

# National Guidelines and Procedures of the Slovak Republic for Approving Article 6 Projects (Join Implementation)

## Preamble

1. The Slovak Republic as a Party included in Annex I of the UNFCCC with a commitment inscribed in Annex B of the Kyoto Protocol is fully in compliance with the eligibility requirements pursuant to the paragraph 21 of the decision 9/CMP.1.
2. During the first commitment period of the Kyoto Protocol the Slovak Republic as a host country for the Joint Implementation Projects under Article 6 will only apply for Track 2 procedure according to the JI guidelines (<http://unfccc.int/resource/docs/2005/cmp1/eng/08a02.pdf#page=2>).

## 1. Definitions

For the purposes of these rules:

**Accredited independent entity (AIE)** is an entity accredited by the JI Supervisory Committee that assesses and verifies whether a JI project and a reduction of greenhouse gas emissions resulting from the project meets the requirements of Article 6 of the Kyoto Protocol.

**Track two** is a project carried out under the supervision of the JI Supervisory Committee.

**Join Implementation Supervisory Committee (JISC)** is an international committee authorized and governed by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, which carries out supervision of the Kyoto Protocol's joint implementation mechanism by providing mandatory guidelines with respect to the joint implementation modalities and procedures and bears responsibility for the accreditation of independent entities.

**Joint implementation (JI) project** is a project defined in Article 6 of the Kyoto Protocol **Investor country** means any Party included in Annex I to the UNFCCC which purchases or for investment in a JI project in the host country receives from such country emission reduction units (ERUs) or provides assistance in their purchase by legal entities that participate in the greenhouse gas emission allowance trading scheme.

**Emission reduction unit (ERU)** is a unit equal to one metric tone of carbon dioxide (CO<sub>2</sub>) equivalent and designed to calculate a reduction of greenhouse gas emissions resulting from a JI project provided for in Article 6 of the Kyoto Protocol.

**Letter of intent (LoI)** means a mutual written arrangement on the intent to purchase and sell ERUs, between the project proponent and the investor country whereby they agree on the terms and conditions of cooperation.

**Letter of approval (LoA)** means, in the case of JI project activities that generate ERUs or assigned amount units (hereinafter AAUs), a binding obligation undertaken in a written form by the host country to issue ERUs or AAUs in accordance with the country's national JI project implementation rules.

**Additionality** refers to the main requirement for the eligibility of JI projects, meaning that greenhouse gas emissions shall be lower than the baseline as a result of a JI project.

**Host country** means any Party included in Annex I to the Convention, in the territory of which a JI project is implemented.

**Letter of Endorsement (LoE)** is an official communication in a written form by the host country that it considers the project activity as one with a potential to gain eventual approval as a JI project activity.

**Project Design Document (PDD)** means all documents necessary for the development of a JI project, which is elaborated and submitted by the project proponent to the accredited independent entity for evaluation.

**Project proponent** is a legal entity responsible for the development and implementation of a JI project, and operating in the host country, or the legal entity's partner in the investor country or their authorized representative (consultancy).

**Registry** means a registry of greenhouse gas emission allowances.

**Greenhouse gases** refers to the gases listed in Annex A to the Kyoto Protocol.

## **2. Institutional Arrangement in the Slovak Republic for Approving Article 6 Projects**

2.1. The Ministry of the Environment of the Slovak Republic – Division on Climate Change and Economic Instruments is responsible for implementation of the UNFCCC and the Kyoto Protocol legal commitments, including the implementation of the flexible mechanisms of the Kyoto Protocol

2.2. Division on Climate Change and Economic Instruments serves as the Designated Focal Point under the JI and Designated National Authority (DNA) under the Clean Development Mechanism.

2.3. Activities of DFP within JI projects:

- collection and registration of JI project proposals;
- checking of proposals according to criteria and requirements of the Kyoto Protocol and national criteria for JI projects approval;
- issuing the Letter of Approval (LoA) until 30 working days after receiving the JI project proposal;
- approval of a Contract proposal between host and invest Parties;
- checking the compliance of PDD with the terms and conditions in Contract;
- ordering the Slovak National Emission Registry to transfer ERUs to the Investor's country registry.

### **3. Types of JI Projects**

JI projects supported in the Slovak Republic as the host country should be related to the following activities:

- energy efficiency improvements in the health services, agriculture, municipalities, food industry and other industrial sectors- except for installations included in the EU ETS;
- capturing of landfill gases either by flaring and/or by combustion in a gas engine;
- energy efficiency improvements in buildings in order to achieve a reduction in heat consumption and increase technical and sanitary standards.

### **4. Nationals Criteria for Approving Article 6 Projects**

- 4.1. JI Project is in accordance with objectives of The Strategy, Principles and Priorities of the State Environmental Policy;
- 4.2. JI Project has to demonstrate real, measureable and long-term benefits to the mitigation of climate change which would not occur in the absence of project activity and which is above the adopted frame of related national legislation commitments, i.e. fulfills additionality requirement;
- 4.3. JI Project which has been already realized or is in its investment phase will not be approved;
- 4.4. The level of the technical installation and technology used in the JI Project should be as the minimum at the level according to the provisions of Slovak legislation (BAT).

### **5. Terms and Conditions**

- 5.1. The Slovak Republic as the host country of a JI Project will not participate in costs for monitoring and verification;

- 5.2. DFP reserves the right to review the Monitoring and Verification Report before their submitting to the JISC;
- 5.3. DFP will provide its statement to the Monitoring and Verification Report to the project proponent until 10 working days after receiving;
- 5.4. The final version of the Monitoring and Verification Report has to reflect statement of the DFP;
- 5.5. DFP has the right to take a final decision about the quantity of ERUs, which will be transferred to the Investor's country registry.