

UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

**Ad Hoc Working Group on Further Commitments
for Annex I Parties under the Kyoto Protocol**
Seventeenth session, part two
Doha, 27 November 2012–*

Agenda item 3

**Consideration of further commitments for Annex I Parties
under the Kyoto Protocol**

Proposal by the Chair to facilitate negotiations

1. The proposal contained in this document, prepared under the Chair's responsibility, aims to reflect the outcome of the negotiations under the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP).
2. The AWG-KP wishes to note that a proposal by the President contained in document FCCC/KP/CMP/2012/L.4¹ is relevant to the work of the AWG-KP.

* The second part of the session will be held in conjunction with the eighth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol. The closing date will be determined in due course.

¹ Implications of the implementation of decisions 2/CMP.7 to 5/CMP.7 on the previous decisions on methodological issues related to the Kyoto Protocol, including those relating to Articles 5, 7 and 8 of the Kyoto Protocol.

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**[Draft decision -/CMP.8
Amendment to the Kyoto Protocol pursuant to its Article 3,
paragraph 9**

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol

[Recalling Article 3, paragraph 9, Article 20, paragraph 2, and Article 21, paragraph 7, of the Kyoto Protocol,]

Recalling also decisions 1/CMP.1 and 1/CMP.7,

[Recalling further decision 1/CP.17,]

Emphasizing the role of the Kyoto Protocol in the mitigation efforts by Parties included in Annex I,

Recognizing the urgent need for Parties to deposit their instruments of acceptance without delay in order to ensure the prompt entry into force of the amendment to the Kyoto Protocol contained in the annex to this decision,

[Desiring to facilitate the broad participation of Parties [included in Annex I] in the second commitment period,]

Recognizing also the need for continued smooth implementation of the Kyoto Protocol, including its mechanisms under Articles 6, 12 and 17, pending the entry into force of the amendment for the second commitment period,

[Reaffirming for the second commitment period the requirements for participation in the clean development mechanism, joint implementation, and emissions trading under the Kyoto Protocol set out in, inter alia, decisions 2/CMP.1, 3/CMP.1, 9/CMP.1, 11/CMP.1, 13/CMP.1, 15/CMP.1, 22/CMP.1 and 27/CMP.1,]

[Taking note of decision x/CMP.8 [and decision y/CMP.8,]]

[Taking note also of decision 1/CP.18,]

[Noting the importance of continued progress of the Ad Hoc Working Group on the Durban Platform to adopt a protocol, another legal instrument or an agreed outcome with legal force as soon as possible but no later than 2015 and to come into effect and be implemented from 2020,]

[Noting also the progress on the workplan on enhancing mitigation ambition to identify and to explore options for a range of actions that can close the ambition gap with a view to ensuring the highest possible mitigation efforts by all Parties under the Ad Hoc Working Group on the Durban Platform,]

[Welcoming the declaration[s] set out in the appendix to this decision, reiterating the commitments of Parties to the Kyoto Protocol to ensure there is not legal gap between the first and second commitment period,]

{Part 1}

1. *Adopts*, in accordance with Articles 20 and 21 of the Kyoto Protocol, the amendment set out in the annex to this decision;
2. *Requests* the secretariat to communicate the adopted amendment to the Depositary for circulation to all Parties for acceptance, in accordance with Articles 20 and 21 of the Kyoto Protocol;

3. *Calls* on all Parties to deposit as soon as possible with the Depository their instruments of acceptance in respect of the amendment pursuant to Article 20 of the Kyoto Protocol with a view to expedite their entry into force;

4. *Reaffirms* that the second commitment period will begin on 1 January 2013 and *decides* that it will end on 31 December [2017][2020];

{Part 2}

Option 1:

5. *Agrees* that in order to avoid a legal gap and to facilitate a smooth transition between the first and second commitment periods, each Party will provisionally apply from 1 January 2013 the amendment to the Kyoto Protocol contained in the annex to this decision pending its entry into force for that Party in accordance with Articles 20 and 21 of the Kyoto Protocol, except for a Party which notifies the Depository in writing prior to 1 January 2013 that it is not able to provisionally apply the amendment due to inconsistency with its constitution, laws or regulations, or its domestic processes or requirements. The notification to the Depository from an Annex I Party will also indicate how it intends to implement the amendment pending their entry to force;

6. *Decides* that a Party which notifies the Depository that it is not able to provisionally apply the amendment contained in the annex to this decision pending its entry into force will provisionally apply the amendment from the date on which it deposits its instrument of acceptance of the amendment;

Option 2:

7. *Recognizes* that Parties may elect to provisionally apply the amendment pending its entry into force in accordance with Articles 20 and 21 of the Kyoto Protocol, and *decides* that Parties will provide notification of any such provisional application to the Depository;

8. *Decides* also that Parties that do not elect to provisionally apply the amendment under paragraph 7, will implement their commitments and other responsibilities in relation to the second commitment period, in a manner consistent with their national legislation or domestic processes, pending the entry into force of the amendment in accordance with Articles 20 and 21 of the Protocol;

Option 3:

9. *Decides* that, prior to the entry into force of the amendment in the annexes to this decision in accordance with Articles 20 and 21 of the Kyoto Protocol, Parties to the Kyoto Protocol will apply their commitments and other responsibilities under the amendment to the Kyoto Protocol contained in the annexes to this decision;

{Part 3}

Option 1

10. *Requests* the Subsidiary Body for Implementation/Subsidiary Body for Scientific and Technological Advice to elaborate the modalities for the review referred to in [paragraph X in the annex to decision X/CMP.8] with the view to preparing relevant draft decisions for consideration and adoption by the CMP at its ninth session;

Option 2

11. [*Welcoming* the decision by a number of Parties included in Annex I to inscribe quantified emission limitation and reduction commitments for the second commitment period in the third column of Annex B [reflecting the top end of their pledged ranges];

12. [*Understanding* the need for [still] higher ambition from all Parties [included in Annex I] during the course of the second commitment period, [consistent with their respective capabilities,] [with a view to achieving an aggregate reduction of greenhouse gas emissions not controlled by the Montreal Protocol by Parties included in Annex I of more than 45 per cent below 1990 levels by 2020,] and welcoming in this regard the contribution

of the Workplan on Enhancing Mitigation Ambition under the Ad-hoc Working Group on the Durban Platform for Enhanced Action in accordance with decision 1/CP.17;]

13. [*Encourages* Parties with a commitment inscribed in the third column of Annex B to examine the feasibility of increasing their level of ambition as soon as possible;]

14. [*Decides* that each Party included in Annex I shall revisit][Invites each Party included in Annex I to consider decreasing the percentage inscribed in the third column of Annex B as] its quantified emission limitation and reduction commitment for the second commitment period [as soon as possible], [in order to increase the ambition of its commitment,] at the latest by [2014][2016][, through a decrease in the percentage inscribed in the third column of the table contained in Annex B as of its quantified emission limitation and reduction commitment, in line with an aggregate reduction of greenhouse gas emissions not controlled by the Montreal Protocol by Parties included in Annex I of [at least 25 to 40 per cent][more than 45 per cent] below 1990 levels by 2020];²

15. *Decides* also that in order to ensure that [the][any] increase in ambition [referred to in Article 3, paragraphs 1 [ter][quater] and 1 [quater][quinquies]] is immediately effective, the Party concerned shall [cancel] a number of assigned amount units equivalent to the decrease in its quantified emission limitation and reduction commitment inscribed in the third column in Annex B[, as adjusted by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,] through transferring these units to a cancellation account established in its national registry for this purpose, and immediately communicating such transfer to the secretariat;³

16. [[*Decides* further that][*Requests*] each Party with a quantified emission limitation and reduction commitment inscribed in the third column of Annex B for the second commitment period [shall][to] submit to the secretariat by [30 April 2013][1 January 2014][30 April 2014] information relating to [[its intention to increase][its consideration of increasing] the ambition of its commitment, including [measures it has in place to help towards this objective]] [progress made towards achieving its quantified emission limitation and reduction commitment, the most recently updated projections for greenhouse gas emissions until the end of the second commitment period, and the potential for increasing ambition];]

17. [*Decides* further that the information submitted by Parties included in Annex I in accordance with the paragraph above shall be considered by Parties at [a structured and interactive in-session expert workshop open to observers][a High Level Ministerial Roundtable] to be held during the first sessional period in [2013][2014], and requests the secretariat to prepare a [report of the workshop] for consideration by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its [ninth][tenth] session;]

18. [*Decides* also that the Conference of the Parties serving as the meeting of the Parties at its [ninth][tenth] session will consider any proposed adjustments by Parties and further activities relating to increasing the ambition of the quantified emission limitation and reduction commitments for the second commitment period inscribed in the third column of Annex B;]

Option 3

[Note: Paragraphs 21 and 22 below are proposed as alternatives for Article 3, paragraph 1 ter and Article 3, paragraph 1 [quinquies][sexies] in section G of the annex, respectively;]

19. [*Welcoming* the decision by a group of Parties included in Annex I to inscribe quantified emission limitation and reduction commitments for the second commitment period

² Alternative to proposed Article 3, paragraph 1 ter.

³ Alternative to proposed Article 3, paragraph 1 [quinquies][sexies].

in the third column of Annex B reflecting the top end of their pledged ranges, with a view to reducing their aggregate reduction of greenhouse gas emissions not controlled by the Montreal Protocol by Parties included in Annex I by [XX] per cent below 1990 levels by [2017][2020];]

20. [Understanding the need for still higher ambition from all Parties included in Annex I during the course of the second commitment period, with a view to achieving an aggregate reduction of greenhouse gas emissions not controlled by the Montreal Protocol by Annex I Parties of more than 45 per cent below 1990 levels by 2020, and welcoming in this regard the contribution of the Workplan on Enhancing Mitigation Ambition under the Ad-hoc Working Group on the Durban Platform for Enhanced Action in accordance with decision 1/CP.17;]

21. *Decides* that each Party included in Parties included in Annex I shall revisit its quantified emission limitation and reduction commitment for the second commitment period as soon as possible, in order to increase the ambition of its commitment, at the latest by 2014, through a decrease in the percentage inscribed in the third column in Annex B as its quantified emission limitation and reduction commitment, in line with an aggregate reduction of greenhouse gas emission not controlled by the Montreal Protocol by Parties included in Annex I of [at least 25 to 40 per cent][more than 45 per cent] below 1990 levels by 2020;

22. *Decides also* that in order to ensure that the increase in ambition referred to in Article 3, paragraph 1 [ter][quater] above, is immediately effective, the Party concerned shall cancel a number of assigned amount units equivalent to the decrease in its quantified emission limitation and reduction commitment inscribed in the third column in Annex B, as adjusted by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, through transferring these units to a cancellation account established in its national registry for this purpose, and immediately communicating such transfer to the secretariat;

23. *Decides further* that each Party with a quantified emission limitation and reduction commitment inscribed in the third column of Annex B for the second commitment period shall submit to the secretariat by [30 April 2013] information relating to its intention to increase the ambition of its commitment, including progress made towards achieving its quantified emission limitation and reduction commitment, the most recently updated projections for greenhouse gas emissions until the end of the second commitment period, and the potential for increasing ambition;

24. *Decides further* that the information submitted by Parties in accordance with the paragraph above shall be considered by Parties at [a structured and interactive in-session expert workshop open to observers][a High Level Ministerial Roundtable] to be held during the first sessional period in June 2013, and requests the secretariat to prepare a report of the workshop for consideration by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its ninth session;

25. *Decides also* that the Conference of the Parties serving as the meeting of the Parties at its ninth session will consider any proposed adjustments by Parties and further activities relating to increasing the ambition of the quantified emission limitation and reduction commitments for the second commitment period inscribed in the third column of Annex B of the Kyoto Protocol;

{Part 4}

Option 1:

26. *Decides* that prior to any transactions valid for the second commitment period, including those through the International Transaction Log, a Party in Annex I to the Convention must have a quantified limitation and reduction commitment set out in the third column of Annex B to the Kyoto Protocol;

27. *Decides* that for the second commitment period, a Party included in Annex I shall be eligible to use CERs under Article 12 of the Kyoto Protocol, transfer and/or acquire ERUs

under Article 6 of the Kyoto Protocol, and transfer and/or acquire ERUs, CERs, tCERs, ICERs, AAUs, or RMUs under Article 17 of the Kyoto Protocol, once the Party concerned has a QELRC for the second commitment period inscribed in column 3 of Annex B, and:

(a) The Party concerned has deposited its instrument of acceptance of the amendment contained in the annexes to this decision in accordance with Article 20, paragraph 4, of the Kyoto Protocol; or

(b) The Party concerned is provisionally applying the amendment contained in the annex to this decision in accordance with [para. x of this decision] pending their entry into force;

Option 2:

28. *Decides* that a Party included in Annex 1 with a commitment inscribed in Annex B of the Kyoto Protocol for the second commitment period, and which is in compliance with all eligibility requirements, except the requirement to have an assigned amount for the second commitment period, will be eligible to acquire and transfer certified emission reduction units from 1 January 2013 until 1 July 2014;

29. *Decides* that a Party included in Annex 1 with a commitment inscribed in Annex B of the Kyoto Protocol for the second commitment period, which has deposited its instrument of acceptance of the amendment to the Kyoto Protocol contained in the annex to this decision, and which is in compliance with all eligibility requirements, except the requirement to have an assigned amount for the second commitment period, will be eligible to acquire and transfer certified emission reduction units during the second commitment period;

30. *Decides* that paragraphs 6 to 9 of the annex of decision 3/CMP.11 and other provisions related to operation of the commitment period reserve shall not apply to transfer and acquisitions of certified emission reduction units by a Party referred to in the foregoing paragraphs, until the completion of the review process of that Party's inventory report for the first year of the second commitment period;

31. *Decides* that a Party not included in Annex I may from 1 January 2013 participate in the clean development mechanism during the second commitment period;

Option 3:

Recalling decisions 2/CMP.1, 3/CMP.1, 9/CMP.1 and 11/CMP.1;

Aware of decisions 13/CMP.1 and [X/CMP.8 on carry-over];

Acknowledging the purpose of the clean development mechanism (CDM) in achieving sustainable development;

Recognizing that some Parties to the Kyoto Protocol may not announce a quantified emission limitation and reduction commitment for the second commitment period under Annex B;

32. *Decides* that paragraphs 31 and 32 of the annex to decision 3/CMP.1, paragraphs 21 and 22 of the annex to decision 9/CMP.1 and paragraphs 2 and 3 of the annex to decision 11/CMP.1 should be replaced to allow the following:

33. Subject to the provisions of paragraph 35 below, a Party included in Annex I which has a commitment inscribed in Annex B for the second commitment period and has committed to [act consistently with] [implement] its commitments and other responsibilities in relation to the second commitment period is eligible to participate in the CDM, JI and IET, receive, transfer, acquire, carry over and use towards its commitment under Article 3 of the Kyoto Protocol, ERUs, CERs, AAUs, or RMUs in accordance with the applicable provisions, if it is in compliance with the following eligibility requirements:

(a) It is a Party to the Kyoto Protocol;

(b) It has in place a national system for the estimation of anthropogenic emissions by sources and anthropogenic removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, in accordance with Article 5, paragraph 1, and the requirements in the applicable guidelines;

(c) It has in place a national registry in accordance with Article 7, paragraph 4, and the requirements in the applicable guidelines;

(d) It has submitted annually the most recent required inventory, in accordance with Article 5, paragraph 2, and Article 7, paragraph 1, and the requirements in the applicable guidelines, including the national inventory report and the common reporting format;

(e) It submits the supplementary information on assigned amount in accordance with Article 7, paragraph 1, and the requirements in the applicable guidelines and makes any additions to, and subtractions from, assigned amount pursuant to Article 3, paragraphs 7 and 8, including for the activities under Article 3, paragraphs 3 and 4, in accordance with Article 7, paragraph 4, and the requirements in the applicable guidelines;

(f) It issues, according to applicable JI provisions, ERUs for emission reductions between 1 January 2013 and 31 December 2020 by converting its AAUs and RMUs of the second commitment period, when participating as a host country Party in JI;

34. Subject to the provisions of paragraph 35 below, a Party included in Annex I which has no commitment inscribed in Annex B for the second commitment period is eligible during this period to receive, transfer, acquire CERs, if it is in compliance with the following eligibility requirements:

(a) It is a Party to the Kyoto Protocol;

(b) It has in place a national system for the estimation of anthropogenic emissions by sources and anthropogenic removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, in accordance with Article 5, paragraph 1, and the requirements in the applicable guidelines;

(c) It has in place a national registry in accordance with Article 7, paragraph 4, and the requirements in the applicable guidelines;

(d) It has submitted annually the most recent required inventory, in accordance with Article 5, paragraph 2, and Article 7, paragraph 1, and the requirements in the applicable guidelines, including the national inventory report and the common reporting format;

(e) It submits, for the first commitment period, the supplementary information on assigned amount in accordance with Article 7, paragraph 1, and the requirements in the applicable guidelines and makes any additions to, and subtractions from, assigned amount pursuant to Article 3, paragraphs 7 and 8, including for the activities under Article 3, paragraphs 3 and 4, in accordance with Article 7, paragraph 4, and the requirements in the applicable guidelines;

35. A Party included in Annex I, under paragraphs 33 and 34 above, shall be considered:

(a) To meet the eligibility requirements referred to in paragraphs 33 and 34 above unless the enforcement branch of the Compliance Committee finds in accordance with decision 24/CP.7 that the Party does not meet these requirements, or, at an earlier date, if the enforcement branch of the Compliance Committee has decided that it is not proceeding with any questions of implementation relating to these requirements indicated in reports of the expert review teams under Article 8 of the Kyoto Protocol, and has transmitted this information to the secretariat;

(b) To continue to meet the eligibility requirements referred to in paragraph 34 above unless and until the enforcement branch of the Compliance Committee decides that the

Party does not meet one or more of the eligibility requirements, has suspended the Party's eligibility and has transmitted this information to the secretariat;

36. A Party included in Annex I which has no commitment inscribed in Annex B for the second commitment period is not eligible to issue ERUs for emission reductions taking place after 31st December 2012;

37. A Party included in Annex I which has no commitment inscribed in Annex B for the second commitment period is not eligible to receive, transfer, acquire and carry over ERUs, AAUs, or RMUs in accordance with the applicable provisions, for emission reductions taking place after 31st December 2012 or emission rights of the second commitment period;

38. A Party included in Annex I which makes use of the CDM as per paragraph 34 above and has no commitment inscribed in Annex B for the second commitment period shall:

(a) Publicly announce before [1 January 2014] how it has transformed its quantified reduction target into a quantified carbon budget in the relevant period calculated consistently with assigned amounts according to paragraphs 7 and 8 of Article 3 of the Kyoto Protocol and applicable subsequent provisions;

(b) Use and account CERs towards its quantified carbon budget in a manner consistent with the rules of the Kyoto Protocol for the achievement of its reduction target;

(c) Use the CDM as a supplemental means to domestic action;

(d) Continue to run a national registry;

(e) Establish arrangements in its national registry for surrendering and cancelling used CERs according to paragraphs 22 (a) and (b);

(f) Continue to contribute to the fees for the international transaction log;

(g) Promote the development of projects in and use of CERs from underrepresented countries or regions and from underrepresented sectors;

39. *Decides* that paragraphs 6 to 10 of the annex to decision 11/CMP.1 and other provisions related to the operation of the commitment period reserve shall not apply to the transfer and acquisition of CERs, ERUs, AAUs and RMUs by Parties after 1 January 2013 until the calculation and recording of that Party's assigned amount for the second commitment period, if applicable as per paragraphs 33 and 34 above;

Option 4:

[Placeholder to confirm that emissions trading and the project-based mechanisms will also continue pending the entry into force of the second commitment period.]

40. *Decides* that [this decision][paragraph 41 and paragraph 42] shall apply to the operation of the clean development mechanism [...] for the issuance, transfer, acquisition and use of certified emission reductions [...] for the second commitment period;

41. *Decides* that a Party not included in Annex I that is a Party to the Kyoto Protocol may participate, including for the period between 1 January 2013 and the entry into force for that Party of the amendment establishing the second commitment period, in a CDM project activity that results in emission reductions during the second commitment period;

42. *Decides* that subject to the provisions of paragraph 32(b) of the annex to decision 3/CMP.1, a Party included in Annex I with a commitment inscribed in Annex B for the second commitment period [which has been adopted by the CMP] shall be considered to continue to be eligible, including for the period between 1 January 2013 and the entry into force for that Party of the amendment establishing the second commitment period from 1 January 2013, to use CERs, valid for the second commitment period in accordance with the relevant provisions, to contribute to compliance with part of its commitment under Article 3,

if it is in compliance with the eligibility requirements in sub-paragraph (a) and sub-paragraphs (c) to (e) of paragraph 31 of the annex to decision 3/CMP.1 and, after calculation and recording of that Party's assigned amount for the second commitment period, also with subparagraph (f) of paragraph 31 of the annex to decision 3/CMP.1. The second sentence of subparagraph (e) of paragraph 31 of the annex to decision 3/CMP.1 shall be extended to apply to the second commitment period;

43. *Decides* that paragraph 23 of the annex to decision 13/CMP.1 does not apply for the second commitment period and also *decides* that for the purposes of the second commitment period, each Party included in Annex I with a commitment inscribed in the third column of Annex B shall, prior to any transaction of its AAUs issued for the second commitment period, issue a quantity of assigned amount units equivalent to its assigned amount pursuant to Article 3, paragraphs [7 and 9], calculated and recorded in accordance with the provisions of paragraphs 5–10 of the annex to decision 13/CMP.1, in its national registry;

44. Paragraph 5 of the annex to decision 13/CMP.1 shall apply *mutatis mutandis* to the second commitment period. Paragraph 5 of the annex to decision 13/CMP.1 shall apply *mutatis mutandis* to the second commitment period;

45. Subject to the provisions of paragraph 3(b) of the annex to decision 11/CMP.1, such Party shall also be considered to continue to be eligible to transfer and acquire such CERs if it is in compliance with the eligibility requirements in sub-paragraph (a) and sub-paragraphs (c) to (e) of paragraph 2 of the annex to decision 11/CMP.1 and, after calculation and recording of that Party's assigned amount for the second commitment period, also with subparagraph (f) of paragraph 2 of the annex to decision 11/CMP.1. The second sentence of subparagraph (e) of paragraph 2 of the annex to decision 11/CMP.1 shall be extended to apply to the second commitment period;

46. Paragraphs 6 to 9 of the annex to decision 11/CMP.1 and other provisions related to the operation of the commitment period reserve shall not apply to the transfer and acquisition of such CERs by such Party between 1 January 2013 and the calculation and recording of that Party's assigned amount for the second commitment period;

47. *Requests* the secretariat to make the appropriate arrangements to expedite the implementation of paragraph 40 to paragraph 42 above;

Option 5:

48. *Decides* that a Party included in Annex I without a commitment inscribed in the third column of Annex B⁴ continues to be eligible to participate in the clean development mechanism, joint implementation and international emissions trading during the second commitment period, including during the period from 1 January 2013 until the entry into force for that Party of the amendment to the Kyoto Protocol, in accordance with the requirements in paragraphs 49 to 54 below;

49. *Decides* that, subject to the provisions of paragraph 52 below, a Party included in Annex I without a commitment inscribed in the third column of Annex B is eligible to participate in the clean development mechanism, be issued CERs, in accordance with the relevant provisions, and to transfer and/or acquire such CERs, if it is in compliance with the following eligibility requirements:

- (a) It is a Party to the Kyoto Protocol;
- (b) It has in place a national system for the estimation of anthropogenic emissions by sources and anthropogenic removals by sinks of all greenhouse gases not controlled by the

⁴ Notwithstanding any provisions in decisions 2/CMP.1, 3/CMP.1, 9/CMP.1 and 11/CMP.1 applicable to Annex I Parties with commitments inscribed in Annex B.

Montreal Protocol, in accordance with Article 5, paragraph 1, and the guidelines established thereunder;

(c) It has in place a national registry in accordance with Article 7, paragraph 4, and the guidelines established thereunder;

(d) It has submitted annually the most recent required inventory, in accordance with Article 5, paragraph 2, and Article 7, paragraph 1, and the requirements in the guidelines decided thereunder, including the national inventory report and the common reporting format. For the second commitment period, the quality assessment needed for the purpose of determining eligibility to use the mechanisms shall be limited to the parts of the inventory pertaining to emissions of greenhouse gases from sources/sector categories from Annex A to the Kyoto Protocol and the submission of the annual inventory on sinks;

(e) It submits supplementary information on CERs, tCERs, ICERs, ERUs, AAUs and RMUs, in accordance with Article 7, paragraph 1, and the requirements in the guidelines decided thereunder;

50. *Further decides* that, subject to the provisions of paragraph 52 below, a Party included in Annex I without a commitment inscribed in the third column of Annex B is eligible to transfer and/or acquire ERUs issued in accordance with the relevant provisions, if it is in compliance with the eligibility requirements set out in paragraph 49 above;

51. *Decides that*, subject to the provisions of paragraph 52 below, a Party included in Annex I without a commitment inscribed in the third column of Annex B is eligible to transfer and/or acquire ERUs, CERs, AAUs, or RMUs issued in accordance with the relevant provisions, if it is in compliance with the eligibility requirements in paragraph 49 above;

52. *Decides that* a Party included in Annex I without a commitment included in the third column of Annex B shall be considered to continue to meet the eligibility requirements referred to in paragraphs 40 to 51 above, unless and until the enforcement branch of the Compliance Committee decides that the Party does not meet one or more of the eligibility requirements, has suspended the Party's eligibility, and has transmitted this information to the secretariat;

53. *Further decides* that paragraphs 6 to 10 of the annex to decision 11/CMP.1 and other provisions related to the operation of the commitment period reserve shall only apply to the transfer and/or acquisition of ERUs, CERs, AAUs, or RMUs by a Party whose assigned amount has been calculated and recorded for the second commitment period;

54. *Decides* that paragraph 23 of the annex to decision 13/CMP.1 shall not apply for the purposes of the second commitment period for the transactions referred to in paragraph 51 above;

Option 6:

55. *Decides* that a Party not included in Annex I that is a Party to the Kyoto Protocol may participate in a CDM project activity that results in emissions reductions from 1 January 2013;

56. *Decides* that Parties that have inscribed a commitment in Annex B of the Kyoto Protocol for the second commitment period ("CP2 Party") will be eligible to participate in the Kyoto Protocol's flexibility mechanisms during the second commitment period in accordance with paragraphs [57–60] below, including for the period between the start of the second commitment period and the entry into force of the amendment to the Protocol for that Party;

57. *Decides* that CP2 Parties will be eligible to participate in the mechanisms defined in Articles 6⁵ and 12 of the Kyoto Protocol and to acquire and transfer units issued for the

⁵ Pending resolution of the situation regarding ERUs issued under Joint Implementation in the CP2.

second commitment period under Article 17 of the Kyoto Protocol if they meet the requirements in subparagraphs 31(a) and 31(c) to (f) in the annex to 3/CMP.1, and *decides* that the second sentence of subparagraph 31(e) in the annex to decision 3/CMP.1 will apply in the second commitment period in respect of the mechanisms defined Articles 6, 12 and 17 of the Kyoto Protocol;

58. *Decides* that a CP2 Party will be considered to continue to meet the eligibility requirements referred to in paragraph 57 above unless and until the enforcement branch of the Compliance Committee decides that the Party does not meet one or more of those eligibility requirements, has suspended the Party's eligibility, and has transmitted this information to the secretariat;

59. *Decides* that paragraphs 6 to 9 in the annex to decision 11/CMP.1 and other provisions related to the operation of the commitment period reserve will not apply to the transfer and acquisition of units for the second commitment period by a CP2 Party between the start of the second commitment period and the calculation and recording of that Party's assigned amount for the second commitment period;

60. *Decides* that CP2 Parties are eligible to acquire, transfer and use units issued for emission reductions occurring in the second commitment period prior to the issuance into their national registries of assigned amount units equivalent to their respective assigned amounts for the second commitment period;

61. *Requests* the secretariat and all relevant bodies under the Protocol to take all measures necessary to facilitate the implementation of this decision;

{Part 5}

Option 1

No text

Option 2

62. [*Reiterates* that a Party may carry-over to the subsequent commitment period the difference between its assigned amount under Article 3 of the Kyoto Protocol and its emissions in a commitment period in accordance with Article 3, paragraph 13, of the Kyoto Protocol, and emission reduction units and certified emission reductions held in its national registry in accordance with decision 13/CMP.1;]

63. [*Decides* that each Party willing to carry-over to the subsequent commitment period the difference between its assigned amount under Article 3 of the Kyoto Protocol and its emissions in a commitment period in accordance with Article 3, paragraph 13 has to transfer this difference to the previous period surplus reserve to be established under its national registry;]

64. [*Decides* that a Party may use assigned amount units from the previous period surplus reserve to a maximum of [2.5 % of the assigned amount pursuant to Article 3, paragraphs 7 and 8, of that Party][X⁶ million tons carbon dioxide equivalent] to meet its commitments under Article 3, paragraph [1] in the second commitment period;]

65. [*Decides* that the remaining units in the previous period surplus reserve of Parties that have not been used for fulfilling their commitments in the second commitment period are cancelled at the end of the true-up period of the second commitment period;]

66. [*Decides* that emission reduction units that a Party has decided to carry-over in accordance to decision 13/CMP.1 have to be put into the previous period surplus reserve at the end of the true-up period of the second commitment period;]

⁶ X: [100] or [150].

67. [*Decides* that the emission reduction units referred to in paragraph 66 above are cancelled following the expiration of the true-up period of the second commitment period;]

68. [*Decides* that the following units not used for fulfilling a commitment under the Kyoto Protocol shall be cancelled following the expiration of any true-up period: i) assigned amount units that are not in the previous period surplus reserve and assigned amount units remaining after the end of the true-up period of the second commitment period; ii) emission reduction units and certified emission reductions that have not been carried-over; iii) emission reduction units that are not in the previous period surplus reserve at the end of the true-up period of the second commitment period ; iv) removal units;]

69. [*Decides* that a Party should [shall not] use assigned amount units, removal units and emission reduction units for [other purposes except for] fulfilling its commitments under the second commitment period under the Kyoto Protocol and, if the Party has committed to an emission reduction objective both under the Kyoto Protocol and the Convention, for recognition of fulfilling its equivalent nationally appropriate mitigation commitment under the Convention for an equivalent period of time;]

{Part 6}

Option 1

No text

Option 2

70. *Decides* that the share of proceeds referred to in Article 12, paragraph 8, of the Kyoto Protocol, and decision 17/CP.7, paragraph 15(a), shall be increased to [5%] per cent of the certified emission reductions issued for a clean development mechanism project activity for projects registered after [31 December, 2014];

71. *Decides* that the Adaptation Fund shall be further augmented through a [5%] share of the proceeds levied on: the first international transfers of assigned amount units; the issuance of ERUs for Article 6 project activities immediately upon the conversion of AAUs or RMUs previously held by Parties to ERUs; and upon the issuance of removal units from activities under Article 3, paragraphs 3 and 4;

72. *Reaffirms* that clean development mechanism project activities in least developed country Parties shall continue to be exempt from the share of proceeds to assist with the costs of adaptation;

{Part 7}

73. [*Takes note* of decision -/CMP.8 on the implications of the implementation of decisions 2/CMP.7 to 5/CMP.7 on the previous CMP decisions on methodological issues related to the Kyoto Protocol, including those relating to Articles 5, 7 and 8;⁷]

74. [*Requests* the Subsidiary Body for the Scientific and Technological Advice to take into account the provisions of this decision in its work pursuant to paragraphs {x} of decision -/CMP.8;]

75. [*Requests* the secretariat and the relevant bodies under the Kyoto Protocol to take all necessary measures to facilitate the implementation of this decision;]

76. [*Decides* that the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol has fulfilled the mandate set for it in decision 1/CMP.1, and that its work is hereby concluded.]]

⁷ Decision on implications of the implementation of decisions 2/CMP.7 to 5/CMP.7 on the previous decisions on methodological issues related to the Kyoto Protocol, including those relating to Articles 5, 7 and 8 of the Kyoto Protocol (FCCC/KP/CMP/2010/L.4).

Annex

Amendment

A. Annex B to the Kyoto Protocol

The following table shall replace the table in Annex B to the Protocol:

Option 1

<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008–2012) (percentage of base year or period)</i>	<i>Quantified emission limitation or reduction commitment (2013–2020) (percentage of base year or period)</i>	<i>Reference year¹</i>	<i>Quantified emission limitation or reduction commitment (2013–2020) (expressed as percentage of reference year)¹</i>	<i>Pledges for the reduction of greenhouse gas emissions by 2020 (percentage of reference year)²</i>
Australia	108	99.5	2000	98	5–15% or 25% ³
Austria	92	80 ⁴	NA	NA	
Belarus ^{5*}		92	1990	92	–8%
Belgium	92	80 ⁴	NA	NA	
Bulgaria*	92	80 ⁴	NA	NA	
Croatia*	95	80 ⁶	NA	NA	–20%/–30% ⁷

¹ A reference year may be used by a Party on an optional basis for its own purposes to express its quantified emission limitation or reduction commitment (QELRC) as a percentage of emissions of that year, that is not internationally binding under the Kyoto Protocol, in addition to the listing of its QELRC in relation to the base year in the second and third columns of this table, which are internationally legally binding.

² Further information on these pledges can be found in documents FCCC/SB/2011/INF.1/Rev.1 and FCCC/KP/AWG/2012/MISC.1, Add.1 and Add.2.

³ Australia's QELRC under the second commitment period of the Kyoto Protocol is consistent with the achievement of Australia's unconditional 2020 target of 5 per cent below 2000 levels. Australia retains the option later to move up within its 2020 target of 5 to 15, or 25 per cent below 2000 levels, subject to certain conditions being met. This reference retains the status of these pledges as made under the Cancun Agreements and does not amount to a new legally binding commitment under this Protocol or its associated rules and modalities.

⁴ The QELRCs for the European Union and its member States for a second commitment period under the Kyoto Protocol are based on the understanding that these will be fulfilled jointly with the European Union and its member States, in accordance with Article 4 of the Kyoto Protocol. The QELRCs are without prejudice to the subsequent notification by the European Union and its member States of an agreement to fulfil their commitments jointly in accordance with the provisions of the Kyoto Protocol.

⁵ Added to Annex B by an amendment adopted pursuant to decision 10/CMP.2. This amendment has not yet entered into force.

⁶ Croatia's QELRC for a second commitment period under the Kyoto Protocol is based on the understanding that it will fulfil this QELRC jointly with the European Union and its member States, in accordance with Article 4 of the Kyoto Protocol. As a consequence, Croatia's accession to the European Union shall not affect its participation in such joint fulfilment agreement pursuant to Article 4 or its QELRC.

⁷ As part of a global and comprehensive agreement for the period beyond 2012, the European Union

<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008–2012) (percentage of base year or period)</i>	<i>Quantified emission limitation or reduction commitment (2013–2020) (percentage of base year or period)</i>	<i>Reference year¹</i>	<i>Quantified emission limitation or reduction commitment (2013–2020) (expressed as percentage of reference year)¹</i>	<i>Pledges for the reduction of greenhouse gas emissions by 2020 (percentage of reference year)²</i>
Cyprus		80 ⁴	NA	NA	
Czech Republic*	92	80 ⁴	NA	NA	
Denmark	92	80 ⁴	NA	NA	
Estonia*	92	80 ⁴	NA	NA	
European Union	92	80 ⁴	1990	NA	–20%/–30% ⁷
Finland	92	80 ⁴	NA	NA	
France	92	80 ⁴	NA	NA	
Germany	92	80 ⁴	NA	NA	
Greece	92	80 ⁴	NA	NA	
Hungary*	94	80 ⁴	NA	NA	
Iceland	110	80 ⁸	NA	NA	
Ireland	92	80 ⁴	NA	NA	
Italy	92	80 ⁴	NA	NA	
Kazakhstan*		95	1990	95	–7%
Latvia*	92	80 ⁴	NA	NA	
Liechtenstein	92	84	1990	84	–20%/–30% ⁹
Lithuania*	92	80 ⁴	NA	NA	
Luxembourg	92	80 ⁴	NA	NA	
Malta		80 ⁴	NA	NA	
Monaco	92	78	1990	78	–30%
Netherlands	92	80 ⁴	NA	NA	
Norway	101	84	1990	84	–30% to –40% ¹⁰

reiterates its conditional offer to move to a 30 per cent reduction by 2020 compared to 1990 levels, provided that other developed countries commit themselves to comparable emission reductions and developing countries contribute adequately according to their responsibilities and respective capabilities.

⁸ The QELRC for Iceland for a second commitment period under the Kyoto Protocol is based on the understanding that it will be fulfilled jointly with the European Union and its member States, in accordance with Article 4 of the Kyoto Protocol.

⁹ The QELRC presented in column three refers to a reduction target of 20 per cent by 2020 compared to 1990 levels. Liechtenstein would consider a higher reduction target of up to 30 per cent by 2020 compared to 1990 levels under the condition that other developed countries commit themselves to comparable emission reductions and that economically more advanced developing countries contribute adequately according to their responsibilities and respective capabilities.

¹⁰ Norway's QELRC of 84 is consistent with its target of 30 per cent reduction of emissions by 2020,

1	2	3	4	5	6
<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008–2012) (percentage of base year or period)</i>	<i>Quantified emission limitation or reduction commitment (2013–2020) (percentage of base year or period)</i>	<i>Reference year¹</i>	<i>Quantified emission limitation or reduction commitment (2013–2020) (expressed as percentage of reference year)¹</i>	<i>Pledges for the reduction of greenhouse gas emissions by 2020 (percentage of reference year)²</i>
Poland*	94	80 ⁴	NA	NA	
Portugal	92	80 ⁴	NA	NA	
Romania*	92	80 ⁴	NA	NA	
Slovakia*	92	80 ⁴	NA	NA	
Slovenia*	92	80 ⁴	NA	NA	
Spain	92	80 ⁴	NA	NA	
Sweden	92	80 ⁴	NA	NA	
Switzerland	92	84.2	1990	NA	–20% to –30% ¹¹
Ukraine*	100		1990		–20%
United Kingdom of Great Britain and Northern Ireland	92	80 ⁴	NA	NA	
<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008–2012) (percentage of base year or period)</i>				
Canada ^a	94				
Japan ^b	94				

compared to 1990. If it can contribute to a global and comprehensive agreement where major emitting Parties agree on emission reductions in line with the 2 C target, Norway will move to a level of 40 per cent reduction for 2020 based on 1990 levels. This reference retains the status of the pledge made under the Cancun Agreements and does not amount to a new legally binding commitment under this Protocol.

¹¹ The QELRC presented in column three of this table refers to a reduction target of 20 per cent by 2020 compared to 1990 levels. Switzerland would consider a higher reduction target up to 30 per cent by 2020 compared to 1990 levels subject to comparable emission reduction commitments from developed countries and adequate contribution from developing countries according to their responsibilities and capabilities. This pledge is made under the Cancun Agreements and does not amount to a new legally binding commitment under this Protocol or its associated rules and modalities.

<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008–2012) (percentage of base year or period)</i>
New Zealand ¹²	100
Russian Federation ^{13*}	100

Abbreviation: NA = not applicable.

* Countries that are undergoing the process of transition to a market economy.

Publisher's notes:

^a On 15 December 2011, the Depository received written notification of Canada's withdrawal from the Kyoto Protocol. This action will become effective for Canada on 15 December 2012.

^b In a communication dated 10 December 2010, Japan indicated that it does not have any intention to be under obligation of the second commitment period of the Kyoto Protocol after 2012.

¹² New Zealand remains a Party to the Kyoto Protocol. It will be taking a quantified economy-wide emission reduction target under the United Nations Framework Convention on Climate Change in the period 2013 to 2020.

¹³ In a communication dated 8 December 2010 that was received by the secretariat on 9 December 2010, the Russian Federation indicated that it does not intend to assume a quantitative emission limitation or reduction commitment for the second commitment period.

Option 2

<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008–2012) (percentage of base year or period)</i>	<i>Quantified emission limitation or reduction commitment (2013–2017) (percentage of base year or period)</i>	<i>Reference year¹</i>	<i>Quantified emission limitation or reduction commitment (2013–2017) (expressed as percentage of reference year)¹</i>	<i>Pledges for the reduction of greenhouse gas emissions by 2020 (percentage of reference year)²</i>
Australia	108		2000		5–15% or 25% ³
Austria	92		NA	NA	
Belarus ^{4*}			1990	92	–8%
Belgium	92		NA	NA	
Bulgaria*	92		NA	NA	
Croatia*	95		NA	NA	–20%/–30% ⁵
Cyprus			NA	NA	
Czech Republic*	92		NA	NA	
Denmark	92		NA	NA	
Estonia*	92		NA	NA	
European Union	92		1990	NA	–20% /–30% ⁵
Finland	92		NA	NA	
France	92		NA	NA	
Germany	92		NA	NA	
Greece	92		NA	NA	
Hungary*	94		NA	NA	
Iceland	110		NA	NA	

¹ A reference year may be used by a Party on an optional basis for its own purposes to express its quantified emission limitation or reduction commitment (QELRC) as a percentage of emissions of that year, that is not internationally binding under the Kyoto Protocol, in addition to the listing of its QELRO in relation to the base year in the second and third columns of this table, which are internationally legally binding.

² Further information on these pledges can be found in documents FCCC/SB/2011/INF.1/Rev.1 and FCCC/KP/AWG/2012/MISC.1, Add.1 and Add.2.

³ Australia's QELRC under the second commitment period of the Kyoto Protocol is consistent with the achievement of Australia's unconditional 2020 target of 5 per cent below 2000 levels. Australia retains the option later to move up within its 2020 target of 5 to 15, or 25 per cent below 2000 levels, subject to certain conditions being met. This reference retains the status of these pledges as made under the Cancun Agreements and does not amount to a new legally binding commitment under this Protocol or its associated rules and modalities.

⁴ Added to Annex B by an amendment adopted pursuant to decision 10/CMP.2. This amendment has not yet entered into force.

⁵ As part of a global and comprehensive agreement for the period beyond 2012, the European Union reiterates its conditional offer to move to a 30 per cent reduction by 2020 compared to 1990 levels, provided that other developed countries commit themselves to comparable emission reductions and developing countries contribute adequately according to their responsibilities and respective capabilities.

<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008–2012) (percentage of base year or period)</i>	<i>Quantified emission limitation or reduction commitment (2013–2017) (percentage of base year or period)</i>	<i>Reference year¹</i>	<i>Quantified emission limitation or reduction commitment (2013–2017) (expressed as percentage of reference year)¹</i>	<i>Pledges for the reduction of greenhouse gas emissions by 2020 (percentage of reference year)²</i>
Ireland	92		NA	NA	
Italy	92		NA	NA	
Kazakhstan*			1990		–7%
Latvia*	92		NA	NA	
Liechtenstein	92		1990		–20%/–30% ⁶
Lithuania*	92		NA	NA	
Luxembourg	92		NA	NA	
Malta			NA	NA	
Monaco	92		1990		–30%
Netherlands	92		NA	NA	
Norway	101		1990		–30% to –40% ⁷
Poland*	94		NA	NA	
Portugal	92		NA	NA	
Romania*	92		NA	NA	
Slovakia*	92		NA	NA	
Slovenia*	92		NA	NA	
Spain	92		NA	NA	
Sweden	92		NA	NA	
Switzerland	92		1990	NA	–20% to –30% ⁸
Ukraine*	100		1990		–20%

⁶ The QELRC presented in column three refers to a reduction target of 20 per cent by 2020 compared to 1990 levels. Liechtenstein would consider a higher reduction target of up to 30 per cent by 2020 compared to 1990 levels under the condition that other developed countries commit themselves to comparable emission reductions and that economically more advanced developing countries contribute adequately according to their responsibilities and respective capabilities.

⁷ Norway's QELRC of 84 is consistent with its target of 30 per cent reduction of emissions by 2020, compared to 1990. If it can contribute to a global and comprehensive agreement where major emitting Parties agree on emission reductions in line with the 2 C target, Norway will move to a level of 40 per cent reduction for 2020 based on 1990 levels. This reference retains the status of the pledge made under the Cancun Agreements and does not amount to a new legally binding commitment under this Protocol.

⁸ The QELRC presented in column three of this table refers to a reduction target of 20 per cent by 2020 compared to 1990 levels. Switzerland would consider a higher reduction target up to 30 per cent by 2020 compared to 1990 levels subject to comparable emission reduction commitments from developed countries and adequate contribution from developing countries according to their responsibilities and capabilities. This pledge is made under the Cancun Agreements and does not amount to a new legally binding commitment under this Protocol or its associated rules and modalities.

1	2	3	4	5	6
<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008–2012) (percentage of base year or period)</i>	<i>Quantified emission limitation or reduction commitment (2013–2017) (percentage of base year or period)</i>	<i>Reference year¹</i>	<i>Quantified emission limitation or reduction commitment (2013–2017) (expressed as percentage of reference year)¹</i>	<i>Pledges for the reduction of greenhouse gas emissions by 2020 (percentage of reference year)²</i>
United Kingdom of Great Britain and Northern Ireland	92		NA	NA	
<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008–2012) (percentage of base year or period)</i>				
Canada ^a	94				
Japan ^b	94				
New Zealand ⁹	100				
Russian Federation ^{10*}	100				

Abbreviation: NA = not applicable.

* Countries that are undergoing the process of transition to a market economy.

Publisher's notes:

^a On 15 December 2011, the Depositary received written notification of Canada's withdrawal from the Kyoto Protocol. This action will become effective for Canada on 15 December 2012.

^b In a communication dated 10 December 2010, Japan indicated that it does not have any intention to be under obligation of the second commitment period of the Kyoto Protocol after 2012.

⁹ New Zealand remains a Party to the Kyoto Protocol. It will be taking a quantified economy-wide emission reduction target under the United Nations Framework Convention on Climate Change in the period 2013-2020.

¹⁰ In a communication dated 8 December 2010 that was received by the secretariat on 9 December 2010, the Russian Federation indicated that it does not intend to assume a quantitative emission limitation or reduction commitment for the second commitment period.

Option 3

Annex B

<i>1</i>	<i>2</i>	<i>3</i>
<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008–2012) (percentage of base year or period)</i>	<i>Quantified emission limitation or reduction commitment (2013–2017) (percentage of base year or period)¹</i>
Australia ¹	108	93 ²
Austria	92	80
Belgium	92	80
Belarus* ⁺	92	65
Bulgaria*	92	80
Canada	94	Withdrawn [#]
Croatia* ³	95	80
Cyprus		80
Czech Republic*	92	80
Denmark	92	80
Estonia*	92	80
European Community ³	92	80
Finland	92	80
France	92	80
Germany	92	80
Greece	92	80
Hungary*	94	80
Iceland ³	110	80
Ireland	92	80
Italy	92	80
Japan	94	No QELRC
Kazakhstan [^]	100	73
Latvia*	92	80
Liechtenstein	92	81
Lithuania*	92	80

¹ Decision 1/CMP.6 agreed that a reference year may be used by a Party on an optional basis for its own purposes to express its quantified emission limitation or reduction commitment (QELRC) as a percentage of emission of that year, that is not internationally binding under the Kyoto Protocol, in addition to the listing of its QELRC in relation to the base year in the second and third columns of this table, which are internationally legally binding.

² This commitment would be 90 if calculated instead as a percentage of emission reductions relative to Australia's reference year of 2000.

³ The commitments for the European Union and its member States for the second commitment period under the Kyoto Protocol will be fulfilled jointly by the European Union and its member States, Croatia and Iceland, in accordance with Article 4 of the Kyoto Protocol.

<i>1</i>	<i>2</i>	<i>3</i>
<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008–2012) (percentage of base year or period)</i>	<i>Quantified emission limitation or reduction commitment (2013–2017) (percentage of base year or period)¹</i>
Luxembourg	92	80
Malta		80
Monaco	92	81
Netherlands	92	80
New Zealand	100	90
Norway	101	81
Poland*	94	80
Portugal	92	80
Romania*	92	80
Russia*	100	No QELRC
Slovakia*	92	80
Slovenia*	92	80
Spain	92	80
Sweden	92	80
Switzerland	92	81
Ukraine*	100	46
United Kingdom of Great Britain and Northern Ireland	92	80
United States of America ^{&}	94	No QELRC

* Countries undergoing the process of transition to a market economy.

⁺ First commitment period quantified emission limitation or reduction commitment had been adopted but had not entered into force as at [date].

[^] Proposed first commitment period target.

[&] Has not yet ratified the Kyoto Protocol.

[#] Notice of withdrawal from the Kyoto Protocol submitted, to become effective on 15 December 2012.

B. Annex A to the Kyoto Protocol

The following table shall replace the list under the heading “Greenhouse gases” in Annex A to the Protocol:

Greenhouse gases

Carbon dioxide (CO₂)

Methane (CH₄)

Nitrous oxide (N₂O)

Hydrofluorocarbons (HFCs)

Perfluorocarbons (PFCs)

Sulphur hexafluoride (SF₆)

Nitrogen trifluoride (NF₃)¹

C. Article 3, paragraph 1 bis

The following paragraph shall be inserted after paragraph 1 of Article 3 of the Protocol:

Option 1

1 bis. The Parties included in Annex I shall, individually or jointly, ensure that their aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A do not exceed their assigned amounts, calculated pursuant to their quantified emission limitation and reduction commitments inscribed in the third column of the table contained in Annex B and in accordance with the provisions of this Article, with a view to reducing their overall emissions of such gases by at least [X] per cent below 1990 levels in the commitment period 2013 to [2017][2020].

Option 2

1 bis. The Parties included in Annex I shall, individually or jointly, ensure that their aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A do not exceed their assigned amounts, calculated pursuant to their quantified emission limitation and reduction commitments inscribed in the third column of the table contained in Annex B and in accordance with the provisions of this Article

Option 3

1 bis. The Parties included in Annex I shall individually or jointly, ensure that their aggregate anthropogenic carbon dioxide equivalent emissions of greenhouse gases listed in Annex A do not exceed their assigned amounts, calculated pursuant to their quantified emission limitation and reduction commitments inscribed in Annex B and in accordance with the provisions of this Article with a view to reducing their overall emissions of such gases by at least [33] per cent below 1990 levels by the end of the second commitment period 2013 to 2017.

¹ Applies only from the beginning of the second commitment period.

D. Article 3, paragraph 1 ter

Option 1

There will be no amendment relating to this matter (*but see paragraphs 14 and 21 of the draft decision text*).

Option 2

The following paragraph shall be inserted after paragraph 1 bis of Article 3 of the Protocol:

1 ter. Each Party included in Annex I shall revisit its quantified emission limitation and reduction commitment for the second commitment period as soon as possible, in order to increase the ambition of its commitment, at the latest by 2014, through a decrease in the percentage inscribed in the third column of the table contained in Annex B as its quantified emission limitation and reduction commitment inscribed, in line with an aggregate reduction of greenhouse gas emission not controlled by the Montreal Protocol by Parties included in Annex I of [at least 25 to 40 per cent][more than 45 per cent] below 1990 levels by 2020.

Option 3

The following paragraph shall be inserted after paragraph 1 bis of Article 3 of the Protocol:

1 ter. Parties shall review the quantified emission limitation and reduction commitments inscribed in the third column of the table contained in Annex B at the latest by [2015] with a view to strengthening these commitments in line with an overall reduction of emissions of such gases by Annex I Parties of at least 25 to 40 per cent below 1990 levels in 2020.

E. Article 3, paragraph 1 [ter][quater]

Option 1

There will be no amendment relating to this matter.

Option 2²

The following paragraph shall be inserted after paragraph 1 [bis][ter] of Article 3 of the Protocol:

1 [ter][quater]. A Party included in Annex B may propose an adjustment to decrease the percentage of its quantified emission limitation and reduction commitment inscribed in the third column of the table contained in Annex B [in accordance with Article 3, paragraph 1 ter, above]. A proposal for such an adjustment shall be communicated to the Parties by the secretariat at least [three][six] months before the meeting of the Conference of the Parties serving as the meeting of the Parties at which it is proposed for adoption.

Option 3

The following paragraph shall be inserted after paragraph 1 [bis][ter] of Article 3 of the Protocol:

1 [ter] [quater]. A Party included in Annex I may, at any time, propose to decrease the percentage of its quantified emission limitation objectives inscribed in the third column of the table contained in Annex B, with a view to strengthening its commitments under this Protocol.

² This is an alternative to paragraph 21 of the draft decision text.

F. Article 3, paragraph 1 [quater][quinquies]Option 1

There will be no amendment relating to this matter.

Option 2

The following paragraph shall be inserted after paragraph 1 [ter][quater] of Article 3 of the Protocol:

1 [quater][quinquies]. An adjustment proposed by a Party included in Annex I to increase the ambition of its quantified emission limitation and reduction commitment in accordance with Article 3, paragraph 1 [ter][quater] above shall be considered adopted by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol unless more than three-fourths of the Parties present and voting object to its adoption. The adopted adjustment shall be communicated by the secretariat to the Depositary, who shall circulate it to all Parties, and shall enter into force on 1 January of the year following the communication by the Depositary. Such adjustment shall be binding upon Parties.

Option 3

See new proposed paragraph 8 of Article 21 (first subparagraph).

G. Article 3, paragraph 1 [quinquies][sexies]Option 1

There will be no amendment relating to this matter (*but see paragraphs 15 and 22 of the proposed decision text*).

Option 2

The following paragraph shall be inserted after paragraph 1 [quater][quinquies] of Article 3 of the Protocol:

1 [quinquies][sexies]. In order to ensure that the increase in ambition referred to in Article 3, paragraph 1 [ter][quater] above, is immediately effective, the Party concerned shall cancel a number of assigned amount units equivalent to the decrease in its quantified emission limitation and reduction commitment inscribed in the third column of the table contained in Annex B, as adjusted by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, through transferring these units to a cancellation account established in its national registry for this purpose, and immediately communicating such transfer to the Secretariat.

Option 3

See new proposed paragraph 8 of Article 21 (second subparagraph).

H. Article 3, paragraph 7 bis

The following paragraph shall be inserted after paragraph 7 of Article 3 of the Protocol:

Option 1

7 bis. In the second quantified emission limitation and reduction commitment period, from 2013 to [2017][2020], the assigned amount for each Party included in Annex I shall be equal to the percentage inscribed for it in the third column of the table contained in Annex B of its aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse

gases listed in Annex A in 1990, or the base year or period determined in accordance with paragraph 5 above, multiplied by [five][eight]. Those Parties included in Annex I for whom land-use change and forestry constituted a net source of greenhouse gas emissions in 1990 shall include in their 1990 emissions base year or period the aggregate anthropogenic carbon dioxide equivalent emissions by sources minus removals by sinks in 1990 from land-use change for the purposes of calculating their assigned amount.

Option 2

7 bis. In the second quantified emission limitation and reduction commitment period, from 2013 to [2017][2020], the assigned amount for each Party included in Annex I shall be equal to the percentage inscribed for it in Annex B of its aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A in 1990, or the base year or period determined in accordance with paragraph 5 above, multiplied by [five][eight].

I. Article 3, paragraph 7 ter

Option 1

There will be no amendment relating to this matter.

Option 2

The following paragraph shall be inserted after paragraph 7 bis of Article 3 of the Protocol:

7 ter. Each Party's quantified emission reduction or limitation commitment for the second commitment period, set out in column 3 of Annex B, shall correspond to that Party's level of emissions at the midpoint of the second commitment period, assuming a straight line emissions trajectory connecting: (a) the level of emissions associated with each Party's first commitment period quantified emission limitation or reduction commitment at the midpoint of the first commitment period (2010), and (b) the level of emissions associated with the value of each Party's most ambitious pledged emission reduction target for 2020 or a value representing a greater absolute reduction in emissions related to the base year or period.

J. Article 3, paragraph 7 [ter][quater]

Option 1

There will be no amendment relating to this matter.

Option 2

The following paragraph shall be inserted after paragraph 7 [bis][ter] of Article 3 of the Protocol:

7 [ter][quater]. The assigned amount for any Party in the second commitment period shall not exceed the lower of:

(a) An amount equal to the percentage inscribed for it in column 2 of Annex B of its aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A for the first commitment period, multiplied by the length in years of the second commitment period; or

(b) An amount equal to that Party's verified emissions of its aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A in 2008, based on its 2010 inventory report, multiplied by the length in years of the second commitment period.

K. Article 3, paragraph 8

In paragraph 8 of Article 3 of the Protocol, the words:

paragraph 7

shall be substituted by:

paragraph 7 bis

L. Article 3, paragraph 8 bis

The following paragraph shall be inserted after paragraph 8 of Article 3 of the Protocol:

8 bis. Any Party included in Annex I may use 1995 or 2000 as its base year for nitrogen trifluoride for the purposes of the calculation referred to in paragraph 7 bis above.

M. Article 3, paragraph 9 bisOption 1

There will be no amendment relating to this matter.

Option 2

The following paragraph shall be inserted after paragraph 9 of Article 3 of the Protocol:

9 bis. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall initiate the consideration of further commitments for Annex I Parties sufficiently in advance of any commitment period.

N. Article 3, paragraphs 12 bis and ter

The following paragraphs shall be inserted after paragraph 12 of Article 3 of the Protocol:

Option 1

12 bis. Any units generated from market-based mechanisms to be established under the Convention or its instruments may be used by Parties included in Annex I to assist them in achieving compliance with their quantified emission limitation and reduction commitments under Article 3. Any such units which a Party acquires from another Party to the Convention shall be added to the assigned amount for the acquiring Party and subtracted from the quantity of units held by the transferring Party.

12 ter. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall ensure that, where units from approved activities under market-based mechanisms referred to in paragraph 12 bis above are used by Parties included in Annex I to assist them in achieving compliance with their quantified emission limitation and reduction commitments under Article 3, a share of these units is used to cover administrative expenses, as well as to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation if these units are acquired under Article 17.

Option 2

There will be no amendment relating to this matter.

O. Article 3, paragraph[s] [13,] 13 bis [and ter]

Option 1

There will be no amendment relating to this matter.

Option 2

Paragraph 13 of Article 3 of the Protocol shall be replaced by the following paragraph:

13. If the emissions of a Party included in Annex I in a commitment period are less than its assigned amount under this Article, this difference shall, on request of that Party, be carried over to the subsequent commitment period, as follows:

(a) Any CERs held in that Party's national registry that have not been retired for that commitment period or cancelled may be carried over to the subsequent commitment period, up to a maximum of 2.5 per cent of the assigned amount for that commitment period;

(b) Any ERUs or AAUs held in that Party's national registry that have not been retired for that commitment period or cancelled shall be transferred to a Previous Period Surplus Reserve account of the subsequent commitment period, to be established in its national registry, and shall remain in that account in its national registry.

The following paragraphs shall be inserted after paragraph 13 of Article 3 of the Protocol:

13 bis. The difference between the assigned amount of the second commitment period for a Party included in the Annex I and the emissions in the last year of the first commitment period multiplied by [five][eight] shall be transferred to the cancellation account of that Party.

13 ter. Units of a Party's Previous Period Surplus Reserve account shall be used for retirement during the additional period for fulfilling commitments of the second commitment period up to the extent by which emissions during the second commitment period exceed the assigned amount for that commitment period, as defined in Article 3, paragraphs 7 and 8 of the Kyoto Protocol. Any remaining units in that Party's Previous Period Surplus Reserve shall be cancelled.

Option 3

Paragraph 13 of Article 3 of the Protocol shall be replaced by the following paragraph:

13 bis. Each Party electing to carry-over to the subsequent commitment period the difference between its assigned amount under Article 3 of the Kyoto Protocol and its emissions in a commitment period in accordance with Article 3, paragraph 13:

(a) Has to transfer this difference between its assigned amount under Article 3 of the Kyoto Protocol and its emissions in a commitment period in accordance with Article 3, paragraph 13 to the previous period surplus reserve to be established under its national registry;

(b) May use assigned amount units from the previous period surplus reserve to a maximum of [2.5 per cent of the assigned amount pursuant to Article 3, paragraphs 7 and 8, of that Party] [X³ million tons carbon dioxide equivalent] to meet its commitments under Article 3, paragraph [1] in the second commitment period;

(c) Has to cancel at the end of the true-up period of the second commitment period the remaining units in the previous period surplus reserve that have not been used for fulfilling own commitments in the second commitment period;

³ X: [100] or [150].

(d) Has to put carried-over emission reduction units in accordance to decision 13/CMP.1 into the previous period surplus reserve at the end of the true-up period of the second commitment period;

(e) Has to cancel the emission reduction units referred to in paragraph (d) above following the expiration of the true-up period of the second commitment period;

(f) Has to cancel, following the expiration of any true-up period, the following units not used for fulfilling a commitment under the Kyoto Protocol:

(i) Assigned amount units that are not in the previous period surplus reserve and assigned amount units remaining after the end of the true-up period of the second commitment period;

(ii) Emission reduction units and certified emission reductions that have not been carried-over;

(iii) Emission reduction units that are not in the previous period surplus reserve at the end of the true-up period of the second commitment period;

(iv) Removal units.

P. Article 3, paragraph 15

Option 1

There will be no amendment relating to this matter.

Option 2

The following paragraph shall be inserted after paragraph 14 of Article 3 of the Protocol:

15. Parties included in Annex I may, at any time, revise their quantified emission limitation and reduction commitments inscribed in Annex B, with a view to strengthening their commitments under this Protocol. In order to ensure that such revision is immediately effective, by means of a decrease in a Party's quantified emission limitation and reduction commitment, the concerned Party may forfeit part of its assigned amount units, transferring these units to a cancellation account established for this purpose, under its national registry, and communicating such a transfer to the secretariat thereafter.

Q. Article 4, paragraph 2

The following words shall be added to the end of the first sentence of paragraph 2 of Article 4 of the Protocol:

, or on the date of deposit of their instruments of acceptance of any amendment to Annex B pursuant to Article 3, paragraph 9

R. Article 4, paragraph 3

In paragraph 3 of Article 4 of the Protocol, the words:

, paragraph 7

shall be substituted by:

to which it relates

S. Article 6, paragraph 5

Option 1

There will be no amendment relating to this matter.

Option 2

The following paragraph shall be inserted after paragraph 4 of Article 6 of the Protocol:

5. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall ensure that a share of the proceeds from approved project activities established under this Article is used to cover administrative expenses and to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation.

T. Article 17, paragraph 2

Option 1

There will be no amendment relating to this matter.

Option 2

The current paragraph of Article 17 of the Protocol shall be numbered as paragraph 1 and the following new paragraph shall be inserted after paragraph 1 of Article 17 as paragraph 2 of Article 17:

2. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall ensure that a share of proceeds from the issuance of the assigned amount units is used to cover administrative expenses as well as to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation.

U. Article 18, paragraph 2

Option 1

There will be no amendment relating to this matter.

Option 2

The current paragraph of Article 18 of the Protocol shall be numbered as paragraph 1 and the following new paragraph shall be inserted after paragraph 1 of Article 18 as paragraph 2 of Article 18:

2. In accordance with paragraph 1 above, the procedures and mechanisms relating to compliance under this Protocol adopted by decision 27/CMP.1 of the Conference of the Parties serving as the meeting of the Parties to this Protocol shall apply. Further procedures and mechanisms to address cases of non-compliance under paragraph 1 above shall be adopted by the Conference of the Parties serving as the meeting of the Parties to this Protocol.

V. Article 21, paragraphs 8 and 9

Option 1

There will be no amendment relating to this matter.

Option 2

The following paragraphs shall be inserted after paragraph 7 of Article 21 of the Protocol:

8. As an exception to paragraph 7 above, a proposal by a Party included in Annex B to increase the ambition of its quantified emission limitation and reduction commitments inscribed in the third column of the table contained in Annex B through an amendment decreasing this percentage shall be considered adopted unless more than three-fourths of the Parties present and voting at the meeting object to its adoption. The adopted amendment shall be communicated by the secretariat to the Depositary, who shall circulate it to all Parties, and shall enter into force on 1 January of the year following the communication by the Depositary.

9. In order to ensure that an increase in ambition pursuant to paragraph 8 above is immediately effective, the concerned Party shall cancel a number of assigned amount units equivalent to the increase in ambition, through transferring these units to a cancellation account established in its national registry for this purpose, and immediately communicating such transfer to the secretariat.
