

**\*\*\* DRAFT PROTOCOL TO THE UNITED NATIONS FRAMEWORK CONVENTION  
ON CLIMATE CHANGE**

*The Parties to this Protocol,*

*Being* Parties to the United Nations Framework Convention on Climate Change, hereinafter referred to as “the Convention”,

*In pursuit* of the ultimate objective of the Convention as stated in its Article 2,

*Recalling* the provisions of the Convention,

*Being guided* by Article 3 of the Convention,

*Recalling* the significant progress achieved under the Kyoto Protocol to the United Nations Framework Convention on Climate Change, hereinafter referred to as “the Kyoto Protocol”,

*Bearing* in mind the changes of circumstances since the adoption of the Kyoto Protocol,

*Pursuant* to the Bali Action Plan adopted by decision 1/CP.13 of the Conference of the Parties to the Convention at its thirteenth session which identified five pillars as bases for a new global framework,

*Aiming* at a long-term goal of achieving at least fifty per cent reduction of global emissions of greenhouse gases from its current level by 2050, with a reference to scientific knowledge of the Intergovernmental Panel on Climate Change through realization of a low carbon society and development of innovative technologies,

*Recognizing* that peaking-out of the global emissions of greenhouse gases in the next ten to twenty years should be pursued and all Parties should share the vision on how to pave the way to reduce global emissions by 2050 with flexibility and diversity of nationally appropriate actions,

*Recognizing* that all Parties should take mitigation actions under an enlightened sense of solidarity in accordance with their common but differentiated responsibilities and respective capabilities,

*Have agreed* as follows:

**Article 1 (Definitions)**

For the purposes of this Protocol, the definitions contained in Article 1 of the Convention shall apply. In addition:

1. “Conference of the Parties” means the Conference of the Parties to the Convention.
2. “Convention” means the United Nations Framework Convention on Climate Change, adopted in New York on 9 May 1992.
3. “Intergovernmental Panel on Climate Change” means the Intergovernmental Panel on

Climate Change established in 1988 jointly by the World Meteorological Organization and the United Nations Environment Programme.

4. “Kyoto Protocol” means the Kyoto Protocol to the United Nations Framework Convention on Climate Change, adopted in Kyoto on 11 December 1997.

5. “Montreal Protocol” means the Montreal Protocol on Substances that Deplete the Ozone Layer, adopted in Montreal on 16 September 1987 and as subsequently adjusted and amended.

6. “Parties present and voting” means Parties present and casting an affirmative or negative vote.

7. “Party” means, unless the context otherwise indicates, a Party to this Protocol.

8. “Party included in Annex I” means a Party included in Annex I to the Convention, as may be amended, or a Party which has made a notification under Article 4, paragraph 2 (g), of the Convention.

## **Article 2 (*Policies and measures*)**

1. Each Party shall, to the extent practicable, in implementing relevant Articles of this Protocol:

(a) Implement and/or further elaborate policies and measures in accordance with its national circumstances, such as:

- (i) Enhancement of energy efficiency in relevant sectors of the national economy;
- (ii) Protection and enhancement of sinks and reservoirs of greenhouse gases not controlled by the Montreal Protocol, taking into account its commitments under relevant international environmental agreements; promotion of sustainable forest management practices, afforestation and reforestation;
- (iii) Promotion of reducing emissions from deforestation and forest degradation;
- (iv) Promotion of sustainable forms of agriculture in light of climate change considerations;
- (v) Promotion of measures for adaptation to the adverse effects of climate change;

- (vi) Research on, and promotion, development and increased use of, new and renewable forms of energy, of carbon dioxide sequestration technologies and of advanced and innovative environmentally sound technologies;
- (vii) Progressive reduction or phasing out of market imperfections, fiscal incentives, tax and duty exemptions and subsidies in all greenhouse gas emitting sectors that run counter to the objective of the Convention and application of market instruments;
- (viii) Encouragement of appropriate reforms in relevant sectors aimed at promoting policies and measures which limit or reduce emissions of greenhouse gases not controlled by the Montreal Protocol;
- (ix) Measures to limit and/or reduce emissions of greenhouse gases not controlled by the Montreal Protocol in the transport sector;
- (x) Limitation and/or reduction of methane emissions through recovery and use in waste management, as well as in the production, transport and distribution of energy;

(b) Cooperate with other Parties to enhance the individual and combined effectiveness of their policies and measures adopted under this Article. To this end, these Parties shall take steps to share their experience and exchange information on such policies and measures, including developing ways of improving their comparability, transparency and effectiveness.

2. The Parties shall pursue limitation or reduction of emissions of greenhouse gases not controlled by the Montreal Protocol from aviation and marine bunker fuels, working through the International Civil Aviation Organization and the International Maritime Organization, respectively.

3. The Parties shall strive to implement policies and measures under this Article in such a way as to minimize adverse effects, including the adverse effects of climate change, effects on international trade, and social, environmental and economic impacts on other Parties, especially developing country Parties and in particular those identified in Article 4, paragraphs 8 and 9, of the Convention, taking into account Article 3 of the Convention. The Conference of the Parties serving as the meeting of the Parties to this Protocol may take further action, as appropriate, to promote the implementation of the provisions of this paragraph based on the information provided by affected Parties.

### **Article 3 (*Mitigation Obligations of the Parties*)**

1. (*Commitments by the Parties included in Annex I*)

(a) *(Quantified national emissions reduction target)*

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, in the commitment period 2013 to 20xx, their respective assigned amounts inscribed in Annex B which are established in a manner ensuring comparability of efforts of each Party included in Annex I, taking into account national and sectoral aspects, in order to take the lead in combating climate change, with a view to contributing to the global efforts towards the peaking-out of the global emissions of greenhouse gases in the next ten to twenty years, and to ensuring a long-term pathway for each Party included in Annex I towards significant emission reduction.

(b) *(Joint fulfilment)*

- (i) Any Parties included in Annex I that have reached an agreement to fulfil their respective commitments under subparagraph (a) above jointly, shall be deemed to have met those commitments provided that their total combined aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A do not exceed their assigned amounts inscribed in Annex B. The respective emission level allocated to each of the Parties to the agreement shall be set out in that agreement.
- (ii) The Parties to any such agreement shall notify the secretariat of the terms of the agreement on the date of deposit of their instruments of ratification, acceptance or approval of this Protocol, or accession thereto. The secretariat shall in turn inform the Parties and signatories to the Convention of the terms of the agreement.
- (iii) Any such agreement shall remain in operation for the duration of the commitment period referred to in subparagraph (a) above.
- (iv) If Parties acting jointly do so in the framework of, and together with, a regional economic integration organization, any alteration in the composition of the organization after adoption of this Protocol shall not affect existing commitments under this Protocol.
- (v) In the event of failure by the Parties to such an agreement to achieve their total combined level of emission reductions, each Party to that agreement shall be responsible for its own level of emissions set out in the agreement.
- (vi) If Parties acting jointly do so in the framework of, and together with, a regional economic integration organization which is itself a Party to this Protocol, each member State of that regional economic

integration organization individually, and together with the regional economic integration organization acting in accordance with Article 24, shall, in the event of failure to achieve the total combined level of emission reductions, be responsible for its level of emissions as notified in accordance with subparagraph (ii) above.

(c) *(LULUCF)*

- (i) The net changes in greenhouse gas emissions by sources and removals by sinks resulting from direct human-induced land-use change and forestry activities, limited to afforestation, reforestation and deforestation since 1990, measured as verifiable changes in carbon stocks in the commitment period referred to in subparagraph (a) above, shall be used to meet the commitments under subparagraph (a) above of each Party included in Annex I. The greenhouse gas emissions by sources and removals by sinks associated with those activities shall be reported in a transparent and verifiable manner and reviewed in accordance with Articles 5 and 6.
- (ii) The greenhouse gas emissions by sources and removals by sinks resulting from additional human-induced land use, land-use change and forestry activities may be used to meet the commitments under subparagraph (a) above of each Party included in Annex I, provided that these activities have taken place since 1990.
- (iii) The Conference of the Parties serving as the meeting of the Parties to this Protocol shall, at its first session, decide upon modalities, rules and guidelines related to the issues referred to in subparagraphs (i) and (ii) above, taking into account uncertainties, transparency in reporting, verifiability, the methodological work of the Intergovernmental Panel on Climate Change, the advice provided by the Subsidiary Body for Scientific and Technological Advice in accordance with Article 4 and the decisions of the Conference of the Parties.

(d) *(Others)*

Taking into account Article 4, paragraph 6, of the Convention, in the implementation of their commitments under this Protocol other than those under this Article, a certain degree of flexibility shall be allowed by the Conference of the Parties serving as the meeting of the Parties to this Protocol to the Parties included in Annex I undergoing the process of transition to a market economy.

2. *(Actions by Parties included in Annex C)*

(a) The Parties other than Parties included in Annex I shall take nationally appropriate mitigation actions as described in Annex C.

(b) *(National action plan)*

As part of the nationally appropriate mitigation actions described in Annex C, each Party included in Annex C shall develop and submit a national action plan, including policies and measures for mitigation, which shall include quantified elements to the extent possible. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall decide upon the guidelines for the national action plans which shall incorporate methodologies for the quantification, prior to the start of the commitment period referred to in paragraph 1 (a) above.

(c) *(Intensity target)*

The Parties included in Annex C which have substantial contribution to the global emissions of greenhouse gases and have appropriate response capabilities, shall achieve their respective greenhouse gas emission intensity targets as described in Annex C in the commitment period referred to in paragraph 1 (a) above, with a view to limiting substantially their greenhouse gas emission growth.

**Article 4 (*Methodological issues*)**

1. Each Party included in Annex I shall have in place, no later than one year prior to the start of the commitment period referred to in Article 3, paragraph 1 (a), a national system for the estimation of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol. Guidelines for the national systems, which shall incorporate the methodologies specified in paragraph 3 below, shall be decided upon by the Conference of the Parties serving as the meeting of the Parties to this Protocol prior to the start of such commitment period.

2. Each Party which has its greenhouse gas emission intensity targets inscribed in Annex C shall have in place, no later than one year prior to the start of the commitment period referred to in Article 3, paragraph 1 (a), a national system for the estimation of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol. Guidelines for the national systems, which shall incorporate to the extent possible the methodologies specified in paragraph 3 below, shall be decided upon by the Conference of the Parties serving as the meeting of the Parties to this Protocol prior to the start of such commitment period.

3. Methodologies for estimating anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol shall be those accepted by the Intergovernmental Panel on Climate Change and agreed upon by the Conference of the Parties at its third session. Where such methodologies are not used, appropriate adjustments shall be applied according to methodologies agreed upon by the Conference of the Parties serving as the meeting of the Parties to this Protocol at its first session. Based on the work of, *inter alia*, the Intergovernmental Panel on Climate Change and advice provided by the Subsidiary Body for Scientific and Technological Advice, the Conference of the Parties serving as the meeting of the Parties to this Protocol shall regularly review and, as appropriate, revise such methodologies and adjustments, taking fully into account any relevant decisions by the Conference of the Parties. Any revision to methodologies or adjustments shall be used only for the purposes of ascertaining compliance with commitments in respect of any commitment period adopted subsequent to that revision.

4. The global warming potentials used to calculate the carbon dioxide equivalence of anthropogenic emissions by sources and removals by sinks of greenhouse gases listed in Annex A shall be those accepted by the Intergovernmental Panel on Climate Change and decided upon by the Conference of the Parties serving as the meeting of the Parties to this Protocol prior to the start of the commitment period referred to in Article 3, paragraph 1 (a). Based on the work of, *inter alia*, the Intergovernmental Panel on Climate Change and advice provided by the Subsidiary Body for Scientific and Technological Advice, the Conference of the Parties serving as the meeting of the Parties to this Protocol shall regularly review and, as appropriate, revise the global warming potential of each such greenhouse gas, taking fully into account any relevant decisions by the Conference of the Parties. Any revision to a global warming potential shall apply only to commitments in respect of any commitment period adopted subsequent to that revision.

#### **Article 5 (*Inventory and Information*)**

1. Each Party included in Annex I shall incorporate in its annual inventory of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol, submitted in accordance with the relevant decisions of the Conference of the Parties, the necessary supplementary information, including sectoral information, for the purposes of ensuring compliance with Article 3, paragraph 1, to be determined in accordance with paragraph 4 below.

2. Each Party included in Annex I shall incorporate in its national communication, submitted under Article 12 of the Convention, the supplementary information necessary to demonstrate compliance with its commitments under this Protocol, to be determined in accordance with paragraph 4 below.

3. Each Party included in Annex I shall submit the information required under paragraph 1 above annually, beginning with the first inventory due under the Convention for the first year of the commitment period referred to in Article 3, paragraph 1 (a), after this Protocol has entered into force for that Party. Each such Party shall submit the information required under paragraph 2 above as part of the first national communication due under the Convention after this Protocol has entered into force for it and after the adoption of guidelines as provided for in paragraph 4 below. The frequency of subsequent submission of information required under paragraph 2 above shall be determined by the Conference of the Parties serving as the meeting of the Parties to this Protocol, taking into account any timetable for the submission of national communications decided upon by the Conference of the Parties.

4. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall adopt at its first session, and review periodically thereafter, guidelines for the preparation of the information required under paragraphs 1 and 2 above, taking into account guidelines for the preparation of national communications by Parties included in Annex I adopted by the Conference of the Parties. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall also, prior to the start of the commitment period referred to in Article 3, paragraph 1 (a), decide upon modalities for the accounting of assigned amounts.

5. Each Party which has its greenhouse gas emission intensity targets inscribed in Annex C shall incorporate in its annual inventory of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol, the necessary supplementary information, including sectoral information, for the purposes of ensuring the compliance with Article 3, paragraph 2, to be determined in accordance with paragraph 8 below.

6. Each Party which has its greenhouse gas emission intensity targets inscribed in Annex C shall incorporate in its national communication, submitted under Article 12 of the Convention, the supplementary information with respect to the implementation of Article 3, paragraph 2, to be determined in accordance with paragraph 8 below.

7. Each Party which has its greenhouse gas emission intensity targets inscribed in Annex C shall submit the information required under paragraph 5 above annually. Each such Party shall submit the information required under paragraph 6 above as part of the first national communication due under the Convention after this Protocol has entered into force for that Party and after the adoption of guidelines as provided for in paragraph 8 below.

8. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall adopt at its first session, and review periodically thereafter, guidelines for the preparation of the



information required under paragraphs 5 and 6 above. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall also, prior to the start of the commitment period referred to in Article 3, paragraph 1(a), decide upon modalities for the measurement of intensity targets.

#### **Article 6 (*Review of information*)**

1.

(a) The information submitted under Article 5, paragraph 3, by each Party included in Annex I shall be reviewed by expert review teams pursuant to the relevant decisions of the Conference of the Parties and in accordance with guidelines adopted for this purpose by the Conference of the Parties serving as the meeting of the Parties to this Protocol under subparagraph (b) below. The information required under Article 5, paragraph 1, shall be reviewed as part of the annual compilation and accounting of emission inventories and assigned amounts. Additionally, the information required under Article 5, paragraph 2, shall be reviewed as part of the review of communications.

(b) The Conference of the Parties serving as the meeting of the Parties to this Protocol shall adopt at its first session, and review periodically thereafter, guidelines for the review of implementation of the commitments by Parties included in Annex I by expert review teams taking into account the relevant decisions of the Conference of the Parties.

2. The information submitted under Article 5, paragraph 7, by each Party which has its greenhouse gas emission intensity targets inscribed in Annex C shall be reviewed by expert review teams. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall adopt at its first session, and review periodically thereafter, guidelines for this review.

3. Expert review teams referred to in paragraphs 1 and 2 above shall be coordinated by the secretariat and shall be composed of experts selected from those nominated by Parties to the Convention and, as appropriate, by intergovernmental organizations, in accordance with guidance provided for this purpose by the Conference of the Parties.

4. The review process shall provide a thorough and comprehensive technical assessment of all aspects of the implementation by a Party of this Protocol. The expert review teams shall prepare a report to the Conference of the Parties serving as the meeting of the Parties to this Protocol, assessing the implementation of the commitments of the Party and identifying any potential problems in, and factors influencing, the fulfilment of commitments. Such reports shall be circulated by the secretariat to all Parties to the Convention. The secretariat shall list those questions of implementation indicated in such reports for further consideration by the Conference

of the Parties serving as the meeting of the Parties to this Protocol.

5. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall, with the assistance of the Subsidiary Body for Implementation and, as appropriate, the Subsidiary Body for Scientific and Technological Advice, consider:

(a) The information submitted by Parties under Article 5 and the reports of the expert reviews thereon conducted under this Article; and

(b) Those questions of implementation listed by the secretariat under paragraph 4 above, as well as any questions raised by Parties.

6. Pursuant to its consideration of the information referred to in paragraph 5 above, the Conference of the Parties serving as the meeting of the Parties to this Protocol shall take decisions on any matter required for the implementation of this Protocol.

7. The national action plan submitted under Article 3, paragraph 2, by each Party included in Annex C shall be reviewed by the Conference of the Parties serving as the meeting of the Parties to this Protocol. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall adopt at its first session, and review periodically thereafter, guidelines for such review.

#### **Article 7 (JI, Emissions Trading, CDM)**

1. *(addition to or subtraction from the assigned amount)*

(a) Any emission reduction units, any certified emission reductions, any assigned amount units or removal units, which a Party acquires from another Party in accordance with the provisions of paragraph 2 or 3 below, shall be added to the assigned amount for the acquiring Party.

(b) Any emission reduction units, any certified emission reductions, any assigned amount units or removal units, which a Party transfers to another Party in accordance with the provisions of paragraph 2 or 3 below, shall be subtracted from the assigned amount for the transferring Party.

(c) Any certified emission reductions which a Party acquires from another Party in accordance with the provisions of paragraph 4 below shall be added to the assigned amount for the acquiring Party.

(d) The acquisition of emission reduction units, certified emission reductions,

assigned amount units or removal units under paragraphs 2, 3 and 4 below shall be supplemental to domestic actions for the purpose of meeting commitments under Article 3, paragraph 1.

2. *(JI)*

(a) For the purpose of meeting its commitments under Article 3, paragraph 1, any Party included in Annex I may transfer to, or acquire from, any other such Party emission reduction units resulting from projects aimed at reducing anthropogenic emissions by sources or enhancing anthropogenic removals by sinks of greenhouse gases in any sector of the economy, provided that:

- (i) Any such project has the approval of the Parties involved;
- (ii) Any such project provides a reduction in emissions by sources, or an enhancement of removals by sinks, that is additional to any that would otherwise occur; and
- (iii) It does not acquire any emission reduction units if it is not in compliance with its obligations under Articles 4 and 5.

(b) A Party included in Annex I may authorize legal entities to participate, under its responsibility, in actions leading to the generation, transfer or acquisition, under this paragraph of emission reduction units.

(c) If a question of implementation by a Party included in Annex I of the requirements referred to in this paragraph is identified in accordance with the relevant provisions of Article 6, transfers and acquisitions of emission reduction units may continue to be made after the question has been identified, provided that any such units may not be used by a Party to meet its commitments under Article 3, paragraph 1, until any issue of compliance is resolved.

3. *(Emissions Trading)*

The Parties included in Annex I may transfer and/or acquire, through emissions trading, emission reduction units, certified emission reductions, assigned amount units or removal units for the purposes of fulfilling their commitments under Article 3, paragraph 1.

4. *(CDM)*

(a) A clean development mechanism is hereby defined.

(b) The purpose of the clean development mechanism shall be to promote nationally appropriate mitigation actions by Parties included in Annex C in achieving sustainable development and in contributing to the ultimate objective of the Convention, and to assist Parties

included in Annex I in meeting their quantified emission limitation and reduction commitments under Article 3, paragraph 1.

(c) Under the clean development mechanism:

- (i) Parties included in Annex C will benefit from project activities resulting in certified emission reductions; and
- (ii) Parties included in Annex I may use the certified emission reductions accruing from such project activities to meet part of their quantified emission limitation and reduction commitments under Article 3, paragraph 1, as determined by the Conference of the Parties serving as the meeting of the Parties to this Protocol.

(d) The clean development mechanism shall be subject to the authority and guidance of the Conference of the Parties serving as the meeting of the Parties to this Protocol and be supervised by an executive board of the clean development mechanism.

(e) Emission reductions resulting from each project activity shall be certified by operational entities to be designated by the Conference of the Parties serving as the meeting of the Parties to this Protocol, on the basis of:

- (i) Voluntary participation approved by each Party involved;
- (ii) Real, measurable, and long-term benefits related to the mitigation of climate change; and
- (iii) Reductions in emissions that are additional to any that would occur in the absence of the certified project activity while adopting methodologies widely and efficiently applied to project activities.

(f) The clean development mechanism shall assist in arranging funding of certified project activities as necessary.

(g) The Conference of the Parties serving as the meeting of the Parties to this Protocol shall ensure that a share of the proceeds from certified project activities 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.

(h) Participation under the clean development mechanism, including in activities mentioned in subparagraph (c) (i) above and in the acquisition of certified emission reductions,

may involve private and/or public entities, and is to be subject to whatever guidance may be provided by the executive board of the clean development mechanism.

5. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall, at its first session or as soon as practicable thereafter, decide upon guidelines for the implementation of paragraphs 2, 3 and 4 above, including for verification and reporting, taking into account the characteristics of respective schemes.

**Article 8 (*Reducing Emissions from Deforestation and Forest Degradation in Parties included in Annex C*)**

The Conference of the Parties serving as the meeting of the Parties shall define the relevant principles, modalities, rules and guidelines, in particular for verification, reporting and accountability for reducing emissions from deforestation and forest degradation in Parties included in Annex C.

**Article 9 (*Adaptation*)**

1. The Parties shall, based on scientific and technological knowledge, give full consideration to necessary actions to meet the urgent needs and concerns of developing country Parties arising from the adverse effects of climate change.

2. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall identify most vulnerable countries to the adverse effects of climate change that require urgent and additional assistance, *inter alia*, least developed countries and small island developing countries. Such developing country Parties shall formulate, develop, update, and submit national adaptation programmes of actions, which should be examined on a country-to-country basis and should result in prioritization of actions requiring assistance for implementation.

3. The developed country Parties and other developed Parties included in Annex II to the Convention shall enhance cooperation to support adaptation actions, in accordance with paragraph 2 above. All Parties, taking into account their common but differentiated responsibilities and respective capabilities and their specific national and regional development priorities, objectives and circumstances, shall cooperate to increase climate change resilience, particularly in vulnerable countries, through exchange of information, knowledge and lessons, capacity building, and assistance for integration of adaptation actions into national planning, specific projects and programmes by involving multilateral or regional bodies, the public and private sectors and civil society.

**Article 10 (*Technology*)**

1. All Parties, taking into account their common but differentiated responsibilities and respective capabilities, shall cooperate to promote the transfer and diffusion of, or access to, technologies and know-how necessary for supporting the mitigation and adaptation actions taken by developing country Parties. The developed country Parties shall promote development of innovative technologies through strengthening international cooperation including sharing roadmaps for technology development. All Parties shall periodically review progress and identify areas where international cooperation should be strengthened.

2. The cooperation for mitigation actions may involve private entities and/or relevant international organizations, at national and/or sectoral level, through, *inter alia*, the enhancement of public-private partnership and the provision of advisory functions by experts in public and/or private sector.

3. The cooperation to support adaptation actions may also be required to enhance the sharing of existing technologies and know-how at global, regional, national and civil society levels in a coherent and integrated manner.

#### **Article 11 (*Finance*)**

1. In the context of the implementation of Article 4, paragraph 1, of the Convention, in accordance with the provisions of Article 4, paragraph 3, and Article 11 of the Convention, and through the entity or entities entrusted with the operation of the financial mechanism of the Convention, the developed country Parties and other developed Parties included in Annex II to the Convention shall:

(a) Provide new and additional financial resources to meet the agreed full costs incurred by developing country Parties in advancing the implementation of existing commitments under Article 4, paragraph 1 (a), of the Convention; and

(b) Also provide such financial resources, including for the transfer of technology, needed by the developing country Parties to meet the agreed full incremental costs of advancing the implementation of existing commitments under Article 4, paragraph 1, of the Convention and that are agreed between a developing country Party and the international entity or entities referred to in Article 11 of the Convention, in accordance with that Article.

The implementation of these existing commitments shall take into account the need for adequacy and predictability in the flow of funds and the importance of appropriate burden sharing among developed country Parties. The guidance to the entity or entities entrusted with the operation of the financial mechanism of the Convention in relevant decisions of the Conference of

the Parties, including those agreed before the adoption of this Protocol, shall apply *mutatis mutandis* to the provisions of this paragraph.

2. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall decide on modalities for the financial resources, prior to the start of the commitment period referred to in Article 3, paragraph 1 (a).

3. The developed country Parties and other developed Parties included in Annex II to the Convention may also provide, and developing country Parties may avail themselves of, financial resources through bilateral, regional and other multilateral channels, while recognizing the catalytic role of public financial flow to facilitate private sector funding and investment.

#### **Article 12 (Cooperation)**

All Parties, taking into account their common but differentiated responsibilities and respective capabilities, as well as their specific national and regional development priorities, objectives, and circumstances, reaffirming existing commitments under Article 4, paragraph 1, of the Convention, and continuing to advance the implementation of such commitments, shall:

(a) Cooperate in sharing information and data, and in capacity building to assist, where necessary, developing country Parties in developing national action plans referred to in Article 3, paragraph 2, in developing inventory referred to in Article 5, paragraph 5, and in formulating, developing and updating national adaptation programmes of actions referred to in Article 9, paragraph 2;

(b) Cooperate in scientific and technical research and promote the maintenance and the development of systematic observation systems and development of data archives to reduce uncertainties related to the climate system, the adverse impacts of climate change, and promote the development and strengthening of endogenous capacities and capabilities to participate in international and intergovernmental efforts, programmes and networks on research and systematic observation, taking into account Article 5 of the Convention; and

(c) Cooperate in and promote at the international level, and, where appropriate, using existing bodies, the development and implementation of education and training programmes, including the strengthening of national capacity building, in particular human and institutional capacities and the exchange or secondment of personnel to train experts in this field, in particular for developing countries, and facilitate at the national level public awareness of, and public access to information on, climate change.

**Article 13 (*Conference of the Parties serving as the meeting of the Parties to this Protocol*)**

1. The Conference of the Parties, the supreme body of the Convention, shall serve as the meeting of the Parties to this Protocol.

2. Parties to the Convention that are not Parties to this Protocol may participate as observers in the proceedings of any session of the Conference of the Parties serving as the meeting of the Parties to this Protocol. When the Conference of the Parties serves as the meeting of the Parties to this Protocol, decisions under this Protocol shall be taken only by those that are Parties to this Protocol.

3. When the Conference of the Parties serves as the meeting of the Parties to this Protocol, any member of the Bureau of the Conference of the Parties representing a Party to the Convention but, at that time, not a Party to this Protocol, shall be replaced by an additional member to be elected by and from amongst the Parties to this Protocol.

4. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall keep under regular review the implementation of this Protocol and shall make, within its mandate, the decisions necessary to promote its effective implementation. It shall perform the functions assigned to it by this Protocol and shall:

(a) Assess, on the basis of all information made available to it in accordance with the provisions of this Protocol, the implementation of this Protocol by the Parties, the overall effects of the measures taken pursuant to this Protocol, in particular environmental, economic and social effects as well as their cumulative impacts and the extent to which progress towards the objective of the Convention is being achieved;

(b) Periodically examine the obligations of the Parties under this Protocol, giving due consideration to any reviews required by Article 4, paragraph 2 (d), and Article 7, paragraph 2, of the Convention, in the light of the objective of the Convention, the experience gained in its implementation and the evolution of scientific and technological knowledge, and in this respect consider and adopt regular reports on the implementation of this Protocol;

(c) Promote and facilitate the exchange of information on measures adopted by the Parties to address climate change and its effects, taking into account the differing circumstances, responsibilities and capabilities of the Parties and their respective commitments under this Protocol;

(d) Facilitate, at the request of two or more Parties, the coordination of measures



adopted by them to address climate change and its effects, taking into account the differing circumstances, responsibilities and capabilities of the Parties and their respective commitments under this Protocol;

(e) Promote and guide, in accordance with the objective of the Convention and the provisions of this Protocol, and taking fully into account the relevant decisions by the Conference of the Parties, the development and periodic refinement of comparable methodologies for the effective implementation of this Protocol, to be agreed on by the Conference of the Parties serving as the meeting of the Parties to this Protocol;

(f) Make recommendations on any matters necessary for the implementation of this Protocol;

(g) Seek to mobilize additional financial resources in accordance with Article 11;

(h) Establish such subsidiary bodies as are deemed necessary for the implementation of this Protocol;

(i) Seek and utilize, where appropriate, the services and cooperation of, and information provided by, competent international organizations and intergovernmental and non-governmental bodies; and

(j) Exercise such other functions as may be required for the implementation of this Protocol, and consider any assignment resulting from a decision by the Conference of the Parties.

5. The rules of procedure of the Conference of the Parties and financial procedures applied under the Convention shall be applied *mutatis mutandis* under this Protocol, except as may be otherwise decided by consensus by the Conference of the Parties serving as the meeting of the Parties to this Protocol.

6. The first session of the Conference of the Parties serving as the meeting of the Parties to this Protocol shall be convened by the secretariat in conjunction with the first session of the Conference of the Parties that is scheduled after the date of the entry into force of this Protocol. Subsequent ordinary sessions of the Conference of the Parties serving as the meeting of the Parties to this Protocol shall be held every year and in conjunction with ordinary sessions of the Conference of the Parties, unless otherwise decided by the Conference of the Parties serving as the meeting of the Parties to this Protocol.

7. Extraordinary sessions of the Conference of the Parties serving as the meeting of the Parties to this Protocol shall be held at such other times as may be deemed necessary by the Conference of the Parties serving as the meeting of the Parties to this Protocol, or at the written request of any Party, provided that, within six months of the request being communicated to the Parties by the secretariat, it is supported by at least one third of the Parties.

8. The United Nations, its specialized agencies and the International Atomic Energy Agency, as well as any State member thereof or observers thereto not party to the Convention, may be represented at sessions of the Conference of the Parties serving as the meeting of the Parties to this Protocol as observers. Any body or agency, whether national or international, governmental or non-governmental, which is qualified in matters covered by this Protocol and which has informed the secretariat of its wish to be represented at a session of the Conference of the Parties serving as the meeting of the Parties to this Protocol as an observer, may be so admitted unless at least one third of the Parties present object. The admission and participation of observers shall be subject to the rules of procedure, as referred to in paragraph 5 above.

#### **Article 14 (*Secretariat*)**

1. The secretariat established by Article 8 of the Convention shall serve as the secretariat of this Protocol.

2. Article 8, paragraph 2, of the Convention on the functions of the secretariat, and Article 8, paragraph 3, of the Convention on arrangements made for the functioning of the secretariat, shall apply *mutatis mutandis* to this Protocol. The secretariat shall, in addition, exercise the functions assigned to it under this Protocol.

#### **Article 15 (*Subsidiary Body*)**

1. The Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation established by Articles 9 and 10 of the Convention shall serve as, respectively, the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation of this Protocol. The provisions relating to the functioning of these two bodies under the Convention shall apply *mutatis mutandis* to this Protocol. Sessions of the meetings of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation of this Protocol shall be held in conjunction with the meetings of, respectively, the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation of the Convention.

2. Parties to the Convention that are not Parties to this Protocol may participate as observers in the proceedings of any session of the subsidiary bodies. When the subsidiary bodies serve as the

subsidiary bodies of this Protocol, decisions under this Protocol shall be taken only by those that are Parties to this Protocol.

3. When the subsidiary bodies established by Articles 9 and 10 of the Convention exercise their functions with regard to matters concerning this Protocol, any member of the Bureaux of those subsidiary bodies representing a Party to the Convention but, at that time, not a Party to this Protocol, shall be replaced by an additional member to be elected by and from amongst the Parties to this Protocol.

#### **Article 16 (*Multilateral Consultative Process*)**

The Conference of the Parties serving as the meeting of the Parties to this Protocol shall, as soon as practicable, consider the application to this Protocol of, and modify as appropriate, the multilateral consultative process referred to in Article 13 of the Convention, in the light of any relevant decisions that may be taken by the Conference of the Parties. Any multilateral consultative process that may be applied to this Protocol shall operate without prejudice to the procedures and mechanisms established in accordance with Article 18.

#### **Article 17 (*Review of the Protocol*)**

1. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall undertake reviews of this Protocol, including the consideration of commitments of the Parties for subsequent periods, in the light of the best available scientific information and assessments on climate change and its impacts, as well as relevant technical, social and economic information, bearing in mind the changes of circumstances of the Parties. The first review shall take place at least five years before the end of the commitment period referred to in Article 3, paragraph 1 (a), and further reviews shall take place at regular intervals and in a timely manner. Based on these reviews, the Conference of the Parties serving as the meeting of the Parties to this Protocol shall take appropriate action, which may include the adoption of amendment to Annexes B and C.

2. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall, at its first session or as soon as practicable thereafter, identify elements, including the economic development stages, response capabilities and shares of greenhouse gas emissions in the world, to be considered as criteria for changes of circumstances of the Parties.

#### **Article 18 (*Compliance*)**

The Conference of the Parties serving as the meeting of the Parties to this Protocol shall, at its first session, approve appropriate and effective procedures and mechanisms to determine and to address cases of non-compliance with the provisions of this Protocol, including through the development of an indicative list of consequences, taking into account the cause, type, degree and

frequency of non-compliance. Any procedures and mechanisms under this Article entailing binding consequences shall be adopted by means of an amendment to this Protocol.

#### **Article 19 (*Settlement of Disputes*)**

The provisions of Article 14 of the Convention on settlement of disputes shall apply *mutatis mutandis* with respect to this Protocol.

#### **Article 20 (*Amendments*)**

1. Any Party may propose amendments to this Protocol.
2. Amendments to this Protocol shall be adopted at an ordinary session of the Conference of the Parties serving as the meeting of the Parties to this Protocol. The text of any proposed amendment to this Protocol shall be communicated to the Parties by the secretariat at least six months before the meeting at which it is proposed for adoption. The secretariat shall also communicate the text of any proposed amendments to the Parties and signatories to the Convention and, for information, to the Depositary.
3. The Parties shall make every effort to reach agreement on any proposed amendment to this Protocol by consensus. If all efforts at consensus have been exhausted, and no agreement reached, the amendment shall as a last resort be adopted by a three-fourths majority vote of the Parties present and voting at the meeting. The adopted amendment shall be communicated by the secretariat to the Depositary, who shall circulate it to all Parties for their acceptance.
4. Instruments of acceptance in respect of an amendment shall be deposited with the Depositary. An amendment adopted in accordance with paragraph 3 above shall enter into force for those Parties having accepted it on the ninetieth day after the date of receipt by the Depositary of an instrument of acceptance by at least three fourths of the Parties to this Protocol.
5. The amendment shall enter into force for any other Party on the ninetieth day after the date on which that Party deposits with the Depositary its instrument of acceptance of the said amendment.

#### **Article 21 (*Annex*)**

1. Annexes to this Protocol shall form an integral part thereof and, unless otherwise expressly provided, a reference to this Protocol constitutes at the same time a reference to any annexes thereto. Any annexes adopted after the entry into force of this Protocol shall be restricted to lists, forms and any other material of a descriptive nature that is of a scientific, technical, procedural or administrative character.

2. Any Party may make proposals for an annex to this Protocol and may propose amendments to annexes to this Protocol.

3. Annexes to this Protocol and amendments to annexes to this Protocol shall be adopted at an ordinary session of the Conference of the Parties serving as the meeting of the Parties to this Protocol. The text of any proposed annex or amendment to an annex shall be communicated to the Parties by the secretariat at least six months before the meeting at which it is proposed for adoption. The secretariat shall also communicate the text of any proposed annex or amendment to an annex to the Parties and signatories to the Convention and, for information, to the Depositary.

4. The Parties shall make every effort to reach agreement on any proposed annex or amendment to an annex by consensus. If all efforts at consensus have been exhausted, and no agreement reached, the annex or amendment to an annex shall as a last resort be adopted by a three-fourths majority vote of the Parties present and voting at the meeting. Any amendments to Annexes B and C shall be adopted only with the written consent of the Party concerned. The adopted annex or amendment to an annex shall be communicated by the secretariat to the Depositary, who shall circulate it to all Parties for their acceptance.

5. An annex, or amendment to an annex other than Annex A, that has been adopted in accordance with paragraphs 3 and 4 above shall enter into force for all Parties to this Protocol six months after the date of the communication by the Depositary to such Parties of the adoption of the annex or adoption of the amendment to the annex, except for those Parties that have notified the Depositary, in writing, within that period of their non-acceptance of the annex or amendment to the annex. The annex or amendment to an annex shall enter into force for Parties which withdraw their notification of non-acceptance on the ninetieth day after the date on which withdrawal of such notification has been received by the Depositary.

6. Amendment to Annex A that has been adopted in accordance with paragraphs 3 and 4 above shall enter into force in accordance with the procedure set out in Article 20, paragraphs 4 and 5.

7. If the adoption of an annex or an amendment to an annex involves an amendment to this Protocol, that annex or amendment to an annex shall not enter into force until such time as the amendment to this Protocol enters into force.

## **Article 22 (*Votes*)**

1. Each Party shall have one vote, except as provided for in paragraph 2 below.

2. Regional economic integration organizations, in matters within their competence, shall exercise their right to vote with a number of votes equal to the number of their member States that are Parties to this Protocol. Such an organization shall not exercise its right to vote if any of its member States exercises its right, and vice versa.

**Article 23 (*Depositary*)**

The Secretary-General of the United Nations shall be the Depositary of this Protocol.

**Article 24 (*Ratification/acceptance/approval/accession*)**

1. This Protocol shall be open for signature and subject to ratification, acceptance or approval by States and regional economic integration organizations which are Parties to the Convention. It shall be open for signature at United Nations Headquarters in New York from XX to XX. This Protocol shall be open for accession from the day after the date on which it is closed for signature. Instruments of ratification, acceptance, approval or accession shall be deposited with the Depositary.

2. Any regional economic integration organization which becomes a Party to this Protocol without any of its member States being a Party shall be bound by all the obligations under this Protocol. In the case of such organizations, one or more of whose member States is a Party to this Protocol, the organization and its member States shall decide on their respective responsibilities for the performance of their obligations under this Protocol. In such cases, the organization and the member States shall not be entitled to exercise rights under this Protocol concurrently.

3. In their instruments of ratification, acceptance, approval or accession, regional economic integration organizations shall declare the extent of their competence with respect to the matters governed by this Protocol. These organizations shall also inform the Depositary, who shall in turn inform the Parties, of any substantial modification in the extent of their competence.

**Article 25 (*Entry into Force*)**

1. This Protocol shall enter into force on the ninetieth day after the date on which not less than xx Parties to the Convention, incorporating Parties which accounted in total for at least xx per cent of the total global energy-related carbon dioxide emissions for [2007] as determined by the Conference of the Parties at its [ ] th session, have deposited their instruments of ratification, acceptance, approval or accession.

2. For each State or regional economic integration organization that ratifies, accepts or approves this Protocol or accedes thereto after the conditions set out in paragraph 1 above for entry

into force have been fulfilled, this Protocol shall enter into force on the ninetieth day following the date of deposit of its instrument of ratification, acceptance, approval or accession.

3. For the purposes of this Article, any instrument deposited by a regional economic integration organization shall not be counted as additional to those deposited by States members of the organization.

**Article 26 (*Reservation*)**

No reservations may be made to this Protocol.

**Article 27 (*Withdrawal*)**

1. At any time after three years from the date on which this Protocol has entered into force for a Party, that Party may withdraw from this Protocol by giving written notification to the Depositary.

2. Any such withdrawal shall take effect upon expiry of one year from the date of receipt by the Depositary of the notification of withdrawal, or on such later date as may be specified in the notification of withdrawal.

3. Any Party that withdraws from the Convention shall be considered as also having withdrawn from this Protocol.

**Article 28 (*Authentic texts*)**

The original of this Protocol, of which the Arabic, Chinese, English, French, Russian and Spanish texts are equally authentic, shall be deposited with the Secretary-General of the United Nations.

## **Annex A**

### **Greenhouse gases**

Carbon dioxide (CO<sub>2</sub>)  
Methane (CH<sub>4</sub>)  
Nitrous oxide (N<sub>2</sub>O)  
Hydrofluorocarbons (HFCs)  
Perfluorocarbons (PFCs)  
Sulphur hexafluoride (SF<sub>6</sub>)

### **Sectors/source categories**

Energy  
  Fuel combustion  
    Energy industries  
    Manufacturing industries and construction  
    Transport  
    Other sectors  
    Other  
  Fugitive emissions from fuels  
    Solid fuels  
    Oil and natural gas  
    Other  
Industrial processes  
  Mineral products  
  Chemical industry  
  Metal production  
  Other production  
  Production of halocarbons and sulphur hexafluoride  
  Consumption of halocarbons and sulphur hexafluoride  
  Other  
Solvent and other product use  
Agriculture  
  Enteric fermentation  
  Manure management  
  Rice cultivation  
  Agricultural soils  
  Prescribed burning of savannas  
  Field burning of agricultural residues  
  Other



Waste

Solid waste disposal on land

Wastewater handling

Waste incineration

Other

## Annex B

Party	Quantified emission limitation or reduction commitment in the commitment period 2013-20xx				
	Assigned amount (Gg-CO <sub>2</sub> e)	reduction rates from 1990 (%)	reduction rates from 2000 (%)	reduction rates from 2005 (%)	reduction rates from 2007 (%)
A	xxx	xxx	xxx	xxx	xxx
B	xxx	xxx	xxx	xxx	xxx
...	...	...	...	...	...

# Annex C

Party	Nationally appropriate mitigation actions to be taken pursuant to Article 3, paragraph 2
A	To develop and submit national action plan
B*	<p>(1) To develop and submit national action plan</p> <p>(2) To achieve targets as described below:</p> <p>(a) Economy-wide GHG emissions or energy consumption per GDP: xx tonnes-CO<sub>2</sub>e/US\$ or millions tons of oil equivalent/US\$</p> <p>(b) GHG emissions per unit and other targets in major sectors</p> <p>(i) Iron and Steel: xx kg-CO<sub>2</sub>e/ton-crude steel (distinguished by major steel-making methods)</p> <p>(ii) Cement: xx kg-CO<sub>2</sub>e/ton-cement or MJ/t-clinker</p> <p>(iii) Aluminum : xx kg-CO<sub>2</sub>e/ton-primary aluminum</p> <p>(iv) Power generation: Thermal efficiency of Coal fired powered plant (%) / Share of total introduction volume of non-carbon energy (% or kw)</p> <p>(v) Other sectors</p>
C	To develop and submit national action plan
...	...

(Note) Parties marked with an asterisk ("\*") are the Parties which have substantial contribution to the global emissions of greenhouse gases and have appropriate response capabilities.

## Drafting Notes

The following are the drafting notes by the Government of Japan (GOJ) to give supplementary explanations to this proposed Draft Protocol for reference only and do not form an integral part thereof.

1. Headings of the Articles and paragraphs

Headings of the Articles and paragraphs in the Draft Protocol are inserted only for convenience of reference.

2. Parties included in Annex I

The GOJ is of the view that (i) OECD member countries, (ii) countries that are not OECD members but whose economic development stages are equivalent to those of the OECD members, and (iii) countries which voluntarily wish to be treated as developed countries should either join Annex I or be bound by Article 4, paragraphs 2 (a) and (b), of the Convention in accordance with the procedure set forth in Article 4, paragraph 2 (g), of the Convention.

3. Gases

The GOJ recognizes that when broadening the coverage of greenhouse gases ((i) new gases in HFCs and PFCs, (ii) NF<sub>3</sub>, HFEs, PFPME, SF<sub>6</sub>, and (iii) gases controlled by the Montreal Protocol) under the post-2012 framework, it should be considered, from legal points of view, whether or not relevant COP/MOP decisions, the Draft Protocol, and/or the Convention need to be modified or amended.

4. Overall emission reductions by Parties included in Annex I

The GOJ recognizes the essential importance of enhanced greenhouse gas mitigation. Further discussion is necessary for the consideration of overall emission reductions by Parties included in Annex I, which are ambitious, realistic and achievable, taking into account scientific and economic analyses.

5. Crediting mechanisms and LULUCF

The outcome of the current discussions being conducted in the AWG-KP regarding the crediting mechanisms and LULUCF may need to be reflected as appropriate in the Draft Protocol. Any further considerations of issues such as crediting mechanisms need to examine how to ensure transparency, efficiency, accountability and environmental integrity.

6. Inventory

In accordance with Article 4, paragraph 1, of the Convention, all Parties are required to formulate, periodically update and submit national inventories. The GOJ recognizes the importance of the submission of inventories from Parties other than Parties included in Annex I for ensuring global emission reductions.

7. Finance

The GOJ recognizes that the amount of financial flows should be increased for actions taken by developing countries in the field of mitigation of and adaptation to climate change and would like to continue contributing actively to the discussion on the issue of finance, including the examination on currently proposed ideas without excluding other possibilities. Therefore, the GOJ is further exploring the ways to address the issues regarding financial resources and mechanisms.

8. Entry into force

Appropriate requirement for entry into force of the new framework should be considered, with a view to realizing an effective framework where all of the major economies should participate.

9. Inventory guideline

The GOJ recognizes that the outcome of the further discussions relating to the 2006IPCC Guidelines for National Greenhouse Gas Inventories may need to be reflected as appropriate in the Annex A and relevant Articles of the Draft Protocol.

10. Annex

The base years in Annex B, as well as the sectors and the indicators in Annex C, are illustrative and non-exhaustive. "Other sectors" the readers should find in the proposed Annex C may include "Road Transport" where appropriate.

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