

**Co-facilitators' non-paper on
proposed amendments to the Kyoto Protocol**

I. Proposed amendments to Annex B to the Kyoto Protocol

Options 1 and 2 below are based on annex 1 to decision 1/CMP.7 while option 3 is a proposal received from a group of Parties after the seventh session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP 7).

The following table shall replace the table in Annex B to the Protocol:

Option 1

1	2	3	4	5	6
<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008–2012) (percentage of base year or period)</i>	<i>Quantified emission limitation or reduction commitment (2013–2020) (percentage of base year or period)</i>	<i>Reference year¹</i>	<i>Quantified emission limitation or reduction commitment (2013–2020) (expressed as percentage of reference year)¹</i>	<i>Pledges for the reduction of greenhouse gas emissions by 2020 (percentage of reference year)²</i>
Australia ^a	108				
Austria	92	80 ^b	NA	NA	
Belarus ^{c*}		92	1990	92	–8%
Belgium	92	80 ^b	NA	NA	
Bulgaria [*]	92	80 ^b	NA	NA	
Croatia [*]	95	80 ^d	NA	NA	–20%/–30% ^e
Cyprus ^f		80 ^b	NA	NA	
Czech Republic [*]	92	80 ^b	NA	NA	
Denmark	92	80 ^b	NA	NA	
Estonia [*]	92	80 ^b	NA	NA	
European Union ^{g,h}	92	80 ^b	1990	NA	–20% /–30% ^e
Finland	92	80 ^b	NA	NA	
France	92	80 ^b	NA	NA	

¹ A reference year may be used by a Party on an optional basis for its own purposes to express its QELRO as a percentage of emissions of that year, that is not internationally binding under the Kyoto Protocol, in addition to the listing of its QELRO in relation to the base year in the second and third columns of this table, which are internationally legally binding.

² Further information on these pledges can be found in documents FCCC/SB/2011/INF.1/Rev.1 and FCCC/KP/AWG/2012/MISC.1 and Add.1.

1	2	3	4	5	6
<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008–2012) (percentage of base year or period)</i>	<i>Quantified emission limitation or reduction commitment (2013–2020) (percentage of base year or period)</i>	<i>Reference year^l</i>	<i>Quantified emission limitation or reduction commitment (2013–2020) (expressed as percentage of reference year)^l</i>	<i>Pledges for the reduction of greenhouse gas emissions by 2020 (percentage of reference year)²</i>
Germany	92	80 ^b	NA	NA	
Greece	92	80 ^b	NA	NA	
Hungary [*]	94	80 ^b	NA	NA	
Iceland	110	80 ⁱ	NA	NA	
Ireland	92	80 ^b	NA	NA	
Italy	92	80 ^b	NA	NA	
Kazakhstan [*]			1990		–15%
Latvia [*]	92	80 ^b	NA	NA	
Liechtenstein	92	84–78	1990		–20%/–30% ^k
Lithuania [*]	92	80 ^b	NA	NA	
Luxembourg	92	80 ^b	NA	NA	
Malta ^l		80 ^b	NA	NA	
Monaco	92		1990		–30%
Netherlands	92	80 ^b	NA	NA	
New Zealand ^m	100				
Norway	101	84–81 ⁿ	1990		–30% to –40% ^o
Poland [*]	94	80 ^b	NA	NA	
Portugal	92	80 ^b	NA	NA	
Romania [*]	92	80 ^b	NA	NA	
Slovakia [*]	92	80 ^b	NA	NA	
Slovenia [*]	92	80 ^b	NA	NA	
Spain	92	80 ^b	NA	NA	
Sweden	92	80 ^b	NA	NA	
Switzerland	92	84.2–77.7	1990		–20% to –30% ^p
Ukraine [*]	100		1990		–20%
United Kingdom of Great Britain and Northern Ireland	92	80 ^b	NA	NA	

<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008–2012) (percentage of base year or period)</i>
Canada ^g	94
Japan ^r	94
Russian Federation ^{s*}	100

Abbreviation: NA = not applicable.

* Countries that are undergoing the process of transition to a market economy.

Notes:

^a Australia is prepared to consider submitting information on its QELRO pursuant to decision 1/CMP.7, paragraph 5, following the necessary domestic processes and taking into account the decision on mitigation (2/CP.17), the 'indaba'/mandate outcome decision (1/CP.17) and decisions 2/CMP.7 (land use, land-use change and forestry), 3/CMP.7 (emissions trading and the project-based mechanisms), 4/CMP.7 (greenhouse gases, sectors and source categories, common metrics to calculate the carbon dioxide equivalence of anthropogenic emissions by sources and removals by sinks, and other methodological issues) and 5/CMP.7 (consideration of information on potential environmental, economic and social consequences, including spillover effects, of tools, policies, measures and methodologies available to Annex I Parties).

^b The QELROs for the European Union and its member States for a second commitment period under the Kyoto Protocol are based on the understanding that these will be fulfilled jointly with the European Union and its member States, in accordance with Article 4 of the Kyoto Protocol. The QELROs are without prejudice to the subsequent notification by the European Union and its member States of an agreement to fulfill their commitments jointly in accordance with the provisions of the Kyoto Protocol.

^c Added to Annex B by an amendment adopted pursuant to decision 10/CMP.2. This amendment has not yet entered into force.

^d Croatia's QELRO for a second commitment period under the Kyoto Protocol is based on the understanding that it will fulfil this QELRO jointly with the European Union and its member States, in accordance with Article 4 of the Kyoto Protocol. As a consequence, Croatia's accession to the European Union shall not affect its participation in such joint fulfilment agreement pursuant to Article 4 or its QELRO.

^e As part of a global and comprehensive agreement for the period beyond 2012, the European Union reiterates its conditional offer to move to a 30 per cent reduction by 2020 compared to 1990 levels, provided that other developed countries commit themselves to comparable emission reductions and developing countries contribute adequately according to their responsibilities and respective capabilities.

^f At its seventeenth session, the Conference of the Parties decided to amend Annex I to the Convention by including the name of Cyprus (decision 10/CP.17). The amendment will enter into force on 10 January 2013.

^g Upon deposit of its instrument of approval to the Kyoto Protocol on 31 May 2002, the European Community had 15 member States.

^h Upon deposit of its instrument of acceptance of the amendment to Annex B to the Kyoto Protocol on [date], the European Union had [number] member States.

ⁱ The QELRO for Iceland for a second commitment period under the Kyoto Protocol is based on the understanding that it will be fulfilled jointly with the European Union and its member States, in accordance with Article 4 of the Kyoto Protocol.

^j Kazakhstan has submitted a proposal to amend the Kyoto Protocol to include its name in Annex B with a quantified emission limitation and reduction commitment of 100 per cent for the first commitment period. This proposal is contained in document FCCC/KP/CMP/2010/4.

^k Liechtenstein would consider a higher reduction target of 30 per cent by 2020 compared to 1990 levels under the condition that other developed countries commit themselves to comparable emission reductions and that economically more advanced developing countries contribute adequately according to their responsibilities and respective capabilities.

^l At its fifteenth session, the Conference of the Parties decided to amend Annex I to the Convention by including the name of Malta (decision 3/CP.15). The amendment entered into force on 26 October 2010.

^m New Zealand is prepared to consider submitting information on its QELRO, pursuant to decision 1/CMP.7, paragraph 5, following the necessary domestic processes and taking into account the decision on mitigation (2/CP.17), the 'indaba'/mandate outcome decision (1/CP.17) and decisions 2/CMP.7 (land use, land-use change and forestry), 3/CMP.7 (emissions trading and the project-based mechanisms), 4/CMP.7 (greenhouse gases, sectors and source categories, common metrics to calculate the carbon dioxide equivalence of anthropogenic emissions by sources and removals by sinks, and other methodological issues) and 5/CMP.7 (consideration of information on potential environmental, economic and social consequences, including spillover effects, of tools, policies, measures and methodologies available to Annex I Parties).

ⁿ Norway has estimated that a range of QELROs from 81–84 is consistent with its target of 30% reduction of emissions by 2020, compared to 1990, including the effect of changes in rules decided in Durban, and changes in relevant assumptions.

^o As part of a global and comprehensive agreement for the period beyond 2012 where major emitting Parties agree on emission reductions in line with the 2°C target, Norway will move to a level of 40 per cent reduction for 2020 based on 1990 levels.

^p Switzerland would consider a higher reduction target of 30 per cent by 2020 compared to 1990 levels under the condition that other developed countries commit themselves to comparable emission reductions and that economically more advanced developing countries contribute adequately according to their responsibilities and respective capabilities.

^q On 15 December 2011, the Depositary received written notification of Canada's withdrawal from the Kyoto Protocol. This action will become effective for Canada on 15 December 2012.

^r In a communication dated 10 December 2010, Japan indicated that it does not have any intention to be under obligation of the second commitment period of the Kyoto Protocol after 2012.

^s In a communication dated 8 December 2010 that was received by the secretariat on 9 December 2010, the Russian Federation indicated that it does not intend to assume a quantitative emission limitation or reduction commitment for the second commitment period.

Option 2

1	2	3	4	5	6
<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008–2012) (percentage of base year or period)</i>	<i>Quantified emission limitation or reduction commitment (2013–2017) (percentage of base year or period)</i>	<i>Reference year¹</i>	<i>Quantified emission limitation or reduction commitment (2013–20217) (expressed as percentage of reference year)¹</i>	<i>Pledges for the reduction of greenhouse gas emissions by 2020 (percentage of reference year)²</i>
Australia ^a	108				
Austria	92		NA	NA	
Belarus ^{b*}			1990	92	–8%
Belgium	92		NA	NA	
Bulgaria [*]	92		NA	NA	
Croatia [*]	95		NA	NA	–20%/–30% ^c
Cyprus ^d			NA	NA	
Czech Republic [*]	92		NA	NA	
Denmark	92		NA	NA	
Estonia [*]	92		NA	NA	
European Union ^{e,f}	92		1990	NA	–20% /–30% ^c
Finland	92		NA	NA	
France	92		NA	NA	
Germany	92		NA	NA	
Greece	92		NA	NA	
Hungary [*]	94		NA	NA	
Iceland	110		NA	NA	
Ireland	92		NA	NA	
Italy	92		NA	NA	
Kazakhstan ^{g*}			1990		–15%
Latvia [*]	92		NA	NA	
Liechtenstein	92		1990		–20%/–30% ^h
Lithuania [*]	92		NA	NA	
Luxembourg	92		NA	NA	
Malta ⁱ			NA	NA	

¹ A reference year may be used by a Party on an optional basis for its own purposes to express its QELRO as a percentage of emissions of that year, that is not internationally binding under the Kyoto Protocol, in addition to the listing of its QELRO in relation to the base year in the second and third columns of this table, which are internationally legally binding.

² Further information on these pledges can be found in documents FCCC/SB/2011/INF.1/Rev.1 and FCCC/KP/AWG/2012/MISC.1 and Add.1.

1	2	3	4	5	6
<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008–2012) (percentage of base year or period)</i>	<i>Quantified emission limitation or reduction commitment (2013–2017) (percentage of base year or period)</i>	<i>Reference year^l</i>	<i>Quantified emission limitation or reduction commitment (2013–20217) (expressed as percentage of reference year)^l</i>	<i>Pledges for the reduction of greenhouse gas emissions by 2020 (percentage of reference year)²</i>
Monaco	92		1990		–30%
Netherlands	92		NA	NA	
New Zealand ^j	100				
Norway	101		1990		–30% to –40% ^k
Poland [*]	94		NA	NA	
Portugal	92		NA	NA	
Romania [*]	92		NA	NA	
Slovakia [*]	92		NA	NA	
Slovenia [*]	92		NA	NA	
Spain	92		NA	NA	
Sweden	92		NA	NA	
Switzerland	92		1990		–20% to –30% ^l
Ukraine [*]	100		1990		–20%
United Kingdom of Great Britain and Northern Ireland	92		NA	NA	
<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008–2012) (percentage of base year or period)</i>				
Canada ^m	94				
Japan ⁿ	94				
Russian Federation ^{o*}	100				

Abbreviation: NA = not applicable.

* Countries that are undergoing the process of transition to a market economy.

Notes:

^a Australia is prepared to consider submitting information on its QELRO pursuant to decision 1/CMP.7, paragraph 5, following the necessary domestic processes and taking into account the decision on mitigation (2/CP.17), the 'indaba'/mandate outcome decision (1/CP.17) and decisions 2/CMP.7 (land use, land-use change and forestry), 3/CMP.7 (emissions trading and the project-based mechanisms), 4/CMP.7 (greenhouse gases, sectors and source categories, common metrics to calculate the carbon dioxide equivalence of anthropogenic emissions by sources and removals by sinks, and other methodological issues) and 5/CMP.7 (consideration of information on potential environmental, economic and social consequences, including spillover effects, of tools, policies, measures and methodologies available to Annex I Parties).

^b Added to Annex B by an amendment adopted pursuant to decision 10/CMP.2. This amendment has not yet entered into force.

^c As part of a global and comprehensive agreement for the period beyond 2012, the European Union reiterates its conditional offer to move to a 30 per cent reduction by 2020 compared to 1990 levels, provided that other developed countries commit themselves to comparable emission reductions and developing countries contribute adequately according to their responsibilities and respective capabilities.

^d At its seventeenth session, the Conference of the Parties decided to amend Annex I to the Convention by including the name of Cyprus (decision 10/CP.17). The amendment will enter into force on 10 January 2013.

^e Upon deposit of its instrument of approval to the Kyoto Protocol on 31 May 2002, the European Community had 15 member States.

^f Upon deposit of its instrument of acceptance of the amendment to Annex B to the Kyoto Protocol on [date], the European Union had [number] member States.

^g Kazakhstan has submitted a proposal to amend the Kyoto Protocol to include its name in Annex B with a quantified emission limitation and reduction commitment of 100 per cent for the first commitment period. This proposal is contained in document FCCC/KP/CMP/2010/4.

^h Liechtenstein would consider a higher reduction target of 30 per cent by 2020 compared to 1990 levels under the condition that other developed countries commit themselves to comparable emission reductions and that economically more advanced developing countries contribute adequately according to their responsibilities and respective capabilities.

ⁱ At its fifteenth session, the Conference of the Parties decided to amend Annex I to the Convention by including the name of Malta (decision 3/CP.15). The amendment entered into force on 26 October 2010.

^j New Zealand is prepared to consider submitting information on its QELRO, pursuant to decision 1/CMP.7, paragraph 5, following the necessary domestic processes and taking into account the decision on mitigation (2/CP.17), the 'indaba'/mandate outcome decision (1/CP.17) and decisions 2/CMP.7 (land use, land-use change and forestry), 3/CMP.7 (emissions trading and the project-based mechanisms), 4/CMP.7 (greenhouse gases, sectors and source categories, common metrics to calculate the carbon dioxide equivalence of anthropogenic emissions by sources and removals by sinks, and other methodological issues) and 5/CMP.7 (consideration of information on potential environmental, economic and social consequences, including spillover effects, of tools, policies, measures and methodologies available to Annex I Parties).

^k As part of a global and comprehensive agreement for the period beyond 2012 where major emitting Parties agree on emission reductions in line with the 2°C target, Norway will move to a level of 40 per cent reduction for 2020 based on 1990 levels.

^l Switzerland would consider a higher reduction target of 30 per cent by 2020 compared to 1990 levels under the condition that other developed countries commit themselves to comparable emission reductions and that economically more advanced developing countries contribute adequately according to their responsibilities and respective capabilities.

^m On 15 December 2011, the Depositary received written notification of Canada's withdrawal from the Kyoto Protocol. This action will become effective for Canada on 15 December 2012.

ⁿ *In a communication dated 10 December 2010, Japan indicated that it does not have any intention to be under obligation of the second commitment period of the Kyoto Protocol after 2012.*

^o *In a communication dated 8 December 2010 that was received by the secretariat on 9 December 2010, the Russian Federation indicated that it does not intend to assume a quantitative emission limitation or reduction commitment for the second commitment period.*

Option 3**Annex B**

<i>1</i>	<i>2</i>	<i>3</i>
<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008-2012) (percentage of base year or period)</i>	<i>Quantified emission limitation or reduction commitment (2013-2017) (percentage of base year or period)¹</i>
Australia ¹	108	93 ²
Austria	92	80
Belgium	92	80
Belarus+	92	65
Bulgaria*	92	80
Canada	94	Withdrawn [#]
Croatia* ³	95	80
Cyprus		80
Czech Republic*	92	80
Denmark	92	80
Estonia*	92	80
European Community ³	92	80
Finland	92	80
France	92	80
Germany	92	80
Greece	92	80
Hungary*	94	80
Iceland ³	110	80
Ireland	92	80
Italy	92	80
Japan	94	No QELRC

¹ Decision 1/CMP.6 agreed that a reference year may be used by a Party on an optional basis for its own purposes to express its QELRO as a percentage of emissions of that year, that is not internationally binding under the Kyoto Protocol, in addition to the listing of its QELRO in relation to the base year in the second and third columns of this table, which are internationally-legally binding.

² This commitment would be 90 if calculated instead as a percentage of emission reductions relative to Australia's reference year of 2000.

³ The commitments for the European Union and its Members States for the second commitment period under the Kyoto Protocol will be fulfilled jointly by the European Union and its Member States, Croatia and Iceland, in accordance with Article 4 of the Kyoto Protocol.

<i>1</i>	<i>2</i>	<i>3</i>
<i>Party</i>	<i>Quantified emission limitation or reduction commitment (2008-2012) (percentage of base year or period)</i>	<i>Quantified emission limitation or reduction commitment (2013-2017) (percentage of base year or period)¹</i>
Kazakhstan [^]	100	73
Latvia*	92	80
Liechtenstein	92	81
Lithuania*	92	80
Luxembourg	92	80
Malta		80
Monaco	92	81
Netherlands	92	80
New Zealand	100	90
Norway	101	81
Poland*	94	80
Portugal	92	80
Romania*	92	80
Russia*	100	No QELRC
Slovakia*	92	80
Slovenia*	92	80
Spain	92	80
Sweden	92	80
Switzerland	92	81
Ukraine*	100	46
United Kingdom of Great Britain and Northern Ireland	92	80
United States of America ^{&}	94	No QELRC

* Countries undergoing the process of transition to a market economy

⁺ First commitment period quantified emission limitation or reduction commitment had been adopted but had not entered into force as of [date]

[^] Proposed first commitment period target

[&] Has not yet ratified the Kyoto Protocol

[#] Notice of withdrawal from the Kyoto Protocol submitted, to become effective December 15, 2012

II. Proposed amendments to the Kyoto Protocol

In the text below, with the exception of section I,¹ the first option reflects text that was annexed to decision 1/CMP.7, while subsequent options reflect proposals submitted by Parties after CMP 7.

A. Article 3, paragraph 1 bis

The following paragraph shall be inserted after paragraph 1 of Article 3 of the Protocol:

Option 1

1 bis. The Parties included in Annex I shall, individually or jointly, ensure that their aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A do not exceed their assigned amounts, calculated pursuant to their quantified emission limitation and reduction commitments inscribed in the third column of the table contained in Annex B and in accordance with the provisions of this Article, with a view to reducing their overall emissions of such gases by at least [X] per cent below 1990 levels in the commitment period 2013 to [2017][2020].

Option 2

1 bis. The Parties included in Annex I shall, individually or jointly, ensure that their aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A do not exceed their assigned amounts, calculated pursuant to their quantified emission limitation and reduction commitments inscribed in the third column of the table contained in Annex B and in accordance with the provisions of this Article. Parties shall review these quantified emission limitation and reduction commitments at the latest by [2015] with a view to strengthening these commitments in line with an overall reduction of emissions of such gases by Annex I Parties of at least 25 to 40 per cent below 1990 levels in 2020.

Option 3

1 bis. The Parties included in Annex I shall individually or jointly, ensure that their aggregate anthropogenic carbon dioxide equivalent emissions of greenhouse gases listed in Annex A do not exceed their assigned amounts, calculated pursuant to the quantified emission limitation and reduction commitments inscribed in Annex B and in

¹ At its seventh session, the CMP requested the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP) to assess the implications of the carry-over of assigned amount units in the second commitment period on the scale of emission reductions to be achieved by Parties included in Annex I in aggregate in the second commitment period with a view to completing its work at its seventeenth session (paragraph 7, decision 1/CMP.7). It also requested the AWG-KP to recommend appropriate actions to be taken to address those implications and to forward these recommendations in time for consideration by the CMP at its eighth session (paragraph 8, decision 1/CMP.7).

accordance with the provisions of this Article with a view to reducing their overall emissions of such gases by at least [33] per cent below 1990 levels by the end of the second commitment period 2013 to 2017.

B. Article 3, paragraph[s] 7 bis[, ter and quater]

The following paragraph[s] shall be inserted after paragraph 7 of Article 3 of the Protocol:

Option 1

7 bis. In the second quantified emission limitation and reduction commitment period, from 2013 to [2017][2020], the assigned amount for each Party included in Annex I shall be equal to the percentage inscribed for it in the third column of the table contained in Annex B of its aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A in 1990, or the base year or period determined in accordance with paragraph 5 above, multiplied by [five][eight]. Those Parties included in Annex I for whom land-use change and forestry constituted a net source of greenhouse gas emissions in 1990 shall include in their 1990 emissions base year or period the aggregate anthropogenic carbon dioxide equivalent emissions by sources minus removals by sinks in 1990 from land-use change for the purposes of calculating their assigned amount.

Option 2

7 bis. In the second quantified emission limitation and reduction commitment period, from 2013 to [2017][2020], the assigned amount for each Party included in Annex I shall be equal to the percentage inscribed for it in Annex B of its aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A in 1990, or the base year or period determined in accordance with paragraph 5 above, multiplied by [five][eight].

Option 3

7 bis. In the second quantified emission limitation and reduction commitment period, from 2013 to [2017][2020], the assigned amount for each Party included in Annex I shall be equal to the percentage inscribed for it in Annex B of its aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A in 1990, or the base year or period determined in accordance with paragraph 5 above, multiplied by [five][eight].

7 ter. Each Party's quantified emission reduction or limitation commitment for the second commitment period, set out in column 3 of Annex B, shall correspond to that Party's level of emissions at the midpoint of the second commitment period, assuming a straight line emissions trajectory connecting: (a) the level of emissions associated with each Party's first commitment period quantified emission limitation or reduction commitment at the midpoint of the first commitment period (2010), and (b) the level of emissions associated

with the value of each Party's most ambitious pledged emission reduction target for 2020 or a value representing a greater absolute reduction in emissions related to the base year or period.

7 quater. [Notwithstanding Article 3.7 ter], the assigned amount for any Party in the second commitment period shall not exceed the lower of:

(a) An amount equal to the percentage inscribed for it in column 2 of Annex B of its aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A for the first commitment period, multiplied by the length in years of the second commitment period; or

(b) An amount equal to that Party's verified emissions of its aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A in 2008, based on its 2010 inventory report, multiplied by the length in years of the second commitment period.

C. Article 3, paragraph 7 ter

Option 1

No amendment relating to this matter.

Option 2

The following paragraph shall be inserted after paragraph 7 bis of Article 3 of the Protocol:

7 ter. Each Party's quantified emission reduction or limitation commitment for the second commitment period, set out in column 3 of Annex B, shall correspond to that Party's level of emissions at the midpoint of the second commitment period, assuming a straight line emissions trajectory connecting: (a) the level of emissions associated with each Party's first commitment period quantified emission limitation or reduction commitment at the midpoint of the first commitment period (2010), and (b) the level of emissions associated with the value of each Party's most ambitious pledged emission reduction target for 2020 or a value representing a greater absolute reduction in emissions related to the base year or period.

D. Article 3, paragraph 7 [ter][quater]

Option 1

No amendment relating to this matter.

Option 2

The following paragraph shall be inserted after paragraph 7 [bis][ter] of Article 3 of the Protocol:

7 [ter][quater]. The assigned amount for any Party in the second commitment period shall not exceed the lower of:

(a) An amount equal to the percentage inscribed for it in column 2 of Annex B of its aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A for the first commitment period, multiplied by the length in years of the second commitment period; or

(b) An amount equal to that Party's verified emissions of its aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A in 2008, based on its 2010 inventory report, multiplied by the length in years of the second commitment period.

E. Article 3, paragraph 8

In paragraph 8 of Article 3 of the Protocol, the words:

paragraph 7

shall be substituted by:

paragraph 7 bis

F. Article 3, paragraph 8 bis

The following paragraph shall be inserted after paragraph 8 of Article 3 of the Protocol:

8 bis. Any Party included in Annex I may use 1995 or 2000 as its base year for nitrogen trifluoride for the purposes of the calculation referred to in paragraph 7 bis above.

G. Article 3, paragraph 9 bis

Option 1

No amendment relating to this matter.

Option 2

The following paragraph shall be inserted after paragraph 9 of Article 3 of the Protocol:

9 bis. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall initiate the consideration of further commitments for Annex I Parties sufficiently in advance of any commitment period.

H. Article 3, paragraphs 12 bis and ter

The following paragraphs shall be inserted after paragraph 12 of Article 3 of the Protocol:

Option 1

12 bis. Any units generated from market-based mechanisms to be established under the Convention or its instruments may be used by Parties included in Annex I to assist them in achieving compliance with their quantified emission limitation and reduction commitments under Article 3. Any such units which a Party acquires from another Party to the Convention shall be added to the assigned amount for the acquiring Party and subtracted from the quantity of units held by the transferring Party.

12 ter. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall ensure that, where units from approved activities under market-based mechanisms referred to in paragraph 12 bis above are used by Parties included in Annex I to assist them in achieving compliance with their quantified emission limitation and reduction commitments under Article 3, a share of these units is used to cover administrative expenses, as well as to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation if these units are acquired under Article 17.

Option 2

12 bis. Any units generated from market-based mechanisms to be established under the Convention or its instruments may be used by Parties included in Annex I to assist them in achieving compliance with their quantified emission limitation and reduction commitments under Article 3, provided they comply with modalities, procedures and guidelines to be established by the Conference of the Parties serving as the meeting of the Parties to ensure environmental integrity. Any such units which a Party acquires from another Party to the Convention shall be added to the assigned amount for the acquiring Party and subtracted from the quantity of units held by the transferring Party.

12 ter. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall ensure that a share of any units from approved activities under market-based mechanisms referred to in paragraph 12 bis above is used to cover administrative expenses, as well as to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation.

Option 3

No amendment relating to this matter.

I. Article 3, paragraphs 13, 13 bis and ter

Option 1

No amendment relating to this matter.

Option 2

Paragraph 13 of Article 3 of the Protocol shall be replaced by the following paragraph:

13. If the emissions of a Party included in Annex I in a commitment period are less than its assigned amount under this Article, this difference shall, on request of that Party, be carried-over to the subsequent commitment period, as follows:

(a) Any CERs held in that Party's national registry that have not been retired for that commitment period or cancelled may be carried-over to the subsequent commitment period, up to a maximum of 2.5 per cent of the assigned amount for that commitment period;

(b) Any ERUs or AAUs held in that Party's national registry that have not been retired for that commitment period or cancelled shall be transferred to a Previous Period Surplus Reserve account of the subsequent commitment period, to be established in its National Registry, and shall remain in that account in its National Registry.

The following paragraphs shall be inserted after paragraph 13 of Article 3 of the Protocol:

13 bis. The difference between the assigned amount of the second commitment period for a Party included in the Annex I and the emissions in the last year of the first commitment period multiplied by [five][eight] shall be transferred to the cancellation account of that Party.

13 ter. Units of a Party's Previous Period Surplus Reserve account shall be used for retirement during the additional period for fulfilling commitments of the second commitment period up to the extent by which emissions during the second commitment period exceed the assigned amount for that commitment period, as defined in Article 3, paragraphs 7 and 8. Any remaining units in that Party's Previous Period Surplus Reserve shall be cancelled.

J. Article 3, paragraph 15

Option 1

No amendment relating to this matter.

Option 2

The following paragraph shall be inserted after paragraph 14 of Article 3 of the Protocol:

15. Parties included in Annex I may, at any time, revise their quantified emission limitation and reduction objectives inscribed in Annex B, with a view to strengthening their commitments under this Protocol. In order to ensure that such revision is immediately effective, by means of a decrease in a Party's quantified emission limitation and reduction objective, the concerned Party may forfeit part of its assigned amount units, transferring these units to a cancellation account established for

this purpose, under its national registry, and communicating such transfer to the UNFCCC Secretariat thereafter.

K. Article 4, paragraph 2

The following words shall be added to the end of the first sentence of paragraph 2 of Article 4 of the Protocol:

, or on the date of deposit of their instruments of acceptance of any amendments to Annex B pursuant to Article 3, paragraph 9

L. Article 4, paragraph 3

In paragraph 3 of Article 4 of the Protocol, the words:

, paragraph 7

shall be substituted by:

to which it relates

M. Article 6, paragraph 5

Option 1

No amendment relating to this matter.

Option 2

The following paragraph shall be inserted after paragraph 4 of Article 6 of the Protocol:

5. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall ensure that a share of the proceeds from approved project activities established under this Article is used to cover administrative expenses as well as to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation.

N. Article 17, paragraph 2

Option 1

No amendment relating to this matter.

Option 2

The current paragraph of Article 17 of the Protocol shall be numbered as paragraph 1 and the following new paragraph shall be inserted after paragraph 1 of Article 17 as paragraph 2 of Article 17:

2. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall ensure that a share of proceeds from the issuance of the assigned amount units is used to cover administrative expenses as well as to assist developing country Parties that are

particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation.

O. Article 18, paragraph 2

Option 1

No amendment relating to this matter.

Option 2

The current paragraph of Article 18 of the Protocol shall be numbered as paragraph 1 and the following new paragraph shall be inserted after paragraph 1 of Article 18 as paragraph 2 of Article 18:

2. In accordance with paragraph 1 above, the procedures and mechanisms relating to compliance under this Protocol adopted by decision 27/CMP.1 of the Conference of the Parties serving as the meeting of the Parties to this protocol shall apply. Further procedures and mechanisms to address cases of non-compliance under paragraph 1 above shall be adopted by the Conference of the Parties serving as the meeting of the parties to this Protocol.

P. Article 21

Option 1

No amendment relating to this matter.

Option 2

The following paragraph shall be inserted after paragraph 7 of Article 21 of the Protocol:

8. As an exception to paragraph 7 above, a proposal by a Party included in Annex B to increase the ambition of its quantified emission limitation and reduction commitments inscribed in the third column of the table contained in Annex B through an amendment decreasing this percentage shall be considered adopted unless more than three-fourth of the Parties present and voting at the meeting object to its adoption. The adopted amendment shall be communicated by the secretariat to the Depositary and shall enter into force on 1 January of the year following this communication.

Q. Annex A

The following table shall replace the list under the heading “Greenhouse gases” in Annex A to the Protocol:

Greenhouse gases

Carbon dioxide (CO₂)

Methane (CH₄)

Nitrous oxide (N₂O)

Hydrofluorocarbons (HFCs)

Perfluorocarbons (PFCs)

Sulphur hexafluoride (SF₆)

Nitrogen trifluoride (NF₃)

III. Proposed decision text

Decides that, to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the cost of adaptation, 4/5% per cent of the emission reduction units from the new market mechanism shall be issued and transferred to the specified account of the Adaptation Fund.