

Upon being instructed by the EB, the registry administrator shall issue CERs into the pending account then forward them to the Party accounts as they stipulated while deducting the appropriate amount to cover administrative expenses and adaptation.

1.2.8 Share of Proceeds

- The EB will retain 2% of CERs earned through CDM activities for the adaptation fund. The purpose of this fund is to assist developing countries that are particularly vulnerable to the adverse effects of climate change with the costs of adaptation.
- An additional portion of the CERs, which has yet to be determined in negotiations, will also be retained by the EB for the administrative expenses incurred during the project.
- CDM projects in least developed countries are exempt of this levy.

1.2.9 Capacity-Building in Developing Countries

The decisions from the Marrakech Accords recognize that in order to facilitate developing countries' participation in the CDM, there is a need to build their capacity in several areas such as education, training, improved decision-making, and establishing national focal points.

2. Joint Implementation (Article 6 of the Kyoto Protocol)

Joint Implementation (JI) is a mechanism that assists Annex I countries to meet their Kyoto targets by participating in projects with other Annex I countries. Entities may participate in JI projects to generate emissions credits, known as Emission Reduction Units (ERU), in order to use them for compliance with their targets or to sell on the international emissions trading market. JI projects may begin as of the year 2000 but can only generate ERUs beginning in 2008.

2.1 Joint Implementation Governance

The Conference of the Parties serving as the Meeting of the Parties (CoP/MoP), the Article 6 Supervisory Committee, the Accredited independent entities (AIEs), and the host countries each play a key role in the governance of Joint Implementation. For reasons that will be elucidated in the following sections, the Article 6 Supervisory Committee and independent entities will only be required under Track II of JI.