

DOE/AIE Forum | *Martin Enderlin* | 21 June 2011

JISC-25: Relations with AIEs and applicant Independent Entities

Agenda

- Submissions by AIEs since JISC 24
- Inputs by AIEs and DIA to JISC-25 agenda
- Input by AIEs and DIA from EB61

Submissions by AIEs since JISC 24

- BVC submission: „Prior consideration in JI“:
 - Request for Clarification submitted on May 6, 2011, as follow-up from a RfC by DNV on behalf of Global Carbon (Feb. 21/18 respectively, 2011) and UNFCCC reply (March 23, 2011)
- Earlier communications on this issue are somewhat inconsistent and we are awaiting the clarification from JISC to get updated
- This is an important issue concerning additionality determination and the decision will influence the work AIEs do as well as the perception of JI track-2 in the marketplace

Inputs by AIEs and DIA to JISC-25 agenda (1)

- Annex 1: Draft procedures on public availability of docs under verification , V.2
 - Accreditation by 31.12.2012 is crucial: determinations valid only after accreditation is finalized (§4c)
 - Encouraged to finalize within 6 months after GSP (§12): OK
 - Semi-annual reporting (§13):
for each project individually? Form requirements?
Rationale and work implications.

Inputs by AIEs and DIA to JISC-25 agenda (2a)

- Annex 2: Draft procedures for reviews under verification , V.3 – for determinations and verifications
 - Electronic decision making (Dec.4/CMP6) for triggering RfRs not within 14-30 days before a JISC meeting: OK.
 - Practicalities: how often – value added ? Need for discussions – conf calls ? (§11b, §33b)

Inputs by AIEs and DIA to JISC-25 agenda (2b)

- Annex 2: Draft procedures for reviews cont.
 - More detailed review required (§13c, §35c): OK.
May draw on roster of experts – experts, as appropriate (soft wording)
 - Review process:
efficient (contact persons, short timelines) §15-17, §37-39, transparent (scope & team composition = public), flexible (further interaction possible §18/40, if time allows (i.e.?) and in writing only (how about conf call with Q&A?)

Inputs by AIEs and DIA to JISC-25 agenda (2c)

- Annex 2: Draft procedures for reviews cont.

- Decision: in a meeting (§22, not (!) §46))

- Costs: AIEs to reimburse if malfeasance or incompetence (§6, §49).

Requires common understanding / clear definition of «incompetence»

No comparable consequences for deficits in regulations / guidance / standards? Delays: legal obligations and alternative costs.

Inputs by AIEs and DIA to JISC-25 agenda (3)

- Annex 3: Draft procedures for appraisals of determinations, V.2
 - Replacement of two JISC members by two individual experts, §16-20 (no Sec appraisals, compilation only): O.K., however open core issues:
 - Competence (§16: how to check; not same experts in determination as in verification: role/mandate?)
 - Conflict of Interest: how defined/determined, perceived vs. real CoI (§17). Definition needed.

Inputs by AIEs and DIA to JISC-25 agenda (4a)

- Annex 4: Draft guidance on criteria for baseline setting and monitoring, V.3
 - Core document, useful clarifications regarding options to determine baseline, incl. JI specific approach (§9-§12)
 - Good multiplier/accelerator that may open a gate: case law, if explained and justified (§9c/§12),
 - „CDM meth in totality approach“ (§12) likely not relevant for similiar, second case projects as §11/12 may build on case law. More careful drafting required: §12 „... (c) oben.“ should likely read „... (9b) above.)

Inputs by AIEs and DIA to JISC-25 agenda (4b)

- Annex 4: Draft guidance on criteria for baseline setting and monitoring, V.3
 - Leakage threshold (§18): good - in line with earlier guidance on materiality (rule of thumb: less than 1% of delta baseline vs. Project or 2k CO₂e, what ever is lower.)
 - Need to provide evidence if start date is before determination date (Annex 1, A: Additionality, last para (number 4 missing): core element on credibility of JI as market mechanism !

Inputs by AIEs and DIA to JISC-25 agenda (4c)

- Annex 4: Draft guidance on criteria for baseline setting and monitoring, V.3

- Annex 1, A. Additionality, last para (§4 no number): AIEs favour clear guidance and environmental integrity:

„If a starting date of a JI project is before the date of determination, **it is [not] mandatory** to provide evidence that the incentive from the JI was seriously considered in the decision to proceed with the JI project.“

Inputs by AIEs and DIA to JISC-25 agenda (5)

- Annex 5: Information note on the revision of the guidance on criteria for baseline setting and monitoring
 - CDM additionality tool (§25-§27): see slide 3 (BVC submission) and slide 11 (Annex 4, Annex 1, §4 no number): Prior consideration of JI is an implicit requirement for baseline scenario setting. No demonstration and checking of prior consideration of JI would simply not make sense as every project built with lower emissions would be additional and automatically eligible.

Inputs by AIEs and DIA to JISC-25 agenda (6)

- Annex 6: Draft recommendations on options for JI
 - No political statements as DOE/AIE Forum Co-chair.
 - Highlight §23: „The specific value of JI, and in particular JI under the international oversight of the Track 2 procedure, rest in its ability to give integrity and value to the measurement and issuance of [ADDITIONAL] offset credits in a way that a single Party working in isolation is not able to achieve.“

Inputs by AIEs and DIA to JISC-25 agenda (7)

- Annex 7: Draft ToRs DFP Forum
 - AIEs welcome a specific DNA Forum for DFPs.
 - „... subject to availability of ressources“ (§13)
=> Ressources (priority) given AIJ phase and timing ?
 - => DNA Forum => DFP Forum
 - => DOE/AIE Forum

Inputs by AIEs and DIA to JISC-25 agenda (8)

- Annex 8: Draft communications and outreach plan
 - AIEs welcome a communications plan.
 - „Communications and Outreach Working Group (COWG)“ (§4) => target group (§10):
Governments/Parties (not DFPs or PPs))
 - Ressources (priority) given AIJ phase and timing ?

Input by AIEs and DIA from EB61

- EB61, Annex 12: Tool to calculate the emission factor for an electricity system, V.02.2.0
 - Explicitly expressed that the tool is not applicable, if the project electricity system is located partially or totally in an Annex I country
 - Clarification by the JISC report is requested that GEF tool can still be applied in JI

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on behalf of TÜV SÜD

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