management plan (JI-MAP) is intended to maintain and strengthen the capacity of the Joint Implementation Supervisory Committee (JISC) and its support structure, including the Joint Implementation Accreditation Panel (JI-AP), the UNFCCC secretariat, as well as key actors such as accredited independent entities (AIEs) and designated focal points (DFPs), to address the requirements arising from decisions taken by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) and the challenges associated with the running JI mechanism.

2. The JI-MAP for 2012 reflects the planned activities for the year and the associated resources needed to implement them based on the objectives and priorities under the guidance of the JISC. At its twenty-seventh meeting, the JISC requested the secretariat to prepare a revised workplan for the JISC and develop a JI-MAP for 2012 to indicate the key activities to be undertaken and providing estimations of the associated human and financial resource requirements. In response, a revised workplan was prepared which prioritizes the activities of the JISC for 2012–2013. This document should therefore be considered in the context of the associated workplan.

3. The JI-MAP is a proposal made to the JISC by the Executive Secretary of the UNFCCC and draws on the annex to decision 9/CMP.1 as well as on subsequent decisions of the CMP concerning JI and the experience of the JISC to date. It has been elaborated in order to provide the JISC, and all other stakeholders working on JI, with information on what is required to deliver a well-functioning and effective JI mechanism, in terms of roles, functions, expected caseload and resource requirements.

## B. Vision and objectives

4. The overarching vision for the work of the JISC in the period of 2012–2013 is to firmly establish JI as an effective tool of international collaboration for developed country Parties in mitigating their emissions of greenhouse gases and to provide a robust foundation to further build JI as a means of mitigating greenhouse gas emissions in the period beyond 2012, and to support the intergovernmental process regarding the review and revision of the JI guidelines.

5. In pursuit of this vision, the JISC has identified three major objectives to be achieved:

- (a) **Greater efficiency in the continued operation of JI.** The JISC shall secure resources required for the continued operation of the mechanism, including the processing of new submissions relating to projects and accreditation, and strengthen its policy guidance to ensure its clarity and improve its usability in both the short and long term;
- (b) **Enhanced promotion of the mechanism.** The JISC shall strengthen its outreach to ensure an enhanced understanding among stakeholders and policymakers of the benefits and contributions of JI to addressing climate change;
- (c) **Effective contribution to the future development of JI.** The JISC shall contribute to the consideration of Parties and other experts of how JI can be further developed and

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used in the period beyond 2012, including through contributing to the intergovernmental process in this matter leading to the revision of the JI guidelines.

6. The JISC foresees, and has planned in 2012 for:
- (a) Flexible approaches to address the continued uncertainty in the project caseload and a potential increase in submissions of determination and verifications under the Track 2 procedure;
  - (b) Continued review of standards, procedures, guidance and clarifications of the Track 2 procedure and the accreditation process, as necessary;
  - (c) Continued interaction between the JISC and independent entities (IEs);
  - (d) Continued interaction between the JISC and project participants;
  - (e) Enhanced interaction between the JISC and designated focal points (DFPs) of Parties involved in JI projects, including through the DFP Forum;
  - (f) Enhanced activities to provide information and raise awareness about JI.

**C. Key assumptions regarding project caseload and  
accreditation work in 2012**

7. Based on past experience, the JISC expects around 100 submissions under the Track 2 procedure in 2012, including project design documents (PDDs), determinations, monitoring reports and verifications. The JISC notes the need to closely monitor the status of submissions and will continue to work with IEs and DFPs to improve the reliability of the information made available for estimating its project-related workload.

8. As in its previous management plan, the JISC has planned for two applications for accreditation from IEs during the reporting period. With the adopted revision to the accreditation process, the JISC also expects an increase in the number of other accreditation activities, in particular performance assessments.

9. The JISC is dedicated to the efficient and cost-effective functioning of the JI Track 2 procedure supervised by the JISC. Despite uncertainty with regard to the timing of determinations and verifications, a continued level of project submissions in general is expected, and therefore resource requirements need to be maintained to ensure adequate operation of the JI Track 2 procedure. However, to increase efficiency, the JI-MAP continues to include cost sharing of cross-cutting activities and support within the secretariat's Sustainable Development Mechanisms (SDM) programme.

10. This JI-MAP addresses the budget implications of specific key assumptions, notably increased efforts to raise awareness on JI and an expected continuation of the level of submissions, particularly verifications. With regard to the latter, it should be noted that the handling of submissions is also the area of greatest uncertainty for the JISC, and thus represents a challenge with respect to planning, budgeting and allocating associated resources.

11. Many activities to develop the products detailed in this JI-MAP are of a collaborative and cross-cutting nature. This requires maximum flexibility from the secretariat in its deployment of human resources. The numbers of staff resources associated with each project and activity is detailed in the following tables 1, 2 and 3. As the year progresses, the secretariat may redeploy the SDM human resources as needed to meet shifting short- and medium-term demands across the various activities.

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12. On the basis of the planned activities and associated resource estimates, the budget for JI-related work for 2012 is USD 1,863,303 (refer to Table 4). This figure is lower than the previous year's budget (by approximately USD 330,000) due in part to lower estimations of the associated costs for meetings (including travel). The resources required to deliver some of the JI Track 2-related work will depend on the actual level of submissions and related activities as indicated in paragraph 7 above.

**II. Lessons learned**

13. In accordance with decisions 3/CMP.2, 3/CMP.3 and 5/CMP.4, the JISC continually reviews and assesses the adequacy of its management plans. In preparing the JI-MAP for 2012, lessons learned from previous plans have again been applied. In line with decision 3/CMP.2, each version of the JI-MAP is published as an annex to the report of the JISC meeting at which it was adopted. Should further revisions be necessary, then the JISC will ensure that such versions of the JI-MAP are made available in accordance with this decision.

14. Decision 11/CMP.7 (adopted in December 2011) noted that the financial situation of the JISC and its support structure had improved over previous years, in particular due to the introduction of fees under the Track 1 procedure following a decision of the CMP at its sixth session. As a result of the revenue being generated from both Track 1 and 2 processes the JISC has now reached the stage where it is self-financing. Furthermore, initial indications of information considered at the twenty-seventh meeting of the JISC suggest the JISC should continue to be self-financing, given the estimated workload, up to the end of the true-up period of the first commitment period (expected by mid-2015, pending CMP decision). The JISC has therefore requested the secretariat to provide a more detailed assessment of the projected income and impact on activities up to and including 2015.

15. The JISC has noted, over the six years of its operation, the need to continuously engage and develop strong communication channels with various stakeholders in JI, so as to collect diverse views on the operation of the JI Track 2 procedure and then reflect them as appropriate in the further improvement of the Track 2 procedure. Such continuous engagement will facilitate the work of the JISC in recommending to the CMP possible changes to the JI Guidelines in the context of the first review of the JI Guidelines as mandated by decision 9/CMP.1.

16. The JISC has increased its interaction with IEs, through regular interactions with representatives of the forum of designated operational entities and accredited independent entities (DOE/AIE Coordination Forum) at JISC meetings, and through dedicated round-table consultations. In addition, the JISC has encouraged IEs to provide views through submissions to the various calls for public input on development of JISC documents or on issues of concern. The JISC also engaged DFPs more actively in 2011, resulting in the establishment of a DFP Forum. The JISC plans to continue to increase its efforts to interact with DFPs in 2012 through round-table consultations and through facilitation of the DFP Forum. Since mid-2009, the JISC has also been interacting with project participants on a regular basis, by inviting identified project developer groups to JISC meetings, soliciting their inputs for consideration, and holding dedicated round-table consultations so as to give due consideration to their concerns and suggestions for improvement. Clear communication and understanding of the various stakeholder roles in the process will remain a high priority for the JISC in 2012. Hence, the JISC will continue to look for means to enhance interaction with various stakeholders, to ensure efficient and transparent operation of the JI mechanism.

**DRAFT****III. Joint implementation management plan 2012 by objective**

17. This chapter provides an overview of planned projects and caseload assumptions for each of the three objectives in 2012. It should also be noted that important and ongoing support activities that must be maintained irrespective of the changing priorities of the JISC are contained in a table in appendix 1.

18. The planned main actions for 2012 from 2011 take into account the following:

- (a) Fewer JISC meetings;
- (b) Increase in the number of project submissions processed;
- (c) Increase in accreditation assessment activities;
- (d) Continued level of training activities for external experts conducting accreditation assessments;
- (e) Increase in awareness and outreach activities;
- (f) Increase in information system support and services.

**A. Greater efficiency in the continued operation of joint implementation**

19. The JISC shall secure resources required for the continued operation of the mechanism, including the processing of new submissions relating to projects and entity accreditation, and continuously consider the need to strengthen its policy guidance to ensure clarity and improve usability in both the short and longer term.

20. The secretariat will continue to provide support to the JISC in 2012 throughout the full project cycle of the Track 2 procedure. This will include, for example, managing the JI Track 2 project submission process and associated communications, handling public calls for input on substantive matters relating to the project cycle and public calls for experts for appraisals of determinations/verifications, preparing documentation for consideration by the JISC, and coordinating external experts for appraisals of determinations/verifications. This area of work is characterized by short turn-around times (requiring coordination of external experts and/or JISC members/alternate members) and continuous, uninterrupted workflow throughout the year. The secretariat will continue to assist the JISC in developing and revising standards, procedures, guidance and clarifications relating to the project cycle.

21. The JISC expects around 100 submissions (PDDs, determinations, monitoring reports and verifications), distributed equally throughout the year. In addition, the secretariat will continue to provide support for the processing of project submissions, administrative support and associated communication under the Track 1 procedure in a lesser amount than under the Track 2 procedure. Similar to last year, about 100 submissions (projects proposed for registration) are expected under the Track 1 procedure in 2012. The support to the processing and assessment of submissions, and maintenance (continuous operation) of the project cycle process is the top priority of the secretariat's support.

22. If the caseload during the course of the year increases or decreases as compared to current estimates, further revision of the JI-MAP may be necessary, including reconsideration of the required associated financial and human resources. By budgeting by activities in 2012, the JISC will be able to adjust or refocus on different activities and correspondingly have the capacity to deploy resources at short notice if needed.

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23. In 2011 the JISC, taking note of the increasing number of projects in the system, made revisions to its assessment process, including an increased role of the secretariat in its support to the JISC. The JISC will keep this under review and may make further revisions to various steps in the assessment workflow and revise this JI-MAP accordingly in the future.

24. The secretariat will continue to provide support to accreditation-related activities under the JISC in 2012. This will include, for example, handling applications for accreditation from IEs, supporting activities of assessment teams (JI-ATs) during their assessments of IEs, providing technical support to the JISC in its consideration of accreditation-related policy issues and seeking feedback from the JI-AP, preparing documentation for consideration by the JISC and the JI-AP, providing administrative support to organizing JI-AP meetings, handling public calls for input on substantive matters relating to accreditation and public calls for experts for the roster of JI-ATs and replacement of JI-AP members. The estimate of caseload for 2012 is based on an assumption that there will be two applications for accreditation during the year. Within this area of work, the maintenance (continuous operation) of handling applications for accreditation and assessments of IEs is the top priority, including carrying out the regular surveillance assessments of previously accredited entities and performance assessments of previously accredited entities, as required.

25. The secretariat will also continue to support the JISC and the JI-AP in their interactions with applicant IEs and AIEs. As part of this work, the secretariat will continue to provide secretarial support to facilitate the organization of meetings of the DOE/AIE Coordination Forum.

26. To ensure the credibility of the work of AIEs, which is vital for the successful operation of the Track 2 procedure, the JISC will need to closely monitor and consider measures to further strengthen the performance of AIEs. The JISC will also need to keep under careful review the potential limitations regarding availability of competent experts for the assessment of IEs and ensure that the appropriate resources and support for the planned assessment work are available.

27. The secretariat will also continue to support the JISC in its interactions with DFPs. The JISC, working with secretariat staff, will ensure that DFPs are provided with the information and the means necessary to fulfil their roles, including appropriate provision of support to the newly constituted DFP Forum.

28. A well established support structure providing impartial and substantive support is crucial to the operation of the JI mechanism. Such a support structure is now in place, having taken shape during the first six years of the JISC. However, the support structure must be maintained and adjusted, to be able to respond to the submissions of PDDs, determinations and verifications, or applications for accreditation. Although funding for 2012 is available, a continued minimal level of funding through the collection of fees will need to be maintained to ensure the support structure can continue to handle submissions received beyond 2012. The JI-MAP presents a budget that allows for the delivery of all tasks contained in the plan, including those mandated by the CMP in relevant decisions, in particular decision 3/CMP.2, paragraphs 10 and 11; decision 3/CMP.3, paragraph 6 (c); decision 3/CMP.5, paragraphs 14, 16 (b)-(c) and 17; decision 4/CMP.6, paragraphs 13, 16 and 19; and decision 11/CMP.7 paragraphs 16 and 22.

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29. Table 1 lists the deliverables, timing of products and resource requirements related to Objective A. A column has also been included that specifies the type of JISC decision, if any, that is required for each of the specified products: “A” indicates JISC Approval; “D” identifies a product needing JISC direction; and “No” identifies where no decision is expected of the JISC. In addition, “Q” indicates that information will be provided to the JISC through a quarterly report. The secretariat effort required to deliver products shown in Table 1 amounts to a total of 9.0 person months of professional staff and 1.32 person months of support staff time.

**Table 1. Greater efficiency in the continued operation of JI**

| Project  | Product   | Timeline    | JISC decision | P-staff Person months | G-staff Person months |
|--|---|-------------|---------------|-----------------------|-----------------------|
| Implementation and monitoring of the JI management plan    | JI-MAP 2012   | JISC 28     | A             | 0.9                   | 0.02                  |
|  | Improved system to plan and report on SDM activities  | Continuous  | Q             |                       |                       |
|  | Updates on financial status and projections of future fee income  | Continuous  | Q             |                       |                       |
|  | Draft 2013 plans  | JISC 30     | D             |                       |                       |
| Fees to cover costs relating to the activities of the JISC | Revised provisions for charging of fees to cover administrative costs relating to the activities of the JISC and its supporting structures to take account of fees paid previously under a JI Track prior to switching tracks | JISC 28     | A             | 1.3                   | 0.02                  |
| JI accreditation process                                   | Guidance to AIEs, including any further clarifications  | Continuous  | A             | 2.1                   | 0.44                  |
|  | Analysis and proposals for further strengthening the accreditation system and possible development of guidance  | JISC 30     | A             |                       |                       |
|  | Interaction between JI AP and CDM AP for streamlining the accreditation process   | Continuous  | D             |                       |                       |
|  | Preparation of an online workflow system and training   | Quarter 4   | No            |                       |                       |
| Guidelines for JI-AP decision-making                       | JI-AP decision-making guidelines  | Quarter 3   | A             | 0.9                   | 0.42                  |
|  | Compendium of decision-making practices   | Quarter 3   | no            |                       |                       |
|  | Internal procedure to record JI-AP decisions  | Quarter 3   | No            |                       |                       |
| Development process for learning interventions             | Development process for eLearning courses,  | Quarter 2/3 | No            | 0.4                   | 0.00                  |

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| Project   | Product   | Timeline    | JISC decision | P-staff Person months | G-staff Person months |
|---|---|-------------|---------------|-----------------------|-----------------------|
|   | coaching interventions and instruction activities                         |             |               |                       |                       |
| AIE performance monitoring (following CDM practice) | Assessment of existing performance situation and identification of issues | JISC 29, 30 | D             | 3.4                   | 0.42                  |
|   | Development and implementation of monitoring framework                    | 2013        | A             |                       |                       |

Note: CMP=Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol, JI=Joint implementation, IE=independent entity, JISC=Joint Implementation Supervisory Committee, JI MAP=Joint Implementation Management Plan, PDD=Project Design Document, AIE=Accredited Independent Entities, JI-AP=Joint Implementation-Accreditation Panel

**B. Enhanced promotion of the mechanism**

30. The JISC plans to strengthen its communication and outreach to ensure an enhanced understanding among stakeholders and policymakers of the current, and potential future, benefits of JI.

31. The secretariat works proactively to engage the media and to improve communication with stakeholders by responding to queries, facilitating the work of the JISC in responding to unsolicited communication, supporting the JISC in its implementation of calls for public input and by managing and improving the UNFCCC JI website. In 2012, the secretariat will provide additional support for communication and outreach (see table 2).

32. The JISC has noted, in the six years of its operation, the need to continuously engage with, and develop strong communication channels to, the various stakeholders in JI. This is required, as a minimum, to collect the views of stakeholders regarding the operation of the JI and reflect these views in the further improvement of the mechanism.

33. In 2012, the JISC, with support from the secretariat, will work to enhance the level of interaction with the media, DFPs and project participants.

34. Table 2 lists the deliverables, timing of products and resource requirements related to Objective B. A column has also been included that specifies the type of JISC decision, if any, that is required for each of the specified products: "A" indicates JISC Approval; "D" identifies a product needing JISC direction; and "No" identifies where no decision is expected of the JISC. In addition, "Q" indicates that information will be provided to the JISC through a quarterly report. The secretariat effort required to deliver products shown in Table 2 amounts to a total of 5.6 person months of professional staff and 2.1 person months of support staff time.



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Table 2. Enhanced promotion of the mechanism

| Project  | Product  | Timeline     | JISC decision | P-staff<br>Person<br>months | G-staff<br>Person<br>months |
|--|--|--------------|---------------|-----------------------------|-----------------------------|
| Communication and outreach   | Communication and outreach workplan 2012   | JISC 28      | A             | 0.4                         | 0.00                        |
|  | Support of the informal communication and outreach working group   | Continuous   | No            |                             |                             |
| Enhanced media outreach  | News and media engagement plan   | JISC 29      | A             | 0.3                         | 0.00                        |
| Outreach to policymakers and potential project participants through cooperation with DFPs and industry | Cooperative activities with international institutions /organizations and industry to promote JI   | Continuous   | D, Q          | 1.7                         | 0.84                        |
|  | Enhanced JI prominence at carbon market events   | Continuous   | D, Q          |                             |                             |
|  | Support capacity-building activities and training by external organizations  | Continuous   | D, Q          |                             |                             |
|  | Seminar on JI opportunities  | Continuous   | D, Q          |                             |                             |
| Communication tools, services and products for enhanced awareness and understanding of JI              | Enhanced communication tools (e.g. enhance JI website), services (e.g. JI query service), and products (e.g. factsheets, project sheets, audio files); enhanced use of social networking media | Continuous   | No, Q         | 2.8                         | 1.26                        |
|  | Solicit and share existing communication and outreach materials between DFPs   | Continuous   | No, Q         |                             |                             |
|  | Update question and answer document  | Quarter 3    | D             |                             |                             |
|  | Keep up-to-date Frequently Asked Questions section on the JI website   | Continuous   | No            |                             |                             |
|  | JI project photo contest   | Quarter 3, 4 | No            |                             |                             |

Note: CMP=Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol, JI=Joint implementation, DFP = Designated Focal Point, IE=independent entity, JISC=Joint Implementation Supervisory Committee.



**DRAFT****C. Effective contribution to the future development of joint implementation**

35. The JISC plans to contribute to the consideration by Parties and experts of the need for further development of JI and its use in the period beyond 2012, including contributing to the intergovernmental process through provision of recommendations and information based on experience gained in the operation of the mechanism. Following on from the JISC's work in 2010 and 2011 to assess its experience with JI, the JISC will develop a response to the CMP's request that the JISC provide information on the key attributes and transitional measures for changes to the JI Guidelines as input to the deliberation by Parties on possible revisions to the JI Guidelines. On the basis of inputs from Parties and information provided by the JISC, the CMP will then be invited to consider the information in the context of the first review of the JI guidelines (see table 3).

36. The JISC will make further recommendations, as appropriate, to the CMP based on the experience gained through operating the JI Track 2 procedure and on interactions with stakeholders. With regard to the latter, the JISC will utilize the various activities mentioned in section B above to elicit inputs and feedback on the future development and role of JI, and report to the CMP as appropriate.

37. Table 3 lists the deliverables, timing of products and resource requirements related to Objective C. A column has also been included that specifies the type of JISC decision, if any, that is required for each of the specified products: "A" indicates JISC Approval; "D" identifies a product needing JISC direction; and "No" identifies where no decision is expected of the JISC. In addition, "Q" indicates that information will be provided to the JISC through a quarterly report. The secretariat effort required to deliver products shown in Table 3 amounts to a total of 3.0 person months of professional staff and 0.84 person months of support staff time.

**Table 3. Effective contribution to the future development of JI**

| Project                        | Product   | Timeline   | JISC decision | P-staff Person months | G-staff Person months |
|--------------------------------|---|------------|---------------|-----------------------|-----------------------|
| Policy and market developments | Reports on market and policy developments   | JISC 28-30 | No            | 1.3                   | 0.42                  |
| Review of the JI guidelines    | Synthesis report of submissions by Parties on revision to the JI Guidelines, based on decision 11/CMP.7       | JISC 30    | No            | 1.7                   | 0.42                  |
|                                | Revised key attributes and transitional measures for changes to the JI Guidelines, based on decision 11/CMP.7 | JISC 28-30 | D, A          |                       |                       |

Note: JI=Joint Implementation, JI-AP= Joint Implementation-Accreditation Panel

**IV. Proposed Joint Implementation budget for 2012**

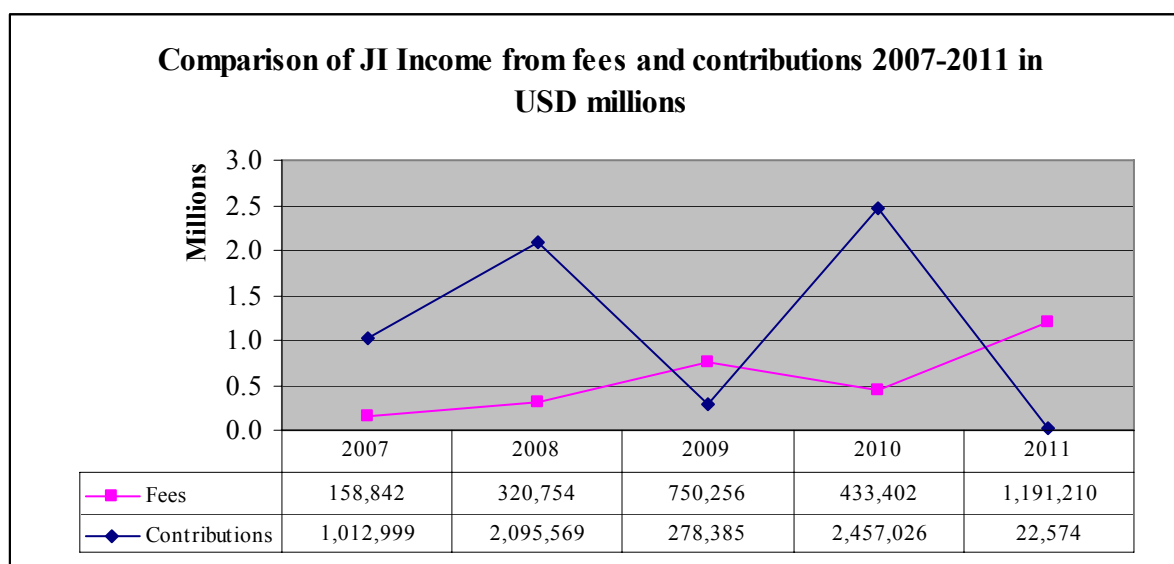
38. This chapter presents details on the 2012 projected income from fees and a budget for the operation of the JI mechanism in 2012, in addition to a review of fees, contributions and expenditure in 2011.

**A. Income**

39. The work on JI in 2012 will be principally funded from Track 2 (ref: 4/CMP.6) project fees received prior to 2012 and from Track 1 fees. The income available from Track 2 fees amounts to 2.8

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million - refer to Figure 1. In accordance with decision 4/CMP.6 all income from Track 2 fees were held in reserve until 31 December 2011. Figure 1 also shows the voluntary contributions provided by Parties from 2007 to 2011.

**Figure 1**


40. Track 1 fees received in 2011 amounted to USD 1,039,735 and are estimated at USD 765,091 for 2012.

**B. Proposed 2012 Budget**

41. Table 4 highlights the proposed 2012 budget by object of expenditure for the operation of Joint Implementation. The principal component of the budget consists of human resources (57 per cent of the total) and includes provision for 3 scheduled meetings of the JISC to be held in Bonn.

**Table 4. Proposed 2012 budget by object of expenditure, comparison to 2011 budget**

United States dollars

| Object of Expenditure           | Budget 2012 | Budget 2011 | % variance 2012 vs 2011 |
|---------------------------------|-------------|-------------|-------------------------|
| Staff                           | 942,162     | 967,201     | -3                      |
| General Temporary Assistance    | 9,422       | 9,672       | -3                      |
| Consultants                     | 73,370      | 10,000      | 634                     |
| Expert Fees                     | 90,560      | 59,200      | 53                      |
| Expert Travel                   | 144,361     | 282,000     | -49                     |
| Staff-related costs             | 3,988       | 2,748       | 45                      |
| Travel of Representatives       | 129,803     | 196,000     | -34                     |
| Travel of Staff                 | 55,440      | 68,729      | -19                     |
| Training and Skills Development | 5,000       | 10,000      | -50                     |
| Operating Expenses              | 186,835     | 328,635     | -43                     |
| Communications                  | 3,000       | 3,000       | 0                       |
| Supplies                        | 5,000       | 5,000       | 0                       |

## Joint Implementation Supervisory Committee

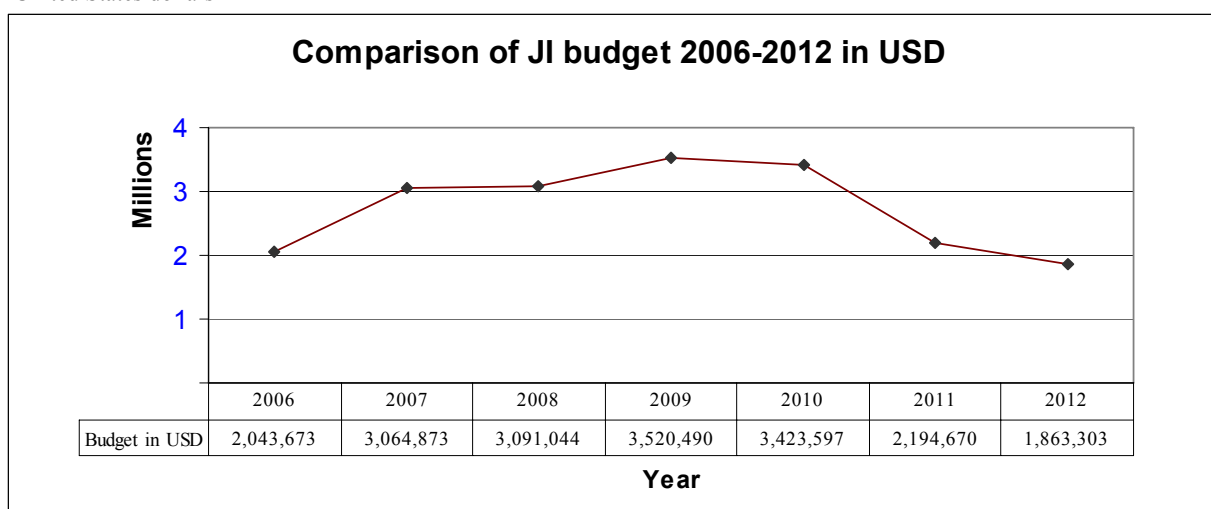
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| Object of Expenditure       | Budget 2012      | Budget 2011      | % variance<br>2012 vs 2011 |
|-----------------------------|------------------|------------------|----------------------------|
| <b>Total</b>                | <b>1,648,941</b> | <b>1,942,185</b> | -15                        |
| Programme Support Costs 13% | 214,362          | 252,484          | -15                        |
| <b>Grand Total</b>          | <b>1,863,303</b> | <b>2,194,670</b> | -15                        |

**Figure 2. JI budget comparison by year 2006 to 2012**

United States dollars



### C. Expenditure

**Table 5. Comparison of Expenditure 2011 with Budget 2011 in USD**

United States dollars

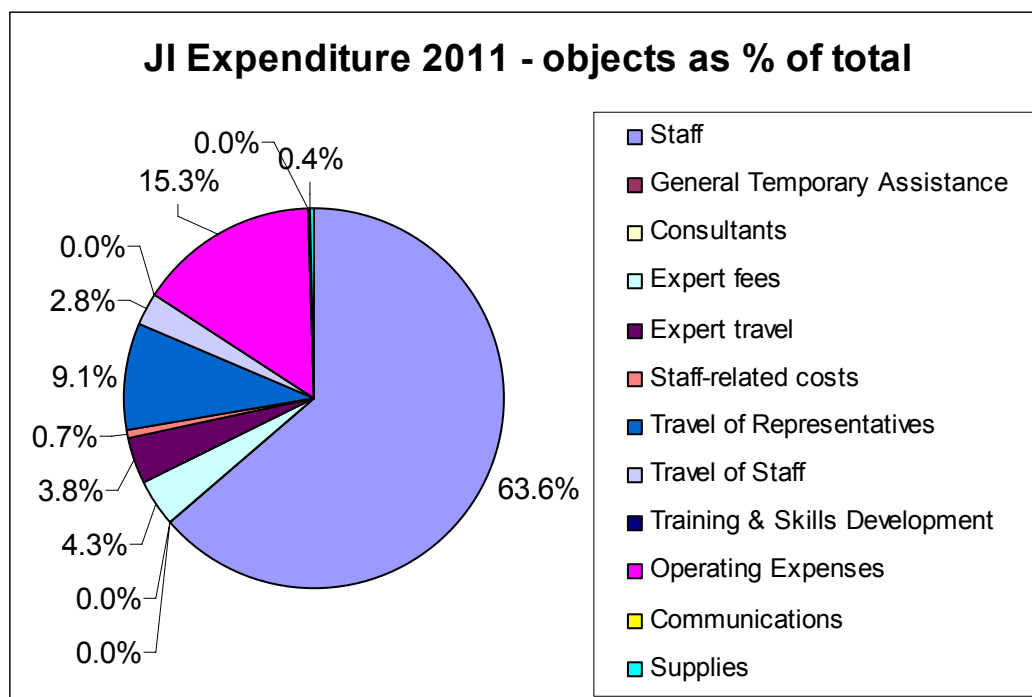
| Object of Expenditure         | Budget 2011      | Expenditure<br>2011 | Variance       | Expenditure<br>vs Budget % |
|-------------------------------|------------------|---------------------|----------------|----------------------------|
| Staff                         | 967,201          | 758,281             | 208,920        | 78                         |
| General Temporary Assistance  | 9,672            | 0                   | 9,672          | 0                          |
| Consultants                   | 10,000           | 0                   | 10,000         | 0                          |
| Expert fees                   | 59,200           | 50,800              | 8,400          | 86                         |
| Expert travel                 | 282,000          | 45,382              | 236,618        | 16                         |
| Staff-related costs           | 2,748            | 8,115               | (5,367)        | 295                        |
| Travel of Representatives     | 196,000          | 108,920             | 87,080         | 56                         |
| Travel of Staff               | 68,729           | 33,025              | 35,704         | 48                         |
| Training & Skills Development | 10,000           | 0                   | 10,000         | 0                          |
| Operating Expenses            | 328,635          | 182,756             | 145,880        | 56                         |
| Communications                | 3,000            | (415)               | 3,415          | -14                        |
| Supplies                      | 5,000            | 4,557               | 443            | 91                         |
| <b>Total</b>                  | <b>1,942,185</b> | <b>1,191,420</b>    | <b>750,765</b> | <b>61</b>                  |
| PSC 13% Overhead              | 252,484          | 154,885             | 97,599         | 61                         |
| <b>Grand Total</b>            | <b>2,194,670</b> | <b>1,346,305</b>    | <b>848,364</b> | <b>61</b>                  |

42. Table 5 above compares the actual expenditure with the budget for each object of expenditure in 2011. The staff costs were lower than budgeted due to the two vacancies at management level resulting from promotion and transfer of incumbents that created a period until the posts were filled, where no costs were incurred. It should be noted that during the period before these posts were filled, there was

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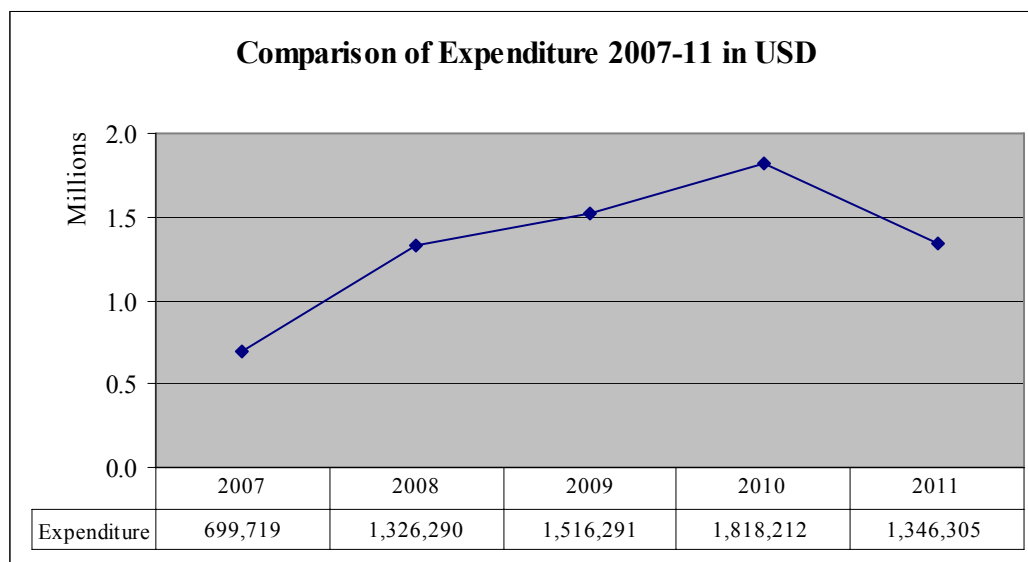
also no expenditure incurred for consultants or temporary assistance (GTA). As a consequence of the lower number of occupied posts for a period during the year, staff travel and communication charges were also lower than budgeted. All activities related to support of the JISC and AP were maintained as planned. Expert fees and supplies were also utilized as budgeted.

**Figure 3. Pie Chart of Objects of Expenditure as percentage of total**



43. Figure 3 above highlights the weighting of the objects of expenditure to enable comparison between them: It can be seen that sixty-five percent (64%) was spent on staff costs. Of the remaining thirty-six percent (36%) just under half is due to operating costs that includes meeting logistics. It can also be seen that travel of representatives accounts for approximately 9 per cent of the expenditure.

44. A comparison of expenditure for the years 2007 to 2011 is shown in Figure 4. It indicates a gradual increase in total expenditure in the period from 2008 to 2010. Given the constraint in resources and the related concerns with regard to self-financing of the mechanism, 2011 was characterised by a reduction in activity with a corresponding concentration on “business as usual” areas.

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**Figure 4**

**D. Closing Remarks**

45. Table 6 provides details of the carry-over from 2010 and the income received in 2011. The subtraction of expenditure for 2011 (see Figure 3) results in a carry-over of USD 3,641,165, including the Track 2 fees of USD 2,854,464 which became available in 2012. The balance of funds currently available are, therefore, sufficient to cover the planned JI activities in 2012.

**Table 6. Summary of Fund Balance for JI<sup>1</sup>**

United States dollars

|                             | <b>Projection</b> |                   |
|-----------------------------|-------------------|-------------------|
|                             | <b>2011 (USD)</b> | <b>2012 (USD)</b> |
| Carry over from prior year  | 1,098,582         | 3,641,165         |
| Contributions from Parties  | 22,574            | 0                 |
| Track 1 Fees                | 1,019,735         | 765,091           |
| Track 2 Fees <sup>2</sup>   | 2,854,464         | 1,500,000         |
| Total Income                | 4,995,355         | 5,906,256         |
| Less Expenditures           | -1,354,190        | -1,863,303        |
| Fund Balance at 31 December | 3,641,165         | 4,042,953         |

46. Further to the above, the projected 2012 income from Track 1 fees amounts to USD 765,091 and the projection for Track 2 fees is USD 1.5 million. The subtraction of the 2012 budget, amounting to USD 1,863,303, and the addition of projected income from 2012, results in a projected surplus on 31 December 2012 of USD 4,042,953. This amount would then be available to implement JI activities in 2013 and beyond.

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<sup>1</sup> These data presented in this table are provisional and subject to change pending the final financial closure of the 2010–2011 biennium.

<sup>2</sup> Track 2 fees were held in reserve until 31 December 2011 (Decision CMP6.4).

**DRAFT**

| <i>Revision history of the document</i>  |                                  |                   |
|--|----------------------------------|-------------------|
| Document version   | Adoption                         | Revision          |
| Version 01   | JISC 28 Annex 3<br>23 March 2012 | Initial adoption. |
| <b>Decision Class:</b> Operational<br><b>Document Type:</b> Information Note<br><b>Business Function:</b> Governance |                                  |                   |

**DRAFT****Appendix 1**

47. The table that follows provides an indicative list of important and ongoing support activities that must be maintained irrespective of the changing priorities of the JISC. The secretariat effort required to deliver the core support activities shown in the table below amounts to a total of 42.3 person months of professional staff and 31.8 person months of support staff time.

**Core support to JI**

| <b>Product</b>  | <b>Person months -P</b> | <b>Person months-G</b> |
|---|-------------------------|------------------------|
| Assessment of compliance with JI requirements relating to project and entity submissions  | 18.1                    | 9.24                   |
| Coordination of communication and outreach, including with/of the JISC  | 0.9                     | 0.42                   |
| Courses and learning interventions delivered and evaluated according to portfolio   | 1.3                     | 0.63                   |
| Efficient operation of records management system  | 1.7                     | 0.42                   |
| Facilitating defined interactions between the JISC, the secretariat and stakeholders, including through organization of workshops and roundtables, and support to the DFP forum | 2.6                     | 0.84                   |
| Management of communications with JISC  | 0.9                     | 0.42                   |
| Maintenance of the JI information system and maintenance and continuous improvement of JI website   | 0.9                     | 0.42                   |
| Provision of ongoing financial and HR support according to best practice  | 0.9                     | 3.36                   |
| Supporting the activities of the DOE/AIE Forum  | 0.4                     | 0.210                  |
| Supporting the efficient operation of the JISC  | 8.6                     | 12.60                  |
| Supporting the efficient operation of the JI Accreditation Panel  | 3.4                     | 2.52                   |
| Managerial and SDM-wide costs   | 2.6                     | 0.63                   |