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**Annual report of the Joint Implementation Supervisory
Committee to the Conference of the Parties serving as the
meeting of the Parties to the Kyoto Protocol**

Summary

This report covers the work carried out by the Joint Implementation Supervisory Committee from 18 September 2019 to 16 October 2020. 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.

Abbreviations and acronyms

AIE	accredited independent entity
CDM	clean development mechanism
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
JI	joint implementation
JISC	Joint Implementation Supervisory Committee

I. Introduction

A. Mandate

1. CMP 1 established¹ 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).²

2. 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.

B. Scope

3. This annual report of the JISC to the CMP covers JI activities carried out between 18 September 2019 and 16 October 2020 (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)³ and the financial status of the JI mechanism.

4. 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, programmes of activities and accreditation; and documents adopted by the JISC.⁴

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

5. The CMP may wish to review this annual report and provide guidance regarding the operations of JI.

6. 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:

(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.

II. Doha Amendment

7. The JISC recognizes with great pleasure that the Depositary received the necessary number of ratifications by Parties to the Kyoto Protocol to ensure the entry into legal force of the Doha Amendment to the Kyoto Protocol (by which the second commitment period was agreed)⁵ before the expiry of that commitment period on 31 December 2020. The JISC recognizes the importance of the Doha Amendment to the implementation of pre-2020 ambition under the UNFCCC.

¹ Decision 10/CMP.1.

² Decision 9/CMP.1, annex.

³ Outlined in paras. 30–45 of the JI guidelines.

⁴ <http://ji.unfccc.int>.

⁵ Decision 1/CMP.8, annex I.

III. Work undertaken in the reporting period

A. Ensuring cost-effective and transparent functioning of joint implementation

8. CMP 15 did not give the JISC any new mandates.

9. The JISC maintained operations in accordance with its two-year management plan for 2020–2021⁶ 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.

B. Outreach activities

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

C. Meeting in 2020

11. The JISC held its 43rd meeting on 16 October 2020 in a virtual environment.⁷ A total of 16 of the 18 current JISC members and alternate members participated in the meeting and electronic oaths of service were submitted to fulfil the requirements of the rules of procedure of the JISC.⁸

12. The annotated agenda for the meeting, supporting documentation for agenda items, on-demand broadcasts and a report containing all agreements reached by the JISC are available on the JI web pages.⁹

13. At the meeting, the JISC honoured the memory of Rajesh Sethi, who served as the secretary to the JISC for the past six years, by observing a minute of silence. Mr. Sethi was remembered for his significant contribution to the Kyoto Protocol mechanisms, having spent several years working as the designated national authority for India, in his country's delegation to the UNFCCC, and as both member and Chair of the Executive Board of the CDM during the period 2005–2011.

14. In the spirit of prudent resource management, the JISC decided not to hold any physical meetings during 2020, and that its Chair and Vice-Chair would consult electronically with members for decision-making, if required.

D. Interaction with bodies and stakeholders

15. The JISC continued to make itself available for interaction with independent entities, AIEs, project developers and observers by encouraging stakeholders to submit written input to the agenda for its 43rd meeting and inviting the chairs of the DOE/AIE Coordination Forum and the Project Developer Forum to the meeting.

E. Accreditation of independent entities

16. 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

⁶ Available at https://ji.unfccc.int/sunsetcms/storage/contents/stored-file-20190925133828053/Info_note12.pdf.

⁷ In accordance with decision 4/CMP.12.

⁸ Available at http://ji.unfccc.int/Ref/Documents/JI_proc01.pdf.

⁹ http://ji.unfccc.int/Sup_Committee/Meetings/index.html.

determinations and verifications. As at 16 October 2020, 10 DOEs had submitted self-declarations expressing interest in acting voluntarily as AIEs.

17. During the reporting period, no JI project determinations or verifications under JI Track 2 were submitted by a DOE acting voluntarily as an AIE under JI.

F. Verification procedure under the Joint Implementation Supervisory Committee

18. Since the inception of JI, 597 JI projects have been published under Track 1,¹⁰ 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 emission reduction units have been issued, of which 846,477,357 were under Track 1 and 25,416,272 under Track 2.

19. As in the previous reporting period, no determination or verification cases were submitted for processing under JI Track 2 during the current reporting period.

IV. Governance and management matters

A. Membership of the Joint Implementation Supervisory Committee

20. CMP 15 elected new members and alternate members of the JISC to fill vacancies arising from the expiration of the terms of tenure of outgoing members and alternate members. During the reporting period, the JISC comprised the members and alternate members listed in table 1.

21. 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 elected by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its fifteenth session

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

¹⁰ See <https://ji.unfccc.int/Eligibility/index.html>.

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.

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

22. The JISC, at its 43rd meeting, by consensus, elected Vanessa Leonardi, a member from a Party included in Annex I, as its Chair, and Derrick Oderson, a member from a Party not included in Annex I, as its Vice-Chair. Their tenures will end immediately before the first meeting of the JISC in 2021.

23. The JISC expressed its deep appreciation to the outgoing Chair, Kyekyeku Oppong-Boadi, and Vice-Chair, Vanessa Leonardi, for their excellent leadership during 2019.

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

24. The JISC continued to carefully monitor the status of, and prudently use, the resources available for the work on JI.¹¹ Resources were used in support of the approved two-year management plan for 2020–2021.¹²

25. 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 2020

(United States dollars)

<i>Income source</i>	<i>Amount</i>
Carry-over from 2019 ^a	2 348 153
Contributions received in 2020	–
Total JI Track 1 fees for 2020	–
Total JI Track 2 fees for 2020	–
Total income with 2019 carry-over	2 348 153

Note: The financial reporting period is from 1 January to 31 August 2020.

^a After accounting for 2019 income and expenditure (full year). Includes JI Track 2 fees previously held in reserve.

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

¹¹ 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.

¹² Available at https://ji.unfccc.int/sunsetcms/storage/contents/stored-file-20190925133828053/Info_note12.pdf.

Table 3
Comparison of the 2020 expenditure versus the 2020 budget of the Joint Implementation Supervisory Committee as at 31 August 2020

(United States dollars)

<i>Item</i>	<i>Amount</i>
Budget	596 930
Expenditure	493 315
Difference	103 615

Note: The financial reporting period is from 1 January to 31 August 2020.

27. Table 4 summarizes the financial status of the JI mechanism as at 31 August 2020, showing a balance of USD 1.9 million.

Table 4
Financial status of the Joint Implementation Supervisory Committee as at 31 August 2020

(United States dollars)

<i>Summary of financial status as at 31 August 2020</i>	<i>Amount</i>
Carry-over from 2019	2 348 153
Contributions from Parties in 2020	–
Income from JI fees (Tracks 1 and 2)	–
Subtotal	2 348 153
Expenditure in 2020	493 315
Balance	1 854 838

Note: The financial reporting period is from 1 January to 31 August 2020.

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

28. 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 JI¹³ to inform the operationalization of Article 6 of the Paris Agreement.

¹³ As contained in document FCCC/KP/CMP/2016/5, annex I.