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TECHNICAL REVIEW OF THE REVISED TEXT UNDER NEGOTIATION

Note by the secretariat

I. INTRODUCTION

- 1. This technical review of the revised text under negotiation (FCCC/CP/1997/2) has been prepared at the request of the Chairman of the Ad Hoc Group on the Berlin Mandate (AGBM). The Chairman requested that it be made available to the Committee of the Whole to assist in its task of finalizing the text of a protocol or another legal instrument
- 2. In conducting this technical review, the secretariat has sought to suggest improvements or refinements to the revised text under negotiation. These fall into the following broad categories:
- (a) Drafting and editorial recommendations directed at increasing the clarity of the text and ensuring consistency in terminology and language;
- (b) More substantive proposals aimed at safeguarding the consistency and coherence of the text, and in particular at avoiding contradictions, ambiguities or unintended loopholes in provisions; and
- (c) Commentary on the feasibility of certain institutional provisions and suggestions for possible improvements.
- 3. This technical review is applicable only to the English language version of the revised text under negotiation. Arrangements will be made by the Committee of the Whole at the third session of the Conference of the Parties for a comprehensive linguistic review of the final text of the protocol or another legal instrument in order to ensure the consistency of the text among the six official languages of the United Nations.
- 4. The technical review has been prepared without prejudice to the eventual outcome of negotiations. Commentary on Articles or elements in the review do not imply any opinion regarding the eventual inclusion or exclusion of such Articles or elements from the final text.

II. TECHNICAL REVIEW

A. Overall comments

Clarity of institutional provisions

5. The Kyoto instrument should have clear institutional provisions. However, the revised text under negotiation is still deficient in this respect. This arises in part from Article 14 which seeks a compromise between different positions on institutional questions by providing for the Conference of the Parties (COP) to the Convention to serve as the Meeting of the Parties (MOP) to the Protocol. This merger of two approaches gives rise to some ambiguity and potential questions of application. Moreover, certain other Articles overlap in the functions of the COP and the MOP, notably Article 8 on communication of information and Article 9 on review of implementation. Specific queries are raised in the discussion on individual Articles below.

Coherence

6. The revised text under negotiation also contains some cases of insufficient integration, and also potential overlap, between related provisions appearing in different Articles. In this regard, particular attention needs to be given to the coherence of the various provisions requiring the establishment of systems or mechanisms for the estimation, monitoring or verification of emissions. Article 5.1 (on methodologies) refers to "a national system for the estimation of anthropogenic emissions by sources and removals by sinks", Article 6.1 (on emissions trading) speaks of "a national mechanism for the certification and verification of emission trades" and Article 7.3(a) (on joint implementation) mentions "a national mechanism for the accounting, certification and verification of … greenhouse gas emissions". These provisions appear to be additional to, and are currently not linked in with, the annual inventories whose submission is required under Article 8.1 (on communication of information). Parties may wish to consider whether the intention is indeed for separate systems to be set up. In the interests of institutional economy, it would be appropriate to decide upon the establishment of one integrated mechanism.

Deadlines

7. The revised text under negotiation requires the MOP to adopt a large number of substantive decisions at its first session after entry into force of the Protocol (see Articles 5.1, 5.2, 7.3(h), 7.5, 8.4, 9.1(c) and 18). Parties may wish to review this list, with a view to determining whether it might be possible to set a more flexible deadline for the adoption of decisions on some of these items.

Consistency of terminology

8. Throughout the text, there is a lack of consistency in the terminology used to refer to greenhouse gas emissions and their removals. In order to avoid confusion, it would be advisable to adhere as closely as possible to the language of the Convention, that is: "anthropogenic emissions by sources and removals by sinks".

9. Another source of inconsistency is the variation in the use of the expression "limitation and reduction" in the context of emission commitments. Three versions occur: "limit and reduce", "limit or reduce" and "limit and/or reduce". Except where the context demands otherwise, it would be desirable to retain the first version, "limit and reduce", which is derived from "limitation and reduction" in the Berlin Mandate.

B. Specific comments relating to individual Articles

Preamble

10. The fifth preambular paragraph could be a source of ambiguity, as "...<u>its</u> Article 3" could be interpreted as referring to Article 3 of either the Protocol or the Convention. It should be stated explicitly that the reference is to Article 3 of the Convention.

Article 1

- 11. As noted in paragraph 8 of this Article, the listing of terms and their definitions may need to be completed. Although this must await further negotiations, it could be helpful to identify at this stage possible terms which may need to be defined. Such terms are listed below:
 - (a) "Meeting of the Parties";
 - (b) "Emission budget";
 - (c) "Emission credit"; and
 - (d) "Joint implementation project".

- 12. Paragraph 1(a), Alternative A: The term "<u>Maintenance of</u> ..." might be more appropriate than "Providing ...", in relation to "... a continuous balance ...".
- 13. Paragraph 1(a), Alternative B: Subparagraph (i) mentions "... greenhouse gases *and greenhouse gas precursors* not controlled by the Montreal Protocol ...". This is the only reference to greenhouse gas precursors anywhere in the text and the rationale for its inclusion here is unclear. In the Convention, precursors are mentioned in Article 1 (definitions), but not in Article 4.2(e)(ii) or indeed in any other Article.
- 14. Paragraph 1(a), Alternative B: Subparagraph (v) could be clarified as follows: "..to ensure that a significant increase <u>in their</u> share of its energy supply is realized". Furthermore, the use of "its" in this subparagraph refers to "each Party's". This specificity does not occur in other subparagraphs of this Article. Is this intentional?

- 15. Paragraph 1(a), Alternative B: The drafting of subparagraph (vii) would be improved by the following change: "...through the International Civil Aviation Organization and the International Maritime Organization, respectively, <u>and</u> in particular work towards introducing aviation fuel taxation".
- 16. Paragraph 1(c): The phrase "... in accordance with Article 4.2(e)(i) of the Convention..." could be replaced with the following, more accurate, wording: "... <u>pursuant to</u> Article 4.2(e)(i) of the Convention ...".

- 17. Parties may wish to consider whether the provisions of paragraphs 3 and 4 adequately cover the situation of those Parties included in Annex I undergoing the process of transition to a market economy which have not yet indicated whether they wish to choose a baseline other than 1990 for the implementation of their commitments. Paragraph 3 refers only to those Parties whose base year or period was established pursuant to decision 9/CP.2, whilst paragraph 4 deals with flexibility in the implementation of commitments "other than those in Article 3". A possible solution may be to re-introduce in paragraph 3 the following phrase which appeared in the consolidated negotiating text by the Chairman (FCCC/AGBM/1997/7): "Any other Party included in Annex I undergoing the process of transition to a market economy may also notify the Meeting of the Parties that it intends to use a historical base year period other than 1990 for the implementation of its commitments under this Article. The Meeting of the Parties shall decide on the acceptance of such notification".
- 18. If paragraph 14 retains its present location, a link may need to be made with the provisions of Article 18 (on compliance).
- 19. The second sentence of paragraph 15 should be made consistent with the first sentence, so that it reads: "Any amendment to the list of greenhouse gases <u>and source and sink categories</u> in Annex A..."
- 20. Paragraphs 17 and 18 call for the COP to establish a compensation fund and a clean development fund. It would be helpful to explicitly state which body is to take this action the COP *to the Convention* or, were agreement to be reached on the provisions currently elaborated in Article 14, the MOP *to the Protocol*.
- 21. The placement of paragraphs 17 and 18 needs to be reviewed in light of footnotes 1, 4 and 13 in the revised text under negotiation.
- 22. Paragraph 18 (lines 3 and 5) makes use of the term "will". Is this correct, or is the intended term "shall"?

- 23. The word "will" appears in paragraph 2 (line 1). Is this correct, or is the intended term "shall"?
- 24. Paragraph 3 refers to "*the* period mentioned in Article 3". However, Article 3 as currently drafted includes two budget periods. It may therefore be necessary to state either "the <u>first budget</u> period mentioned in Article 3" or "the <u>budget</u> period mentioned in Article 3.7).

Article 5

25. With respect to the reference in paragraph 1 to "a national system ...", please see comments in paragraph 6 above.

Article 6

- 26. With respect to the reference in paragraph 1 to "a national mechanism ...", please see comments in paragraph 6 above.
- 27. Paragraph 1 refers to "emissions allowed under Article 3". As this term no longer appears in Article 3, it may be appropriate to modify this sentence in paragraph 1 as follows "...any part of its emission budget under Article 3". The same modification could be applied to paragraph 2, so that it would read "...leading to the transfer or acquisition, under this Article, of any part of its emission budget" and also to paragraph 3(c), which would now appear as follows: "...but may not transfer any part of its emission budget...". Paragraph 5 could be similarly modified: "...transfers and acquisitions of any part of an emission budget may continue to be made, provided that such transfers and acquisitions are not used by any Party..." with the final sentence reading "...the provisions of this paragraph shall apply only to transfers of any part of the emission budget of that Party".
- 28. The last line in paragraph 1 refers to "the certification and verification of emission trades" whilst paragraph 4 refers to "methodologies for verification and reporting". Is there a need for consistency between these two references? If so, the final sentence in paragraph 1 could read "... a national mechanism for the certification, verification and reporting of emission trades" and the final sentence in paragraph 4 could read: "...including methodologies for certification, verification and reporting".

- 29. Paragraph 1, line 2: The word "receive" could be replaced by "acquire" in order to be consistent with the remainder of the Article and the corresponding paragraph 10 in Article 3.
- 30. It would be helpful to make the first sentence of this paragraph fully consistent with the equivalent sentence in Article 6, paragraph 1 so that lines 2 and 3 would now read: "...from any other Party included in Annex I [or acting under Article 10]...".

- 31. There appears to be some inconsistency in terminology between paragraph 1, which talks of "carbon dioxide equivalent emission reductions" and the remainder of the Article, which refers to "emission credits". It may be necessary to either use the same terminology throughout, or to establish a clear link between the terms "carbon dioxide equivalent emission reductions" and "emission credits". A solution could be to redraft part of paragraph 1 as follows: "... may acquire from any other Party ... credit for the carbon dioxide equivalent emission reductions resulting from joint implementation projects". Alternatively, a definition could appear in Article 1.
- 32. With respect to the reference in paragraph 3(a) to "a national mechanism ...", please see comments in paragraph 6 above.
- 33. The terms "accounting", "certification" and "verification" variously used in paragraphs 3(a) and 5(b) could be ordered more logically and made consistent so that all such references refer to "certification, verification and accounting".
- 34. Paragraph 3(c): The second sentence of this paragraph does not specify that reductions in emissions by sources or enhancement of removals by sinks through joint implementation projects should apply to *the greenhouse gases listed in Annex A*. If this is the intention, it may be necessary to introduce some clarification on this point in this paragraph, and also where similar instances occur in the Article.
- 35. Throughout the Article, there appears to be some confusion on terminology used to refer to removals by sinks, in the sense that it is greenhouse gases that are removed, and not emissions. Some suggested drafting changes are given below (these also take into account the comment in paragraph 34 above):
- (a) The last sentence of paragraph 3(c) could read: "... a reduction in <u>emissions of the greenhouse gases listed in Annex A [or a removal by sinks of such greenhouse gases]</u> that is additional ...";
- (b) The final part of paragraph 5(b) could read "... and verification of <u>reductions in emissions of the greenhouse gases listed in Annex A</u> [and of removals <u>by sinks of such greenhouse gases</u>]; and
- (c) Paragraph 5(d) could read "...actual <u>reductions in emissions of the greenhouse</u> gases listed in Annex A [and of removals by sinks of such greenhouse gases].
- 36. The second sentence in paragraph 3(g) mentions "accountability methodologies". Is this correct, or is "accounting methodologies" the intended term? In addition, this subparagraph speaks of verification and accounting, but not of certification, which is inconsistent with subparagraphs 3(a) and 5(b). Furthermore, it is already understood that emission credits refer to a reduction in emissions or a removal of greenhouse gases and this does not need to be repeated here. If these considerations are taken into account, the second sentence in paragraph 3(g) could be redrafted as follows: "They shall be subject to stringent certification, verification and accounting methodologies".

- 37. There is a degree of overlap between paragraphs 3(h) and 5, both of which elaborate provisions for the MOP to adopt guidelines for reporting on joint implementation projects. Paragraph 3(h) could therefore be modified so as to read: "Parties shall report on joint implementation projects in their national communications, using guidelines to be adopted by the Meeting of the Parties <u>under paragraph 5 below</u>".
- 38. Paragraph 4 refers to the "receipt" of credits. In the interests of linguistic consistency, the term "acquisition" should be used instead.
- 39. Paragraph 5: Subparagraphs (a) to (d) could perhaps be ordered more logically so that (a) would be followed by (c), then (d) and finally (b).
- 40. In order to make paragraph 5(d) consistent with the remainder of this Article, it may be clearer to use the term "accounting" rather than "auditing".
- 41. The drafting of paragraph 6 could be made more consistent with the remainder of this Article by replacing the phrase "...to allow joint implementation with Parties not included in Annex I..." with the following phrase: "...to allow Parties not included in Annex I [and not acting under Article 10] to participate in joint implementation projects...". In addition, the term "rules" in the final sentence should be replaced by "provisions", as "rules" is not used anywhere else in the Article.
- 42. The substance of paragraph 6 as it currently appears is problematic, in that it states that non-Annex I Parties would be allowed to participate in joint implementation projects "in conformity with the rules of this Article". However, in paragraph 3(a), it is stated that Parties participating in joint implementation projects "shall be in compliance with their obligations under *Articles 3*, 5 and 8 of this Protocol", Articles which only apply to Annex I Parties (or Parties acting under Article 10). Further consideration would need to be given to this problem. A possible solution which Parties may consider would be to modify the last part of paragraph 6 so that it reads: "in any sector of the economy, consistent with the provisions of this Article and in accordance with decisions adopted for this purpose by the Meeting of the Parties".

- 43. Please see comments in paragraph 6 above regarding annual inventories mentioned in paragraph 1 of this Article.
- 44. Paragraph 1 as currently drafted requires Parties to incorporate additional information relating to the Protocol in their annual inventory "taking into account the relevant decisions of the Conference of the Parties to the Convention". This represents a revision of the consolidated negotiating text, where paragraph 1 referred to the annual inventory of Parties "submitted in accordance with the relevant decisions of the Conference of the Parties to the Convention". Parties may wish to consider retaining the previous formulation, as it is necessary to specify that the annual inventories referred to in Article 8 of the Protocol are the same as those which Parties are currently submitting under the Convention. This would be in line with paragraph 2, where it is made explicit that information for the purposes of the

Protocol is to be incorporated in national communications "submitted under Article 12 of the Convention". It is therefore clear that no new reporting regime is being established.

- 45. Parties may consider adding Article 12 to the list of Articles in the last line of paragraph 2. This would be consistent with Article 12.1(h).
- 46. The last sentence of paragraph 3 states that the MOP shall decide the "frequency of subsequent communications under this Article". It would seem necessary, however, to clarify the relationship between the submission of information under Article 8 of the Protocol and under Article 12 of the Convention, and thereby ensure the integration of the two reporting provisions. To this end, the last sentence of paragraph 3 could be redrafted as follows: "The frequency of subsequent communications under this Article shall be determined by the Meeting of the Parties, taking into account the timetable for the submission of national communications decided upon by the Conference of the Parties to the Convention".
- 47. The phrase "guidelines for the submission of national communications" in paragraph 4 should be made consistent with the language used in the relevant COP decisions (3/CP.1 and 9/CP.2), that is "guidelines for the <u>preparation</u> of national communications <u>by Parties included</u> in Annex I".
- 48. The final sentence in paragraph 4 mentions "the first budget period". It may be helpful to clarify that the reference is to "the first budget period <u>mentioned in Article 3.7</u>"

- 49. The word "including" in the second line of paragraph 1 could wrongly imply that annual inventories form part of national communications. It may therefore be advisable to replace "including" with "and".
- 50. The drafting of the chapeau to paragraph 1 would need some attention:
- (a) It states that reviews shall be conducted "...as part of *the* review of communications...". It is unclear, however, which "review of communications" is referred to;
- (b) Reference is made to "...guidelines adopted for this purpose by the Conference of the Parties to the Convention". However, no such guidelines exist. There are, instead, decisions by the COP which set out the tasks and procedures for the review of communications; and
- (c) There is overlap between the phrase "... in accordance with guidelines to be adopted by the Meeting of the Parties, taking into account guidelines adopted for this purpose by the Conference of the Parties to the Convention", and paragraph 1(c) where it is stated that "The Meeting of the Parties shall adopt ... guidelines ... taking into account guidelines... adopted by the Conference of the Parties to the Convention".
- 51. In light of the above observations, Parties might consider the following alternative language for the chapeau to paragraph 1: "...shall be reviewed by expert review teams as part

of the review of communications <u>conducted pursuant to the relevant decisions of the Conference of the Parties to the Convention and in accordance with guidelines adopted for this purpose by the Meeting of the Parties under subparagraph (c) below". The final part of subparagraph (c) could then read: "...taking into account the relevant decisions of the Conference of the Parties to the Convention". This formulation would serve the purpose of clearly indicating that the review of communications under the Protocol is to be integrated with that under the Convention, as is the intention in this Article.</u>

- 52. Paragraph 9.1(a) also makes reference to "guidelines adopted for this purpose by the Conference of the Parties". It would be more accurate to state "guidance provided for this purpose by the Conference of the Parties".
- 53. Paragraph 9.1(b) states that the reports of the expert review teams shall be circulated to "all Parties". According to the definition in Article 1, this means all Parties to the Protocol. Such reports could also be circulated to all Parties to the Convention, so that the sentence would then read: "Such reports shall be circulated by the secretariat to all Parties <u>and to all Parties and signatories to the Convention</u>".
- 54. Paragraph 9.2(a) could be considered as insufficiently comprehensive. The following formulation may be more appropriate: "The national communications <u>and annual inventories</u> submitted by Parties under Article 8 and the reports of the expert reviews thereof conducted under this Article".
- 55. There needs to be a linkage between the provisions of this Article and those of Article 18 which deals with compliance.

Article 10

- 56. Paragraph 1 of this Article states that "Any signatory or Party to this Protocol not included in Annex I may, at any time, notify the Depositary that it has *opted to be bound* by this Article". This wording is problematic, however, as by ratifying the Protocol, all Parties would be bound by all Articles, including this one. More appropriate language could be as follows: "Any signatory or Party to this Protocol not included in Annex I may, at any time, notify the Depositary that it has opted to undertake commitments under this Article".
- 57. If this Article is to be adopted, the language used in paragraph 2(b) should be in conformity with that in Article 3, so as to read: "The level of limitation or reduction of <u>net aggregate anthropogenic carbon dioxide equivalent</u> emissions of greenhouse gases listed in Annex A it is ready to undertake".

Article 11

58. There is some overlap between this Article and Article 14, paragraphs 4 and 4(a) regarding the functions of the MOP.

59. Paragraph 1(b), Alternative B: Should the second last line read "...and enhancement of removals by sinks..."?

- 60. The institutional arrangements proposed by this Article would benefit from further definition. In particular, a clear statement is needed regarding whether a new body is to be established, or not. The text, as currently drafted, appears to combine the two approaches, which creates legal ambiguity and also potential difficulties in implementation. By way of illustration, the intention of paragraph 1 appears to be that the COP to the Convention would also serve the Protocol under a different name (Meeting of the Parties) so that *no new body would be established*. However, a number of provisions in the remainder of the Article, and throughout the revised text under negotiation, suggest that there is in fact to be *a new or separate body*:
- (a) The repetition in paragraph 4(a) to (m) of most of the equivalent subparagraphs in Article 7.2 of the Convention would only be relevant were a new body to be set up whose functions would need to be defined. In this context, it should be noted that Article 7.2 of the Convention also covers "any related legal instruments";
- (b) Paragraph 4(k), in particular, seems to contradict paragraph 1. If no new body is to be created, there is no need for the adoption of new rules of procedure or financial rules;
- (c) The drafting of paragraph 4(m) implies that the COP and the MOP are two separate entities, again in apparent conflict with paragraph 1; and
- (d) If no new body is to be created, paragraphs 5, 6 and 7 as currently drafted are not necessary.
- 61. Paragraph 4 states that the MOP shall "...keep under regular review the implementation of this Protocol...". Article 7.2 of the Convention, however, states that the COP to the Convention shall "...keep under regular review the implementation of the Convention *and any related legal instruments*...". The linkage between the review under paragraph 4 and that under Article 7.2 of the Convention would therefore require further definition, so as to avoid contradictory provisions.
- 62. The list of functions of the MOP in paragraph 4 excludes only that specified in Article 7.2(j) of the Convention ("Review reports submitted by its subsidiary bodies and provide guidance to them"). The rationale for this is unclear. Moreover, Article 14, as currently drafted, deals only with any new subsidiary bodies that may be established, and not with the relationship between the MOP and the subsidiary bodies establishing under Articles 9 and 10 of the Convention.

- 63. The list of functions in paragraph 4 could also be streamlined by merging subparagraphs (i) and (j) into a single subparagraph which would read: "Establish such subsidiary bodies as are deemed necessary for the implementation of this Protocol and elaborate their functions and terms of reference." Furthermore, the word "shall" in subparagraph (m) could be deleted as it is already covered in the chapeau.
- 64. Paragraph 7 would establish a process for the admission of intergovernmental and non-governmental organizations parallel to that laid down in the Convention and currently implemented by the COP. Parties may wish to consider whether establishing such a parallel system is necessary or desirable. If a separate body were created, the Protocol could be silent on this point or provide for use of the COP system which is, in any case, under review by the Subsidiary Body for Implementation.
- 65. If it is decided that the current formulation should be retained, it may be advisable to include the following text: "The Conference of the Parties shall, at its first session after entry into force of this Protocol, decide upon modalities for the conduct of business when it exercises its functions as the Meeting of the Parties to this Protocol".

66. Paragraph 3: In view of the cost-effective integration of the functions of the secretariat to be carried out in relation to the Protocol and to the Convention (for example, for reviews of national communications and inventories and support for the subsidiary bodies), it may not be possible to distinguish all costs related to the Protocol. The words "... are distinct ..." could therefore be replaced by "... may be clearly and easily distinguished from those of secretariat services to the Convention, ...".

Article 16

67. The first sentence of paragraph 2 could be deleted. As currently drafted, it implies that Parties to the Convention would participate *as observers* at sessions of the subsidiary bodies dealing with matters *under the Convention*. Moreover, it is not necessary, as the second sentence of the paragraph suffices to make the intended point.

Article 17

68. It may be necessary for a link to be established between the provisions of this Article and those of Article 18, which deals with compliance.

Article 18

69. It may be necessary for a link to be established between this Article and Articles 3.14, 9 and 17, which also deal with compliance issues.

70. Paragraph 6: Should this read: "If the adoption of an annex, or an amendment to an annex other than Annex A or B..."?

Article 22

71. As currently drafted under this Article, the provisions relating to attachments are indistinguishable from those relating to amendments or to Annexes A and B. If such an approach is to be maintained, and no streamlined procedures for the amendment of attachments introduced, this Article could be deleted.

Article 27

- 72. If the date of entry into force of the Protocol is to be conditional upon ratification by States emitting a certain volume of carbon dioxide in aggregate, it will be necessary for this Article to provide an unambiguous definition of the source or sources of emission data. As currently drafted, entry into force depends, *inter alia*, upon the 1990 carbon dioxide emission levels of all Parties to the Convention "as indicated in their most recent national communications submitted under Article 12 of the Convention". However, Article 12 of the Convention only specifies the timing of submissions from Annex I Parties; that of non-Annex I Parties is required either within "three years after entry into force ... or of the availability of financial resources" or, in the case of least developed country Parties, "at their discretion". Moreover, the guidelines for initial communications by non-Annex I Parties do not require an inventory for 1990.
- 73. If it were decided to retain a carbon dioxide threshold, this could either be limited to emissions by Annex I Parties, or admit data from authoritative sources in cases where national inventories are absent. It would also be necessary to specify that data from the latest annual inventories of Annex I Parties, not just from their national communications, would be valid for the purposes of this Article.
- 74. For the purposes of this Article as currently drafted, it is the emissions of Parties in 1990 which are relevant. The words "by that time" in the final sentence of paragraph 1 should therefore be deleted.

Annex A

75. This Annex currently includes an exhaustive list of "sectors/source and sink categories" as contained in the revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories. If it is decided that all these sectors/source and sink categories should be covered by commitments under the Protocol, it would be more expedient to simply state, in Article 3, that commitments cover all sectors/source and sink categories contained in those Guidelines. A list would be necessary only if there were to be selective coverage of sectors/source and sink categories.

Annex B

- 76. The criteria listed here require further definition. For example, a base year or period for the measurement of all the listed criteria would need to be established. In the case of criterion (f), a time frame for the projection would also be necessary. For those criteria involving gross domestic product, that is (b), (c), (d) and (g), it would be necessary to specify whether this would be on a market exchange rate or purchasing power parity basis and an agreed source or sources identified. As noted in footnote 22, criterion (e) in particular would require clarification.
- 77. There appears to be overlap between the criteria mentioned in subparagraphs (d) and (g). One of the subparagraphs could be deleted.

Attachment 1

78. If a decision is taken to include a listing of the commitments of Parties under Article 3, either in an attachment or as an annex, Parties may wish to consider how the commitments to be listed in such an attachment would be expressed. The text as currently drafted is silent on this point. Options include listing commitments as percentages of emissions in a base year, or as volumes of emissions in a budget period or target year, or both. The baseline emissions of Parties could also be given.

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