



**INPUT TO THE SECOND DRAFT ON
PROCEDURES FOR PROGRAMMES OF ACTIVITIES
UNDER THE VERIFICATION PROCEDURE UNDER THE
JOINT IMPLEMENTATION SUPERVISORY COMMITTEE**



Your information

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<i>Experience in JI (brief summary, no more than three sentences)</i>	<i>The 23 PD Forum Members (www.pd-forum.net) have registered/validated/terminated over 600 CDM/JI projects. All members have in depth expertise in methodologies and validation/determination of baselines. Several are currently implementing PoA projects. A dedicated working group has been continuously contributing to the development of CDM PoAs with submissions/input to the regulators. Several members are implementing JI projects and projects in other offsetting schemes such as the VCS. The first ever UN registered PoA was developed and is under implementation of one of our members.</i>

Please provide your input on the second draft procedures for programmes of activities under the verification procedure under the Joint Implementation Supervisory Committee), which can be found on the call page.

Input (1): General remarks (optional)

The Project Developer Forum (PD Forum) wishes to thank the JISC and the Secretariat teams not only for their hard work and subsequent release of the Draft procedures for programmes of activities under the verification procedure under the JISC, Draft Version 2, but also for the various, regular opportunities to comment on the draft document.

The JI PoA procedures are well written and touch on many important aspects of the preparation and development of JI PoAs. Its sister document, the CDM PoA guidance, has already proven to help increase efficiency and has become a key tool for assisting all stakeholders to implement PoAs and it is hoped that this document will have a similarly positive effect on Joint Implementation.

Input (2): Input on the second draft on JI PoA procedures (It is not necessary to fill out all sections.)

Section	Proposed change to the draft text (and reason, as appropriate)
1. Definitions	<p>§6: We welcome the flexibility to implement a combination of several types of JI programme activities (JPAs). As the program inherently has an overarching goal we believe that there is no value added to set an explicit requirement for “interrelation” as such a requirement logically would have to be checked by AIEs and increase transaction costs.</p> <p>§8: Furthermore, we also welcome the explicit statement that several technologies or measures may be used. We therefore conclude that a combination of (approved CDM or other) methodologies may be used, taking into account appendix B of the annex to the decision 9/CMP.1 (JI guidelines).</p> <p>General: A glossary of PoA terms would be welcome. This could be added to the existing Glossary of Joint Implementation Terms which is quite short and broad.</p>
2. General principles	<p>§12: Please explain “coordinate and manage.” Does this mean that only DFPs that are actually coordinating and managing a JI PoA need submit written authorization?</p> <p>§13: To ensure broadest contractual flexibility we would recommend that any project participants including the “coordinating entity” could be designated as the focal point for all official communications with the JISC. In certain cases sole or joint options are more appropriate when determining focal points (see MoC in EB45., Annex 59).</p> <p>§14: This paragraph is not very clear; it states that a programme is describing JPAs and eligibility criteria. It might help to reword it to “A JI PoA-DD describes....”.</p> <p>§16/17: We welcome the clarification that the crediting period may extend after 2012 subject to host Party(ies) approval. We also welcome the important flexibility that JPAs may have started several years ago (i.e. before determination) with a crediting period on or after 2008. As the concept of PoA did not exist 2000, but was formally recognised at COP/MOP 1 in December 2005, we think that defining the limit on the starting date as 2006 is appropriate as it should cover all realistic business cases.</p>
3. Preparation of JI programmes of activities	<p>§20: The PD Forum would welcome the opportunity to consult and comment upon the F-JI-PoA-DD. §20h: In some PoAs it might be another project participant, in agreement with the coordinating entity, that is responsible for establishing the operational and management arrangement listed in §20h. Recognising such possibility in this paragraph would increase the flexibility of implementation of JI PoAs.</p> <p>§20j: The PD Forum welcomes and fully supports a clear guidance on the demonstration of additionality. Even in a capped environment an assessment of the baseline which inherently includes an assessment of additionality is needed to ensure a fair and balanced agreement between parties involved, including sovereign Parties. Credibility, in particular within flexible mechanisms, is a core</p>

	<p>fundamental of any carbon market concept and weakening additionality tests too far may risk the credibility required to engage private sector and society in carbon market approaches. The option given to allow the demonstration of additionality either at PoA or JPA level gives sufficient flexibility different sizes and types of potential PoAs. The list of options given in §20j (i) and (ii) gives enough flexibility and are appropriate to start with, although §20j (i) should refer to “policy or goal” rather than just “policy”. §20j should also be clearer that EITHER (i) OR (ii) can be used to demonstrate additionality.</p> <p>§20 l: the word “technology” should be changed into plural: “technologies”.</p> <p>§21: While we appreciate the simplified and standardised approach to only fill a table and not a full JPA-DD for each JPA, we have some doubts that in the case of an energy efficient lightning PoA it would be appropriate and needed to fill a table for each JPA (light bulb) with all the requirements stipulated in §21. Further flexibility is needed for small / micro scale JPAs. Furthermore one could think of enlarging the definition of a PoA on an activity that enables a similar effort that existed to be re-launched or an existing effort to accelerate the rate of deployment of the GHG mitigation measure(s) and or technology(ies), as well as to expand the scope of an existing effort to add other measures and technologies to the portfolio of one’s originally existing. (The idea here is to be able to bring back to life programmes that have been shelved, or are dormant or have achieved limited market penetration and to expand the scope of those that already exist, using them as channels to facilitate the implementation and deployment of additional less carbon intensive actions or technologies.)</p>
<p>4. Determination referred to in paragraph 33 of the JI guidelines</p>	<p>§29: The references to the sub-paragraphs of §20 do not seem to be correct (additionality is discussed in 20(j) rather than 20(h) and operation and management arrangements are discussed in 20(h) rather than 20(k).)</p> <p>In addition, §29(a) refers to the additionality of the JI PoA while §20(j) offers the option to demonstrate additionality at the PoA or the JPA level. Aligning the wording might help avoiding confusion.</p> <p>Finally, one may think of the appropriateness to give access to an appeals process for negative determinations.</p>
<p>5. Submission of additional JPAs</p>	<p>§34 and following: Please refer to comments on §21.</p> <p>§38: We believe that for consistency reasons, one should stick to the threshold of three JISC members to trigger a request for review for erroneous inclusion. Further clarification on the concept of erroneous inclusion is needed (see e.g. report EB47, Annex30).</p> <p>§40(c) and (d): The PD Forum welcomes the opportunity that the JISC offers to project participants to directly interact with the JISC in cases of requests for review and believe that this is important in ensuring an efficient learning-by-doing of all stakeholders</p>

	involved in PoAs.
6. Determination referred to in paragraph 37 of the JI guidelines	§53: We welcome the proposed squared root sample-based approach as a pragmatic and balanced guidance to ensure a balanced but still statistically sound verification plan. §55: Reference to §46 should be rectified (to §51-§54)
7. Fees	§56: Fees should reflect cost occurred by JISC and its support structure. They should be simple and clear. §57: “Provisions for the charging of fees” should be properly referenced. These provisions can’t be found on http://ji.unfccc.int/Ref/Procedures.html .

PD Forum, 24 September 2009

Please submit the form through the call web page.