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CONFERENCE OF THE PARTIES SERVING AS THE
MEETING OF THE PARTIES TO THE KYOTO PROTOCOL
Fifth session
Copenhagen, 7–18 December 2009

Agenda item 7
Issues relating to joint implementation

Draft decision -/CMP.5

Guidance on the implementation of Article 6 of the Kyoto Protocol

Proposal by the President

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Mindful of the objective of the Convention as set out in its Article 2,

Recalling the provisions of Articles 3 and 6 of the Kyoto Protocol,

Cognizant of decisions 2/CMP.1, 9/CMP.1 and its annex (joint implementation guidelines), 10/CMP.1, 2/CMP.2, 3/CMP.2, 3/CMP.3 and 5/CMP.4,

Recognizing that the work on joint implementation can be accomplished when sufficient expertise and financial and human resources are available to support the work of the Joint Implementation Supervisory Committee,

Expressing its appreciation to Parties that have contributed to funding the work on joint implementation,

Recalling decision 9/CMP.1, paragraph 7, which states that any administrative costs arising from procedures contained in the joint implementation guidelines relating to the functions of the Joint Implementation Supervisory Committee shall be borne by both the Parties included in Annex I to the Convention and the project participants,

Welcoming the provision of information to the secretariat, in accordance with paragraph 20 of the joint implementation guidelines, by 35 Parties on their designated focal points and by 29 Parties on their national guidelines and procedures for approving joint implementation projects,

Recognizing the potential increase in the number of joint implementation projects,

Reiterating that a Party hosting a joint implementation project shall make publicly available information on the project in accordance with paragraph 28 of the joint implementation guidelines,

Also reiterating the importance of ensuring the efficient, cost-effective and transparent functioning of joint implementation and the executive and supervisory role of the Joint Implementation Supervisory Committee,

Stressing the importance of constituencies nominating members and alternate members to the Joint Implementation Supervisory Committee who have the required qualifications, sufficient time and the commitment to serve on the Committee and perform their functions, in order to ensure that the Committee has the necessary expertise in, inter alia, financial, environmental and joint implementation regulatory matters and executive decision-making, and works in an effective manner,

I. General

1. *Adopts* the revised rules of procedure of the Joint Implementation Supervisory Committee, as contained in annex I to document FCCC/KP/CMP/2009/18 (Part I) and Corr.1;
2. *Invites* Parties wishing to be involved in joint implementation projects to provide to the secretariat information in accordance with paragraph 20 of the joint implementation guidelines contained in the annex to decision 9/CMP.1 if this information has not been previously provided;
3. *Takes note with appreciation* of the annual report of the Joint Implementation Supervisory Committee,¹ including information on the work programme and budget of the Committee, and on the actions taken;
4. *Notes with appreciation* that 209 project design documents, 17 determinations regarding project design documents, 10 monitoring reports and seven verifications of reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks have been made publicly available in accordance with paragraphs 32, 34, 36 and 38 of the joint implementation guidelines, and that 15 independent entities have applied for accreditation;
5. *Commends* the Joint Implementation Supervisory Committee for the efficient implementation and operation of the verification procedure under the Committee;
6. *Encourages* further efforts to facilitate the process of accrediting independent entities;
7. *Also encourages* the Joint Implementation Supervisory Committee to continue enhancing the implementation of the verification procedure under the Committee, taking into account the distinct characteristics of joint implementation under Article 6 of the Kyoto Protocol, to continue to promote transparency and to emphasize in its interaction with designated focal points, independent entities, project participants and stakeholders that approaches specific to joint implementation are available;

¹ FCCC/KP/CMP/2009/18 (Part I) and Corr. 1.

8. *Acknowledges with appreciation* that the Joint Implementation Supervisory Committee has developed definitions, forms, guidelines and procedures for programmes of activities implemented under the verification procedure under the Committee in accordance with decision 5/CMP.4;

9. *Also acknowledges with appreciation* that the Joint Implementation Supervisory Committee has developed a determination and verification manual to assist accredited independent entities in undertaking determinations as referred to in paragraphs 33 and 37 of the joint implementation guidelines;

10. *Requests* the Joint Implementation Supervisory Committee to conduct an assessment of the implications of possible inclusion of the concepts of materiality and level of assurance in joint implementation for the process of determinations referred to in paragraphs 33 and 37 of the joint implementation guidelines;

11. *Also requests* the Joint Implementation Supervisory Committee to report to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its sixth session on its experiences with the joint implementation verification procedure under the Committee, with a view to making improvements for the future operation of joint implementation, taking into account relevant decisions of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its fifth session;

12. *Further requests* the Joint Implementation Supervisory Committee to continue to keep its guidance under review with regard to appendix B to the joint implementation guidelines and to revise it as appropriate in order to improve the clarity of the provisions of the guidelines;

13. *Encourages* Parties to ensure that information that they provide on joint implementation Track 1 projects² through the web-based interface³ developed by the secretariat is sufficiently detailed to allow the UNFCCC joint implementation website to provide an overview of these projects in a transparent way;

14. *Requests* the secretariat, in consultation with designated focal points, to further improve the web-based interface referred to in paragraph 13 above by, for example, standardizing the information to be provided and agreeing on the minimum amount of information required;

II. Governance

15. *Commends* the Joint Implementation Supervisory Committee for maintaining a joint implementation management plan, pursuant to provisions in decision 10/CMP.1, paragraph 2 (g), decision 3/CMP.2, paragraph 5, decision 3/CMP.3, paragraph 6 (a), and decision 5/CMP.4, paragraph 10 (a); for implementing measures aimed at strengthening the joint implementation process, taking into account the experience of the Executive Board of the clean development mechanism, as appropriate; and for its responsiveness to the needs of Parties, independent entities, project participants, stakeholders and the general public, given the limited resources available;

² Projects with emission reductions or enhancements of removals that are verified in accordance with paragraph 23 of the joint implementation guidelines.

³ <http://ji.unfccc.int/JI_Projects/ProjectInfo.html>.

16. *Encourages* the Joint Implementation Supervisory Committee:

- (a) To continue to keep the joint implementation management plan⁴ under review and make adjustments to it as necessary to ensure the efficient, cost-effective and transparent functioning of joint implementation;
- (b) To enhance its interaction with designated focal points and project participants;
- (c) To further enhance its interaction with independent entities;

17. *Requests* the Joint Implementation Supervisory Committee and the secretariat to enhance their outreach activities to improve overall understanding of joint implementation;

18. *Notes with appreciation* the information on decisions of the Joint Implementation Supervisory Committee and on the status of work undertaken by the Committee, as presented on the UNFCCC joint implementation website;

19. *Encourages* the Joint Implementation Supervisory Committee, designated focal points, independent entities, project participants and stakeholders to make every effort to contribute towards a more transparent, consistent, predictable and efficient verification procedure under the Committee;

20. *Also encourages* independent entities to continue to build and improve their capacity to appropriately perform their functions under the verification procedure under the Joint Implementation Supervisory Committee;

III. Resources for the work on joint implementation

21. *Notes* the information provided by the Joint Implementation Supervisory Committee as contained in annex II to document FCCC/KP/CMP/2009/18 (Part I) and Corr. 1 regarding: the recommended revision to the provisions for the charging of fees to cover administrative costs relating to the activities of the Committee; introducing fee provisions for projects under programmes of activities; and reducing the maximum advance payments for the fee for processing of verification reports;

22. *Endorses* the revision to the fee structure as recommended by the Joint Implementation Supervisory Committee;

23. *Notes* that income from the charging of fees to cover administrative costs relating to the activities of the Joint Implementation Supervisory Committee will continue to accrue during the biennium 2010–2011 and that income from fees may cover the administrative expenses only as of 2012;

24. *Notes with concern* that the income from the charging of fees referred to in paragraph 24 above that has accrued to date is significantly lower than the level required to cover the estimated administrative costs relating to the activities of the Joint Implementation Supervisory Committee;

25. *Requests* the Joint Implementation Supervisory Committee to report to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its sixth session on a financial and budget projection up to 2012, including an analysis of when and under which conditions the committee will become self-financing;

26. *Urges* Parties included in Annex I to the Convention to make contributions to the Trust Fund for Supplementary Activities for funding the work on joint implementation in the biennium

⁴ FCCC/KP/CMP/2009/18 (Part II).

2010–2011 at a level that would ensure the thorough and timely implementation of the joint implementation management plan;

27. *Expresses its appreciation* to the Government of Ukraine for hosting the seventeenth meeting of the Joint Implementation Supervisory Committee, held from 10 to 11 September 2009, and the sixth UNFCCC technical workshop on joint implementation, held from 8 to 9 September 2009.
