



Subsidiary Body for Scientific and Technological Advice

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Agenda item 11(a)

Methodological issues under the Kyoto Protocol

Implications of the implementation of decisions 2/CMP.7 to 4/CMP.7 and 1/CMP.8 on the previous decisions on methodological issues related to the Kyoto Protocol, including those relating to Articles 5, 7 and 8 of the Kyoto Protocol

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Revised draft conclusions proposed by the Chair

Addendum

Recommendation of the Subsidiary Body for Scientific and Technological Advice

The Subsidiary Body for Scientific and Technological Advice, at its forty-third session, recommended the following draft decision for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its eleventh session:

Draft decision -/CMP.11

Implications of the implementation of decisions 2/CMP.7 to 4/CMP.7 and 1/CMP.8 on the previous decisions on methodological issues related to the Kyoto Protocol, including those relating to Articles 5, 7 and 8 of the Kyoto Protocol, part I: implications related to accounting and reporting and other related issues

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Recalling Articles 5, 7 and 8 of the Kyoto Protocol,

Also recalling decisions 2/CMP.6, 2/CMP.7, 3/CMP.7, 4/CMP.7, 1/CMP.8 and 2/CMP.8,

Being aware of decisions 11/CMP.1, 13/CMP.1, 15/CMP.1, 16/CMP.1, 18/CMP.1, 19/CMP.1 and 27/CMP.1,

1. *Decides* that, for the purpose of the second commitment period of the Kyoto Protocol and pending the entry into force of the Doha Amendment, contained in decision Annex I to 1/CMP.8, any references in this decision and decision 2/CMP.8 to Annex A, Annex B, Article 3, paragraphs 1 bis, 1 ter, 1 quater, 7 bis, 7 ter, 8, 8 bis, 12 bis and 12 ter, and Article 4, paragraphs 2 and 3, unless otherwise specified, shall be understood as referring to those Articles and Annexes as contained in the Doha Amendment, and that, upon the entry into force of the Doha Amendment, such references shall be read as references to the relevant Articles of the Kyoto Protocol as amended;

2. *Also decides* that, for the purpose of the second commitment period, decisions 13/CMP.1, 15/CMP.1, 18/CMP.1 and 19/CMP.1 shall apply *mutatis mutandis*, except where otherwise specified in decisions 1/CMP.8 and 2/CMP.8 and in this decision;

3. *Clarifies* that, for the purpose of the second commitment period, unless otherwise specified in this decision, any references in decision 13/CMP.1 and in annexes I and II to Parties included in Annex I or to Parties shall be understood as referring to Parties included in Annex I with commitments inscribed in the third column of Annex B;

4. *Also clarifies* that, for the purpose of the second commitment period, unless otherwise specified in this decision, any references in decision 13/CMP.1 and in annexes I and II to Parties included in Annex I or to Parties are not applicable to the Parties included in Annex I without quantified emission limitation and reduction commitments for the second commitment period;

5. *Decides* that, for the purpose of the second commitment period, the following changes shall apply to decisions 13/CMP.1 and 15/CMP.1:

(a) All references to Article 3, paragraph 1, shall be read as references to Article 3, paragraph 1 bis, except those in paragraphs 12(e) and 47(h) of the annex to decision 13/CMP.1;

(b) All references to Article 3, paragraphs 7 and 8, shall be read as references to Article 3, paragraphs 7 bis, 8 and 8 bis, except that in paragraph 4 of decision 13/CMP.1;

(c) All references to the first commitment period shall be read as references to the second commitment period, except that in paragraph 3(e) of decision 15/CMP.1;

(d) All references to activities under Article 3, paragraph 3, and elected activities under Article 3, paragraph 4, shall be read as references to activities under Article 3, paragraph 3, forest management under Article 3, paragraph 4, and any elected activities under Article 3, paragraph 4;

(e) All references to the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories* or to the Intergovernmental Panel on Climate Change *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories* in decision 15/CMP.1 shall be read as references to the *2006 IPCC Guidelines for National Greenhouse Gas Inventories* (hereinafter referred to as the 2006 IPCC Guidelines), as implemented through the “Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on

annual greenhouse gas inventories” and the *2013 Revised Supplementary Methods and Good Practice Guidance Arising from the Kyoto Protocol*. References to chapter 7 of the Intergovernmental Panel on Climate Change *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories* shall be read as references to chapter 4 of volume 1 of the 2006 IPCC Guidelines;

(f) All references to decision 16/CMP.1 shall be read as references to decision 2/CMP.7 and 6/CMP.9;

6. *Also decides* that, for the purpose of the second commitment period, paragraph 3(b) of decision 15/CMP.1 shall be replaced by the following paragraph:

3(b) The Party concerned has failed to include an estimate for an Annex A source category (as defined in chapter 4 of volume I of the 2006 IPCC Guidelines) that individually accounted for 7 per cent or more of the Party’s aggregate emissions, defined as the aggregate submitted emissions of the gases and from the sources listed in Annex A to the Kyoto Protocol, in the most recent of the Party’s reviewed inventories in which the source was estimated;

7. *Further decides* that decisions 14/CMP.1, 17/CMP.1 and 6/CMP.3 shall not apply for the purpose of the second commitment period;

8. *Decides* that Parties included in Annex I without quantified emission limitation and reduction commitments for the second commitment period shall provide information on which voluntary activities under Article 3, paragraph 4, of the Kyoto Protocol they will include in their reporting, at the latest in their 2016 annual inventory submission;

9. *Adopts* the revisions to the modalities for the accounting of assigned amounts under Article 7, paragraph 4, of the Kyoto Protocol¹ as set out in annex I;

10. *Recalls* that, pursuant to Article 4 of the Kyoto Protocol, each Party to an agreement to fulfil their commitments under Article 3 of the Kyoto Protocol shall jointly, in the event that the aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A of the Parties to that agreement exceed their assigned amounts, be responsible for its own level of emissions as set out in that agreement;

11. *Decides* that each of the Parties included in Annex I that have reached an agreement to fulfil their commitments under Article 3 of the Kyoto Protocol jointly, in accordance with Article 4 of the Kyoto Protocol, shall clarify in their reports, so as to facilitate the calculation of the assigned amount submitted pursuant to decision 2/CMP.8, how the information listed in annex I to that decision, the application of Article 3, paragraph 7 ter, including its technical implementation, and chapter VI of decision 1/CMP.8 are determined. Such clarification shall describe, in detail, methodologies and, if applicable, any relevant assumptions applied by those Parties for their joint fulfilment in relation to:

(a) The application of paragraphs 23–26 of decision 1/CMP.8;

(b) The calculation of base year emissions in accordance with Article 3, paragraphs 5, 7 bis, 8 and 8 bis;

(c) The calculation of those Parties’ assigned amounts in accordance with Article 3, paragraphs 7 bis, 8 and 8 bis, and the respective emission level allocated to each of the Parties as set out in the agreement pursuant to Article 4, paragraph 1;

(d) The calculation of those Parties’ commitment period reserves in accordance with decision 11/CMP.1, decision 1/CMP.8, paragraph 18, and this decision;

¹ Decision 13/CMP.1, annex.

(e) The application and calculation pursuant to paragraph 13 in the annex of decision 2/CMP.7;

12. *Adopts* the standard electronic format for reporting Kyoto Protocol units and the reporting instructions for the second commitment period contained in annex II for reporting in accordance with paragraph 11 of the annex to decision 15/CMP.1;

13. *Decides* that each Party included in Annex I with a quantified emission limitation or reduction commitment inscribed in the third column of Annex B shall annually report tables in a standard electronic format to the secretariat electronically; that any related information of a non-quantitative nature shall be submitted separately; and that, unless otherwise indicated, Parties shall submit information for the previous calendar year (based on Universal Coordinated Time), which is referred to as the “reported year” (e.g. in the 2017 standard electronic format submission, the “reported year” will be the 2016 calendar year);

14. *Also decides* that a Party included in Annex I without a quantified emission limitation or reduction commitment inscribed in the third column of Annex B shall continue to provide relevant information on its national registry, or changes thereto, including information on the units in its registry, by submitting the standard electronic format tables in conjunction with its annual inventory submission for the second commitment period, in accordance with decisions 13/CMP.1 and 15/CMP.1 and annex I to this decision, if its registry is connected to the international transaction log at any time during the relevant calendar year;

15. *Further decides* that, for the second commitment period, each Party included in Annex I with a quantified emission limitation or reduction commitment inscribed in the third column of Annex B shall submit its first standard electronic format for reporting Kyoto Protocol units for the second commitment period in conjunction with its first annual inventory submission for that commitment period, in accordance with paragraph 5 of decision 2/CMP.8;

16. *Decides* that the contribution of assigned amount units as a share of proceeds shall be executed in the most transparent manner, taking into account environmental integrity at the international level;

17. *Also decides* that, where a Party included in Annex I undertakes a corrective transaction to reflect a correction to the compilation and accounting database applied by the Compliance Committee, pursuant to chapter V, paragraph 5(b), of the annex to decision 27/CMP.1, the information in the compilation and accounting database shall be appropriately amended to avoid double counting, following the review of the corrective transaction in accordance with Article 8 of the Kyoto Protocol and the resolution of any questions of implementation;

18. *Further decides* to extend the code of practice for the treatment of confidential information for the review of inventories under Article 8 of the Kyoto Protocol to the review of information on assigned amounts under Article 8 of the Kyoto Protocol;

19. *Requests* the administrator of the international transaction log to develop an application to facilitate the submission of the standard electronic format referred to in paragraph 12 above and to report on progress made in the development and testing of that application in its annual report for 2015;

20. *Adopts* the revisions to the “Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol”² for the second commitment period contained in annex III.

² Decision 15/CMP.1, annex.

Annex I

Modalities for the accounting of assigned amounts under Article 7, paragraph 4, of the Kyoto Protocol

General provisions

1. For the purpose of the second commitment period, paragraph 2 of decision 13/CMP.1 shall be replaced by the following paragraph:

2. For the purpose of the second commitment period, after completion of the initial review under Article 8 of the report to facilitate the calculation of the assigned amount pursuant to Article 3, paragraphs 7 bis, 8 and 8 bis, in accordance with paragraphs 2–4 of decision 2/CMP.8, and in resolution of any question of implementation relating to adjustments under Article 5, paragraph 2, or the assigned amount pursuant to Article 3, paragraphs 7 bis, 8 and 8 bis, the assigned amount pursuant to Article 3, paragraphs 7 bis, 8 and 8 bis, of each Party shall be recorded in the database for the compilation and accounting of emissions and assigned amounts referred to in paragraph 50 of the annex to decision 13/CMP.1, and shall remain fixed for the second commitment period.

I. Modalities

B. Calculation of the assigned amounts pursuant to Article 3, paragraphs 7 bis, 8 and 8 bis¹

2. For the purpose of the second commitment period, paragraph 5 of the annex to decision 13/CMP.1 shall be replaced with the following paragraph:

5. The assigned amount pursuant to Article 3, paragraphs 7 bis, 8 and 8 bis, for the second commitment period, from 2013 to 2020, for each Party included in Annex I with a commitment inscribed in the third column of Annex B, shall be equal to the percentage inscribed for it in the third column of Annex B of its aggregate anthropogenic carbon dioxide equivalent emissions of greenhouse gases from the sources listed in Annex A to the Kyoto Protocol in the base year or period multiplied by eight, taking into account the following:

(a) The base year shall be 1990 except for those Parties undergoing the process of transition to a market economy that have selected a historical base year or period other than 1990, in accordance with Article 3, paragraph 5, for those Parties that have selected 1995 as the base year for total emissions of hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride, in accordance with Article 3, paragraph 8, and 1995 or 2000 as the base year for total emissions of nitrogen trifluoride, in accordance with Article 3, paragraph 8 bis;

(b) Those Parties for which land-use change and forestry (all emissions by sources and removals by sinks under category 4 of the *Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual greenhouse gas inventories* (hereinafter referred to as the UNFCCC Annex I inventory reporting

¹ Unless otherwise specified in this annex, hereinafter the section headings in the annex follow the numbering of the corresponding section headings in the annex to decision 13/CMP.1.

guidelines)² as contained in the common reporting format tables) constituted a net source of greenhouse gas emissions in the base year or period shall include in their emissions during that year or period the aggregate anthropogenic carbon dioxide equivalent emissions by sources minus removals by sinks in that year or period from land-use change (all emissions by sources minus removals by sinks reported in relation to the conversion of forests (deforestation));

(c) Those Parties that have reached an agreement in accordance with Article 4 to fulfil their commitments under Article 3 jointly shall use the respective emission level allocated to each of the Parties in that agreement instead of the percentage inscribed for it in the third column of Annex B.

3. Paragraphs 6, 7 and 8 of the annex to decision 13/CMP.1 shall not apply for the purpose of the second commitment period.

4. The following paragraphs and chapter heading shall be inserted after paragraph 8 of the annex to decision 13/CMP.1:

8 bis. The report to facilitate the calculation of the assigned amount pursuant to Article 3, paragraphs 7 bis, 8 and 8 bis, referred to in paragraph 2 of decision 2/CMP.8 shall contain the following additional information, in addition to the list in annex I to decision 2/CMP.8:

(n) The calculation of the difference between the assigned amount for the second commitment period and average annual emissions for the first three years of the preceding commitment period multiplied by eight, pursuant to Article 3, paragraph 7 ter, and in accordance with paragraphs 8 ter and 8 quater below.

B. bis. Cancellation pursuant to Article 3, paragraph 7 ter

8 ter. The reference to the assigned amount for the second commitment period referred to in Article 3, paragraph 7 ter, shall be understood as referring to the assigned amount for the second commitment period calculated pursuant to Article 3, paragraphs 7 bis, 8 and 8 bis.

8 quater. For the purpose of Article 3, paragraph 7 ter, the units cancelled shall be assigned amount units (AAUs) issued by the Party for the second commitment period.

8 quinquies. Where a Party applies the cancellation pursuant to Article 3, paragraph 7 ter, the commitment period reserve for the second commitment period under paragraph 6 of the annex to decision 11/CMP.1 for that Party shall not drop below 90 per cent of eight times its average annual emissions for the first three years of the first commitment period, or 100 per cent of eight times its most recently reviewed inventory, whichever is lower.

8 sexies. The reference to assigned amount in decision 1/CMP.8, paragraph 25, for a Party that is undergoing the process of transition to a market economy and is not fulfilling its commitments under Article 3 jointly, in accordance with Article 4 of the Kyoto Protocol, shall be understood as referring to the assigned amount for the second commitment period, calculated pursuant to Article 3, paragraphs 7 bis, 8 and 8 bis, adjusted by the number of assigned amount units cancelled in accordance with paragraph 23 ter of decision 13/CMP.1 as revised by this decision.

8 septies. Any Party that is undergoing the process of transition to a market economy and is not fulfilling its commitments under Article 3 jointly, in accordance with Article 4 of the Kyoto Protocol, and for which the reference to assigned amount

² Decision 24/CP.19, annex I.

in decision 1/CMP.8 is understood as referring to the assigned amount for the second commitment period, calculated pursuant to Article 3, paragraphs 7 bis, 8 and 8 bis, and adjusted by the number of assigned amount units cancelled in accordance with paragraph 23 ter of decision 13/CMP.1, as revised by this decision in accordance with paragraph 8 sexies above, shall not transfer units from its previous period surplus reserve account to other previous period surplus reserve accounts and may use assigned amount units from its previous period surplus reserve account for retirement in accordance with paragraph 25 of decision 1/CMP.8 and paragraph 8 sexies above.

C. Recording of the assigned amounts pursuant to Article 3, paragraphs 7 bis, 8 and 8 bis

5. For the purpose of the second commitment period, the following paragraphs shall be inserted after paragraphs 9 and 10 of the annex to decision 13/CMP.1, respectively:

9 bis. After initial review under Article 8 and resolution of any questions of implementation relating to adjustments or the calculation of its assigned amount pursuant to Article 3, paragraphs 7 bis, 8 and 8 bis, any positive difference between the assigned amount for the second commitment period for a Party included in Annex I and its average annual emissions for the first three years of the preceding commitment period multiplied by eight of each Party shall be recorded in the database for the compilation and accounting of emissions and assigned amounts referred to in paragraph 50 of the annex to decision 13/CMP.1.

10 bis. Once recorded in the compilation and accounting database referred to in paragraph 50 of the annex to decision 13/CMP.1, the quantity to be cancelled under Article 3, paragraph 7 ter, for each Party shall remain fixed for the second commitment period.

D. Additions to, and subtractions from, the assigned amounts pursuant to Article 3, paragraphs 7 bis, 8 and 8 bis, for the accounting of the compliance assessment

6. For the purpose of the second commitment period, the following shall be inserted after paragraph 11(d) of the annex to decision 13/CMP.1:

11(d) bis. Any acquisition by a Party of AAUs from previous period surplus reserve accounts of other Parties shall be in accordance with decision 1/CMP.8.

7. For the purpose of the second commitment period, paragraph 11(f) of the annex to decision 13/CMP.1 shall be replaced with the following:

11(f) Carry-over by the Party of emission reduction units (ERUs), certified emission reductions (CERs) and/or AAUs from the previous commitment period, in accordance with paragraphs 23–26 of decision 1/CMP.8.

8. For the purpose of the second commitment period, the following subparagraphs shall be added after the appropriate subparagraphs of paragraph 12 of the annex to decision 13/CMP.1:

12(e) bis. For the second commitment period of the Kyoto Protocol, cancellation by the Party of AAUs under Article 3, paragraphs 1 ter and 1 quater;

12(e) ter. For the second commitment period of the Kyoto Protocol, cancellation by the Party of AAUs under Article 3, paragraph 7 ter;

12(g) Transfers by the Party of AAUs from its previous period surplus reserve account to the previous period surplus reserve accounts of other Parties in accordance with paragraph 26 of decision 1/CMP.8;

12(h) Transfer by the Party of AAUs from the previous period surplus reserve account to the retirement account in accordance with paragraphs 23–26 of decision 1/CMP.8;

12(i) Voluntary cancellation by the Party of any units under paragraph 21(e) of the annex to decision 13/CMP.1;

12(j) Cancellation of units that remain after the expiration of the additional period for fulfilment commitments and carry-overs under paragraph 36 of the annex to decision 13/CMP.1;

12(k) Cancellation of temporary certified emission reductions (tCERs) by the Party after their expiry under paragraph 53 of the annex to decision 5/CMP.1;

12(l) Cancellation of long-term certified emission reductions (lCERs) by the Party after their expiry under paragraph 53 of the annex to decision 5/CMP.1;

12(m) Cancellation by the Party of lCERs held in holding accounts where there has been a reversal of removals by sinks for the project activity concerned under paragraph 49 of the annex to decision 5/CMP.1 and paragraph 3 of appendix D to decision 5/CMP.1;

12(n) Cancellation by the Party of lCERs by the Party held in holding accounts where a certification report for the project activity concerned has not been provided under paragraph 50 of the annex to decision 5/CMP.1 and paragraph 3 of appendix D to decision 5/CMP.1;

12(o) Cancellation of AAUs, CERs, ERUs, removal units (RMUs) and/or tCERs for the purpose of replacing tCERs prior to expiry under paragraphs 41–43 of the annex to decision 5/CMP.1;

12(p) Cancellation of AAUs, CERs, ERUs and/or RMUs for the purpose of replacing lCERs prior to expiry under paragraph 47(a) of the annex to decision 5/CMP.1;

12(q) Cancellation of AAUs, CERs, ERUs, RMUs and/or lCERs from the same project activity for the purpose of replacing lCERs where there has been a reversal of removals by sinks under paragraph 47(b) of the annex to decision 5/CMP.1;

12(r) Cancellation of AAUs, CERs, ERUs, RMUs and/or lCERs from the same project activity for the purpose of replacing lCERs where a certification report has not been provided under paragraph 47(c) of the annex to decision 5/CMP.1.

E. Basis for the compliance assessment

9. For the purpose of the second commitment period, the assessment referred to in paragraph 14 of the annex to decision 13/CMP.1 shall be carried out taking into account also paragraph 25 of decision 1/CMP.8.

F. Carry-over

10. For the purpose of the second commitment period, the following chapter heading and paragraphs shall be inserted after paragraph 16 of the annex to decision 13/CMP.1:

F bis Share of proceeds

16 bis. The share of proceeds pursuant to paragraphs 20 and 21 of decision 1/CMP.8 shall be calculated in accordance with the following:

- (a) The quantity of units levied as a share of the proceeds on the issuance of CERs from project activities, on the first international transfers of AAUs and on the issuance of ERUs, shall be calculated as 2 per cent of the amount of units issued or transferred in each transaction, rounded up to the next higher integer value;
- (b) The quantity of units levied as a share of the proceeds on the first international transfer of AAUs shall be included in the quantity of AAUs transferred. The quantity of units levied as a share of the proceeds on the issuance of ERUs for Article 6 projects shall be included in the quantities of ERUs issued for the project concerned;
- (c) The transfers to the Adaptation Fund account pursuant to paragraphs 20–22 of decision 1/CMP.8 shall not be subject to the share of proceeds;
- (d) The first international transfers of units between previous period surplus reserve accounts shall not be subject to the share of proceeds;
- (e) The term “first international transfer” refers to the first external transfer of each individual AAU from the originating registry to the registry of another Party, tracked by its serial number.

II. Registry requirements

A. National registries

11. For the purpose of the second commitment period, the following shall be inserted after paragraph 21(d) of the annex to decision 13/CMP.1:

21(d) bis. One cancellation account for each commitment period for the purpose of cancelling AAUs under Article 3, paragraphs 1 ter and 1 quater;

21(d) ter. One cancellation account for the second commitment period for the purpose of cancelling AAUs pursuant to Article 3, paragraph 7 ter;

21(d) quater. One previous period surplus reserve account for holdings of AAUs, in accordance with paragraphs 23–26 of decision 1/CMP.8;

12. For the purpose of the second commitment period, the following shall be inserted after paragraph 21(f) of the annex to decision 13/CMP.1:

21(g) One cancellation account for voluntary cancellation by the Party of any units under paragraph 21(e) of the annex to decision 13/CMP.1;

21(h) One cancellation account for the purpose of cancelling units that remain after the expiration of the additional period for fulfilment commitments and carry-overs under paragraph 36 of the annex to decision 13/CMP.1;

21(i) One cancellation account for the purpose of cancellation of tCERs by the Party after their expiry under paragraph 53 of the annex to decision 5/CMP.1;

21(j) One cancellation account for the purpose of cancellation of ICERs by the Party after their expiry under paragraph 53 of the annex to decision 5/CMP.1;

21(k) One cancellation account for the purpose of cancellation of ICERs by the Party held in holding accounts where there has been a reversal of removals by sinks

for the project activity concerned under paragraph 49 of the annex to decision 5/CMP.1 and paragraph 3 of appendix D to decision 5/CMP.1;

21(l) One cancellation account for the purpose of cancellation of ICERs by the Party held in holding accounts where a certification report for the project activity concerned has not been provided under paragraph 50 of the annex to decision 5/CMP.1 and paragraph 3 of appendix D to decision 5/CMP.1;

21(m) One replacement account for the purpose of cancelling AAUs, CERs, ERUs, RMUs and/or tCERs for the purpose of replacing tCERs prior to expiry under paragraph 43 of the annex to decision 5/CMP.1;

21(n) One replacement account for the purpose of cancelling AAUs, CERs, ERUs and/or RMUs for the purpose of replacing ICERs prior to expiry under paragraph 47(a) of the annex to decision 5/CMP.1;

21(o) One replacement account for the purpose of cancelling AAUs, CERs, ERUs, RMUs and/or ICERs from the same project activity for the purpose of replacing ICERs where there has been a reversal of removals by sinks under paragraph 47(b) of the annex to decision 5/CMP.1;

21(p) One replacement account for the purpose of cancelling AAUs, CERs, ERUs, RMUs and/or ICERs from the same project activity for the purpose of replacing ICERs where a certification report has not been provided under paragraph 47(c) of the annex to decision 5/CMP.1.

B. Issuance of emission reduction units, assigned amount units and removal units

13. Paragraph 23 of the annex to decision 13/CMP.1 shall not apply for the second commitment period and the following paragraphs shall be inserted after paragraph 23 of the annex to decision 13/CMP.1:

23 bis. For the purpose of the second commitment period, each Party included in Annex I shall issue in its national registry a quantity of AAUs equivalent to the assigned amount of that Party pursuant to Article 3, paragraphs 7 bis, 8 and 8 bis, calculated and reported in accordance with paragraph 5 bis above, and paragraph 3 of decision 2/CMP.8.

23 ter. For the purpose of the second commitment period, the transfer of units for cancellation in accordance with Article 3, paragraph 7 ter shall occur immediately upon issuance of the assigned amount units referred to in the previous paragraph.

C. Transfer, acquisition, cancellation, retirement and carry-over

14. For the purpose of the second commitment period, paragraphs 30, 34 and 36 of the annex to decision 13/CMP.1 shall be replaced by paragraphs 30, 34 and 36 below and paragraphs 33 bis and 33 ter shall be inserted after paragraph 33 as follows:

30. For the purpose of the second commitment period, ERUs, CERs, AAUs and RMUs may be transferred between registries in accordance with decisions 3/CMP.1, 9/CMP.1, 11/CMP.1 and 1/CMP.8, and may be transferred within registries.

33 bis. Each Party included in Annex I may cancel AAUs under Article 3, paragraphs 1 ter and 1 quater, so they cannot be used in fulfilment of commitments under Article 3, paragraph 1 bis, in accordance with paragraph 12(e) bis above, by transferring them to the appropriate cancellation account in its national registry. Legal entities, where authorized by the Party, may also transfer AAUs into the cancellation account.

33 ter. Each Party included in Annex I shall cancel AAUs pursuant to Article 3, paragraph 7 ter, in accordance with paragraph 12(e) ter above, by transferring them to the appropriate cancellation account in its national registry.

34. For the purpose of the second commitment period, prior to the end of the additional period for fulfilling commitments, each Party included in Annex I shall retire ERUs, CERs, AAUs and/or RMUs valid for that commitment period for use towards meeting its commitments under Article 3, paragraph 1 bis, in accordance with paragraph 13 of the annex to decision 13/CMP.1 and paragraph 25 of decision 1/CMP.8 by transferring ERUs, CERs, AAUs and/or RMUs to the retirement account for that commitment period in its national registry.

36. For the purpose of the second commitment period, each Party included in Annex I may carry over to the subsequent commitment period, in accordance with paragraph 15 of the annex to decision 13/CMP.1 and paragraphs 23–26 of decision 1/CMP.8, ERUs, CERs and/or AAUs held in its registry that have not been cancelled or retired for a commitment period or that are not held in its previous period surplus reserve account. Each ERU, CER and/or AAU carried over in this manner shall maintain its original serial number and shall be valid in the subsequent commitment period. ERUs, CERs, AAUs and RMUs held in the national registry of a Party that have not been carried over in this manner or retired for the commitment period shall be cancelled in accordance with paragraph 12(f) of the annex to decision 13/CMP.1, once the additional period for fulfilling commitments has ended.

D. Transaction procedures

15. For the purpose of the second commitment period, the following paragraph shall replace paragraph 42 of the annex to decision 13/CMP.1:

42. Upon receipt of the record, for the second commitment period the transaction log shall conduct an automated check to verify that there is no discrepancy:

(a) All transactions: units previously retired or cancelled; units existing in more than one registry; units for which a previously identified discrepancy has not been resolved; units improperly carried over or improperly transferred to previous period surplus reserve accounts; units improperly issued, including those that infringe the limits contained in decision 2/CMP.7; and the authorization of legal entities involved to participate in the transaction;

(b) In the case of transfers between registries: the eligibility of Parties involved in the transaction to participate in joint implementation, the clean development mechanism and international emissions trading under Articles 6, 12 and 17 of the Kyoto Protocol; infringement of the commitment period reserve of the transferring Party; and infringements of the limits to transfer units between previous period surplus reserve accounts of different Parties as set out in paragraph 26 of decision 1/CMP.8;

(c) In the case of acquisitions of CERs from land use, land-use change and forestry projects under Article 12: infringement of the limits contained in decision 2/CMP.7;

(d) In the case of a retirement of CERs: the eligibility of the Party in accordance with paragraph 14 of decision 1/CMP.8 to use CERs to contribute to its compliance under Article 3, paragraph 1 bis.

E. Publicly accessible information

16. For the purpose of the second commitment period, paragraph 45(e) of the annex to decision 13/CMP.1 shall not apply.

17. For the purpose of the second commitment period, the following shall be added after the respective subparagraphs of paragraph 47 of the annex to decision 13/CMP.1:

47(a) bis. The total quantity of AAUs in the previous period surplus reserve account at the beginning of the year;

47(h) bis. The total quantity of AAUs cancelled under Article 3, paragraphs 1 ter and 1 quater;

47(h) ter. The total quantity of AAUs cancelled under Article 3, paragraph 7 ter.

III. Compilation and accounting of emission inventories and assigned amounts

A. Compilation and accounting database

18. For the purpose of the second commitment period, the following shall be added after the respective subparagraphs of paragraph 52 of the annex to decision 13/CMP.1:

52(c) For the purpose of the second commitment period, any positive difference between the assigned amount for the second commitment period for a Party included in Annex I and average annual emissions for the first three years of the preceding commitment period multiplied by eight, pursuant to Article 3, paragraph 7 ter;

52(d) For the purpose of the second commitment period, the forest management reference level inscribed in the appendix to the annex to decision 2/CMP.7;

52(e) For the purpose of the second commitment period, any cancellations of Kyoto Protocol units pursuant to paragraph 5(a) of section XV of the annex to decision 27/CMP.1 arising from non-compliance in the first commitment period.

19. For the purpose of the second commitment period, the following shall be added after paragraph 55(e) of the annex to decision 13/CMP.1:

55(f) Technical corrections in accordance with paragraph 15 of decision 2/CMP.7;

55(g) For those activities for which the Party has elected to account annually, the net anthropogenic emissions and removals of greenhouse gases in accordance with decision 2/CMP.7 and the related accounting quantity for the calendar year;

55(h) For those activities for which the Party has elected to account for the entire commitment period, the net anthropogenic emissions and removals of greenhouse gases in accordance with decision 2/CMP.7 and the related accounting quantity at the end of the commitment period;

55(i) In the second commitment period, any changes to the total allowable issuance of RMUs resulting from forest management activities under Article 3, paragraph 4, due to technical corrections to forest management reference levels reported by a Party in accordance with paragraphs 14 and 15 of decision 2/CMP.7 and reviewed under Article 8 in accordance with decision 2/CMP.7.

20. For the purpose of the second commitment period, the following shall be added after paragraph 58 (h) of the annex to decision 13/CMP.1:

58(h) bis. For the purpose of the second commitment period, total cancellations of AAUs cancelled under Article 3, paragraphs 1 ter and 1 quater;

58(h) ter. For the purpose of the second commitment period, total cancellations of AAUs cancelled under Article 3, paragraph 7 ter.

Annex II

Standard electronic format for reporting information on Kyoto Protocol units¹

I. General reporting instructions

1. Each Party included in Annex I with a quantified emissions limitation or reduction commitment inscribed in the third column of Annex B shall annually report tables in a standard electronic format (SEF) to the secretariat electronically. Any related information of a non-quantitative nature shall be submitted separately. Unless otherwise indicated, Parties shall submit information for the previous calendar year (based on Universal Coordinated Time). This is referred to as the “reported year” (e.g. in the 2017 SEF submission, the “reported year” will be the 2016 calendar year).
2. For the second commitment period of the Kyoto Protocol, each Party included in Annex I shall submit its first SEF for reporting Kyoto Protocol units for the second commitment period in conjunction with its first annual inventory submission for that commitment period.²
3. Each Party included in Annex I shall submit the SEF annually until the expiration of the additional period for the fulfilment of commitments for the relevant commitment period.
4. If a Party included in Annex I is undertaking transactions for two or more commitment periods simultaneously, then the Party shall provide a separate, complete report for each commitment period. Each report shall contain information on only those Kyoto Protocol units valid for that commitment period.³
5. All values recorded in the SEF tables shall be positive, whole units. Negative values shall not be entered.
6. Not all unit types are relevant to each account, transaction or event type. Where a cell is shaded in a table, the information or transaction does not apply to that particular unit type.
7. All tables shall be filled in completely. If no units of a particular type occurred for a transaction in the previous year, the Party shall enter NO in the cell for “not occurring”.
8. In the interest of readability, descriptive titles are used in the SEF to refer to specific account and transaction types. Explanations of those descriptive titles and references to the pertinent provisions under the Kyoto Protocol are provided in the instructions on individual tables contained in chapter II below.

¹ Assigned amount units (AAUs), emission reduction units (ERUs), removal units (RMUs), and certified emission reductions (CERs), including temporary certified emission reductions (tCERs) and long-term certified emission reductions (lCERs).

² In accordance with decision 2/CMP.8, paragraph 5.

³ AAUs, ERUs, RMUs and CERs, including tCERs and lCERs.

II. Instructions on individual tables

A. Table 1. Total quantities of Kyoto Protocol units by account type at beginning of reported year

9. In table 1, each Party included in Annex I shall provide information on the total quantity of Kyoto Protocol units contained in its national registry, by account type and by unit type, as at 1 January of the reported year.

10. Each Party included in Annex I shall report on the total quantities of Kyoto Protocol units, by unit type, held in each of the following account types:

(a) "Party holding accounts" (paragraph 21(a) of the annex to decision 13/CMP.1);

(b) "Entity holding accounts" (paragraph 21(b) of the annex to decision 13/CMP.1);

(c) "Retirement account" (paragraph 21(f) of the annex to decision 13/CMP.1);

(d) "Previous period surplus reserve account" (paragraph 23 of decision 1/CMP.8);

(e) "Article 3.3/3.4 net source cancellation accounts", for the cancellation of Kyoto Protocol units as a result of emissions from activities under Article 3, paragraphs 3 and 4, of the Kyoto Protocol (paragraph 21(c) of the annex to decision 13/CMP.1 and decision 2/CMP.7);

(f) "Non-compliance cancellation account", for the cancellation of Kyoto Protocol units following a determination by the Compliance Committee that the Party included in Annex I is not in compliance with its commitment under Article 3, paragraph 1 (paragraphs 12(e) and 21(d) of the annex to decision 13/CMP.1);

(g) "Voluntary cancellation account", for voluntary cancellations (paragraph 21(e) of the annex to decision 13/CMP.1);

(h) "Cancellation account for remaining units after carry-over", to cancel units that remain after the expiration of the additional period for fulfilling commitments and the carry-overs, if any, have been undertaken (paragraph 36 of the annex to decision 13/CMP.1);

(i) "Article 3.1 ter and quater ambition increase cancellation account", for cancellations pursuant to paragraph 8 of decision 1/CMP.8;

(j) "Article 3.7 ter cancellation account", for cancellations pursuant to Article 3, paragraph 7 ter;

(k) "tCER cancellation account for expiry", to cancel temporary certified emission reduction (tCERs) after their expiry (paragraph 53 of the annex to decision 5/CMP.1);

(l) "lCER cancellation account for expiry", to cancel long-term certified emission reduction (lCERs) after their expiry (paragraph 53 of the annex to decision 5/CMP.1);

(m) "lCER cancellation account for reversal in storage", to cancel lCERs held in holding accounts where there has been a reversal of removals by sinks for the project activity concerned (paragraph 49 of the annex to decision 5/CMP.1 and paragraph 3 of appendix D to decision 5/CMP.1);

(n) “ICER cancellation account for non-submission of certification report”, to cancel ICERs held in holding accounts where a certification report for the project activity concerned has not been provided (paragraph 50 of the annex to decision 5/CMP.1 and paragraph 3 of appendix D to decision 5/CMP.1).

11. In addition, each Party included in Annex I shall report on the total quantities of Kyoto Protocol units, by unit type, held in each of the replacement account types specified in the following paragraphs of the annex to decision 5/CMP.1:

(a) “tCER replacement account for expiry”, to cancel assigned amount units (AAUs), certified emission reduction (CERs), emission reduction units (ERUs), removal units (RMUs) and/or tCERs for the purpose of replacing tCERs prior to expiry (para 43);

(b) “ICER replacement account for expiry”, to cancel AAUs, CERs, ERUs and/or RMUs for the purpose of replacing ICERs prior to expiry (para 47(a));

(c) “ICER replacement account for reversal in storage”, to cancel AAUs, CERs, ERUs, RMUs and/or ICERs from the same project activity for the purpose of replacing ICERs where there has been a reversal of removals by sinks (para 47(b));

(d) “ICER replacement account for non-submission of certification report”, to cancel AAUs, CERs, ERUs, RMUs and/or ICERs from the same project activity for the purpose of replacing ICERs when a certification report has not been provided (para 47(c)).

B. Table 2(a). Annual internal transactions

12. In table 2(a), Annex I Parties shall report information on the total quantity of Kyoto Protocol units involved in internal transactions (those that did not involve another registry) that occurred between 1 January and 31 December of the reported year, as described below, including any corrective transactions.

13. Under the “Article 6 issuance and conversion” section, Annex I Parties shall report information relating to joint implementation projects under the Kyoto Protocol in accordance with the following paragraphs of the annex to decision 9/CMP.1:

(a) For “Party-verified projects” (also referred to as “track one” projects) Annex I Parties shall report information pertaining to projects for which emission reductions or the enhancement of removals have been verified by the host Party in accordance with paragraph 23 of the annex to decision 9/CMP.1:

(i) Each Party included in Annex I shall report under “Additions” the total quantity of ERUs issued pursuant to paragraph 29 of the annex to decision 13/CMP.1;

(ii) The Party shall report under “Subtractions” the corresponding quantity of AAUs converted, or, in the case of land use, land-use change and forestry (LULUCF) projects, the corresponding quantity of RMUs converted, pursuant to paragraph 29 of the annex to decision 13/CMP.1;

(b) For “Independently verified projects” (also referred to as “track two” projects), Annex I Parties shall report information pertaining to projects for which emission reductions or the enhancement of removals have been verified through the procedure under the Article 6 Supervisory Committee in accordance with paragraphs 30–45 of the annex to decision 9/CMP.1:

(i) Each Party included in Annex I shall report under “Additions” the total quantity of ERUs issued pursuant to paragraph 29 of the annex to decision 13/CMP.1;

(ii) The Party shall report under “Subtractions” the corresponding quantity of AAUs converted, or, in the case of LULUCF projects, the corresponding quantity of RMUs converted, pursuant to paragraph 29 of the annex to decision 13/CMP.1.

14. Under the section “Article 3.3 and 3.4 issuance or cancellation”, each Party included in Annex I shall report the quantity of RMUs issued or the units cancelled for its LULUCF activities under Article 3, paragraphs 3 and 4 of the Kyoto Protocol, by individual activity, in accordance with the annex to decision 16/CMP.1 and decision 2/CMP.7, and with its election of activities pursuant to paragraph 8(c) and (d) of the annex to decision 13/CMP.1 and paragraphs 7 and 8 of the annex to decision 2/CMP.7:

(a) For any activity that resulted in a net removal, each Party included in Annex I shall report under “Additions” the total quantity of RMUs issued pursuant to paragraph 25 of the annex to decision 13/CMP.1 and decision 2/CMP.7;

(b) For any activity resulting in net emissions, each Party shall report under “Subtractions” the total quantities of AAUs, ERUs, RMUs and/or CERs cancelled pursuant to paragraph 32 of the annex to decision 13/CMP.1 and decision 2/CMP.7.

15. Under the section “Article 12 afforestation and reforestation”, each Party included in Annex I shall report information relating to afforestation and reforestation project activities under the clean development mechanism (CDM) specified in the following paragraphs of the annex to decision 5/CMP.1:⁴

(a) “Replacement of expired tCERs”, the total quantities of AAUs, CERs, ERUs, RMUs and/or tCERs that were transferred to the tCER replacement account (paragraph 44);

(b) “Replacement of expired ICERs”, the total quantities of AAUs, CERs, ERUs and/or RMUs that were transferred to the ICER replacement account for expiry (paragraph 47(a));

(c) “Replacement for reversal of storage”, the total quantities of AAUs, CERs, ERUs, RMUs and/or ICERs that were transferred to the ICER replacement account for reversal of storage (paragraph 47(b));

(d) “Cancellation for reversal of storage”, the total quantities of ICERs that were cancelled following a reversal of storage (paragraph 49 and appendix D, paragraph 3);

(e) “Replacement for non-submission of certification report”, the total quantities of AAUs, CERs, ERUs, RMUs and/or ICERs that were transferred to the ICER replacement account for non-submission of certification report (paragraph 50 and appendix D, paragraph 3);

(f) “Cancellation for non-submission of certification report”, the total quantities of ICERs that were cancelled following a non-submission of certification report (paragraph 47(c)).

16. Under “Other cancellation”, each Party included in Annex I shall report the total quantities of Kyoto Protocol units, by type, that were cancelled for the following reasons:⁵

(a) “Voluntary cancellation”, for voluntary cancellations (paragraph 21(e) of the annex to decision 13/CMP.1);

(b) “Article 3.1 ter and quater ambition increase cancellation”, for cancellations pursuant to paragraph 8 of decision 1/CMP.8;⁶

⁴ Additional information relating to afforestation and reforestation project activities is reported in table 3.

⁵ Cancellations following determination of non-compliance are reported in table 5(a).

17. Each Party included in Annex I shall sum the quantities of Kyoto Protocol units in each column and report these under “Sub-total”.

18. In the box “Retirement”, each Party included in Annex I shall report the following information:

(a) Under the line “Retirement”, the total quantities of Kyoto Protocol units, by type, that were transferred from its national holding account to its retirement account. These values shall not be included in the main body of table 2(a);

(b) Under the line “Retirement from PPSR”, the total quantities of AAUs that were transferred from its previous period surplus reserve (PPSR) account to its retirement account. These values shall not be included in the main body of table 2(a);

(c) Under the line “Total”, the total quantities of units that were transferred to its retirement account.

C. Table 2(b). Total annual external transactions

19. In table 2(b), Annex I Parties shall report information on the total quantities of Kyoto Protocol units involved in external transactions (those that involved another registry) that occurred between 1 January and 31 December of the reported year, including any corrective transactions.

20. Under “Total transfers and acquisitions”, each Party included in Annex I shall include a separate row for each registry (Party or CDM registry) to which it transferred, from which it acquired or from which it was forwarded Kyoto Protocol units during the previous year:

(a) Each Party shall report the quantities of all Kyoto Protocol units acquired from a registry, including any units transferred from the Adaptation Fund account or forwarded from the CDM registry, by type, under “Additions”;

(b) Each Party shall report the total quantities of Kyoto Protocol units transferred to that registry, including transfers to the share of proceeds pursuant to paragraph 21 of decision 1/CMP.8, cancellations for excess issuance of a CDM project activity⁷ and cancellations of units following a reversal of storage⁸ or non-submission of certification report⁹ for a carbon dioxide capture and storage (CCS) project activity, under “Subtractions” on the same line.

21. Each Party included in Annex I shall sum the quantities of Kyoto Protocol units in each column and report these under “Sub-total”.

D. Table 2(c). Annual transactions between previous period surplus reserve accounts

22. Under “Transfers and acquisitions between PPSR accounts”, each Party included in Annex I shall include a separate row for each registry to which it transferred AAUs from its PPSR account or from which it acquired AAUs located in a PPSR account during the previous year:

⁶ Cancellations to increase ambition in accordance with paragraph 8 of decision 1/CMP.8 are also reported in table 5(a).

⁷ Paragraph 52 of the annex to decision 5/CMP.1.

⁸ Paragraph 24(b) of the annex to decision 10/CMP.7.

⁹ Paragraph 27 of the annex to decision 10/CMP.7.

(a) The quantity of AAUs acquired shall be reported under “Additions”. This quantity shall also be reported under the “Total transfers and acquisitions” section of table 2(b);

(b) The quantity of AAUs transferred shall be reported under “Subtractions”. This quantity shall also be reported under the “Total transfers and acquisitions” section of table 2(b).

23. Each Party included in Annex I shall sum the quantities of Kyoto Protocol units in each column and report these under “Sub-total”.

E. Table 2(d). Share of proceeds transactions under decision 1/CMP.8, paragraph 21 - Adaptation Fund

24. The term “first international transfer” refers to the first external transfer of each individual AAU from the originating registry to the registry of another Party, tracked by its serial number.

25. Each Party included in Annex I shall report the quantity of units transferred and of units issued for which a share of the proceeds levy applies and the related quantity of units contributed to the Adaptation Fund in accordance with paragraph 21 of decision 1/CMP.8 as follows:

(a) Under “First international transfers of AAUs”, “Amount transferred or converted”, each Party shall report the total quantity of AAUs transferred for the first time from its registry to another registry tracked by serial number. Under “First international transfers of AAUs”, “Amount contributed as Share of Proceeds (SoP) to the Adaptation Fund”, each Party shall report the total quantity of AAUs contributed to the Adaptation Fund. These transfers shall also be included in the “Transfers and acquisitions” section of table 2(b);

(b) Under “Issuance of ERUs from Party-verified projects”, “Amount transferred or converted”, each Party shall report the total quantity of ERUs relating to projects where emission reductions or enhancements of removals have been verified by the host Party in accordance with paragraph 23 of the annex to decision 9/CMP.1. Under “Issuance of ERUs from Party-verified projects”, “Amount contributed as SoP to the Adaptation Fund”, each Party shall report the total quantity of ERUs issued relating to projects where emission reductions or enhancements of removals have been verified by the host Party in accordance with paragraph 23 of the annex to decision 9/CMP.1 and contributed to the Adaptation Fund. These transfers shall also be included under the “Transfers and acquisitions” section of table 2(b);

(c) Under “Issuance of independently verified ERUs”, “Amount transferred or converted”, each Party shall report the total quantity of ERUs that had been independently verified by the Article 6 Supervisory Committee. Under “Issuance of independently verified ERUs”, “Amount contributed as SoP to the Adaptation Fund”, each Party shall report the total quantity of ERUs issued that were independently verified by the Article 6 Supervisory Committee and contributed to the Adaptation Fund. These transfers shall also be included under the “Transfers and acquisitions” section of table 2(b).

F. Table 2(e). Total annual transactions

26. Each Party included in Annex I shall add the subtotals of tables 2(a) and 2(b) and report the corresponding quantities under “Total” in table 2(e).

G. Table 3. Annual expiry, cancellation and replacement

27. In table 3, Annex I Parties shall report information on the expiry, cancellation and replacement of tCERs, ICERs and CERs from CCS project activities in accordance with the modalities and procedures for afforestation and reforestation project activities under the CDM (decision 5/CMP.1) and the modalities and procedures for CCS in geological formations as CDM project activities (decision 10/CMP.7). Annex I Parties shall include all transactions that occurred between 1 January and 31 December of the reported year, including any corrective transactions.

28. Each Party included in Annex I shall report the following information under the section “Temporary CERs”:

(a) “Expired in retirement and replacement accounts”: the quantity of tCERs that expired in the reported year in the retirement and tCER replacement accounts for the previous commitment period and the quantity of units that were used to replace them. These tCERs will have been valid for the previous commitment period and will expire in the final year of the commitment period;

(b) “Expired in holding accounts”: the quantity of tCERs that expired in the reported year in all Party and entity holding accounts for the previous commitment period and the quantity of units that were cancelled as a result.

29. Each Party included in Annex I shall report the following information under the section “Long-term CERs”:

(a) “Expired in retirement and replacement accounts”, the quantity of ICERs that expired in the reported year in the retirement and ICER replacement accounts for previous commitment periods and the quantity of units that were used to replace them. These ICERs will have been valid for a previous commitment period;

(b) “Expired in holding accounts”, the quantity of ICERs that expired in all Party and entity holding accounts and the quantity of units that were cancelled as a result. These ICERs will have been valid for a previous commitment period;

(c) “Subject to reversal of storage”, in the event that the Party has received notification(s) of a reversal of removals from a project activity from the Executive Board of the clean development mechanism (CDM Executive Board), the quantity of ICERs that the Party is required to replace pursuant to that notification and the quantity of units that the Party included in Annex I used for replacement or cancellation as a result of these notifications;

(d) “Subject to non-submission of certification report”, in the event that the Party included in Annex I has received notification(s) of non-submission of certification report from the CDM Executive Board, the quantity of ICERs that the Party included in Annex I is required to replace pursuant to the notification(s) and the quantity of units that the Party included in Annex I used for replacement or cancellation as a result of the notification(s).

30. Each Party included in Annex I shall report the following information under the section “Carbon Capture and Storage CERs”:

(a) “Subject to net reversal of storage”, in the event that the Party has received notification(s) of a net reversal of storage of a CCS project activity from the CDM Executive Board, the quantity of units that the Party included in Annex I is required to cancel pursuant to that notification and the quantity of units that the Party included in Annex I used for cancellation as a result of these notifications. The units used to meet this requirement are transferred to the CDM registry and are therefore not reported in table 2(a). These units used to meet this requirement shall also be reported in table 2(b);

(b) “Subject to non-submission of certification report”, in the event that the Party included in Annex I has received notification(s) of non-submission of certification report for a CCS project activity from the CDM Executive Board, the quantity of units that the Party included in Annex I is required to replace pursuant to the notification(s) and the quantity of units that the Party included in Annex I used for cancellation as a result of the notification(s). The units used to meet this requirement are transferred to the CDM registry and are therefore not reported in table 2(a). These units used to meet this requirement shall also be reported in table 2(b).

31. Annex I Parties shall sum the quantities of Kyoto Protocol units in each column and report these under “Total”.

H. Table 4. Total quantities of Kyoto Protocol units by account type at end of reported year

32. In table 4, Annex I Parties shall include information on the total quantities of Kyoto Protocol units in each account type, by unit type, in the national registry at 31 December of the reported year.

33. The structure of table 4 follows the structure of table 1.

I. Table 5(a). Summary information on additions and subtractions

34. In table 5(a), Annex I Parties shall report cumulative information for the reported year and previously reported years to facilitate the recording of information for the commitment period in the compilation and accounting database in accordance with the annex to decision 13/CMP.1 and this decision.

35. Each Party included in Annex I shall report the following information:

(a) “Assigned amount units issued”, ”Additions”, the total quantity of AAUs issued on the basis of its assigned amount under Article 3, paragraphs 7 bis, 8 and 8 bis;

(b) “Article 3, paragraph 7 ter, cancellations”, ”Subtractions”, the total quantity of AAUs cancelled in accordance with Article 3, paragraph 7 ter;

(c) “Cancellation following increase in ambition”, the total quantity of AAUs cancelled in accordance with paragraph 8 of decision 1/CMP.8;

(d) “Cancellation of remaining units after carry-over”, the total quantity of units, per unit type, cancelled after expiration of the additional period for fulfilling commitments and carry-overs, if any, have been undertaken (decision 13/CMP.1, annex, paragraph 36);

(e) “Non-compliance cancellation”, if applicable, the quantities of Kyoto Protocol units, by type, that the Party cancelled pursuant to a determination by the Compliance Committee that the Party is not in compliance with its commitment under Article 3, paragraph 1, for the previous commitment period pursuant to paragraph 37 of the annex to decision 13/CMP.1;¹⁰

(f) “Carry-over”, under ”Additions” and if applicable, the total quantities of ERUs and/or CERs that were carried over from the previous commitment period; under ”Subtractions” the total quantities of ERUs and/or CERs that were carried over to the subsequent commitment period;

¹⁰ This information will not be available until completion of the compliance assessment for the previous commitment period, following the expiration of the additional period for the fulfilment of commitments.

(g) “Carry-over to PPSR”, under “Additions” and if applicable, the total quantities of AAUs that were carried over from the previous commitment period to the PPSR account; under “Subtractions” the total quantities of AAUs that were carried over to the subsequent commitment period from the PPSR account.

J. Table 5(b). Summary information on annual transactions

36. In table 5(b), each Party included in Annex I shall provide summary information on annual transactions for the reported year and previously reported years for the commitment period:

(a) For the reported year, each Party shall report the total quantities of Kyoto Protocol units, by type, from table 2(e);

(b) For all years prior to the reported year, the Party shall report the total quantities of Kyoto Protocol units, as reported in table 5(b) in the previous SEF tables;

(c) Under “Total”, each Party shall report the sum to date of all transactions.

K. Table 5(c). Summary information on annual transactions between previous period surplus reserve accounts

37. In table 5(c), each Party included in Annex I shall provide summary information on annual transactions between PPSR accounts for the reported year and for all previously reported years for the commitment period:

(a) For the reported year, each Party shall report the total quantities of AAUs, from table 2(c);

(b) For all years prior to the reported year, the Party shall report the total quantities of AAUs, as reported in table 5(c) in the previous SEF tables;

(c) Under “Total”, each Party shall report the sum to date of all transactions.

L. Table 5(d). Summary information on expiry, cancellation and replacement

38. In table 5(d), Annex I Parties shall provide summary information relating to the replacement and cancellations of tCERs, ICERs and CERs from CCS project activities for each reported year for the commitment period.

39. For the reported year, each Party included in Annex I shall report:

(a) Under “Requirement to replace or cancel”, the total quantities of tCERs, ICERs or CERs from CCS project activities that expired, were subject to a reversal of storage or to a non-submission of certification report in that year;

(b) Under “Replacement”, the total quantities of Kyoto Protocol units, by type, cancelled to replace tCERs or ICERs. These quantities should match those reported under “Total” in table 3;

(c) Under “Cancellation”, the total quantities of Kyoto Protocol units, by type, cancelled to replace tCERs, ICERs or to respond to a reversal of storage or non-submission of certification report for CCS project activities. These quantities should match those reported under “Total” in table 3.

40. For all years prior to the reported year, the Party included in Annex I shall repeat the information under “Requirement to replace or cancel” and under “Replacement” and “Cancellation” as reported in the previous SEF.

41. Under “Total”, each Party included in Annex I shall report the sum of each column. At the end of the commitment period, the total quantities of tCERs, ICERs and CERs from

CCS project activities should match the total quantities of Kyoto Protocol units under “Replacement” and “Cancellation”.

M. Table 5(e). Summary information on retirement

42. In table 5(e), Annex I Parties shall provide summary information on retirement to facilitate the compliance assessment at the end of the additional period for fulfilling commitments.

43. For the reported year, each Party included in Annex I shall report under “Retirement”, the total quantities of Kyoto Protocol units, by type, retired in that year for the purpose of demonstrating its compliance with its commitment under Article 3, paragraph 1, of the Kyoto Protocol. These quantities should match those reported under “Retirement”, “Total”, in table 2(a).

44. For all years prior to the reported year, the Party included in Annex I shall repeat the information as reported in the previous SEF.

45. Under “Total”, each Party included in Annex I shall report the sum of each column.

N. Table 6. Memo item: Corrective transactions undertaken in the reported year

46. In tables 6(a) to 6(c), Annex I Parties shall report any corrective transactions undertaken in the reported year relating to previously reported years, including transactions to address a correction to the compilation and accounting database applied by the Compliance Committee, pursuant to paragraph 5(b) in chapter V of the annex to decision 27/CMP.1. It should be noted that quantities of Kyoto Protocol units reported here are included in the annual transactions reported in tables 2 and 3 and are reported in tables 6(a) to 6(c) as a memo item for the purpose of transparency. Parties shall provide explanations for these transactions in accompanying text, as required by paragraph 8 of section E of the guidelines for reporting under Article 7 of the Kyoto Protocol.

I. Standard electronic format tables

47. The SEF tables are not included in this document but can be downloaded from the UNFCCC website.¹¹

¹¹ <http://unfccc.int/national_reports/accounting_reporting_and_review_under_the_kyoto_protocol/items/7969.php>.

Annex III

Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol

1. For the purpose of the second commitment period, paragraph 11 of the annex to decision 15/CMP.1 shall not apply and Parties shall report Kyoto Protocol units in accordance with the standard electronic format and reporting instructions as contained in annex II.
2. For the purpose of the second commitment period, paragraph 18 of the annex to decision 15/CMP.1 shall be replaced with the following paragraph:
 18. For the purpose of the second commitment period, each Party included in Annex I shall report the calculation of its commitment period reserve in accordance with the annex to decision 18/CP.7, decision 11/CMP.1 and paragraph 18 of decision 1/CMP.8.
3. For the purpose of the second commitment period, paragraph 19 of the annex to decision 15/CMP.1 shall be replaced with the following paragraph:
 19. For the purpose of the second commitment period, each Party included in Annex I shall provide access, upon the request of expert review teams, to information held in the national registry relating to the holding accounts referred to in paragraph 21(b) of the annex to decision 13/CMP.1, and other types of accounts and transactions for the previous calendar year, that substantiates the supplementary information reported under paragraph 1 above and paragraph 12 of the annex to decision 15/CMP.1.
4. For the purpose of the second commitment period, the following paragraph shall be inserted after paragraph 24 of the annex to decision 15/CMP.1:
 - 24 bis. Parties included in Annex I without quantified emission limitation and reduction commitments for the second commitment period shall continue to provide information relating to how they are striving, under Article 3, paragraph 14, of the Kyoto Protocol, to implement their commitments mentioned in Article 3, paragraph 1, of the Kyoto Protocol in such a way as to minimize adverse social, environmental and economic impacts on developing country Parties, particularly those identified in Article 4, paragraphs 8 and 9, of the Convention, in accordance with this decision.