

- (d) After the above-mentioned conditions are taken into account, the emissions of any country shall not exceed its emissions in 1990.
 - (2) Banking, borrowing, emissions trading and joint implementation should be adopted under certain conditions.
 - (3) Emissions for the second budget period shall not exceed those for the first budget period. More sophisticated method of differentiation should be applied for the second budget period.
4. Second, let me touch upon our proposal on developing countries.
- (1) Introducing new commitments for developing countries in a protocol or another legal instrument to be adopted at COP3 goes beyond the Berlin Mandate. However, since the volume of CO2 emissions originating in developing countries is projected to exceed that in developed countries by 2010, it is vital that the developing countries should enhance their efforts gradually in the medium to longer term to limit GHG emissions.
 - (2) The Government of Japan proposes that the following solutions should be sought at the Kyoto Conference.
 - (a) The implementation of the existing commitments for developing countries should be advanced through the elaboration of commitments of all Parties including developing countries.
 - (b) More advanced developing countries are encouraged to assume commitments on a voluntary basis.
 - (c) We should agree to start a new process to further discuss commitments by all Parties after Kyoto.
 - (d) With regards to strengthening financial assistance and transfer of technologies, to developing countries, developed countries should assist the efforts of developing countries by enhancing the existing mechanisms, such as GEF (Global Environmental Facilities) and bilateral assistance.
5. For more detailed information, the Government of Japan is holding a briefing session to explain our proposals on Thursday, October 23rd from 18:30 to 20:00. The venue of the session is to be announced shortly. We would like to invite all of you to attend the meeting.
- Thank you.