

CORE ELEMENTS FOR THE IMPLEMENTATION OF THE BUENOS AIRES PLAN OF ACTION

The attached proposal for a draft decision, for adoption at the high-level segment of the Conference, is presented under the authority of the President. It builds on the negotiations undertaken in the first days of the resumed session. These negotiations were led by Mr. John W. Ashe, Mr. Chow Kok Kee, Mr. Harald Dovland, Mr. Raúl Estrada-Oyuela, Mr. Philip Gwage and Mr. Andrej Kranjc. The Conference is in their debt for their ground-breaking work.

The proposal also draws upon discussion in the Group convened by the President and consultations undertaken at his request by Mr. Estrada-Oyuela, Mr. Peter Hodgson, Mr. Valli Moosa and Mr. Philippe Roch in the past few days. The President is very grateful for their assistance in exploring possible common ground and for the advice they offered.

The proposal aims at the adoption of a balanced package of decisions. It is prepared in the light of agreement earlier in the resumed session on draft decisions on capacity building and guidance to the Global Environment Facility.

The proposal is prepared in the form of a draft decision that registers political agreements on core elements of the Buenos Aires Plan of Action. These agreements will be incorporated into complete decisions on the relevant subjects for adoption in the second week. Other issues are left to the negotiations in the second week, including issues related to Articles 5, 7 and 8 of the Kyoto Protocol.

The question of the composition of bodies cuts across several areas. Most proposals on composition made in this paper are based on the President's approach in his consolidated negotiating text. The question could be taken up towards the end of the consideration of this proposal, so as to benefit from substantive progress across the board.

21 July 2001, 10:47 pm

Decision -/CP.6
Implementation of the Buenos Aires Plan of Action

The Conference of the Parties,

Recalling its decisions 1/CP.4, 1/CP.5 and 1/CP.6,

Having considered the texts forwarded to it by the subsidiary bodies at the first part of its sixth session, the report on the first part of its sixth session and the addenda thereto, using as a tool the consolidated negotiating text prepared by its President,

Recognizing the contribution of the negotiating groups established at the second part of the session and *noting* with satisfaction decisions on additional guidance to an operating entity of the financial mechanisms, capacity-building in developing countries (Parties not included in Annex I) and capacity-building in economies in transition,

1. *Decides* to adopt the agreements contained in the annex to this decision as core elements for the implementation of the Buenos Aires Plan of Action;
2. *Decides* that the second week of the current session shall be devoted to the negotiation and adoption of a balanced package of further decisions incorporating and giving full effect to the agreements referred to in paragraph 1 above;
3. *Urges* all Parties to participate actively and constructively in these negotiations; and
4. *Requests* its President to continue the development of texts incorporating the core elements referred to in paragraph 1 above, to facilitate the negotiations.

Annex

**CORE ELEMENTS FOR THE IMPLEMENTATION OF THE BUENOS AIRES
PLAN OF ACTION**

I. FUNDING UNDER THE CONVENTION

The Conference of the Parties:

1. Recalls the relevant provisions of the United Nations Framework Convention on Climate Change, in particular its Articles 4.1, 4.3, 4.4, 4.5, 4.7, 4.8, 4.9, 4.10 and 11, also its decisions 11/CP.1 and 15/CP.1;

2. Notes that, by its decisions -/CP.6, and -/CP.6, funding has been provided for the implementation of capacity-building activities in Parties not included in Annex I and that additional guidance has been given to the Global Environment Facility to that effect.

The Conference of the Parties agrees:

3. That:

(a) There is a need for funding, including funding that is new and additional to contributions that are allocated to the Global Environment Facility climate change focal area and to multilateral and bilateral funding, for the implementation of the Convention;

(b) Predictable and adequate levels of funding shall be made available to Parties not included in Annex I;

(c) In order to meet the commitments under Articles 4.1, 4.3, 4.4, 4.5, 4.8 and 4.9, Parties included in Annex II to the Convention and other Annex I Parties that are in a position to do so should provide funding for developing country Parties, through the following channels:

(i) Increased Global Environment Facility replenishment;

(ii) The special climate change fund to be established under this decision;

(iii) Bilateral and multilateral channels.

(d) Appropriate modalities for burden sharing among the Parties included in Annex II need to be developed;

(e) Parties included in Annex II shall report on their financial contributions on an annual basis;

(f) It shall review the reports referred to in paragraph (e) above on an annual basis.

The Conference of the Parties

4. Notes that many Parties included in Annex II have expressed their willingness to commit themselves to provide adequate funding through a political declaration.

Special climate change fund

The Conference of the Parties agrees:

1. That a special climate change fund shall be established to finance activities, programmes and measures related to climate change, that are complementary to those funded by the resources allocated to the Global Environment Facility climate change focal area and by bilateral and multilateral funding, in the following areas:

- (a) Adaptation;
- (b) Technology transfer;
- (c) Energy, transport, industry, agriculture, forestry and waste management; and
- (d) Activities to assist developing country Parties referred to under Article 4, paragraph 8(h) in diversifying their economies.

2. That the Parties included in Annex II and other Parties included in Annex I that are in a position to do so shall be invited to contribute to the fund, which shall be operated by an entity which operates the financial mechanism, under the guidance of the Conference of the Parties.

3. To invite the entity referred to in paragraph 2 above to make the necessary arrangements for this purpose.

Least developed countries

The Conference of the Parties agrees:

1. That a least developed countries fund shall be established, which shall be operated by an entity which operates the financial mechanism, under the guidance of the Conference of the Parties, to support a work programme for the least developed countries. This work programme shall include, *inter alia*, National Adaptation Programmes of Action.

2. To invite the entity referred to in paragraph 1 above to make the necessary arrangements for this purpose.

3. To provide guidance to the entity referred to in paragraph 1 above on the modalities for operating this fund, including expedited access.

II. FUNDING UNDER THE KYOTO PROTOCOL

The Conference of the Parties:

1. *Recalls* Articles 10, 11 and 12, paragraph 8 of the Kyoto Protocol and its decisions 11/CP.1 and 15/CP.1.

2. *Recognizes* that funding should be made available to Parties not included in Annex I, which is new and additional to contributions under the Convention.

3. *Agrees* that appropriate modalities for burden sharing need to be developed.

The Kyoto Protocol adaptation fund

The Conference of the Parties agrees:

1. That an adaptation fund shall be established to finance concrete adaptation projects and programmes in developing country Parties that have become Parties to the Protocol.
2. That the adaptation fund shall be financed from the share of proceeds on the clean development mechanism project activities and other sources of funding.
3. That Annex I Parties that intend to ratify the Kyoto Protocol are invited to provide funding, which will be additional to the share of proceeds on clean development mechanism project activities.
4. That the adaptation fund shall be operated and managed by an entity which operates the financial mechanism of the Convention, under the guidance of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, with guidance to be provided by the Conference of the Parties in the period prior to entry into force of the Kyoto Protocol.
5. To invite the entity referred to in paragraph 4 above to make the necessary arrangements for this purpose.
6. That Parties included in Annex I that intend to ratify the Kyoto Protocol shall report on their financial contributions to the fund on an annual basis.
7. To review the reports referred to in paragraph 6 above on an annual basis, upon entry into force of the Kyoto Protocol to be reviewed by the Conference of the Parties serving at the meeting of the Parties.

III. DEVELOPMENT AND TRANSFER OF TECHNOLOGIES

The Conference of the Parties agrees:

1. To establish an Expert Group on Technology Transfer to be nominated by the Parties.
2. That the Expert Group on Technology Transfer shall comprise 20 experts, as follows:
 - (a) 3 members from each of the regions of the Parties not included in Annex I (namely, Africa, Asia and the Pacific and Latin America and the Caribbean);
 - (b) 1 member from the small island developing states;
 - (c) 7 members from Parties included in Annex I; and
 - (d) 3 members from relevant international organizations.

3. That the experts shall have expertise in any of the following areas: greenhouse gas mitigation and adaptation technologies, technology assessments, information technology, resource economics and social development.

4. That the expert group on technology transfer shall elect annually a Chairperson and Vice-Chairperson from amongst its members, with one being a member from a Party included in Annex I and the other being a member from a Party not included in Annex I. The Chairperson and Vice-Chairperson shall alternate annually between a member from a Party included in Annex I and a member from a Party not included in Annex I.

IV. IMPLEMENTATION OF ARTICLE 4.8 AND 4.9 OF THE CONVENTION (DECISION 3/CP.3 AND ARTICLES 2.3 AND 3.14 OF THE KYOTO PROTOCOL)

1. Adverse effects of climate change

The Conference of the Parties agrees:

1. That the implementation of the identified activities shall be supported through the Global Environment Facility (in accordance with decision _/CP.6), the special climate change fund (in accordance with decision _/CP.6), and other bilateral and multilateral sources:

2. To consider, at its eighth session, the implementation of insurance related actions to meet the specific needs and concerns of developing country Parties arising from the adverse effects of climate change, based on the outcome of workshops on insurance.

2. Impact of the implementation of response measures

The Conference of the Parties agrees:

1. That the implementation of the identified activities shall be supported through the Global Environment Facility (in accordance with decision _/CP.6), the special climate change fund (in accordance with decision _/CP.6), and other bilateral and multilateral sources.

2. To consider, at its eighth session, the implementation of insurance related actions to meet the specific needs and concerns of developing country Parties arising from the impact of implementation of response measures, based on the outcome of the workshops on insurance.

V. MATTERS RELATING ARTICLE 3.14 OF THE KYOTO PROTOCOL

The Conference of the Parties recognizes:

1. That minimizing the impact of their implementation of Article 3.1 of the Kyoto Protocol is a development concern affecting both industrialized and developing countries. Parties included in Annex I to the Convention commit to take fully into account the consequences of these actions and to prevent or minimize their adverse effects. These Parties consider such action as a cost-effectiveness measure.

The Conference of the Parties agrees to recommend to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol that:

1. It request Parties included in Annex I to the Convention to provide information, as part of the necessary supplementary information to their annual inventory report, in accordance with the guidelines under Article 7.1 of the Kyoto Protocol, relating to how they are striving, under Article 3.14 of the Kyoto Protocol, to implement their commitments mentioned in Article 3.1 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 4.8 and 4.9 of the Convention, and further requests those Parties to incorporate, in this respect, information on action identified in paragraph 3 below, based on methodologies identified at a workshop organized to this end.

2. It decide that the information referred to in paragraph 1 above shall be considered by the facilitative branch of the compliance committee.

3. It agree that Parties included in Annex II, and other Annex I Parties in a position to do so, should give priority, in implementing their commitments under Article 3.14 of the Kyoto Protocol, to the following actions:

(a) The progressive reduction or phasing out of market imperfections, fiscal incentives, tax and duty exemptions and subsidies in all greenhouse gas emitting sectors, taking into account the need for energy price reforms to reflect market prices and externalities;

(b) Removing subsidies associated with the use of environmentally unsound and unsafe technologies;

(c) Cooperating in the technological development of non-energy uses of fossil fuels, and supporting developing country Parties to this end;

(d) Cooperating in the development, diffusion and transfer of less greenhouse gas emitting advanced fossil-fuel technologies, and/or technologies relating to fossil fuels that capture and store greenhouse gases, and encouraging their wider use; and facilitating the participation of the least developed countries and other non-Annex I Parties in this effort;

(e) Strengthening the capacity of developing country Parties identified in Article 4.8 and 4.9 of the Convention for improving efficiency in upstream and downstream activities relating to fossil fuels, taking into consideration the need to improve the environmental efficiency of these activities; and

(f) Assisting developing country Parties which are highly dependent on the export and consumption of fossil fuels in diversifying their economies.

VI. MECHANISMS PURSUANT TO ARTICLES 6, 12 AND 17 OF THE KYOTO PROTOCOL

1. Principles, nature and scope

The Conference of the Parties agrees:

1. To reaffirm the preamble of the Convention.

2. To recognize that the Kyoto Protocol has not created or bestowed any right, title or entitlement to emissions of any kind on Parties included in Annex I.

The Conference of the Parties agrees:

3. That, in using the mechanisms, Parties shall be guided by the objective and principles contained in Articles 2 and 3 and by Article 4, paragraph 7, of the Convention.

4. That the Parties included in Annex I shall implement domestic action in accordance with national circumstances and with a view to reducing emissions in a manner conducive to narrowing per capita differences between developed and developing country Parties while working towards achievement of the ultimate objective of the Convention.

5. That the use of the mechanisms shall be supplemental to domestic action and domestic action shall thus constitute a significant element of the effort made by each Party included in Annex I to meet its quantified emission limitation and reduction commitments under Article 3, paragraph 1.

6. That the Parties included in Annex I shall be requested to provide relevant information in relation to operative paragraph 5 in accordance with Article 7 of the Kyoto Protocol, for review under its Article 8.

7. That the provision of such information shall take into account reporting on demonstrable progress as contained in decision *-/CP.6 (Article 7)*¹.

8. That the facilitative branch of the compliance committee shall address questions of implementation with respect to operative paragraphs 6 and 7 above.

9. To recommend to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol that certified emission reductions, emission reduction units and assigned amount units under Articles 6, 12 and 17 may be used to meet commitments under Article 3.1 of Parties included in Annex I, and can be added as provided for in Article 3, paragraphs 10, 11 and 12, and emission reduction units and assigned amount units can be subtracted as provided for in Article 3, paragraphs 10 and 11, in conformity with the provisions on registries (decision *-/CP.6 Modalities for accounting assigned amount*), without altering the quantified emission limitation and reduction commitments inscribed in Annex B to the Kyoto Protocol.

10. That the share of proceeds to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation, as referred to in Article 12, paragraph 8, of the Kyoto Protocol, shall be two per cent of the certified emissions reductions issued for a clean development mechanism's project activity.

11. To recommend to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol that the eligibility to participate in the mechanisms by a Party included in Annex I shall be dependent on its compliance with methodological and reporting requirements under Article 5, paragraphs 1 and 2, and Article 7, paragraphs 1 and 4 of the Kyoto Protocol with oversight being provided by the enforcement branch of the compliance committee, in accordance with the relevant provisions. Only Parties that have accepted the agreement on compliance supplementing the Kyoto Protocol shall be entitled to transfer or acquire credits generated by the use of the mechanisms.

¹ See FCCC/CP/2001/2/Add.4, page 10, paragraphs 3 and 4.

2. Article 6 project activities²

The Conference of the Parties agrees:

1. To affirm that it is the host Party's prerogative to confirm whether an Article 6 project activity assists it in achieving sustainable development.
2. To recognize that Parties included in Annex I are to refrain from using emission reduction units generated from nuclear facilities to meet their commitments under Article 3.1.

The Conference of the Parties agrees:

3. To recommend to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol to establish a supervisory committee to supervise, *inter alia*, the verification of emission reduction units generated by Article 6 project activities.

3. Article 12 (clean development mechanism)

The Conference of the Parties agrees:

1. To affirm that it is the host Party's prerogative to confirm whether a clean development mechanism project activity assists it in achieving sustainable development.
2. To recognize that Parties included in Annex I are to refrain from using certified emission reductions generated from nuclear facilities to meet their commitments under Article 3.1.
3. To emphasize that public funding for clean development mechanism projects from Parties included in Annex I is not to result in the diversion of official development assistance and is to be separate from and not counted towards the financial obligations of Parties included in Annex I.

The Conference of the Parties agrees:

4. To facilitate a prompt start for a clean development mechanism and to invite nominations for membership of the executive board prior to its seventh session, with a view to the Conference of the Parties electing the members of the executive board at that session.
5. That the executive board shall comprise ten members from Parties to the Kyoto Protocol, as follows:
 - (a) One member from each of the five United Nations regional groups, two other members from the Parties included in Annex I, two other members from the Parties not included in Annex I and one representative of the small island developing States, taking into account the current practice in the Bureau of the Conference of the Parties.

² Commonly referred to as joint implementation.

6. That the executive board shall develop and recommend to the Conference of the Parties, at its eighth session, simplified modalities and procedures for the following small-scale clean development mechanism project activities:

(a) Renewable energy project activities with a maximum output capacity equivalent of up to 15 megawatts (or an appropriate equivalent);

(b) Energy efficiency improvement project activities which reduce energy consumption, on the supply and/or demand side, by up to the equivalent of 15 gigawatthours per year; or

(c) Other project activities that both reduce anthropogenic emissions by sources and directly emit less than 15 kilotonnes of carbon dioxide equivalent annually.

7. To invite the executive board to review the simplified modalities, procedures and the definition of small-scale project activities referred to in paragraph 6(c) above and, if necessary, make appropriate recommendations to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol.

8. That afforestation and reforestation projects shall be the only eligible land-use, land-use change and forestry projects under the clean development mechanism during the first commitment period. Implementation of such projects shall be guided by the principles referred to in section VII, paragraph 1 below (on land-use, land-use change and forestry) and definitions and modalities to be developed by the Subsidiary Body for Scientific and Technological Advice for decision at the eighth session of the Conference of the Parties. The modalities to be addressed shall include non-permanence, additionality, leakage, scale, uncertainties, socio-economic and environmental impacts (including impacts on bio-diversity and natural ecosystems) (see section VII on land-use, land-use change and forestry regarding limitation of scale).

9. That the treatment of land-use, land-use change and forestry projects under the clean development mechanism in future commitment periods shall be decided as part of the negotiations on the second commitment period.

4. Article 17

The Conference of the Parties agrees:

1. To recommend to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol that each Party included in Annex I shall maintain, in its national registry, a commitment period reserve which should not drop below 90 per cent of the Party's assigned amount calculated pursuant to Article 3, paragraphs 7 and 8, of the Kyoto Protocol or 100 per cent of five times its most recently reviewed inventory, whichever is lowest.

VII. LAND-USE, LAND-USE CHANGE AND FORESTRY

The Conference of the Parties:

1. Affirms that the following principles govern the treatment of land-use, land-use change and forestry (LULUCF) activities:
 - (a) That the treatment of these activities be based on sound science,
 - (b) Consistent methodologies be used over time for the estimation and reporting of these activities,
 - (c) The aim stated in Article 3, paragraph 1, of the Kyoto Protocol not be changed by accounting for LULUCF activities,
 - (d) That the mere presence of carbon stocks be excluded from accounting,
 - (e) That the implementation of LULUCF activities contributes to the conservation of biodiversity and sustainable use of natural resources,
 - (f) That accounting for LULUCF does not imply a transfer of commitments to a future commitment period,
 - (g) That reversal of any removal due to LULUCF activities be accounted for at the appropriate point in time,
 - (h) That accounting excludes removals resulting from (a) elevated carbon dioxide concentrations above their pre-industrial level; (b) indirect nitrogen deposition and (c) the dynamic effects of age structure resulting from activities and practices before the reference year.

The Conference of the Parties agrees:

2. On a definition of “forest” and on definitions of the activities “afforestation”, “reforestation” and “deforestation” for the purpose of implementing Article 3.3. These activities shall be defined on the basis of a change in land use.
3. That debits from harvesting during the first commitment period following afforestation and reforestation since 1990 shall not be greater than credits earned on that unit of land.
4. That “forest management”, “cropland management”, “grazing land management” and “revegetation” are eligible land-use, land-use change and forestry activities under Article 3, paragraph 4, of the Kyoto Protocol. A Party may choose to apply any or all of these activities during the first commitment period. A Party shall fix its choice of eligible activities prior to the start of the first commitment period.
5. That, during the first commitment period, a Party that selects any or all of the activities mentioned in paragraph 4 above shall demonstrate that such activities have occurred since 1990, and are human-induced. Such activities should not account for emissions and removals resulting from afforestation, reforestation and deforestation as determined under Article 3, paragraph 3.

6. That the following accounting rules are applicable in the first commitment period. They aim to pragmatically implement the guiding principles in the preamble:

(a) Application of net-net accounting (net emissions or removals over the commitment period less net removals in the base year, times five) for agricultural activities (cropland management, grazing land management and revegetation);

(b) Accounting for forest management up to the level of any possible Article 3.3 debits, if the total carbon stock change in the managed forests since 1990 is equal to or larger than this Article 3.3 debit (up to 8.2 megatons of carbon per Party per year; no discounting);

(c) Additions to and subtractions from the assigned amount of a Party, resulting from forest management under Article 3.4 after the application of the Article 3.3 debit compensation described in subparagraph (b) above, and resulting from forest management undertaken under Article 6, shall not exceed the value inscribed in Appendix Z to this decision³.

7. That the eligibility of LULUCF activities under Article 12 is limited to afforestation and reforestation.

8. That for the first commitment period, the total of additions to and subtractions from the assigned amount of a Party resulting from eligible LULUCF activities under Articles 12, shall not exceed 1 % of base year emissions of that Party, times five.

9. To request the Subsidiary Body for Scientific and Technological Advice to develop definitions and modalities for including afforestation and reforestation projects under the CDM in the first commitment period, taking into account the issues of non-permanence, additionality, leakage, uncertainties and socio-economic and environmental impacts, including impacts on biodiversity and natural ecosystems, and being guided by the principles in paragraph 2 and terms of reference to be agreed by the Subsidiary Body for Scientific and Technological Advice, with the aim of adopting a decision on these definitions and modalities at its ninth session, to be forwarded to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session.

³ In arriving at the values in the Appendix, the COP was guided by the application of an 85% discount factor to account for the removals identified in paragraph 1(h) and a 3% cap on forest management, using a combination of data provided by Parties and FAO data. Consideration was also given to national circumstances (including the degree of effort needed to meet Kyoto commitments and the forest management measures implemented). The accounting framework established in this paragraph shall not be construed as establishing any precedent for the second and subsequent commitment period.

APPENDIX Z

	Mt C/yr
Australia	0.00
Austria	0.63
Belgium	0.03
Bulgaria	0.37
Canada	12.00
Czech Republic	0.32
Denmark	0.05
Estonia	0.10
Finland	0.16
France	0.88
Germany	1.24
Greece	0.09
Hungary	0.29
Iceland	0.00
Ireland	0.05
Italy	0.18
Japan	13.00
Latvia	0.34
Liechtenstein	0.01
Lithuania	0.28
Luxembourg	0.01
Monaco	0.00
Netherlands	0.01
New Zealand	0.20
Norway	0.40
Poland	0.82
Portugal	0.22
Romania	1.10
Russian Federation	17.63
Slovakia	0.50
Slovenia	0.36
Spain	0.67
Sweden	0.58
Switzerland	0.50
Ukraine	1.11
United Kingdom	0.37
United States of America ⁴	

⁴ The blank entry reflects the fact that the United States of America did not participate in the development of this table. An approximate number for the United States of America based on data submitted by the United States of America in document FCCC/SBSTA/2000/MISC.6 and data from the FAO in document TBFRA-2000 (UN-ECE/FAO) would be 28 Mt C/yr.

V. PROCEDURES AND MECHANISMS RELATING TO COMPLIANCE UNDER THE KYOTO PROTOCOL

The Conference of the Parties agrees:

1. That, with the aim of promoting compliance and providing for early warning of potential non-compliance, the facilitative branch shall be responsible for providing advice and facilitation for compliance with:

(a) Quantitative emission commitments (Article 3.1) prior to the beginning of the relevant commitment period and during that commitment period; and

(b) Methodological and reporting requirements (Articles 5.1, 5.2, 7.1 and 7.4) prior to the beginning of the first commitment period.

2. That the consequences of non-compliance to be applied by the enforcement branch shall be aimed at restoration of non-compliance and reparation of damage to the environment, and shall provide for an incentive to comply. These consequences shall be the following:

(a) For the first commitment period deduction at a rate of 1.3;

(b) For subsequent commitment periods at a rate to be determined in future amendments;

(c) Development of a compliance action plan:

- to be submitted to the enforcement branch for review and assessment;
- to provide for action to comply with the quantitative emission commitments of the subsequent commitment period; and
- to give priority to domestic policies and measures;

(d) Suspension of the eligibility to make transfers under Article 17; and

(e) To make payments to repair damage to the environment.

3. That the enforcement branch shall be responsible for determining whether a Party included in Annex I is not in compliance with:

(a) Quantitative emission commitments (Article 3.1);

(b) Methodological and reporting requirements (Articles 5.1, 5.2, 7.1 and 7.4); and

(c) Eligibility requirements under Articles 6, 12 and 17.

4. That there shall be an appeals procedure to the Conference of the Parties serving as the meeting of the Parties against final decisions of the enforcement branch related to Article 3.1 if a Party believes it has been denied due process. Majority of at least three-quarters is required to override decisions of the enforcement branch.

5. That:

(a) The principles of due process and of common but differentiated responsibilities and respective capabilities shall be reflected in the design of the compliance system;

(b) The principles mentioned in Article 3 of the Convention shall be referred to in the preamble of the Compliance Agreement; and

(c) The principle of common but differentiated responsibilities and respective capabilities shall be reflected in the mandate of the facilitative branch.

6. That the enforcement branch and the facilitative branch shall each be composed of:

(a) One member from each of the five regional groups of the United Nations and one member from the small island developing States, taking into account the interest groups as reflected by the current practice of the bureau of the Convention;

(b) Two members from Parties included in Annex I; and

(c) Two members from Parties not included in Annex I

7. That the Compliance Committee shall take decisions by consensus, failing which majority of at least three quarters is required. In addition, decisions by the enforcement branch require a majority of members from Parties included in Annex I, as well as a majority of members from Parties not included in Annex I.

8. To adopt, at its sixth session, a legal instrument on procedures and mechanisms relating to compliance as an integral part of the Kyoto Protocol.
