POSITION OF KAZAKHSTAN IN THE KYOTO AND POST-KYOTO PROTOCOL REGIME

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1. INTRODUCTION

This paper introduces Kazakhstan's position in the Kyoto and post-Kyoto Protocol framework. It starts with initiatives of signing the Kyoto Protocol given in section 2. Further the article shows what was done in support of these initiatives on the governmental and international levels in section 3. It explores the amended aspects of the national policy that were approved to make the country policy compatible with the Kyoto Protocol rules. Section 4 discusses Kazakhstan's participation in the first commitment period of the Kyoto Protocol. Since signing the Kyoto Protocol Kazakhstan has been facing a number of complicated issues and details of how the country deals with them are also covered in section 4. Section 5 goes through pros and cons of the Kyoto Protocol since its text was developed and accepted in 1997. Section 6 describes possible scenarios for the Kyoto Protocol existence and looks at steps Kazakhstan may take in these scenarios. Section 7 concludes.

2. INITIATIVES FOR SIGNING THE KYOTO PROTOCOL

Since the collapse of the Soviet Union in 1991, Kazakhstan GHG emissions decreased dramatically, accounting for some 338.24 million tons of GHG emissions in 1990 and further decreasing by almost 92.38 million tons by 2008 (accounting for 245.86 mln. tons respectively). Economic crisis in the country caused a sharp decline in production which in turn resulted in fewer emissions of GHGs. As time passed, emissions decreased by 40-45% in 1996-1998 from the level in 1990. A sharp fall in industrial production made "clean" production technically impossible, due to old technology, updating of which was no longer among prior requirements of local regulators. As a consequence, relatively inconspicuous reduction of GHG emissions took place.

In total 5 sectors contributed to the emissions of GHGs for the given period, including energy, agriculture, industrial processes, land use land use change and forestry (LULUCF) and waste. Historically, carbon dioxide (CO_2) was the main GHG emitter among all other GHGs, accounting for 81.5% of emissions expressed in CO_2-eq (equivalent). The second and the third emitters were methane (CH_4) and nitrous oxide (N_2O), accounting for 16.9% and 1.2% respectively. Less group of emitters as hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF_6) collectively accounted for 0.4% of the overall GHG emissions in the country. The same statistics is available for sectors, stating that the energy sector was the first to emit GHGs and accounted for 87.2% of total emissions, excluding removals from the LULUCF sector. Industrial processes emitted 5.9%, agriculture - 4.9% and waste - 2.0%. Total GHG emissions amounted to 245,855.05 Gg CO_2-eq and decreased by 27.3% between 1990 and 2008 (UNFCCC doc., 2010).

Analysis of the economic state of the country shows that in 1994-1998 Kazakhstan achieved macroeconomic stability and starting only from 1999 the country has been experiencing an economic growth. Obviously, the country's economy is heavily dependent on the situation in the world markets and even a slight fluctuation in prices for raw materials affects domestic financial market.

Taking into account country's current low emissions situation relative to the level in the beginning of 1990s, the government of the country probably found signing and ratifying the Kyoto Protocol as an objective which is possible for implementation. As the Kyoto Protocol requires emissions decrease compared to the level of emissions in 1990, it is quiet possible for Kazakhstan to take up obligations and achieve them, for its current emissions are much less than it emitted in 1990. So, when the Protocol was ready for signing at the Headquarters of the United Nations in New York from 16 March 1998 to 15 March 1999 Kazakhstan confidently put its signature on the Protocol document in March 1999 (The Kyoto Protocol, Article 24.1, 1997). However, the process of ratification took longer time than it was expected.

3. PRE-RATIFICATION ISSUES

3.1 The Kyoto Protocol provisions on ratification

Ratification of the Kyoto Protocol requires adaptation of the appropriate legislative amendments that regulate GHG emissions. There are major requirements that are set both by the UNFCCC and the Kyoto Protocol.

Among them, for instance, first of all, submission of the national communications (reports) to the Conference of the Parties through the Secretariat (required by Article 12 of the UNFCCC and by Article 7.3 of the Kyoto Protocol).

National communication is the primary reporting tool that addresses implementation of the objectives by the Parties to the Framework Convention on Climate Change. Article 12 of the Convention specifies what should be incorporated in the National Communications of the Parties to the Convention. The objective of the National Communication is to communicate a set of information through the Secretariat of the UNFCCC to the Conferences of the Parties.

In 2009 the Ministry of Environmental Protection appointed Kazakh Scientific Research Institute for Ecology and Climate as a subsidiary body (required by Article 10 of the UNFCCC) that actually implements obligations under the Protocol (National Decree N258-п, 2009). One of the duties of the Kazakh Scientific Research Institute for Ecology and Climate is to prepare and submit national communications which provide information on the implementation of commitments under the UNFCCC per annum. The first National Communication from Kazakhstan was submitted to the Secretariat in 1998 followed by submission of the second National Communication in 2009. Both were prepared by the Kazakh Research Institute for Ecology and Climate, in cooperation with other institutions, governmental bodies and experts. Now Kazakhstan is about to submit its third National Communication.

Second condition of the Kyoto Protocol is estimation of emissions and removals of greenhouse gases as part of a national inventory report and submission of results to the Secretariat of the UNFCCC (required by Article 7 of the Kyoto Protocol)

One of the main components of the national communication is a national inventory of anthropogenic emissions by sources and sinks of all greenhouse gases not regulated by the Montreal Protocol, which is achieved through the national inventory process. Since 2000, annual national inventory of greenhouse gas emissions in Kazakhstan is being conducted in accordance with international standards and recommendations. Requirement to submit National Inventory Report to the Secretariat of the UNFCCC was fulfilled by Kazakhstan on 25 May 2010 containing inventory for the period from 1990 to 2008 (UNFCCC doc., 2010). A detailed inventory in Kazakhstan is available for 1990, 1992, 1994, 2000, and 2005.

Third condition is adoption and implementation of national and, where appropriate, regional programs to mitigate climate change and to provide adequate adaptation to its impacts (required by Article 4.1 of the UNFCCC).

These programs should include measures to reduce or prevent anthropogenic emissions of greenhouse gases, to promote rational use and protection of sinks and reservoirs of emissions, as well as preparatory measures for adaptation to climate change consequences. The programs should also cover various sectors that affect the climate system, such as energy, transport, industry, agriculture, forestry, water resources and waste disposal.

For that, Kazakhstan, firstly, ratified the Concept of Environmental Security for the years 2004-2015 (National Decree N1241, 2003). The Concept identifies reduction of anthropogenic impacts leading to climate change as one of the major challenges in achieving the common goal for preserving natural ecosystems. It is important to note that the Concept of Environmental Security has laid the political basis for measures towards ratification of the Kyoto Protocol by Kazakhstan.

Secondly, the Concept of Transition of the Republic of Kazakhstan to Sustainable Development for 2007-2024 was adapted (National Decree N216, 2006). It particularly defined a gradual reduction of carbon emissions per unit of GDP as one of the target indicators of transition to sustainable development. The Concept has become a basis for development of mechanisms for mobilising financial resources among measures that reduce GHG emissions.

Besides accepting and amending of the policies mentioned above, Kazakhstan has done other major legislative amendments regulating emissions of GHG. The year of 2007 has started for Kazakhstan with accepting the first Environmental Code of the country as of 9 January. The Environmental Code includes a special chapter on regulation of GHG emissions consisting of 9 articles. It also specifies institutional framework and competence of state bodies for regulation of emissions, for instance, defining the Government and the Ministry of Environmental Protection as the bodies in charge (National Code N212-III, 2007).

3.2 Status under the KP

The next important step made by Kazakhstan in the regime of the Kyoto Protocol was its attempts to acquire the status that allows participation in the Protocol with common but differentiated responsibilities (The Kyoto Protocol, 1997). Parties of the Kyoto Protocol are divided accordingly to the nature of their obligations, and comprise from the following groups (a) group of countries included into the Annex I; (b) a group of countries included into the Annex II (c) a group of countries not included into the Annex I (non-Annex I).

The Annex I list includes economically developed nations and nations with economies in transition, which have agreed to take on specific commitments to reduce greenhouse gas emissions under the Kyoto Protocol. The Annex II list includes developed countries listed in the Annex I which agreed to take responsibilities for technology and financial resources transfer to appropriate countries in order to facilitate more favorable conditions in tackling climate change in these countries. All other signatories to the Protocol belong to the group of countries not included in the Annex I, and are considered as economically developing countries.

An interesting thing is that Kazakhstan was not included into either Annex I or Annex II lists of the UNFCCC in the beginning. It referred to non-Annex I Parties up to the year of 2001 when there was made the first official attempt to change the status by submitting a proposal of becoming an Annex I country, unless it would not interfere sustainable economic development and social growth of the country (see "Position of the Republic of Kazakhstan in the international negotiation process", 2012). Back in April 1999, Kazakhstan declared its intention to take quantitative commitments in accordance with Annex I of the Convention by which it could stabilize and reduce emissions during the first commitment period (2008-2012). Since then started a time-consuming process concerning acquiring the status of the country. The request of the country to amend Annex I was discussed on the 5th Conference of the Parties (COP-5) to the UNFCCC held in Bonn, Germany in 1999. Delegates' feedback for a proposal from Kazakhstan was controversial. While several Parties welcomed the proposal, others insisted on submission of further information on Kazakhstan's ability to fulfill Annex I commitments. Consensus was not achieved, and the matter was passed on to the following COP to be decided (see "Summary of the fifth Conferences of the Parties", 1999).

In March 2000 following the decision of the Government, Ministry of Foreign Affairs of Kazakhstan sent a note to the general secretary of the UN stating that the country is ready to accept obligations related to the Annex I of the UNFCCC. Finally, the issue regarding the status of the Republic of Kazakhstan was sorted out in 2001 on the 7th Conference of the Parties (COP-7) held in Marrakech, Morocco. Parties agreed that Kazakhstan will become an Annex I Party to the Protocol upon its ratification of the Protocol (see "Summary of the seventh Conferences of the Parties", 2001). Thus, COP-7 left its white spot in the Kyoto Protocol history of the country, providing it with the status of the Annex I Party to the Protocol upon its ratification. Generally, COP-7 was a milestone in the process of establishing the rules for the implementation of the Kyoto Protocol. It ended up with a set of considerable decisions included in the so-called "Marrakesh Accords" (Fry, 2007).

Despite all the activities with respect to the Kyoto Protocol requirements, decision regarding the ratification of the Protocol was postponed for a very long period. From the very beginning this process was accompanied by hot debates between the legislative and executive branches of the government. As a result, the Kyoto Protocol was ratified on 26 March 2009, almost 10 years after singing it in 1999 (National Law N144-IV, 2009). Since 17 September 2009, the ninetieth day after submission of the ratification documents to the depositary, Kazakhstan has become the Party to the Kyoto Protocol, which accounts for a total of 192 Parties as of January 2012 (see "Status of ratification", 2012).

4. POST-RATIFICATION ISSUES

4.1 Quantitative commitments under the KP

What are the applications of the status?

The status of the country under the Kyoto Protocol influences its opportunity to participate in the so-called flexible mechanisms of this international legal instrument. As Annex I Party Kazakhstan has no right to implement a well-known Clean Development Mechanism (CDM) projects on its territory. CDM is specified in Article 12 of the Kyoto Protocol and designed for non-Annex I Parties, according to which "the purpose of the clean development mechanism shall be to assist Parties not included in Annex I in achieving sustainable development and in contributing to the ultimate objective of the Convention" (The Kyoto Protocol, 1998). In this case Kazakhstan can play as a project implementer by investing into GHG reducing projects realised in non-Annex I Parties and getting Certified Emissions Reductions (CERs) in return, which may account for the total quantified reduction commitments set for the country within the Protocol in the future.

However, being Annex I Party, Kazakhstan has the opportunity to be involved in two other flexible mechanisms of the Kyoto Protocol (Joint Implementation and Emissions Trading Scheme). Joint Implementation (JI) mechanism is given in Article 6 of the Kyoto Protocol and refers only to Annex I Parties which have fixed quantitative commitments to reduce GHG emissions. This mechanism provides opportunities for implementation of projects aimed at reduction of emissions or increase of sinks within Annex I Parties. Emissions Trading Scheme can be implemented on the basis of Article 17 of the Protocol. According to this mechanism, one Party has the right to sell or buy carbon credits to or from the other Party of the Kyoto Protocol. Funds generated out of these transactions must be used for GHG reducing projects or programs as well as other environment conservation objectives.

One crucial thing to be mentioned here is that the country could use the applications of the status in full capacity if only it could submit and ratify the value of quantitative commitments given in Annex B of the Protocol. Several times Kazakhstan tried to submit its proposal to reduce emissions of greenhouse gases by 6% relative emissions in the base year of 1990. However, getting a positive decision on Party's proposal on quantitative commitment is still followed by a number of comprehensive issues. Firstly, the proposal must get acceptance of at least 75% of the participating countries, meaning that Party must collect over 100 other documents accepting this decision. Secondly, it is a limited timeframe of the first commitment period. Thirdly, some legal aspects as ratification of the accepted proposal might take additional time, which may be crucial. Another issue is the obscurity of the post-Kyoto period. On the Conference of the Parties in Durban, South Africa, Kazakhstan one more time proposed to amend Annex B of the Kyoto Protocol by including Kazakhstan's commitment indicator to reduce GHG emissions within the first commitment period. According to the conference decision, Kazakhstan's proposal will be included to the next session in Qatar for consideration (see "Summary of the seventeenth Conferences of the Parties", 2011). Unfortunately, its acceptance on the next session in Qatar in 2012 does not make any sense for the country, as the session coincides with the end of the first commitment period of the Protocol. Despite its status of Annex I country, which is uncommon for Central Asian countries by its nature, Kazakhstan is almost failed to get acceptance for its proposal of the quantified commitments. This implies that Kazakhstan may not be able to participate in any of the flexible mechanisms.

Meanwhile, Kazakhstan announced its voluntary commitments to reduce greenhouse gas emissions by the year 2050. Voluntary commitments were announced at the 7th session of the Ad Hoc Working Group on Long-term Cooperative Action under the UNFCCC. During that session Kazakhstan voluntarily committed itself to reduce its GHG emissions by up to 15% by 2020 and by up to 25% by 2050 relative to the 1992 level. For now Kazakhstan should prove the seriousness of the alleged ambitions by any possible ways, including participation in relevant international agreements. That is why Kazakhstan is now actively investigating options for reducing emissions to comply with present voluntary commitments and possible future commitments under the Kyoto Protocol. The government of the country is on its way to establishing a domestic emissions trading scheme. A legally binding domestic emissions trading scheme will be based on the cap-and-trade system recognised worldwide. In this way, the government intends to raise the interest of emitters to move gradually to energy efficiency and low-carbon policy by their own initiatives. For now, however, it is not clear what the long-term effects of the domestic emissions trading scheme will be. The outcome is still uncertain and unpredictable, and a set of other crucial issues are still to be defined for Kazakhstan's emerging emissions trading scheme (Sabitova, 2011).

4.2 The base year of Kazakhstan

During participation of Kazakhstan in the previous negotiations of the Parties to the UNFCCC and the Kyoto Protocol, the country defined the year of 1992 as the base year relative to which it should determine reduction of GHG emissions. Later on it was figured out that it is impossible to choose the base year other than 1990, unless it is declared by the Party before submission of the first National Communication to the UNFCCC (The Kyoto Protocol, Article 3.5, 1997), which was not done by Kazakhstan on time. For future commitments Kazakhstan will consider the year of 1990 as the only option for a base year. This clear explanation was provided to the working group from Kazakhstan by the UNFCCC Secretariat on the consultations held in June 2011 in Bonn, when the delegation from Kazakhstan announced its initiative to take the year of 1992 as the base year.

On the other hand, the Secretariat of the Convention may accept the year of 1992 as the base year for Kazakhstan in a new international agreement if it replaces the Kyoto Protocol. However, it would only complicate the negotiations process for Kazakhstan itself. It is also reasonable to change country's voluntary commitments relative to 1990 instead of 1992. If it does, that would account for 21% less by 2020 and 31% less by 2050 relative to 1990, against 15% less by 2020 and 25% less by 2050 relative to 1992, respectively.

5. ISSUES AND UNCERTAINTY OF THE KYOTO PROTOCOL

There have been continuous debates on the pros and cons of the Kyoto Protocol, even long before it entered into force. Back in 2002 rejection of opponents was concluded into the statement that the agreement was both economically inefficient and politically impractical (McKibbin and Wilcoxen, 2002). Despite inclusion of the obligations to reduce GHGs in the text of the Kyoto Protocol, it can not be seen as successful completion of the international negotiations on the issue. Many issues are still left unresolved and no one can guarantee they will be addressed in the future (French, 1998).

Antagonists of the Kyoto Protocol point out a number of problems in provisions of this international agreement. Turning into details, the flexible mechanisms raise several questions. Clean Development Mechanism provides shifting abatement toward the non-Annex I countries. However, non-Annex I Parties do not have their emissions capped, therefore potential reductions may result in emission reductions on "paper" only. Joint Implementation implies negotiations on emissions reduction projects between Annex-I countries on an individual basis. However, this entails high transaction costs comprising high calculating, analysis and other costs. The theory of trading suggests that high transaction costs limit incentives for bilateral trading. Emissions trading opportunity in the case of including transition countries into the transactions may result in an unfair trade allowing occurrence of the "hot air" trading. "Hot air" trading may occur when, for instance, countries in transition, whose present emissions of greenhouse gases is below its 1990 level, might be able to sell a significant part of their emission allowances to other parties. In general, flexible mechanisms cause a further problem by having "additional to domestic actions" feature. (Barrett, 1998)

Another major issue for adapting flexible mechanisms lies in their validity period. The first commitment period of the Protocol is to be finished in the end of 2012. Moreover, the future of this international agreement for the post-Kyoto period has not been developed yet. So, it is hard to predict a further implication of these mechanisms taking into account their dependency upon the Kyoto Protocol duration. In addition, mechanisms continue to be plagued by design failures that can still be improved through relatively simple adjustments, e.g. provision of a long-term perspective to achieve long-term investment security. Whereas, the stability in long-term is again dependant on the post-Kyoto international situation (Freestone and Streck, 2007).

Issues mentioned here are not the only cases describing shortcomings of the Protocol, which is still being criticized. On the other hand, the Kyoto Protocol is the only agreement nowadays that obliges its signatories to reduce emissions of greenhouse gases. The proponents of the Protocol considered it as a breakthrough in international climate policy for several reasons. Firstly, it promised significant emission reductions for the developed world. Secondly, it broadened international mechanism for more serious climate protection activities in the future. The Protocol builds on market-based instruments that provide cost-efficient responses for GHG abatement. (Böhringer, 2003)

6. POSSIBLE FUTURE STEPS

Yet even before entering into force the Kyoto Protocol raised the question of what would happen when the first commitment period ended in 2012. Article 3.9 provides commitments of Annex I countries for subsequent periods. Neither the certain description nor the duration of such commitments is specified. (Boston, 2007). Negotiations on the post-

Kyoto period have already started several years ago. However, reaching consensus is still undone.

COP-16 in Cancun, Mexico in 2010.

The sixteenth session of the Conference of the Parties (COP-16) was held in Cancun, Mexico between 29 November and 11 December 2010. Generally COP-16 covered discussions in the following bodies: (a) Kyoto Protocol COP/MOP 6; (b) Thirteenth session of the *Ad Hoc* Working Group on Long-term Cooperative Action under the UNFCCC (AWG-LCA 13); (c) Fifteenth session of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under Kyoto Protocol (AWG-KP 15); (d) Thirty-third sessions of the Subsidiary Body for Implementation (SBI 33) and Subsidiary Body for Scientific and Technological Advice (SBSTA 33).

Negotiations in Cancun resulted in "Cancun agreements". Agreements cover such issues as mitigation, adaptation, financing, technology, reducing emissions from deforestation and forest degradation in developing countries, including conservation, sustainable management of forests and enhancement of forest carbon stocks (REDD+) and monitoring, reporting and verification (MRV) and international consultation and analysis (ICA).

However, most parties considered this document as a relatively small step in mitigating climate change (see "Earth Negotiations Bulletin", 2010). Several key decisions, covered by the agreement are the following: (a) It states that post-2012 commitments by Parties to the Kyoto Protocol are still under consideration; (b) It agrees that industrialized countries will report the progress towards these emission reduction targets by submitting a report on emission reductions every two years in addition to their annual inventories of greenhouse gas emissions. The guidelines for reporting are to be finalized and submitted to the UNFCCC secretariat by 28 March 2011; (c) It encourages to increase CDM investments to developing countries that have fewer than 10 such activities registered, thus benefiting these countries. In addition to other projects, governments agreed to include carbon capture and storage projects in the CDM, passing all unresolved technical issues to be finalized during the next COP-17 in Durban, South Africa; (d) It agrees that as in the first commitment period, emissions trading and project-based mechanisms, that transfer clean technology investments from industrialized countries into developing countries will be available for the second commitment period as an additional means of meeting emission reduction targets; (e) It calls for the submission of reference levels for forest management, which enables to look at how countries include forest management in their greenhouse gas accounts. Assessment of these reference levels is an important, as it may become a significant application of LULUCF in the future; (f) It provides a formal international registry for NAMAs through which developing countries can require international support in the form of technology, finance or capacity-building from industrialized countries. All the NAMAs will be recorded in a transparent registry, and can be easily tracked; (g) It establishes an Adaptation Committee which involves many important activities such as providing technical support and guidance, knowledge-sharing, and others. Procedures of the committee are to be finalized in 2011; (h) It establishes a process that supports least developed countries in several terms such as to formulate and implement their national adaptation plans (NAPs), to identify their medium and long-term climate change adaptation needs, and others; (i) It establishes a Green Climate Fund that will deal with the provision of long-term financing for developing countries and function under the guidance of the Conference of the Parties (COP). Thus far, industrialized countries committed to provide up to USD 100 billion per year by 2020 to support developing countries in transparent mitigation actions; (j) It establishes a Standing Committee which will assist the COP in mobilization, delivery and verification of long-term finance. The functions of the Standing Committee are yet to be developed (see "Cancun Agreement", 2010).

COP-17 in Durban, South Africa in 2011

This time Parties gathered in Durban, South Africa to discuss climate change issues between 28 November and 11 December 2011. Apart from the COP-17 meeting, discussions in Durban covered the following bodies: (a) Kyoto Protocol COP/MOP 7; (b) Fourteenth session of the *Ad Hoc* Working Group on Long-term Cooperative Action under the UNFCCC (AWG-LCA 14); (c) Sixteenth session of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under Kyoto Protocol (AWG-KP 16); (d) Thirty-fifth sessions of the Subsidiary Body for Implementation (SBI 35) and Subsidiary Body for Scientific and Technological Advice (SBSTA 35).

Further commitments under the Kyoto Protocol were discussed throughout the meeting. The Durban Outcome presents the document with a set of decisions adopted during the COP-17 in Durban. The basis of the document constituted the issue of the future of the Kyoto Protocol. The Outcome of the working group with regard to further commitments for Annex I parties under the Kyoto Protocol includes, *inter alia: (a)* Proposals to amend Annex B to the Kyoto Protocol (Annex I); *(b)* Proposals to

amend the Kyoto Protocol (Annex III); *(c)* Objective to ensure whether emission reductions in Annex I parties can be at least 25-40 percent below 1990 levels by 2020; *(d)* Calls for submissions of information by Annex I parties on their quantified emission reduction objectives for the second commitment period under the Kyoto Protocol by 1 May 2012; *(e)* A discussion of an opportunity to carryover AAUs to the second commitment period. *(f)* An optional date for the second commitment period under the Kyoto Protocol, which shall begin on 1 January 2013 and end on 31 December 2017 or 31 December 2020, which is to be decided by AWG-KP 17; *(g)* The Establishment of an *Ad Hoc* Working Group on the Durban Platform for Enhanced Action, which will work on the post-Kyoto legally binding instrument, whether it will a developed protocol, or another legal instrument or an agreed legally binding force under the Convention applicable to all parties. It will start working in the first half of 2012 and shall complete its work as early as possible, but no later than 2015, so that new legally binding outcome can be adopted at COP 21 and be implemented from 2020; *(h)* Considerations of further commitments for Annex I parties under the Kyoto Protocol *(i)* and others (see "Earth Negotiations Bulletin", 2011).

It is expected that the next negotiations with respect to the post-Kyoto period will be tougher. Neither developed countries are eager to bear alone the costs of mitigating global climate change, nor are developing countries eager to sacrifice their economic interests by taking pledges. On the other hand, developing nations strive not to miss opportunities of additional investments coming from this kind of international agreement, as they can improve efficiency of their industries. Calls for developing countries and major emitters such as China, Brazil, India, on taking any quantitative obligations face strong resistance in return. The last negotiations on Conference of the Parties to the UNFCCC in Durban, South Africa stuck on existing contradictions about responsibility concerns of the Parties for pollution of the atmosphere. Thus far, the future of the Protocol fails to be designed and concluded.

Currently Parties, as mentioned above, consider two possible outcomes for the post-2012 period (1) First is a new protocol, agreement or other legally binding instrument to the UNFCCC that will contain quantitative commitments of the Parties starting from 2020 or earlier date. (2) Second is, to amend Annex B of the Kyoto Protocol for the second commitment period, which shall commence from 1 January 2013 and might last till 31 December 2017 or till 31 December 2020.

The future of the Protocol is subject to acceptance of either of two legally binding decisions. It is more likely that the second commitment period of the Kyoto Protocol will end on 31 December 2020. Consequently, a new international agreement containing quantitative commitments to reduce greenhouse gas emissions should commence 1 January 2021.

It seems more reasonable for the Government of Kazakhstan to accept simultaneously positive decisions with regard to both possible outcomes for the post-Kyoto period. Whether it would be the second commitment period of the Protocol or a new international agreement, both are of importance for the country. However, one might find no logic or consistency in Kazakhstan's participation in either of two negotiation agreements. Bearing in mind country's non-participation in the first commitment period, it might be considered as country's desire to sell "hot air" by using the surplus of allowed emissions it has relative to the 1990s. On the other hand, participation in the negotiation process for a new international agreement seems to be safer for Kazakhstan. As the agreement on the second commitment period is likely to face a rigid position of the European Union and other countries in a substantial increase of the level of reduction commitments.

It concludes that in any case, voluntary commitments of the country may serve as the starting point to strive for in order to reduce emissions of GHGs in Kazakhstan. In case Kazakhstan could ratify the emission reduction commitment there are some opportunities to reach this commitment. For instance, domestic emissions trading scheme, as well as participation in Joint Implementation projects. Taking into account the EU's reluctance to participate in CDM projects for its weak emission reduction features, the JI projects may in turn be more attractive, thus giving Kazakhstan an opportunity to be one of the countries to implement JI projects with. Obviously, achieving consensus on the nature of such an agreement would not be easy. Whereas, a post-2012 gap could have a negative effect on the emerging carbon trading market concentrated in Europe on the first place, however affecting all other participating parties overall. Questions to be resolved inter alia include: What role should carbon markets play in the new agreement? Should developing countries be required to take on commitments? What will positions of such great emitters as USA and China be in the subsequent periods? What is the role of voluntary commitments? And sectoral approaches? (Chasek, 2011)

Thus, the agenda for the period after the Kyoto Protocol framework includes a wide range of issues. The scale of the agenda has been changing, reflecting the raise of uncertainty on how to practically implement the objectives of mitigating negative anthropogenic influence on the environment. Anyway, the Kyoto Protocol is the only agreement nowadays that obliges its signatories to reduce emissions of greenhouse gases, the existence of which is crucial whether as an amended document or in terms of a new instrument.

7. CONCLUSION

Incentives to reduce GHG emissions in the country, thus contributing to the overall world decrease of GHG emissions inspired the country to sign the Kyoto Protocol. Kazakhstan has been developing and implementing strategically significant amendments with a view to reduce GHG emissions that were described in the article. Unfortunately, the process of ratifying the Kyoto Protocol in Kazakhstan took a very long period. Country's decision to change its status to become Annex I Party caused a huge delay for ratification as it required support from not less than ¾ shares of the participating Parties. Countries attempts in tough and long process of ratification of the Kyoto Protocol were presented in the paper.

Post-ratification as Annex I country requires submission of quantitative obligations for GHG emissions' reduction. Attempts to submit a proposal on quantitative reduction indicator faced rejection and were passed on for discussion in the next sessions for different reasons discussed above. Taking into account the remaining time until the end of the first commitment period of the Kyoto Protocol (end of 2012), apparently, Kazakhstan will not be able to take legally binding quantitative commitments to reduce GHG emissions. Obviously, in these circumstances the Government should revise its position for further international negotiations on climate change and reducing greenhouse gases emissions. It is crucial to focus on discussing the potential quantitative liability of the country in the post-Kyoto period. In particular, already announced voluntary commitments can serve as a basis for their determination (15% by 2020 and 25% by 2050 relatively to the baseline in 1992).

Another objective of this paper is to analyse the Kyoto Protocol as the instrument to reduce GHG emissions and to show its weak and strong aspects. Many studies argue for the Kyoto Protocol while others point on its disadvantages. Both points were shown in the paper. There are two possible scenarios for the future of the Kyoto Protocol that were presented above. The paper also evaluates the feasibility for Kazakhstan to participate in any of these two scenarios. It concludes that in any case, voluntary commitments of the country may serve as the starting point to strive for in order to reduce emissions of GHGs in Kazakhstan. In addition it seems more reasonable for the Government of Kazakhstan to accept simultaneously positive decisions with regard to both possible outcomes for the post-Kyoto period. Being the only instrument today that obliges countries to a certain valuable GHG reducing commitments it should exist.

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