



**UNITED
NATIONS**



**Framework Convention
on Climate Change**

Distr.
GENERAL

FCCC/TP/2010/1
21 April 2010

ENGLISH ONLY

Options for methodologies for the collection of international transaction log fees

Technical paper

Summary

Building on submissions from Parties on the approach to be taken by the Executive Secretary with regard to the collection of international transaction log (ITL) fees, this paper presents various options for methodologies for the collection of these fees, including options for calculating fee levels and other modalities related to the collection of fees such as the treatment of new users and actions to be taken in the case of non-payment.

This paper also presents a comparison of these options against five criteria: predictability, stability, complexity, administrative overheads and the adherence to the 'user pays' principle. The potential impact of the draft European Union registry regulation on the collection of ITL fees is also discussed.

Parties may wish to use the information contained in this paper as they consider a methodology for the collection of ITL fees during the thirty-second session of the Subsidiary Body for Implementation.

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I. Introduction

A. Mandate

1. By its decision 10/CMP.5, the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) requested the secretariat to prepare a technical paper on options for methodologies for the collection of international transaction log (ITL) fees, including proposals contained in submissions from Parties¹ and based on the information provided by the ITL administrator in its annual report for 2009.²

B. Background

2. The CMP, by its decision 34/CMP.1, authorized the Executive Secretary to collect fees from users of the ITL, as an additional income to the Trust Fund for Supplementary Activities in the biennium 2006–2007.

3. The Subsidiary Body for Implementation (SBI), at its twenty-fifth session,³ invited Parties to the Convention that are also Parties to the Kyoto Protocol to submit to the secretariat their views⁴ on an approach to be taken by the Executive Secretary as regards the collection of fees from users of the ITL with a view to the ITL becoming self-sustaining as soon as possible.

4. The CMP, by its decision 11/CMP.3, recognized that, in order to ensure sufficient and stable funding of the ITL in the biennium 2008–2009, an interim measure was necessary in order to meet the ITL resource requirements, during which time information on transactions could be gathered. By the same decision, the CMP adopted an indicative ITL scale of fees for the biennium 2008–2009 and requested the SBI to review, at its thirtieth session, the manner of distributing fees in subsequent bienniums and, where appropriate, measures to enhance the reliability and timeliness of their payment, with a view to forwarding a draft decision on this issue to the CMP for adoption at its fifth session. By the same decision, the CMP decided that this review would include the elaboration of a methodology for calculating user fees, including the clean development mechanism (CDM) registry, inter alia, on the basis of the volume of transactions.

5. In its annual report for 2008,⁵ the ITL administrator noted that, owing to the lateness in connecting 28 national registries, there was insufficient information available regarding the frequency, size and/or type of transactions processed by the ITL which would facilitate the approach to ensure sufficient and stable funding for the ITL, as envisaged by decision 11/CMP.3.

6. The CMP, at its fourth session,⁶ recognized that there was insufficient information on transactions in the ITL and requested the ITL administrator to compile sufficient information and provide it in the annual reports of the ITL administrator for 2009 and 2010. The CMP invited Parties to the Convention that are also Parties to the Kyoto Protocol to submit to the secretariat their views⁷ on an approach to be taken by the Executive Secretary with regard to the collection of ITL fees with a view to ensuring sufficient and stable funding for the ITL.⁸

7. The CMP, by its decision 10/CMP.5, adopted the fees and scale of fees for the ITL for the biennium 2010–2011. By the same decision, the CMP invited Parties to the Convention that are also

¹ Contained in documents FCCC/SBI/2010/MISC.4 and FCCC/SBI/2009/MISC.3 and Add.1.

² FCCC/KP/CMP/2009/19.

³ FCCC/SBI/2006/28, paragraph 118.

⁴ Contained in document FCCC/SBI/2007/MISC.1.

⁵ FCCC/KP/CMP/2008/7.

⁶ FCCC/KP/CMP/2008/11, paragraph 67.

⁷ Contained in document FCCC/SBI/2009/MISC.3 and Add.1.

⁸ FCCC/KP/CMP/2008/11, paragraph 68.

Parties to the Kyoto Protocol to submit to the secretariat their additional views⁹ on the approach to be taken by the Executive Secretary with regard to the collection of ITL fees. The CMP, by the same decision, requested the secretariat to prepare this paper (see para. 1 above) and requested the SBI to consider, at its thirty-second session, the submissions from Parties regarding the collection of ITL fees, this paper and the information on transactions of Kyoto Protocol units contained in the annual report of the ITL administrator for 2009, and to propose to the CMP to consider, at its sixth session, a methodology for the collection of ITL fees for the biennium 2012–2013 that will ensure sufficient and reliable funding for the ITL.

8. The annual report of the ITL administrator for 2009 contains information on the number of transactions of Kyoto Protocol units and number of units involved in such transactions. The report notes that the number of units transferred in each transaction varies significantly between transactions.¹⁰ The report also notes that the cost optimization measures taken by the secretariat with regard to the ITL expenditure, combined with the decision to manage the ITL budget in euros, have led to an ITL that is self-sustaining, given the current funding level, expenditure and methodology to collect ITL user fees.

C. Scope of the paper

9. This paper presents different options for methodologies for the collection of ITL fees, based on relevant submissions from Parties. An in-depth analysis of several options to determine the level of ITL fees for each Party is presented, including a simulation of the ITL fees for each Party for future bienniums, should the ITL budget remain constant.

10. This paper also presents a comparison of all the outlined options for methodologies against five defined criteria: predictability, stability, complexity, administrative overheads and adherence to the ‘user pays’ principle. Finally, it discusses the potential impact of the draft European Union registry regulation on the collection of ITL fees.

D. Possible action by the Subsidiary Body for Implementation

11. The SBI, at its thirty-second session, may wish to consider this paper, the submissions from Parties regarding the collection of ITL fees and the information on transactions contained in the annual report of the ITL administrator for 2009, and to request the CMP to consider, at its sixth session, a methodology for the collection of ITL fees for subsequent bienniums that will ensure sufficient and reliable funding for the ITL.

II. Description of different methodologies to collect international transaction log fees

A. Options for determining the level of international transaction log fees

12. The options for determining the level of ITL fees presented in this paper have been drawn, on the one hand, from the various submissions from Parties referred to in paragraph 1 above and, on the other hand, from relevant established practices in similar markets such as financial markets.

13. For each option in determining the level of ITL fees presented in this paper, a table has been included with a projection for each Party of its fees and scale of fees for the biennium 2012–2013, under the assumption that the ITL budget for this biennium is equal to the approved budget for the biennium 2010–2011 (EUR 6,028,846). These tables are all structured in a similar manner and list the same Parties as the table in annex II to decision 10/CMP.5. The structure and content of these tables should facilitate the comparison of the various options for determining the level of ITL fees. In addition, the annex to this paper contains a summary table for all options.

⁹ FCCC/SBI/2010/MISC.4.

¹⁰ FCCC/KP/CMP/2009/19, paragraph 77.

1. Option 1: current methodology

14. The first option for calculating the level of ITL fees is to apply the current methodology to collect these fees. The way in which ITL fee levels are determined for the biennium 2010–2011 is based on an indicative scale of contributions from Parties to the Kyoto Protocol adjusted for ITL users.¹¹ For each Party, fees for 2010 are equal to fees for 2011. The CDM registry is not listed as an ITL user and therefore this scale does not apply to it. A similar scale¹² was used as a basis for the methodology to collect ITL fees for the biennium 2008–2009.

15. Many Parties, including China, Japan, Liechtenstein, and Spain and the European Commission on behalf of the European Union and its member States, have expressed views that support this option.

16. Table 1 shows the projection of the fees and scale of fees for this option. This projection corresponds to the approved fees and scale of fees for the biennium 2010–2011.

**Table 1. Fees and scale of fees for option 1:
current methodology**

Party	Fees for 2012 (EUR)	Fees for 2013 (EUR)	Scale of fees (per cent)
Australia	70 609	70 609	2.342
Austria	45 482	45 482	1.509
Belgium	56 517	56 517	1.875
Bulgaria	1 019	1 019	0.034
Canada	130 330	130 330	4.324
Croatia	32 062	32 062	1.064
Czech Republic	14 413	14 413	0.478
Denmark	37 882	37 882	1.257
Estonia	815	815	0.027
European Union	76 928	76 928	2.552
Finland	28 914	28 914	0.959
France	305 647	305 647	10.139
Germany	439 762	439 762	14.589
Greece	30 544	30 544	1.013
Hungary	12 521	12 521	0.415
Iceland	21 139	21 139	0.701
Ireland	22 828	22 828	0.757
Italy	260 427	260 427	8.639
Japan	428 028	428 028	14.199
Latvia	932	932	0.031
Liechtenstein	5 387	5 387	0.179
Lithuania	1 601	1 601	0.053
Luxembourg	4 368	4 368	0.145
Monaco	5 183	5 183	0.172
Netherlands	96 029	96 029	3.186
New Zealand	27 516	27 516	0.913
Norway	66 446	66 446	2.204

¹¹ See decision 11/CMP.3, annex I.

¹² The ITL scale of fees for the biennium 2008–2009 did not include Australia and Croatia, as they became users of the ITL after decision 11/CMP.3 was adopted.

Table 1 (continued)

Party	Fees for 2012 (EUR)	Fees for 2013 (EUR)	Scale of fees (per cent)
Poland	25 682	25 682	0.852
Portugal	27 021	27 021	0.896
Romania	3 581	3 581	0.119
Russian Federation	78 588	78 588	2.607
Slovakia	3 232	3 232	0.107
Slovenia	4 921	4 921	0.163
Spain	152 168	152 168	5.048
Sweden	54 916	54 916	1.822
Switzerland	79 054	79 054	2.623
Ukraine	21 372	21 372	0.709
United Kingdom of Great Britain and Northern Ireland	340 559	340 559	11.298
Total	3 014 423	3 014 423	100.000

2. Option 1A: current methodology adapted for new users

17. A variation of option 1 is to adapt the current methodology for new users. The methodology to collect ITL fees for the biennium 2008–2009 contains a provision¹³ that allows the ITL fees for new users to be calculated. This provision was applied to Australia and Croatia during that biennium. The scale of fees for these Parties differed significantly from the indicative scale of contributions from Parties to the Kyoto Protocol adjusted for ITL users. Hence, it would seem appropriate to review the scale of fees for Australia and Croatia (and consequently all other Parties, as the share of fees for individual users must total 100 per cent) and make it equal to the indicative scale of contributions from Parties to the Kyoto Protocol adjusted for ITL users.

18. Croatia has expressed a view that supports this option.

19. Table 2 shows a projection of the ITL fees and scale of fees for this option.

**Table 2. Fees and scale of fees for option 1A:
current methodology adapted for new users**

Party	Fees for 2012 (EUR)	Fees for 2013 (EUR)	Scale of fees (per cent)
Australia	81 902	81 902	2.717
Austria	45 776	45 776	1.519
Belgium	56 879	56 879	1.887
Bulgaria	1 031	1 031	0.034
Canada	131 170	131 170	4.351
Croatia	2 292	2 292	0.076
Czech Republic	14 500	14 500	0.481
Denmark	38 132	38 132	1.265
Estonia	819	819	0.027

¹³ Decision 11/CMP.3, paragraph 10.

Table 2 (continued)

Party	Fees for 2012 (EUR)	Fees for 2013 (EUR)	Scale of fees (per cent)
European Union	77 416	77 416	2.568
Finland	29 092	29 092	0.965
France	307 571	307 571	10.203
Germany	442 563	442 563	14.682
Greece	30 730	30 730	1.019
Hungary	12 589	12 589	0.418
Iceland	21 265	21 265	0.705
Ireland	22 964	22 964	0.762
Italy	262 067	262 067	8.694
Japan	430 732	430 732	14.289
Latvia	940	940	0.031
Liechtenstein	5 430	5 430	0.180
Lithuania	1 608	1 608	0.053
Luxembourg	4 399	4 399	0.146
Monaco	5 218	5 218	0.173
Netherlands	96 649	96 649	3.206
New Zealand	27 696	27 696	0.919
Norway	66 859	66 859	2.218
Poland	25 846	25 846	0.857
Portugal	27 181	27 181	0.902
Romania	3 610	3 610	0.120
Russian Federation	79 084	79 084	2.624
Slovakia	3 246	3 246	0.108
Slovenia	4 945	4 945	0.164
Spain	153 133	153 133	5.080
Sweden	55 271	55 271	1.834
Switzerland	79 570	79 570	2.640
Ukraine	21 508	21 508	0.713
United Kingdom of Great Britain and Northern Ireland	342 729	342 729	11.370
Total	3 014 423	3 014 423	100.000

20. The provision referred to in paragraph 17 above for dealing with new users is part of the agreed methodology for the biennium 2010–2011. If this provision were applied to a new user during this biennium, it would probably result in applying fees that would significantly differ from the indicative scale of contributions from Parties to the Kyoto Protocol adjusted to ITL users. Parties may wish to consider this point when considering a methodology for the collection of ITL fees.

3. Option 2: number of transactions

21. The level and scale of ITL fees can be determined on the basis of the number of transactions of Kyoto Protocol units proposed by each user of the ITL through its registry.

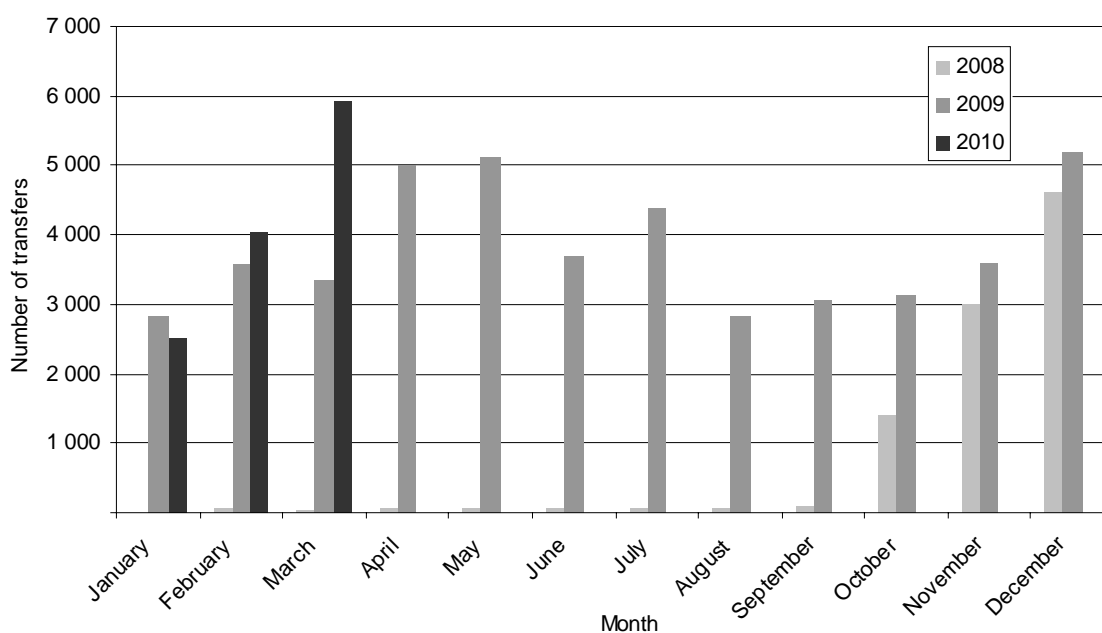
22. Liechtenstein has expressed a view that supports this option.

23. Detailed information on the number of transactions proposed by each Party, per transaction type, is provided in annex IV to the annual report of the administrator of the ITL for 2009. This information covers a full calendar year, from 1 November 2008 to 31 October 2009, and serves as a basis for the computation of all fees and scale of fees related to the number of transactions in this paper.

24. When considering transactions of Kyoto Protocol units, questions may arise as to which transaction types and which unit types to consider when designing a methodology to collect ITL fees. Regarding transaction types, it seems reasonable to consider transfers between national registries that occur as a result of emissions trading under Article 17 of the Kyoto Protocol and to exclude transaction types related to the fulfilment of commitments under Article 3 of the Kyoto Protocol. As emissions trading under Article 17 covers trading of all Kyoto Protocol unit types, it also seems reasonable to apply the methodology to all transfers between national registries regardless of the Kyoto Protocol unit types.

25. Figure 1 shows the number of completed transfers of Kyoto Protocol units between registries for each month from 1 January 2008 to 31 March 2010. This figure indicates that it is not possible to predict how many transfers will be completed in the coming months based on the data currently available.

Figure 1. Number of completed transfers of Kyoto Protocol units for the period from 1 January 2008 to 31 March 2010



26. A question arises as to whether transfers originating from a national registry or transfers acquired by a national registry or both should be considered. In order to prevent double counting and ensure that the Party responsible for proposing the transfer is accountable for it, this paper only considers transfers originating from each national registry. Finally, in order to prevent disagreement regarding the figures used, only successfully completed transfers are considered, as the units involved in such transfers are reconciled on a daily basis between the ITL and the registries concerned (and hence a basis for resolving potential disagreement on the figures is available). Transfers resulting in discrepancies following automated checks performed by the ITL, such as those highlighted in paragraph 42 of the annex to decision 13/CMP.1, are not taken into account.

27. Table 3 below shows a projection of the ITL fees and scale of fees for this option, considering the modalities contained in paragraphs 24 and 26 above.

**Table 3. Fees and scale of fees for option 2:
number of transactions**

Party	Fees for 2012 (EUR)	Fees for 2013 (EUR)	Scale of fees (per cent)
Australia	0	0	0.000
Austria	86 009	86 009	2.853
Belgium	23 978	23 978	0.795
Bulgaria	424	424	0.014
Canada	0	0	0.000
Croatia	0	0	0.000
Czech Republic	65 426	65 426	2.170
Denmark	840 075	840 075	27.869
Estonia	2 759	2 759	0.092
European Union	0	0	0.000
Finland	20 936	20 936	0.695
France	601 428	601 428	19.952
Germany	230 018	230 018	7.631
Greece	10 327	10 327	0.343
Hungary	15 773	15 773	0.523
Iceland	0	0	0.000
Ireland	7 285	7 285	0.242
Italy	43 570	43 570	1.445
Japan	3 112	3 112	0.103
Latvia	4 598	4 598	0.153
Liechtenstein	141	141	0.005
Lithuania	12 378	12 378	0.411
Luxembourg	2 193	2 193	0.073
Monaco	0	0	0.000
Netherlands	188 782	188 782	6.263
New Zealand	1 061	1 061	0.035
Norway	3 749	3 749	0.124
Poland	54 534	54 534	1.809
Portugal	39 256	39 256	1.302
Romania	25 534	25 534	0.847
Russian Federation	0	0	0.000
Slovakia	30 485	30 485	1.011
Slovenia	4 102	4 102	0.136
Spain	171 170	171 170	5.678
Sweden	18 107	18 107	0.601
Switzerland	178 596	178 596	5.925
Ukraine	1 627	1 627	0.054
United Kingdom of Great Britain and Northern Ireland	326 990	326 990	10.848
Total	3 014 423	3 014 423	100.000

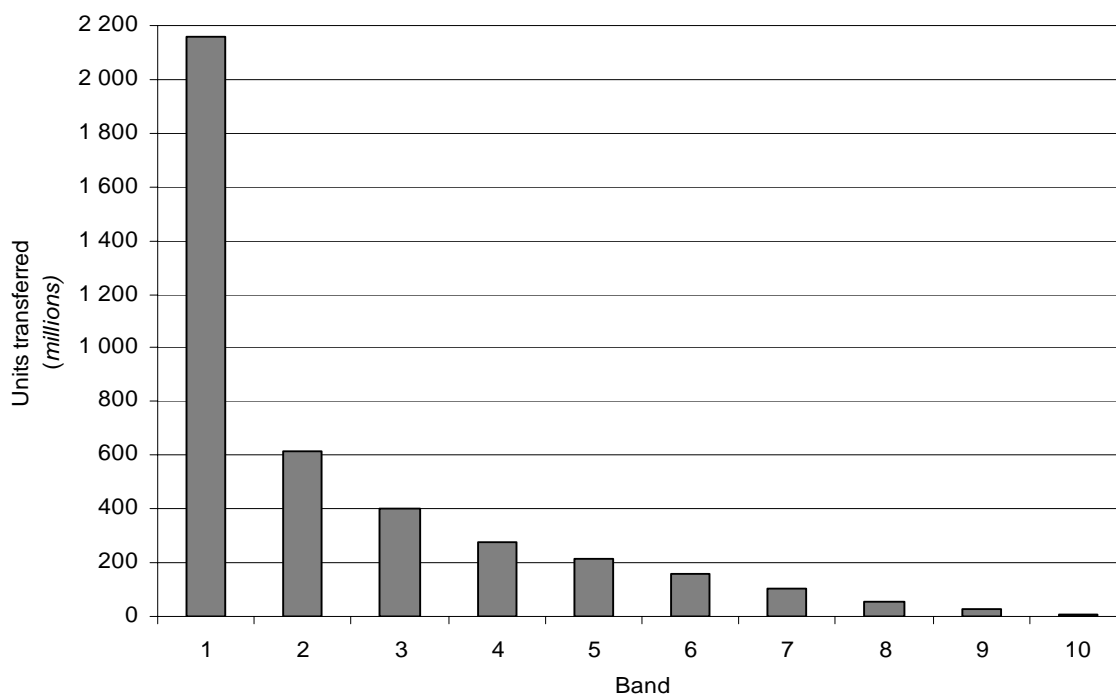
28. If fees were collected using this methodology, significant variations from the current ITL fees would occur. For example, seven Parties would pay no fees, while fees for nine Parties would at least double.

29. In table 3, the same ITL fees and scale of fees have been applied for both years of the biennium. The number of transactions could be measured on a yearly basis and hence different fees would apply to each year of the biennium.

30. It should be noted that transactions proposed by national registries to the ITL do not necessarily correspond to business transactions agreed between a buyer and a seller. Depending on the implementation details, one business transaction can result in several transactions proposed to the ITL or, conversely, one transaction proposed to the ITL can ‘clear’ several business transactions.

31. In addition, as noted in paragraph 77 of the annual report of the ITL administrator for 2009, the number of Kyoto Protocol units transferred in each transaction varies significantly between transactions. Figure 2 shows the distribution of the number of units transferred per 10 per cent transaction bands. For example, the top 10 per cent transactions (according to the number of units contained in these transactions) transferred 2,156,158,045 units while the next 10 per cent transactions transferred 615,837,798 units, and so on.

Figure 2. Distribution of number of Kyoto Protocol units transferred, grouped per 10 per cent bands



4. Option 2A: hybrid model based on number of transactions

32. An alternative option to determine the level of ITL fees is to consider a hybrid model that includes the current ITL scale and a scale based on the number of transactions. This hybrid scale reduces the significant differences from the current scale for some Parties, as noted in paragraph 28 above, while maintaining the adherence to the ‘user pays’ principle inherent in the options based on volume of transactions.

33. The Russian Federation and Switzerland have expressed views that support this option.

34. Table 4 shows the ITL fees and scale of fees for this hybrid model. The hybrid scale is calculated by assigning 70 per cent to the current scale (option 1) and 30 per cent to the scale based on the number of transactions (option 2). These percentages correspond to the contribution of the core ITL

services (maintaining the hosting environments, software, connections to national registries, national registry reviews, etc.) to the total ITL expenditures and the contribution of services related to the use of the ITL (service desk use related to transactions, support for common operational procedures, etc.) to the total ITL expenditures, respectively.

**Table 4. Fees and scale of fees for option 2A:
hybrid model based on number of transactions**

Party	Fees for 2012 (EUR)	Fees for 2013 (EUR)	Scale of fees (per cent)
Australia	49 418	49 418	1.639
Austria	57 644	57 644	1.912
Belgium	46 758	46 758	1.551
Bulgaria	845	845	0.028
Canada	91 241	91 241	3.027
Croatia	22 451	22 451	0.745
Czech Republic	29 714	29 714	0.986
Denmark	278 546	278 546	9.240
Estonia	1 397	1 397	0.046
European Union	53 850	53 850	1.786
Finland	26 517	26 517	0.880
France	394 371	394 371	13.083
Germany	376 847	376 847	12.501
Greece	24 473	24 473	0.812
Hungary	13 489	13 489	0.447
Iceland	14 792	14 792	0.491
Ireland	18 159	18 159	0.602
Italy	195 362	195 362	6.481
Japan	300 546	300 546	9.970
Latvia	2 033	2 033	0.067
Liechtenstein	3 820	3 820	0.127
Lithuania	4 832	4 832	0.160
Luxembourg	3 717	3 717	0.123
Monaco	3 629	3 629	0.120
Netherlands	123 862	123 862	4.109
New Zealand	19 583	19 583	0.650
Norway	47 631	47 631	1.580
Poland	34 338	34 338	1.139
Portugal	30 683	30 683	1.018
Romania	10 171	10 171	0.337
Russian Federation	55 010	55 010	1.825
Slovakia	11 403	11 403	0.378
Slovenia	4 670	4 670	0.155
Spain	157 869	157 869	5.237
Sweden	43 878	43 878	1.456
Switzerland	108 927	108 927	3.614

Table 4 (continued)

Party	Fees for 2012 (EUR)	Fees for 2013 (EUR)	Scale of fees (per cent)
Ukraine	15 449	15 449	0.512
United Kingdom of Great Britain and Northern Ireland	336 496	336 496	11.163
Total	3 014 423	3 014 423	100.000

35. If fees were collected using this methodology, major variations from the current fees would still occur, as fees for six Parties would at least double.

5. Option 3: number of units in transactions

36. An alternative option to calculate the level of ITL fees is to consider the number of Kyoto Protocol units proposed in transactions through a registry.

37. Detailed information on the number of Kyoto Protocol units subject to transactions proposed by each Party to the ITL, per transaction type, is provided in annex V to the annual report of the administrator of the ITL for 2009. This information covers a full calendar year, from 1 November 2008 to 31 October 2009, and serves as a basis for the computation of the ITL fees and scale of fees as shown in table 5 below.

38. Similar issues to those identified in paragraphs 24 and 26 above exist regarding the type of transactions to be considered, the type of Kyoto Protocol units to be considered, whether the fees should be computed on the basis of the originating and/or acquiring registry and the final status of transactions to be considered. For the same reasons as those explained in paragraphs 24 and 26, this paper considers all Kyoto Protocol units successfully transferred by a national registry to another national registry.

39. Table 5 shows a projection of the fees and scale of fees for this option, taking into account the modalities contained in paragraphs 24 and 26 above.

**Table 5. Fees and scale of fees for option 3:
number of units in transactions**

Party	Fees for 2012 (EUR)	Fees for 2013 (EUR)	Scale of fees (per cent)
Australia	0	0	0.000
Austria	24 971	24 971	0.828
Belgium	24 476	24 476	0.812
Bulgaria	75	75	0.002
Canada	0	0	0.000
Croatia	0	0	0.000
Czech Republic	97 249	97 249	3.226
Denmark	719 336	719 336	23.863
Estonia	385	385	0.013
European Union	0	0	0.000
Finland	10 297	10 297	0.342
France	734 435	734 435	24.364
Germany	230 211	230 211	7.637
Greece	3 409	3 409	0.113

Table 5 (continued)

Party	Fees for 2012 (EUR)	Fees for 2013 (EUR)	Scale of fees (per cent)
Hungary	16 800	16 800	0.557
Iceland	0	0	0.000
Ireland	6 079	6 079	0.202
Italy	24 667	24 667	0.818
Japan	6 042	6 042	0.200
Latvia	10 809	10 809	0.359
Liechtenstein	45	45	0.001
Lithuania	4 857	4 857	0.161
Luxembourg	861	861	0.029
Monaco	0	0	0.000
Netherlands	206 154	206 154	6.839
New Zealand	821	821	0.027
Norway	5 565	5 565	0.185
Poland	23 275	23 275	0.772
Portugal	23 110	23 110	0.767
Romania	21 362	21 362	0.709
Russian Federation	0	0	0.000
Slovakia	27 881	27 881	0.925
Slovenia	587	587	0.019
Spain	78 997	78 997	2.621
Sweden	11 588	11 588	0.384
Switzerland	149 815	149 815	4.970
Ukraine	40 427	40 427	1.341
United Kingdom of Great Britain and Northern Ireland	509 834	509 834	16.913
Total	3 014 423	3 014 423	100.000

40. If fees were determined using this option, significant variations from the current fees would occur. For example, seven Parties would pay no fee, while fees for eight Parties would at least double.

41. In table 5, the same scale has been applied for both years of the biennium. The number of Kyoto Protocol units in transactions could be measured on a yearly basis and hence different fees would apply to each year of the biennium.

6. Option 3A: hybrid model based on the number of units transferred

42. Another hybrid model to determine the level of ITL fees can be designed by considering the current scale together with the scale based on the number of units transferred. This hybrid scale also reduces the significant differences from the current scale for some Parties, while partially maintaining adherence to the 'user pays' principle.

43. Table 6 shows the fees and scale of fees for this hybrid model. The hybrid scale is calculated by assigning 70 per cent to the current scale (option 1) and 30 per cent to the scale based on the number of units transferred (option 3).

**Table 6. Fees and scale of fees for option 3A:
hybrid model based on number of units transferred**

Party	Fees for 2012 (EUR)	Fees for 2013 (EUR)	Scale of fees (per cent)
Australia	49 418	49 418	1.639
Austria	39 333	39 333	1.305
Belgium	46 907	46 907	1.556
Bulgaria	740	740	0.025
Canada	91 241	91 241	3.027
Croatia	22 451	22 451	0.745
Czech Republic	39 261	39 261	1.302
Denmark	242 325	242 325	8.039
Estonia	685	685	0.023
European Union	53 850	53 850	1.786
Finland	23 325	23 325	0.774
France	434 273	434 273	14.407
Germany	376 905	376 905	12.503
Greece	22 398	22 398	0.743
Hungary	13 797	13 797	0.458
Iceland	14 792	14 792	0.491
Ireland	17 797	17 797	0.590
Italy	189 691	189 691	6.293
Japan	301 425	301 425	9.999
Latvia	3 897	3 897	0.129
Liechtenstein	3 791	3 791	0.126
Lithuania	2 576	2 576	0.085
Luxembourg	3 318	3 318	0.110
Monaco	3 629	3 629	0.120
Netherlands	129 074	129 074	4.282
New Zealand	19 512	19 512	0.647
Norway	48 176	48 176	1.598
Poland	24 960	24 960	0.828
Portugal	25 839	25 839	0.857
Romania	8 920	8 920	0.296
Russian Federation	55 010	55 010	1.825
Slovakia	10 622	10 622	0.352
Slovenia	3 615	3 615	0.120
Spain	130 217	130 217	4.320
Sweden	41 922	41 922	1.391
Switzerland	100 292	100 292	3.327
Ukraine	27 089	27 089	0.899
United Kingdom of Great Britain and Northern Ireland	391 349	391 349	12.983
Total	3 014 423	3 014 423	100.000

44. If fees were determined using this option, major variations from the current fees would occur. For example, fees for five Parties would at least double.

7. Option 4: binary model

45. Finally, an option to calculate the level of ITL fees can be designed on the basis of a binary model. The binary model considers the current scale of fees together with an indicator that at least one transfer of Kyoto Protocol units has been performed by the Party concerned. This indicator is equal to zero if the Party did not perform any transfers during the reference period and is equal to one otherwise. The binary model is a hybrid model. Hence, percentages must be assigned to each of its components. These percentages are the percentage used for the current scale and the percentage used for the indicator component described above, respectively. Table 7 shows an example of a calculation of the binary scale for five Parties.

Table 7. Example of binary scale calculation for five Parties

Party	Transfers Kyoto Protocol units?	Current scale ^a	70 per cent of current scale	30 per cent of current scale	30 per cent of current scale adjusted for Parties that transfer Kyoto Protocol units	Binary scale
Party A	Yes	25.000	17.500	7.500	9.375	26.875
Party B	No	20.000	14.000	6.000	0.000	14.000
Party C	Yes	15.000	10.500	4.500	5.625	16.125
Party D	Yes	25.000	17.500	7.500	9.375	26.875
Party E	Yes	15.000	10.500	4.500	5.625	16.125
Total	-	100.000	70.000	30.000	30.000	100.000

^a Hypothetical current scale.

46. Table 8 shows the fees and scale of fees for the binary model. The binary model scale in this table is calculated by assigning 70 per cent to the current scale (option 1) and 30 per cent to the current scale adjusted for those Parties that transferred at least one Kyoto Protocol unit during the reference period.

Table 8. Fees and scale of fees for option 4: binary model

Party	Fees for 2012 (EUR)	Fees for 2013 (EUR)	Scale of fees (per cent)
Australia	49 418	49 418	1.639
Austria	47 665	47 665	1.581
Belgium	59 226	59 226	1.965
Bulgaria	1 074	1 074	0.036
Canada	91 241	91 241	3.027
Croatia	22 451	22 451	0.745
Czech Republic	15 099	15 099	0.501
Denmark	39 705	39 705	1.317
Estonia	853	853	0.028
European Union	53 850	53 850	1.786
Finland	30 292	30 292	1.005
France	320 264	320 264	10.624
Germany	460 828	460 828	15.287
Greece	31 998	31 998	1.061
Hungary	13 109	13 109	0.435
Iceland	14 792	14 792	0.491
Ireland	23 912	23 912	0.793
Italy	272 883	272 883	9.053

Table 8 (continued)

Party	Fees for 2012 (EUR)	Fees for 2013 (EUR)	Scale of fees (per cent)
Japan	448 509	448 509	14.879
Latvia	979	979	0.032
Liechtenstein	5 654	5 654	0.188
Lithuania	1 674	1 674	0.056
Luxembourg	4 580	4 580	0.152
Monaco	3 629	3 629	0.120
Netherlands	100 637	100 637	3.339
New Zealand	28 839	28 839	0.957
Norway	69 619	69 619	2.310
Poland	26 912	26 912	0.893
Portugal	28 302	28 302	0.939
Romania	3 759	3 759	0.125
Russian Federation	55 010	55 010	1.825
Slovakia	3 380	3 380	0.112
Slovenia	5 149	5 149	0.171
Spain	159 453	159 453	5.290
Sweden	57 552	57 552	1.909
Switzerland	82 854	82 854	2.749
Ukraine	22 395	22 395	0.743
United Kingdom of Great Britain and Northern Ireland	356 874	356 874	11.839
Total	3 014 423	3 014 423	100.000

47. Using the binary model, fees for those Parties that participate in emissions trading increase by 4.8 per cent, while fees for other Parties decrease by 30 per cent.

B. Other elements to consider when designing a methodology to collect international transaction log user fees

1. International transaction log users

48. The options for calculating the level of ITL user fees presented in paragraphs 14–47 above have considered the current ITL users, as identified in annex II to decision 10/CMP.5. However, Parties have expressed views that additional users should be considered, such as the CDM registry and supplementary transaction logs.

Clean development mechanism registry

49. Liechtenstein¹⁴ has expressed the view that the CDM registry should pay ITL user fees. The CMP, by its decision 11/CMP.3, requested the SBI to review the manner of distributing fees in subsequent bienniums, including for the CDM, inter alia on the basis of the volume of transactions. Regarding the fee level that would be applied to the CDM registry, Liechtenstein expressed the view that the CDM registry should be charged at least a flat rate based on an equal share of all ITL users.

50. The issue of collecting fees for the CDM registry appears to be complex, as Parties expressed views that would be incompatible. For example, in its submission,¹⁵ China expressed the view that “the current approach...shall continue”.

¹⁴ The submission by Liechtenstein is contained in document FCCC/SBI/2009/MISC.3.

¹⁵ Contained in document FCCC/SBI/2009/MISC.3/Add.1.

Supplementary transaction logs

51. In its submission contained in document FCCC/SBI/2009/MISC.3, Japan expressed the view that registries and supplementary transaction logs that connect to the ITL and take services from it should share the burden of payments in one way or another. In its submission, Japan does not propose a fee level that would be applied to supplementary transaction logs.

2. Treatment of new users

52. The CMP, by its decision 10/CMP.5, decided that in the event that a Party which is not a user of the ITL decides to use the ITL in the biennium 2010–2011:

- (a) User fees for the new user shall be calculated on the basis of the Party's equal share of 40 per cent of the resource requirements relating to the ITL for 2010–2011 and an additional amount equivalent to the Party's share, in accordance with the indicative scale of contributions from Parties to the Kyoto Protocol for the biennium 2010–2011, adjusted to include only ITL users, of the remaining 60 per cent of the resource requirements, with the overall user fee of the Party being made proportional to the period between the date of connection of the national registry and the end of the biennium;
- (b) Fees paid for new users are deducted from the resource requirements relating to the ITL in the next biennium.

53. Parties may wish to revise the procedure to apply for new users in the light of the experience gained in the biennium 2008–2009. Parties may wish to adopt more elaborate rules that would not penalize to such an extent Parties with limited capacities, for example by applying to these Parties the Kyoto Protocol scale adjusted to the users of the ITL, possibly increased by a small percentage (6–10 per cent seems adequate in the light of the current fee levels).

3. Procedure applied in the case of non-payment

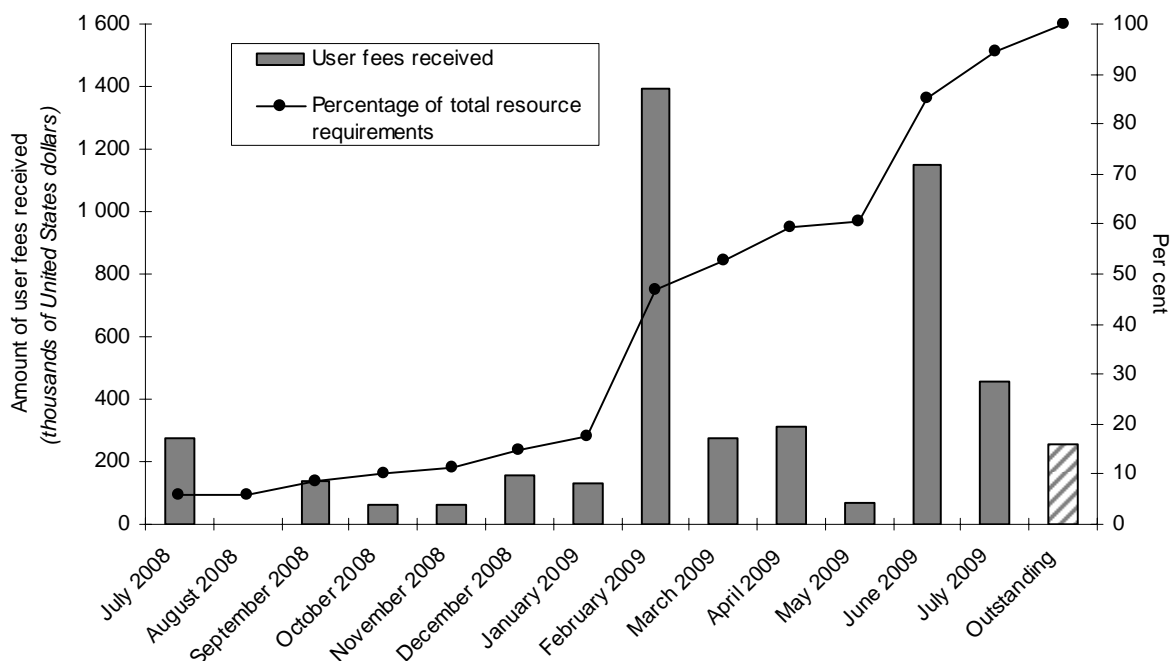
54. The current procedure applied in the case of non-payment of ITL fees is as follows:

- (a) A first reminder is sent to the Party concerned;
- (b) A second reminder is sent to the Party concerned;
- (c) A consultation takes place with the Party concerned;
- (d) A final reminder is sent;
- (e) Registry operations for the Party concerned are denied or suspended, although not earlier than four months after the beginning of the relevant calendar year.

55. This procedure could be further strengthened to enhance the reliability and timeliness of fee payments by users of the ITL. The annual report of the ITL administrator for 2009 states that “delays in receiving ITL fees from Parties have already been noted in previous annual reports of the ITL administrator. The situation has not improved in 2009, as only 60 per cent of ITL fees were received by April 2009.”¹⁶ Figure 3, reproduced from the annual report of the ITL administrator for 2009, shows the ITL fees received for 2009 in 2008 and 2009 as at 31 October 2009 and the cumulative percentage of resource requirements, by month.

¹⁶ FCCC/KP/CMP/2009/19, paragraph 69.

Figure 3. User fees for 2009 received in 2008 and 2009



4. Timing of determination of international transaction log fees

56. Due to the long administrative cycles of Parties needed to secure their budgets, it seems necessary for Parties to agree on ITL fees at the latest at the session of the SBI in May/June prior to the relevant biennium if user fees are to be collected in a timely manner. This also means that, for methodologies that rely on information on volume of transactions, only past information on transactions can be considered to determine the level of ITL user fees, unless an adjustment scheme is designed that takes into account actual information on transactions. Such an adjustment scheme, whereby actual volume of transactions is considered at the end of the biennium and user fees are either increased or decreased at the end of each budgetary period, would incur significant accounting and administrative overheads and may become impractical. Additionally, it is not clear whether past volumes of transactions can reliably predict future volumes and hence whether the ITL fees paid by a Party for a biennium are linked to the volume of transactions this Party is responsible for during this biennium.

5. Notice period

57. The CMP, by its decision 10/CMP.5, requested the Executive Secretary to notify Parties planning to use the ITL of the annual fees to cover the budget for the ITL as early as possible and at least four months in advance of the relevant calendar year. This notice period is sufficient and should allow ITL users to pay their fees by the beginning of the relevant calendar year.

6. Working capital reserve

58. As noted in the annual report of the ITL administrator for 2009, the establishment of a working capital reserve equivalent to 8.3 per cent of the resource requirements for 2010 and 2011 will help to minimize the impact of delays in payments of ITL user fees. It is suggested that the working capital reserve be maintained at least at the same level in subsequent bienniums with the possibility of review in the proposed budget for the biennium 2012–2013.

III. Coverage of proposals by Parties

59. With regard to the determination of ITL fee levels, the secretariat has made every effort to cover in a comprehensive manner all submissions from Parties contained in documents FCCC/SBI/2010/MISC.4 and FCCC/SBI/2009/MISC.3 and Add.1. Table 9 below shows the relationship between each submission and the option for calculating ITL fees levels outlined in paragraphs 14–47 above.¹⁷

Table 9. Coverage of submissions from Parties of options for calculating the level of international transaction log fees

Party	Option for calculating level of international transaction log fees
China ^a	Option 1 (current methodology)
Croatia ^b	Option 1A (current methodology adapted for new users)
European Union and its member States ^{a,b}	Option 1 (current methodology)
Japan ^{a,b}	Option 1 (current methodology) ^c
Liechtenstein ^a	Option 1 (current methodology) or Option 2 (number of transactions)
Russian Federation ^a	Option 2A (hybrid model based on number of transactions)
Switzerland ^a	Option 2A (hybrid model based on number of transactions)

^a As contained in document FCCC/SBI/2009/MISC.3 and Add.1.

^b As contained in document FCCC/SBI/2010/MISC.4.

^c An option to calculate the level of international transaction log (ITL) fees by applying equal sharing of the ITL resource requirements was also proposed by Japan in its submission contained in document FCCC/SBI/2009/MISC.3. It is not presented in this paper because of its mathematical simplicity.

IV. Impact of the consolidated system of European registries

60. Referring to decision 13/CMP.1, the European Union and its member States as well as Iceland, Liechtenstein and Norway recently announced¹⁸ to the secretariat their intention to consolidate their national registry systems. The timeline for this project, as presented during the ninth meeting of the Registry Systems Administrators Forum, starts with an inception phase in 2009 and foresees a transition to production at the end of 2011, in line with the European Union legal requirements, which foresee that all allowances should be held in a single registry system from 1 January 2012 onwards.¹⁹

61. Article 39 of the draft European Union regulation for a standardized and secured system of registries²⁰ foresees the decoupling of European Union allowances from Kyoto Protocol units. This would allow consolidated European Union registries to transfer European Union allowances within and between their registries, without requiring these transfers to be announced to the ITL (since these transfers would not involve Kyoto Protocol units, they would fall outside of the scope of the relevant decisions of the Conference of the Parties and the CMP, including decision 24/CP.8 and decision 13/CMP.1). Paragraph 6 of the preamble and Article 56 of this draft regulation foresee an annual clearing process by which transactions with European Union allowances are followed up with corresponding transfers of assigned amount units.

¹⁷ Sri Lanka made a submission, contained in document FCCC/SBI/2010/MISC.4, which is not related to the calculation of the level of ITL fees.

¹⁸ In a letter to the Executive Secretary dated 10 March 2009.

¹⁹ See paragraph 38 of directive 2009/29/EC of the European Parliament and of the Council. Available at <<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:140:0063:0087:en:PDF>>.

²⁰ Available at <http://ec.europa.eu/environment/climat/emission/pdf/regreg_iv_ver2_17feb10.pdf>.

62. Based on the ITL transaction records for 2009, more than 90 per cent of the total number of completed transactions involving European Union allowances were performed within or between the national registries of European Union member States. Additionally, European Union allowances successfully transferred within or between registries of European Union member states represented more than 70 per cent of the total number of units transferred. Therefore, the current draft European Union regulation provisions would probably result in a very different repartition of transaction volumes among ITL users from that currently witnessed and hence put at risk the establishment of a stable methodology to collect ITL fees in future bienniums, should this methodology be based on volumes of transactions or volumes of Kyoto Protocol units transferred, including hybrid methodologies relying on this information.

V. Comparison of the options for methodologies contained in this paper

A. Description of comparison criteria

63. The methodologies presented in this paper have been compared against five criteria: predictability, stability, administrative overheads, complexity and the adherence to the ‘user pays’ principle. These criteria are defined in paragraphs 64–68 below.

64. Predictability refers to the ability of Parties to know in advance what their ITL fees will be. Predictability is especially important for Parties because of the long administrative cycles involved in getting budgets approved. For this reason, the CMP, by its decision 10/CMP.5, requested the Executive Secretary to notify Parties planning to use the ITL of the annual fees as early as possible and at least four months in advance of the relevant calendar year. In addition, the current methodology ensures that fees for the first year of the biennium are equal to fees for the second year for each Party. Predictability is also important to the ITL administrator, as it needs to rely on foreseeable and timely contributions from Parties to deliver the services required to keep the ITL operational and ensure that emissions trading is not disrupted. Predictability of the ITL funding enables the ITL administrator to honour the long-term commitments with service providers and staff necessary to maintain the operation of the ITL.

65. The stability of a methodology refers to the likelihood that this methodology will be used again in future bienniums. The stability of a methodology is considered key, as Parties may not wish to discuss the approach to ITL fees every biennium. Issues impacting stability include the reliability of projections on transaction volumes, which depend on the market, technical aspects such as the EU registry consolidation and clearing mechanism, policy aspects such as the end of commitment processes, and future international agreements.

66. The administrative overheads of a methodology are the costs incurred by Parties and the secretariat when dealing with ITL user fees. These overheads are linked to notifying Parties of their fees, sending reminders, organizing consultations, computing transaction volumes, dealing with disagreement on the level of ITL user fees, and so on. Administrative overheads can be significant for Parties with small contributions and for the secretariat in the case of complex methodologies and associated modalities. For example, it would incur high administrative overheads if a compensation mechanism were established to ensure that ITL fees for each Party for each year of the biennium were calculated on the basis of the number of transactions performed by that Party for that year.

67. The complexity of a methodology relates to the ease with which the calculation of respective fees and relevant modalities can be explained. Complex methodologies are likely to reduce transparency in the calculation of user fees, incur high administrative overheads for Parties and the ITL administrator, and may lead to less predictability than simpler methodologies.

68. Finally, the ‘user pays’ principle is the principle by which users of the ITL pay more fees if they use more services provided by the ITL and less fees if they use fewer services.

B. Results of the comparison

69. Options 1 (current methodology) and 1A (current methodology adapted for new users) are predictable and stable, incur low administrative overheads and have low complexity. However, these options adhere to the 'user pays' principle only partially. The results for options 1 and 1A are described in detail below:

- (a) The level of predictability is high: Parties are notified well in advance of the fees, the level of ITL fees can be made the same for both years of the biennium and the level of ITL fees depends on a pre-agreed scale that does not depend on volume of transactions or volume of units involved in transactions;
- (b) The level of stability is high: the same scale and modalities can easily be used from biennium to biennium, as has been the case in previous bienniums;
- (c) The level of administrative overheads is low: Parties receive few notifications, the secretariat administrative processes for handling ITL fees are straightforward, and there is no possibility for disagreement on the level of ITL fees once the scale is adopted;
- (d) The level of complexity is low: the ITL scale of fees is clear and documented in the relevant decision; all modalities for the current methodology are straightforward;
- (e) The level of adherence to the 'user pays' principle is low: there is no link between the calculation of user fees and the actual or expected use of the ITL by Parties.

70. Options 2 (number of transactions) and 3 (number of units in transactions) have low predictability and stability and would incur high administrative overheads. Their complexity is medium and level of adherence to the 'user pays' principle is high. The results for options 2 and 3 are described in detail below:

- (a) The level of predictability is low: as the number of transactions and/or units involved in transactions proposed to the ITL by national registries varies significantly from one period to another, it is not possible for Parties to know in advance what their ITL fees will be;
- (b) The level of stability is low: the likelihood that a methodology based on the number of transactions and/or volume of units in transactions will be used again in future bienniums is low due to potentially large variations in the number of transactions proposed by each Party and other issues such as the consolidation of European Union registries or the influence on the number of units traded after 2012, during the additional period for fulfilling commitments under Article 3, paragraph 1, of the Kyoto Protocol;
- (c) The level of administrative overheads is high: the administrative overheads that would be incurred by the secretariat if the actual number of transactions or number of units in transactions needed to be accounted for would be significant. Moreover, there is a risk of disagreement between the figures that would be provided by the secretariat and figures reported by Parties on the basis of data held in their national registries. The resolution of disagreement on these figures would, in itself, incur significant costs to the secretariat and Parties concerned;
- (d) The level of complexity is medium: while the calculation of ITL fees using a scale based on the number of transactions or volume of units in transactions is straightforward, it is subject to several assumptions regarding the transaction types, the status of transactions, type of units, and so on. Overall, the complexity of these options can be deemed medium;

- (e) The level of adherence to the ‘user pays’ principle is high: Parties that propose a large number of transactions and/or units in transactions to the ITL through their national registry will pay more fees than Parties that propose fewer transactions and/or units.

71. Option 2A (hybrid model based on number of transactions) and 3A (hybrid model based on number of units transferred) have medium predictability and low stability and would incur high administrative overheads. Their complexity is high and the level of adherence to the ‘user pays’ principle is medium. The results for options 2A and 3A are described in detail below:

- (a) The level of predictability is medium: in hybrid models, part of the scale of fees depends on the agreed scale (70 per cent in the projections presented in this paper) and part depends on the number of transactions and/or units involved in transactions proposed to the ITL by national registries, which vary significantly from one period to another;
- (b) The level of stability is low: the likelihood that a methodology based on the number of transactions and/or volume of units in transactions will be used again in future bienniums is low for the same reasons as those given in paragraph 70 (b) above;
- (c) The level of administrative overheads is high: the administrative overheads that would be incurred by the secretariat if the actual number of transactions or number of units in transactions needed to be accounted for would be significant for the same reasons as those given in paragraph 70 (c) above;
- (d) The level of complexity is high: the calculation of ITL fees using a scale partially based on the number of transactions or volume of units in transactions and partially based on an agreed scale is possible, but it is more complex than options 1, 2 and 3;
- (e) The level of adherence to the ‘user pays’ principle is medium: Parties that propose a large number of transactions and/or units in transactions to the ITL through their national registry will pay more fees than Parties that propose fewer transactions and/or units, up to a certain limit. In the projections presented in this paper, Parties that do not propose any transactions to the ITL would still pay an amount linked to the core services of the ITL (70 per cent of their current fees).

72. Option 4 (binary model) has high predictability, medium stability, low administrative overheads and medium complexity. The level of adherence to the ‘user pays’ principle is medium. The results for option 4 are described in detail below:

- (a) The level of predictability is high: as Parties know in advance whether they participate in emissions trading or not, the fees and scale of fees can be calculated in advance and agreed, for example during the session of the SBI in May/June prior to the relevant biennium;
- (b) The level of stability is medium: under the assumption that Parties participating in emissions trading in future bienniums will remain the same as for the current biennium, this option would be stable. However, this assumption may be too strong and the stability of this option is consequently medium;
- (c) The level of administrative overheads is low: the administrative overheads that would be incurred by the secretariat and Parties is equal to that of option 1 (low);
- (d) The level of complexity is medium: this option is more complex than the simple calculations provided by options 1 and 1A but less complex than the hybrid models;

- (e) The level of adherence to the ‘user pays’ principle is medium: this option, as well as options 2A and 3A, support the ‘user pays’ principle better than options 1 and 1A but not as strongly as options 2 and 3. Hence, the adherence to the ‘user pays’ principle for this option is medium.

73. Table 10 shows the summary of the results presented in paragraphs 69–72 above. In order to facilitate comparison of the various options, the results for the administrative overheads and complexity criteria have been reversed (i.e. high has become low and vice versa) and options have been sorted in decreasing order of the number of high, medium and low results (i.e. an option with many high results appears before an option with fewer).

Table 10. Comparison of methodologies against comparison criteria

Option	Comparison criteria				
	Predictability	Stability	Administrative overheads ^a	Complexity ^a	Adherence to the ‘user pays’ principle
Option 1 (current methodology)	High	High	High	High	Low
Option 1A (current methodology adapted for new users)	High	High	High	High	Low
Option 4 (binary model)	High	Medium	High	Medium	Medium
Option 2 (number of transactions)	Low	Low	Low	Medium	High
Option 3 (number of units in transactions)	Low	Low	Low	Medium	High
Option 2A (hybrid model based on number of transactions)	Medium	Low	Low	Low	Medium
Option 3A (hybrid model based on number of units transferred)	Medium	Low	Low	Low	Medium

^a Comparison results for these criteria have been reversed to facilitate comparison of the options.

VI. Conclusions

74. Several methodologies for the collection of ITL fees are available to Parties. However, only a few of these options appear to satisfy the majority of the following criteria identified in paragraphs 64–68 above: predictability, stability, administrative overheads, complexity and the adherence to the ‘user pays’ principle.

75. When designing a methodology for the collection of ITL fees, it is important to consider both how the level of ITL fees are calculated and the modalities surrounding the collection of fees, such as the treatment of new users, timing of determination of fees and the procedure to apply in the case of non-payment.

Annex

Table 11. Projected annual level of international transaction log fees for the biennium 2012–2013 for each option
(euros)

Party	Option 1^a	Option 1A^b	Option 2^c	Option 2A^d	Option 3^e	Option 3A^f	Option 4^g
Australia	70 609	81 902	0	49 418	0	49 418	49 418
Austria	45 482	45 776	86 009	57 644	24 971	39 333	47 665
Belgium	56 517	56 879	23 978	46 758	24 476	46 907	59 226
Bulgaria	1 019	1 031	424	845	75	740	1 074
Canada	130 330	131 170	0	91 241	0	91 241	91 241
Croatia	32 062	2 292	0	22 451	0	22 451	22 451
Czech Republic	14 413	14 500	65 426	29 714	97 249	39 261	15 099
Denmark	37 882	38 132	840 075	278 546	719 336	242 325	39 705
Estonia	815	819	2 759	1 397	385	685	853
European Union	76 928	77 416	0	53 850	0	53 850	53 850
Finland	28 914	29 092	20 936	26 517	10 297	23 325	30 292
France	305 647	307 571	601 428	394 371	734 435	434 273	320 264
Germany	439 762	442 563	230 018	376 847	230 211	376 905	460 828
Greece	30 544	30 730	10 327	24 473	3 409	22 398	31 998
Hungary	12 521	12 589	15 773	13 489	16 800	13 797	13 109
Iceland	21 139	21 265	0	14 792	0	14 792	14 792
Ireland	22 828	22 964	7 285	18 159	6 079	17 797	23 912
Italy	260 427	262 067	43 570	195 362	24 667	189 691	272 883
Japan	428 028	430 732	3 112	300 546	6 042	301 425	448 509
Latvia	932	940	4 598	2 033	10 809	3 897	979
Liechtenstein	5 387	5 430	141	3 820	45	3 791	5 654
Lithuania	1 601	1 608	12 378	4 832	4 857	2 576	1 674
Luxembourg	4 368	4 399	2 193	3 717	861	3 318	4 580
Monaco	5 183	5 218	0	3 629	0	3 629	3 629
Netherlands	96 029	96 649	188 782	123 862	206 154	129 074	100 637
New Zealand	27 516	27 696	1 061	19 583	821	19 512	28 839

Table 11 (continued)

Party	Option 1^a	Option 1A^b	Option 2^c	Option 2A^d	Option 3^e	Option 3A^f	Option 4^g
Norway	66 446	66 859	3 749	47 631	5 565	48 176	69 619
Poland	25 682	25 846	54 534	34 338	23 275	24 960	26 912
Portugal	27 021	27 181	39 256	30 683	23 110	25 839	28 302
Romania	3 581	3 610	25 534	10 171	21 362	8 920	3 759
Russian Federation	78 588	79 084	0	55 010	0	55 010	55 010
Slovakia	3 232	3 246	30 485	11 403	27 881	10 622	3 380
Slovenia	4 921	4 945	4 102	4 670	587	3 615	5 149
Spain	152 168	153 133	171 170	157 869	78 997	130 217	159 453
Sweden	54 916	55 271	18 107	43 878	11 588	41 922	57 552
Switzerland	79 054	79 570	178 596	108 927	149 815	100 292	82 854
Ukraine	21 372	21 508	1 627	15 449	40 427	27 089	22 395
United Kingdom of Great Britain and Northern Ireland	340 559	342 729	326 990	336 496	509 834	391 349	356 874
Total	3 014 423	3 014 411	3 014 423	3 014 423	3 014 423	3 014 423	3 014 423

^a Current methodology.

^b Current methodology adapted for new users. ^c Number of transactions.

^d Hybrid model based on the number of transactions.

^e Number of units transferred.

^f Hybrid model based on the number of units transferred.

^g Binary model.