

- (b) Design of a compliance system;
- (c) Consequences of non-compliance;
- (d) Other elements as identified in decision 8/CP.4 and in the progress of work.

3. Work programme.

4. Report on progress to the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI).

5. Other matters.

**II. PROCEDURES AND MECHANISMS RELATING TO
COMPLIANCE UNDER THE KYOTO PROTOCOL**

(Agenda item 2)

Proceedings

4. The JWG had an initial exchange of views on procedures and mechanisms relating to compliance under the Kyoto Protocol, which will be further elaborated, taking into account all submissions from Parties.

Conclusions

5. The JWG discussed compliance-related elements in the Kyoto Protocol in light of substantive rules, procedures for addressing compliance and the consequences of non-compliance. Regarding substantive rules, it was felt that different types of obligations and rules need to be taken into account in designing a comprehensive compliance system. With respect to procedures, it identified Articles 8, 16, 18 and 19 of the Kyoto Protocol as providing elements for the procedures to address compliance issues, but additional procedures may be needed. It noted that further work is needed to design the consequences of non-compliance.

6. The JWG noted that its work is closely linked to that on Articles 5, 7 and 8 as well as the mechanisms in Articles 6, 12 and 17 of the Kyoto Protocol. The JWG needs to follow the development of this work and exchange information with the bodies or groups working on those issues. The Co-Chairs of the JWG could inform the other groups of its work at the joint meeting of the SBI and SBSTA, and address some common issues.

7. The JWG considered that the objectives of a compliance system, consistent with the objectives of the Kyoto Protocol, could be to facilitate compliance, prevent non-compliance or disputes from arising and promote compliance through cooperative means, such as providing advice to Parties. It was indicated that facilitative and enforcement measures could be applied in a balanced way. Views were expressed that the objective of a compliance system could be in line with the objective of the Convention and could as a first priority aim at ensuring that the emission reduction commitments are met by Annex B Parties. Views