

Carry-over under the Kyoto Protocol

AWG-KP 17-2

Switzerland is pleased to submit a draft text on the issue of carry-over for consideration by the AWG-KP in view of a decision at CMP 8.

Switzerland would like to recall that the issue of carry-over is a key element of the ambition and environmental integrity of the second commitment period under the Kyoto Protocol and that a decision needs to be taken at CMP 8.

Option 1:**Draft CMP 8 decision**

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

1. *Reiterates* that a Party may carry-over to the subsequent commitment period the difference between its assigned amount under Article 3 of the Kyoto Protocol and its emissions in a commitment period in accordance with Article 3, paragraph 13, of the Kyoto Protocol, and emission reduction units and certified emission reductions held in its national registry in accordance with decision 13/CMP.1;
2. *Decides* that each Party willing to carry-over to the subsequent commitment period the difference between its assigned amount under Article 3 of the Kyoto Protocol and its emissions in a commitment period in accordance with Article 3, paragraph 13 has to transfer this difference to the previous period surplus reserve to be established under its national registry;
3. *Decides* that a Party may use assigned amount units from the previous period surplus reserve to a maximum of [2.5 % of the assigned amount pursuant to Article 3, paragraphs 7 and 8, of that Party] [¹X million tons carbon dioxide equivalent] to meet its commitments under Article 3, paragraph [1] in the second commitment period;
4. *Decides* that the remaining units in the previous period surplus reserve of Parties that have not been used for fulfilling their commitments in the second commitment period are cancelled at the end of the true-up period of the second commitment period;
5. *Decides* that emission reduction units that a Party has decided to carry-over in accordance to decision 13/CMP.1 have to be put into the previous period surplus reserve at the end of the true-up period of the second commitment period;
6. *Decides* that the emission reduction units referred to in paragraph 5 above are cancelled following the expiration of the true-up period of the second commitment period;
7. *Decides* that the following units not used for fulfilling a commitment under the Kyoto Protocol shall be cancelled following the expiration of any true-up period: i) assigned amount units that are not in the previous period surplus reserve and assigned amount units remaining after the end of the true-up period of the second commitment period;

¹ X : [100] or [150].

ii) emission reduction units and certified emission reductions that have not been carried-over; iii) emission reduction units that are not in the previous period surplus reserve at the end of the true-up period of the second commitment period ; iv) removal units ;

8. *Decides* that a Party should [shall not] use assigned amount units, removal units and emission reduction units for [other purposes except for] fulfilling its commitments under the second commitment period under the Kyoto Protocol and, if the Party has committed to an emission reduction objective both under the Kyoto Protocol and the Convention, for recognition of fulfilling its equivalent nationally appropriate mitigation commitment under the Convention for an equivalent period of time;

Option 2:

Amendment to Article 3 of the Kyoto Protocol: insert a paragraph 13. bis:

13. bis Each Party willing to carry-over to the subsequent commitment period the difference between its assigned amount under Article 3 of the Kyoto Protocol and its emissions in a commitment period in accordance with Article 3, paragraph 13:

- i) Has to transfer this difference between its assigned amount under Article 3 of the Kyoto Protocol and its emissions in a commitment period in accordance with Article 3, paragraph 13 to the previous period surplus reserve to be established under its national registry;
- ii) May use assigned amount units from the previous period surplus reserve to a maximum of [2.5 % of the assigned amount pursuant to Article 3, paragraphs 7 and 8, of that Party] [X² million tons carbon dioxide equivalent] to meet its commitments under Article 3, paragraph [1] in the second commitment period;
- iii) Has to cancel at the end of the true-up period of the second commitment period the remaining units in the previous period surplus reserve that have not been used for fulfilling own commitments in the second commitment period ;
- iv) Has to put carried-over emission reduction units in accordance to decision 13/CMP.1 into the previous period surplus reserve at the end of the true-up period of the second commitment period;
- v) Has to cancel the emission reduction units referred to in paragraph iv) above following the expiration of the true-up period of the second commitment period;
- vi) Has to cancel, following the expiration of any true-up period, the following units not used for fulfilling a commitment under the Kyoto Protocol: i) assign amount units that are not in the previous period surplus reserve and assigned amount units remaining after the end of the true-up period of the second commitment period; ii) emission reduction units and certified

² X : [100] or [150].

emission reductions that have not been carried-over; iii) emission reduction units that are not in the previous period surplus reserve at the end of the true-up period of the second commitment period ; iv) removal units.