Relevant CMP decisions:

Participation in the mechanisms	
Decision 2/CMP.1: Principles, nature and scope of the mechanisms pursuant to Articles 6, 12 and 17 of the Kyoto Protocol	5. Decides that the eligibility to participate in the mechanisms by a Party included in Annex I shall be dependent on its compliance with methodological and reporting requirements under Article 5, paragraphs 1 and 2, and Article 7, paragraphs 1 and 4, of the Kyoto Protocol. Oversight of this provision will be provided by the enforcement branch of the Compliance Committee
Decision 3/CMP.1: Modalities and procedures for a clean development mechanism as defined in Article 12 of the Kyoto Protocol, Annex	28. Participation in a CDM project activity is voluntary. 30. A Party not included in Annex I may participate in a CDM project activity if it is a Party to the Kyoto Protocol.

Use, transfer and acquisition of Kyoto Protocol units under the mechanisms	
Decision 3/CMP.1: Modalities and procedures for a clean development mechanism as defined in Article 12 of the Kyoto Protocol, Annex	31. Subject to the provisions of paragraph 32 below, a Party included in Annex I with a commitment inscribed in Annex B is eligible to use CERs, issued in accordance with the relevant provisions, to contribute to compliance with part of its commitment under Article 3, paragraph 1, if it is in compliance with the following eligibility requirements:
Decision 9/CMP.1: Guidelines for the implementation of Article 6 of the Kyoto Protocol, Annex	21. Subject to the provisions of paragraph 22 below, a Party included in Annex I with a commitment inscribed in Annex B is eligible to transfer and/or acquire ERUs issued in accordance with the relevant provisions, if it is in compliance with the following eligibility requirements:
Decision 11/CMP.1: Modalities, rules and guidelines for emissions trading under Article 17 of the Kyoto Protocol	2. Subject to the provisions of paragraph 3 below, a Party3 included in Annex I with a commitment inscribed in 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 following eligibility requirements:

Eligibility criteria as defined in 3/CMP.1, 9/CMP.1, 11/CMP.1

Subject to the provisions of paragraph ... below {reference to the "16-month rule"}, a Party included in Annex I with a commitment inscribed in Annex B is eligible to {CDM: to use CERs} {JI: transfer and/or acquire ERUs} {ET: transfer and/or acquire ERUs, CERs, AAUs, or RMUs} issued in accordance with the relevant provisions, if it is in compliance with the following eligibility requirements:

- (a) It is a Party to the Kyoto Protocol
- (b) Its assigned amount pursuant to Article 3, paragraphs 7 and 8, has been calculated and recorded in accordance with decision 13/CMP.1
- (c) 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 guidelines decided thereunder
- (d) It has in place a national registry in accordance with Article 7, paragraph 4, and the requirements in the guidelines decided thereunder
- (e) 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 first 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;
- (f) It submits the supplementary information on assigned amount in accordance with Article 7, paragraph 1, and the requirements in the guidelines decided thereunder 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 guidelines decided thereunder.

<u>Definition of JI "track 2" (para 24 of the annex to 9/CMP.1)</u>: Where a host Party does not meet the eligibility requirements set out ... above, the verification of reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks from an Article 6 project as being additional to any that would otherwise occur, in accordance with Article 6, paragraph 1 (b), shall occur through the verification procedure under the Article 6 Supervisory Committee, as set out in section E below. The host Party may, however, only issue and transfer ERUs upon meeting the requirements in paragraphs 21 (a), (b) and (d) above