

General provisions related to eligibility under and participation in the Kyoto Protocol flexible mechanisms

Decision 2/CMP.1: Para.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 Art. 5, paras. 1 and 2, and Art. 7, paras. 1 and 2 of the KP.

CDM

Art. 12 KP – The purpose of the CDM shall be

- to assist non-Annex I Parties in
 - achieving sustainable development and in
 - contributing to the ultimate objective to the Convention
- and
- to assist Annex I Parties in achieving compliance with their QELROs under Art. 3.

Decision **3/CMP.1**, Section F – Participation requirements

1. Restricted to Parties (paras. 29, 30)
2. Para 31 – [...] a Party included in Annex I with a commitment inscribed in Annex B is eligible to use CERs [...] to contribute to compliance with part of its commitment under Art. 3, para.1 (subject to such Annex B Party meeting a set of eligibility requirements including Assigned Amount (AA) being established (16 mo or no compliance questions arising), national system, registry, inventory, and supplementary information under Art. 7.1).

JI

Art. 6 KP – For the purpose of meeting its commitments under Art. 3 any Annex I Party may transfer to, or acquire from, any other Annex I Party ERUs resulting from JI projects.

Decision **9/CMP.1**, Section D (Participation requirements), para 21 – a Party included in Annex I with a commitment in Annex B is eligible to transfer and/or acquire ERUs [...] if it is in compliance with a set of eligibility requirements (including AA being established (16 mo or no compliance questions arising), national system, registry, inventory, and supplementary information under Art. 7.1).

Host Parties not meeting the eligibility criteria can only verify reductions in anthropogenic removals by sinks from an Article 6 project as being additional to any that would otherwise occur through the JISC verification procedure. They can only issue and transfer ERUs once the eligibility criteria are met.

International Emissions Trading

Art. 17 KP – [...] Annex B Parties may participate in emissions trading for the purposes of fulfilling their commitments under Art. 3. Any such trading shall be supplemental to domestic actions for the purpose of meeting QELROs under Art. 3.

Decision **11/CMP.1** – a Party included in Annex I with a commitment inscribed in Annex B is eligible to transfer and/or acquire ERUs, CERs, AAUs or RMUs [...] if it is in compliance with a set of eligibility requirements (including AA being established (16 mo or no compliance questions arising), national system, registry, inventory, and supplementary information under Art. 7.1)).

Para 23 of the annex to decision **13/CMP.1** makes issuance in the national registry of the quantity of AAUs equivalent to the Party's assigned amount a pre-condition for enabling transactions (an inclusive list of transactions (issuance, transfer and acquisition between registries, cancellation, retirement and carry-over) is provided in para. 38 of the annex to decision 13/CMP.1).