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MEETING OF THE PARTIES TO THE KYOTO PROTOCOL**

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Second review of the Kyoto Protocol pursuant to its Article 9: scope and content

Scope and content of the second review under Article 9 of the Kyoto Protocol and the preparations required for conducting the review

Submissions from Parties

Addendum

1. In addition to the four submissions contained in document FCCC/KP/CMP/2007/MISC.1 and the two submissions contained in document FCCC/KP/CMP/2007/MISC.1/Add.1, two further submissions have been received.
2. In accordance with the procedure for miscellaneous documents, these submissions are attached and reproduced* in the language in which they were received and without formal editing.

* These submissions have been electronically imported in order to make them available on electronic systems, including the World Wide Web. The secretariat has made every effort to ensure the correct reproduction of the texts as submitted.

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PAPER NO. 1: CANADA

SECOND REVIEW OF THE KYOTO PROTOCOL
Submission by Canada

Canada welcomes the opportunity to provide its views on the scope and content of the second review under Article 9 of the Kyoto Protocol and the preparations required for conducting the review as invited by Decision 7/CMP.2.

Context

The second review will take place at the 4th Conference of the Parties/Meeting of the Parties to the Kyoto Protocol (CMP4). Experience with the first review of the Protocol in Nairobi made clear the importance of preparation and providing adequate time and consideration in which to carry it out in a thorough and comprehensive manner.

The second review of the Kyoto Protocol will be essential for informing the design of the new global framework to address climate change. The review will provide important information to inform the work of the Ad Hoc Working Group on Further Commitments for Annex I Parties (AWG) and the development of a new broad and comprehensive agreement to advance collectively toward the achievement of the ultimate objective of the Convention. Consideration of further commitments by Annex I Parties will be facilitated by greater understanding on a number of issues for the period beyond 2012, including the rules for land-use, land-use change and forestry (LULUCF), the procedures for adopting new commitments, the structure and type of commitments and who can and will undertake them, and the design and operation of available tools such as flexibility mechanisms.

As the AWG 4 (1st part) recently concluded, the collective achievement of ambitious emission reduction objectives by Annex I Parties will be an important contribution to the overall global effort required to meet the ultimate objective of the Convention. However, the current group of countries with Kyoto Protocol commitments account for less than 30% of global greenhouse gas emissions. New contributions by this group, regardless of the level of ambition, will not be a sufficient long-term response to climate change.

Scope and Content of the Review:

In Bali, Parties should agree on the main elements of a work program, and how to take that work program forward, to adequately prepare for the second review at CMP4.

Canada believes that the information from Parties and stakeholders, including their experience where relevant, would provide useful inputs into the review process. The work program should therefore call for submissions from these groups.

Further, Article 9 specifies that reviews should take place in light of the “best available scientific information and assessments on climate change and its impacts, as well as relevant technical, social and economic information.” Canada believes that the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (4AR) is a key input to the review, and that all relevant technical, social and economic information will also be useful to Parties in carrying out the review, including more recent information that may have become available since the 4AR process.

In Canada's view, specific areas of work should include:

- The adequacy of the Kyoto Protocol's contribution to the ultimate objective;
- Assessment of current structure, including architecture of further commitments, differentiation and burden-sharing;
- Duration of period(s) for undertaking commitments;
- Review of sectors and sources of emissions in Annex A;
- Future treatment of LULUCF;
- Design and operation of tools, such as market mechanisms;
- The nature of the amendment procedures and the potential streamlining of process for joining Annex B voluntarily (Kyoto component of the Russian Proposal) and establishing new annexes to the Kyoto Protocol.

Canada also believes that the second review must be carried out in a process that allows for focused and comprehensive preparatory work to be undertaken during 2008 in order to lay the necessary groundwork for the review to be completed at CMP 4, to be held in Poland in 2008. In that regard it is necessary to ensure that all issues pertinent to a fulsome review are analyzed. Depending on the level of preparatory work needed, and the scope and content established for the review in Bali, this work may need to be done in a separate process with a directed work program, such as an ad hoc working group.

The work conducted within the Article 9 review process will be necessary for informing the work of the AWG on future commitments. The absence of relevant analysis from the second review will make it difficult for the work of the AWG to be completed in a timely manner. While the review is backward-looking by its very nature, the AWG is forward looking. It will therefore be important to ensure there is opportunity for the results of the review to be considered in the design of a future global framework that includes the work of the AWG. In terms of organization of effort and to avoid duplicating the work of the AWG, it may be more efficient to include some issues, such as those related to amendments and establishing new annexes, in the iterative work programme of the AWG.

Ottawa, Canada
November, 2007

DEUXIÈME EXAMEN DU PROTOCOLE DE KYOTO

Soumission du Canada

Le Canada se réjouit de cette occasion d'exposer ses points de vue sur la portée et le contenu du deuxième examen au titre de l'article 9 du Protocole de Kyoto et sur les préparatifs requis pour effectuer l'examen sollicité dans la décision 7 de la 2^e Conférence des Parties agissant comme réunion des Parties au Protocole de Kyoto (CdP/RdP2).

Contexte

Le deuxième examen aura lieu à la 4^e Conférence des Parties agissant comme réunion des Parties au Protocole de Kyoto (CdP/RdP4). L'expérience acquise dans le cadre du premier examen du Protocole à Nairobi révèle clairement l'importance de préparer et d'accorder suffisamment de temps et de considération pour effectuer un examen approfondi et détaillé.

Le deuxième examen du Protocole de Kyoto sera essentiel pour éclairer la conception du nouveau cadre mondial visant à s'attaquer aux changements climatiques. L'examen fournira d'importants renseignements qui éclaireront les travaux du Groupe de travail *ad hoc* (GTAH) sur les nouveaux engagements pour les Parties à l'annexe I et l'élaboration d'un nouvel accord étendu et détaillé afin de progresser collectivement vers la réalisation de l'objectif ultime de la Convention. La considération des nouveaux engagements par les Parties à l'annexe I sera facilitée par une meilleure compréhension de nombreuses questions pour la période au-delà de 2012, y compris le rôle et le traitement de l'utilisation des terres, du changement d'affectation des terres et de la foresterie (UTCATF), les procédures pour l'adoption de nouveaux engagements, la structure et le type d'engagements, les Parties qui peuvent les entreprendre et qui les entreprendront, ainsi que la conception et l'utilisation des outils disponibles tels que les mécanismes de flexibilité.

Comme l'a récemment conclu le GTAH 4 (1^{re} partie), la réalisation collective des objectifs ambitieux de réduction des émissions par les Parties à l'annexe I représentera une importante contribution à l'effort mondial général requis pour atteindre l'objectif ultime de la Convention. Toutefois, le groupe actuel de pays ayant pris des engagements en vertu du Protocole de Kyoto sont responsables de moins de 30 p. 100 des émissions de gaz à effet de serre (GES) à l'échelle mondiale. Les nouvelles contributions de ce groupe, peu importe leur niveau d'ambition, ne sont pas une réponse à long terme suffisante aux changements climatiques.

Portée et contenu de l'examen

À Bali, les Parties devraient convenir des principaux volets d'un programme de travail et de la façon de faire avancer le programme de travail, afin de se préparer de façon adéquate au deuxième examen à la CdP/RdP4.

Le Canada estime que les renseignements des Parties et des intervenants, y compris leur expérience pertinente, fourniraient des intrants utiles au processus d'examen. Le programme de travail devrait donc demander des soumissions de ces groupes.

De plus, on précise dans l'article 9 que les examens devraient avoir lieu à la lumière des «meilleurs renseignements et examens scientifiques disponibles sur les changements climatiques et ses répercussions, ainsi que les renseignements techniques, sociaux et économiques pertinents». Le Canada estime que le quatrième rapport d'examen du Groupe d'experts intergouvernemental sur l'évolution du climat (GIEC) est un intrant clé de l'examen et que tous les renseignements techniques, sociaux et

économiques pertinents seront également utiles aux Parties qui mènent l'examen, y compris les renseignements plus récents qui pourraient être devenus disponibles après le processus d'établissement du 4^e rapport d'examen.

Selon le Canada, les secteurs de travail précis devraient comprendre ceux qui suivent :

- pertinence de la contribution du Protocole de Kyoto à l'objectif ultime;
- examen de la structure actuelle, y compris l'architecture des autres engagements, la différenciation et le partage des obligations;
- durée de la ou des périodes pour satisfaire les engagements;
- examen des secteurs et des sources d'émissions à l'annexe A;
- traitement futur de l'UTCATF;
- conception et utilisation d'outils, tels que les mécanismes de marché;
- nature des procédures de modifications et de rationalisation possible du processus à suivre pour se joindre de façon volontaire à l'annexe B (élément de la proposition russe sur le Protocole de Kyoto) et établissement de nouvelles annexes au Protocole de Kyoto.

Le Canada croit également que le deuxième examen doit être effectué dans le cadre d'un processus qui permet à un travail préparatoire ciblé et détaillé d'être entrepris pendant l'année 2008 afin de jeter les bases nécessaires pour que l'examen soit terminé à la CdP/RdP4, qui se tiendra en Pologne, en 2008. À cet égard, il est nécessaire de s'assurer que toutes les questions qui se rapportent à l'examen complet soient analysées. Selon le niveau de travail préparatoire requis ainsi que la portée et le contenu établis aux fins d'examen à Bali, ce travail pourrait devoir être fait dans le cadre d'un processus distinct avec un programme de travail dirigé, tel qu'un groupe de travail *ad hoc*.

Le travail effectué au titre du processus d'examen de l'article 9 sera nécessaire pour éclairer les travaux du GTAHA sur les futurs engagements. En raison de l'absence d'une analyse pertinente du deuxième examen, le GTAHA aura de la difficulté à terminer ses travaux en temps utile. Bien que la nature même de l'examen soit d'examiner le passé, le GTAHA est axé sur l'avenir. Il sera donc important de s'assurer qu'il y a une occasion de prendre en considération les résultats de l'examen dans le cadre de la conception d'un futur cadre mondial qui comprend les travaux du GTAHA. Pour ce qui est de regrouper les efforts et d'éviter le chevauchement des travaux du GTAHA, il pourrait être plus efficace d'inclure certaines questions, comme celles qui sont liées aux modifications et à l'établissement de nouvelles annexes, dans un programme de travail itératif du GTAHA.

Ottawa, Canada
Novembre 2007

PAPER NO. 2: JAPAN

Japan's submission

Article 9 of the Kyoto Protocol

Views on the scope and content of the second review of the Kyoto Protocol pursuant to its Article 9 and the preparations required for conducting the review

Climate change is a pressing issue for the mankind against which the international community urgently needs to strengthen its cooperative action. The Kyoto Protocol was humanity's first step to reduce greenhouse gases as a concrete measure to address global warming. However, the sum of anthropogenic emissions of the greenhouse gases of Parties listed in Annex I pursuant to the Kyoto Protocol consists only approximately 30% of the global emission, and there is a fear that, because of this limitation, the ultimate objective of the Convention could not be achieved. Against this backdrop, at the recent conferences and meetings such as the Dialogue on Climate Change, Clean Energy and Sustainable Development, the APEC Leaders' Meeting, the UN High-level Event on Climate Change, and the Major Economies Meeting on Energy Security and Climate Change, heads of states and Ministers all in all expressed strong commitments towards united global action.

In order to respond to the above mentioned strong commitments at the high level, and to achieve the ultimate objective of the Convention as stipulated in its Article 2, it is essential that we move beyond the Kyoto Protocol to a new framework in which the entire world will meaningfully participate in actions to reduce emissions. The review under the Kyoto Protocol pursuant to Article 9 should be carried out in conjunction with the consideration of such a new framework. As a strategy to establish such a new framework, Japan has announced its proposal "Cool Earth 50" in May, 2007.

Under the "Cool Earth 50," Japan proposes to set a long-term target of cutting global emissions by half from the current level by 2050 as a non-binding common vision, and aims to be shared by the entire world. Further, in order to achieve this target, Japan also proposes to promote innovative technology development and to build a low carbon society, centering on those technologies.

Further, Japan proposed the "three principles" in designing a framework for addressing global warming beyond 2012: namely, (1) all major emitters must meaningfully participate, thus moving beyond the Kyoto Protocol, leading to global reduction of emissions, (2) the framework must be flexible and diverse, taking into consideration the circumstances of each country, and (3) the framework must achieve compatibility between environmental protection and economic growth.

Now, Japan proposes to set up a process under the Convention in which all countries participate with the aim of establishing an effective framework based on the said "three principles." The second review of the Kyoto Protocol pursuant to Article 9 should be conducted in line with consideration processes under the Convention as well as with the process to consider further commitments for Annex I Parties based on Article 3.9 of the Protocol. It should be noted that the overall review of the Kyoto Protocol, including amendments to Annex B of the Protocol, commitment period, and the role of the Kyoto Mechanism should also be conducted.

Since the first review during COP/MOP2 was mainly on procedural debate and did not go into any substantial consideration, the second review should deal with substance in an extensive manner. Items to be reviewed, inter alia, are:

1. Establishment of an effective framework to which all major emitting countries meaningfully participate

- (1) Setting a long-term target to achieve the ultimate objective of the Convention
- (2) Modality of commitments

The dual system of Annex I Parties with emission reduction commitment and Non-Annex I Parties without emission reduction commitment should be replaced by an effective framework which all major emitters meaningfully participate to exert their best efforts towards emission reduction. In order to achieve such a framework, it is necessary to consider flexible and diverse modalities. For example, in view of leveling playing field in terms of international competitiveness, considerations including the role of sectoral CO₂ efficiency indicator as well as indicator for energy efficiency are important.

2. Commitment period, base year and target year, and reporting of emission data

In order to strengthen continuous efforts, consideration should include (1) appropriate lengths of commitment period, on the basis of advantages and disadvantages deriving from different lengths to the target year, and (2) more equitable modality of target setting rather than setting single or uniform base year. In order to consider these elements, it is a prerequisite that Parties consider adopting a system, within the next framework, that the latest GHG emission data of Non-Annex I major emitting countries are reported.

3. Annexes

Qualification of a Party to be added to Annex B of the Protocol that obliges the quantified emission reduction commitment;

4. Compliance

Consideration of measures to facilitate and encourage the achievement of emission reduction target within the next framework in case a Party was not able to comply with the obligation.

5. Review of the Kyoto Mechanism

In order to enhance efficient global emission reduction, review of the Kyoto Mechanism is necessary, especially in the following shortcomings of CDM, inter alia, should be addressed:

- (1) Current CDM is based only for Parties which have committed reduction of absolute amount of emission and Parties which have not,
- (2) Uneven geographical distribution of the implementation,
- (3) Non-eligibility of nuclear and CCS projects, and
- (4) Low probability in achieving approval for energy-saving projects.

6. Technology

Additional efforts to promote technological R&D: in particular, from a long-term viewpoint, measures to develop innovative technologies which aim at long-term emission reduction.

7. Forests

Measures to effectively reduce emission caused from deforestation in developing countries.

8. Adaptation

Adaptation should be integrated into development planning. Internationally concerted efforts should be strengthened for the assistance to vulnerable countries such as LDCs and SIDS.

9. Bubble

Responsibility of each country with bubbles has not been properly addressed. In case the number of Parties with bubbles increases under the next commitment period, responsibility of each country with bubbles will be less clear, and bubbles should be reviewed from the perspective of equity and effectiveness.

10. Bunker

In order to promote global emissions reduction, undertakings by International Civil Aviation and the International Maritime Organization should further be strengthened.
