

19. Each Annex [Q] Party shall have the discretion to select those policies and measures that are best suited to its national circumstances for meeting its emission limitation and reduction commitments.

LIST A

20. Annex [Q] Parties shall:

Energy

21. Improve the financial mechanism for assisting developing countries and countries with economies in transition to develop national resources and promote the reduction of GHG emissions.

22. (a) Promote fuel switching to less carbon-intensive fuels;

(b) Where appropriate, institute reforms of energy markets directed at increasing efficiency, including by increasing competition;

(c) Increase energy efficiency, reduce energy losses and greenhouse gas emissions, including in the energy production and transformation, distribution, industrial, transport, household and agricultural sectors;

23. (a) Apply economic instruments to ensure that market prices give appropriate signals to consumers and businesses to limit and reduce emissions of greenhouse gases;

(b) [Abolish/progressively phase out/reduce/restructure] subsidies [and] [taxes/tax incentives] [on fossil fuels/on coal as the most polluting source of energy] [that run counter to the objectives of the Convention] [and other market imperfections existing in greenhouse gas emitting sectors];

(c) Not introduce new or increased [oil/energy/CO₂ /greenhouse gas] taxation until Parties listed in Annex [Q] restructure their existing tax systems to truly reflect the relative contribution of greenhouse gases of each unit of emitting sources in all economic sectors;

(d) Introduce an incentive tax on CO₂.

24. Realize a significant increase in the share of renewable energy in their energy supply, taking into account national characteristics, including through:

(a) Identification, reduction and progressive removal of existing barriers, which prevent the penetration of potentially cost-effective renewable energy technologies in the market;

(b) Creating economic or other incentives for the development and diffusion of emerging technologies in the field of renewable energies and for the expansion of the markets for potentially cost-effective renewable energy technologies;