

24. National Communications: Articles 7 and 8 of the Protocol deal with National Communications aspects for Annex 1 Parties. There are no brackets in the text and Canada is satisfied with the outcome. We managed to remove the text on quote the assessment of impacts of Annex 1 policies and measures on all Parties unquote, which was too onerous. The current text does not include language on the review of national communications from Non Annex 1 Parties.

25. Issues related to institutions: Conference/Meeting of the Parties, Subsidiary Bodies and Secretariat - The issue of the bodies for the Protocol generated a long debate with the Group of G77 and China seeking that the CoP's bodies retain control over the Protocol's bodies. As requested by all other Countries, the revised Chair's text did not take these views on board. However, the proposal made by the Group of G77 and China will be forwarded to Kyoto for further discussion. Further policy guidance is needed on the acceptability of the list of functions for the Protocol's bodies.

26. Rules of Procedure - Attempts to reach a consensus on the Rules of Procedure failed, with OPEC reps still objecting. A draft CoP decision will be forwarded to Kyoto for consideration. This decision proposed that the Rules of Procedure be adopted, except for rules 22(1) and 42(1) on the understanding that Rule 22(1) on the election of Officers will continue to apply. OPEC Countries refused to agree the former Rule as they want a dedicated seat on the Bureau, for the latter they are insisting on consensus. The CoP President will table a new proposal on Rule 42(1) to provide two options, three-fourth or seventh-eighths majority on the decision for substantive matters. Further policy consideration should be given to these two options.

27. Entry into Force - Canada requested that the entry into force be subject to a double trigger consisting of 50 ratifying countries provided that the ratifying parties represent 5 Gigatonnes of Carbon based on 1990 CO<sub>2</sub> emissions (This represents more than 75% of global carbon emissions of 6.1 Gigatonnes, but percentages were deemed to be too uncertain to cite as the double trigger) instead of 3 as provided in the current negotiating text. This trigger would ensure that a USA ratification would be a precondition for the Protocol to enter into force. The proposal did not garner much support.

28. Relationship With Other Agreements (WTO Agreement) - Australia proposed a text indicating that the Protocol "shall not derogate from rights and obligations of Parties under existing international agreements and, in particular, [...] WTO Agreements". Candel supported (as we had at the last AGBM) but the EU objected. Australians advised that their principal aim was to preclude trade sanctions on non-parties or non-complying parties. This was consistent with the approach they took in compliance discussions.