



CONFERENCE OF THE PARTIES  
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Item 5 (d) of the provisional agendas

**REVIEW OF THE IMPLEMENTATION OF THE CONVENTION AND OF DECISIONS OF THE FIRST SESSION OF THE CONFERENCE OF THE PARTIES**

**ACTIVITIES IMPLEMENTED JOINTLY: ANNUAL REVIEW OF PROGRESS UNDER THE PILOT PHASE**

**Progress report on activities implemented jointly**  
**Note by the secretariat**

**Addendum\***

**TABLES**

**Table 1. AIJ by country partners**

Country partners	Australia	Germany	Netherlands	Norway	United States
Belize			see footnote <sup>a</sup>		1 implemented forest preservation project
Bhutan			1 planned renewable energy project		
Costa Rica					4 planned renewable energy projects <sup>b</sup> 1 planned forest restoration project 1 implemented forest restoration project 1 implemented forest preservation project 1 planned afforestation project

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\* This addendum contains all tables referred to in document FCCC/CP/1996/14.

Table 1. (continued)

Country partners	Australia	Germany	Netherlands	Norway	United States
Czech Republic		1 planned fuel switching project	1 implemented forest preservation project		1 planned fuel switching project
Ecuador			1 implemented reforestation project		
Honduras					1 planned renewable energy project 1 implemented renewable energy project
Hungary			1 implemented fuel switching project 1 implemented energy efficiency project		
Indonesia		1 planned renewable energy project			
Jordan		1 energy efficiency project <sup>c</sup>			
Latvia		1 implemented renewable energy project 1 planned energy efficiency project			
Malaysia			1 afforestation project <sup>d</sup>		
Mexico				1 implemented energy efficiency project	
Nicaragua					1 planned renewable energy project
Poland				2 planned fuel switching projects	
Portugal		1 planned renewable energy project			
Russian Federation		1 planned gas power plan <sup>e</sup>	see footnote <sup>f</sup>		1 implemented afforestation project 1 planned fugitive gas capture project
South Pacific region	1 planned energy efficiency project 1 planned renewable energy project				
Uganda			1 afforestation project <sup>g</sup>		

<sup>a</sup> Submission refers to a proposed afforestation project, but no details are provided.

<sup>b</sup> One of these projects was scheduled for implementation in the spring of 1996.

<sup>c</sup> Project description does not indicate whether project is planned or implemented.

<sup>d</sup> Project description does not indicate whether project is planned or implemented.

<sup>e</sup> Unclear from submission whether project involves converting an existing plant or building a new plant.

<sup>f</sup> Submission refers to a project in the Russian Federation, but no details are provided.

<sup>g</sup> Project description does not indicate whether project is planned or implemented.

**Table 2. AIJ project summary**

Investor/sponsor country	Australia	Germany	Netherlands	Norway	United States
Total number of projects	2	7	6	2	15
Host countries	South Pacific region	Czech Republic, Indonesia, Jordan, Latvia, Portugal, Russian Federation	Bhutan, Czech Republic, Ecuador, Hungary, Uganda	Mexico, Poland	Belize, Costa Rica, Czech Republic, Honduras, Nicaragua, Russian Federation
Project type					
Energy efficiency	1 <sup>a</sup>	2 (1 <sup>a</sup> , 1 <sup>b</sup> )	1 <sup>b</sup>	1 <sup>b</sup>	
Fuel switching		2 (1 <sup>a</sup> , 1 <sup>d</sup> )	1 <sup>b</sup>	1 <sup>b,c</sup>	1 <sup>a</sup>
Resource exploitation fugitives					1 <sup>a</sup>
Renewables	1 <sup>a</sup>	3 (2 <sup>a</sup> , 1 <sup>b</sup> )	1 <sup>a</sup>		7 (6 <sup>a</sup> , 1 <sup>b</sup> )
Afforestation			2 <sup>b</sup>		2 (1 <sup>a</sup> , 1 <sup>b</sup> )
Reforestation/restoration/preservation			1 <sup>b</sup>		4 (1 <sup>a</sup> , 3 <sup>b</sup> )
Gases concerned	CO <sub>2</sub>	CO <sub>2</sub>	CO <sub>2</sub> , precursors	CO <sub>2</sub> , precursors	CO <sub>2</sub> , CH <sub>4</sub> , precursors

<sup>a</sup> Project is in the planning stage.

<sup>b</sup> Project is in the implementation stage.

<sup>c</sup> Project description does not clarify whether project is planned or implemented.

<sup>d</sup> Not clear from submission whether this project converts an existing plant to natural gas, or is building a new plant.

<sup>e</sup> One project implemented at two separate sites.

**Table 3. Consistency of reports with reporting framework<sup>a</sup>**

Reporting criterion	Australia	Canada	Germany	Netherlands <sup>b</sup>	Norway	United States
Report received from host country, or joint report received	no	no projects reported	no	joint report received with Hungary, draft reports submitted to host governments for prior approval <sup>c</sup>	no, but agreement with report received from one host country	no
Type of project reported	yes		yes	yes	yes	yes
Identification of all actors involved	no		limited information	yes	yes	yes
Institutional arrangements described	no		no	limited	yes	yes
Actual costs described	no		no	partial	extensively	yes - but not verified by reporting Party
Technical data provided	minimal		basic	extensive	extensive	extensive
Long-term project viability discussed	no		no	yes	economic viability discussed, emissions longevity not discussed	yes
Project location reported	on regional, not country, level		yes	yes	yes	yes
Project lifetime reported	no		no	yes	not for all projects	yes
Mutually agreed upon project assessment procedures discussed	no		no	no	yes	yes
Governmental acceptance, approval, or endorsement of project reported	no		no	yes	yes	yes
Discussion of consistency with development, socio-economic, environmental priorities	no		no	yes	yes	yes
Benefits derived from project discussed including emissions reduction additionality	minimal		limited	extensive	extensive	extensive
Calculation of contribution of project provided	no		total reduction estimate only	methods and calculations provided in detail	methods and calculations provided in detail	methods and calculations provided in detail
Financial additionality of projects discussed	no		no	yes	yes	yes
Contribution of projects to capacity building and technology transfer discussed	no		no	yes	yes	yes

<sup>a</sup> The AII programmes of Australia, Canada and Germany are in early development stages, which, in the short time available, may have impaired their ability to report in a manner fully consistent with the reporting framework.

<sup>b</sup> A portion of the Netherlands' report was prepared before the adoption of the reporting framework and has not yet been updated.

<sup>c</sup> Letters of support for report received by Netherlands Government from Costa Rica, Ecuador and Uganda.

Table 4. Project criteria comparison

Project criterion	Australia	Canada	Germany	Netherlands	Norway <sup>a</sup>	United States
<b>Berlin decision criteria:</b>						
AIJ should bring about real, measurable and long-term environmental benefits related to the mitigation of climate change that would not have occurred in the absence of such activities	project should involve specific measures to reduce net GHGs initiated as a result of AIJ	activities must result in measurable reductions of net GHG emissions	AIJ must result in actual, measurable and lasting environmental benefits related to the reduction of climate change	minimum annual sequestration requirements for forests	project reports deal with the real, measurable nature of benefits, as well as additionality, long-term benefits are not clearly evaluated	yes
Financing of AIJ shall be additional to financial obligations of Annex II Parties within the framework of the financial mechanism and regular ODA flows	must be additional to ODA and other sources under UNFCCC	activities should be financed outside existing ODA	in addition to commitments within FCCC framework and to current public developmental assistance	additional to GEF as well as current ODA	project reports deal with additionality, AIJ funding is an incremental portion of otherwise funded projects	must be additional to: GEF, multilateral development bank, ODA, or in excess of U.S. federal funding level in 1993
AIJ should contribute to cost-effectiveness in achieving global benefits				yes, for forestry projects		encourage the development of cost-effective projects
AIJ should be compatible with and supportive of national environment and development priorities and strategies	host country Government must accept project as consistent with national priorities		must be reconcilable with relevant national environmental and developmental policy priorities	must be compatible with and supportive of national environment and development priorities	discussed for each reported project	should support development goals of host country
AIJ require prior acceptance, endorsement, or approval by the Governments of the Parties participating in these activities	yes	yes	yes	yes	obtained and discussed for each reported project	yes
No credits shall accrue to any Party as a result of greenhouse gases reduced or sequestered during the pilot phase		no emission reduction credits can be claimed by the country of an investing entity against its domestic stabilization commitment to the year 2000	during the pilot phase, parties are not permitted to credit emissions reductions achieved	will not use AIJ for its present commitments under the FCCC	there are no credits to be accrued during the pilot phase	----

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Table 4. (continued)

Project criterion	Australia	Canada	Germany	Netherlands	Norway	United States
<b>Additional criteria added by Parties:</b>						
Project was initiated specifically for AIJ purposes	project should involve specific measures initiated as a result of AIJ			projects should be economically sound and would not have been set up without additional AIJ funding	the scope of the project must be enlarged due to AIJ investments	technology or practice must not have been introduced in the region without AIJ, or else only incremental reductions are counted
Project contract required for private sector projects				yes		
Emission reductions are required to be verifiable, including baseline calculations	yes	measurable reductions required	actual and measurable benefits required	yes	extensive discussion for each reported project	verification plan and independent third party replicability required
Emissions monitoring programme required	a high degree of transparency should exist			yes	detailed programme for each reported project	monitoring plan required
Emission reductions are required to be sustainable			lasting benefits required	yes		yes
Periodic reassessment of emission reduction estimates	explicit requirement			addressed through monitoring programme	addressed through monitoring programme	explicit requirement
Analysis of other environmental impacts required	need to account for impacts			projects should lead to clear beneficial local environmental impacts	analysis provided for each reported project	impacts should be identified
Analysis of social impacts required	need to account for impacts			project must contribute to the socio-economic position of the local population		impacts are considered
Project must be consistent with sustainable development principles	yes			projects require sustainable forestry and energy policies		
Project should include a training component in host country				yes		
Regular reporting required			reporting required, no interval specified	periodically, annual AIJ report to the Parliament	included in project evaluation plans	annually

<sup>a</sup> Norway's report did not identify general project criteria; the information presented is derived from the criteria actually applied to the reported projects.

Table 5. National programme features

Programme element	Australia	Canada	Germany	Netherlands	Norway	United States
Process for registration and certification of AIJ projects		voluntary registration process		registration process, and companies may use certified reductions as part of future agreements with government, as well as tax incentives	no private sector projects	groundrules and criteria for AIJ promulgated, no emission reduction certification in prospect
Formal Government support for AIJ		government takes on the role of facilitator and promoter of the concept of AIJ		special budget of US\$48,988,800 between 1996-1999 for AIJ in Central and Eastern Europe and developing countries	1995 report to Parliament concludes that AIJ will be given priority as an important supplement to domestic measures	a key feature is the use of a voluntary, market-based approach to facilitate partnerships
Government entities involved	Bureau of Industry Economics	interdepartmental steering committee of federal departments, Canadian Joint Implementation Initiative Office	Ministry of Environment, CO2 Reduction Interministerial Working Group, Joint Implementation Coordinating Office	Cabinet, Ministries of Environment, Economic Affairs, Foreign Affairs	Ministry of Foreign Affairs, Department of Natural Resources and Environmental Affairs	Environment Protection Agency, Agency for International Development, Departments of Agriculture, Commerce, Energy, Interior, State, Treasury
Emphasis on reduction technologies	energy efficiency and the use of renewables		enhancing energy efficiency in supply, demand, and production, exploiting potential of renewable energy	strive for a broad range of projects, including geographic distribution, types of technology, and different GHGs	promote a broad range of projects with a view to maximum learning value	promote a broad range of projects
Emphasis on sink creation			yes, but main focus should be on reduction measures	several projects to date are in this sector	promote a broad range of projects	promote a broad range of projects
Dual accounting system to keep AIJ reductions separate from domestic reductions				separate reporting to parliament on AIJ and domestic reductions		

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Table 5. (continued)

Programme element	Australia	Canada	Germany	Netherlands	Norway	United States
Role of private sector		broad participation by private sector encouraged as a complement to domestic actions	discussions between Government and all industrial sectors to initiate AIJ projects	private sector invited into pilot phase, programme includes incentives to encourage private sector participation	private sector involvement may provide further resources, experience, and enlarge leverage effect of AIJ	private sector investment and innovation encouraged
Outreach efforts	newspaper advertisement soliciting project proposals	Climate Change Voluntary Challenge and Registry Program, workshops	descriptive brochure	Joint Implementation Quarterly, funding conferences and workshops, set up JI Service Centre	workshops with potential host countries, sponsoring conferences	bilateral and multilateral statements of intent on AIJ, sponsoring workshops, conferences, fax information service, International Partnerships Report newsletter, JI online website
Development of JI protocol suggested				yes		
Credits proposed after 2000 for projects begun during pilot phase		yes		yes		
Programme linked explicitly to AGBM process				in favour of using JI for realizing future commitments		

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