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FRAMEWORK CONVENTION ON CLIMATE CHANGE

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PROPOSAL BY COSTA RICA  
FOR THE DRAFT PROTOCOL  
TO THE UNITED NATIONS FRAMEWORK CONVENTION  
ON CLIMATE CHANGE

I. INTRODUCTORY ELEMENTS.

A. Preamble:

- Recognizing the need to reduce global emissions of greenhouse gases, taking into account historical emissions and the specific responsibilities of the countries which have contributed to a greater extent than others to the rise in concentrations of these gases; and recognizing the specific, special and differentiated needs of the Parties; for the purpose of securing a stabilization in the concentrations of greenhouse gases in the atmosphere, in such a way as to prevent anthropogenic interference with the climate system, ecosystems, economic output and the development of future generations.

- Recognizing that economic development is a priority for the developing countries, and that they have a low per capita level of greenhouse gas emissions, we reaffirm that they are sovereign as regards the reduction of their emissions of greenhouse gases

- Recognizing that, against the above background, there is a need to shoulder a common but differentiated responsibility in keeping with the capacity of each Party to generate the broadest possible cooperation among all the Parties in working towards the objectives of the Convention and any other instrument stemming from it.

- Affirming that compliance with the principal obligations on the part of the Annex I Countries is of fundamental importance for the full implementation of the reduction measures, but within that context we recognize that the contribution of Joint Implementation cannot be left aside, as a differentiated, voluntary and complementary measure of joint responsibility in order to contribute to a greater extent to the global mitigation and reduction of emissions of greenhouse gases, the transfer of technology for the control, reduction and prevention of anthropogenic emissions and education, training and awareness creation with regard to climate change and technology transfer.

- We affirm that, in parallel to the matters mentioned above, it is of fundamental importance within the framework of the discharge of the principal obligations and the pursuit of Joint Implementation projects to support the promotion of the sustainable management of the conservation and development of sinks and reservoirs of greenhouse gases which are not regulated by the Montreal Protocol, such as biomass, forests, ecosystems and oceans, inasmuch as they benefit mankind by generating two environmental services: that of sustaining biological diversity and that of trapping and substantially reducing anthropogenic emissions of greenhouse gases.

- Recognizing that, through compliance with their principal obligations together with the pursuit of Joint Implementation projects, the Annex I

countries can contribute to funding the incremental costs involved in the application of a sound policy and measures falling under national programmes for Sustainable Development in the developing countries, including the enhancement of the global environmental benefits of ecosystems as sinks and reservoirs of greenhouse gases, as against the present development of lower-cost technologies which raise global emissions of greenhouse gases.

- Recognizing the need to avoid the creation of "Greenhouse Gas Polluters' Paradises", renewed emphasis is placed on the need for the quantification, reporting, reduction and mitigation of emissions of greenhouse gases to be conducted at the national level.

B. Definitions:

- "Joint Implementation" means a voluntary action between the Annex I Parties and the Non-Annex Parties to the United Nations Convention on Climate Change by means of which the corresponding measures to mitigate climate change through the limitation and reduction of anthropogenic emissions of greenhouse gases and the protection and improvement of sinks and reservoirs of greenhouse gases can be carried out jointly in the territory of the Non-Annex Parties in order to make an overall contribution to attainment of the objectives of the Convention.

"Greenhouse Gas Emission Mitigation Certificate" means an environmental mechanism and financial instrument by means of which the Annex I Parties can demonstrate their contribution as financial partners in the implementation of Joint Implementation projects, making it possible to reduce global emissions that cause the greenhouse effect, generating overall environmental benefits that make themselves felt through the certification of metric tons of carbon equivalent offset, which, taken together, represents the value of the investment made in mitigation.

- "Domestic emission" means emissions of greenhouse gases that take place within the territory of a country.

- "National emission" means emissions of greenhouse gases attributable to an activity performed by a citizen or an enterprise of a country.

II. STRENGTHENING THE COMMITMENTS IN ARTICLE 4.2(a) and (b):

A. Policies and measures:

- In accordance with the provisions of articles 3 and 4 of the Convention, each Party listed in Annex I must adopt real policies and quantified objectives for the reduction and mitigation of its emissions of greenhouse gases. To this end they must draw up a National Plan for limiting and reducing anthropogenic emissions by source and increasing elimination in sinks and reservoirs of greenhouse gases. Included in this plan will be the possibility of carrying out Joint Implementation projects. The National Plans to be drawn up must be forwarded to and registered with the Conference of the Parties, and are binding on the submitting Party.

- The Parties to the Convention which have obligations to reduce their emissions of gases must quantify, report, reduce and mitigate their national emissions of greenhouse gases.

B. Quantified emission limitation and reduction objectives:

- Flexibility:

Joint Implementation:

- In order to discharge the obligations laid down in the present Protocol, the Annex I Parties, together with the Non-Annex Parties, may undertake Joint Implementation, in the territory of the Non-Annex I Party, carrying out projects to limit or reduce anthropogenic emissions of

greenhouse gases or for the conservation and development of sinks and reservoirs which mitigate those gases.

- The Annex I Parties may discharge up to 25% (twenty-five per cent) of their domestic emission reduction obligations through Joint Implementation projects and up to 100% (a hundred per cent) of their emission reductions outside their territory. When carrying out Joint Implementation projects, the Annex I Party or Parties may credit themselves with only half of the entire mitigation or reduction in metric tons of carbon equivalent offset in the case of domestic emissions, with the remaining mitigation or reduction of greenhouse gases falling to mankind as a general benefit. However, national emissions from an Annex I Party produced in the territory of a Non-Annex Party can be offset by means of Joint Implementation, with the entire reduction or mitigation recorded in its favour.

- Non-Annex Parties which voluntarily implement Joint Implementation projects shall, prior to approval of a Joint Implementation project, vouch for the benefits of the mitigation or reduction of emissions of greenhouse gases, by means of the mechanism of Greenhouse Gas Emission Mitigation Certificates, and shall also notify the Secretariat of the Convention, using the Reporting format agreed by the Parties, of the origin and destination of such mitigation or reduction.

- The certification of each project may be used for the purpose of compliance with the obligations of the Annex I countries by means of the mechanism of Greenhouse Gas Emission Mitigation Certificates.

- The Non-Annex countries in which Joint Implementation projects are carried out may certify the mitigation arising from the projects. For that purpose they shall demonstrate the additional economic value and the environmental benefits.

- The emission reductions generated in each project shall belong to the host countries, which shall have the ability to cede such rights to the Parties which have obligations when a value is duly ascribed to the mitigation by means of an additional financial contribution to the projects that generated it, insofar as the national policy of each host country so provides.

- In order to implement Joint Implementation projects, the Non-Annex Parties shall comply with the following requirements:

(a) Implementation shall proceed and shall be accounted for project by project.

(b) A baseline shall be established setting the net environmental benefits of gas emission mitigation and reduction for each specific project, as compared with a baseline involving no project, so as to justify the additional financial contribution from the Annex I Countries.

(c) A methodology must be established to estimate and evaluate the efficacy of the measures adopted to limit emissions and encourage the absorption of the reduction or mitigation of emissions of greenhouse gases in each particular project.

It will be the task of the Secretariat of the Conference of the Parties to devise a monitoring mechanism to determine the veracity of the reduction or mitigation reported in accordance with the Reporting format agreed by the Parties.

(d) Joint Implementation projects shall be voluntary.

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