



## Joint Implementation Action Group

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Joint Implementation Supervisory Committee  
Attn. Mr. Leguet  
P.O. Box 260124  
D-53153 Bonn  
Germany

Subject: Witnessing as part of the Accreditation of Independent Entities

Dear Chair of the Joint Implementation Supervisory Committee (JISC),  
Dear members and alternate members of the JISC,

The Joint Implementation Action Group (JIAG) welcomes the opportunity to share its views on the accreditation of Independent Entities (IEs).

### **Background**

The current AIEs accreditation procedure may result in a shortage of accredited IEs in specific sectoral scopes. Under the currently applicable procedure, the successful witnessing in a particular sectoral group results in the accreditation of the IE for a period of 18 months. This process is called ‘initial witnessing’. Within 18 months the IE should initiate a witnessing activity for either the determination or verification function for all the remaining sectoral groups<sup>1</sup> not previously witnessed. This is called the ‘confirmation of accreditation’. Failure of such confirmation leads to the suspension of the IEs accreditation for the sectoral groups for which witnessing has not been initiated.<sup>2</sup> To date four AIEs have passed an initial witnessing (TÜV SÜD, BVC Holding SAS, SGS, DNV).<sup>3</sup>

The JISC at its twentieth meeting held at 23-24 February 2010, considered the response from the Joint Implementation Accreditation Panel (JI-AP) on earlier suggestions from the DOE/AIE Coordination Forum to streamline the witnessing procedure. Before deciding on different options to facilitate the accreditation procedure, the JISC decided to request the DOE/AIE Coordination Forum, JIAG and the Project Developers Forum ‘to provide further information on the problems, if any, that they are facing regarding the stage of witnessing activities.’

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<sup>1</sup> The ‘List of sectoral scopes (Version 02)’ categorises the 15 sectoral scopes under JI in six sectoral groups.

<sup>2</sup> P-JI-ACCR-02, Procedure for accrediting independent entities by the joint implementation supervisory committee (Version 04).

<sup>3</sup> <http://ji.unfccc.int/AIEs/List.html>, site visited at 11 march 2010.

### **JIAG's suggestions on the accreditation procedure**

The JIAG welcomes the improvement that the JISC has made to the accreditation process in the past. The decision to allow either project determination or verification as witnessing activity removed an important bottleneck in the accreditation of IES.

The JIAG is aware of constraints in the accreditation process due to a limited number of new JI projects available for witnessing. There have also been cases where witnessing activities were affected when the projects itself were stalled due to issues not related to the determination or verification but related to, for example, project financing or implementation. The uncertainty regarding a post-2012 international climate treaty is likely to keep the availability of projects for witnessing activities limited.

The JIAG notices reluctance from project participants and project developers to propose their project determination or verification for usage as a witnessing activity because of:

- a) concerns that witnessing will require extra work and efforts during determination (e.g. participation of accreditation team members at site visit),
- b) concerns that for project under witnessing applicant IE could exercise increased scrutiny in anticipation of assessment by the accreditation team.

In both cases the project that is part of a witnessing activity may face delays compared to projects that are not used as witnessing activity. Since timely determination and verification is commercially important, the risk of delays creates a serious barrier. An aspect where witnessing may create delays is the organisation of the site visit.

It is important to ensure that witnessing activities do not prevent a timely finalization of determination or verification. It may thus be instructive to have timelines drawn up for the detailed steps required when having witnessing conducted during a determination and verification respectively and have both IES and the Secretariat commit to these timelines. Defining a maximum duration for witnessing may also address hesitance from project developers and owners to propose their projects for witnessing activities.

Another way of alleviating a potential bottleneck will be for the JISC or Secretariat to issue clear guidance that allows the same IE to conduct both determination and verification on a project. Currently there is uncertainty as to whether the requirements under the CDM to obtain prior consent could at some point appear under JI. Even though there is no such requirement in JI regulations and guidance today, issuing a clarification or further guidance that no prior consent is required and projects where the same IE have conducted verification as well as determination will be subject to the same procedure and scrutiny as any other project will certainly contribute to alleviating bottlenecks.

Since the information and views expressed by the JIAG in this letter contain commercially sensitive information, the JIAG appreciates that the Secretariat and JIAG keeps its content confidential and uses it only in an anonymous manner.

With kind regards,

Lennard de Klerk  
JIAG Chair

## Annex 1: JIAG Members

<b>JIAG members</b>		
	<b>Company</b>	<b>Nominated representative</b>
1	Global Carbon (chair)	Mr. Lennard de Klerk
2	Climate Focus (secretariat)	Ms. Charlotte Streck, Mr. Jelmer Hoogzaad
3	Core Carbon Group	Mr. Morten Prehn Sorensen
4	Camco International	Mr. Charles Purshouse
5	Vertis Environmental Finance	Mr. James Atkins
6	Carbon Trade & Finance	Mr. Ingo Ramming
7	FutureCamp	Mr. Roland Geres
8	GreenStream Network	Ms Hanna-Mari Ahonen