[Non-Annex I Parties

1. *Clarifies* that, for the second commitment period, Parties not included in Annex I continue to be eligible to participate in project activities under Article 12 of the Kyoto Protocol in accordance with the provisions of the annex to decision 3/CMP.1;

Annex I Parties with commitments inscribed in the third column of Annex B to the Kyoto Protocol

<u>CDM</u>

2. *Clarifies also* that, a Party with a commitment inscribed in the third column of Annex B to the Kyoto Protocol as contained in [the annex][annex I] to this decision may continue to participate in ongoing project activities under Article 12 and any project activities to be registered after 31 December 2012.

3. *Decides* that a Party referred to in paragraph 2 above shall be eligible to use certified emission reductions (CERs) valid for the second commitment period to contribute to compliance with part of its commitment under Article 3 of the Protocol upon [the entry into force for it of the amendments contained in [the annex][annex I] to this decision and upon it] meeting the requirements set of in paragraph 31 of the annex to decision 3/CMP.1.

IET

4. <u>{Option 1}</u>

Decides that for the second commitment period, a Party referred to in paragraph 2 above shall be eligible to transfer and/or acquire CERs, AAUs, ERUs, or RMUs under Article 17 of the Kyoto Protocol where it:

(a) Has deposited its instrument of acceptance of the amendments contained in [the annex] [annex I] to this decision in accordance with Article 20, paragraph 4, of the Kyoto Protocol; or

(b) Is provisionally applying the amendments contained in the annex to this decision in accordance with [para. x of this decision] pending their entry into force.

{Option 2}

Decides also that, as of 1 January 2013, a Party referred to in paragraph 2 above whose eligibility has been established in accordance with the provisions of paragraph 3 of the annex to decision 11/CMP.1 in the first commitment period, shall be eligible to transfer and acquire CERs[, assigned amount units (AAUs), emission reduction units (ERUs)][and removal units (RMUs)] valid for the second commitment period under Article 17 of the Kyoto Protocol, subject to the provisions of paragraph 3(b) of the annex to decision 11/CMP.1, and that paragraph 2(b) of the annex to decision 11/CMP.1 shall apply to such Party only upon calculation and recording of its assigned amount for the second commitment period.

5. *Requests* the Subsidiary Body for Implementation to identify modalities for expediting the establishment of eligibility of Parties referred to in paragraph 2 above whose eligibility has not been established in the first commitment period.

6. *[Decides further* that the eligibility referred to in paragraph [x] above shall expire on 1 July 2014 unless [and until] the Party provisionally applies the amendments contained in [the annex][annex I] to this decision in accordance with paragraph [x] above or unless [and until] the Party deposits its instrument of acceptance of the amendments in accordance with Articles 20 and 21 of the Kyoto Protocol,]

AWG-KP/SOG, co-facilitators non-paper 2012.12.04 at 18.30

JI

7. $\{\text{Option 1}\}$

Decides that for the second commitment period, a Party referred to in paragraph 2 above shall be eligible to issue, transfer and/or acquire ERUs under Article 6 of the Kyoto Protocol provided that:

(a) It has deposited its instrument of acceptance of the amendments contained in [the annex] [annex I] to this decision in accordance with Article 20, paragraph 4, of the Kyoto Protocol; or
(b) It is provisionally applying the amendments contained in the annex to this decision in accordance with [para. x of this decision] pending their entry into force.

{Option 2}

8. *Clarifies* that a Party referred to in paragraph 2 above can host projects under Article 6 of the Kyoto Protocol for the second commitment period.

9. *Requests* the Subsidiary Body for Implementation to explore modalities for expediting the continued issuance, [transfer and acquisition] of ERUs under Article 6 for the second commitment period with respect to parties referred to in paragraph 2 above.

10. *[Decides* that eligibility of a Party referred to in paragraph [2] above to issue ERUs for emission reductions in the second commitment period, and transfer or acquire ERUs valid for the second commitment period shall expire on 1 July 2014 unless [and until] the Party provisionally applies the amendments contained in [the annex][annex I] to this decision in accordance with paragraph [x] above or unless [and until] the Party deposits its instrument of acceptance of the amendments in accordance with Articles 20 and 21 of the Kyoto Protocol.]

2nd sentence of eligibility requirement (e)

11. *Decides* that the provisions of the second sentence of paragraph 31(e) of the annex to decision 3/CMP.1, the second sentence of subparagraph 21(e) of the annex to decision 9/CMP.1 and the second sentence of paragraph 2(e) of the annex to decision 11/CMP.1 shall be extended to apply to the second commitment period.

<u>CPR</u>

12. *Decides* also with regard to paragraphs 6 to 10 of the annex to decision 11/CMP.1 that for the purposes of the second commitment period:

- (a) They shall apply to a Party referred to in paragraph [2] above only upon calculation and recording of its assigned amount for the second commitment period,
- (b) Any references to Article 3, paragraphs 7 and 8, of the Kyoto Protocol shall be read as references to Article 3, paragraphs 7 bis, 8 and 8 bis, of the Kyoto Protocol[,][;]
- (c) [The reference to "five times its mostly recently reviewed inventory" in paragraph 6 of the annex to decision 11/CMP.1 shall be read as "eight times its most recently reviewed inventory;]

Paragraph 23 of the annex to decision 13/CMP.1

13. *Decides further* that paragraph 23 of the annex to decision 13/CMP.1 shall not apply for the purposes of the second commitment period for transactions referred to in paragraph[s] 3 [and 4] above.]

AWG-KP/SOG, co-facilitators non-paper 2012.12.04 at 18.30