

## **Proposal received from New Zealand on 5/12/12**

### **Annex I Parties without commitments inscribed in the third column of Annex B to the Kyoto Protocol**

1. *Decides* that a Party included in Annex I without a commitment inscribed in the third column of Annex B<sup>1</sup> continues to be eligible to participate in the clean development mechanism, joint implementation and international emissions trading during the second commitment period, including during the period from 1 January 2013 until the entry into force for that Party of the amendments to the Kyoto Protocol, in accordance with the requirements in paragraphs 2 to 7 below.

*CDM - equivalent provisions to paragraph 31 of the annex to decision 3/CMP.1*

2. *Decides* that, subject to the provisions of paragraph 5 below, a Party included in Annex I without a commitment inscribed in the third column of Annex B is eligible to participate in the clean development mechanism, be issued CERs, in accordance with the relevant provisions, and to transfer and/or acquire such CERs, if it is in compliance with the following eligibility requirements

- (a) It is a Party to the Kyoto Protocol
- (b) 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 guidelines established thereunder
- (c) It has in place a national registry in accordance with Article 7, paragraph 4, and the guidelines established thereunder
- (d) 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 second 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
- (e) It submits supplementary information on CERs, tCERs, ICERs, ERUs, AAUs and RMUs, in accordance with Article 7, paragraph 1, and the requirements in the guidelines decided thereunder.

*Joint implementation - equivalent provisions to paragraph 21 of the annex to decision 9/CMP.1*

3. *Further decides* that, subject to the provisions of paragraph 5 below, a Party included in Annex I without a commitment inscribed in the third column of Annex B is eligible to transfer and/or

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<sup>1</sup> Notwithstanding any provisions in decisions 2/CMP.1, 3/CMP.1, 9/CMP.1 and 11/CMP.1 applicable to Annex I Parties with commitments inscribed in Annex B.

acquire ERUs issued in accordance with the relevant provisions, if it is in compliance with the eligibility requirements set out in paragraph 2 above.

*International emissions trading- equivalent provisions to paragraph 2 of the annex to decision 11/CMP.1*

4. *Decides that*, subject to the provisions of paragraph 5 below, a Party included in Annex I without a commitment inscribed in the third column of 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 eligibility requirements in paragraph 2 above.

*Equivalent provisions to paragraph 32(b) of the annex to decision 3/CMP.1, paragraph 22(b) of the annex to decision 9/CMP.1 and paragraph 3(b) of the annex to decision 11/CMP.1*

5. *Decides that* a Party included in Annex I without a commitment included in the third column of Annex B shall be considered to continue to meet the eligibility requirements referred to in paragraphs 2 – 4 above, unless and until the enforcement branch of the Compliance Committee decides that the Party does not meet one or more of the eligibility requirements, has suspended the Party's eligibility, and has transmitted this information to the secretariat.

*Commitment period reserve*

6. *Further decides that* paragraphs 6 to 10 of the annex to decision 11/CMP.1 and other provisions related to the operation of the commitment period reserve shall only apply to the transfer and/or acquisition of ERUs, CERs, AAUs, or RMUs by a Party whose assigned amount has been calculated and recorded for the second commitment period.

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

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