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## Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol

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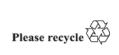
Matters relating to joint implementation

### Operation of joint implementation Track 2

#### Report by the secretariat

#### Summary

This report contains information on the operational status of joint implementation Track 2 and provides recommendations on the orderly management of residual resources and on other matters relevant to the termination of the operations of the Joint Implementation Supervisory Committee for consideration by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its eighteenth session.





### 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

true-up period additional period for fulfilling commitments for the second commitment period of the

Kyoto Protocol

#### I. Introduction

#### A. Mandate

- 1. Following the end of the second commitment period of the Kyoto Protocol in 2020 and in the light of the expiration of the true-up period on 9 September 2023, the JISC, in its annual report prepared for consideration at CMP 17, recommended that the CMP consider discontinuing the activities and functions of the JISC, including:
  - (a) Management of the JI regulatory framework;
  - (b) Management of independent entities;
  - (c) Issuance of emission reduction units after the end of the true-up period.
- 2. Having decided to terminate the JISC, CMP 17 requested the secretariat to take the necessary steps to conclude matters relating to the operations of the JISC and to prepare a report on the operation of JI Track 2,3 with recommendations on the orderly management of residual resources and on other matters relevant to the termination of the JISC, for consideration at CMP 18.4

#### B. Scope

3. This report contains information on the operational status of JI Track 2 and provides recommendations on remaining actions for concluding JISC operations for consideration at CMP 18.

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

- 4. The CMP may wish to take note of this report.
- 5. Considering the termination of the JISC, the CMP may wish to decide on the appropriate utilization of the remaining JI financial resources.

# II. Operational status of joint implementation Track 2 following termination of the Joint Implementation Supervisory Committee

#### A. Termination of the Joint Implementation Supervisory Committee

6. Following the CMP decision to terminate the JISC, the Committee was dissolved with the conclusion of CMP 17. The termination of the JISC was announced on the JI web pages<sup>5</sup> on 19 November 2022.

In decision 1/CMP.17, the CMP decided that the expert review process under Article 8 of the Kyoto Protocol for the final year of the second commitment period should be completed by 1 June 2023. It also decided that the true-up period should start on 1 June 2023 and that, if the expert review process were not completed by that date, it should continue, and that the date of completion should be the date of publication of the final inventory review report for the final year of the second commitment period. Since all inventory review reports had been published by 1 June 2023, the true-up period ended on 9 September 2023, the hundredth day after the date set by the CMP for the completion of the expert review process under Article 8 of the Kyoto Protocol for the final year of the second commitment period as per chap. XIII of the annex to decision 27/CMP.1.

<sup>&</sup>lt;sup>2</sup> FCCC/KP/CMP/2022/6, para. 27.

<sup>&</sup>lt;sup>3</sup> The verification procedure under the JISC, defined in decision 9/CMP.1, annex, paras. 30–45.

<sup>&</sup>lt;sup>4</sup> Decision 3/CMP.17, paras. 4–5.

<sup>&</sup>lt;sup>5</sup> http://ji.unfccc.int/.

- 7. The JISC convened its  $45^{\text{th}}$  and final meeting in a virtual setting on 14 September  $2022.^6$
- 8. There are no outstanding mandates from the CMP to the JISC.

#### **B.** Status of accredited independent entities

- 9. At its 37<sup>th</sup> meeting, the JISC agreed that meetings of the Joint Implementation Accreditation Panel, AIE project assessment activities, calls for JI assessment team experts and preparation of regulatory documents related to JI accreditation should cease by 2 August 2016. The JISC also agreed to allow, as of the same date, DOEs accredited under the CDM to act voluntarily as AIEs under JI, and further agreed to rely on the CDM accreditation system for all accreditation functions, while taking measures to safeguard environmental integrity.<sup>7</sup>
- 10. The annual report of the JISC prepared for consideration at CMP 17 refers to the review of the reliance of the JISC on the CDM accreditation system, and the decision of the JISC to continue allowing DOEs accredited under the CDM to act voluntarily as AIEs to perform JI project determinations and verifications. As at 31 August 2022, 11 DOEs had expressed interest in acting voluntarily as AIEs for 2022.8
- 11. As at the time of preparation of this report, there were no DOEs acting voluntarily as AIEs. Furthermore, no DOEs that acted voluntarily as AIEs under JI Track 2 for 2022 had submitted any active JI project determinations or verifications.

#### C. Status of project determinations and verifications

- 12. As at the time of preparation of this report, 597 projects had been published under JI Track 1.9 Of those, 548 had received unique project identifiers and been submitted to the international transaction log. Information on 332 projects and one programme of activities under JI Track 2 had been made available on the JI web pages. A total of 52 determinations regarding project design documents had been published, with 51 deemed to be final. In addition, 128 of the 129 published verifications of emission reductions or removal enhancements had been deemed final. A total of 871,893,629 emission reduction units had been issued: 846,477,357 under JI Track 1 and 25,416,272 under JI Track 2.
- 13. There are no outstanding project determination or verification cases for processing under JI Track 2. Since the true-up period has ended, no additional emission reduction units will be issued under JI Track 2.

#### D. Financial status of the Joint Implementation Supervisory Committee

14. As at the time of preparation of this report, financial transactions in the amount of USD 6,927 had taken place under JI in 2023, with additional transactions possible during the remainder of the year. Therefore, the remaining JI balance stands at USD 1,342,094.61.

#### E. Repositories for documentation of the Joint Implementation Supervisory Committee

15. The JI web pages serve as the main digital gateway for JISC meeting documents, reports and JI-related information, ensuring transparency and public access to a comprehensive overview of JISC operations and functions.

The report on the meeting is available at https://ji.unfccc.int/UserManagement/FileStorage/WEUO8GQ61B4F92CKYDHVPMAIST5XLR.

<sup>&</sup>lt;sup>7</sup> FCCC/KP/CMP/2016/5, para. 17.

<sup>&</sup>lt;sup>8</sup> FCCC/KP/CMP/2022/6, para. 14.

<sup>&</sup>lt;sup>9</sup> See decision 9/CMP.1, annex, para. 23.

16. Beyond the JI web pages, the secretariat's network drives store 15.3 GB of electronic data<sup>10</sup> linked to the JISC and JI Track 2 activities. The secretariat's central archiving facilities accommodate about 5 linear metres<sup>11</sup> of paper-based JI records that have been designated for permanent storage. Furthermore, 112 linear metres of paper-based documents associated with JI and the CDM are currently being managed by the division of the secretariat supporting the JISC and JI Track 2 operations and will need to be appraised in terms of their record-keeping and archival significance for potential transfer to the secretariat's central archiving facilities.

# III. Management of residual resources and on other matters related to the termination of the Joint Implementation Supervisory Committee

#### A. Digital and archival measures

- 17. Consideration should be given to the importance of maintaining access to JISC information on the JI web pages and ensuring that all data of record-keeping and archival significance, currently managed by the division of the secretariat supporting the JISC and JI Track 2 operations, are preserved. This will help to ensure that all relevant resources remain accessible to the public, researchers, policymakers and other stakeholders, thereby promoting transparency and engagement.
- 18. To close records related to the JISC and JI Track 2, the secretariat will carry out the following actions, unless otherwise decided by the CMP:
- (a) The UNFCCC website will reflect the archival status of the JISC and JI Track 2 operations. This may involve relocating the JI web pages to the UNFCCC website archives;
- (b) All interactive features on the JI web pages, such as databases and project submission portals, will be deactivated. Additionally, all listservs and shared mailboxes associated with submitting information via the JI web pages will be discontinued. Notifications will be provided to indicate their non-functional status due to the termination of the JISC;
- (c) An evaluation will be conducted on the repositories of JISC and JI electronic and paper-based documentation to determine their record-keeping and archival significance. Efforts will be made to ensure the preservation of JISC and JI records and archives continue to be preserved, while also facilitating public access to this information of ongoing significance.

#### B. Communications and public awareness

19. The secretariat will ensure that information regarding the termination of the JISC and JI Track 2, as well as public access to the related legacy operations data, is prominently displayed on the JI web pages. This will enable stakeholders to easily access the necessary information on the conclusion of these operations.

#### C. Allocation of residual resources

- 20. The CMP may wish to consider the allocation of the residual JI financial resources as follows:
- (a) Allocating funds (in the estimated amount of USD 250,000) to executing the remaining tasks for concluding the operations of the JISC, as detailed in chapter III.A–B above;

 $<sup>^{10}\,</sup>$  GB denotes a unit of digital information storage used to quantify the size of electronic data.

A linear metre in archival terms represents the length of storage space required to house a collection of paper-based records, measured along a single straight line of shelving.

(b) Authorizing the transfer of residual resources, after accounting for any other obligations and commitments received by 31 March 2024, from the JI project under the Trust Fund for Supplementary Activities to a dedicated project for other purposes, for example, for developing and operating the hard and soft information technology infrastructure necessary for facilitating the expedited implementation of Article 6, paragraph 2, of the Paris Agreement.

#### D. Conclusion of matters related to joint implementation

- 21. The secretariat considers that there are no outstanding mandates or matters related to JI, beyond the aspects referred to in chapter III.A–C above, that require further consideration by the CMP.
- 22. The CMP may wish to confirm at CMP 18 the conclusion of its consideration of matters related to JI.