

Annex I

**QUESTIONS RELATED TO A COMPLIANCE SYSTEM
UNDER THE KYOTO PROTOCOL**

General issues

1. What should be the objectives and nature of a compliance system?
2. What should be the principles that guide the development of the procedures and mechanisms to implement Article 18 of the Kyoto Protocol?
3. What types of issue should be addressed under this procedure?
4. How might this procedure differentiate between the timing and character of various commitments under the Protocol?
5. Should procedures and mechanisms "entailing binding consequences" be adopted concerning non-compliance with respect to:
 - (a) "Guidelines" for the national systems for estimating emissions of greenhouse gases and removals by sinks, which may be established pursuant to Article 5.1; or "guidelines" for the implementation of Article 6, as provided for in Article 6.2; or "guidelines" for the reporting of certain information in national communications, as provided for in Article 7.4?
 - (b) "Modalities, rules and guidelines" adopted pursuant to Article 3.4, concerning how, and which, additional categories of sinks may be added to those contained in Article 3.3?
 - (c) "Modalities and procedures" concerning the clean development mechanisms, which may be adopted pursuant to Article 12.7?
 - (d) "Principles, modalities, rules and guidelines" concerning emissions trading, which may be adopted pursuant to Article 17?
6. Is one integrated procedure sufficient or is more than one procedure needed? Is a separate procedure needed (or sub-procedure within a general procedure) for dealing with compliance elements of the mechanisms in Articles 6, 12 and 17?
7. What should be the relationship between this procedure and (a) the expert review process under Article 8 of the Protocol; (b) any procedures and institution established under Article 13 of the Convention; (c) the procedures under Article 19 of the Protocol?