

- has established its assigned amount; and
- has a national registry in place.

2.4 The Verification Procedure

Verification of the Project Design Document (PDD)

Project participants must submit a project design document to an Accredited Independent Entity (AIE) with the information needed for the determination of whether a project:

- was approved by parties involved;
- would result in a reduction of anthropogenic emissions by sources or an enhancement of removals by sinks;
- has an appropriate baseline and monitoring plan. JI project baselines shall be established on a project specific basis and/or using a multi-project emission factor⁸.

The PDD shall be made publicly available. A period of 30 days is provided for comment by Parties, stakeholders and UNFCCC accredited observers. The AIE shall then determine whether in fact the PDD meets the above criteria and whether project participants have submitted an analysis of the environmental impact of project activity, as required. The AIE shall make their determination publicly available. The determination will be deemed final 45 days after the date it was submitted unless a review is requested by a Party involved, or three members of the Article 6 Supervisory Committee. Such a review should be completed as soon as possible but no later than six months after the AIEs determination was made public.

Verification of ERUs

The AIEs will also make a determination regarding the reductions of anthropogenic emissions by sources or removals by sinks upon receipt of a report prepared by the project participants. At this stage as well, if neither of the Parties involved, nor at least three members of the Article 6 Supervisory Committee request a review of this determination, it will be deemed final 15 days after its publication. On the other hand, if a review is requested, the Article 6 Supervisory Committee shall:

- decide whether to perform a review within 30 days of its request;
- complete the review within an additional 30 days; and
- inform the project participants and publish its decision.

ERUs may be issued and transferred by the host Party once reductions have been verified. The host Party must still, as noted above, be a Party to the Protocol, have established assigned amount and have in place a national registry for tracking the assigned amount

⁸ Report on COP 7 Addendum 2, FCCC/CP/2001/13 Add 2. *Appendix B to the Draft Decision -/CMP.1 (Article 6)*. Paragraph 2(a), page 18. January 21, 2002. Multi-project baselines are standardised baselines that are applicable to more than one project. Their inclusion will serve to lower the transaction costs for JI projects.