

**JI-JISC44-AA-A02**

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# Draft annual report of the JISC to the CMP

Version 01.0

DRAFT



**United Nations**  
Framework Convention on  
Climate Change

## 1. Introduction

### 1.1. Summary

1. This report covers the work carried out by the Joint Implementation Supervisory Committee from 17 October 2020 to 14 September 2021. During the reporting period, the Committee maintained the necessary infrastructure for the operation of joint implementation and prudently managed its resources, as requested by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol. In addition, it adopted its two-year management plan for 2022–2023, reflecting its continuing commitment to supporting the operation of the joint implementation mechanism.

### 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 (JI projects) in accordance with the guidelines for the implementation of Article 6 of the Kyoto Protocol (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 17 October 2020 and 14 September 2021 (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 review this annual report.
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:

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<sup>1</sup> Decision 10/CMP.1.

<sup>2</sup> Decision 9/CMP.1, annex.

<sup>3</sup> Outlined in paras. 30–45 of the JI guidelines.

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

- (a) Two members and two alternate members from Parties included in Annex I with economies in transition;
- (b) Two members and two alternate members from Parties included in Annex I that do not have economies in transition (a) above;
- (c) One member and one alternate member from Parties not included in Annex I.

## 2. Joint Implementation in the second commitment period of the Kyoto Protocol

8. [Placeholder for text in relation to an analysis of information received from Parties regarding their intended participation in JI, in respect of the second commitment period]

## 3. Work undertaken in the reporting period

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

- 9. As a result of the postponement of CMP 16 from 2020 to 2021, owing to the coronavirus disease 2019, no new mandates have been issued by the CMP during the reporting period.
- 10. The JISC maintained operations in accordance with its two-year management plan for 2020–2021<sup>5</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.
- 11. The JISC Chair was invited to provide a brief summary on the status of work of the JISC at an informal dialogue<sup>6</sup> with the constituted bodies during the virtual May–June sessional period of the 2021 sessions of the subsidiary bodies.
- 12. [At its 44<sup>th</sup> meeting, the JISC adopted its two-year management plan for 2022–2023 with the aims of maintaining the infrastructure and capacity to ensure JI operations and promoting the lessons learned from JI. The JISC also decided to revisit the budget for 2023 in 2022 in the light of any relevant decisions taken at CMP 16.]

### 3.2. Outreach activities

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

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<sup>5</sup> [https://ji.unfccc.int/sunsetcms/storage/contents/stored-file-20190925133828053/Info\\_note12.pdf](https://ji.unfccc.int/sunsetcms/storage/contents/stored-file-20190925133828053/Info_note12.pdf).

<sup>6</sup> <https://unfccc.int/event/informal-dialogue-with-the-constituted-bodies-0>.

### **3.3. Meeting in 2021**

14. [The JISC held its 44<sup>th</sup> meeting on 14 September 2021 in a virtual environment.<sup>7</sup> A total of ## of the 18 current JISC members and alternate members participated in the meeting.]
15. The annotated agenda for the meeting, documentation on supporting agenda items, on-demand broadcasts and a report containing all agreements reached by the JISC are available on the JI web pages.<sup>8</sup>
16. In the spirit of prudent resource management, the JISC decided not to hold any more meetings during 2021, and that its Chair and Vice-Chair would consult electronically with members for any decision-making.

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

17. 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 meeting.

### **3.5. Accreditation of independent entities**

18. 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 25 August 2021, 7 DOEs had submitted self-declarations expressing interest in acting voluntarily as AIEs for the year 2021.
19. 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.

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

20. Since the inception of JI, 597 JI projects have been published under Track 1,<sup>9</sup> 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 ERUs have been issued, of which 846,477,357 were under Track 1 and 25,416,272 under Track 2.
21. As in the previous reporting period, no determination or verification cases were submitted for processing under JI Track 2.

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<sup>7</sup> In accordance with decision 4/CMP.12.

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

<sup>9</sup> <https://ji.unfccc.int/Eligibility/index.html>.

## 4. Governance and management matters

### 4.1. Membership issues

22. At CMP 15, new members and alternate members of the JISC were elected to fill vacancies arising from the expiration of terms of tenure. In 2020, the JISC comprised the members and alternate members listed in table 1.
23. 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 2020**

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

*Note:* In view of the postponement of CMP 16 to 2021, the Bureau of the Conference of the Parties, the CMP and the CMA on 25 August 2020 decided to extend the current membership of the bodies of the Convention, Kyoto Protocol and Paris Agreement, as needed, until successors can be appointed or elected (see the message to Parties, observer States and observer organizations arising from the meeting, available at <https://unfccc.int/news/bureau-confirms-criteria-to-advance-the-unfccc-process>). In accordance with rule 4 of the rules of procedure of the JISC, the members and alternate members shall remain in office until their successors are elected.

- (a) Two-year term starting as of the first meeting of the JISC in 2019.
- (b) Two-year term starting as of the first meeting of the JISC in 2020.
- (c) Nomination pending since CMP 14. 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 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.

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

24. The JISC, at its 44<sup>th</sup> meeting, elected by consensus, Derrick Oderson, a member from a Party not included in Annex I, as its Chair, and, Jakob Wiesbauer-Lenz, a member from a Party included in Annex I, as its Vice-Chair. Their tenures will end immediately before the first meeting of the JISC in 2022.
25. The JISC expressed its deep appreciation to the outgoing Chair, Vanessa Leonardi, and Vice-Chair, Derrick Oderson, for their excellent leadership during 2020.

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

26. The JISC continued to carefully monitor the status of, and prudently use, the resources available for work on JI.<sup>10</sup> Resources were used in support of the approved two-year management plan for 2020–2021.<sup>11</sup>
27. 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 2021 (United States dollars)**

Income source	Amount
Carry-over from 2020 <sup>(a)</sup>	1 786 574
Contributions received in 2021	—
Total JI Track 1 fees for 2021	—
Total JI Track 2 fees for 2021	—
<b>Total income with 2020 carry-over</b>	<b>1 786 574</b>

*Note:* The financial reporting period is from 1 January to 31 August 2021.

(a) After accounting for 2020 income and expenditure (full year). Includes JI Track 2 fees previously held in reserve.

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

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<sup>10</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.

<sup>11</sup> [https://ji.unfccc.int/sunsetcms/storage/contents/stored-file-20190925133828053/Info\\_note12.pdf](https://ji.unfccc.int/sunsetcms/storage/contents/stored-file-20190925133828053/Info_note12.pdf).

**Table 3. Comparison of the 2021 expenditure versus the 2021 budget of the Joint Implementation Supervisory Committee as at 31 August 2021 (United States dollars)**

Item	Amount
Budget	596 930
Expenditure	316 356
Difference	280 574

*Note:* The financial reporting period is from 1 January to 31 August 2021.

29. Table 4 summarizes the financial status of the JI mechanism as at 31 August 2021, showing a balance of USD 1.5 million.

**Table 4. Financial status of the Joint Implementation Supervisory Committee as at 31 August 2021 (United States dollars)**

Summary of financial status as at 31 August 2021	Amount
Carry-over from 2020	1 786 574
Contributions from Parties in 2021	—
Income from JI fees (Tracks 1 and 2)	—
<b>Subtotal</b>	<b>1 786 574</b>
Expenditure in 2021	316 356
<b>Balance</b>	<b>1 470 218</b>

*Note:* The financial reporting period is from 1 January to 31 August 2021.

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

30. The JISC recommends that the CMP take note of its annual report for the reporting period and that the CMP invite the CMA to continue using the experience gained and lessons learned from JI<sup>12</sup> to inform the implementation of Article 6 of the Paris Agreement.

31. [The JISC also recommends...]

## 7. Abbreviations and acronyms

**Table 5. Abbreviations and acronyms**

AIE	accredited independent entity
CDM	clean development mechanism

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<sup>12</sup> As contained in document FCCC/KP/CMP/2016/5, annex I.

CMA	Conference of the Parties serving as the meeting of the Parties to the Paris Agreement
CMP	Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol
DOE	designated operational entity
ERU	emission reduction unit
JI	joint implementation
JISC	Joint Implementation Supervisory Committee

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#### Document information

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