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UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

**AD HOC WORKING GROUP ON FURTHER COMMITMENTS  
FOR ANNEX I PARTIES UNDER THE KYOTO PROTOCOL**

**Seventh session**

**Bonn, 29 March to 8 April 2009**

**Item 5 (a) of the provisional agenda**

**Other issues arising from the implementation of the work programme of the Ad Hoc Working Group on  
Further Commitments for Annex I Parties under the Kyoto Protocol**

**Emissions trading and the project-based mechanisms**

**Further input on how the possible improvements to emissions trading  
and the project-based mechanisms, as contained in annexes I and II to  
document FCCC/KP/AWG/2008/5 and annexes I and II to document  
FCCC/KP/AWG/2008/INF.3, would function**

**Submissions from Parties**

**Addendum**

1. In addition to the eighteen submissions contained in document FCCC/KP/AWG/2009/MISC.3, one further submission has been received.
2. In accordance with the procedure for miscellaneous documents, this submission is attached and reproduced\* in the language in which it was received and without formal editing.

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\* This submission has been electronically imported in order to make it available on electronic systems, including the World Wide Web. The secretariat has made every effort to ensure the correct reproduction of the text as submitted.

SUBMISSION FROM CHILE

**A Submission to the Ad-Hoc Working Group on Further Commitments for  
Annex I Parties under the Kyoto Protocol (AWG-KP)**

**February 15, 2009**

Definitions, modalities, rules and guidelines for the treatment of land use, land-use change and forestry (LULUCF) in the second commitment period:

During the resumed sixth session of the AWG-KP draft conclusions were adopted regarding the Work Program for 2009 (FCCC/KP/AWG/2008/L.19). The AWG-KP concluded, noting the iterative nature of its work program, that in 2009 it will focus on agreeing on further commitments for Annex I Parties under the Kyoto Protocol. In this context, it recognized the need for work to be conducted on the following issue: definitions, modalities, rules and guidelines for the treatment of land use, land-use change and forestry (LULUCF) in the second commitment period (AWG-KP); it also invited Parties to submit, by 15 February 2009, their views and proposals for further elaboration of the options, elements and issues contained in annex III to the report of the AWG-KP at its sixth session and annex IV to the report of the AWG-KP at its resumed fifth session, including views on how and which proposals could address cross-cutting issues, for compilation by the secretariat into a miscellaneous document.

In particular, in order to address the issue of **non permanence in A/R CDM project activities**, we are willing to consider the following alternative proposals to the issuance of tCERs and ICERs:

- a) Centralized buffers that are relative to the risk profile of the projects, as used in the Voluntary Carbon Standard.
- b) Project by project buffers.
- c) Insurance of permanent CERs from A/R CDM project activities.
- d) Exemption; credits from A/R CDM low-risk project activities could be considered as permanent.

These alternatives, together with the use of tCERs and ICERs should be compiled into an option menu from which project developers should be allowed to choose at validation, depending on the particular circumstances of each project activity.

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