

## **Submission by the Gambia on behalf of the least developed countries (LDCs).**

### **DRAFT**

#### *Work programme on a common reporting format for the "UNFCCC biennial reporting guidelines for developed country Parties"*

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The LDCs believe that the UNFCCC biennial reporting guidelines for developed country Parties agreed in Durban (decision 2/CP.17) enhance the current Convention reporting guidelines that exist by providing biennial reports in between the 4 yearly national communications. However, the LDCs would like to note that although these MRV provisions under the Convention are enhanced, they do not provide the same level of comparability for all Annex I countries with regard to reporting and review provisions that exist under the Kyoto Protocol. Furthermore these biennial reports (BR) cannot be seen to replace annual reporting obligations of developed countries.

The LDCs believe that much more work needs to be done to improve the MRV provisions under the Convention. The Durban Outcome is a first step in that process. The LDCs look forward to ensuring that these enhanced MRV provisions deliver the objectives set out in the Annex of the *biennial report* guidelines including that of consistency, transparency, comparability, accuracy and completeness of information as well as the essential requirement of verification that is essential for ensuring the reliability and robustness of reports from all countries.

The importance of these objectives is crucial for an effective reporting system, they must be:

- **Consistent** – with scientific principles and guidelines of carbon processes and institutional context;
- **Transparent** – assumptions and methods are clearly explained and communicated so that they can be replicated;
- **Comparable** – across Annex I Parties and over time;
- **Accurate** – unbiased estimates that are not under or overstated (different to precision which includes uncertainties);
- **Complete** – of all applicable sources and sinks defined by the provisions of the Convention;
- **Verifiable** – built on proper data collection, measurement and reporting procedures.

Furthermore, the LDCs would like to state that these objectives are important in considering the common accounting rules for developed country parties in the

ADP. With regard to this, the work done under SBSTA to enhance the MRV provisions under the Convention, should not prejudice any discussion on negotiating robust common accounting rules with strong verification procedures in the new climate treaty for developed country Parties. Lessons should be learnt from both the Convention procedures as well as the Kyoto Protocol where effective MRV provisions exist that ensures the reliability and robustness of all Kyoto units.

The LDCs believe that there should be a sufficient number of tables, which correspond to the guidance given in Durban for Biennial Reporting by developed country Parties (Annex 1 to decision 2/CP.17). These tables should enhance the current National Inventory Report as well as National Communications by providing detailed and specific information, particularly in the areas of provision of financing, technology and capacity building. Furthermore, Parties need to flag where the potential for double-counting occurs whenever this arises.

Furthermore, the LDCs believe that a lot of time has been spent on preparing the “Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories”) hereinafter referred to as the UNFCCC Annex I inventory reporting guidelines and these CRF tables should be consistent with these guidelines as well.

***Table 1: related to para 5 (a-c) of Annex I to decision 2/CP.17***

This paragraph includes a description of the target. This should include base year, gases and sectors and global warming potentials (GWPs).

The base year should include 1990 as well as any reference year that Parties have selected for their target.

The gases covered should include the following seven (7) gases as agreed in the UNFCCC Annex I inventory reporting guidelines, providing disaggregated data by chemical:

Greenhouse gases

Carbon dioxide (CO<sub>2</sub>)

Methane (CH<sub>4</sub>)

Nitrous oxide (N<sub>2</sub>O)

Hydrofluorocarbons (HFCs)

Perfluorocarbons (PFCs)

Sulphur hexafluoride (SF<sub>6</sub>)

Nitrogen trifluoride (NF<sub>3</sub>)

As well as the additional gases reported COC, NO<sub>x</sub>, NMVOCs, SO<sub>x</sub>.  
The UNFCCC Annex I inventory reporting guidelines also include the gas NF<sub>3</sub>, which was not included in the UNFCCC BR guidelines simple because there was no time to cross-check other relevant decisions.

The sectors covered should include: Energy, Industrial processes and product use, Agriculture, LULUCF, Waste as well as international aviation and international maritime emissions and CO<sub>2</sub> emissions from biomass. All sub-categories should also be included so it as detailed as possible. Furthermore, there must be a summary of CO<sub>2</sub> emissions from LULUCF as well as CO<sub>2</sub> removals from LULUCF and a GHG total with LULUCF and without LULUCF.

For the first biennial report, Parties should keep GWP values currently used, however from 2015 onwards the GWP values should be taken from the AR4 as agreed in the decision 15/CP.17 on the Revision of the UNFCCC reporting guidelines on annual inventories for Parties included in Annex I to the Convention.

In addition, the LDC group would like to recommend that to the extent possible, the Table 1 should allow for data to be as comparable as possible with data provided under the KP, so as to get maximum comparability and coherence in reporting of developed countries as possible, whether parties to KP or not <sup>1</sup>.

***Table 2: related to para 5(d) LULUCF***

This table should include emissions and removals from the LULUCF sector similar to the Convention reporting as there are currently no rules yet agreed for counting emissions and removals from this sector.

***Table 3: related to Para 5(e) market mechanisms***

Only those units from market-based mechanisms under the UNFCCC should be included in this table. This should not include Kyoto units as these are tracked in the national registries of Kyoto parties and verified by the international transaction log under the Kyoto Protocol.

***Table 4: related to section V. para 11 and 12 projections***

Projections should be provided based on Part II: UNFCCC Annex I reporting guidelines on national communications as stipulated in the BR guidelines. Projections in this table should be for each sector and gas. Parties should report interim years for projections, including with additional measures that parties are

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<sup>1</sup> The group is aware that the Convention reporting is different to Kyoto accounting especially with regard to LULUCF.

planning to implement. The interim years could include 2015 and 2025 in addition to the 2020 and 2030.

Furthermore, the information provided in this table should enable an assessment of the trends of greenhouse emissions into the future. This table should enable countries to consistently and with increasing accuracy report on projections which is currently not the case in National Communications. Understanding the level of emissions currently but also in the future is essential in terms of managing the emissions.

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

There are two major requirements for the provision of financial, technological and capacity-building support to developing country Parties, 1. all New and Additional financing must be identified and explained how it is new and additional for each BR and 2. any funds that are double-counted are highlighted in a footnote with a clear explanation. In addition, each table could require developed countries to explain how much of the climate finance is also used to meet existing other pledges or commitments (e.g. the 0.7% ODA target)<sup>2</sup>.

For each of the tables below for finance (tables 6-10) a column should be included for the type of instrument used in the provision of their assistance such as grants and concessional loans or any kind of public fund used to leverage and incentivise private funds<sup>3</sup>, by clarifying the net amount leveraged and what constitutes this leverage. Furthermore, the finance reporting should not be limited to only these tables, if additional tables provide added value in disclosing further information such as more detailed information related to adaptation and mitigation.

#### ***Table 5: Finance table related to para 17***

This table should include the two previous years of financial reporting and enable a cumulative amount of funding to be reported for subsequent biennial reports. This first finance table should be a summary table for all the financial provision tables.

This table should also include columns with financial support pledged, committed and provided to both adaptation and mitigation for each of the years for reporting (as rows). This table should also include funding allocated for

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<sup>2</sup> The group is fully aware of the fact those information might provide from two different processes, however recommend this approach for enhanced transparency.

<sup>3</sup> The group understand the role that the private funds can play in supporting climate change mitigation actions, however this sources of fund should never replace or supplement the public funds.

economic and social consequences for response measures, technology development and capacity-building.

For comparability sake of the reporting system, one needs clarity on what exactly countries report: finance *committed* or finance *allocated* in a given year. The LDCs suggest that this table includes *both*. In addition, all fractions of finance committed in year x should have to actually be transferred in the same year. Otherwise, the table should include a clear disbursement table of finance committed for a given biennial report time frame. Furthermore, LDCs are of the view that the table should provide an understanding of financial *transfers* in a given year that are the result of commitments made over the preceding years. For multilateral finance, actual allocation into funds should be reported for the year in question. In addition, all tables below should have two columns, with one floating “total finance” and the other “of which considered climate finance as per Article 4 UNFCCC”.

In order to ensure the needed transparency reliability and traceability of the finance support provided, each adaptation projects financed should be coded - following an international coding system of adaptation, -as to differentiate and screen the adaptation components of the standard development projects, with the view of understanding, what accurately climate finance is out of a given development project.

***Table 6: Finance table related to para 17(a)***

This table should identify the financial contributions for adaptation, mitigation, response measures, capacity building and technology for each of the funds under this sub-point.

This table should also include separate rows for adaptation and mitigation contributions from the financial mechanisms under the Convention with the contributions pledged, committed and provided in columns for each of the years as above: Global Environment Facility, the Adaptation Fund<sup>4</sup>, the Least Developed Countries Fund, the Special Climate Change Fund, the Green Climate Fund and the Trust Fund for Supplementary Activities

***Table 7: Finance related to para 17 (b-d)***

This table should identify the financial contributions for adaptation, mitigation, response measures, capacity building and technology for each of the funds identified under these sub-points: the multilateral climate change funds, institutions including regional banks, Specialised UN bodies,

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<sup>4</sup> Although, the AF is under KP it remains a financial instrument of the convention.

***Table 8: Finance related to para 17 (d-e)<sup>5</sup>***

This table should identify the financial contributions for adaptation, mitigation, response measures, capacity building and technology for each of the funds identified under these sub-points: Contributions through bilateral, regional and other channels.

***Table 9: Finance related to para 18 (a-f)***

The sub-points should each have their own rows. This table should also differentiate between loans and grants, and for loans require reporting of the grant equivalent of loans.

***Table 10: Finance related to private financial sources***

Private financial flows by bilateral climate finance for adaptation and mitigation.

***Table 11: Technology development related to para 22***

These tables should provide information in the area of mitigation and adaptation from both public and private sources.

This will be about para 19 and should require specific information on what activities were undertaken by the developed country and how they see this meet the requirement of “mobilisation” as per the 100-billion-commitment. In doing so, developed countries should flag any kind of public fund used to leverage and incentivise private funds, by clarifying the net amount leveraged and what constitutes this leverage.

A summary table could provide the overarching information and additional tables be prepared to examine in further detail the funding for technology developed related to adaptation and different sectors where Parties fund adaptation related technology development (Table 11.1). The same can happen with mitigation related technology development (Table 11.2)

It is also essential that those funding that provides for example mitigation and technology development are allocated to one area so that double-counting is clearly addressed in a footnote.

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<sup>5</sup> It will be useful for countries to have specific table on bilateral climate finance – with two separate columns, one on finance committed bilaterally in a given year, and the second on finance transferred in that same year (resulting mostly from commitments made in earlier years). Beyond the aggregate figures, a project list should be included (refer to the EU fast start finance report) indicating what projects donor countries consider “climate finance”.

***Table 12: Capacity building related to para 23***

This table should provide information in the area of mitigation and adaptation for capacity-building of individual measures and activities.

A summary table could provide the overarching information and additional tables be prepared to examine in further detail the funding for capacity-building related to adaptation and different sectors where Parties fund adaptation related capacity-building (Table 12.1). The same can happen with mitigation related capacity-building (Table 12.2).