



Subsidiary Body for Implementation

Thirty-sixth session

Bonn, 14–25 May 2012

Agenda item 17

Review of the design of the commitment period reserve

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Draft conclusions proposed by the Chair

1. The Subsidiary Body for Implementation (SBI) initiated its consideration of the review and revision, as appropriate, of the design of the commitment period reserve for the subsequent commitment period, to support the effective operation of emissions trading, taking into account, inter alia, the relevant rules, modalities, guidelines and procedures for measuring, reporting, verification and compliance in accordance with the mandate set out in paragraphs 2 and 3 of decision 3/CMP.7.
2. The SBI agreed to continue consideration of this item at its thirty-seventh session, on the basis of the Chair's draft text contained in the annex, with a view to recommending draft decisions on this matter for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its eighth session.

Annex

Chair's proposed text

Review of the design of the commitment period reserve

[Recalling decision 11/CMP.1, annex, paragraphs 6 to 10,

Also recalling decision 3/CMP.7, paragraphs 2 and 3,

Adopts the following design of the commitment period reserve in respect of commitments for the subsequent commitment period,

[Option 1

Each Party included in Annex I shall maintain, in its national registry, a commitment period reserve which should not drop below 90 per cent of the Party's assigned amount [for the relevant commitment period] calculated pursuant to [Article 3, paragraphs 7 and 8,]¹ of the Kyoto Protocol, or 100 per cent of [five] [the number of years in the commitment period] times its most recently reviewed inventory, whichever is lowest.]

[Option 2

Each Party included in Annex I shall maintain, in its national registry, a CPR which should not drop below the lower of either:

- a) 70 per cent of the Party's assigned amount [for the relevant commitment period] calculated pursuant to [Article 3, paragraphs 7 and 8,]¹ of the Kyoto Protocol, or
- b) The sum of the reviewed inventories reported thus far in that commitment period, plus the most recently reviewed inventory times the number of years remaining in that commitment period.]

[Option 3

Each Party included in Annex I shall maintain, in its national registry, a CPR which should not drop below the lower of either:

- a) 70 per cent of the Party's assigned amount [for the relevant commitment period] calculated pursuant to [Article 3, paragraphs 7 and 8]¹, of the Kyoto Protocol, or
- b) 100 per cent of [five] [the number of years in the commitment period] times its most recently reviewed inventory.]

[Option 4

Each Party included in Annex I shall maintain, in its national registry, a CPR which should not drop below the lower of either:

- a) 90 per cent of the Party's assigned amount [for the relevant commitment period] calculated pursuant to [Article 3, paragraphs 7 and 8]¹, of the Kyoto Protocol, or
- b) The sum of the reviewed inventories reported thus far in that commitment period, plus the most recently reviewed inventory times the number of years remaining in that commitment period.]

¹ References to Article 3, paragraphs 7 and 8, of the Kyoto Protocol relate to the first commitment period and will need to be updated.