

## **Annex I**

### **Submission by the Government of Canada**

#### **Views on a common tabular format for the “UNFCCC biennial reporting guidelines for developed countries”**

August 2012

Following conclusions reached at the 36<sup>th</sup> session of SBSTA, Parties were invited to submit their views on the development of a common tabular format for biennial reporting guidelines. Canada welcomes this opportunity, and is submitting the following views for consideration in upcoming discussions on this item at SBSTA 37, as well as the October 2012 workshop on a common tabular format for the UNFCCC biennial reporting guidelines for developed country Parties.

A robust international system of measurement, reporting and verification (MRV) will be an important element of a future international climate change agreement. Canada is encouraged by the recent agreement by all Parties to enhance the MRV of their emissions and actions taken to address climate change, as well as the MRV of financial, technological and capacity-building support provided and received. These enhanced measures will facilitate comparability and contribute to our understanding of all countries' actions, allowing for the greater transparency, accountability and trust necessary to encourage and enable enhanced mitigation ambition by all Parties going forward.

Canada fully supports transparent disclosure and regular reporting of emission projections associated with mitigation actions. In fact, in addition to the National Inventory Report, Canada has started annual reporting of emission projections, most recently published in a report called, *Canada's Emissions Trends 2012*.<sup>1</sup>

Biennial reports (BR) are a key component of this enhanced MRV framework, and will provide more transparent and frequent reporting of countries' mitigation actions and their impacts, as well as transparency of the support Parties provide and receive to address climate change. Overall, from Canada's perspective, a common tabular format for developed country biennial reports should adhere to the following criteria:

- be consistent with the agreements taken on BR guidelines at COP 17;
- be structured in a clear, straightforward manner and facilitate comparisons at a high level while also allowing Parties the flexibility to capture a broad range of mitigation actions in accordance with national circumstances; and
- be supported, where appropriate, by sufficient descriptive information in the text so as to minimize ambiguities around data interpretation.

At SBSTA 36, Parties identified the paragraphs of the biennial reporting guidelines (Annex I to decision 2/CP.17) that should be reflected in a common tabular format (i.e., paragraphs 2, 5, 6, 9, 10, 11, 17, 18,

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<sup>1</sup> The 2011 and 2012 *Canada's Emissions Trends* reports can be found at:  
<http://www.ec.gc.ca/Publications/default.asp?lang=En&xml=253AE6E6-5E73-4AFC-81B7-9CF440D5D2C5>

22 and 23). Canada supports this selection. Parties also identified additional paragraphs of the biennial reporting guidelines for which tables may be prepared, pending further discussion. In addition to the general principles outlined above, Canada would like to convey the following specific views on the mitigation and support elements of the common tabular format. Our comments are organized by the relevant section of the biennial reporting guidelines and occasionally reference the proposed tables or common tabular formats contained in the non-paper issued in Bonn during the discussions held at SBSTA 36.

## **Mitigation Tables**

Canada believes it is important that BR mitigation tables are structured to be clear, straightforward and facilitate comparisons among Parties at a high level, while also allowing Parties the flexibility to capture a broad range of mitigation action in accordance with national circumstances.

### *Section II. Information on GHG Emissions and Trends. (Paragraph 2)*

According to the BR guidelines, the common reporting format (CRF) table from the Parties' national inventory submissions should provide appropriate summary information on GHG emissions and emissions trends from 1990 to the latest year. As such, Canada recommends the use of CRF Table 10 - Emission Trends Summary (Sheet 5, Table 10s5) from the reporting guidelines on annual inventories as the basis for providing the information outlined in paragraph 2 of the BR reporting guidelines in the clearest manner. Using this table also helps ensure that emissions and trends information have been prepared in accordance with UNFCCC Annex I inventory reporting guidelines and have been assessed by expert reviewers eliminating the need for further review.

### *Section III. Quantified economy-wide emission reduction target. (Paragraph 5)*

The table for paragraph 5 of the BR guidelines should be a clear table with rows that are consistent with sub-points (a) through (f) of paragraph 5. This is consistent with proposal 1 of the non-paper. Proposal 4 (non-paper, page 12) provides a model for this approach and was the format chosen by Canada for its clarification of target submission in April, 2012.<sup>2</sup> This format allows for full transparency as well as flexibility for different circumstances and approaches.

### *Section IV. Progress in achievement of quantified economy-wide emission reduction target. (Paragraphs 6, 9 and 10)*

#### *Paragraph 6: Mitigation Actions and their effects*

Paragraph 6 of the BR guidelines requests that each Annex I Party provide information on its mitigation actions and that, *to the extent appropriate*, this information should be presented by sector and by gas. In Canada's view, this table should closely model table 1 from the Annex I national communication guidelines ("Summary of policies and measures") so as to be reported consistently every two years, whether this be in the biennial report or the national communication.

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<sup>2</sup> Canada's submission is contained in the following document: FCCC/AWGLCA/2012/MISC.1/Add.2.

Canada proposes the following table for paragraph 6:

Name of Policy or Measure*	Objective and/or Activity Affected	GHG Affected	Type of Program/Instrument	Status**	Implementing entity	Sector Affected	Estimate of mitigation impact in CO2 equivalent ***	
							2020	2030
Sample Measure A								
Sample Measure B,								
Sample Measure C, etc.								

\* These are examples of measures at the national, state, provincial, regional or local level, permitting a full presentation of all substantive actions. See text of the Biennial Report for more details.  
 \*\* Whether program is implemented, adopted or planned, date started or set to end, etc.  
 \*\*\* Where available. Note from what baseline emission estimates are calculated, e.g., from base year; from BAU; from start date of policy; other. Estimates can be for a particular year, or cumulative of a period of years if so specified.

In Canada's view, the table should present each Party with the opportunity to report major policies and measures undertaken by a Party under its various jurisdictions (e.g., federal, state, provincial, regional, local) in accordance with national circumstances and at a level of detail that permits a full presentation of all substantive actions. Where appropriate, the text of the BR can provide a more comprehensive narrative description of Parties' policies and measures.

Canada supports a table resembling table 1 from the national communication guidelines as well as Proposal 1 (on page 13) in the non-paper as illustrated above. Canada also supports the suggestion for drop-down menus and filter functions (in an electronic format) so that the measures and policies can be sorted by sector or gas, as appropriate for each Party. Although the reporting of the mitigation impacts of policies and measures is not explicitly required by the BR guidelines, Canada views the reporting of mitigation impacts under table 1, where available, as important, and accordingly stresses the need for Parties to report estimated mitigation impacts in a manner that is most relevant to each measure, methodologically transparent, and accommodating of different national circumstances and policy approaches (e.g., where multiple sub-national jurisdictions coordinate actions on a single emissions source, each Party would require the flexibility to decide on the best methodological approach for aggregation and attribution of the mitigation impact estimate to reflect particular circumstances, accompanied by clear explanations of the methodology adopted). Canada also recognizes that the projections reported in the table accompanying paragraph 11 of the BR guidelines will provide the comprehensive national emissions estimates for future years, taking into account interactive effects across policies and measures that may be included in table 1.

Canada notes that inclusion of *planned* measures should be done in a manner that accommodates the fact that, in some cases, decisions on key parameters such as stringency, coverage, design, timeline for implementation and compliance flexibility have not yet been made. As such, in order to ensure that reported information on mitigation impacts is of the highest possible quality, Parties that choose to report on planned measures – including their estimated emissions reductions – should seek to focus their emission reduction estimates only on cases where key parameters have been sufficiently determined to permit sound estimates to be generated.

*Paragraphs 9 and 10: Estimates of emission reductions and removals and the use of units from the market-based mechanisms and land use, land-use change and forestry activities.*

Many Parties are still in the early stages of developing estimates for LULUCF subsectors where data is available and are still determining the specific accounting approaches that will be used to measure emissions and/or removals from the LULUCF sector, including the specific activities and/or land that will be accounted. There have not been decisions taken by the COP on LULUCF accounting approaches that would apply to all Parties or allow for a common tabular format at a detailed level. As such, Canada would support a table in which only the total annual emissions/removals from the LULUCF sector would need to be reported. However, Parties should be encouraged to report on the contribution of LULUCF emissions/removals at a finer level of detail whenever appropriate. (For example, in its most recent *Emissions Trends* report, Canada estimates the anticipated contribution of forest management, cropland management, deforestation and afforestation.) Such a table could also include a straightforward way of reporting the use of units from market-based mechanisms.

#### *Section V. Projections*

Paragraph 11 of the BR guidelines requests that Parties report on their updated projections for 2020 and 2030, consistent with the Annex I national communication guidelines which require reporting of a “with measures” projection. Parties may also report “without measures” and “with additional measures” projections.

Canada feels that information about emission projections to the 2040 and 2050 period, as some Parties have suggested, should be approached cautiously so as to not compromise the overall integrity of the reporting provided under MRV. From Canada’s perspective, the level of accuracy of projections begins to decrease considerably beyond 2030. For those Parties that do decide to report over this extended timeframe as supplementary information in their BRs, clear methodological explanations should be provided, as well as appropriate caveats with respect to the level of uncertainty associated with the estimates.

Canada proposes a table such as the one below as the core common reporting format for the BR for paragraph 11, and remains open to reporting, as supplementary information, on projections beyond 2030 under the caveats noted above.

**Summary Table - Greenhouse Gas Emission Projection Scenarios (Tg Co<sub>2</sub> eq)**

	Historic					Projected	
	1990	1995	2000	2005	2010	2020	2030
Emissions – Assuming No Government Measures (Without Measures Scenario)*							
Emissions – With Existing Government Measures (implemented and adopted)							

Emissions with additional measures (projected only) **	N/A	N/A	N/A	N/A	N/A		
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The National Communication guidelines on projections also require that projections be reported “on a sectoral basis, to the extent possible, using the same sectoral categories used in the policies and measures section.” In the policies and measures section, the national communication guidelines state that, “to the extent appropriate, the following sectors should be considered: energy, transport, industry, agriculture, forestry and waste management.” Canada supports this direction, as it assures the presentation of common sector definitions at a high level such that comparisons across Parties can be performed, while permitting Parties the flexibility needed to present sub-sector details in a manner consistent with particular national circumstances. Clear explanation of all sector and sub-sector aggregations would be important to ensure appropriate transparency and accuracy for all estimates presented.

As such, Canada proposes the following table for paragraph 11 but would also support a table such as Proposal 5 on page 21 of the non-paper in which the sectors can be defined by each Party.

Historic and Projected Emissions by Sector*								
	Historic (Tg Co <sub>2</sub> eq)						Projections (Tg Co <sub>2</sub> eq)***	
	1990	1995	2000	2005	2010	20xx**	2020	2030
Sector 1								
Sector 2								
Sector 3								
Sector 4								
Sector 5								
Sector 6								
Sector 7								
Total (w/o LULUCF)								
Total (w/LULUCF)								

\* Sub-sector definitions to reflect national circumstances, with sufficiently detailed explanation to permit clear understanding of linkages to other sector and sub-sector aggregations that may be employed elsewhere by the Party or UNFCCC.  
\*\* Optional to report historical emissions on more current year (e.g., 2012)  
\*\*\*Projections reflect implemented and adopted policies and measures.

## *Section VI. Provision of financial, technological and capacity-building support to developing country Parties.*

### **Support tables**

In Canada’s view, the finance tables developed for paragraphs 17, 18, 22 and 23 should be clear, concise, and should leverage existing reporting tools to ensure consistency and avoid double-counting. These tables should also be flexible enough to allow countries to reflect their national circumstances while capturing a broad range of support provided.

Canada is supportive of tables that clarify both developed countries’ bilateral and multilateral climate finance contributions. In Canada’s view, this biennial reporting exercise should contribute to a more complete picture of broader financial flows to recipients. With this in mind, Canada believes it would be

useful to invite multilateral development banks (MDBs), international financial institutions and other organizations providing climate-related support to report their disbursements in a manner that is consistent with guidelines that apply Parties for the biennial reports and national communications. This complementary information would allow Parties to more accurately compile aggregate financial flows of climate finance and contribute to a better understanding of flows and results over time by type, geographic area, sector, etc.