

**JI-JISC45-AA-A01**

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# Draft annual report of the JISC to the CMP

Version 01.0

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**United Nations**  
Framework Convention on  
Climate Change

## **1. Introduction**

### **1.1. Summary**

1. This report covers the work carried out by the JISC from 15 September 2021 to 14 September 2022. During the reporting period, the JISC maintained the necessary infrastructure for the operation of joint implementation and prudently managed its resources, as requested by the CMP.

### **1.2. Mandate**

2. CMP 1 established<sup>1</sup> the JISC to supervise, inter alia, the verification of emission reductions or removal enhancements generated by projects under Article 6 of the Kyoto Protocol (hereinafter referred to as JI projects) in accordance with the guidelines for the implementation of Article 6 of the Kyoto Protocol (hereinafter referred to as the JI guidelines).<sup>2</sup>
3. In accordance with paragraph 3(a) of the JI guidelines, the JISC is required to report on its activities to each session of the CMP. The CMP provides guidance regarding the implementation of Article 6 of the Kyoto Protocol and exercises authority over the JISC.

### **1.3. Scope**

4. This annual report of the JISC to the CMP covers JI activities carried out between 15 September 2021 and 14 September 2022 (hereinafter referred to as the reporting period), including its responsibilities relating to the operation of the verification procedure under the JISC (hereinafter referred to as JI Track 2)<sup>3</sup> and the financial status of the JI mechanism.
5. Full details of the operation and functions of the JISC are available on the JI web pages of the UNFCCC website, which are the central repository for reports on meetings of the JISC, information on JI projects and accreditation, and documents adopted by the JISC.<sup>4</sup>

### **1.4. Possible action by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol**

6. The CMP may wish to take note of this annual report.

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<sup>1</sup> See Decision 10/CMP.1, contained in document FCCC/KP/CMP/2005/8/Add.2 available at: <https://unfccc.int/resource/docs/2005/cmp1/eng/08a02.pdf>.

<sup>2</sup> See Decision 9/CMP.1, annex, contained in document FCCC/KP/CMP/2005/8/Add.2.

<sup>3</sup> Outlined in paras. 30–45 of the JI guidelines contained in document FCCC/KP/CMP/2005/8/Add.2.

<sup>4</sup> Available at: <http://ji.unfccc.int>.

7. In accordance with paragraphs 4–5 of the JI guidelines, the CMP is to elect JISC members for a term of two years, upon receipt of nominations from Parties, as follows:
  - (a) One member and one alternate member from Parties included in Annex I<sup>5</sup> to the Convention that are undergoing the process of transition to a market economy;
  - (b) One member and one alternate member from Parties included in Annex I not referred to in subparagraph (a) above;
  - (c) Two members and two alternate members from Parties not included in Annex I;
  - (d) One member and one alternate member from the small island developing States.

## **2. Work undertaken in the reporting period**

### **2.1. Ensuring cost-effective and transparent functioning of joint implementation**

8. No new mandates were issued to the JISC by CMP 16.
9. The JISC maintained operations in accordance with its two-year management plan for 2022–2023<sup>6</sup> by maintaining the infrastructure and capacity to support JI operations, as needed, and by monitoring the intergovernmental negotiation process and creating opportunities to provide further information and recommendations from the lessons learned from JI, as appropriate, for developing the rules to operationalize the mechanisms under Article 6 of the Paris Agreement.

### **2.2. Outreach activities**

10. The secretariat maintains the JI web pages and the UNFCCC web pages related to JI negotiations as a promotional tool and a repository of information relating to the mechanism.

### **2.3. Meeting in 2022**

11. The JISC held its 45<sup>th</sup> meeting on 14 September 2022 in a virtual environment.<sup>7</sup> A total of ## of the 18 current JISC members and alternate members participated in the meeting.
12. The annotated agenda for the meeting, supporting documentation, on-demand broadcasts and a report containing all agreements reached by the JISC are available on the JI web pages.<sup>8</sup>
13. In the spirit of prudent resource management, the JISC decided not to hold further meetings during 2022, and that its Chair and Vice-Chair would consult by electronic means with members for decision-making, if required.

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<sup>5</sup> As defined in Article 1, para. 7, of the Kyoto Protocol to the United Nations Framework Convention on Climate Change available at: <https://unfccc.int/resource/docs/convkp/kpeng.pdf>.

<sup>6</sup> Joint implementation two-year management plan for 2022-2023 (version 01.0) available at: <https://ji.unfccc.int/UserManagement/FileStorage/0XPYRTFS6EMOGN79ZVC1425JH8QDU3>

<sup>7</sup> In accordance with decision 4/CMP.12, contained in document FCCC/KP/CMP/2016/8/Add.1 available at: <https://unfccc.int/documents/9676>.

<sup>8</sup> Available at: [http://ji.unfccc.int/Sup\\_Committee/Meetings/index.html](http://ji.unfccc.int/Sup_Committee/Meetings/index.html).

## **2.4. Interaction with bodies and stakeholders**

14. The JISC continued to make itself available for interaction with AIEs, project developers and other stakeholders. The JISC invited the chairs of the DOE/AIE Coordination Forum and the Project Developer Forum, as well as all UNFCCC accredited observers to its 45<sup>th</sup> meeting.

## **2.5. Accreditation of independent entities**

15. The JISC reviewed its reliance on the CDM accreditation system and agreed to continue allowing DOEs accredited under the CDM to act voluntarily as AIEs to perform JI determinations and verifications. As at 31 August 2022, 11 DOEs had submitted self-declarations expressing interest in acting voluntarily as AIEs for the year 2022.
16. No JI project determinations or verifications under JI Track 2 were submitted by a DOE acting voluntarily as an AIE under JI during the reporting period.

## **2.6. Verification procedure under the Joint Implementation Supervisory Committee**

17. As at 31 August 2022, 597 JI projects have been published under JI Track 1 (i.e. projects implemented under paragraph 23 of the JI guidelines), of which 548 have received unique project identifiers and have been submitted to the international transaction log. Information on 332 projects and one programme of activities under JI Track 2 has been made available on the JI web pages. A total of 52 determinations regarding project design documents have been published, of which 51 have been deemed final, while 128 of the 129 published verifications have been deemed final. A total of 871,893,629 emission reduction units have been issued, of which 846,477,357 were under JI Track 1 and 25,416,272 under JI Track 2.
18. As in the previous reporting period, no determination or verification cases were submitted for processing under JI Track 2 during the current reporting period.

# **3. Governance and management matters**

## **3.1. Membership of the Joint Implementation Supervisory Committee**

19. At CMP 16, new members and alternate members of the JISC were elected to fill vacancies arising from the expiration of terms of tenure. In 2022, the JISC comprised the members and alternate members listed in table 1.
20. The JISC wishes to highlight to the CMP the importance of constituencies filling vacant seats and the impact of vacant seats on constituting a quorum. The JISC encourages constituencies with vacant seats to nominate individuals to join the JISC.

**Table 1. Members and alternate members of the Joint Implementation Supervisory Committee in 2022**

Member	Alternate member	Constituency
Veneta Borikova <sup>(b)</sup>	Volha Vasilevskaya <sup>(b),(d)</sup>	Parties included in Annex I with economies in transition
Emil Calles <sup>(b)</sup>	Agré Assie <sup>(b),(d)</sup>	Parties not included in Annex I
Vanessa Leonardi <sup>(a)</sup>	Konrad Raeschke-Kessler <sup>(a)</sup>	Parties included in Annex I
Derrick Oderson <sup>(a)</sup>	Albert Williams <sup>(a)</sup>	Small island developing States
Kyekyeku Oppong-Boadi <sup>(a)</sup>	Carlos Fuller <sup>(a),(c)</sup>	Parties not included in Annex I
Iryna Rudzko <sup>(a)</sup>	Izabela Zborowska <sup>(a)</sup>	Parties included in Annex I with economies in transition
Takahiko Tagami <sup>(b)</sup>	Vacant <sup>(b),(d)</sup>	Parties included in Annex I
Ahmed Waheed <sup>(a),(c)</sup>	MD Ziaul Haque <sup>(a),(c)</sup>	Parties not included in Annex I
Jakob Wiesbauer-Lenz <sup>(b)</sup>	Benoît Leguet <sup>(b)</sup>	Parties included in Annex I
Vacant <sup>(b),(d)</sup>	Gherghita Nicodim <sup>(b)</sup>	Parties included in Annex I with economies in transition

(a) Two-year term ending prior to the first meeting in 2023.

(b) Two-year term ending prior to the first meeting in 2024.

(c) Nomination pending since CMP 15. Where applicable, the current member or alternate member remains in office until his or her successor has been nominated by the respective regional group or constituency.

(d) Nomination pending since CMP 16. Where applicable, the current member or alternate member remains in office until his or her successor has been nominated by the respective group or constituency.

### **3.2. Election of the Chair and Vice-Chair of the Joint Implementation Supervisory Committee**

21. The JISC, at its 45<sup>th</sup> meeting, elected, by consensus, Jakob Wiesbauer-Lenz, a member from a Party included in Annex I, as its Chair, and, Emil Calles, a member from a Party not included in Annex I, as its Vice-Chair. Their tenures will end immediately before the first meeting of the JISC in 2023.

22. The JISC expressed its deep appreciation to the outgoing Chair, Derrick Oderson, and Vice-Chair, Jakob Wiesbauer-Lenz, for their excellent leadership during 2021.

#### 4. Status of financial resources for the work of the Joint Implementation Supervisory Committee and its supporting structures

23. The JISC continued to carefully monitor the status of, and prudently use, the resources available for work on JI.<sup>9</sup> Resources were used in support of the approved two-year management plan for 2022–2023.
24. A summary of the income of the JISC is provided in table 2.

**Table 2. Income for the work of the Joint Implementation Supervisory Committee as at 31 August 2022 (United States dollars)**

Income source	Amount
Carry-over from 2021 <sup>(a)</sup>	1 350 891
Contributions received in 2022	—
Total JI Track 1 fees for 2022	—
Total JI Track 2 fees for 2022	—
<b>Total income with 2021 carry-over</b>	<b>1 350 891</b>

*Note:* The financial reporting period is from 1 January to 31 August 2022.

<sup>(a)</sup> After accounting for 2021 income and expenditure (full year). Includes JI Track 2 fees previously held in reserve.

25. The budget and expenditure of the JISC are shown in table 3.

**Table 3. Comparison of the 2022 expenditure versus the 2022 budget of the Joint Implementation Supervisory Committee as at 31 August 2022 (United States dollars)**

Item	Amount
Budget	276 178
Expenditure	9 076
Difference	267 102

*Note:* The financial reporting period is from 1 January to 15 August 2022.

26. Table 4 summarizes the financial status of the JI mechanism as at 15 August 2022, showing a balance of USD 1.3 million.

<sup>9</sup> The CMP, by decisions 3/CMP.2, 3/CMP.3, 5/CMP.4, 3/CMP.5, 4/CMP.6, 11/CMP.7, 6/CMP.8 and 4/CMP.12, requested the JISC to keep the JI management plan under review and to make adjustments as necessary to continue ensuring the efficient, cost-effective and transparent functioning of the JISC. These decisions are available at: [https://ji.unfccc.int/Ref/Dec\\_COP\\_MOP.html](https://ji.unfccc.int/Ref/Dec_COP_MOP.html).

**Table 4. Financial status of the Joint Implementation Supervisory Committee as at 31 August 2022 (United States dollars)**

<b>Summary of financial status as at 15 August 2022</b>	<b>Amount</b>
Carry-over from 2021	1 350 891
Contributions from Parties in 2022	—
Income from JI fees (JI Tracks 1 and 2)	—
<b>Subtotal</b>	<b>1 350 891</b>
Expenditure in 2022	9 076
<b>Balance</b>	<b>1 341 815</b>

*Note:* The financial reporting period is from 1 January to 31 August 2022.

## 5. Recommendations to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol

27. The JISC recommends that the CMP take note of its annual report for the reporting period and that the CMP invite the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement to continue using the experience gained and lessons learned from JI<sup>10</sup> to inform the implementation of Article 6 of the Paris Agreement.

28. [The JISC also recommends...]

## 6. Abbreviations and acronyms

**Table 5. Abbreviations and acronyms**

AIE	accredited independent entity
CDM	clean development mechanism
CMP	Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol
DOE	designated operational entity
JI	joint implementation
JISC	Joint Implementation Supervisory Committee

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<sup>10</sup> As contained in document FCCC/KP/CMP/2016/5, annex I, available at: <https://unfccc.int/resource/docs/2016/cmp12/eng/05.pdf>.

**Document information**

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