

**Statement of intent
on cooperation between Japan and Romania under the Kyoto Protocol to the United Nations
Framework Convention on Climate Change**

The Japanese side, represented by the Ministry of Foreign Affairs, Ministry of Economy, Trade and Industry and Ministry of the Environment of Japan, and the Romanian side, represented by the Ministry of Environment and Water Management of Romania, recall that Japan and Romania are parties to the United Nations Framework Convention on Climate Change and its Kyoto Protocol.

Both sides take into account in particular Articles 6 and 17 of the Kyoto Protocol.

Both sides recognize the importance of domestic actions to meet commitments under Article 3 of the Kyoto Protocol and the supplementary role of the projects under its Articles 6 and 17.

Both sides take into account any further Guidelines on Articles 6 and 17 to be adopted by the Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CoP/MoP).

Both sides affirm their intention to preserve the environment and to promote sustainable development.

Both sides recall their existing co-operation in the field of environment and stress the importance of enhanced cooperation in the light of meeting the objective of the United Nations Framework Convention on Climate Change and its Kyoto Protocol.

Both sides have confirmed their intentions as follows:

1. General scope

This Statement of intent creates the framework for the cooperation between both sides regarding the implementation of Articles 6 and 17 of the Kyoto Protocol.

2. Objectives

The cooperation under this Statement of intent is intended to facilitate the realization of

Joint Implementation (JI) projects in Romania in accordance with Article 6 of the Kyoto Protocol and the transfer from the Romanian national registry to the Japanese national registry of emission reduction units resulting from the implementation of JI projects (hereinafter referred to as “ERUs”) as well as assigned amount units transformed from the amounts of emission reductions generated before 2008 by JI projects (hereinafter referred to as “AAUs”).

3. Contribution of the Romanian side

(1) The Romanian side facilitates the development and implementation of projects by providing information to the Japanese project participants interested in carrying out JI projects, and approving the JI projects by issuing a Letter of Approval in accordance with Article 6.1 of the Kyoto Protocol and the national procedures for approving JI projects.

(2) The Romanian side transfers from the Romanian national registry to the Japanese national registry the agreed amounts of ERUs during the agreed periods of time according to the contracts between the Japanese and Romanian project participants as long as the JI project keeps generating emission reductions under the Kyoto Protocol.

(3) The Romanian side transforms the amounts of emission reductions generated before 2008 by the JI projects into AAUs for the period 2008-2012 and transfers the agreed amounts of AAUs in the contracts between the Japanese and Romanian project participants from the Romanian national registry to the given account within the Japanese national registry on the basis of Article 17 of the Kyoto Protocol.

(4) The Romanian side confirms that the transfer is free of any extra charges beyond the agreed terms of payment in the contracts between the Japanese and Romanian project participants.

(5) In case of significant changes in the relevant national policies of Romania and/or in case Romania fails to satisfy the eligibility requirements to transfer ERUs and/or AAUs, resulting in difficulties regarding the generation and delivery of emission reductions to the Japanese project executors and/or investors, the Romanian side does its utmost to have ERUs and/or AAUs agreed in the contracts between the Japanese and Romanian project participants transferred in a practical manner to the Japanese national registry.

4. Contribution of the Japanese side

(1) The Japanese side enhances cooperation with the Romanian side by providing the Romanian side with information on the possible Japanese project participants interested in

participating in JI projects proposed by the Romanian side and by exchanging information to promote JI projects to be implemented in Romania.

(2) The Japanese side issues a Letter of Approval when it approves the JI projects in accordance with Article 6.1 of the Kyoto Protocol.

(3) The Japanese side acknowledges the receipt from the Romanian national registry to the Japanese national registry of the agreed amounts of ERUs and/or AAUs during the agreed periods of time according to the contracts between the Japanese and Romanian project participants as long as the JI project keeps generating emission reductions under the Kyoto Protocol.

5. Payment schemes

Payment schemes for ERUs and/or AAUs are decided on a case-by-case basis in the contracts between the Japanese and Romanian project participants.

6. Independent assessments of projects

Until the Article 6 Supervisory Committee accredits specialised companies as possible Independent Entities for determination and verification of JI projects and where the Romanian side does not meet the eligibility requirements set out in paragraph 21 of Decision 16/CP.7 in the Marrakesh Accords, both sides may decide to use appropriate entities.

7. Consultation and adjustment

If a problem concerning this Statement of intent arises, it is settled amicably by consultation between both sides. If necessary each side notifies in written form the other side about proposed adjustment of the present Statement of intent.

8. Final provisions

Cooperation under this Statement of intent commences on the date of its signature by both sides and continues until either side informs the other side of its intention of termination.

Done at Tokyo on June 01 in two original copies in the English language.

For the Japanese side

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