

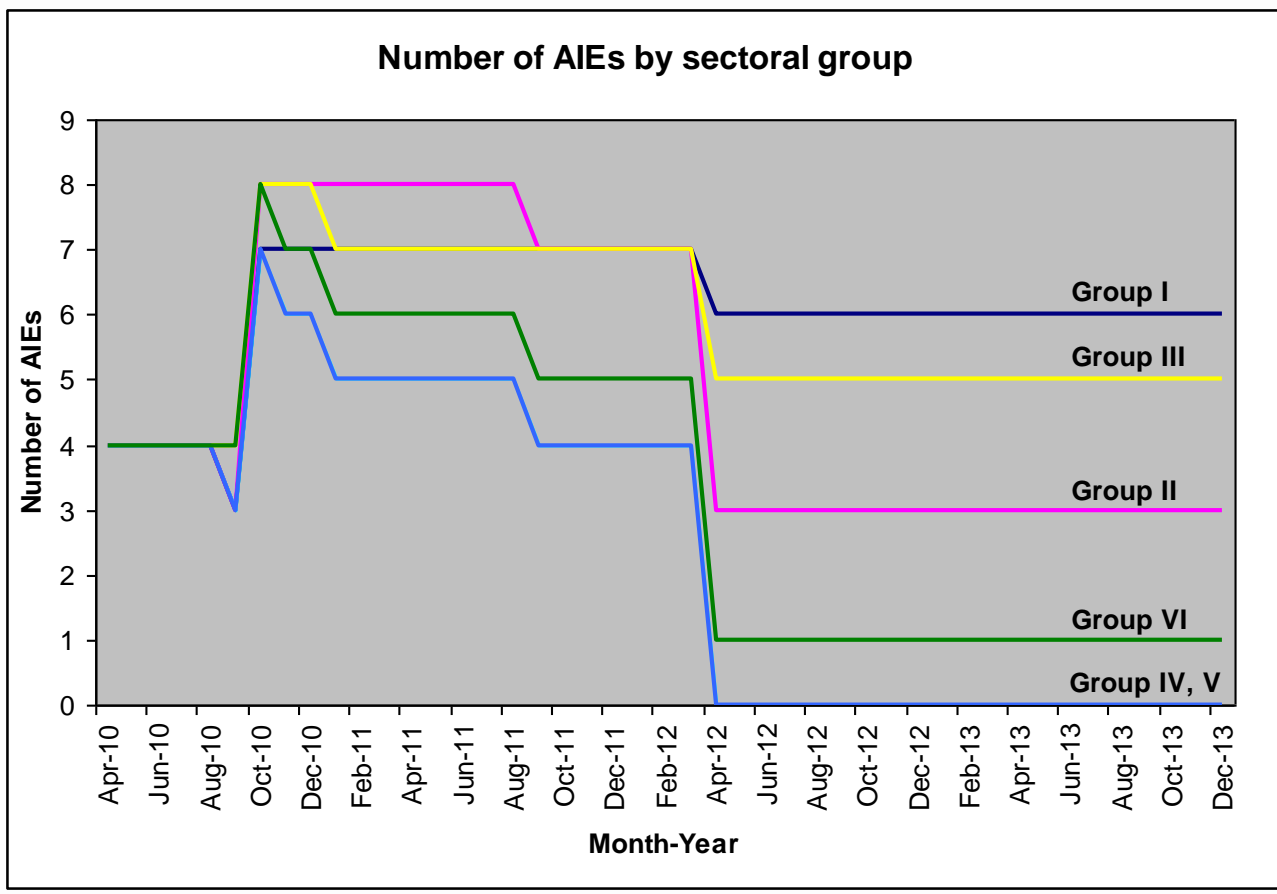
Options for changing witnessing activity process

Twenty-first meeting of the Joint Implementation Supervisory Committee

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Assumptions

1. Witnessing already identified by IEs will be initiated within 6 months (i.e. by Sep 2010) and completed successfully
2. No new witnessing opportunities will be identified

Call for input

- Targeted call: DOE/AIE coordination forum, JIAG and PD Forum
- To collect further information on the problems, if any, that they are facing regarding the witnessing activity stage
- Call period: 25 February – 5 March 2010
- Six inputs (from five IEs and one project participant group) received

Inputs - main obstacles for identifying witnessing projects

- Only a small number of JI projects exist in the market → limited choice
- Hesitation by project participants due to:
 - Additional time required for completing determination/verification
 - Extra work and efforts for project participants may be required
 - Some project participants ask for no or low payment to IE in return
 - Tendency to use already accredited IEs
 - Possible switching of the project to Track 1
 - Fear of increase scrutiny of the project
 - Uncertainty about timeline of witnessing activities

Inputs - possible solutions

- Allow IE to submit a part of documentary evidence required for witnessing activity for a quick start before IE completes determination/verification
- Develop a modality for more flexible and less formal communication between IE and JI-AT
- Allow Track 1 projects for witnessing activities
- Revise grouping of sectoral scopes (merging the groups containing the scopes with small number of JI projects in the market)
- Replace witnessing activities by “performance assessment” like the CDM
- Establish a clear timeline for each witnessing activity and commitment to stick to it by both IE and JI-AT
- Issue a clear guidance that the same IE may conduct both determination and verification regarding the same project

Other area for consideration

- Improve the project participants’ understanding of the witnessing activity process (purpose, modality and implications on their projects)

Option 1

- Status quo (as it is important to check the IEs' performance in each sectoral group for the JISC to be assured of their competence)

Option 2

- Reduce the number of ex-post witnessing activities by:
 - Reducing the number of sectoral groups, and/or
 - Not requiring all sectoral group to be witnessed

Option 3

- Prolong the deadline for initiation of ex-post witnessing activities (e.g. within 2.5 years from initial accreditation)

Option 4

- Abolish witnessing activities and accredit IEs after successful on-site assessment, but introduce "performance assessment" (CDM approach)

Option 5

- Require one successful witnessing activity for accreditation, but replace ex-post witnessing activities with "performance assessment"

Options for changing witnessing activity process | Pros and cons

	Pros	Cons
Option 1	<ul style="list-style-type: none"> • Can check performance before accreditation and each sectoral group • Equal treatment for all IEs 	<ul style="list-style-type: none"> • Does not solve difficulty in finding projects for witnessing
Option 2	<ul style="list-style-type: none"> • Can check performance before and after accreditation • Reduce difficulty in finding projects for witnessing 	<ul style="list-style-type: none"> • Does not completely solve difficulty in finding projects for witnessing • Reduce assurance of IEs' competence in different sectoral group
Option 3	<ul style="list-style-type: none"> • Allow more time to find projects for witnessing • Revision of accreditation procedure can be quickly done 	<ul style="list-style-type: none"> • Does not solve difficulty in finding projects for witnessing
Option 4	<ul style="list-style-type: none"> • Solves difficulty in finding projects for witnessing • Enables random checking of performance • May not require additional time for projects 	<ul style="list-style-type: none"> • No check of performance before accreditation • May be unfair for those already have gone through a witnessing activities
Option 5	<ul style="list-style-type: none"> • Significantly reduce difficulty in finding projects for witnessing • Enables random checking of performance • May not require additional time for projects 	<ul style="list-style-type: none"> • Does not completely solve difficulty in finding projects for witnessing

Option 5

- Require one successful witnessing activity for accreditation, but replace ex-post witnessing activities with “performance assessment”

Additional recommendations

- Introduce a time limit for submission of documentary evidence after the acceptance of witnessing opportunity by the JI-AT leader
- Provide guidance on modalities of performance assessment to the JI-AP
 - JI-AP's preliminary consideration on the modality of performance assessment*
 - Random selection of projects submitted to the project cycle
 - Selection of projects takes into account sectoral grouping
 - Number of assessment takes into account the IE's volume of work (number of submission to the project cycle)
- Provide guidance on other areas raised in the call for inputs