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English only

UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

**Ad Hoc Working Group on Long-term Cooperative Action  
under the Convention**

**Fourteenth session, part four  
Durban, 29 November 2011—\***

Agenda item 3.2.1

**Nationally appropriate mitigation commitments or actions by developed  
country Parties**

**Views on the items relating to a work programme for the  
development of modalities and guidelines listed in  
decision 1/CP.16, paragraph 46**

**Submissions from Parties**

**Addendum**

1. In addition to the 21 submissions contained in document FCCC/AWGLCA/2011/MISC.6 and Add.1–4, 12 further submissions have been received.
2. In accordance with the procedure for miscellaneous documents, these submissions are attached and reproduced\*\* in the language in which they were received and without formal editing.

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\* The fourth part of the session will be held in conjunction with the seventeenth session of the Conference of the Parties (COP). The Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) will present the results of its work to the COP for consideration as per decision 1/CP.16, paragraph 143. The closing date of the session of the AWG-LCA will be determined in Durban.

\*\* These submissions have been electronically imported in order to make them available on electronic systems, including the World Wide Web. The secretariat has made every effort to ensure the correct reproduction of the texts as submitted.

**FCCC/AWGLCA/2011/MISC.6/Add.5**

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\* This submission is supported by Albania, Croatia, Iceland, Montenegro, Serbia and the former Yugoslav Republic of Macedonia.

## **Input by Africa Group on mitigation nonpapers**

[http://unfccc.int/meetings/ad\\_hoc\\_working\\_groups/lca/items/6223.php](http://unfccc.int/meetings/ad_hoc_working_groups/lca/items/6223.php)

Recalling its proposals in documents FCCC/AWGLCA/2011/CRP.19 and FCCC/AWGLCA/2011/CRP.20, the Africa Group hereby provides further input on text under consideration by the AWG - LCA on agenda items 3.2.1 and 3.2.2. Flexibility and restraint has been exercised in again presenting proposals of importance to the Group, in the context of the texts prepared by the co - facilitators, where these are not fully reflected.

Specific textual inputs are indicated between inverted commas (. ..), and structural suggestions in *bold italics*, for each text.

### **3.2.1 Nationally appropriate mitigation commitments or actions by developed country Parties**

#### **Discussion on matters relating to paragraphs 36 - 38 of the Cancún Agreements**

[At the end of the paper, include a new section]

#### **“Textual Proposals**

#### **Level of ambition and contribution by Annex I Parties to the global goal**

10. *Decides* to establish, in order to understand pledges, a process on Annex I Parties. quantified emission limitation and reduction commitments (QELRCs), building on the workshops held during 2011 and the technical paper mandated by decision 1/CP.16 and prepared by the Secretariat;

11. *Agrees* that QELRCs for Annex I Parties that are not party to the Kyoto Protocol shall be translated assigned amounts or carbon budgets under the Convention, representing an amount of tons of CO<sub>2</sub>- eq over a period of time in a manner that is comparable to QELRCs undertaken by Annex I Kyoto Parties under the Kyoto Protocol. Carbon budgets shall be reflected in legally binding form;

#### **Comparability among Annex I Parties targets, compliance and rules**

*Pursuant* to decisions 1/CP.13 and 1/CP.16;

12. *Agrees* the comparability of efforts among Annex I Parties shall be established through the process of international assessment and review, operationalized through the review panel (see IAR), which shall assess:

- a. Comparability of commitments (QELRCs);
- b. Comparability of compliance and consequences of the multi-lateral review under IAR;
- c. Comparability of multi-laterally agreed rules for accounting of assigned amounts (carbon

budgets), LULUCF and mechanisms.”

**Possible elements of draft decision for adoption of the guidelines for biennial reports of developed country Parties**

*Place brackets around the words .(to be defined). in paragraphs 30 and 33* and add the text “[as defined in Appendix 1 to this decision].

In paragraph 32, replace “Parties can” in the first line with “Parties shall”; and add the text at the end, replacing the full stop (after ‘specific sectors’ with a comma and adding “technologies and, for activities with multiple benefits, providing a separate amount of finance for climate change.

Add a new paragraph after para 32,”

33. Developed country Parties shall report the underlying assumptions and methodologies in producing the numbers filled into the common reporting format for finance in a rigorous, robust and transparent manner..

[At the end of the paper on biennial reports, include the following table and its notes]

**Appendix 1**

**Indicative common reporting format (CRF) table for enhanced reporting by Annex I Parties on finance**

Define New & Additionnal :									
Recipient country	Funded actions*	Activity	Amount of financial support provided for one given year (in original currency and USD)**		ODA financial support counted towards ODA commitments	Amount of financial support anticipated (in original currency and USD)	Sector	Financial channels through which the support has been provided***	The financial instrument****
			Pledged	Disbursed					
	Adaptation								
	Mitigation								
	Capacity building								
	Technology development and transfer								
	Development of reports by non- Annex I Parties including inventories, biennial reports, biennial report updates, national inventory reports and national adaptation plans								

\*For programs and activities with multiple components, specify the support or portion of support for each component

\*\* Precise whether the financial support is for incremental or full costs, consistent with Article 4.3 of the Convention

\*\*\* Examples:

- UNFCCC Financial Mechanism

- GEF

- other multi-lateral channels

- regional channels

- bi-lateral channels

- international private investment flows including leveraged funds, international bank lending, public debt, portfolio equity holdings, foreign direct investment

\*\*\*\* Grants; loans (concessional portion and market-interest) ; guarantees; equity; leveraged funds.

**Possible elements of draft decision for adoption of modalities and procedures for international assessment and review**

*In the heading of Section IV, add an option to title this section [“Multilateral review Process”]*

Add a new sub-paragraph after 10(b)

“Supplementary information on achievement of quantified economy-wide emission reduction targets, including the role of land use, land-use change and forestry, and carbon credits from market-based mechanisms.”

Add new paragraphs after the existing para 11

12. IAR shall be undertaken annually, ensuring that the progress in achieving quantified emission limitation and reduction commitments for individual Annex I Parties is undertaken every 2 years;

13. The multi-lateral review process under the SBI shall constitute the review of IAR, shall assess progress in the achievement of QELRCs, and consequences may flow from the review

Add a new sub-paragraph after 14(i)

j. a review of comparability of efforts among Annex I Parties, leading to a report to the COP and CMP for consideration and possible action;

Add new paragraphs after the existing para 14.

14. If the IAR process finds that a Annex I Party is not on a pathway to meet its QELRC, it shall:
- a. Engage in a facilitative process to engage the Party concerned and assist it in taking remedial action or, failing that;
  - b. Lead to consequences, including suspension of eligibility from mechanisms and increases in the QELRC of the Party.

## **Discussion on matters relating to paragraphs 48 - 51 of the Cancún Agreements**

[At the end of the paper, include a new section]

### **“Textual Proposals**

12. *Agrees* that the registry shall be structured in a manner that allows for the full range of diversity of nationally appropriate mitigation actions.”

### **Possible elements of draft decision to be included in the Registry**

*In paragraph 8, place brackets around ‘(a)’ in the first sentence; and brackets around the second sentence. Add further sentences at the end of the paragraph:*

“Only nationally appropriate mitigation actions submitted by non - Annex I Parties expressly for the purpose of inclusion in the registry shall be so included by the Secretariat. Document FCCC/AWGLCA/2011/INF.1 shall be updated when new aggregate nationally appropriate mitigation actions have been submitted by developing country Parties pursuant to paragraph 50 of the Cancún Agreements.”

### **Possible elements of draft decision text for adoption of modalities and procedures for international consultation and analysis**

*In paragraph 2(h), place brackets around the words ‘contained in document FCCC/AWGLCA/2011/INF’, and add immediately before the bracketed phrase the words ‘domestically supported’...mitigation actions.*

In paragraph 16(b), add the words “as part of national communications from Parties not included in Annex I to the Convention.”

After paragraph 16, add a new paragraph

“ICA shall be undertaken biennially, ensuring that the progress in implementing mitigation actions for individual Annex I Parties is undertaken every 4 years.”

*In paragraph 17, place brackets in sub - para (a) around the words ‘One to three hours session of’, and*

*in (b) around the words ‘within a specified time period, for example, two weeks’*

In paragraph 18(b), add at the end “in consultation with the Party concerned”

**Submission under the Cancun Agreements | 21 October 2011**  
**Text proposals on agenda items 3.2.1 and 3.2.2 | AWG-LCA**

**I. Overview**

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Australia thanks the Chair, Vice-Chair and Facilitators for their efforts and welcomes the opportunity to provide text proposals on agenda items 3.2.1 and 3.2.2.

Attached are specific, concise drafting proposals to the Co-Facilitators' non-papers covering:

- Paras 36-38 and paras 48-51 (at Attachment A)
- International Assessment and Review (IAR) and International Consultation and Analysis (ICA) (at Attachment B)
- Registry (at Attachment C)

Australia also welcomes the Co-Facilitators' non-papers on biennial reports for Annex I and non-Annex I Parties and considers that these notes should form the basis for negotiations in Durban.

**II. Matters relating to paras 36-38 and 48-51 of the Cancun Agreements**

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Australia considers that issues relating to paras 36-38 and paras 48-51 fall into three main elements: clarification, accounting and transparency, and ambition. These elements could provide a useful structural basis for the text, as follows:

- *Clarification and understanding of quantified economy-wide emission reduction targets and nationally appropriate mitigation action*, covering
  - A request to Parties to make further submissions, in a standard template of additional information regarding their targets and actions; and
  - Regular updates to the INF documents in paras 36 and 49 to reflect this new information.
- *Accounting and transparency*, covering
  - High level principles and guidance for a common accounting framework consisting of common elements, coupled with flexibility to allow countries to maximise their mitigation efforts and take account of national circumstances and capabilities; and
  - A work program to develop these common elements.
- *Ambition*, covering
  - An acknowledgement that current efforts by developed and developing countries are not sufficient to meet the 2 degrees or lower global goal;
  - Recognition that further work on clarification of targets and actions, as well as biennial reports and IAR and ICA, will help build the confidence developed and developing countries need to scale up ambition. As will establishing the registry focused on facilitating matching support to actions seeking support; and



- Establishment of a process to scale up individual targets and actions over time, linked to the 2013-2015 Review.

Drafting proposals for these elements are at [Attachment A](#).

### **III. Modalities and procedures for IAR and ICA**

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Australia considers the Co-Facilitators' non paper to be a useful basis for negotiations. Australia's drafting proposals on IAR and ICA are aimed at enhancing international understanding and transparency of the mitigation efforts of Parties. They seek to ensure processes are facilitative, flexible, robust and designed to maximise the capacity-building and information-sharing potential of the elements agreed in Cancun.

IAR and ICA are framed as two-step processes of expert review or analysis, feeding into international assessment or consultations.

Drafting proposals for these elements are at [Attachment B](#).

### **IV. Registry**

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Australia considers that a registry decision at Durban should focus on facilitating the matching of support with actions seeking support.

The attached text proposal aim at a decision that establishes a practical, user-friendly design for the registry and provides necessary guidance on implementation. As a first step, the Secretariat is requested to set up a prototype, while a continuing work plan will allow for finalisation of modalities and guidelines. Swift progress on the registry will help deliver on the Cancun Agreements to match actions seeking international support with finance, technology and capacity-building.

Drafting proposals for this element are at [Attachment C](#).

## **Attachment B: IAR and ICA**

### **Modalities and Procedures for International Assessment and Review**

#### **Decision X/CP.17**

*The Conference of the Parties,*

*Recalling* decisions 2/CP.1, 9/CP.2, 6/CP.3 and 33/CP.7 regarding review processes for national communications submitted by developed country Parties, and decisions 6/CP.5, 19/CP.8, 12/CP.9 and 18/CP.10 regarding review of national greenhouse gas inventories submitted by developed country Parties,

*Desiring* to enhance the level of transparency of the mitigation measures of developed country Parties by implementing a robust system of international assessment and review of emissions and removals related to quantified economy-wide emission reduction targets as agreed in decision 1/CP.16,

*Recognizing* that greater transparency will generate confidence among Parties as to the extent and nature of mitigation action being undertaken, and create conditions for the further growth of mitigation ambition among developed country Parties,

1. *Adopts* the modalities and procedures annexed to this decision;
2. *Decides* that international assessment and review will be conducted every two years for each developed country Party, and will be triggered by submission of a biennial report, whether alone or concurrently with a national communication;
3. *Decides* that the first round of international assessment and review should commence following submission of the first round of biennial reports by developed country Parties, and no later than 1 May 2013;
4. *Decides* that all biennial reports submitted in the first round of biennial reporting should be put to international assessment and review;
5. *Decides* to review the modalities and procedures prescribed herein based on experiences gained in the first round of international assessment and review, no later than 2015.

#### **I. Objectives of the international assessment and review process**

1. The overall objectives of the international assessment and review (IAR) process, taking into account the provisions of the existing review guidelines, are:

(a) To provide a facilitative, robust, rigorous and transparent assessment of developed country Parties' progress towards the attainment of their quantified economy-wide emission reduction

targets and their provision of financial, technological and capacity-building support to developing country Parties;

(b) To ensure that the information provided by developed country Parties is consistent accurate, comparable, transparent and complete;

(c) To promote consistency in accounting over time and comparability of efforts among developed country Parties;

(d) To enhance the environmental integrity of the international climate regime;

(e) To build confidence that the mitigation actions of developed country Parties are in line with their quantified economy-wide emission reduction targets;

(f) To create conditions of certainty and confidence among Parties that enable developed country Parties to increase the level of ambition of their commitments;

(g) To promote implementation of mitigation actions of developed country Parties in line with their quantified economy-wide emission reduction targets;

(h) To facilitate the provision of information to the Conference of Parties to assist it in assessing the implementation of the Convention;

(i) To provide input to the 2013-2015 Review and the subsequent periodic review processes.

2. In addition to the overall objectives included in paragraph 1, the specific objectives of the technical expert review are the following:

(a) To provide a thorough, objective and comprehensive technical expert review of information provided in reports referred to in paragraph 6 below for accuracy and conformity with reporting requirements;

(b) To assess progress towards achievement of quantified economy-wide emission reduction targets, and to assess the provision of support;

(c) To promote accuracy, completeness, comparability, consistency and transparency in the review of information;

(d) To identify potential barriers to the achievement of quantified economy-wide emission reduction targets and propose possible solutions;

(e) To promote comparability of effort among developed country Parties;

(f) To assist developed country Parties in improving their ability to achieve their quantified economy-wide emission reduction target and their reporting of information;

3. Further, the specific objectives of the international assessment are the following:

(a) To assess developed country Parties' progress towards achievement of the quantified economy wide emission reduction targets, and their provision of support to developing country Parties in a non-confrontational and facilitative manner;

(b) To promote transparency and build confidence in developed country Parties' progress towards achievement of quantified economy-wide emission reduction targets;

(c) To facilitate an assessment of comparability of effort among Parties;

(d) To create conditions of certainty and confidence that enable developed country Parties to increase their level of ambition;

## **II. Process and scope**

### **A. Process**

4. IAR will be a two-step process, as follows:

(a) A technical expert review, which would not duplicate the annual inventory and national communications review processes for developed country Parties, and which would result in an individual review report for each developed country Party;

(b) An assessment of progress towards the achievement of quantified economy wide emission reduction targets and the provision of financial, technological and capacity-building support to developing country Parties under the auspices of the Subsidiary Body for Implementation;

### **B. Scope**

5. Building on relevant elements of existing review processes, IAR will review and assess, for each developed country Party, the following:

(a) All emissions and removals related to its quantified economy-wide emission reduction target;

(b) Assumptions and conditions related to attainment of its quantified economy-wide emission reduction target;

(c) Progress towards the achievement of its quantified economy-wide emission reduction target;

(d) Its provision of financial, technological and capacity-building support to developing country Parties;

## **III. Technical expert review**

## **A. Inputs**

6. The inputs to the technical expert review are the following:

(a) Biennial report, including the annual greenhouse gas inventory and national inventory report;

(b) Complete national communication, either as submitted concurrently with the biennial report, or any national communication not previously considered that has been submitted since the commencement of the previous international assessment and review cycle for that Party;

(c) Any additional information provided by the Party before or during the review;

(d) In the event that a developed country Party has not submitted a biennial report, or its biennial report and national communication contain insufficient information on its mitigation target and progress towards achieving it, peer reviewed publications and other credible publicly available sources;

## **B. Process**

7. Each developed country Party's biennial report and, pursuant to paragraph 6(b), its national communication, is reviewed as follows:

(a) The technical expert review examines the consistency of the annual inventory with the biennial report and national communication but does not include in-depth examination of the inventory itself<sup>1</sup>;

(b) The technical expert review is conducted in accordance with existing and revised guidelines and procedures under the Convention, and, where relevant, the Kyoto Protocol;

(c) For each Party under review, the Secretariat will select an Expert Review Team comprising five to eight members serving in their personal capacities, from a list of experts nominated by Parties constituted for completing both ICA and IAR processes;

(d) Each Expert Review Team will include no more than one member of the Secretariat professional staff, and at least one inventory expert, and shall be selected so as to achieve balanced representation among developed and developing countries;

(e) The Expert Review Team will undertake the following tasks:

(i) Review overall progress towards achievement of the Party's quantified economy-wide emission reduction target;

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<sup>1</sup> This provision is designed to avoid duplicating or supplanting the existing annual inventory reviews for developed countries, which are in-depth and robust.

(ii) Review the effects of individual mitigation actions;

(iii) Review use of carbon credits from market mechanisms towards the emission reduction target;

(iv) Review provision of financial, technology and capacity-building support to developing country Parties;

### **C. Output**

8. The output of the technical expert review is an in-depth review report for each developed country Party, including any barriers identified by the expert review team to the achievement of the Party's quantified economy-wide emission reduction target, and any suggestions by the expert review team as to possible means of overcoming these barriers;

## **IV. International Assessment**

### **A. Inputs**

9. The international assessment will be carried out on the basis of:

(a) The in-depth review report referred to in paragraph 8;

(b) Biennial report;

(c) National greenhouse gas inventory and national inventory report;

(d) Other information provided by the Party before or during the international assessment;

### **B. Process**

10. Each developed country Party is assessed individually, according to a timetable set by the Subsidiary Body for Implementation;

11. The international assessment shall entail the following:

(a) The Party under review may make a brief oral presentation, followed by oral questions by regional representatives and responses by the Party under review;

(b) The tenor of the session should be respectful, non-confrontational, confidence-building and focused on the content of the biennial report and the in-depth review report;

(c) Any Party may submit written questions through the Secretariat in the two-week period following the session;

(d) The Party under review should respond to these questions, through the Secretariat, within two months;

### **C. Forum for assessment**

12. International assessment for all Parties for which a final in-depth review report has been produced shall be conducted through a dedicated working group session of the Subsidiary Body for Implementation;

13. The Subsidiary Body for Implementation may, if necessary, explore means of optimizing the efficiency of international assessments, including by inviting Parties with similar national circumstances, or which emit less than 0.5 per cent of global emissions up to a combined total of 2.5 per cent, to undergo international assessment together in the same session;

### **D. Outputs**

14. By the session following the international assessment, the Secretariat will prepare a record in respect of each Party under review that includes the following:

(a) In-depth review report;

(b) Summary report of the working group session;

(c) Questions submitted by Parties and responses provided;

(d) Any other observations by the Party under review that are submitted within two months of the working group session.

## WORK OF THE AWG-LCA CONTACT GROUP

### Agenda item 3.2.1

#### Nationally appropriate mitigation commitments or actions by developed country Parties version of 14 October 2011 @ 5PM

*Non-paper by the facilitator*

#### Possible elements of draft decision for adoption of the guidelines for biennial reports of developed country Parties

1. *Adoption* of the guidelines as contained in an annex to this decision.
2. *Decision* on the starting date of the submission of the biennial reports.
3. *Decision* to revise the guidelines to reflect the experience with reporting and review and of any further reporting requirements no later than [ ].
4. [(...)] Decision on the revision of the Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part II: UNFCCC reporting guidelines on national communications (Guidelines for Annex I National Communications) to be completed and presented to the Conference of the Parties at its eighteenth session.

#### Possible elements of draft guidelines for biennial reports of developed country Parties

##### I. Objectives

1. The objectives of these guidelines for preparing the biennial report are:
  - (a) To assist developed country Parties in meeting their commitments for reporting under Article 4 and 12 of the Convention;
  - (b) To promote the provision of consistent, transparent, comparable, accurate and complete information by developed country Parties;
  - (c) To facilitate the international assessment and review (IAR) of emissions and removals related to the achievement of quantified economy-wide emission reduction targets by developed country Parties [and on how they are increasing ~~of~~ the level of ambition ~~of the ambition~~ of the economy-wide emission reduction targets] in their progress to meet their commitments under the Convention;
  - (d) To assist the Conference of the Parties to carry out its responsibilities under the Convention.



## II. Information on greenhouse gas emission inventory trends

2. Developed country Parties shall report summary information on greenhouse gas (GHG) trends by sector, which shall be consistent with that provided in the most recent annual inventory submission, in tabular format (to be defined as per annex Y of Decision XXX). For the period from 1990 up to 2000 [2010], emissions information shall be reported [for five-year increments] [annually]. After [2010] 2000, emissions information shall be provided annually [and shall be consistent with that provided in the most recent annual inventory submission].

3. Developed country Parties shall report summary information on GHG trends by gas and the indicators relevant to GHG emissions and removals in tabular format (to be defined as per annex Y of Decision XXX).

4. Parties shall provide an explanation of these emission trends[, ] and the underlying drivers [and methodologies used and assumptions made].

### 4.bis Parties shall provide information on their national inventory arrangements, including:

(a) The name and contact information for the national entity and its designated representative with overall responsibility for the national inventory of the Party

(b) The roles and responsibilities of various agencies and entities in relation to the inventory development process, as well as the institutional, legal and procedural arrangements made to prepare the inventory

(c) A description of the process for collecting activity data, for selecting emission factors and methods, and for the development of emission estimates

(d) A description of the process and the results of key source identification and, where relevant, archiving of test data

(e) A description of the process for the recalculation of previously submitted inventory data

(f) A description of the quality assurance and quality control plan, its implementation and the quality objectives established, and information on internal and external evaluation and review processes and their results in accordance with the guidelines for national inventory arrangements

(g) A description of the procedures for the official consideration and approval of the inventory.

[5. Parties shall also provide [a brief general][detailed] description of the methodologies used for the annual inventory [and assumptions made.][with a reference to the methodologies elaborated by the Intergovernmental Panel on Climate Change and the accounting rules].]

## III. Economy-wide emission reduction target

6. Each developed country Party shall describe its economy-wide emission reduction targets, [including any conditions or assumptions relevant to the attainment of that target,] as communicated to the UNFCCC secretariat and contained in document FCCC/SB/2011/INF.1/Rev.1 or any update

to that document, among which unconditional domestic target shall be clearly stated excluding any condition to the attainment of that target.

7. The description of the Party's national economy-wide emission reduction target shall include, [in accordance with accounting rules adopted by decision XXX], [as appropriate], the following information:

- (a) The emission reduction target expressed as a per cent reduction in emission levels, the base year and base year level of emissions against which the per cent emission reduction is set, the year in which the target is to be achieved [[,] and emission reduction trajectory: [and] the target shall also be converted into quantified emission [limitation and] reduction commitment and assigned amount] in accordance with the common accounting rules established by decision XXX, [if applicable];
- (b) Gases [and sectors] covered;
- (c) Global warming potential values [used] as defined by Decision XXX;
- (d) Other information, such as interim [or subsectoral] targets, as appropriate.

8. [Each Party shall provide information on the role of the land use, land-use change and forestry (LULUCF) sector in achieving its emission reduction target [based on internationally agreed accounting rules] based on accounting rules agreed by the COP. [This information shall include the following:

- (a) Whether any emissions and/or removals from the LULUCF sector are included in the [base][reference] year emissions for the emission reduction target;
- (b) Whether the accounting approach is activity-based, [as under the Kyoto Protocol, ]or comprehensive land-based;
- (c) [For Parties that are using activity-based accounting, the individual activities that will be accounted for.]]

9. [Each Party shall provide information on its [anticipated] use of carbon [credits][offset units] from multilaterally agreed under the Convention market-based mechanisms in achieving its economy-wide emission reduction target. This information shall include the following:

- (a) A description of each of the sources of carbon [credits][offset units] from multilaterally agreed under the Convention market-based mechanisms;
- (b) The scale of anticipated contributions from each of these sources;
- (c) [For national, bilateral or regional market-based mechanisms, a description of the procedures and arrangements, including rules and methods used to calculate baselines, and verification and tracking systems, to ensure the integrity of carbon [credits][offset units] and to prevent double-counting of [emission reductions][different off-sets];]
- [(d) Share of carbon [credits][offset units] from least developed countries.]]

10. Each Party shall describe [any] all domestic arrangements, including institutional, legal, [legislation and] administrative [procedures] and procedural arrangements for monitoring [or], reporting, archiving information and enforcing progress towards its target. This information shall include the following:

(a) Information about the designated single national entity with overall responsibility for the preparation of the biennial reports, presentation of supplementary information on its design and operation to support compliance with its economy-wide GHG emissions reductions commitments in a timely manner in accordance with relevant decisions of the COP and/or COP/MOP;

(b) Information necessary to assist Parties included in Annex I to facilitate the International assessment, to ensure and improve the quality of their inventories and supplementary information contained in the biennial reports.

(c) Information on process adopted and implemented to ensure the transparency, consistency, comparability, completeness and accuracy of information produced by the domestic arrangements, including on implementing uncertainty assessment and quality assurance/quality control (QA/QC) activities, and carrying out procedures for the verification of the supplementary information and inventory data at the national level.

#### **IV. Progress in the achievement of economy-wide quantified emission reduction targets[ and commitments]**

##### **A. [Mitigation actions and their effects]**

11. Each developed country Party shall provide information on its [the] mitigation actions, including policies and measures it has implemented or plans to implement to achieve its economy-wide emission reduction target. Parties shall organize reporting of mitigation actions by the following sectors: energy industries, energy use in industry, transport, other energy use, fugitive emissions, [transport,] industrial processes, agriculture, land use, land-use change and forestry [and land use,] and waste. Within each sector, Parties shall prioritize the reporting of actions with the most significant mitigation potential. Parties should include a separate text describing cross-sectoral policies and measures.

12. For mitigation actions that have not been previously reported in a previous national communication or biennial report, the Party shall provide a description of each mitigation action, including the following information: name and description of the action; type of mitigation action; objective of the action; sector and gases covered; status of implementation and implementing entity; way in which progress of mitigation action is monitored and evaluated over time [performance indicators and how implementation of the action and its performance will be monitored]; anticipated mitigation effect in 2020; [costs of mitigation action]. The Party shall also provide a list of any mitigation actions that are no longer being implemented.

13. Parties shall summarize information on all [currently implemented and planned] mitigation actions in implementation or planned in a tabular format (to be defined as per annex Y of Decision XXX).

14. Mitigation actions should be presented in the table by sector, and within the sector in decreasing order of the anticipated mitigation effect of the action.

15. Each Party shall provide information on the performance of its mitigation actions in aggregate, in accordance with common accounting rules defined in Decision XXX, including policies and

measures in tabular format (to be defined as per annex Y of Decision XXX). This information shall include the following:

- (a) [Information on performance indicators identified for the mitigation actions listed above;]
- (b) An estimation of the aggregated annual emission reductions achieved by the implementation of the mitigation actions and its contribution to the economy-wide quantified emission reduction target and commitments [relative to carbon budget over a commitment period].

[16. Each Party shall describe the methods and assumptions used to estimate the aggregated effects of its mitigation actions.]

**B. [Use of land use, land-use change and forestry and [credits][offset units] from market-based mechanisms]**

17. Developed country Parties [that apply international transfers of units towards achievement of its target] shall report summary information for each year, beginning with 2010, on holding and transactions<sup>1</sup> of [international credits] [units] from multilaterally agreed under the Convention market-based mechanisms that contribute to or deduct from the achievement of the emission reduction target, in accordance with accounting rules adopted by Decision XXX [denominated in tonnes of carbon dioxide equivalent].

18. Developed country Parties shall report summary information on quantified emission reduction targets and on progress made in achieving emission reductions in an agreed tabular format<sup>1</sup> Transactions include both transfers and acquisitions. (to be defined), [in accordance with accounting rules adopted by decision XXX,] for the base year and for each reported year.

19. [For the base year, information reported on quantified emission reduction targets shall include in accordance with the rules established in Decision XXX:

- (a) Total GHG emissions, excluding emissions and removals from the LULUCF sector;
- (b) Net emissions and removals from LULUCF:
  - [(i) On an activity-by-activity basis for Parties that use [Kyoto Protocol][such] accounting; or
  - (ii) On a comprehensive land-based basis for other Parties;]
- (c) Total GHG emissions including net emissions or removals from the LULUCF sector.
- (d) Its emissions used for the calculation of the target;
- (e) [Its emission target as a percentage reduction of base year emissions;
- (f) Its emission target [ in gigatonnes of carbon dioxide equivalent.]]]

20. [For each reported year, in addition to information included in paragraph 19 (a) to (c), reported information on emission reduction targets shall include, in accordance with the rules established in Decision XXX:

- (a) Total acquisitions of international [credits][offset units] from multilaterally agreed under the Convention market-based mechanisms;

- (b) Total transfers of international [credits][offset units] from multilaterally agreed under the Convention market-based mechanisms;
- (c) [Total . “Accounted emissions and [credits][offset units]”, calculated as the sum of . “Emissions including LULUCF”. minus . “Acquisitions of international credits plus transfer of international credits”];]
- (d) Supplementarity of the use of mechanisms to domestic action.]

## V. Projections

21. Developed country Parties shall provide projections of trends in GHG emissions and removals that reflect current circumstances, and currently implemented mitigation actions [and national accounting methods for LULUCF. Parties are expected to report] The report of [their] projections shall be consistent with the Guidelines for Annex I National Communication and its revisions and consistent with their last national communication with respect to methodologies[,] and assumptions [and trends]. When methodologies and assumptions have changed, these changes are to be documented in the biennial report.

22. At a minimum, developed country Parties shall report a ~~-with measures-~~ projection. The .with measures. projection shall encompass currently implemented mitigation actions. Parties may also provide a .with additional measures. projection that also encompasses planned, but not currently implemented, mitigation actions.

23. Each developed country Party [shall][should] provide GHG projections from the latest inventory year through 2020 [or later][and decadal until 2050], for the following:

- (a) All GHGs aggregated and measured in CO<sub>2</sub>eq [by global warming potentials] across all sectors collectively;
- (b) All GHGs by individual sector in tabular format (to be defined as per annex Y of Decision XXX);
- (c) Gas by gas for CO<sub>2</sub>, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride and other gases to be defined under Decision XXX, in tabular format (to be defined as per annex Y of Decision XXX).

24. Each developed country Party [shall][should] provide the following descriptive information related to these projections:

- (a) A list of mitigation actions included in the projection;
- (b) A description of key assumptions, such as economic and population growth, and international fuel prices, etc., in tabular format (to be defined as per annex Y of Decision XXX);
- (c) Summary of methods, modelling and assumptions and references to where more detailed information can be found;
- (d) If the methods or assumptions used for projections are substantially different from those used in the most recent national communication, an explanation of these differences.

25. Each developed country Party shall also provide an evaluation of the overall projected emissions relative to its emission reduction target and GHG inventory trends. This evaluation shall include the following:

- (a) [Quantification of any projected gap (underachievement) between projected emissions in 2020 and its economy-wide emission reduction target, or any overachievement [and underachievement] of the target;]
- (b) An explanation of the reason for any gap (underachievement);
- (c) A description of any additional steps planned to address this gap (underachievement), including additional mitigation actions and their anticipated total effect [or use of credits from market-based mechanisms or from LULUCF].

26. Parties [may] **shall** also report a .without measures. projection. [If provided, the .without measures. projection should exclude all mitigation actions implemented after the [base year] [year chosen as the starting point for this projection]].

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

27. Developed country Parties shall provide information on their provision of new and additional financial, technological and capacity-building support to developing country Parties. In reporting such information, [to the extent possible], Parties should distinguish between support provided for mitigation activities, adaptation activities and other activities (such as capacity-building).

28. Each developed country Party shall provide a description [of its national approach for tracking] of its [the] provision of financial, technological and capacity-building support to developing country Parties, including to the registry of nationally appropriate mitigation measures, following common reporting formats (to be defined as per annex Y of Decision XXX). This description shall **also** include information on [indicators used and the] particular delivery mechanisms and financial channels tracked.

### **A. Finance**

29. Each developed country Party shall describe how it [seeks to] ensures that the resources it provides effectively address the needs of developing country Parties with regard to climate change adaptation and mitigation.

30. Each developed country Party shall provide information on the financial support it has provided [and facilitated] for the purpose of assisting developing country Parties to mitigate GHG emissions and adapt to the adverse effects of climate change, and for capacity-building in the areas of mitigation and adaptation. To that end, each developed country Party shall provide detailed information in textual format and in tables (to be defined as per annex Y of Decision XXX) on annual contributions for the previous two calendar years to the following:

- (a) The Global Environment Facility, the Clean Technology Fund, the Strategic Climate Fund, the Least Developed Countries Fund, the Special Climate Change Fund and the and Green Climate Fund;

- (b) Multilateral financial institutions, including the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation and the regional development banks;
- (c) Specialized United Nations agencies, including the United Nations Development Programme, the United Nations Environment Programme and the UNFCCC secretariat;
- (d) Bilateral, regional and other channels
- (e) Flows of private funds for [climate-related support] mitigation and adaptation, to the extent possible.

31. Each developed country Party shall provide summary information on annual contributions for the previous five calendar years on financial support that it has provided [and facilitated] for the purpose of assisting developing country Parties referred to in paragraph 30 above in textual format and in a summary table (to be defined as per annex Y of Decision XXX).

32. [In reporting information, in accordance with paragraphs 30 and 31, Parties **shall** [can] categorize funding **for developing countries** as related to mitigation or adaptation according to the criteria [to be agreed by the Conference of the Parties][developed by the Organisation for Economic Co-operation and Development's Development Assistance Committee (DAC)]. [Parties should use the DAC codes for categorizing support by specific sectors.]

33. [Each developed country Party] [Parties] shall provide detailed information, including short textual overview, and [where appropriate,] common [tabular] reporting format (to be defined as per annex Y of Decision XXX), on the assistance provided for the purpose of assisting developing country Parties that are particularly vulnerable to the adverse effects of climate change [and the developed countries mitigation actions] to meet the cost of adaptation to those adverse effects. [Each developed country Parties shall also provide detailed information on the assessment of adverse impacts of their mitigation actions.]

34. [Developed country Parties shall, [to the extent possible,] report [on climate-related activities supported by] private financial flows towards mitigation and adaptation in developing country Parties, including [and shall distinguish between the following:

(a) Private finance catalysed by public policy (e.g. domestic cap-and-trade systems enabling the purchase of carbon credits);]

(b)–Private finance leveraged by public finance (e.g. private investments made possible by government supplied loan guarantees or concessional co-financing);

[(c) Other forms of .green investment. with a principal or secondary climate benefit.]

35. Developed country Parties shall, [to the extent possible], specify the types of instruments used in their national, bilateral or regional assistance, such as grants, loans, guarantees, equity and leveraged funds.

36. [Developed country Parties shall report on investment in mitigation activities under international market-based mechanisms.] [Information should be included on support provided by Parties through purchase by Governments of carbon market units under the UNFCCC and the Kyoto Protocol which are not used for compliance with mitigation targets using a tabular format (to be defined)]

## **B. Technology development and transfer**

37. Each developed country Party shall provide information on measures taken to promote, facilitate and finance the transfer of, access to, and deployment of environmentally-sound technologies in benefit of developing country Parties and to support the development and enhancement of endogenous capacities and technologies of developing countries [and may also provide information on success and failure stories. [Such measures could include participation in multilateral technology initiatives, such as the Renewable Energy [and Energy Efficiency Partnership] or the Asian-Pacific Partnership on Clean Development and Climate].]

38. Each developed country Party shall provide a textual description of individual measures and activities. In reporting these measures and activities, Parties shall clearly distinguish between activities undertaken by the public sector and those undertaken by the private sector. [As the ability of Parties to collect information on private-sector activities is limited, Parties may indicate, where feasible, in what way they have encouraged private-sector activities and how these activities help to meet the commitments of Parties under Article 4, paragraphs 3, 4 and 5, of the Convention. ] Parties shall also indicate whether the activity is related to “hard” or “soft” technologies.

39. Each developed country Party shall summarize information related to technology transfer in tabular format (to be defined as per annex Y of Decision XXX). A separate table shall be provided for each of the previous two calendar years.

## **C. Capacity-building**

40. Each developed country Party shall provide information on how it has enhanced capacitybuilding support to developing country Parties in order to respond to existing and emerging capacitybuilding needs identified by developing country Parties in the areas of mitigation, adaptation, technology development and transfer, and access to financial resources. Information should be reported in a textual format and tabular format (to be defined as per annex Y of Decision XXX), [where appropriate-,] and should include information on how the Parties are:

- (a) Strengthening relevant institutions at various levels, including focal points and national coordinating bodies and organizations;
- (b) Strengthening networks for the generation, sharing and management of information and knowledge, including through North.South [; South.South ]and triangular cooperation;
- (c) Strengthening climate change communication, education, training and public awareness at all levels;
- (d) Strengthening integrated approaches and the participation of various stakeholders in relevant social, economic and environmental policies and actions;
- (e) Supporting existing and emerging capacity-building needs identified in the areas of mitigation, adaptation, technology development and transfer, and access to financial resources.

41. In providing this information, each developed country Party shall report on how it has strived to ensure the effectiveness of its capacity-building support and how it evaluates the effectiveness of this support.



## WORK OF THE AWG-LCA CONTACT GROUP

### Agenda item 3.2.1

#### Nationally appropriate mitigation commitments or actions by developed country Parties version of 14 October 2011 @ 5PM

*Non-paper by the facilitator*

#### Possible elements of draft decision for adoption of modalities and procedures for international assessment and review

1. Recalling relevant decisions;
2. Recognizing the importance of IAR;
3. Adoption of the modalities and procedures as contained in an annex to this decision;
4. Setting frequency; [The IAR process will be conducted [annually][every two years]-for each developed country Party [or will be determined by the Party's share of global greenhouse gas (GHG) emissions.] ] The IAR process includes: a review of annual inventory submissions conducted annually; a technical review and assessment of the biennial report, every two years; and an in-depth review of the National Communication, every four years.
5. Setting start date of IAR;
6. Setting the date for review and revision of the modalities and procedures based on the experiences gained.
7. ~~(...)~~ Considering that the review of guidelines for review of mitigation by developed country Parties will be completed with a view to a decision at COP 18

#### Possible elements of modalities and procedures for international assessment and review

##### I. Objectives of the international assessment and review process

1. The overall objectives of the international assessment and review (IAR) process [taking into account the provisions of the existing review guidelines], are the following:
  - (a) To provide a [non-intrusive][non-confrontational],-robust, rigorous and transparent assessment of developed country Parties' progress towards the attainment of their quantified economy-wide emission reduction ~~targets~~ commitments [and the implementation of commitments for the provision of financial, technological and capacity-building support to developing country Parties];
  - (b) To ensure that the information provided by developed country Parties is consistent accurate, comparable, transparent and complete;
  - (c) To [promote][ensure] consistency in accounting over time [through the common set of rules defined in decision XXX] and comparability of efforts among developed country Parties;
  - (d) To promote the [environmental] integrity of the international climate regime;
  - [(e) To build confidence that the implementation of mitigation actions of developed country Parties are in line with their quantified economy-wide emission reduction targets;]

- (f) [To encourage developed country Parties to increase the level of ambition of their commitments;]
- (g) [To [ensure] that implementation of mitigation actions of developed country Parties are in line with their quantified economy-wide emission reduction ~~targets~~ commitments;]
- (h) [To [ensure] the implementation of low carbon development strategy including target towards the long-term goal for 2050;]
- (i) [To facilitate provisions of information to the Conference of Parties to assess the implementation of the Convention;]
- (j) [To address compliance by Annex I Parties with the methodological and reporting requirements, accounting modalities and eligibility criteria to participate in multilaterally agreed under the Convention market-based mechanisms, **as defined by Decision XXX**, as well as with the achievement of their targets and commitments;
- (k) To provide input to the 2013–2015 and the subsequent periodic review processes.]

2. In addition to the overall objectives included in paragraph 1, the specific objectives of the [technical][expert] [review][assessment] and review are the following:

- (a) To provide a thorough, objective and comprehensive [technical][expert] [review][assessment] of information provided in inputs reports referred to in paragraph 6 below for accuracy and conformity with reporting requirements;
- (b) [To assess the implementation of commitments related to quantified economy-wide emission reduction targets and the provision of support;]
- (c) To promote accuracy, completeness, comparability, consistency and transparency in the review of information;
- (d) [To identify potential gaps or problems in implementation of commitments referred to in paragraph 2(b) above and propose solutions [or adjustments and corrections]];
- (e) [To ensure comparability of efforts among developed country Parties];
- (f) To assist Parties included in Annex I in improving their reporting of information and the implementation of their commitments and targets;
- (g) To provide the COP with a [technical][expert] assessment of the implementation of methodological and reporting requirements, accounting modalities and eligibility criteria to participate in multilaterally agreed under the Convention market-based mechanisms, as well as of the implementation of the mitigation targets and commitments by Parties included in Annex I.

(h) To address compliance by Annex I Parties with the methodological and reporting requirements, accounting modalities and eligibility criteria to participate in multilaterally agreed under the Convention market-based mechanisms as well as with the achievement of their targets and commitments;

3. Further, ~~the~~ specific objectives of the [assessment][ and review] are the following:

- (a) To promote transparency and build confidence in developed country Parties' implementation of commitments [in a non-confrontational and facilitative manner];

- (b) To [assess][review] and [review][assess] the implementation of the quantified economy-wide emission reduction targets commitments and the provision of support;
- (c) To facilitate the [consideration of ][review] comparability of effort among Parties;
- (d) [To encourage developed country Parties to increase the level of ambition of their commitments.]
- (e) To address compliance by Annex I Parties with the methodological and reporting requirements, accounting modalities and eligibility criteria to participate in multilaterally agreed under the Convention market-based mechanisms as well as with the achievement of their targets and commitments;

## **II. Process and scope**

### **A. Process**

4. IAR will be conducted in the following steps:

- (a) A [technical][expert] [review][assessment], ~~where relevant in conjunction with the annual inventory and national communications review process for developed country Parties,~~ which would result in an individual review report for each developed country Party;
- (b) [An [assessment][review] of implementation conducted under the auspices of the Subsidiary Body for Implementation;]
- (c) An [assessment][review] of progress towards the achievement of quantified economy-wide emission reduction targets commitments [and the provision of financial, technological and capacity-building support to developing country Parties] under the auspices of the Subsidiary Body for Implementation;
- (d) [An early warning and adjustment/correction process.]

### **B. Scope**

5. IAR will [review][assess] and [assess][review] [based on the existing review process] for each developed country Party the following:

- (a) All emissions and removals related to its quantified economy-wide emission reduction target commitment;
- (b) [Assumptions and conditions related][Strategies adopted by developed country Parties] to attainment of [their] its quantified economy-wide emission reduction targets;
- (c) Progress towards the achievement of quantified economy-wide emission reduction targets commitments;
- (d) [Its provision of financial, technological and capacity-building support to developing country Parties.]

## **III. [Technical][Expert] [review][assessment]**

### **A. Inputs**

6. The inputs to the [technical][expert] [review][assessment] are the following:

- (a) [Biennial report][Annual GHG inventory and national inventory report];

- (b) [Annual GHG inventory and national inventory report ~~and if applicable, biennial report~~]
- (c) Previous National Communication In-depth review reports, previous annual inventory review reports and previous IAR reports ~~Relevant review reports~~;
- (d) [Option I: Complete national communications ~~in the event that the biennial report is considered as part of the national communication in the year that the national communication is submitted~~] [Option II: Parts of the national communications for which the biennial report is considered as part of the national communication in the year that the national communication is submitted];
- (e) Any additional information provided by the Party before or during the review;
- ~~(f) Peer reviewed publications and other credible sources.~~

## B. Process

7. Option I: [Each developed country Party's biennial report is [reviewed] [assessed], where relevant in conjunction with the annual inventory and national communications review process, as follows:

- (a) The [annual] inventory and national communications review are conducted in accordance with existing [and revised] guidelines and procedures under the Convention[, and [where relevant,] the Kyoto Protocol];
- (b) Supplemental review tasks related to the biennial report are the following:
  - (i) [Assessing overall progress in the implementation of the quantified economy-wide emission reduction target;]
  - (ii) [Assessing progress in the implementation of individual mitigation actions and their effects in order to achieve the quantified economy-wide emission reduction targets];
  - (iii) [Assessing use of carbon credits from market mechanisms and land use, land-use change and forestry (LULUCF) activities towards the emission reduction target;]
  - (iv) [[Review][Assessing] of provision of financial, technology and capacity-building support to developing country Parties.]

Option II: [The review should identify questions of implementation with regard to the inventory reporting requirements, accounting modalities, eligibility criteria to use the market mechanisms, national arrangements and national registries, and allow for adjustments of the provided estimates as appropriate.]

Option III: Each developed country Party.s annual inventory, along with its biennial reports every two years and national communications every four years is reviewed, as follows:

- (a) The inventory and national communications will be reviewed in accordance with existing and revised guidelines and procedures under the Convention, and where relevant, the Kyoto Protocol;
- (b) Other items to be reviewed:
  - (i) Overall progress in the implementation of the quantified economy-wide emission reduction commitment.

(ii) Progress in the implementation of individual mitigation actions and their effects in order to achieve the quantified economy-wide emission reduction commitments.;

(iii) Use of multilaterally agreed under the Convention units from multilaterally agreed under the Convention market mechanisms towards the emission reduction commitment.

(iv) Provision of financial, technology and capacity-building support to developing country Parties.

(c) The review should identify questions of implementation with regard to the inventory reporting requirements, accounting modalities, eligibility criteria to use the multilaterally agreed under the Convention market mechanisms, and national arrangements , and propose adjustments and corrections as appropriate.

#### 8. Options for handling [supplemental] review tasks:

Option 1: Add tasks to the existing inventory review and additional experts to review teams in order to handle supplemental tasks;

Option 2: Creation of standing [review][assessment] teams to support the [review][assessment] of the biennial report;

Option 3: Increase the secretariat's role in supporting the [review][assessment];

Option 4: A combination of the above. For example, the secretariat could provide analysis and comparison of the use of LULUCF and market-based mechanisms across Parties to facilitate the review by existing review teams of accounting and progress towards the target. A standing group of finance experts could perform the review of the provision of support by developed country Parties;

Option 5: An expert review team (ERT) consisting of experts from Annex I and non-Annex I countries, in a balanced manner with different expertise, ranging from finance to GHG inventories.

### C. Output

9. The output of the [technical][expert] [review][assessment] [based on the existing review process] is a [technical][expert] [review][assessment] report(s) for each individual developed country Party.

## IV. [Assessment][Review]

### A. Inputs

10. The [assessment][review] will be carried out on the basis of:

(a) [Technical][Expert] [review][assessment] report(s) referred to in paragraph 9, ~~and any other relevant review reports;~~

(b) Biennial report;

(c) National GHG inventory, national inventory report and, ~~where relevant,~~ national communication;

(d) Other information provided by the Party before or during the reviews and the [assessment][review];

(e) [Inputs from other stakeholders/Parties].

## **B. Process**

11. Each developed country Party is [assessed][reviewed] individually. [Developed country Parties are also [assessed][reviewed] aggregately.]

12. The [assessment][review] under the IAR process shall entail the following:

(a) Option I: [Opportunity] for Parties to submit written questions to the Party concerned in advance of the [assessment][review]; this would be part of the basis for the [consultations][review];

(b) Option II: Electronic submission of questions before the Subsidiary Body for Implementation session which may require the secretariat to synthesize;

(c) Option III: Opportunity for questions or comments by observer organizations;

(d) Option IV: Verbal questions [and response] during the session;

(e) Questions and responses after the Subsidiary Body for Implementation session before the completion of the [assessment][review].

(f) Option V: Examination by a compliance body of the questions of implementation identified during the review process

## **C. Forum for [assessment][review]**

13. The international [assessment][review] shall be conducted ~~through dedicated session of the Subsidiary Body for Implementation or~~ [by a designated body operating under the auspices of the Subsidiary Body for Implementation, under the rules of a compliance system to be developed under the Convention][by the compliance system to be developed under the Convention].

## **D. Outputs**

14. The outputs of the [assessment][review] are the following:

(a) [Objective record of questions and discussion];

(b) Summary report;

(c) [Conclusions];

(d) Recommendations to Party;

(e) Problems identified and reported to the Conference of the Parties;

(f) Compliance assessment [and presentation of measures required to address noncompliance];

(g) Facilitative process to engage the Party concerned and assist it in taking remedial action;

(h) [Non-compliance consequences, including compliance procedures and penalties including increases in the QELRC (or consequences to address the carbon budget) of the Party.]]

(i) [Further steps shall be determined to ensure that questions related to the compliance objective are addressed in an appropriate manner.]

## **E. Relationship with other process**

15. Issue for further consideration: any formal relation of IAR process to:

- (a) The review of the adequacy of the long-term global goal of the Convention or process to increase the level of ambition
- (b) [Any compliance system to be developed under the Convention]
- (c) Relevant provisions under the Convention;
- (d) [Relevant provisions under the Kyoto Protocol.]
- (e) -----

## **WORK OF THE AWG-LCA CONTACT GROUP**

### **Agenda item 3.2.1**

#### **Nationally appropriate mitigation commitments or actions by developed country Parties version of 14 October 2011 @ 5PM**

*Non-paper by the facilitator*

#### **Possible elements of draft decision for adoption of the guidelines for biennial reports of developed country Parties**

1. *Adoption* of the guidelines as contained in an annex to this decision.
2. *Decision* on the starting date of the submission of the biennial reports.
3. *Decision* to revise the guidelines to reflect the experience with reporting and review and of any further reporting requirements no later than [ ].
4. (...)

#### **Possible elements of draft guidelines for biennial reports of developed country Parties**

##### **I. Objectives**

1. The objectives of these guidelines for preparing the biennial report are:
  - (a) To assist developed country Parties in meeting their commitments for reporting under [ ]the Convention;
  - (b) To promote the provision of consistent, transparent, comparable, accurate and complete information by developed country Parties;
  - (c) To facilitate the international assessment and review (IAR) of emissions and removals related to the achievement of quantified economy-wide emission reduction targets [ ];
  - (d) To assist the Conference of the Parties in[ ] carrying [ ] out its responsibilities under the Convention.

##### **II. Information on greenhouse gas emission inventory trends**

2. Developed country Parties shall report summary information on greenhouse gas (GHG) trends by sector [and by gas] from [the most recent] national inventory prepared using the UNFCCC Reporting Guidelines in tabular format (to be defined). For the period from 1990 up to 2010, emissions information shall be reported [for five-year increments] [annually]. After 2010, emissions information shall be provided annually and shall be consistent with that provided in the most recent annual inventory submission.



3. [

4. Parties shall provide an explanation of these emission trends, the underlying drivers [and methodologies used and assumptions made].

5. [Parties shall also provide-a [brief, general][detailed] description of the methodologies used for the annual inventory [and assumptions made.][with a reference to the methodologies elaborated by the Intergovernmental Panel on Climate Change and the [nationally appropriate] accounting rules.]].

### **III. Economy-wide emission reduction target**

6. Each developed country Party shall describe its economy-wide emission reduction targets, [including any conditions or assumptions relevant to the attainment of that target,] as communicated to the UNFCCC secretariat and contained in document FCCC/SB/2011/INF.1/Rev.1 or any update to that document, among which unconditional domestic target shall be clearly stated.

7. The description of the Party's national economy-wide emission reduction target shall include, [in accordance with [nationally appropriate] accounting rules adopted by decision XXX], as appropriate, the following information:

(a) The emission reduction target expressed as a percent[age] reduction in emission levels, the base year and base year level of emissions against which the per cent emission reduction is set, the year in which the target is to be achieved [, emission reduction trajectory and target converted into quantified emission limitation and reduction and assigned amount], [if applicable];

(b) Gases [and sectors] covered;

(c) Global warming potential values used;

(d) Other information, such as interim or subsectoral targets, as appropriate.

8. [Each Party shall provide information on the role of the land use, land-use change and forestry (LULUCF) sector in achieving its emission reduction target [based on internationally agreed [, nationally appropriate] accounting rules]. This information shall include the following:

(a) Whether any emissions and/or removals from the LULUCF sector are included in the [base][reference] year emissions for the emission reduction target; [and]

“(b) The accounting approach applied and the activities and/or lands that will be accounted for

[(b)

9. [Each Party shall provide information on its [anticipated] use of [market based mechanisms]] in achieving its economy-wide emission reduction target. This information shall include the following:

(a) A description of each of the sources of [units from market-based mechanisms;

- (b) The scale of anticipated contributions from each of these sources;
- (c) [For national, bilateral or regional market-based mechanisms, a description of the procedures and arrangements, including rules and methods used to calculate baselines, and verification and tracking systems, to ensure the integrity of carbon [credits][offset units] and to prevent double-counting of [emission reductions][different off-sets];]
- (d) Share of carbon [credits][offset units] from least developed countries.]

10. Each Party shall describe any domestic arrangements, including legislation and administrative procedures, for monitoring or enforcing progress towards its target.

#### **IV. Progress in the achievement of economy-wide quantified emission reduction targets[ and commitments]**

##### **A. [Mitigation actions and their effects]**

11. Each developed country Party shall provide information on the mitigation actions, including policies and measures it has implemented or plans to implement to achieve its economy-wide emission reduction target. Parties shall organize reporting of mitigation actions by the following sectors [to match those in the NIR]: [energy industries, energy use in industry, other energy use, transport, industrial processes, agriculture, forestry and land use, and waste. Within each sector, Parties shall prioritize the reporting of actions with the most significant mitigation potential].
12. For mitigation actions that have not been previously reported in a previous national communication or biennial report, the Party shall provide a description of [its] [] mitigation action[s], including the following information: name and description of the action; type of mitigation action; objective of the action; sector and gases covered; status of implementation and implementing entity; [performance indicators and how implementation of the action and [to the extent possible] its performance will be monitored]; anticipated mitigation effect in 2020; [costs of mitigation action]. The Party shall also provide a list of any [previously reported] mitigation actions that are no longer being implemented.
13. Parties shall summarize information on all currently implemented and planned mitigation actions in a tabular format (to be defined).
14. Mitigation actions should be presented in the table by sector, and within the sector in decreasing order of the anticipated mitigation effect of the action.
15. Each Party shall provide information on [] its mitigation actions in aggregate, including policies and measures in tabular format (to be defined). This information shall include the following:
- a. (a) Information on performance indicators identified for the mitigation actions listed above;
  - b. (b) An estimation of the aggregated annual emission reductions achieved by the

implementation of the mitigation actions [relative to carbon budget over a commitment period].

16. Each Party shall describe the methods and assumptions used to estimate the aggregated effects of its mitigation actions.

**B. Use of land use, land-use change and forestry and [credits] [offset units] from market-based mechanisms]**

17. Developed country Parties [that apply international transfers of units towards achievement of its target] shall report summary information for each year, beginning with 2010, on holding and transactions<sup>1</sup> of [international credits] [units] from market-based mechanisms that contribute to or deduct from the achievement of the emission reduction target, denominated in tonnes of carbon dioxide equivalent. ‘

18. Developed country Parties shall report summary information on quantified emission reduction targets and on progress made in achieving emission reductions in an agreed tabular format (to be defined), [in accordance with [nationally appropriate] accounting rules adopted by decision XXX,] for the base year and for each reported year.

19. [For the base year, information reported on quantified emission reduction targets shall include:

(a) Total GHG emissions, excluding emissions and removals from the LULUCF sector;

(b) Net emissions and removals from LULUCF:

[(c) Total GHG emissions including net emissions or removals from the LULUCF sector.

(d) Its emissions used for the calculation of the target;

(e) [Its emission target as a percentage reduction of base year emissions;

(f) Its emission target in gigatonnes of carbon dioxide equivalent.]]

20. [For each reported year, in addition to information included in paragraph 19 (a) to (c), reported information on emission reduction targets shall include:

(a) Total acquisitions of international [credits][offset units] from market-based mechanisms;

(b) Total transfers of international [credits][offset units] from market-based mechanisms;

(c) Total —Accounted emissions and [credits][offset units]“, calculated as the sum of —Emissions including LULUCF“ minus —Acquisitions of international credits plus transfer of international credits;

(d) Supplimentarity of the use of mechanisms to domestic action.]

## **V. Projections**

21. Developed country Parties shall provide projections of trends in GHG emissions and removals that reflect current circumstances, currently implemented mitigation actions and national accounting methods for LULUCF. Parties are expected to report their projections consistent with their last national communication with respect to methodologies, assumptions and trends. When methodologies and assumptions have changed, these changes are to be documented in the biennial report.

22. At a minimum, developed country Parties shall report a "with measures" projection. The "with measures" projection shall encompass currently implemented mitigation actions. Parties may also provide a "with additional measures" projection that also encompasses planned, but not currently implemented, mitigation actions.
23. Each developed country Party [shall][should] provide [updated] GHG projections from the latest inventory year through 2020 [or later][and decadal until 2050], for the following:
- (a) All GHGs aggregated by global warming potentials across all sectors collectively;
  - (b) All GHGs by individual sector in tabular format (to be defined);
  - (c) Gas by gas for CO<sub>2</sub>, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride in tabular format (to be defined).
24. Each developed country Party [shall][should] provide the following descriptive information related to these projections:
- (a) A list of mitigation actions included in the projection;
  - (b) A description of key assumptions, such as economic and population growth, and international fuel prices, etc., in tabular format (to be defined);
  - (c) Summary of methods, modelling and assumptions and references to where more detailed information can be found;
  - (d) If the methods or assumptions used for projections are substantially different from those used in the most recent national communication, an explanation of these differences.
25. Each developed country Party shall also provide an [updated] evaluation of the overall projected emissions relative to its emission reduction target and GHG inventory trends. This evaluation shall include the following:
- (a) [Quantification of any projected gap between projected emissions in 2020 and its economy-wide emission reduction target, or any overachievement [and underachievement] of the target;]
  - (b) An explanation of the reason for any gap;
  - (c) A description of any additional steps planned to address this gap, including additional mitigation actions and their anticipated total effect or use of credits from market-based mechanisms or from LULUCF.
26. Parties may also report a "without measures" projection. If provided, the "without measures" projection should exclude all mitigation actions implemented after the [base year] [year chosen as the starting point for this projection].

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

27. Developed country Parties shall provide information on their provision of financial,

technological and capacity-building support to developing country Parties. In reporting such information, to the extent possible, Parties should distinguish between support provided for mitigation activities, adaptation activities and other activities (such as capacity-building

28. Each developed country Party shall provide a description of its national approach for tracking the provision of financial, technological and capacity-building support to developing country Parties, including to the registry of nationally appropriate mitigation measures. This description shall include information on indicators used and the particular delivery mechanisms and financial channels tracked.

#### **A. Finance**

29. Each developed country Party shall describe how it [seeks to] ensure that the resources it provides effectively address the needs of developing country Parties with regard to climate change adaptation and mitigation given information provided by developing country Parties.
30. Each developed country Party shall provide information on the financial support it has provided and facilitated for the purpose of assisting developing country Parties to mitigate GHG emissions and adapt to the adverse effects of climate change, and for capacity-building in the areas of mitigation and adaptation. To that end, each developed country Party shall provide information in textual format and in tables (to be defined) on annual contributions for the previous two calendar years, [including] to the following:
  - (a) The Global Environment Facility, the Clean Technology Fund, the Strategic Climate Fund, the Least Developed Countries Fund, the Special Climate Change Fund and the and Green Climate Fund;
  - (b) Multilateral financial institutions, including the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation and the regional development banks;
  - (c) Specialized United Nations agencies, including the United Nations Development Programme, the United Nations Environment Programme and the UNFCCC secretariat;
  - (d) Bilateral, regional and other channels
  - (e) Flows of private funds for climate-related support, to the extent possible.
31. [To the extent possible] each developed country Party [should] []provide summary information on annual contributions for the previous five calendar years on financial support that it has provided and facilitated for the purpose of assisting developing country Parties referred to in paragraph 30 above in textual format and in a summary table (to be defined).
32. [In reporting information, in accordance with paragraphs 30 and 31, Parties can categorize funding as related to mitigation or adaptation according to the criteria [to be agreed by the Conference of the Parties][developed by the Organisation for Economic Co-operation and Development's Development Assistance Committee (DAC)]. Parties should use the DAC codes for categorizing support by specific sectors.]

33. [Each developed country Party] [Parties] shall provide detailed information, including short textual overview, and where appropriate, common [tabular] reporting format (to be defined), on the assistance provided for the purpose of assisting developing country Parties that are particularly vulnerable to the adverse effects of climate change [.]

34. [Developed country Parties shall, to the extent possible, report on climate-related activities supported by private financial flows and shall distinguish between the following:

- (a) Private finance catalysed by public policy (e.g. domestic cap-and-trade systems enabling the purchase of carbon credits);
- (b) Private finance leveraged by public finance (e.g. private investments made possible by government supplied loan guarantees or concessional co-financing)
- (c) Other forms of .green investment. with a principal, []secondary [or tertiary] climate benefit.]

35. Developed country Parties shall, to the extent possible, specify the types of instruments used in their national, bilateral or regional assistance, such as grants, loans, guarantees, equity and leveraged funds.

36. [Developed country Parties shall report on investment in mitigation activities under international market-based mechanisms.] [Information should be included on support provided by Parties through purchase by Governments of carbon market units under the UNFCCC and the Kyoto Protocol which are not used for compliance with mitigation targets using a tabular format (to be defined)]

## **B. Technology development and transfer**

37. Each developed country Party shall provide information on measures taken to promote, facilitate and finance the transfer of, access to, and deployment of environmentally-sound technologies and to support the development and enhancement of endogenous capacities and technologies of developing countries and may also provide information on success and failure stories. [Such measures could include participation in multilateral technology initiatives, such as the Renewable Energy [and Energy Efficiency Partnership] or the Asian.Pacific Partnership on Clean Development and Climate].

38. Each developed country Party shall provide a textual description of individual measures and activities. In reporting these measures and activities, Parties shall[, to the extent possible] [] distinguish between activities undertaken by the public sector and those undertaken by the private sector. [], Parties may indicate, where feasible, in what way they have encouraged private-sector activities and how these activities help to meet the commitments of [developing country] Parties [].

39. Each developed country Party shall summarize information related to technology transfer in tabular format (to be defined). A separate table shall be provided for each of the previous two calendar years.

### **C. Capacity-building**

40. Each developed country Party shall provide information on [how it has enhanced] capacity-building support to developing country Parties in order to respond to existing and emerging capacity-building needs identified by developing country Parties []. Information should be reported in a textual format and tabular format (to be defined), where appropriate, and should include information on how the Parties are:

- (a) Strengthening relevant institutions at various levels, including focal points and national coordinating bodies and organizations;
- (b) Strengthening networks for the generation, sharing and management of information and knowledge, [];
- (c) Strengthening climate change communication, education, training and public awareness at all levels;
- (d) Strengthening integrated approaches and the participation of various stakeholders in relevant social, economic and environmental policies and actions;
- (e) Supporting existing and emerging capacity-building needs [].

41. In providing this information, each developed country Party shall report on how it has strived to ensure the effectiveness of its capacity-building support and how it evaluates the effectiveness of this support.

## WORK OF THE AWG-LCA CONTACT GROUP

### Agenda item 3.2.1

#### Nationally appropriate mitigation commitments or actions by developed country Parties version of 14 October 2011 @ 5PM

*Non-paper by the facilitator*

#### Possible elements of draft decision for adoption of modalities and procedures for international assessment and review

1. *Recalling relevant decisions; [2/CP.1](#), [9/CP.2](#), [6/CP.3](#), [33/CP.7](#), [6/CP.5](#), [19/CP.8](#), [12/CP.9](#) and [18/CP.10](#)*
2. *Recognizing the importance of IAR; in promoting comparability and confidence through international assessment of emissions and removals related to quantified economy-wide emission reduction targets*
3. *Adoption of the modalities and procedures as contained in an annex to this decision;*
4. *Setting frequency; [The IAR process will be conducted [annually][every two years] for each developed country Party [or will be determined by the Party's share of global greenhouse gas (GHG) emissions.] ]*
5. *Setting start date of IAR;*
6. *Setting the date for review and revision of the modalities and procedures based on the experiences gained.*
7. *Resource pressures for extra reviews could be alleviated by conducting IAR on a rotating basis with the frequency determined according to share of global emissions*

#### Possible elements of modalities and procedures for international assessment and review

##### I. Objectives of the international assessment and review process

1. The overall objectives of the international assessment and review (IAR) process [taking into account the provisions of the existing review guidelines], are the following:
  - (a) To provide [, taking into account national circumstances,] a [non-intrusive][non-confrontational], robust, rigorous and transparent assessment of developed country Parties' progress towards the attainment of their quantified economy-wide emission reduction targets [and the implementation of commitments for the provision of financial, technological and capacity-building support to developing country Parties];
  - (b) To ensure that the information provided by developed country Parties is [consistent] accurate, comparable, transparent and complete;
  - (c) To [promote][] consistency in accounting over time [] and comparability among developed country Parties;
  - (d) To promote the [environmental] integrity of the international climate regime;



- (e) To build confidence that the implementation of mitigation actions of developed country Parties are in line with their quantified economy-wide emission reduction targets;
- (f) [To encourage developed country Parties to increase the level of ambition of their commitments;]
- (g) [To [ensure] that implementation of mitigation actions of developed country Parties are in line with their quantified economy-wide emission reduction targets;]
- (h) [To [ensure] the implementation of low carbon development strategy including target towards the long-term goal for 2050;]
- (i) [To facilitate provisions of information to the Conference of Parties to assess the implementation of the Convention;]
- (j) [To [][assess] compliance by Annex I Parties with the methodological and reporting requirements, accounting modalities and eligibility criteria to participate in market-based mechanisms, as well as with the achievement of their targets and commitments;
- (k) To provide input to the 2013-2015 and the subsequent periodic review processes.]

2. In addition to the overall objectives included in paragraph 1, the specific objectives of the [technical][expert] [review][assessment] are the following:

- (a) To provide [,taking into account national circumstances,] a thorough, objective and comprehensive [technical][expert] [review][assessment] of information provided in reports referred to in paragraph 6 below for [transparency], accuracy and conformity with reporting requirements;
- (b) [To assess [taking into account national circumstances] the implementation of commitments related to quantified economy-wide emission reduction targets and the provision of support;]
- (c) To promote accuracy, completeness, comparability, consistency and transparency in the review of information;
- (d) [To identify potential gaps or problems in implementation of commitments referred to in paragraph 2(b) above and propose solutions [or corrections]];
- (e) [To ensure comparability of efforts among developed country Parties];
- (f) To assist Parties included in Annex I in improving their reporting of information [];
- (g) To provide the COP with a [technical][expert] assessment of the implementation of methodological and reporting requirements, [I].

3. Further, the specific objectives of the [assessment][review] are the following:

- (a) To promote transparency and build confidence in developed country Parties' implementation of commitments [in a non-confrontational and facilitative manner];
- (b) To [assess][review] and [review][assess] the implementation of the quantified economy-wide emission reduction targets [];
- (c) To facilitate the [consideration of ][review] comparability of [] [information] among Parties;

(d) [To encourage developed country Parties to increase the level of ambition of their commitments.]

## **II. Process and scope**

### **A. Process**

4. IAR will be conducted in the following steps:

- (a) A [technical][expert] [review][assessment] , [which would not duplicate] the annual inventory and national communications review process for developed country Parties, which would result in an individual review report for each developed country Party;
- (b) [An [assessment][review] of implementation conducted under the auspices of the Subsidiary Body for Implementation;]
- (c) An [assessment][review] of progress towards the achievement of quantified economy-wide emission reduction targets [and the provision of financial, technological and capacity-building support to developing country Parties] under the auspices of the Subsidiary Body for Implementation;

### **B. Scope**

5. IAR will [review][assess] and [assess][review] [based on the existing review process] for each developed country Party the following:

- (a) All emissions and removals related to its quantified economy-wide emission reduction target;
- (b) [Assumptions and conditions related][Strategies adopted by developed country Parties] to attainment of [their] quantified economy-wide emission reduction targets;
- (c) Progress towards the achievement of quantified economy-wide emission reduction targets;
- (d) [Its provision of financial, technological and capacity-building support to developing country Parties.]

## **III. [Technical][Expert] [review][assessment]**

### **A. Inputs**

6. The inputs to the [technical][expert] [review][assessment] are the following:

- (a) [Biennial report][Annual GHG inventory and national inventory report];
- (b) [Annual GHG inventory and national inventory report and if applicable, biennial report]
- (c) [];
- (d) [Option I: Complete national communication in the event that the biennial report is considered as part of the national communication in the year that the national communication is submitted] [Option II: Parts of the national communications for which

the biennial report is considered as part of the national communication in the year that the national communication is submitted];

(e) Any additional information provided by the Party before or during the review;

(f) [In the event that a developed country Party's biennial report contains insufficient information or it has not submitted its biennial report the expert review team may use relevant technical information in the review process, such as information from international organizations]

## **B. Process**

7. Option I: [Each developed country Party's biennial report is [reviewed] [assessed], where relevant in conjunction with the annual inventory and national communications review process, as follows:

(a) The [annual] inventory and national communications review are conducted in accordance with existing [and revised] guidelines and procedures under the Convention];

(b) Supplemental review tasks related to the biennial report are the following:

(i) [Assessing overall progress in the implementation of the quantified economy-wide emission reduction target;]

(ii) [Assessing progress in the implementation of individual mitigation actions and their effects in order to achieve the quantified economy-wide emission reduction targets];

(iii) [Assessing use of market-based mechanisms and land use, land-use change and forestry (LULUCF) activities towards the emission reduction target;]

(iv) [[Review][Assessing] of provision of financial, technology and capacity-building support to developing country Parties.]

Option II: [The review should identify questions of implementation with regard to the inventory reporting requirements, accounting modalities, eligibility criteria to use the market mechanisms, national arrangements and national registries, and allow for adjustments of the provided estimates as appropriate.]

8. *Options* for handling [supplemental] review tasks:

Option 1: Add tasks to the existing inventory review and additional experts to review teams in order to handle supplemental tasks;

Option 2: Creation of standing [review] [assessment] teams to support the [review] [assessment] of the biennial report;

Option 3: Increase the secretariat's role in supporting the [review] [assessment];

Option 4: A combination of the above. For example, the secretariat could provide analysis and comparison of the use of LULUCF and market-based mechanisms across Parties to facilitate the review by existing review teams of accounting and progress towards the target.

A standing group of finance experts could perform the review of the provision of support by developed country Parties;

Option 5: An expert review team (ERT) consisting of experts from Annex I and non-Annex I manner with different expertise,

### **C. Output**

9. The output of the [technical][expert] [review][assessment] [based on the existing review process] is a [technical][expert] [review][assessment] report(s) for each individual developed country Party.

## **IV. [Assessment][Review]**

### **A. Inputs**

10. The [assessment][review] will be carried out on the basis of:

- (a) [Technical][Expert] [review][assessment] report(s) referred to in paragraph 9, and any other relevant review reports;
- (b) Biennial report;
- (c) National GHG inventory, national inventory report and, where relevant, national communication;
- (d) Other information provided by the Party before or during the [assessment][review];
- (e) [Inputs from other stakeholders/Parties].

### **B. Process**

11. Each developed country Party is [assessed][reviewed] individually. [Developed country Parties are also [assessed][reviewed] aggregately.]

12. The [assessment][review] under the IAR process shall entail the following:

- (a) Option I: [Opportunity] for Parties to submit written questions to the Party concerned in advance of the [assessment][review]; this would be part of the basis for the [consultations][review];
- (b) Option II: Electronic submission of questions before the Subsidiary Body for Implementation session which may require the secretariat to synthesize;
- (c) Option III: Opportunity for questions or comments by observer organizations;
- (d) Option IV: Verbal questions [and response] during the session;
- (e) Questions and responses after the Subsidiary Body for Implementation session before the completion of the [assessment][review].

### **C. Forum for [assessment][review]**

13. The international [assessment][review] shall be conducted through dedicated session of the Subsidiary Body for Implementation or [by designated body operating under the auspices of the Subsidiary Body for Implementation][by the compliance system to be developed under the Convention].

#### **D. Outputs**

14. The outputs of the [assessment][review] are the following:

- (a) [Objective record of questions and discussion];
- (b) Summary report;
- (c) [Conclusions;
- (d) Recommendations to Party];

#### **E. Relationship with other process**

15. Issue for further consideration: any formal relation of IAR process to:

- (a) The review of the adequacy of the long-term global goal of the Convention or process to increase the level of ambition
- (b) [Any compliance system to be developed under the Convention]
- (c) Relevant provisions under the Convention;
- (d) [Relevant provisions under the Kyoto Protocol.]
- (e) -----

## **China's submission on the Agenda item 3.2.1 of AWG-LCA 14**

This submission is prepared according to the invitation from AWG-LCA 14.3 in Panama City for comments on co-facilitator's summary of *Discussion on matters relating to paragraphs 36-38 of the Cancun Agreements*, non-paper by the facilitator of *Possible elements of draft guidelines for biennial reports of developed country Parties*, and non-paper by the facilitator of *Possible elements of modalities and procedures for international assessment and review*, which are updated by the co-facilitators on 14 October 2011.

### **PART A. Comments on co-facilitator's summary of Discussion on matters relating to paragraphs 36-38 of the Cancun Agreements**

**Paragraph 2.** Delete the bracketed part, and replace "others preferred to contain this consideration for the developed country Parties alone" by Cancun language, that is paragraph 37 "Developed country Parties" should "increase the ambition of their economy-wide emission reduction targets, with a view to reducing their aggregate anthropogenic emissions of carbon dioxide and other greenhouse gases not controlled by the Montreal Protocol to a level consistent with that recommended by the Fourth Assessment Report of the Intergovernmental Panel on Climate Change".

**Paragraph 3.** Bracket this part.

**Paragraph 4.** Add "according to previous discussion" between the highlighted "as there was no convergence of views by Parties" and "on this matter".

**Paragraph 5(b).** Delete "both" and "and developing country Parties".

**Paragraph 5(e).** Replace "quantified economy-wide emission reduction targets (QELROs)" by "quantified economy-wide emission reduction commitments".

**Paragraph 5(f).** Delete "only] [both developed and developing country Parties]".

**Add a new paragraph after paragraph 5 and ranked 6** (, and change the ranks afterwards):  
"Many parties required the comparability of efforts among Annex I Parties to be ensured by the process of international assessment and review, including the comparability of mitigation ambition, comparability of the legal form of mitigation commitments, comparability of accounting rules, comparability of compliance and consequences."

**Paragraph 6(g).** Delete this part.

**Paragraph 6(i).** Move the word "domestically" to the end of this part.

**Paragraph 6(m).** Delete this part.

**Paragraph 8.** Add "according to previous discussion" to the end.

**Paragraph 9(a).** Bracket "in the form of organizing workshops and updating technical papers in a structured manner," and delete "and national appropriate mitigation actions by developing country Parties".

**Paragraph 9(b).** Bracket “this could be achieved through process/workprogramme including preparing technical papers by the secretariat and organizing workshops;”

**Paragraph 9(d).** Delete “both” and “and developing country Parties”.

**Paragraph 9(e).** Bracket this part.

## **PART B. Comments on non-paper by the facilitator of Possible elements of draft guidelines for biennial reports of developed country Parties**

**Paragraph 1(c).** Delete the repeated “of the ambition”.

**Paragraph 2.** Delete “[for five-year increments]”.

**Title II.** Add “and” between “inventory” and “trends”.

**Paragraph 5.** Add “latest” before “Intergovernmental Panel on Climate Change and the accounting rules”.

**Paragraph 7.** Delete “, as appropriate”.

**Paragraph 7(a).** Delete “limitation and” in the last line, and delete “, [if applicable]”.

**Paragraph 8.** Bracket “on the role” and “in achieving its emission reduction target”. Replace “internationally agreed accounting rules” by “accounting rules adopted by COP XX”. Replace “include the following:” in the last line by “be consistent or comparable to the accounting approach under the Kyoto Protocol”.

**Paragraph 8(a)(b)(c).** Delete these parts.

**Paragraph 9.** Bracket “in achieving its economy-wide emission reduction target”.

**Paragraph 11.** Restate the sectors from the fourth line as: “energy industries, energy use in manufacturing industries and construction, transport, other energy use, fugitive emissions from fuels, carbon dioxide transport and storage, industrial process, agriculture, forestry and other land use, waste and others”.

**Paragraph 17.** Bracket “towards achievement of its target” and “that contribute to or deduct from the achievement of the emission reduction target”.

**Paragraph 19(b).** Delete sub-items (i) and (ii), and add “accounted consistently or comparably to the approach under the Kyoto Protocol” to the end.

**Paragraph 19(d)(e)(f).** Bracket these parts.

**Paragraph 21.** Replace “national accounting methods for LULUCF” by “with the accounting methods for LULUCF adopted by the COP XX”.

**Paragraph 25(c).** Bracket “and their anticipated total effect or use of credits from market-based mechanisms or from LULUCF”.

**Paragraph 27.** Add “new and additional” before “financial” in the first line.

**Paragraph 30.** Add “for the transfer of technology” before “and for capacity-building in the areas of mitigation and adaptation”, and add “and for preparing national communication, biennial update report, national inventory” after that.

**Paragraph 30. Add sub-item (b)** after (a): “Through other channels, for which how the financial support is contributing to assist developing country Parties to mitigate GHG emissions, adapt to the adverse effects of climate change, for the transfer of technology, for capacity-building in the areas of mitigation and adaptation, and for preparing national communication, biennial update report, national inventory must be indicated”, and move sub-items (b)(c)(d)(e) to sub-sub-items (i)(ii)(iii) and (iv), and bracket sub-sub-items (iv) of private funds.

**Paragraph 32.** Delete “[developed by the Organisation for Economic Co-operation and Development’s Development Assistance Committee (DAC)]. Parties should use the DAC codes for categorizing support by specific sectors.]”.

**Paragraph 36.** Delete “investment in mitigation activities under international market-based mechanisms.] [Information should be included on”, and bracket “the UNFCCC and”.

**Paragraph 37.** Replace “environmentally-sound” by “climate-friendly”, and delete “[Such measures could include participation in multilateral technology initiatives, such as the Renewable Energy [and Energy Efficiency Partnership] or the Asian-Pacific Partnership on Clean Development and Climate]”.

**Paragraph 40(b).** Bracket “South-South”.

#### **PART C. Comments on non-paper by the facilitator of Possible elements of modalities and procedures for international assessment and review**

**Paragraph 4 in the chapeau.** Delete “[or will be determined by the Party’s share of global greenhouse gas (GHG) emissions.]”.

**Paragraph 1(a).** Delete “[non-intrusive][non-confrontational],”, and replace “economy-wide emission reduction targets” by “economy-wide emission reduction commitments”.

**Paragraph 1(d).** Delete this part.

**Paragraph 1(e) and 1(g).** Replace “economy-wide emission reduction targets” by “economy-wide emission reduction commitments”.

**Paragraph 1(j).** Bracket “and eligibility criteria to participate in market-based mechanisms”.

**Paragraph 1(k).** Delete this part.

**Paragraph 2(g).** Delete this part.

**Paragraph 3(a).** Delete this part.

**Paragraph 3(b).** Replace “economy-wide emission reduction targets” by “economy-wide emission reduction commitments”.

**Paragraph 3(c).** Replace “facilitate the [consideration of ][review]” by “ensure the”.

**Paragraph 3(d).** Replace “encourage” by “request”.

**Paragraph 3(e).** Add 3(e) after 3(d): “To address compliance by Annex I Parties.”

**Paragraph 4(c).** Replace “economy-wide emission reduction targets” by “economy-wide emission reduction commitments”.



**Paragraph 5.** Add “under UNFCCC” after “existing review process”.

**Paragraph 5(b) and 5(c).** Replace “economy-wide emission reduction targets” by “economy-wide emission reduction commitments”.

**Paragraph 6(b) and 6(f).** Delete these parts.

**Paragraph 7(b)(iii).** Bracket “towards the emission reduction target”, delete Option II, and add **7bis**: “The expert assessment should identify the consistency, completeness, and accuracy of greenhouse gases inventory of the concerned Party, annual progress of the mitigation targets as well as the overall progress, sectoral emission reduction effects, the contribution to achieve mitigation commitment by its domestic actions, good practice and shortfall on mitigation actions, potential problem in fulfilling its commitment and relative solution suggestion, the audit result of supports to developing countries.”

**Paragraph 8.** Delete Option 1 to 4.

**Paragraph 12(b) and 12(c).** Delete these parts.

**Add new 12(a),** and re-rank 12(a) as 12(b): “SBI review. During the first session of SBI each year, SBI will conduct a review towards each Annex I Party on the progress and potential problems on fulfilling its commitment, the comparability of efforts, and result in a draft assessment report. The SBI draft review report will be published on UNFCCC website.”

**Re-arrange the re-ranked 12(b)** as: “Intersessional written communication. Annex I Party should assess the problems indicated by SBI in the draft review report, and make the response through the Secretariat by written report. The response report will be published on UNFCCC website as soon as the Secretariat receives it. Meanwhile, the Secretariat will receive written comments from other Parties on these SBI draft review report, and these written comments will also be published on UNFCCC website.”

**Re-arrange the 12(e) and re-ranked as 12(c):** “Among Parties review. During the end-of-year session of SBI each year, Annex I Parties will go to an among Parties review. The among Parties review will take place by verbal question and response manner. The review aims at improving the full implementation of the Convention by Annex I Parties, clarifying confusion through the mitigation progress.”

**Add new 12(d):** “SBI conclusion. During the end-of-year session of SBI each year, SBI will make conclusion for Annex I Parties, considering the draft review report, response report, and comments from other Parties. The conclusion will indicate the progress by each Annex I Party, including the existing and potential problems, and a progress rank of each, and the overall progress by Annex I Parties.

**Add new 12(e):** “Consequences. SBI will further consider the consequences for those Annex I Parties that face existing and potential problems for their achievement towards the commitments, including request those Annex I Parties to make solution to the problems and take the consequences under compliance mechanism to be established.”

**Title E:** Delete this part.

**Japan's submission on mitigation  
(Agenda item 3.2.1 and 3.2.2)**

**I. Overarching comments on mitigation**

Japan reiterates its willingness to share with all countries the goal of achieving at least 50% reduction of global emissions by 2050, recognizing the 2 degrees global goal as confirmed in the Cancun Agreements.

To achieve these goals, it is necessary to expeditiously adopt a new comprehensive legally-binding document which establishes a fair and effective international framework with participation of all major economies.

Although it seems difficult to promptly realize this ultimate objective, it is important to make a significant progress at Durban to this end, through defining clear steps.

In concrete, following elements are particularly important to be decided at Durban, in relation to mitigation;

- **Operationalization of the Cancun Agreements as a basis for post-2012 climate regime and a comprehensive framework**  
A robust MRV system and newly established mechanisms such as the Green Climate Fund, the Adaptation Framework, the Technology Mechanism and new market mechanisms need to be operationalized in a balanced manner, as these mechanisms will serve as a basis for post-2012 climate regime and for a comprehensive framework.
- **Mitigation efforts**  
It is important for all major emitters to steadily implement their pledges without waiting for the establishment of a comprehensive framework.  
Launching a process to clarify and update mitigation targets/actions of all major emitters anchored under the Cancun Agreements by using a common template would be a useful and practical step forward.
- **Enhanced MRV**  
In order to ensure transparency of mitigation efforts of all major emitters, the establishment of a robust MRV system is indispensable. Parties should decide the guidelines of the biennial (update) reports and on modalities and procedures of IAR/ICA at COP17, based on which Parties submit the 1<sup>st</sup> biennial (update) reports in 2013.
- **Rule-based mechanism**  
Discussion on rule-based mechanism in a post-2012 climate regime and in a comprehensive framework should be initiated under the AWG-LCA. In addition to above-mentioned newly establishing mechanisms and robust MRV system, utilizing some

elements of the Kyoto Protocol with necessary improvements should be taken into account. Regarding the issue of accounting rules including market mechanisms, Japan believes accounting rules in post-2012 climate regime and in a comprehensive framework should be applicable to both developed and developing countries and designed to ensure environmental integrity and transparency, as well as flexibility to accommodate each country's circumstances and to maximize mitigation efforts.

➤ **Toward comprehensive framework**

Discussion to adopt a new comprehensive legally-binding document should be initiated as soon as possible. With inputs from the biennial (update) reports and IAR/ICA, the Fifth Assessment Report of the IPCC, lessons learned from the 1<sup>st</sup> commitment period of the Kyoto Protocol and all other available information, the 2013-2015 review process should be conducted so as to make valuable inputs to the discussion.

➤ **Other key drivers for achieving global mitigation**

Parties should recognize the importance of technology innovation. Parties should also make progress in transfer and promotion of low carbon technology and establishment and effective use of new market mechanisms. Parties should decide to continue support for developing countries beyond 2012, especially for vulnerable countries such as LDCs, Africa, and SIDS.

## **II. Comments on non-papers:**

Please refer to attachments for comments on non-papers by the co-facilitators:

- Attachment 1: Matters relating to paragraphs 36-38 of the Cancun Agreements (Agenda item 3.2.1)
- Attachment 2: Matters relating to paragraphs 48-51 of the Cancun Agreements (Agenda item 3.2.2)
- Attachment 3: Guidelines for the biennial reports of developed country Parties (Agenda item 3.2.1)
- Attachment 4: Modalities and procedures for international assessment and review (Agenda item 3.2.1)
- Attachment 5: Guidelines for the biennial update reports from Parties not included in Annex I to the Convention (Agenda item 3.2.2)
- Attachment 6: Modalities and procedures for international consultation and analysis (Agenda item 3.2.2)
- Attachment 7: Elements of draft decision to be included in the Registry (Agenda item 3.2.2)

## **WORK OF THE AWG-LCA CONTACT GROUP**

### **Agenda item 3.2.1**

#### **Nationally appropriate mitigation commitments or actions by developed country Parties version of 14 October 2011 @ 5PM**

*Non-paper by the facilitator*

#### **Possible elements of draft decision for adoption of the guidelines for biennial reports of developed country Parties**

1. *Adoption* of the guidelines as contained in an annex to this decision.
2. *Decision* on the starting date of the submission of the biennial reports.
3. *Decision* to revise the guidelines to reflect the experience with reporting and review and of any further reporting requirements no later than [ ].
4. (.)

#### **Possible elements of draft guidelines for biennial reports of developed country Parties**

##### **I. Objectives**

1. The objectives of these guidelines for preparing the biennial report are:
  - (a) To assist developed country Parties in meeting their commitments for reporting under Article 12 of the Convention enhanced by the Cancun Agreement;
  - (b) To provide information on developed country Parties' progress in achieving their emission reductions;
  - (c) To promote the provision of consistent, transparent, comparable, accurate and complete information by developed country Parties;
  - (d) To facilitate the international assessment and review (IAR) of emissions and removals related to the achievement of quantified economy-wide emission reduction targets;
  - (e) To assist the Conference of the Parties to carry out its responsibilities under the Convention.

##### **II. Information on greenhouse gas emission and its trends**

2. Developed country Parties shall report summary information on greenhouse gas (GHG) trends by sector in tabular format (to be defined). For the period from 1990 up to the most recent year, information on annual emissions shall be provided and shall be consistent with that provided in the most recent annual inventory submission.
3. Developed country Parties shall report summary information on GHG trends by gas and the indicators relevant to GHG emissions and removals in tabular format (to be defined).
4. Parties shall provide an explanation of these emission trends, the possible underlying drivers

##### **III. Economy-wide emission reduction target**

5. Each developed country Party shall describe its economy-wide emission reduction targets, [including any conditions or assumptions relevant to the attainment of that target,] as communicated to the UNFCCC secretariat and contained in document FCCC/SB/2011/INF.1/Rev.1 or any update to that document
6. The description of the Party's national economy-wide emission reduction target shall include, in accordance with common accounting principles, as appropriate, the following information:

- (a) The emission reduction target expressed as a per cent reduction in emission levels, the base year and base year level of emissions against which the per cent emission reduction is set, the year in which the target is to be achieved;
- (b) Gases covered;
- (c) Global warming potential values used;
- (d) Emission target in tonnes of carbon dioxide equivalent;
- (e) Accounting rules;
- (f) Other information, such as interim or subsectoral targets, as appropriate.

7. Each Party shall provide information on the role of the land use, land-use change and forestry (LULUCF) sector in its emission reduction target. This information shall include the following:

- (a) Whether any emissions and/or removals from the LULUCF sector are included in the base year emissions for the emission reduction target;
- (b) Whether the accounting approach is activity-based or comprehensive land-based;
- (c) For Parties that are using activity-based accounting, the individual activities that will be accounted for.

8. Each Party shall provide information on its possible use of carbon offset units from market-based mechanisms in achieving its economy-wide emission reduction target. This information shall include the following:

- (a) A description of each of the sources of carbon offset units from market-based mechanisms;
- (b) The possible scale of contributions from each of these sources;
- (c) For national, bilateral or regional market-based mechanisms, a description of the procedures and arrangements, including rules and methods used to calculate baselines, and verification and tracking systems, to ensure the integrity of carbon offset units and to prevent double-counting of different off-sets;
- (d) Possible share of carbon offset units from least developed countries.

9. Each Party shall describe its domestic arrangements, including legislation and administrative procedures, for monitoring and achieving progress towards its target.

#### **IV. Progress in the achievement of economy-wide quantified emission reduction targets**

##### **A. [Mitigation actions and their effects]**

10. Each developed country Party shall provide information on the mitigation actions, including policies and measures it has implemented or plans to implement to achieve its economy-wide emission reduction target. Parties should organize reporting of mitigation actions by the following sectors: energy industries, energy use in industry, other energy use, transport, industrial processes, agriculture, land use, land-use change and forestry, and waste. Within each sector, Parties should prioritize the reporting of actions with the most significant mitigation potential.

11. For mitigation actions that have not been previously reported in a previous national communication or biennial report, the Party should provide a description of each mitigation action, including the following information: name and description of the action; type of mitigation action; objective of the action; sector and gases covered; status of implementation and implementing entity; anticipated mitigation effect in 2020; costs of mitigation action to the extent possible. The Party shall also provide a list of any mitigation actions that are no longer being implemented.

12. Parties shall summarize information on currently implemented and planned mitigation actions in a tabular format (to be defined).

13. Mitigation actions should be presented in the table by sector, and within the sector in decreasing order of the anticipated mitigation effect of the action.

14. Each Party is encouraged to provide information on the performance of its mitigation actions in aggregate, including policies and measures in tabular format (to be defined). This information may include the following an estimation of the aggregated annual emission reductions achieved by the implementation of the mitigation actions.

15. When a Party provides aggregated effects of its mitigation actions, the Party shall describe the methods and assumptions used to estimate the aggregated effects of its mitigation actions.

16. Developed country Parties shall report summary information on progress made in achieving quantified emission reduction targets in an agreed tabular format (to be defined), for each reported year.

**B. [Use of land use, land-use change and forestry and [credits][offset units] from market-based mechanisms]**

17. Developed country Parties that may apply international transfers of units towards achievement of its target shall report summary information for each year, beginning with 2010, on holding and transactions<sup>2</sup> of units from market-based mechanisms that may contribute to or deduct from the achievement of the emission reduction target, denominated in tonnes of carbon dioxide equivalent.

18. Information reported on greenhouse gas emission shall include:

- (a) Total GHG emissions, excluding emissions and removals from the LULUCF sector;
- (b) Emissions and removals from LULUCF:
  - (i) On an activity-based for Parties that use such accounting; or
  - (ii) On a comprehensive land-based for other Parties;
- (c) Total GHG emissions including emissions or removals from the LULUCF sector.

**V. Projections**

19. Developed country Parties shall provide projections of trends in GHG emissions and removals that reflect current circumstances, currently implemented mitigation actions and national accounting methods for LULUCF to the extent possible from the latest inventory year through 2020 or later. Parties are expected to report their projections consistent with their last national communication with respect to methodologies, assumptions and trends. When methodologies and assumptions have changed, these changes are to be documented in the biennial report.

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<sup>2</sup> Transactions include both transfers and acquisitions.

20. At a minimum, developed country Parties shall report a ‘with measures’ projection. The ‘with measures’ projection shall encompass currently implemented mitigation actions. Parties may also provide a ‘with additional measures’ projection that also encompasses planned, but not currently implemented, mitigation actions.

21. Each developed country Party should provide GHG projections for the following:

- (a) All GHGs aggregated by global warming potentials across all sectors collectively;
- (b) All GHGs by individual sector in tabular format (to be defined);
- (c) Gas by gas for CO<sub>2</sub>, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulphur hexafluoride and other gases required to estimate in the revised UNFCCC reporting guidelines on annual inventories in tabular format (to be defined).

22. Each developed country Party shall provide the following descriptive information related to these projections:

- (a) A list of mitigation actions included in the projection;
- (b) A description of key assumptions, such as economic and population growth, and international fuel prices, etc., in tabular format (to be defined);
- (c) Summary of methods, modelling and assumptions and references to where more detailed information can be found;
- (d) If the methods or assumptions used for projections are substantially different from those used in the most recent national communication, an explanation of these differences.

23. Each developed country Party may also provide an evaluation of the overall projected emissions relative to its emission reduction target and GHG inventory trends. This evaluation could include the following:

- (a) Quantification of any projected gap between projected emissions in 2020 and its economy-wide emission reduction target, or any overachievement and underachievement of the target;
- (b) An explanation of the reason for any gap;
- (c) A description of any additional steps planned to address this gap, including additional mitigation actions and their anticipated total effect or use of credits from market-based mechanisms or revision of the targets.

24. Parties may also report a ‘without measures’ projection.

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

25. Developed country Parties shall provide information on their provision of financial, technological and capacity-building support to developing country Parties. In reporting such information, to the extent possible, Parties should distinguish between support provided for mitigation activities, adaptation activities and other activities (such as capacity-building).

26. Each developed country Party shall provide a description of its national approach for tracking the provision of financial, technological and capacity-building support to developing country Parties, including to the registry of nationally appropriate mitigation measures if appropriate.

### **A. Finance**

27. Each developed country Party shall describe how it seeks to ensure that the resources it provides effectively address the needs of developing country Parties with regard to climate change adaptation and mitigation.

28. Each developed country Party shall provide information on the financial support it has provided and facilitated for the purpose of assisting developing country Parties to mitigate GHG emissions and adapt to the adverse effects of climate change, and for capacity-building in the areas of mitigation and adaptation. To that end, each developed country Party shall provide information in textual format and in tables (to be defined) on contributions to the following:

- (a) The Global Environment Facility, the Clean Technology Fund, the Strategic Climate Fund, the Least Developed Countries Fund, the Special Climate Change Fund and the Green Climate Fund;
- (b) Multilateral financial institutions, including the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation and the regional development banks;
- (c) Specialized United Nations agencies, including the United Nations Development Programme, the United Nations Environment Programme and the UNFCCC secretariat;
- (d) Bilateral, regional and other channels;
- (e) Flows of private funds for climate-related support, to the extent possible.

29. Each developed country Party shall provide summary information on annual contributions for the recent five calendar years on financial support that it has provided and facilitated for the purpose of assisting developing country Parties referred to in paragraph 30 above in textual format and in a summary table (to be defined).

30. Each developed country Party are encouraged to provide detailed information in textual format and in tables (to be confirmed), including short textual overview on the assistance provided for the purpose of assisting developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the cost of adaptation to those adverse effects.

31. Developed country Parties shall, to the extent possible, specify the types of instruments used in their national, bilateral or regional assistance, such as grants, loans, guarantees, equity and leveraged funds.

## **B. Technology development and transfer**

32. Each developed country Party shall provide information on measures taken to promote, facilitate and finance the transfer of, access to, and deployment of environmentally-sound technologies and to support the development and enhancement of endogenous capacities and technologies of developing countries and may also provide information on success and failure stories. Such measures could include participation in multilateral technology initiatives, such as the Clean Energy Ministers Meeting, the International Partnership for Energy Efficiency Cooperation, the Asia Pacific Partnership on Clean Development and Climate].

33. Each developed country Party should provide a textual description of individual measures and activities. In reporting these measures and activities, Parties should distinguish between activities undertaken by the public sector and those undertaken by the private sector. As the ability of Parties



to collect information on private-sector activities is limited, Parties may indicate, where feasible, in what way they have encouraged private-sector activities and how these activities help to meet the commitments of Parties under Article 4, paragraphs 3, 4 and 5, of the Convention. Parties may also indicate whether the activity is related to “hard” or “soft” technologies.

34. Each developed country Party shall summarize information related to technology transfer in tabular format (to be defined).

### **C. Capacity-building**

35. Each developed country Party shall provide information on how it has enhanced capacitybuilding support to developing country Parties in order to respond to existing and emerging capacitybuilding needs identified by developing country Parties in the areas of mitigation, adaptation, technology development and transfer, and access to financial resources. Information should be reported in a textual description of individual measures and activities, where appropriate, and should include information on how the Parties are:

- (a) Strengthening relevant institutions at various levels, including focal points and national coordinating bodies and organizations;
- (b) Strengthening networks for the generation, sharing and management of information and knowledge, including through North-South, South-South and triangular cooperation;
- (c) Strengthening climate change communication, education, training and public awareness at various levels;
- (d) Strengthening integrated approaches and the participation of various stakeholders in relevant social, economic and environmental policies and actions;
- (e) Supporting existing and emerging capacity-building needs identified in the areas of mitigation, adaptation, technology development and transfer, and access to financial resources.

36. In providing this information, each developed country Party is encouraged to report on how it has strived to ensure the effectiveness of its capacity-building support and how it evaluates the effectiveness of this support in cooperation with developing countries.

## **WORK OF THE AWG-LCA CONTACT GROUP**

### **Agenda item 3.2.1**

#### **Nationally appropriate mitigation commitments or actions by developed country Parties version of 14 October 2011 @ 5PM**

*Non-paper by the facilitator*

#### **Possible elements of draft decision for adoption of modalities and procedures for international assessment and review**

1. *Recalling relevant decisions;*
2. *Recognizing the importance of IAR;*
3. *Adoption of the modalities and procedures as contained in an annex to this decision;*
4. *Setting frequency; The IAR process will be conducted every two years*
5. *Setting start date of IAR;*
6. *Setting the date for review and revision of the modalities and procedures based on the experiences gained.*
7. *(.)*

#### **Possible elements of modalities and procedures for international assessment and review**

##### **I. Objectives of the international assessment and review process**

1. The overall objectives of the international assessment and review (IAR) process taking into account the provisions of the existing review guidelines under the Convention, are the following:
  - (a) To provide a non-intrusive, non-confrontational, robust, rigorous and transparent assessment of developed country Parties' progress towards the attainment of their quantified economy-wide emission reduction targets and the provision of financial, technological and capacity-building support to developing country Parties;
  - (b) To assist developed country Parties to provide consistent, accurate, comparable, transparent and complete information;
  - (c) To ensure robustness of accounting rules of each developed country Party and promote comparability of efforts among developed country Parties;
  - (d) To promote environmental integrity of the international climate regime;
  - (e) To build confidence that the implementation of mitigation actions of developed country Parties are in line with their quantified economy-wide emission reduction targets;
  - (f) To assist implementation of mitigation actions of developed country Parties in line with their quantified economy-wide emission reduction targets;
  - (g) To assist implementation of low carbon development strategy including target towards the long-term goal for 2050;
  - (h) To facilitate provisions of information to the Conference of Parties to assess the implementation of the Convention;
  - (i) To facilitate Annex I Parties to fulfill the methodological and reporting requirements and to set up robust accounting rules, as well as to achieve their quantified economy-wide emission reduction targets;
  - (j) To provide input to the 2013-2015 and the subsequent periodic review processes.
2. In addition to the overall objectives included in paragraph 1, the specific objectives of the technical review are the following:

- (a) To provide a thorough, objective and comprehensive technical review of information provided in reports referred to in paragraph 6 below for accuracy and conformity with reporting requirements;
- (b) To assess the implementation of commitments related to quantified economy-wide emission reduction targets and the provision of support;
- (c) To promote accuracy, completeness, comparability, consistency and transparency in the review of information;
- (d) To assess the progress in implementation of quantified economy-wide emission reduction target of each developed country Party and identify possible policy options to improve the outcome if necessary;
- (e) To assist Parties included in Annex I in improving their reporting of information and the implementation of their commitments on quantified economy-wide emission reduction targets and provision of support;
- (f) To provide the COP with a technical review of the implementation of methodological and reporting requirements, accounting modalities, as well as the quantified economy-wide emission reduction targets by Parties included in Annex I and provision of support by developed country Parties.

## **II. Process and scope**

### **A. Process**

3. IAR will be conducted in the following steps:

- (a) A technical review, where relevant in conjunction with the annual inventory and national communications review process for developed country Parties, which would result in an individual review report for each developed country Party;
- (b) An assessment of implementation conducted under the auspices of the Subsidiary Body for Implementation;
- (c) An assessment of progress towards the achievement of quantified economy-wide emission reduction targets [and the provision of financial, technological and capacity-building support to developing country Parties] under the auspices of the Subsidiary Body for Implementation;

### **B. Scope**

4. IAR will review and assess based on the existing review process for each developed country Party the following:

- (a) All emissions and removals related to its quantified economy-wide emission reduction target;
- (b) Assumptions and conditions related to respective Annex I countries' quantified economy-wide emission reduction targets;
- (c) Strategies adopted by developed country Parties to attainment of their quantified economy-wide emission reduction targets;
- (d) Progress towards the achievement of quantified economy-wide emission reduction targets;
- (e) Provision of financial, technological and capacity-building support to developing country Parties.

## **III. Technical review**

### **A. Inputs**

5. The inputs to the technical review are the following:

- (a) Biennial report;

- (b) Annual GHG inventory and national inventory report;
- (c) Relevant review reports of annual GHG inventory and national communication;
- (d) Complete national communication in the event that the biennial report is considered as part of the national communication in the year that the national communication is submitted];
- (e) Any additional information provided by the Party before or during the review;
- (f) Peer reviewed publications and other credible sources.

#### **B. Process**

6. Each developed country Party's biennial report is reviewed], where relevant in conjunction with the annual inventory and national communications review process, as follows:

- (a) The annual inventory and national communications review are conducted in accordance with existing and revised guidelines and procedures under the Convention;
- (b) Supplemental review tasks related to the biennial report are the following:
  - (i) Overall progress in the implementation of the quantified economy-wide emission reduction target;
  - (ii) Progress in the implementation of individual mitigation actions and their effects in order to achieve the quantified economy-wide emission reduction targets;
  - (iii) Land use, land-use change and forestry (LULUCF) activities and offset units from market mechanisms;
  - (iv) Provision of financial, technology and capacity-building support to developing country Parties.

7. *Options* for handling [supplemental] review tasks:

Option 1: Add tasks to the existing inventory review team, with additional experts including those who can handle the review of the provision of support by developed country Parties in order to handle supplemental tasks. Enhance the capacity of the secretariat to be able to sufficiently support performance of the review team;

#### **C. Output**

8. The output of the technical review is a technical review report(s) for each individual developed country Party.

### **IV. Assessment**

#### **A. Inputs**

9. The assessment will be carried out on the basis of:

- (a) Technical review report(s) referred to in paragraph 9, and any other relevant review reports of annual GHG inventory and national communication;
- (b) Biennial report;
- (c) National GHG inventory, national inventory report and, where relevant, national communication;
- (d) Other information provided by the Party before or during the assessment;

#### **B. Process**

10. Each developed country Party is assessed individually.

11. The assessment under the IAR process shall entail the following:

- (a) Opportunity for Parties to submit written questions to the Party concerned in advance of the [assessment which may require the secretariat to synthesize; this would be part of the basis for the [consultations][review];
- (b) Verbal questions [and response] during the session;

**C. Forum for assessment**

12. The international assessment shall be conducted through dedicated session of the Subsidiary Body for Implementation.

**D. Outputs**

13. The outputs of the assessment are the following:

- (a) Objective record of questions and discussion;
- (b) Summary report;
- (c) Conclusions;
- (d) Recommendations to Party;
- (g) Facilitative process to engage the Party concerned and assist it in taking remedial action if necessary;

**E. Relationship with other process**

14. Issue for further consideration: any formal relation of IAR process to:

- (a) The review of the adequacy of the long-term global goal of the Convention or process to increase the level of ambition;
- (b) Relevant provisions under the Convention.
- (c) -----

## NEW ZEALAND SUBMISSION

### *AWG - LCA . Nationally Appropriate Mitigation Actions and Transparency Provisions*

October 2011

This submission responds to the invitation to Parties to submit their views on the in-session material reflecting the work undertaken by the Ad Hoc Working Group on Long-term Cooperative Action under the Convention at the third part of its fourteenth session (AWG-LCA 14.3).

New Zealand views mitigation and the transparency provisions as central to a successful outcome in Durban at COP 17. To that end we submit the following inputs:

#### **Mitigation**

1 New Zealand recognises there are a number of ways countries could increase their level of ambition, including through the means outlined in the co-facilitator's summary of discussion on matters relating to paragraphs 36-38 of the Cancun Agreements<sup>3</sup>. However, we believe that ambition by individual countries cannot be independent of what others are doing, and therefore it will evolve over time. A foundation for increased ambition is transparency of actions and their effects, thus the most valuable contribution we can make at this time is to increase the transparency of countries' actions and begin regular reporting of greenhouse gas emissions by all countries, in particular major emitters. This will demonstrate the aggregate level of action and promote confidence that all countries are doing their fair share.

2 While it is New Zealand's preference to see a future comprehensive multilateral agreement emerge quickly, we also acknowledge that there is likely to be a transitional period until we reach that agreement. During this transition period we need to maximise transparency of mitigation action, while providing Parties with the flexibility to undertake diverse actions that reflect their national circumstances.

3 With regard to pledges already on the table, developed countries should identify which accounting rules are to be applied, and which market mechanisms are being employed. While recognising the diversity of mitigation actions by developing countries, there is still a need to better understand assumptions and to estimate the expected aggregate emissions reduction outcome.

4 A structured approach would be useful to help clarify both developed and developing country targets and actions included in the INF documents (annexed to decision 1.CP/16). This approach should take account of the diversity of national circumstances and actions and enable both

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<sup>3</sup> [http://unfccc.int/files/meetings/ad\\_hoc\\_working\\_groups/lca/application/pdf/co-facilitators\\_summary\\_14\\_oct\\_for\\_web.pdf](http://unfccc.int/files/meetings/ad_hoc_working_groups/lca/application/pdf/co-facilitators_summary_14_oct_for_web.pdf)

flexibility and the identification of commonality. We see this as being useful to advance the negotiations, and to provide certainty to carbon markets (and the public) about ongoing mitigation action.

5 We also propose a complementary exercise of establishing a work programme to define and develop an accounting framework, including the use of market mechanisms. Such an accounting framework would need to accommodate national circumstances. This work programme would examine how much of the accounting framework is “common”, the degree of flexibility taking into account national circumstances, and how it would provide environmental integrity and transparency at the country level. COP 17 should agree to the work programme and invite submissions from Parties to allow the work to begin early in 2012. The work programme should aim to complete its task by COP 18.

## **Transparency**

### *Reporting*

6 New Zealand recognises a sense of urgency (which is shared by many other Parties) for COP 17 to agree guidelines on both biennial update reports from developing country Parties and biennial reports from developed country Parties. To that end, in August 2011, New Zealand submitted draft guidelines for biennial update reports from developing country Parties.

7 To help facilitate a decision, we include in this submission draft decision text on biennial (update) report guidelines for both developed and developing countries. These decisions include crucial elements for Parties to consider, including: confirming the first submission date and frequency of reporting; potential flexibilities according to national circumstances; how recent the data reported needs to be; and an agreed date for reviewing the guidelines.

8 We have also resubmitted proposed templates for biennial update reports from developing countries, as we believe reporting in tabular format will help to streamline the reports. Given that reporting by developed countries is more mature than for developing countries, the use of templates or tabular formats is already included in national communications and national inventory reports. Further use of templates should also be applied to biennial reports from developed countries.

9 As per New Zealand’s previous submission we believe that biennial update reports should be submitted in English. This is because executive summaries of non-Annex I Parties’ national communications are submitted in English. Given that the biennial update report is expected to be short and succinct (similar to an executive summary) with much of the information presented in tabular format, English should be the language of submission for biennial update reports.

10 We note with caution the attempt to pre-empt decisions by Parties on legal form and accounting through these reporting guidelines. Accounting is different from reporting, and requires separate consideration. We support the use of the approach in paragraph 7 of the draft guidelines

for biennial reports from developed countries<sup>4</sup>, in which reporting relative to the target would be done according to an agreed accounting framework, which should be adopted at COP 18. We suggest a process to clarify pledges together with a work programme to agree an accounting framework by COP 18.

11 In agreeing the guidelines in section VI, Parties should ensure that the resulting guidance for reporting on the provision of support is practicable. For example distinguishing between mitigation, adaptation and ‘other activities’, as proposed in paragraph 27, may sound simple in theory, but in practice, support could deliver benefits to mitigation as well as other co-benefits. We believe reporting on the provision of support would be best done using a tabular format.

12 New Zealand recognises that reporting biennially is a step change from the present system and that many developing countries could benefit from increased support to help facilitate this change. All developing countries need to report (with flexibility for LDCs and SIDS) and New Zealand supports the early mobilisation of funding and decisions to bring this about.

#### *Analysis and review*

13 New Zealand would like to reinforce the importance of analysis and review processes to promote confidence in the mitigation actions and reporting by all countries.

14 We note that the co-facilitators’ non-paper on international assessment and review (IAR) has several references to compliance. While important, compliance is related to the legal form of an agreement, and therefore is not an issue to be determined through IAR. New Zealand does not see a role for compliance in the IAR process.

15 The **scope of IAR** is clearly articulated in decision 1.CP/16. Paragraphs 44 and 46(d) define the scope of IAR as being an assessment and review of:

*“emissions and removals related to quantified economy-wide emission reduction targets ... including the role of land use, land-use change and forestry, and carbon credits from market-based mechanisms”*

This does not include the provision of support to developing countries, nor does it include any reference to a “supplementary review” process. As such, New Zealand requests that all sections relating to these issues be bracketed in the revised version of the co-facilitators’ text.

16 In paragraphs 63 and 64 of 1.CP/16, Parties decided that all developing countries would produce biennial update reports, and that international consultations and analysis (ICA) of these reports would be conducted. Therefore, ICA is not a voluntary process.

17 Likewise, decision 1.CP/16 (in paragraphs 63 and 64) is clear about the **scope of the ICA process**, as being:

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<sup>4</sup> [http://unfccc.int/files/meetings/ad\\_hoc\\_working\\_groups/lca/application/pdf/non-paper\\_3.2.1\\_v8\\_for\\_web2.pdf](http://unfccc.int/files/meetings/ad_hoc_working_groups/lca/application/pdf/non-paper_3.2.1_v8_for_web2.pdf)



*“biennial reports... information considered should include the national greenhouse gas inventory report, information on mitigation actions, including a description, analysis of the impacts and associated methodologies and assumptions, progress in implementation and information on domestic measurement, reporting and verification, and support received;”*

New Zealand reiterates that information on domestic measurement, reporting and verification is included in the scope of ICA, and hence agree that reporting on domestic measurement, reporting and verification should be included in biennial update reports.

18 The overriding **aim of the ICA process** is provided in paragraph 63 of decision 1.CP/16, that is: “to increase transparency of mitigation actions and their effects”. Therefore New Zealand requests that paragraph 3 of the co-facilitators’ text should be up front, the first objective listed in section I: Objectives of ICA.

19 The **process of ICA** is also made clear in decision 1.CP/16, that ICA will achieve its goals “through analysis by technical experts in consultation with the Party concerned and through a facilitative sharing of views”. New Zealand’s view is that the order of procedure is made clear in this text: technical expert analysis, followed by a facilitative sharing of views.

## Draft Decision Text

### Guidelines for the preparation of biennial reports from Parties included in Annex I to the Convention

*The Conference of the Parties,*

*Recalling*, the relevant provisions of the United Nations Framework Convention on Climate Change, in particular, [Article 4, paragraph 2 (a), (b) and (c), Article 5, Article 7, paragraph 2 (a), (b), (d) and (e), Article 10, paragraph 2 (a) and (b), and Article 12] [Articles 4, 5, 7, 10 and 12],

*Recalling also* its decision 1/CP.16 that Parties included in Annex I to the Convention (Annex I Parties) shall submit their national communications to the Conference of the Parties, in accordance with Article 12, paragraph 1, of the Convention, every four years,

*Recognising* that, by decision 1/CP.16, Parties had initiated a process of developing the guidelines for the preparation of biennial reports from Annex I Parties,

*Noting* decision 1/CP.16 to conduct international assessment and review of biennial reports submitted by Annex I Parties under the Subsidiary Body for Implementation,

*Emphasizing* that information submitted by Annex I Parties under Article 12 of the Convention is the main source of information for reviewing the implementation of the Convention by these Parties,

*Noting* that delays in or absence of submissions from some Parties will hinder the assessment of implementation, as well as delays in completion of international assessment and review,

*Recognizing* the important contribution enhanced reporting, including biennial reports from Annex I Parties, has in the review of the global goal agreed by Parties in decision 1/CP.16,

1. *Adopts* the guidelines contained in the annex to this decision for the preparation of biennial reports by Annex I Parties: UNFCCC reporting guidelines on biennial reports (hereafter referred to as ‘the Guidelines’);

2. *Decides*:

(a) That Annex I Parties should use the Guidelines for the preparation of biennial update reports;

(b) That, in using the Guidelines, Annex I Parties should take into account their national circumstances;

(c) That the first biennial update report from Annex I Parties shall update the sections of the most recent full national communication submission, as outlined in the Guidelines;

(d) That Annex I Parties shall submit a full national communication every four years, the next due date after this decision being 1 January 2014;

(e) That Annex I Parties shall submit their first biennial report to the Secretariat by 30 April 2013, and the second and subsequent biennial reports shall be submitted within two years of the due date of a full national communication (i.e. 2016, 2020);

(f) That the sections of biennial reports submitted by an Annex I Party that are subject to international assessment and review are sections II, III, IV and V<sup>5</sup>;

(h) That the full annual greenhouse gas inventory submission is outside the scope of the international assessment and review process;

(i) That the Guidelines shall be reviewed, and revised guidelines adopted by [2016], taking into consideration the principles of transparency, consistency, comparability, completeness and accuracy of the reported national greenhouse gas inventories, experience with the first round of biennial update reports, and other information including incorporation [as appropriate] of the 2006 IPCC Guidelines for National Greenhouse Gas Inventories,

3. *Requests* the secretariat to prepare a compilation and synthesis of the information reported by Annex I Parties in the biennial update reports referred to in paragraph 2(d) above, to be available for the COP at its [20th] session.

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<sup>5</sup> This is based on the current sections of the co-facilitators' non-paper on possible elements of a draft decision for adoption of the guidelines for biennial reports of developed country Parties, version of 14 October 2011, and means all sections other than the provision of financial support, which is outside the scope of IAR.

## Draft Decision Text

### Guidelines for the preparation of biennial update reports from Parties not included in Annex I to the Convention

*The Conference of the Parties,*

*Recalling*, the relevant provisions of the United Nations Framework Convention on Climate Change, in particular, Article 4, paragraphs 1, 3 and 7, Article 5, Article 7, paragraph 2 (a), (b), (d) and (e), Article 9, paragraph 2 (b), Article 10.2, Article 12, paragraphs 1, 5, 6 and 7, of the Convention,

*Recalling also* its decision 1/CP.16 that Parties not included in Annex I to the Convention (non-Annex I Parties) shall submit their national communications to the Conference of the Parties, in accordance with Article 12, paragraph 1, of the Convention, every four years,

*Conscious of* its decision to provide additional flexibility for the least developed country Parties and small island developing States in their reporting requirements,

*Recognising* that, by its decision 1/CP.16, it had initiated a work programme for developing the guidelines for the preparation of biennial update reports from non-Annex I Parties,

*Noting* decision 1/CP.16 to conduct international consultations and analysis of biennial update reports submitted by non-Annex I Parties under the Subsidiary Body for Implementation,

*Recognizing* the important contribution that enhanced reporting, including biennial update reports from non-Annex I Parties, has in the review of the global goal,

*Emphasizing* that information submitted by non-Annex I Parties under Article 12 of the Convention is the main source of information for reviewing the implementation of the Convention by these Parties;

*Noting* that delays in or absence of submissions from some Parties hinder the assessment of implementation, as well as delays in completion of international consultations and analysis,

1. *Adopts* the guidelines contained in the annex to this decision for the preparation of biennial update reports by non-Annex I Parties: UNFCCC reporting guidelines on biennial update reports (hereafter referred to as ‘the Guidelines’);

2. *Decides*:

(a) That non-Annex I Parties should use the Guidelines for the preparation of biennial update reports;

(b) That, in using the Guidelines, non-Annex I Parties should take into account their development priorities, objectives and national circumstances;

(c) That the Guidelines should be used to provide guidance to an operating entity of the financial mechanism for funding the preparation of biennial update reports from non-Annex I Parties;

(e) That as outlined in the Guidelines, the biennial update report from each non-Annex I Party shall update the information contained in the sections of its most recent full national communication submission, and that the greenhouse gas inventory information contained in the biennial update report will be for the year [N-3], where N denotes the year of submission;

(f) That each non-Annex I Party that has already submitted an initial national communication or a subsequent national communication shall submit its first biennial update report to the Secretariat by [date] [April][month] [2013][2014];

(g) That, where an initial national communication has not yet been submitted by a non-Annex I Party, the first biennial update report shall contain the information required by the Guidelines to the extent possible, and will be submitted to the Secretariat by [date] [April][month] [2013][2014];

(h) That a full national communication shall be submitted every four years, the first due date following this decision being [date] [April][month] [2015][2016];

(i) That the submissions of second and subsequent biennial update reports by non-Annex I Parties shall be made within two years of the due date of a full national communication;

(k) That all sections included in the Guidelines will be subject to international consultations and analysis;

(l) That the Guidelines for non-Annex I Parties shall be reviewed, and revised guidelines adopted by [2016], taking into consideration the principles of transparency, consistency, comparability, completeness and accuracy of the reported national greenhouse gas inventories, experience with the first round of biennial update reports, and other information including incorporation [as appropriate] of the 2006 IPCC Guidelines for National Greenhouse Gas Inventories,

3. *Urges* those non-Annex I Parties that have not submitted their first, second or third national communication, to do so as soon as possible;

4. *Requests* the secretariat to facilitate assistance to non-Annex I Parties in the preparation of their biennial update reports, in accordance with Article 8, paragraph 2 (c), of the Convention, and to prepare reports thereon for consideration by the Subsidiary Body for Implementation;

5. *Requests* the secretariat to prepare a compilation and synthesis of the information reported by non-Annex I Parties in the biennial update reports referred to in paragraph 1(f) above, to be available for the COP at its [20th] session.

## Annex to biennial update report guidelines

The templates in this annex are provided to assist non-Annex I Parties with the compilation and submission of their biennial update reports.

### Template 1: Submission information

Year  
Submission  
Country

Country	
Inventory Years	
Contact Name	
Title	
Organization	
Address	
Phone	
Fax	
E-mail	
URL	

### Additional information

Status	
Submission	
Comments	

**Template 2: Outline of biennial update report**

National greenhouse gas inventory		Notes
	Summary report	Emission/removal summary by sector and by gas using standard reporting table
	Sectoral table for Energy	Summary of each sector using standard reporting tables
	Sectoral table for Industrial Processes	
	Sectoral table for Solvent and Other Product Use	
	Sectoral table for Agriculture	
	Sectoral table for Land-Use Change and Forestry	
	Sectoral table for Waste	
	Key category analysis	Parties should identify their national key categories for the latest reported inventory year, using the IPCC tier 1 level assessment.
	Methodologies used	Choice of methods/activity data/emission factors, assumptions, parameters and conventions underlying the emission and removal estimates – the rationale for their selection, any specific methodological issues
	Recalculations and improvements	Any changes in estimates of emissions and removals, compared with previously submitted inventories, regardless of magnitude. Clearly indicate the reason for the changes using the template provided. Parties should also describe planned improvements to methodologies, activity data, emission factors, etc. (optional)
	Procedures and arrangements for the national greenhouse gas inventory	A description of the GHG inventory procedures and arrangements, using the template provided
	Uncertainties	Encouraged to provide information on uncertainties using IPCC good practice guidance as basis
Mitigation actions and their effects		

	Description of the action	Using the template provided, for each action or suite of actions, a description, including the nature of the action, base year, coverage (i.e. sectors and gases,) quantitative goals and progress indicators
	Progress of implementation	Using the template provided, for each action or suite of actions information on the progress of implementation, and the results so far: such as estimated outcomes (metrics depending on type of action) and estimated emission reductions
	Methodologies and assumptions	Using the template provided, for each action or suite of actions information on methodologies and assumptions specific to the mitigation action, including where relevant, methods for determining the baseline used, business-as-usual information or other metrics
	Use of international or domestic offsets	Using the template provided, report on the use of international or domestic emission reduction credits or allowances. Information also to be provided on any rules/documentation/verification of such units
Domestic MRV		An up-to-date description of system of domestic measurement, reporting and verification using the template provided
Support received		Summary level information using the template provided
Other information		



**Template 3: National inventory procedures and arrangements**

Entity submitting the inventory to the UNFCCC secretariat	
Entity/entities completing the national inventory report	
Entity coordinating work between the core institutions	
Entity approving the inventory before the official submission to the UNFCCC secretariat	
Entity/entities maintaining the underlying emission models	
Entity/entities collecting the relevant basic data	
Entity/entities collecting point source data	
Entity/entities compiling the reporting tables	
Entity implementing and coordinating the quality assurance/quality control (QA/QC) plan	
Entity/entities ensuring that the different underlying methodologies are based on sound and updated scientific knowledge	

**Template 4: Reporting of recalculations**

Sector	Gas	Previous year (xxxx)	This report (yyyy)	Difference (absolute)	Difference (percentage)	Impact on total emissions (including LULUCF)	Impact on total emissions (excluding LULUCF)	Reason for recalculation (e.g. change in emission factor(s), methodology, activity data, other)

**Template 5: Summary report of mitigation actions**

**Template 5.1: Report table of update/change in policy framework<sup>(1)</sup>**

Title	Description

1. Development plan, climate change policy, change in regime, etc.

**Template 5.2: Report table of mitigation actions**

Description of Mitigation Action	Base year	Coverage		Implementing Entities	Quantitative goal	Progress indicators	Progress to date	Estimated outcomes/ Emissions reductions	Methodologies and assumptions
		Sector <sup>1</sup>	gas						

1. IPCC sector (Energy, Industrial processes, Solvent and Other Product Use, Agriculture, LULUCF, Waste)

**Template 6: Use of Offsets**

Units sold (type of unit)	Tonnes of CO <sub>2</sub> -equivalent	Information on rules/documentation/verification
Units purchased (type of unit)		
<b>Total</b>		

**Template 7: General description of domestic systems for MRV**

Component of MRV system <sup>1,2</sup>	Methodologies applied/rationale for approach taken

1. Includes any updates since last submission

2. For example: entities responsible of MRV of mitigation actions; description of data collection system including models used for projections; selection of performance indicators; QA/QC system; third party verification; process for reporting.

**Template 8: Support received**

Project/activity	Supported by <sup>1</sup>	Type of support <sup>2</sup>	Timescale		Total funding		Proportion of costs from various sources of funding	Mitigation and/or other results achieved	Relationship to the needs identified in the LCDS
			Start	Finish	Local currency	USD			

1. GEF; Annex II Party; other Party; bilateral institution or fund; multilateral institution or fund

2. Finance, technology transfer, capacity building, other

## **WORK OF THE AWG-LCA CONTACT GROUP**

### **Agenda item 3.2.1**

#### **Nationally appropriate mitigation commitments or actions by developed country Parties version of 14 October 2011 @ 5PM**

*Non-paper by the facilitator*

#### **Possible elements of draft decision for adoption of the guidelines for biennial reports of developed country Parties**

1. *Adoption* of the guidelines as contained in an annex to this decision.
2. *Decision* on the starting date of the submission of the biennial reports [and [ on the due date of submissions setting the date for by 1 January in the year in which they are due.]
3. *Decision* to revise the guidelines to reflect the experience with reporting and review, [including with the use of the standard electronic formats and tables] [ of any further reporting requirements] no later than [ ].

[4. Decision on requesting the UNFCCC secretariat to develop electronic reporting format following the agreed tables.]

#### **Possible elements of draft guidelines for biennial reports of developed country Parties**

##### **I. Objectives**

1. The objectives of these guidelines for preparing the biennial report are:
  - (a) To assist developed country Parties in meeting their commitments for reporting under Article 12 of the Convention [and decision 1/CP.16];
  - (b) To promote the provision of consistent, transparent, comparable, accurate and complete information by developed country Parties;
  - (c) To facilitate the international assessment and review (IAR) of emissions and removals related to the achievement of quantified economy-wide emission reduction targets [and on increasing of the level of ambition of the ambition of the economy-wide emission reduction targets];
  - (d) To assist the Conference of the Parties to carry out its responsibilities under the Convention.
  - [e) To ensure that the Conference of the Parties (COP) has sufficient information to carry out its responsibility of assessing the implementation of the Convention by Parties.]
  - [f) To ensure that the Conference of the Parties (COP) has sufficient information to carry out the 2013-2015 and subsequent periodic reviews.]

##### **[Ibis. General issues**

1. A standardized electronic format for data reporting and common structure shall be used by developed country Parties for reporting the relevant information as describes in the annexes of these guidelines.

2. In years in which a submission of a national communication is due, the content of the biennial report as described in these guidelines shall be integrated<sup>6</sup> into the national communication.

3. The information identified in these guidelines shall be communicated by developed country Parties to the UNFCCC secretariat electronically, and shall be in one of the official languages of the United Nations. Parties should also submit a translation of the biennial report into English.]

### **I. Information on greenhouse gas emission inventory trends**

2. Developed country Parties shall report summary information on greenhouse gas (GHG) trends by sector in tabular format [(to be defined)] [as set in the annex]. For the period from 1990 up to 2010, emissions information shall be reported [for five-year increments][annually]. After 2010, emissions information shall be provided annually and shall be consistent with that provided in the most recent annual inventory submission.

3. Developed country Parties shall report summary information on GHG trends by gas [and the indicators relevant to GHG] [for] emissions and removals in tabular format [(to be defined)] [as set in the annex].

4. Parties shall provide an explanation of these emission trends, the underlying drivers [and methodologies used and assumptions made] focusing on changes in the most recent years.

[5. Parties shall also provide [in a tabular format for key categories information on methodologies and emission factor] [[a brief general][detailed] description of the methodologies] used for the annual inventory[.] [and assumptions made.][with a reference to the methodologies elaborated by the Intergovernmental Panel on Climate Change and the accounting rules].]

[6. The summarized GHG inventory information as referred in para 2 -4 above is reported in the biennial report to provide a background of the GHG emissions and removals in a Party. The comprehensive GHG inventory information is submitted and reviewed annually under the Convention.]

### **III. Economy-wide emission reduction target**

6. Each developed country Party shall describe its economy-wide emission reduction targets, [including any conditions or assumptions relevant to the attainment of that target,] as communicated to the UNFCCC secretariat and contained in document FCCC/SB/2011/INF.1/Rev.1 or any update to that document, [among which unconditional domestic target shall be clearly stated].

7. The description of the Party's national economy-wide emission reduction target shall include, [in accordance with accounting rules adopted by decision XXX], as appropriate, the following information:

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<sup>6</sup> The future structure and content of the national communication shall be discussed under the revision of the guidelines for Annex I national communications. However, in the future national communication submission should consist of two parts: Part 1 covering information reported in biennial reports along the guidelines for biennial reports and Part 2 covering additional information on items reported in the biennial report as well as information on other issues as reported currently in the national communication such as national circumstances, vulnerability assessment, climate change impacts and adaptation measures, research and systematic observation, education, training and public awareness.

- (a) The emission reduction target expressed as a per cent reduction in emission levels, the base year and base year level of emissions against which the per cent emission reduction is set, the year in which the target is to be achieved [, emission reduction trajectory and target converted into quantified emission limitation and reduction and assigned amount], [if applicable];
- (b) Gases [and sectors] covered<sup>7</sup> [including at least the gasses and sectors included in Annex A of the Kyoto Protocol];
- (c) [ Global warming potential values used]<sup>8</sup>;
- (d) Other information, such as interim or subsectoral targets, as appropriate.

8. [Each Party shall provide information on the role of the land use, land-use change and forestry (LULUCF) sector in achieving its emission reduction target [based on [common] internationally agreed accounting rules]. [This information shall include the following:

- (a) Whether any emissions and/or removals from the LULUCF sector are included in the [base][reference] year emissions for the emission reduction target;
- (b) Whether the accounting approach is activity-based, [as under the Kyoto Protocol, ]or comprehensive land-based;
- (c) [For Parties that are using activity-based accounting, the individual activities that will be accounted for.]]

9. [[In accordance with common internationally agreed accounting rules,] Each Party shall provide information on its [anticipated] use of [international] carbon [credits][offset units]<sup>9</sup> from market-based mechanisms [approved at the UNFCCC level] in achieving its economy-wide emission reduction target. This information shall include the following:

- (a) A description of each of the sources of [international] carbon [credits][offset units] from market-based mechanisms [approved at the UNFCCC level];
- (b) The scale of anticipated contributions from [each of] these sources;
- (c) [For national, bilateral or regional market-based mechanisms, a description of the procedures and arrangements, including rules and methods used to calculate baselines, and verification and tracking systems, to ensure the integrity of carbon [credits][offset units] and to prevent double-counting of [emission reductions][different off-sets];]
- (d) Share of [international] carbon [credits][offset units] from least developed countries.]

10. Each Party shall describe any domestic [institutional] arrangements, including legislation and administrative procedures, for monitoring [,] [or] [evaluation of and] enforcing progress towards its target.

#### **IV. Progress in the achievement of economy-wide quantified emission reduction targets[ and commitments]**

##### **A. [Mitigation actions and their effects]**

11. Each developed country Party shall provide information on the mitigation actions, including policies and measures it has implemented or plans to implement to achieve its economy-wide emission reduction target. Parties shall organize reporting of mitigation actions by the following

<sup>7</sup> The EU has proposed to discuss this element as part of the negotiations on an international accounting system. Depending on the outcome of that discussion in Durban, this point could need to be adjusted.

<sup>8</sup> The EU has proposed to discuss this element as part of the negotiations on an international accounting system. Depending on the outcome of that discussion in Durban, this point could need to be adjusted.

<sup>9</sup> Exact language will need to be adjusted depending of the outcome of the ongoing negotiations on a new market-based mechanism.

sectors: [cross-cutting,] energy industries, energy use in industry, other energy use, transport, industrial processes, agriculture, forestry and land use, and waste. Within each sector, Parties shall prioritize the reporting of actions with the most significant mitigation potential.

12. For mitigation actions that have not been previously reported in a previous national communication or biennial report, the Party shall provide a description of [each] [individual] mitigation action [or suite of actions], including the following information: name and description of the action; type of mitigation action; objective of the action; sector and gases covered; status of implementation and implementing entity; [performance indicators and how implementation of the action and its performance will be monitored]; anticipated mitigation effect [in 2020] [for next 4 years ending with 0 or 5]; [parties may also provide information on costs of mitigation actions] [costs of mitigation action]. The Party [shall] [should] also provide a list of any mitigation actions that are no longer being implemented.

13. Parties shall summarize information on all currently implemented and planned mitigation actions in a tabular format [(to be defined)] [as set in the annex].

14. Mitigation actions should be presented in the table [(as defined in paragraph 13)] by sector, and within the sector in decreasing order of the anticipated mitigation effect of the action.

[15. Each Party shall provide information on the performance of its mitigation actions in aggregate, including policies and measures [in tabular format (to be defined)] This information shall include the following:

- (a) Information on performance indicators identified for the mitigation actions listed above;
- (b) An estimation of the aggregated annual emission reductions achieved by the implementation of the mitigation actions [relative to carbon budget over a commitment period]. ] (Comment: EU sees this covered by para 12 and para 13)

16. Each Party shall [describe] [provide references to underpinning reports referring to] the methods and assumptions used to estimate the aggregated effects of its mitigation actions.

#### **B. [Use of land use, land-use change and forestry and [credits][offset][units]from market-based mechanisms]**

17. Developed country Parties [that apply international transfers of units towards achievement of its target] shall report summary information for each year, beginning with 2010, on holding and transactions<sup>10</sup> of [international [carbon] credits] [[offset] units] from market-based mechanisms [approved at UNFCCC level] that contribute to or deduct from the achievement of the emission reduction target, denominated in tonnes of carbon dioxide equivalent.

18. Developed country Parties shall report summary information on quantified emission reduction targets and on progress made in achieving emission reductions in an agreed tabular format (to be defined), [in accordance with [internationally agreed] accounting rules [adopted by decision XXX,] for the base year and for each reported year.

19. [For the base year, information reported on quantified emission reduction targets shall include:

- (a) Total GHG emissions, excluding emissions and removals from the LULUCF sector;
- (b) Net emissions and removals from LULUCF;

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<sup>10</sup> Transactions include both transfers and acquisitions [and cancellations].

- (i) On an activity-by-activity basis for Parties that use [Kyoto Protocol][such] accounting; or
- [(ii) On a comprehensive land-based basis for other Parties;]
- (c) Total GHG emissions including net emissions [or][and] removals from the LULUCF sector.
- [(d) Its emissions used for the calculation of the target;]
- (e) [Its emission target as a percentage reduction of base year emissions;
- (f) Its emission target in gigatonnes of carbon dioxide equivalent.]]

20. [For each reported year, in addition to information included in paragraph 19 (a) to (c), reported information on emission reduction targets shall include:

- (a) Total acquisitions of international [carbon] [credits][offset][units]<sup>11</sup> from market-based mechanisms [approved at UNFCCC level];
- (b) Total transfers of international [carbon] [credits][offset][units] from market-based mechanisms [approved at UNFCCC level];
- [bbis) Total amount of international carbon [credits] [offset units] from market-based mechanisms approved at UNFCCC level accounted towards the emission reduction target;]
- [bcis) Total amount of units issued from LULUCF activities;]
- [(c) Total "Accounted emissions and [credits][offset units]", calculated as the sum of "Emissions including LULUCF" minus "Acquisitions of international credits plus transfer of international credits;]
- (d) Complementarity of the use of [market-based] mechanisms [approved at UNFCCC level] to domestic action.]

## V. Projections

21. Developed country Parties shall provide projections [of trends in GHG emissions and removals that reflect current circumstances, currently implemented mitigation actions and national accounting methods for LULUCF]. Parties [should] [are expected to] report their projections consistent with their last national communication with respect to methodologies, assumptions and trends. When methodologies and assumptions have changed, these changes [are to] [should] be documented in the biennial report.

22. At a minimum, developed country Parties shall report a "with measures" projection[s]. The "with measures" projection[s] shall encompass currently implemented mitigation actions. Parties [should] [may] also provide a "with additional measures" projection[s] that also encompasses planned, but not currently implemented, mitigation actions.

23. Each developed country Party [shall][should] provide GHG projections from the latest inventory year [through 2020] [for the 4 future years ending with 0 or 5] [or later][and decadal until 2050], for the following:

- (a) All GHGs aggregated by global warming potentials across all sectors collectively;
- (b) All GHGs by individual sector in tabular format [(to be defined)] [as set in the annex];
- (c) Gas by gas for CO<sub>2</sub>, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride in tabular format [(to be defined)] [as set in the annex].

24. Each developed country Party [shall][should] provide the following descriptive information related to these projections:

<sup>11</sup> Exact language will need to be adjusted depending of the outcome of the ongoing negotiations on a new market-based mechanism.



- (a) A list of mitigation actions included in the projection;
- (b) A description of key assumptions, such as economic and population growth, and international fuel prices, etc., in tabular format [(to be defined)] [as set in the annex];
- (c) [Summary of methods, modelling and assumptions and] references to where more detailed information [on methods, modelling and assumptions] can be found;
- (d) If the methods or assumptions used for projections are substantially different from those used in the most recent national communication, an explanation of these differences.

25. Each developed country Party shall also provide an evaluation of the overall projected emissions relative to its emission reduction target and GHG inventory trends. This evaluation shall include the following:

- (a) [Quantification of any projected gap between projected emissions in 2020 and its economy-wide emission reduction target, or any overachievement [and underachievement] of the target;]
- (b) An explanation of the reason for any gap;
- (c) A description of any additional steps planned to address this gap, including additional mitigation actions and their anticipated total effect or use of [international] credits from market-based mechanisms or from LULUCF [as approved at the UNFCCC level].

26. Parties [should] may also report a "without measures" projection. If provided, the "without measures" projection should exclude all mitigation actions implemented after the [base year] [year chosen as the starting point for this projection].

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

27. Developed country Parties shall provide [brief] information on their provision of financial, technological and capacity-building support to developing country Parties. In reporting such information, to the extent possible, Parties should distinguish between support provided [to developing countries] for mitigation activities[,] [and] adaptation activities [and other activities.] [In the case of activities with multiple objectives, the funding supporting those activities could be reported as contribution partially to the different objectives, avoiding "double counting".] [(such as capacity-building)].

28. Each developed country Party shall provide a [brief] description of its national approach for tracking the provision of financial, technological and capacity-building support to developing country Parties[,] [and] including to the registry of nationally appropriate mitigation measures. This description shall include information on indicators used and the particular delivery mechanisms and financial channels tracked.]

### **A. Finance**

[29. Each developed country Party shall describe how it [seeks to] ensures that the resources it provides effectively address the needs of developing country Parties with regard to climate change adaptation and mitigation.]

30. Each developed country Party shall provide information on the financial support it has provided [and facilitated] for the purpose of assisting developing country Parties to mitigate GHG emissions and adapt to the adverse effects of climate change[,] [and for] capacity-building [and technology transfer where appropriate] in the areas of mitigation and adaptation. To that end, each developed

country Party shall provide information [in textual format and] in tables [(to be defined)] [as set in the annex] on annual contributions for the previous two calendar years to the following:

(a) The Global Environment Facility, the Clean Technology Fund, the Strategic Climate Fund, the Least Developed Countries Fund, the Special Climate Change Fund and the [Adaptation Fund] and Green Climate Fund;

(b) [to the extent possible,] Multilateral financial institutions[, including the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation and the regional development banks];

(c) [to the extent possible,] Specialized United Nations agencies [and] [, including] the United Nations Development Programme, the United Nations Environment Programme and the UNFCCC secretariat;

(d) Bilateral, regional and other channels

[(e) Flows of private funds for climate-related support, to the extent possible.]

31. Each developed country Party shall provide summary information on annual contributions for the previous [two] [five] calendar years on financial support that it has provided [and facilitated] for the purpose of assisting developing country Parties referred to in paragraph 30 above in textual format and in a summary table [(to be defined)] [as set in the annex].

32. [In reporting information, in accordance with paragraphs 30 and 31, Parties can categorize [funding] [financial support] as related to mitigation or adaptation [or both] according to the criteria [to be agreed by the Conference of the Parties][developed by the Organisation for Economic Co-operation and Development's Development Assistance Committee (DAC)]. [Parties should use the DAC codes for categorizing support by specific sectors.]

33. [Each developed country Party] [Parties] shall provide detailed information, including short textual overview, and where appropriate, common [tabular] reporting format (to be defined), on the assistance provided for the purpose of assisting developing country Parties that are particularly vulnerable to the adverse effects of climate change [and the developed countries mitigation actions] to meet the cost of adaptation to those adverse effects. [Each developed country Parties shall also provide detailed information on the assessment of adverse impacts of their mitigation actions.]

34. [Developed country Parties] [shall] [should], to the extent possible, report on climate-related activities supported by private financial flows and [shall] [should] distinguish between the following:

(a) Private finance catalysed by public policy [(e.g. domestic cap-and-trade systems enabling the purchase of carbon credits);]

(b) Private finance leveraged by public finance [(e.g. private investments made possible by government supplied loan guarantees or concessional co-financing)];

[(c) Other forms of "green investment" with a principal or secondary climate benefit.]]

35. Developed country Parties [shall] [should], to the extent possible, specify the types of instruments used in their national, bilateral or regional assistance, such as grants, loans, guarantees, equity and leveraged funds.

36. [Developed country Parties shall report on investment in mitigation activities under international market-based mechanisms.] [Information should be included on support provided by Parties through

purchase by Governments of carbon market units under the UNFCCC and the Kyoto Protocol which are not used for compliance with mitigation targets using a tabular format (to be defined)]

## **B. Technology development and transfer**

37. Each developed country Party shall provide information on measures taken to promote, facilitate and finance the transfer of, access to, and deployment of environmentally-sound technologies and to support the development and enhancement of endogenous capacities and technologies of developing countries and may also provide information on success and failure stories. [Such measures could include participation in multilateral technology initiatives, such as the Renewable Energy [and Energy Efficiency Partnership] or the Asian-Pacific Partnership on Clean Development and Climate].

38. Each developed country Party shall provide a textual description of [individual] measures and activities. In reporting these measures and activities, Parties shall [clearly] distinguish between activities undertaken by the public sector and those undertaken by the private sector. As the ability of Parties to collect information on private-sector activities is limited, Parties may indicate, where feasible, in what way they have encouraged private-sector activities and how these activities help to meet the commitments of Parties under Article 4, paragraphs 3, 4 and 5, of the Convention. [Parties shall also indicate whether the activity is related to "hard" or "soft" technologies.]

39. Each developed country Party shall summarize information related to technology transfer in tabular format [(to be defined)] [as set in the annex]. [A separate table shall be provided for each of the previous two calendar years.]

## **C. Capacity-building**

40. Each developed country Party [shall] [should] provide information on [how it has enhanced] capacity building support to developing country Parties in order to respond to existing and emerging capacity building needs identified by developing country Parties in the areas of mitigation, adaptation, technology development and transfer[, and access to financial resources]. [Information should be reported in a textual format and tabular format (to be defined), where appropriate, and should include information on how the Parties are:

- (a) Strengthening relevant institutions at various levels, including focal points and national coordinating bodies and organizations;
- (b) Strengthening networks for the generation, sharing and management of information and knowledge, including through North-South, South-South and triangular cooperation;
- (c) Strengthening climate change communication, education, training and public awareness at all levels;
- (d) Strengthening integrated approaches and the participation of various stakeholders in relevant social, economic and environmental policies and actions;
- (e) Supporting existing and emerging capacity-building needs identified in the areas of mitigation, adaptation, technology development and transfer, and access to financial resources.]

[41. In providing this information, each developed country Party shall report on how it has strived to ensure the effectiveness of its capacity-building support and how it evaluates the effectiveness of this support.]

## **VII. ANNEXES**

## **Annex 1**

### **Common reporting format**

All reporting tables shall be integrated in an electronic reporting format to be developed and provided by the UNFCCC secretariat.

### **I. Inventory information (from CRF)**

**Table Summary 2 "Summary report for CO2 equivalent emissions"**

**Table 10 "Emission trends"**

**Table X on use of art. 3.3**

**Table Y on the use of art. 3.4**

### **II. Information on mitigation actions**

*Table M1. Information on mitigation actions*

Sector: ...								
Name of mitigation action and short description	Objective	Sector affected	GHG affected	Type	Status of implementation	Implementing entity	Estimated reduction or alternate indicator	Estimated cost

### **III: Information on projections**

*Table P1. Information on GHG projections*

Scenario	GHG emissions projections in Mt			
	Year A*	Year A+5	Year A+10	Year A+15
	[per each GHG and CO <sub>2</sub> eq]	[per each GHG and CO <sub>2</sub> eq]	[per each GHG and CO <sub>2</sub> eq]	[per each GHG and CO <sub>2</sub> eq]
<b>WOM</b>				
Sectors..				
<b>WEM</b>				
Sectors...				
<b>WAM</b>				
Sectors...				

\* Year A means a first future year ending with 0 or 5.

*Table P2. Information on total effect of mitigation actions*

Scenario	GHG emissions avoided or sequestered in Mt CO <sub>2</sub> eq			
	2015	2020	2025	2030
<b>WEM</b>				

<u>WAM</u>				
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**Table P3. Information on key underlying assumptions for GHG projections**

<u>Variable</u>	<u>Unit</u>	<u>Value</u>	<u>Source</u>	<u>Other information</u>
<u>GDP growth</u>				
<u>Population growth</u>				
<u>Int. fuel price</u>				
<u>...</u>				

## **V. Information on financial resources and transfer of technology**

**Table F1: Financial Contribution to the Financial Mechanism of the Convention and funds under the Kyoto Protocol, in USD**

<u>Institution/Fund</u>	<u>Contributions</u>	
	<u>year x-2</u>	<u>year x-3</u>
<u>Adaptation Fund</u>		
<u>Global Environment Facility</u>		
<u>Green Climate Fund</u>		
<u>Least Developed Country Fund for climate change</u>		
<u>Special Climate Change Fund</u>		
<u>Other, please specify:</u>		
<u>Total</u>		

Contributions are indicated in from of

- disbursements
- commitments

**Table F2a: Financial contributions to multilateral institutions and other relevant programmes and organizations – general support, in USD**

	<u>year x-2</u>	<u>year x-3</u>
<u>African Development Bank</u>		
<u>Asian Development Bank</u>		
<u>European Bank for Reconstruction and Development</u>		
<u>European Investment Bank</u>		
<u>FAO</u>		
<u>Global Facility For Disaster</u>		

Reduction and Recovery		
Inter American Development Bank		
Desertification Treat		
Montreal Fund (GEF)		
International Finance Corporation		
ISDR		
UNDP		
UNEP		
UNESCO		
World Bank		
Other; please specify		
Total		

Contributions are indicated in from of

- disbursements
- commitments

**Table F2b: Financial contributions to multilateral institutions and other relevant programmes and organizations, reporting period, in alphabetical order – climate-specific, in USD**

	year x-2	year x-3
CGIAR		
UN REDD PROGRAMME		
UNFCCC		
World Bank: Clean Technology Fund (CIF)		
World Bank: Strategic Climate Fund (CIF)		
- World Bank: Forest Investment Fund (SCF-CIF)		
- World Bank: Pilot Programme Climate resilience (SCF-CIF)		
- World Bank: Scaling up Renewable Energy Fund (SCF-CIF)		
World Bank: Forest Carbon Partnership Facility		
World Bank: Carbon Assets Development Fund		
Other, please specify		
Total		

Contributions are indicated in from of

- disbursements
- commitments

**Table F3: Bilateral support provided to account for financial support provided under the Convention, in USD**

			<u>year x-2</u>	<u>year x-3</u>
		<u>National approach to accounting for climate objective (provide percentage equivalent)</u>	<u>USD (according to percentage equivalent)</u>	<u>USD (according to percentage equivalent)</u>
<u>Rio Marker Mitigation</u>	<u>Climate is principal objective</u>			
	<u>Climate is significant objective</u>			
<u>Rio Marker Adaptation</u>	<u>Climate is principal objective</u>			
	<u>Climate is significant objective</u>			
<u>Rio-Markers mitigation and adaptation</u>	<u>Mitigation is a principal objective</u>			
	<u>Adaptation is a principal objective</u>			
	<u>Mitigation and Adaptation are significant objectives</u>			
<b>Total</b>				

**Table F4: Financial support provided through the purchase by government of carbon market units under the UNFCCC and Kyoto Protocol, reporting year X-2, in USD**

<u>Unit type</u>	<u>year x-2</u>	<u>year x-3</u>
<b>Total</b>		

**Table F5: Non-ODA financial support provided by government, in USD**

<u>Year</u>	<u>Type of Support</u>	<u>Beneficiary</u>	<u>Amount</u>
<u>year x-2</u>			
<u>Year x-2 total</u>			
<u>year x-3</u>			
<u>Year x-3 total</u>			

<u>Total for period</u>			

Table F6: Description of projects or programmes that promoted practicable steps to facilitate and/or finance the transfer of, or access to, environmentally-sound technologies

- Project / programme title:
- Purpose:
- Recipient country/region/
- Total funding :
- Years in operation
- Sector
- Technology type transferred / Description ]

## Annex 2

### Biennial Report Outline

I. Information on greenhouse gas emission inventory trends

II. Economy-wide emission reduction target

III. Progress in the achievement of economy-wide quantified emission reduction target

IV. Projections

V. Provision of financial, technological and capacity-building support to developing country Parties

VI. Annex



## **WORK OF THE AWG-LCA CONTACT GROUP**

### **Agenda item 3.2.1**

#### **Nationally appropriate mitigation commitments or actions by developed country Parties**

**version of 14 October 2011 @ 5PM**

*Non-paper by the facilitator*

#### **Possible elements of draft decision for adoption of modalities and procedures for international assessment and review**

1. *Recalling relevant decisions;*
2. *Recognizing the importance of IAR;*
3. *Adoption of the modalities and procedures as contained in an annex to this decision;*
4. *Setting frequency;* [The IAR process will be conducted [annually][every two years] for each developed country Party [or will be determined by the Party's share of global greenhouse gas (GHG) emissions.] ]
5. *Setting start date of IAR;*
6. *Setting the date for review and revision of the modalities and procedures based on the experiences gained.*
7. (...)

#### **Possible elements of modalities and procedures for international assessment and review**

##### **I. Objectives of the international assessment and review process**

1. The overall objectives of the international assessment and review (IAR) process [taking into account the provisions of the existing review guidelines], are the following:
  - (a) To provide a [non-intrusive][non-confrontational], robust, rigorous and transparent assessment of developed country Parties' progress towards the attainment of their quantified economy-wide emission reduction targets [and the implementation of commitments for the provision of financial, technological and capacity-building support to developing country Parties];
  - (b) [To ensure that the information provided by developed country Parties is consistent accurate, comparable, transparent and complete;]
  - (c) To [promote][ensure] consistency in accounting over time [through common set of rules] and comparability of efforts among developed country Parties;
  - (d) To promote the [environmental] integrity of the international climate regime;
  - (e) To build confidence that the implementation of mitigation actions of developed country Parties are in line with their quantified economy-wide emission reduction targets;
  - (f) [To encourage developed country Parties to increase the level of ambition of their commitments;]
  - (g) [To [ensure] that implementation of mitigation actions of developed country Parties are in line with their quantified economy-wide emission reduction targets;]
  - (h) [To [ensure] the implementation of low carbon development strategy including target towards the long-term goal for 2050;]

- (i) [To facilitate provisions of information to the Conference of Parties to assess the implementation of the Convention;]
- (j) [To address compliance by Annex I Parties with the methodological and reporting requirements, accounting modalities and eligibility criteria to participate in market-based mechanisms, as well as with the achievement of their [emission reduction] targets and commitments;
- (k) To provide input to the 2013-2015 and the subsequent periodic review processes.]

2. In addition to the overall objectives included in paragraph 1, the specific objectives of the [technical][expert] [review][assessment] are the following:

- (a) To provide a thorough, objective and comprehensive [technical][expert] [review] [assessment] of information provided in reports referred to in paragraph 6 below for accuracy and conformity with reporting requirements;
- (b) [To assess the implementation of commitments related to quantified economy-wide emission reduction targets [and the provision of support];]
- (c) To promote accuracy, completeness, comparability, consistency and transparency [in the review] of [the] information [submitted];
- (d) [To identify potential gaps or problems in implementation of commitments referred to in paragraph 2(b) above and propose solutions [or corrections]];
- (e) [To ensure comparability of efforts among developed country Parties];
- (f) To assist Parties included in Annex I in improving their reporting of information and the implementation of their commitments and targets;
- (g) To provide the COP with a [technical][expert] assessment of the implementation of methodological and reporting requirements, accounting modalities and eligibility criteria to participate in market-based mechanisms, as well as the targets and commitments by Parties included in Annex I.

3. Further, the specific objectives of the [assessment][review] are the following:

- (a) To promote transparency and build confidence in developed country Parties' implementation of commitments [in a non-confrontational and facilitative manner];
- (b) To [assess][review] and [review][assess] the implementation of the quantified economy-wide emission reduction targets and the provision of support;
- (c) To facilitate the [consideration of] [review] comparability of effort among Parties;
- (d) [To encourage developed country Parties to increase the level of ambition of their commitments.]

## II. Process and scope

### A. Process

4. IAR will be conducted in the following steps:

- (a) A [technical][expert] [review][assessment], where [appropriate] [relevant] in conjunction with the annual inventory and national communications review process for developed country Parties, which would result in an individual review report for each developed country Party;
- (b) [An [assessment][review] of implementation conducted under the auspices of the Subsidiary Body for Implementation;]
- (c) An [assessment][review] of progress towards the achievement of quantified economy-wide emission reduction targets [and the provision of financial, technological and capacity-

- building support to developing country Parties] under the auspices of the Subsidiary Body for Implementation;
- (d) [An early warning and correction process.]

## **B. Scope**

5. IAR will [review][assess] and [assess][review] [based on the existing review process] for each developed country Party the following:
- (a) All emissions and removals related to its quantified economy-wide emission reduction target;
  - (b) [Assumptions and conditions related] [Strategies adopted by developed country Parties] to attainment of [their] quantified economy-wide emission reduction targets;
  - (c) Progress towards the achievement of quantified economy-wide emission reduction targets;
  - (d) [Its provision of financial, technological and capacity-building support to developing country Parties.]

## **III. [Technical][Expert] [review][assessment]**

### **A. Inputs**

6. The inputs to the [technical][expert] [review][assessment] are the following:
- (a) [Biennial report] [Annual GHG inventory and national inventory report];
  - (b) [Annual GHG inventory and national inventory report and if applicable, biennial report]
  - (c) Relevant review reports;
  - (d) [Option I: Complete national communication in the event that the biennial report is considered as part of the national communication in the year that the national communication is submitted] [Option II: Parts of the national communications for which the biennial report is considered as part of the national communication in the year that the national communication is submitted];
  - (e) Any additional information provided by the Party before or during the review;
  - (f) [Peer reviewed publications and other credible sources.]

### **B. Process**

7. Option I: [Each developed country Party's biennial report is [reviewed] [assessed], where relevant in conjunction with the annual inventory and national communications review process, as follows:
- (a) The [annual] inventory and national communications review[s] are conducted in accordance with existing [and revised] guidelines and procedures under the Convention[, and [where relevant,] the Kyoto Protocol];
  - (b) Supplemental review tasks related to the biennial report are the following:
    - (i) [Assessing overall progress in the implementation of the quantified economy-wide emission reduction target;]
    - (ii) [Assessing progress in the implementation of individual mitigation actions and their effects in order to achieve the quantified economy-wide emission reduction targets];
    - (iii) [Assessing use of carbon credits from market mechanisms and land use, land-use change and forestry (LULUCF) activities towards the emission reduction target;]
    - (iv) [[Review][Assessing] of provision of financial, technology and capacity-building support to developing country Parties.]

Option II: [The review should identify questions of implementation with regard to the inventory reporting requirements, accounting modalities, eligibility criteria to use the market mechanisms, national arrangements and national registries, and allow for adjustments of the provided estimates as appropriate.]

8. *Options* for handling [supplemental] review tasks:

[Option 1: Add tasks to the existing inventory review and additional experts to review teams in order to handle supplemental tasks;]

Option 2: Creation of standing [review][assessment] teams to support the [review][assessment] of the biennial report;

Option 3: Increase the secretariat's role in supporting the [review][assessment];

Option 4: A combination of the above. For example, the secretariat could provide analysis and comparison of the use of LULUCF and market-based mechanisms across Parties to facilitate the review by existing review teams of accounting and progress towards the target. A standing group of finance experts could perform the review of the provision of support by developed country Parties;

Option 5: An expert review team (ERT) consisting of experts from Annex I and non-Annex I countries, in a balanced manner with different expertise, ranging from finance to GHG inventories.

[The country concerned could respond to the questions or suggestions of the expert team ,as well as propose and share any additional information or views. The expert team may also solicit information from other Parties or stakeholders if incomplete information or no national reporting were submitted.]

## C. Output

9. The output of the [technical][expert] [review][assessment] [based on the existing review process] is a [technical][expert] [review][assessment] report(s) for each individual developed country Party.

## IV. [Assessment][Review]

### A. Inputs

10. The [assessment][review] will be carried out on the basis of:

- (a) [Technical][Expert] [review][assessment] report(s) referred to in paragraph 9, and any other relevant review reports;
- (b) Biennial report;
- (c) National GHG inventory, national inventory report and, where [appropriate][relevant], national communication;
- (d) Other information provided by the Party before or during the [assessment] [review];
- (e) [Inputs from other stakeholders/Parties].

## B. Process

11. Each developed country Party is [assessed][reviewed] individually. [Developed country Parties are also [assessed][reviewed] aggregately.]
12. The [assessment][review] under the IAR process shall entail the following:
- (a) Option I: [Opportunity] for Parties to submit written questions to the Party concerned in advance of the [assessment] [review]; this would be part of the basis for the [consultations] [review];
  - (b) Option II: Electronic submission of questions before the Subsidiary Body for Implementation session which may require the secretariat to synthesize;
  - (c) Option III: Opportunity for questions or comments by observer organizations;
  - (d) Option IV: Verbal questions [and response] during the session;
  - (e) Questions and responses after the Subsidiary Body for Implementation session before the completion of the [assessment][review].

## C. Forum for [assessment][review]

13. The international [assessment][review] shall be conducted through dedicated session of the Subsidiary Body for Implementation or [by designated body operating under the auspices of the Subsidiary Body for Implementation][by the compliance system to be developed under the Convention].

## D. Outputs

14. The outputs of the [assessment][review] are the following:
- (a) [Objective record of questions and discussion];
  - (b) Summary report;
  - (c) [Conclusions];
  - (d) Recommendations to Party;
  - (e) Problems identified and reported to the Conference of the Parties;
  - (f) [Compliance assessment] [and presentation of measures required to address noncompliance];
  - (g) Facilitative process to engage the Party concerned and assist it in taking remedial action;
  - (h) [Non-compliance consequences, including compliance procedures and penalties including increases in the QELRC (or consequences to address the carbon budget) of the Party.]]
  - (i) [Further steps shall be determined to ensure that questions related to the compliance [with reporting requirements, accounting rules, eligibility requirements to participate in market-based mechanisms and emission reduction targets] [objective] are addressed in an appropriate manner.]

## E. Relationship with other process

15. Issue for further consideration: any formal relation of IAR process to:
- (a) The review of the adequacy of the long-term global goal of the Convention or process to increase the level of ambition
  - (b) [Any compliance system to be developed under the Convention]
  - (c) Relevant provisions under the Convention;
  - (d) [Relevant provisions under the Kyoto Protocol.]
  - (e) -----

**Agenda Item 3.2.1 Biennial Reports**

**Note: A marked-up text of the co-facilitators notes on Biennial reports is attached for clarification of these changes**

- I. Objectives Insert a new Paragraph: “To ensure that the biennial reports are including information on Annex I Parties progress in achieving emission reductions, including information on mitigation actions to achieve their quantified economy-wide emission targets and emission reductions achieved, projected emissions and the provision of financial, technology and capacity building support to developing country Parties”.
- I. Objectives Insert a new Paragraph: “To demonstrate that the developed country Parties are fulfilling their obligations to reduce the adverse impact of their mitigation actions on developing country Parties”.
- III. Economy-wide ..., Par. 7 Insert a new Paragraph: “Assessment of adverse impacts of policies and measures it has implemented or plans to implement on developing country Parties”.
- VI. Provision of financial,... :Insert a new Paragraph: “Each developed country Party shall provide detailed information on the assessment of the impact of their mitigation actions on developing country Parties, in particular those countries identified in Article 4 paragraph 8 of the Convention, and the measures taken to minimize the negative impacts of their mitigation actions”.
- VI. A. Finance, Par. 33: Insert: “the adverse effects of” before [the developed countries mitigation actions].

## **WORK OF THE AWG-LCA CONTACT GROUP**

### **Agenda item 3.2.1**

#### **Nationally appropriate mitigation commitments or actions by developed country Parties version of 14 October 2011 @ 5PM**

*Non-paper by the facilitator*

#### **Possible elements of draft decision for adoption of the guidelines for biennial reports of developed country Parties**

1. *Adoption* of the guidelines as contained in an annex to this decision.
2. *Decision* on the starting date of the submission of the biennial reports.
3. *Decision* to revise the guidelines to reflect the experience with reporting and review and of any further reporting requirements no later than [ ].
4. (.)

#### **Possible elements of draft guidelines for biennial reports of developed country Parties**

##### **I. Objectives**

1. The objectives of these guidelines for preparing the biennial report are:

(NEW PARAGRAPH) To ensure that the biennial reports are including information on Annex I Parties progress in achieving emission reductions, including information on mitigation actions to achieve their quantified economy-wide emission targets and emission reductions achieved, projected emissions and the provision of financial, technology and capacity building support to developing country Parties.

(NEW PARAGRAPH) To demonstrate that the developed country Parties are fulfilling their obligations to reduce the adverse impact of their mitigation actions on developing country Parties.(a) To assist developed country Parties in meeting their commitments for reporting under Article 12 of the Convention;

(b) To promote the provision of consistent, transparent, comparable, accurate and complete information by developed country Parties;

(c) To facilitate the international assessment and review (IAR) of emissions and removals related to the achievement of quantified economy-wide emission reduction targets [and on increasing of the level of ambition of the ambition of the economy-wide emission reduction targets];

(d) To assist the Conference of the Parties to carry out its responsibilities under the Convention.

##### **II. Information on greenhouse gas emission inventory trends**

2. Developed country Parties shall report summary information on greenhouse gas (GHG) trends by sector in tabular format (to be defined). For the period from 1990 up to 2010, emissions information shall be reported [for five-year increments][annually]. After 2010, emissions information shall be provided annually and shall be consistent with that provided in the most recent annual inventory submission.

3. Developed country Parties shall report summary information on GHG trends by gas and the indicators relevant to GHG emissions and removals in tabular format (to be defined).

4. Parties shall provide an explanation of these emission trends, the underlying drivers [and methodologies used and assumptions made].
5. Parties shall also provide [a brief general][detailed] description of the methodologies used for the annual inventory [and assumptions made.][with a reference to the methodologies elaborated by the Intergovernmental Panel on Climate Change and the accounting rules].

### **III. Economy-wide emission reduction target**

6. Each developed country Party shall describe its economy-wide emission reduction targets, [including any conditions or assumptions relevant to the attainment of that target,] as communicated to the UNFCCC secretariat and contained in document FCCC/SB/2011/INF.1/Rev.1 or any update to that document, among which unconditional domestic target shall be clearly stated.

7. The description of the Party's national economy-wide emission reduction target shall include, [in accordance with accounting rules adopted by decision XXX], as appropriate, the following information:

- (a) The emission reduction target expressed as a per cent reduction in emission levels, the base year and base year level of emissions against which the per cent emission reduction is set, the year in which the target is to be achieved [, emission reduction trajectory and target converted into quantified emission limitation and reduction and assigned amount], [if applicable];
- (b) Gases [and sectors] covered;
- (c) Global warming potential values used;
- (d) Other information, such as interim or subsectoral targets, as appropriate.

(NEW PARAGRAPH) Assessment of the adverse impacts of the policies and measures it has implemented or plans to implement on developing country Parties.

8. [Each Party shall provide information on the role of the land use, land-use change and forestry (LULUCF) sector in achieving its emission reduction target [based on internationally agreed accounting rules]. This information shall include the following:

- (a) Whether any emissions and/or removals from the LULUCF sector are included in the [base][reference] year emissions for the emission reduction target;
- (b) Whether the accounting approach is activity-based, [as under the Kyoto Protocol, ]or comprehensive land-based;
- (c) [For Parties that are using activity-based accounting, the individual activities that will be accounted for.]

9. [Each Party shall provide information on its [anticipated] use of carbon [credits][offset units] from market-based mechanisms in achieving its economy-wide emission reduction target. This information shall include the following:

- (a) A description of each of the sources of carbon [credits][offset units] from market-based mechanisms;
- (b) The scale of anticipated contributions from each of these sources;
- (c) [For national, bilateral or regional market-based mechanisms, a description of the procedures and arrangements, including rules and methods used to calculate baselines, and verification and tracking systems, to ensure the integrity of carbon [credits][offset units] and to prevent double-counting of [emission reductions][different off-sets];]



(d) Share of carbon [credits][offset units] from least developed countries.]

10. Each Party shall describe any domestic arrangements, including legislation and administrative procedures, for monitoring or enforcing progress towards its target.

#### **IV. Progress in the achievement of economy-wide quantified emission reduction targets[ and commitments]**

##### **A. [Mitigation actions and their effects]**

11. Each developed country Party shall provide information on the mitigation actions, including policies and measures it has implemented or plans to implement to achieve its economy-wide emission reduction target. Parties shall organize reporting of mitigation actions by the following sectors: energy industries, energy use in industry, other energy use, transport, industrial processes, agriculture, forestry and land use, and waste. Within each sector, Parties shall prioritize the reporting of actions with the most significant mitigation potential.

12. For mitigation actions that have not been previously reported in a previous national communication or biennial report, the Party shall provide a description of each mitigation action, including the following information: name and description of the action; type of mitigation action; objective of the action; sector and gases covered; status of implementation and implementing entity; [performance indicators and how implementation of the action and its performance will be monitored]; anticipated mitigation effect in 2020; [costs of mitigation action]. The Party shall also provide a list of any mitigation actions that are no longer being implemented.

13. Parties shall summarize information on all currently implemented and planned mitigation actions in a tabular format (to be defined).

14. Mitigation actions should be presented in the table by sector, and within the sector in decreasing order of the anticipated mitigation effect of the action.

15. Each Party shall provide information on the performance of its mitigation actions in aggregate, including policies and measures in tabular format (to be defined). This information shall include the following:

(a) Information on performance indicators identified for the mitigation actions listed above;

(b) An estimation of the aggregated annual emission reductions achieved by the implementation of the mitigation actions [relative to carbon budget over a commitment period].

16. Each Party shall describe the methods and assumptions used to estimate the aggregated effects of its mitigation actions.

##### **B. [Use of land use, land-use change and forestry and [credits][offset units] from market-based mechanisms]**

17. Developed country Parties [that apply international transfers of units towards achievement of its target] shall report summary information for each year, beginning with 2010, on holding and transactions of [international credits] [units] from market-based mechanisms that contribute to or deduct from the achievement of the emission reduction target, denominated in tonnes of carbon dioxide equivalent.

18. Developed country Parties shall report summary information on quantified emission reduction targets and on progress made in achieving emission reductions in an agreed tabular format (to be defined), [in accordance with accounting rules adopted by decision XXX,] for the base year and for each reported year.

19. [For the base year, information reported on quantified emission reduction targets shall include:
- (a) Total GHG emissions, excluding emissions and removals from the LULUCF sector;
  - (b) Net emissions and removals from LULUCF:
    - (i) On an activity-by-activity basis for Parties that use [Kyoto Protocol][such] accounting; or
    - (ii) On a comprehensive land-based basis for other Parties;
  - (c) Total GHG emissions including net emissions or removals from the LULUCF sector.
  - (d) Its emissions used for the calculation of the target;
  - (e) [Its emission target as a percentage reduction of base year emissions;
  - (f) Its emission target in gigatonnes of carbon dioxide equivalent.]]
20. [For each reported year, in addition to information included in paragraph 19 (a) to (c), reported information on emission reduction targets shall include:
- (a) Total acquisitions of international [credits][offset units] from market-based mechanisms;
  - (b) Total transfers of international [credits][offset units] from market-based mechanisms;
  - (c) Total .Accounted emissions and [credits][offset units]., calculated as the sum of .Emissions including LULUCF. minus .Acquisitions of international credits plus transfer of international credits;
  - (d) Supplementarity of the use of mechanisms to domestic action.]

## **V. Projections**

21. Developed country Parties shall provide projections of trends in GHG emissions and removals that reflect current circumstances, currently implemented mitigation actions and national accounting methods for LULUCF. Parties are expected to report their projections consistent with their last national communication with respect to methodologies, assumptions and trends. When methodologies and assumptions have changed, these changes are to be documented in the biennial report.
22. At a minimum, developed country Parties shall report a .with measures. projection. The .with measures. projection shall encompass currently implemented mitigation actions. Parties may also provide a .with additional measures. projection that also encompasses planned, but not currently implemented, mitigation actions.
23. Each developed country Party [shall][should] provide GHG projections from the latest inventory year through 2020 [or later][and decadal until 2050], for the following:
- (a) All GHGs aggregated by global warming potentials across all sectors collectively;
  - (b) All GHGs by individual sector in tabular format (to be defined);
  - (c) Gas by gas for CO<sub>2</sub>, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride in tabular format (to be defined).
24. Each developed country Party [shall][should] provide the following descriptive information related to these projections:
- (a) A list of mitigation actions included in the projection;
  - (b) A description of key assumptions, such as economic and population growth, and international fuel prices, etc., in tabular format (to be defined);

(c) Summary of methods, modelling and assumptions and references to where more detailed information can be found;

(d) If the methods or assumptions used for projections are substantially different from those used in the most recent national communication, an explanation of these differences.

25. Each developed country Party shall also provide an evaluation of the overall projected emissions relative to its emission reduction target and GHG inventory trends. This evaluation shall include the following:

(a) [Quantification of any projected gap between projected emissions in 2020 and its economy-wide emission reduction target, or any overachievement [and underachievement] of the target;]

(b) An explanation of the reason for any gap;

(c) A description of any additional steps planned to address this gap, including additional mitigation actions and their anticipated total effect or use of credits from market-based mechanisms or from LULUCF.

26. Parties may also report a .without measures. projection. If provided, the .without measures. projection should exclude all mitigation actions implemented after the [base year] [year chosen as the starting point for this projection].

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

(NEW PARAGRAPH) Each developed country Party shall provide detailed information on the assessment of the impact of their mitigation actions on developing country Parties, in particular those countries identified in Article 4 paragraph 8 of the Convention, and the measures taken to minimize the negative impacts of their mitigation actions.

27. Developed country Parties shall provide information on their provision of financial, technological and capacity-building support to developing country Parties. In reporting such information, to the extent possible, Parties should distinguish between support provided for mitigation activities, adaptation activities and other activities (such as capacity-building).

28. Each developed country Party shall provide a description of its national approach for tracking the provision of financial, technological and capacity-building support to developing country Parties, including to the registry of nationally appropriate mitigation measures. This description shall include information on indicators used and the particular delivery mechanisms and financial channels tracked.

### **A. Finance**

29. Each developed country Party shall describe how it [seeks to] ensures that the resources it provides effectively address the needs of developing country Parties with regard to climate change adaptation and mitigation.

30. Each developed country Party shall provide information on the financial support it has provided and facilitated for the purpose of assisting developing country Parties to mitigate GHG emissions and adapt to the adverse effects of climate change, and for capacity-building in the areas of mitigation and adaptation. To that end, each developed country Party shall provide information in textual format and in tables (to be defined) on annual contributions for the previous two calendar years to the following:

- (a) The Global Environment Facility, the Clean Technology Fund, the Strategic Climate Fund, the Least Developed Countries Fund, the Special Climate Change Fund and the and Green Climate Fund;
- (b) Multilateral financial institutions, including the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation and the regional development banks;
- (c) Specialized United Nations agencies, including the United Nations Development Programme, the United Nations Environment Programme and the UNFCCC secretariat;
- (d) Bilateral, regional and other channels
- (e) Flows of private funds for climate-related support, to the extent possible.

31. Each developed country Party shall provide summary information on annual contributions for the previous five calendar years on financial support that it has provided and facilitated for the purpose of assisting developing country Parties referred to in paragraph 30 above in textual format and in a summary table (to be defined).

32. [In reporting information, in accordance with paragraphs 30 and 31, Parties can categorize funding as related to mitigation or adaptation according to the criteria [to be agreed by the Conference of the Parties][developed by the Organisation for Economic Co-operation and Development's Development Assistance Committee (DAC)]. Parties should use the DAC codes for categorizing support by specific sectors.]

33. [Each developed country Party] [Parties] shall provide detailed information, including short textual overview, and where appropriate, common [tabular] reporting format (to be defined), on the assistance provided for the purpose of assisting developing country Parties that are particularly vulnerable to the adverse effects of climate change [and the adverse effects of the developed countries mitigation actions] to meet the cost of adaptation to those adverse effects. [Each developed country Parties shall also provide detailed information on the assessment of adverse impacts of their mitigation actions.]

34. [Developed country Parties shall, to the extent possible, report on climate-related activities supported by private financial flows and shall distinguish between the following:

- (a) Private finance catalysed by public policy (e.g. domestic cap-and-trade systems enabling the purchase of carbon credits);
- (b) Private finance leveraged by public finance (e.g. private investments made possible by government supplied loan guarantees or concessional co-financing);
- (c) Other forms of .green investment. with a principal or secondary climate benefit.]

35. Developed country Parties shall, to the extent possible, specify the types of instruments used in their national, bilateral or regional assistance, such as grants, loans, guarantees, equity and leveraged funds.

36. [Developed country Parties shall report on investment in mitigation activities under international market-based mechanisms.] [Information should be included on support provided by Parties through purchase by Governments of carbon market units under the UNFCCC and the Kyoto Protocol which are not used for compliance with mitigation targets using a tabular format (to be defined)]

## **B. Technology development and transfer**

37. Each developed country Party shall provide information on measures taken to promote, facilitate and finance the transfer of, access to, and deployment of environmentally-sound technologies and to support the development and enhancement of endogenous capacities and technologies of developing countries and may also provide information on success and failure stories. [Such measures could include participation in multilateral technology initiatives, such as the Renewable Energy [and Energy Efficiency Partnership] or the Asian.Pacific Partnership on Clean Development and Climate].

38. Each developed country Party shall provide a textual description of individual measures and activities. In reporting these measures and activities, Parties shall clearly distinguish between activities undertaken by the public sector and those undertaken by the private sector. As the ability of Parties to collect information on private-sector activities is limited, Parties may indicate, where feasible, in what way they have encouraged private-sector activities and how these activities help to meet the commitments of Parties under Article 4, paragraphs 3, 4 and 5, of the Convention. Parties shall also indicate whether the activity is related to .hard. or ‘soft. technologies.

39. Each developed country Party shall summarize information related to technology transfer in tabular format (to be defined). A separate table shall be provided for each of the previous two calendar years.

### **C. Capacity-building**

40. Each developed country Party shall provide information on how it has enhanced capacitybuilding support to developing country Parties in order to respond to existing and emerging capacitybuilding needs identified by developing country Parties in the areas of mitigation, adaptation, technology development and transfer, and access to financial resources. Information should be reported in a textual format and tabular format (to be defined), where appropriate, and should include information on how the Parties are:

(a) Strengthening relevant institutions at various levels, including focal points and national coordinating bodies and organizations;

(b) Strengthening networks for the generation, sharing and management of information and knowledge, including through North’south, South’south and triangular cooperation;

(c) Strengthening climate change communication, education, training and public awareness at all levels;

(d) Strengthening integrated approaches and the participation of various stakeholders in relevant social, economic and environmental policies and actions;

(e) Supporting existing and emerging capacity-building needs identified in the areas of mitigation, adaptation, technology development and transfer, and access to financial resources.

41. In providing this information, each developed country Party shall report on how it has strived to ensure the effectiveness of its capacity-building support and how it evaluates the effectiveness of this support.

### **Agenda Item 3.2.1 IAR**

**Note: A marked-up text of the co-facilitators notes on IAR is attached for clarification of these changes**

- |                             |   |
|-----------------------------|---|
| I. Objectives, Par. 1       | Insert a new Paragraph: “To ensure that the developed country Parties are fulfilling their obligations to reduce the adverse impact of their mitigation actions on developing country Parties”. |
| I. Objectives, Par. 2       | Insert a new Paragraph: “To ensure that the developed country Parties are assessing the adverse impacts of their mitigation actions on developing country Parties”.                             |
| I. Objectives, Par. 3       | Insert a new Paragraph: “To ensure that the developed country Parties are addressing the adverse impacts of their mitigation actions on developing country Parties”.                            |
| II. A. Process, Par. 4      | Insert a new Paragraph: “An assessment of progress towards identifying and addressing the adverse impacts of the mitigation actions on developing country Parties”.                             |
| II. B. Scope, Par. 5        | Insert a new Paragraph: “Its actions to reduce the adverse impact of its mitigation actions on developing country Parties”.   |
| III. B. Process, Par. 7 (b) | Insert a new Paragraph: “Assessing progress in the implementation of actions to identify and address the adverse impact of its mitigation actions on developing country Parties”.               |

## **WORK OF THE AWG-LCA CONTACT GROUP**

### **Agenda item 3.2.1**

#### **Nationally appropriate mitigation commitments or actions by developed country Parties**

**version of 14 October 2011 @ 5PM**

*Non-paper by the facilitator*

#### **Possible elements of draft decision for adoption of modalities and procedures for international assessment and review**

1. *Recalling relevant decisions;*
2. *Recognizing the importance of IAR;*
3. *Adoption of the modalities and procedures as contained in an annex to this decision;*
4. *Setting frequency;* [The IAR process will be conducted [annually][every two years] for each developed country Party [or will be determined by the Party's share of global greenhouse gas (GHG) emissions.] ]
5. *Setting start date of IAR;*
6. *Setting the date for review and revision of the modalities and procedures based on the experiences gained.*
7. (.)

#### **Possible elements of modalities and procedures for international assessment and review**

##### **I. Objectives of the international assessment and review process**

1. The overall objectives of the international assessment and review (IAR) process [taking into account the provisions of the existing review guidelines], are the following:
  - (a) To provide a [non-intrusive][non-confrontational], robust, rigorous and transparent assessment of developed country Parties. progress towards the attainment of their quantified economy-wide emission reduction targets [and the implementation of commitments for the provision of financial, technological and capacity-building support to developing country Parties];
  - (b) To ensure that the information provided by developed country Parties is consistent accurate, comparable, transparent and complete;
  - (c) To [promote][ensure] consistency in accounting over time [through common set of rules] and comparability of efforts among developed country Parties;
  - (d) To promote the [environmental] integrity of the international climate regime;
  - (e) To build confidence that the implementation of mitigation actions of developed country Parties are in line with their quantified economy-wide emission reduction targets;
  - (f) [To encourage developed country Parties to increase the level of ambition of their commitments;]
  - (g) [To [ensure] that implementation of mitigation actions of developed country Parties are in line with their quantified economy-wide emission reduction targets;]
  - (h) [To [ensure] the implementation of low carbon development strategy including target towards the long-term goal for 2050;]

(i) [To facilitate provisions of information to the Conference of Parties to assess the implementation of the Convention;]

(j) [To address compliance by Annex I Parties with the methodological and reporting requirements, accounting modalities and eligibility criteria to participate in market-based mechanisms, as well as with the achievement of their targets and commitments;

(k) To provide input to the 2013.2015 and the subsequent periodic review processes.]

(NEW PARAGRAPH) To ensure that the developed country Parties are fulfilling their obligations to reduce the adverse impact of their mitigation actions on developing country Parties.

2. In addition to the overall objectives included in paragraph 1, the specific objectives of the [technical][expert] [review][assessment] are the following:

(a) To provide a thorough, objective and comprehensive [technical][expert] [review][assessment] of information provided in reports referred to in paragraph 6 below for accuracy and conformity with reporting requirements;

(b) [To assess the implementation of commitments related to quantified economy-wide emission reduction targets and the provision of support;]

(c) To promote accuracy, completeness, comparability, consistency and transparency in the review of information;

(d) [To identify potential gaps or problems in implementation of commitments referred to in paragraph 2(b) above and propose solutions [or corrections]];

(e) [To ensure comparability of efforts among developed country Parties];

(f) To assist Parties included in Annex I in improving their reporting of information and the implementation of their commitments and targets;

(g) To provide the COP with a [technical][expert] assessment of the implementation of methodological and reporting requirements, accounting modalities and eligibility criteria to participate in market-based mechanisms, as well as the targets and commitments by Parties included in Annex I.

(NEW PARAGRAPH) To ensure that the developed country Parties are assessing the adverse impacts of their mitigation actions on developing country Parties.

3. Further, the specific objectives of the [assessment][review] are the following:

(a) To promote transparency and build confidence in developed country Parties. implementation of commitments [in a non-confrontational and facilitative manner];

(b) To [assess][review] and [review][assess] the implementation of the quantified economy wide emission reduction targets and the provision of support;

(c) To facilitate the [consideration of ][review] comparability of effort among Parties;

(d) [To encourage developed country Parties to increase the level of ambition of their commitments.]

(NEW PARAGRAPH) To ensure that the developed country Parties are addressing the adverse impacts of their mitigation actions on developing country Parties.

## **II. Process and scope**



## **A. Process**

4. IAR will be conducted in the following steps:

(a) A [technical][expert] [review][assessment], where relevant in conjunction with the annual inventory and national communications review process for developed country Parties, which would result in an individual review report for each developed country Party;

(b) [An [assessment][review] of implementation conducted under the auspices of the Subsidiary Body for Implementation;]

(c) An [assessment][review] of progress towards the achievement of quantified economy wide emission reduction targets [and the provision of financial, technological and capacity-building support to developing country Parties] under the auspices of the Subsidiary Body for Implementation;

(NEW PARAGRAPH) An assessment of progress towards identifying and addressing the adverse impacts of the mitigation actions on developing country Parties.

(d) [An early warning and correction process.]**B. Scope**

5. IAR will [review][assess] and [assess][review] [based on the existing review process] for each developed country Party the following:

(a) All emissions and removals related to its quantified economy-wide emission reduction target;

(b) [Assumptions and conditions related][Strategies adopted by developed country Parties] to attainment of [their] quantified economy-wide emission reduction targets;

(c) Progress towards the achievement of quantified economy-wide emission reduction targets;

(d) [Its provision of financial, technological and capacity-building support to developing country Parties.]

(NEW PARAGRAPH) Its actions to reduce the adverse impact of its mitigation actions on developing country Parties.

## **III. [Technical][Expert] [review][assessment]**

### **A. Inputs**

6. The inputs to the [technical][expert] [review][assessment] are the following:

(a) [Biennial report][Annual GHG inventory and national inventory report];

(b) [Annual GHG inventory and national inventory report and if applicable, biennial report]

(c) Relevant review reports;

(d) [Option I: Complete national communication in the event that the biennial report is considered as part of the national communication in the year that the national communication is submitted] [Option II: Parts of the national communications for which the biennial report is considered as part of the national communication in the year that the national communication is submitted];

(e) Any additional information provided by the Party before or during the review;

(f) Peer reviewed publications and other credible sources.

### **B. Process**

7. Option I: [Each developed country Party's biennial report is [reviewed] [assessed], where relevant in conjunction with the annual inventory and national communications review process, as follows:

(a) The [annual] inventory and national communications review are conducted in accordance with existing [and revised] guidelines and procedures under the Convention[, and [where relevant,] the Kyoto Protocol];

(b) Supplemental review tasks related to the biennial report are the following:

(i) [Assessing overall progress in the implementation of the quantified economy-wide emission reduction target;]

(ii) [Assessing progress in the implementation of individual mitigation actions and their effects in order to achieve the quantified economy-wide emission reduction targets];

(iii) [Assessing use of carbon credits from market mechanisms and land use, land-use change and forestry (LULUCF) activities towards the emission reduction target;]

(iv) [[Review][Assessing] of provision of financial, technology and capacity-building support to developing country Parties.]

(NEW PARAGRAPH) Assessing progress in the implementation of actions to identify and address the adverse impacts of its mitigation actions on developing country Parties

Option II: [The review should identify questions of implementation with regard to the inventory reporting requirements, accounting modalities, eligibility criteria to use the market mechanisms, national arrangements and national registries, and allow for adjustments of the provided estimates as appropriate.]

8. *Options* for handling [supplemental] review tasks:

Option 1: Add tasks to the existing inventory review and additional experts to review teams in order to handle supplemental tasks;

Option 2: Creation of standing [review][assessment] teams to support the [review][assessment] of the biennial report;

Option 3: Increase the secretariat's role in supporting the [review][assessment];

Option 4: A combination of the above. For example, the secretariat could provide analysis and comparison of the use of LULUCF and market-based mechanisms across Parties to facilitate the review by existing review teams of accounting and progress towards the target. A standing group of finance experts could perform the review of the provision of support by developed country Parties;

Option 5: An expert review team (ERT) consisting of experts from Annex I and non-Annex I countries, in a balanced manner with different expertise, ranging from finance to GHG inventories.

### **C. Output**

9. The output of the [technical][expert] [review][assessment] [based on the existing review process] is a [technical][expert] [review][assessment] report(s) for each individual developed country Party.

## **IV. [Assessment][Review]**

### **A. Inputs**

10. The [assessment][review] will be carried out on the basis of:

(a) [Technical][Expert] [review][assessment] report(s) referred to in paragraph 9, and any other relevant review reports;

- (b) Biennial report;
- (c) National GHG inventory, national inventory report and, where relevant, national communication;
- (d) Other information provided by the Party before or during the [assessment][review];
- (e) [Inputs from other stakeholders/Parties].

#### **B. Process**

- 11. Each developed country Party is [assessed][reviewed] individually. [Developed country Parties are also [assessed][reviewed] aggregately.]
- 12. The [assessment][review] under the IAR process shall entail the following:
  - (a) Option I: [Opportunity] for Parties to submit written questions to the Party concerned in advance of the [assessment][review]; this would be part of the basis for the [consultations][review];
  - (b) Option II: Electronic submission of questions before the Subsidiary Body for Implementation session which may require the secretariat to synthesize;
  - (c) Option III: Opportunity for questions or comments by observer organizations;
  - (d) Option IV: Verbal questions [and response] during the session;
  - (e) Questions and responses after the Subsidiary Body for Implementation session before the completion of the [assessment][review].

#### **C. Forum for [assessment][review]**

- 13. The international [assessment][review] shall be conducted through dedicated session of the Subsidiary Body for Implementation or [by designated body operating under the auspices of the Subsidiary Body for Implementation][by the compliance system to be developed under the Convention].

#### **D. Outputs**

- 14. The outputs of the [assessment][review] are the following:
  - (a) [Objective record of questions and discussion];
  - (b) Summary report;
  - (c) [Conclusions];
  - (d) Recommendations to Party;
  - (e) Problems identified and reported to the Conference of the Parties;
  - (f) Compliance assessment [and presentation of measures required to address noncompliance];
  - (g) Facilitative process to engage the Party concerned and assist it in taking remedial action;
  - (h) [Non-compliance consequences, including compliance procedures and penalties including increases in the QELRC (or consequences to address the carbon budget) of the Party.]]
  - (i) [Further steps shall be determined to ensure that questions related to the compliance objective are addressed in an appropriate manner.]

#### **E. Relationship with other process**

- 15. Issue for further consideration: any formal relation of IAR process to:

- (a) The review of the adequacy of the long-term global goal of the Convention or process to increase the level of ambition
- (b) [Any compliance system to be developed under the Convention]
- (c) Relevant provisions under the Convention;
- (d) [Relevant provisions under the Kyoto Protocol.]
- (e) -----

**Submission from Singapore to the Ad-hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) relating to Facilitative Arrangements**  
**Agenda Items 3.2.1 and 3.2.2**

This submission is prepared as a follow-up to the discussions at the Panama session of the AWG-LCA in October 2011 on the invitation to Parties to make textual submissions in response to the co-facilitators' draft non-papers on the items relating to a work programme for the development of modalities and guidelines listed in document FCCC/AWGLCA/2010/L.7 on Nationally Appropriate Mitigation Commitments or Actions by developed country Parties (Agenda 3.2.1) and on Nationally Appropriate Mitigation Actions by developing country Parties (Agenda 3.2.2).

Proposed Amendments to Non-paper by the co-facilitators on possible elements of draft guidelines for biennial update reports from Parties not included in Annex I to the Convention (172 kB) (version of 14 October 2011 at 16:30)

Para	Suggested Amendments	Remarks
3	<i>Invitation to the GEF and to <del>Annex II and other Parties</del> developed country parties and other developed country Parties in Annex II for provision of support for preparation of biennial update reports</i>	Amended to reflect Convention language.
1	Parties not included in Annex I to the Convention (non-Annex I Parties) shall submit reports on biennial basis as a component of their national communication and biennial update reports in years which Parties are not required to submit their national communications. Least Developed Countries (LDCs) and Small Island developing States (SIDS) may submit biennial update reports at their discretion	Current formulation seems to apply that two separate reports are needed in years when Parties submit their national communications.
2	Non-Annex I Parties will implement these guidelines consistent with their capabilities and the level of support provided by developed country Parties.	
3 (c)	<del>To facilitate provision of information on mitigation actions, and their effects.</del>	To delete 3(c) and combine with revised 3(f) below, taking reference from para 60 of 1CP/16.
3 (d)	To facilitate the presentation of information on finance, technology and the capacity building support required [and received] for the preparation of biennial update reports	The presentation of information on support received and required is not limited to only information on support for the preparation of biennial update reports.

3 (f)	To enable enhanced reporting by non-Annex I Parties on mitigation actions and their effects, and support received, with additional flexibility to be given to the least developed country Parties and small island developing states. <del>in accordance with their capacities and respective capabilities, and the availability of support</del>	To be amended to take reference from para 60 of 1/CP.16.
7	Non-Annex I Parties which have not previously reported on their national greenhouse gas inventories should submit summary information tables of <del>previously reported inventory or inventories</del> for previous submission years (for example for years 1994 and 2000)	Reporting on previously reported data should only be necessary for Non-Annex I Parties who have not previously reported on their national greenhouse gas inventories.
26	Non-Annex I Parties [shall] [should] also provide up-to-date information on financial resources, technology transfer, capacity-building, and technical support received from the Global Environment Facility (GEF), <del>Annex II Parties, any other Parties,</del> developed country parties and other developed country Parties in Annex II, or bilateral and multilateral institutions, for activities relating to climate change and related financial, technical and capacity building needs, including for the preparation of the current biennial update report. The information should be based on the most recent information available and should cover two more recent years since the submission of the last report	Amended to reflect Convention language.
4 (f)	<del>[Information on domestic measurement reporting and verification]</del>	Reporting on domestic MRV system goes beyond the scope of the BUR.

Non-paper by the co-facilitators on possible elements of modalities and procedures for international consultation and analysis (version of 14 October 2011 at 16:30).

Para	Suggested Amendments	Remarks
1 (b)	To increase the transparency of [domestically funded] nationally appropriate mitigation actions of developing country Parties [supported by developed countries] [and their effects] and the financial, technological and capacity-building support provided by developed country Parties.	The ICA is an integral part of the MRV of support. The biennial update report includes information on support received and the ICA should be able to verify this information.
1 (e)	<del>To promote continuous learning and</del>	Objective 1(e) is a repetition of

Para	Suggested Amendments	Remarks
	improvement in implementing mitigation actions	1(d)
1 (g)	To assist Parties in <del>addressing</del> identifying technical difficulties faced in preparation of the biennial [update] reports and to provide recommendations, upon request, on how Parties may improve subsequent biennial update reports.	The current text seems to imply that the technical panel of experts will help to solve the technical difficulties faced by Parties. It would be more realistic to limit the scope of recommendations to how Parties may improve subsequent reports.
2 (b)	<i>2(b) alt.</i> To take note of a Party's mitigation actions and check if these mitigation actions are effective in achieving their objective(s) based on information submitted in the biennial update reports.	It would be difficult for the technical panel of experts to analyse whether Parties' actions are implemented based on information submitted by Parties alone. Instead, the experts should focus on checking for accuracy and/or completeness of information submitted.
4	<i>4 (alt)</i> Facilitate the universal participation of developing country Parties in the ICA process, through the provision of support by developed country Parties, and taking into account specific national and sectoral circumstances, and with additional flexibility to be given to the least developed country Parties and small island developing states. <del>Prioritize the ICA process for all developing country Parties that submit biennial [update] reports in the first round of reporting. In subsequent rounds of biennial [update] reporting, frequency of the ICA process could be differentiated based on the frequency of submission of biennial [update] reports, which could be based on a Party's [share of global GHG emissions][strong progress in implementation of mitigation actions or recently updated biennial report] and their capabilities. SIDS and LDCs may undergo ICA as a group of Parties at their discretion.</del>	Amendment to reiterate the principle of universal participation, drawing reference from para 3(b) of the draft BUR guidelines, and acknowledging the need for additional flexibilities for LDCs and SIDS. The proposal to introduce criteria for differentiation among developing country Parties will be contentious and may delay the implementation of the ICA process.
11	<del>Two to three experts, of which at least one will be from a non Annex 1 country and one from an</del>	It is not clear why there is a need to stipulate the number of

Para	Suggested Amendments	Remarks
	<del>Annex I country will focus on the analysis of national GHG inventories.</del>	experts to focus on analysis of national GHG inventories. Nonetheless, if the decision is to do so, the number of experts should be even numbers, with equal representation from Annex I Parties and Non-Annex I Parties.
13	Where necessary, experts will be authorized may request to meet directly with Party representatives, request additional documentation or information from the Party and, where consent is given, conduct in-country visits, as necessary.	Given that the ICA process should be conducted in consultation with the Party concerned, there is value in allowing the experts to meet with Party representatives. However, the reference “will be authorized” is inappropriate and it is not clear whose authorisation would be provided. In line with respecting a Party’s national sovereignty, it would be more appropriate to use the reference “may request”.
15	The output of the technical analysis by the technical experts team will be an analysis report. Prior to finalizing the report, the draft analysis report prepared by the expert team will be shared with the Party concerned for review and comment with the aim of resolving any difference of opinion between the expert teams and the Party on the report. The final analysis report, incorporating comments from the Party, should be made available at least two, and preferably four, weeks before the next session of the COP-SBI	The ICA process is conducted under the SBI.

Non-paper by the co-facilitators on Registry (version of 14 October 2011 at 16:00)

Para	Suggested Amendments	Remarks
2	The registry will be developed as a dynamic, user-friendly web-based searchable platform that facilitates matching of support to individual mitigation actions and recognizes recorded nationally appropriate mitigation actions by	The recognition function of the registry is accomplished by recording the NAMAs in a section of the registry.



	recording them in a section of the registry upon request.	
7	<p>Option 2<sup>12</sup> (option to paragraph 7)</p> <p>A separate part of the registry will record the following information on [domestically funded] [domestically funded and internationally supported] mitigation actions submitted by developing country Parties for the purpose of their recognition, upon the request by developing country Parties. Based on national circumstances, non-Annex I Parties are encouraged to provide, to the extent their capacities allow, information on programmes and measures implemented or planned<sup>13</sup> which contribute to mitigating climate change by addressing anthropogenic emissions by sources and removals by sinks of all GHGs not controlled by the Montreal Protocol, including, as appropriate, relevant information by key sectors on methodologies, scenarios, results, measures and institutional arrangements.</p>	<p>The registry should be flexible enough to capture the diversity of developing country Parties' mitigation actions and should not dictate the types of information developing country Parties may wish to submit.</p> <p>Proposed text takes reference from paragraph 40 of Annex to decision 17/CP.8 (guidelines for NatComms for Non-Annex I parties)</p>

Non-paper by the facilitator on possible elements of draft guidelines for biennial reports of developed country Parties (version of 14 October 2011 at 17:00)

Para	Suggested Amendments	Remarks
7 (a)	The emission reduction target expressed as a per cent reduction in emission levels, the base year and base year level of emissions against which the per cent emission reduction is set, the methodology used for its calculations, the year in which the target is to be achieved [, emission reduction trajectory and target converted into quantified emission limitation and reduction and assigned amount], [if applicable]	To allow for comparability.
27	Developed country Parties shall provide information on their provision of financial, technological and capacity-building support to developing country Parties in a complete, consistent, transparent, accurate and comparable manner. In reporting such information, to the extent possible, Parties should distinguish between support provided for mitigation activities, adaptation activities and other activities	To increase transparency and comparability of financial, technological and capacity-building support.

<sup>12</sup> Paragraph 40 of annex to the decision 17/CP.8

<sup>13</sup> Such as measures being considered by the government for future implementation

	(such as capacity-building).	
32	[In reporting information, in accordance with paragraphs 30 and 31, Parties can categorize funding as related to mitigation or adaptation according to the criteria [to be agreed by the Conference of the Parties][developed by the Organisation for Economic Co-operation and Development.s Development Assistance Committee (DAC)]. Parties should use the DAC codes for categorizing support by specific sectors.]If Parties decide to categorize funding using a different methodology, they shall specify such methodology in their biennial report.	To increase the transparency and comparability of reported information
32	<i>bis</i> Each developed country Party shall specify whether the financial contributions reported at the time of submission of the biennial report are pledged/planned, committed, allocated by a national governing body, or disbursed to the recipient.	To facilitate transparency on the status of developed country Parties' financial contributions.

Non-paper by the facilitator on possible elements of modalities and procedures for international assessment and review (version of 14 October 2011 at 17:00)

Para	Suggested Amendments	Remarks
1 (e)	<del>To build confidence that the implementation of mitigation actions of developed country Parties are in line with their quantified economy-wide emission reduction targets</del>	Similar to 1(g)
2 (c)	To <del>promote</del> ensure accuracy, completeness, comparability, consistency and transparency in the review of information	
3 (c)	To facilitate the [consideration of][review] comparability of effort among developed country Parties.	The IAR aims to facilitate comparability of effort among developed country Parties.
4 (b)	[An [assessment][review] of developed country Parties' implementation of the Convention, and for promoting compliance by developed countries Parties with their commitments under the Convention, which is conducted under the auspices of the Subsidiary Body for Implementation;]	To reflect similar language in the Decision 24/CP.7 (Procedures and mechanisms relating to compliance under the Kyoto Protocol)
5	IAR will [review][assess] and [assess][review] based on building upon the existing review process] for each developed country Party the following:	The IAR should be an enhancement on the current review process.

14d	<i>Additional bullet 14(d)</i> Additional information/ answers provided by the Party before or during the Review.	These inputs should also be considered as part of the outputs of the review.
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**Submission by Switzerland, 21 October 2011**

**3.2.1. Draft Guidelines for Biennial Reports of Developed Country Parties**

Non-paper by the facilitators dated 14.10.2011 @ 5 PM

Draft decision to adopt the guidelines:

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular Articles 4, 6, 7.2, 9.2(b), 10.2, and 12 thereof,

*Recalling* its decisions 9/CP.2, 11/CP.4 and 4/CP.5 on national communications from Parties included in Annex I to the Convention,

*Recalling also* its decision 1/CP.16, part III.A, on enhancing the reporting in the national communications of Parties included in Annex I to the Convention, building on existing reporting guidelines, processes and experiences,

*Noting* that the revised guidelines for the preparation of national communications by Parties included in Annex I to the Convention, annexed to decision 4/CP.5, need to be updated to improve the transparency, consistency, comparability, completeness and accuracy of the information reported,

*Noting further* that the biennial reports by Annex I Parties will be an important part of the first review of the adequacy of the long-term global goal (decision 1/CP.16, part V), starting in 2013 and to be concluded by 2015,

1. *Adopts* the guidelines for the preparation of biennial reports by Parties included in Annex I to the Convention, annexed to this decision (hereafter the UNFCCC biennial reporting guidelines for Annex I Parties);
2. *Decides* that Parties included in Annex I to the Convention (Annex I Parties) should use the UNFCCC biennial reporting guidelines for the preparation of their first biennial report due by 15 October 2012;
3. *Decides* that the UNFCCC biennial reporting guidelines for Annex I Parties will be revised soon after the first submission of the biennial reports by Annex I Parties and based on the experience made;
4. *Request* the Subsidiary Body for Implementation (SBI) to proceed jointly to the revision of the guidelines referred to in paragraph 1 above and to the revision of the guidelines for the preparation of National Communications by Parties included in Annex I to the Convention (Annex to decision 4/CP.5) beginning at its 38<sup>th</sup> session with a view to presenting a draft decision to be adopted by the Conference of the Parties at its 20<sup>th</sup> session.
5. *Request* the Secretariat to make available to the SBI, before its 38<sup>th</sup> session, a technical paper based on the first biennial reports submitted by Annex I Parties, with the aim to facilitating the revision process of the two guidelines in a coherent manner.
6. *Urges* Parties included in Annex II to the Convention to assist Annex I Parties with economies in transition, through appropriate bilateral or multilateral channels, with technical aspects of the preparation of biennial reports,
7. *Urges* Parties included in Annex I to the Convention and those Parties not included in Annex I to the Convention in a position to do so, to assist Parties not included in Annex I to the Convention, through appropriate bilateral or multilateral channels, with financial, technical and capacity building aspects of the preparation of their biennial update reports.

Draft guidelines for the biennial reports (BR) of developed country Parties:

Reference	Submission by Switzerland	Rationale
I. Para 1(c)	To facilitate the international assessment and review (IAR) of emissions and removals related to the achievement of quantified economy-wide emission reduction targets <del>and on increasing of the level of ambition of the ambition of the economy-wide emission reduction targets</del> ;	<ul style="list-style-type: none"> <li>• Wording closer to decision 1/CP.16 (para 44 and 46d).</li> <li>• Increasing the level of ambition is not an objective of the biennial report but of the IAR process.</li> <li>• Formulation in yellow unclear, with repetitions.</li> </ul>
II. Title	Information on greenhouse gas emission <del>inventory</del> trends	<ul style="list-style-type: none"> <li>• The annual inventories provide the GHG emission trends</li> </ul>
II. Para 2	Developed country Parties shall report summary information on greenhouse gas (GHG) trends <del>by gas and</del> by sector in tabular format (to be defined) for each year from the base year to the year reported in the most recent inventory submission and consistently with the information therein. <del>For the period from 1990 up to 2010, emissions information shall be reported [for five-year increments][annually]. After 2010, emissions information shall be provided annually and shall be consistent with that provided in the most recent annual inventory submission.</del>	<ul style="list-style-type: none"> <li>• Copy-paste of CRF Table 10 (emission trends summary) from the year when the BR is submitted would be sufficient.</li> <li>• Therefore, annual emission information since the base year can easily be reported, providing a much more precise information on the GHG emission trends</li> </ul>
II. Para 3	Developed country Parties shall report summary information on GHG trends by gas and the indicators relevant to GHG emissions and removals in tabular format (to be defined).	<ul style="list-style-type: none"> <li>• Paragraph can be deleted as already contained in para 2 above.</li> </ul>
II. Para 4	Parties shall provide an explanation of these emission trends, the underlying drivers <del>and methodologies used and assumptions made</del> .	<ul style="list-style-type: none"> <li>• To keep the BR short, only an explanation of the emission trends with underlying drivers is needed.</li> </ul>
II. Para 5	Parties shall also provide <del>a brief general</del> <del>][detailed]</del> description of the methodologies used for the annual inventory <del>and assumptions made.</del> <del>][with a reference to the methodologies elaborated by the Intergovernmental Panel on Climate Change and the accounting rules]</del> .	<ul style="list-style-type: none"> <li>• Paragraph can be deleted as methodologies used and assumptions made are reported in detail in the NIR+CRF submitted the same year as the BR.</li> </ul>
III. Title	<del>Quantified</del> economy-wide emission reduction target	<ul style="list-style-type: none"> <li>•</li> </ul>

Reference	Submission by Switzerland	Rationale
III. Para 7	The description of the Party's national economy-wide emission reduction target shall include, [ <del>in accordance with accounting rules adopted by decision XXX</del> ], as appropriate, the following information:	<ul style="list-style-type: none"> <li>Common accounting rules are eventually to be defined but will not apply to the elements stated in paragraph 7(a) to 7(d).</li> </ul>
III. Para 7(a)	The emission reduction target expressed as a per cent reduction in emission levels, the base year and base year level of emissions against which the per cent emission reduction is set, the year in which the target is to be achieved [ <del>emission reduction trajectory and target</del> converted into quantified emission limitation and reduction and assigned amount], [if applicable];	<ul style="list-style-type: none"> <li>Trajectory is relevant for longer-term targets</li> <li>Assigned amount relates too much to the KP</li> </ul>
III. Para 7(b)	Gases [ <del>and sectors</del> ] covered;	<ul style="list-style-type: none"> <li>The target is economy-wide and covers all the sectors by definition</li> </ul>
III. Para 8	[Each Party shall provide information on the role of the land use, land-use change and forestry (LULUCF) sector in achieving its emission reduction target [ <del>based on internationally agreed accounting rules</del> ]. This information shall include the following:	<ul style="list-style-type: none"> <li>In this paragraph the reference to internationally agreed accounting rules is necessary and welcome</li> </ul>
III. Para 8(b)	Whether the accounting approach is activity-based, [ <del>as under the Kyoto Protocol,</del> ] or comprehensive land-based	<ul style="list-style-type: none"> <li>No explicit reference to the KP, even if experience from it valuable</li> </ul>
III. Para 9	[Each Party shall provide information, based on internationally agreed accounting rules, on its [anticipated] use of carbon [credits][offset units] from market-based mechanisms in achieving its economy-wide emission reduction target. <del>This information shall include the following:</del>	<ul style="list-style-type: none"> <li>In this paragraph also, the reference to internationally agreed accounting rules should be made</li> <li>Paragraphs 9(a)-9(d) can be deleted as more information on the use of carbon credits will be reported following Part IV.B. of the guidelines (Progress).</li> </ul>
<del>III.</del> IV. Para 10	Each Party shall describe any domestic arrangements, including legislation and administrative procedures, for monitoring or enforcing progress towards its target.	<ul style="list-style-type: none"> <li>Move to Part IV of the guidelines (Progress).</li> </ul>
IV. Title	Progress in the achievement of economy-wide quantified emission reduction targets [ <del>and commitments</del> ]	<ul style="list-style-type: none"> <li>For the time being, there is no commitment under the Convention, only targets</li> </ul>
IV. A. Para 11	Each developed country Party shall provide information on	<ul style="list-style-type: none"> <li>The BR is not a NC, it is an update of the</li> </ul>

Reference	Submission by Switzerland	Rationale
	the mitigation actions, including policies and measures it has implemented or plans to implement <del>since its last</del> <b>National Communication</b> to achieve its economy-wide emission reduction target. Parties shall organize reporting of mitigation actions by the following sectors: energy industries, energy use in industry, other energy use, transport, industrial processes, agriculture, forestry and land use, and waste. Within each sector, Parties shall prioritize the reporting of actions with the most significant mitigation potential.	NC and therefore only the new P&M since the last NC should be reported.
IV. A. Para 15(b)	An estimation of the aggregated annual emission reductions achieved by the implementation of the mitigation actions <del>[relative to carbon budget over a commitment period]</del> .	<ul style="list-style-type: none"> <li>The estimated aggregated annual emission reductions can be in absolute terms and in percentage.</li> <li>No commitment for the time being</li> </ul>
IV. B. Para 19(b)(i)	On an activity-by-activity basis for Parties that use <del>[Kyoto Protocol]</del> <b>[such]</b> accounting;	<ul style="list-style-type: none"> <li>No explicit reference to the KP, even if experience useful</li> </ul>
IV. B. Para 20(c)	Total Accounted emissions and <b>[credits]</b> <del>[offset units]</del> , calculated as the sum of Emissions including LULUCF <del>minus</del> <b>plus</b> Acquisitions of international credits <del>plus</del> <b>minus</b> transfer of international credits;	<ul style="list-style-type: none"> <li>Credits acquired count towards the target and credits transferred come in subtraction</li> </ul>
V. Para 23	Each developed country Party <b>[shall]</b> <del>[should]</del> provide GHG projections from the latest inventory year through 2020 <del>[or later]</del> <b>[and decadal]</b> until 2050, for the following:	<ul style="list-style-type: none"> <li>Projection for 2020 are useful also to address the gap (projected emissions in 2020 compared to emission target for that year), on which there is also to report (V. Para 25).</li> </ul>
V. Para 25(a)	<b>[Quantification of any projected gap between projected emissions in 2020 and its economy-wide emission reduction target, or any overachievement <del>and underachievement</del> of the target;]</b>	<ul style="list-style-type: none"> <li>The gap already expresses an underachievement of the target</li> </ul>
V. Para 26	Parties may also report a <del>.without measures. projection.</del> If provided, the without measures projection should exclude all mitigation actions implemented after the <b>[base year]</b> <del>[year chosen as the starting point for this projection]</del> .	<ul style="list-style-type: none"> <li>Without measures is without measures, from the base year to the target year</li> <li>Some measures taken before the starting year of the projection may have effects during the</li> </ul>

Reference	Submission by Switzerland	Rationale
		projection period
VI. A. Para 29	Each developed country Party shall describe, <b>to the extent possible</b> , how it [seeks to] ensure that the resources it provides effectively address the needs of developing country Parties with regard to climate change adaptation and mitigation.	<ul style="list-style-type: none"> <li>• If the resources provided address the needs or not is a question that can be better answered by the developing countries receiving the resources and knowing exactly its needs</li> </ul>
VI. A. Para 30	Each developed country Party shall provide information on the financial support it has provided and facilitated for the purpose of assisting developing country Parties to mitigate GHG emissions and adapt to the adverse effects of climate change, and for capacity-building in the areas of mitigation and adaptation. To that end, each developed country Party shall provide <b>summary</b> information in textual format and in tables (to be defined) on annual contributions for the <del>previous two</del> calendar years <b>since the last one reported on in the previous national communication</b> to the following:	<ul style="list-style-type: none"> <li>• Mix of paragraph 30 and 31. The BR should be kept short and summary information should be sufficient</li> <li>• Important to report on the years since the one in the last NC (continuity)</li> </ul>
VI. A. Para 31	Delete	<ul style="list-style-type: none"> <li>• Overlap with paragraph 30</li> <li>• Reporting on the previous 5 years overlap with the information in the last NC</li> </ul>
VI. A. Para 33	Delete	<ul style="list-style-type: none"> <li>• BR have to be kept short</li> <li>• Financial support for adaptation is reported (paragraphs 29, 30, 32)</li> </ul>
VI. A. Para 36	[Developed country Parties shall report on investment in mitigation activities under international market-based mechanisms.] [Information should be included on support provided by Parties through purchase by Governments of carbon market units under the UNFCCC <del>and the Kyoto Protocol</del> which are not used for compliance with mitigation targets using a tabular format (to be defined)]	<ul style="list-style-type: none"> <li>• No explicit reference to KP, even if experience useful</li> </ul>
VI. B. Para 37	Each developed country Party shall provide information on measures taken to promote, facilitate and finance the transfer of, access to, and deployment of environmentally-	<ul style="list-style-type: none"> <li>• The list is not exhaustive and could be out-of-date in a few years time</li> </ul>



Reference	Submission by Switzerland	Rationale
	<p>sound technologies and to support the development and enhancement of endogenous capacities and technologies of developing countries and may also provide information on success and failure stories. [Such measures could include participation in multilateral technology initiatives, such as the Renewable Energy [and Energy Efficiency Partnership] or the Asian-Pacific Partnership on Clean Development and Climate].</p>	
VI. B. Para 38	<p>Each developed country Party shall provide a textual description of individual measures and activities <b>implemented or planned since its last national communication</b>. In reporting these measures and activities, Parties shall clearly distinguish between activities undertaken by the public sector and those undertaken by the private sector. As the ability of Parties to collect information on private-sector activities is limited, Parties may indicate, where feasible, in what way they have encouraged private-sector activities and how these activities help to meet the commitments of Parties under Article 4, paragraphs 3, 4 and 5, of the Convention. Parties shall also indicate whether the activity is related to .hard. or .soft. technologies.</p>	<ul style="list-style-type: none"> <li>• Only an update is required in the BR</li> </ul>
VI. B. Para 39	<p>Each developed country Party shall summarize information related to technology transfer in tabular format (to be defined). A separate table shall be provided for each of the previous two calendar years <b>since the last one reported on in the previous national communication</b>.</p>	<ul style="list-style-type: none"> <li>• Important to report on the years since the one in the last NC (continuity)</li> </ul>
		<ul style="list-style-type: none"> <li>•</li> </ul>

### **Submission by Switzerland, 21 October 2011**

#### **3.2.1. Draft Modalities and Procedures for International Assessment and Review**

Non-paper by the facilitators dated 14.10.2011 @ 5 PM

##### Draft decision to adopt the modalities and procedures:

*Recalling* decisions 2/CP.1, 9/CP.2, 6/CP.3 and 33/CP.7 on review of national communications from Parties included in Annex I to the Convention (Annex I Parties), and decisions 6/CP.5, 19/CP.8, 12/CP.9 and 18/CP.10 on review of national greenhouse gas inventories from Annex I Parties,

*Recalling further* decision 1/CP.16, establishing an international assessment and review process (IAR) of emissions and removals related to Annex I Parties' quantified economy-wide emission reduction targets under the Subsidiary Body for Implementation (SBI), taking into account national circumstances, in a rigorous, robust and transparent manner, with a view to promoting comparability and building confidence,

*Responding* to the work programme launched by decision 1/CP.16 to develop modalities and procedures for the IAR process, building on existing review guidelines, processes and experiences,

*Noting further* that the biennial reports by Annex I Parties and the summary reports resulting from the IAR process will be an important part of the first review of the adequacy of the long-term global goal (decision 1/CP.16, part V), starting in 2013 and to be concluded by 2015,

*Recognizing* the need to have an efficient, cost-effective and practical IAR process which does not impose an excessive burden on Parties and on the UNFCCC Secretariat,

1. *Adopts* the modalities and procedures for international assessment and review, annexed to this decision;
2. *Decides* that Annex I Parties that have submitted their first biennial report in 2012 will undergo the IAR process according to the modalities and procedures referred to in paragraph 1 above;
3. *Decides* that the modalities and procedures referred to in paragraph 1 above will be enhanced further into guidelines, once the first round of the IAR process has been performed and on the basis of the experience gained from it.
4. *Decides* that the frequency of the subsequent rounds of the IAR process will be included in the guidelines referred to in paragraph 3 above.

Draft Modalities and Procedures for the International Assessment and Review Process:

Reference	Submission by Switzerland	Rationale
I. Para 1(a)	To provide a [non-intrusive][non-confrontational], robust, rigorous and transparent assessment of developed country Parties. progress towards the attainment of their quantified economy-wide emission reduction targets [ <del>and the implementation of commitments for the provision of financial, technological and capacity building support to developing country Parties</del> ];	<ul style="list-style-type: none"> <li>Decision 1/CP.16 call for an IAR process of emissions and removals related to quantified economy-wide emission reduction targets, not to support</li> </ul>
I. Para 1(f)	Delete	<ul style="list-style-type: none"> <li>This is a specific objective of the IA process, captured in paragraph 3(d)</li> </ul>
I. Para 1(g)	Delete	<ul style="list-style-type: none"> <li>Identical to paragraph 1(e)</li> </ul>
I. Para 1(j)	Delete	<ul style="list-style-type: none"> <li>Compliance is not an objective of the IAR process</li> <li>Compliance only after the target year</li> <li>Compliance with reporting requirement expressed in paragraph 2(a)</li> </ul>
I. Para 1(k)	To provide input to the 2013.2015 and the subsequent periodic review processes] <b>of the long-term global goal.</b>	<ul style="list-style-type: none"> <li>Important to specify which Review process it is, not to be mixed with the R of IAR of the R processes of national inventories or NC</li> </ul>
I. Para 2	In addition to the overall objectives included in paragraph 1, the specific objectives of the [technical][expert] [review][ <del>assessment</del> ] are the following:	<ul style="list-style-type: none"> <li>First the technical Review, then the international Assessment</li> </ul>
I. Para 2(a)	To provide a thorough, objective and comprehensive [technical][expert] [review][ <del>assessment</del> ] of information provided in reports referred to in paragraph 6 below for accuracy and conformity with reporting requirements;	<ul style="list-style-type: none"> <li>Specific objective of the technical review</li> </ul>
I. Para 2(b)	[To assess the implementation of commitments related to quantified economy-wide emission reduction targets <del>and the provision of support.</del> ]	<ul style="list-style-type: none"> <li>Support is not subject to IAR, according to decision 1/CP.16</li> </ul>
I. Para 2(e)	[To <del>ensure</del> <b>promote</b> comparability of efforts among developed country Parties];	<ul style="list-style-type: none"> <li>Wording of decision 1/CP.16</li> </ul>

Reference	Submission by Switzerland	Rationale
I. Para 2(f)	To assist Parties included in Annex I in improving their reporting of information and <del>the implementation of their commitments and</del> <b>in assessing their progress towards their targets;</b>	<ul style="list-style-type: none"> <li>• According to decision 1/CP.16, paragraph 42</li> </ul>
I. Para 3	Further, the specific objectives of the <b>international</b> [assessment][ <del>review</del> ] are the following:	<ul style="list-style-type: none"> <li>• First the technical Review, then the international Assessment</li> </ul>
I. Para 3(b)	To [assess][ <del>review</del> ] and [ <del>review</del> ][assess] the implementation of the quantified economy-wide emission reduction targets <del>and the provision of support;</del>	<ul style="list-style-type: none"> <li>• Support is not subject to IAR, according to decision 1/CP.16</li> </ul>
I. Para 3(c)	To facilitate the [consideration of ][ <del>review</del> ] comparability of effort among Parties;	<ul style="list-style-type: none"> <li>• This IA specific objective is not a review</li> </ul>
II. A. Para 4(a)	A [technical][expert] [review][ <del>assessment</del> ], where relevant in conjunction with the annual inventory and national communications review process for developed country Parties, which would result in an individual review report for each developed country Party;	<ul style="list-style-type: none"> <li>• First the technical Review</li> </ul>
II. A. Para 4(b)	Delete	<ul style="list-style-type: none"> <li>• Not a step in itself, rather part of the IA step defined in paragraph 4(c)</li> </ul>
II. A. Para 4(c)	An <b>international</b> [assessment][ <del>review</del> ] of progress towards the achievement of quantified economy-wide emission reduction targets <del>[and the provision of financial, technological and capacity building support to developing country Parties]</del> under the auspices of the Subsidiary Body for Implementation;	<ul style="list-style-type: none"> <li>• Second the International Assessment process</li> </ul>
II. A. Para 4(d)	Move to paragraph 1, as an overall objective of the IAR process	<ul style="list-style-type: none"> <li>• Not a step in the IAR process, rather an objective thereof</li> </ul>
II. B. Para 5	IAR will [review][assess] and <b>internationally</b> [assess][ <del>review</del> ] [based on the existing review process] for each developed country Party the following:	<ul style="list-style-type: none"> <li>• First the technical Review, then the International Assessment process</li> </ul>
II. B. Para 5(d)	Delete	<ul style="list-style-type: none"> <li>• Support not subject to the IAR process, according to decision 1/CP.16</li> </ul>
III. Title	[Technical][Expert] [review][ <del>assessment</del> ]	<ul style="list-style-type: none"> <li>• First the technical review process</li> </ul>

Reference	Submission by Switzerland	Rationale
III. A. Para 6	The inputs to the [technical][expert] [review][assessment] are the following:	•
III. A. Para 6(a)	[Biennial report][Annual GHG inventory and national inventory report];	• First and most important input for the Review = BR
III. A. Para 6(b)	[Annual GHG inventory and national inventory report and if applicable, biennial report]	• Inventory also an important input for the Review
III. A. Para 6(d)	Option 2 to be kept	• The whole NC contains elements not subject to the IAR process
III. A. Para 6(f)	Peer reviewed publications and other credible sources <b>approved by the Party concerned.</b>	• External sources should be approved by the Party undergoing the review part of the IAR process
III. B. <b>new para</b>	[At the commencement of an IAR cycle for each developed country Party, the secretariat will assemble a technical experts team of five to eight members, drawing from [a pool of 50] Party nominated experts [constituted for completing both the <b>Review part of the IAR process</b> and <b>the technical analysis part of the ICA process</b> hosted by the UNFCCC secretariat], balanced as to expertise and developed/developing country Party participation. The members of the expert team would serve in their personal capacity.]	• Copy-paste, mutatis mutandis, from the ICA modalities and procedures and adapted, as this paragraph concerns both processes • To be inserted just after III. B. Process (before paragraph 7)
III. B. Para 7	Option I: [Each developed country Party's biennial report is [reviewed] <del>assessed</del> , where relevant in conjunction with the annual inventory and national communications review process, as follows:	• Option 1 privileged as it is more complete than option 2 and addresses LULUCF and the carbon credits from the market based mechanisms (decision 1/CP.16, paragraph 46(d))
III. B. Para 7(a)	The [annual] inventory and national communications review are conducted in accordance with existing [and revised] guidelines and procedures under the Convention, <del>and [where relevant,] the Kyoto Protocol</del> ];	• No explicit reference to the KP, even if experience from it useful
III. B. Para 7(b)(i)	Delete	• Implementation of actions or P&M, but not of targets • Better expressed by paragraph 7(b)(ii)

Reference	Submission by Switzerland	Rationale
III. B. Para 7(b)(iv)	Delete	<ul style="list-style-type: none"> <li>Support not subject to the IAR process, according to decision 1/CP.16</li> </ul>
III. B. Para 7 Opt. II	Not enough	<ul style="list-style-type: none"> <li>Review in the IAR process is more than the actual review process of national inventories or NC (also review of progress towards the target)</li> </ul>
III. B. Para 8	Option 1 (see also new paragraph included before paragraph 7)	<ul style="list-style-type: none"> <li>Expert review/analysis teams should be reinforced, also for the ICA process</li> </ul>
III. C. Para 9	The output of the [technical][expert] [review][assessment] [based on the existing review process] is a [technical][expert] [review][assessment] report(s) for each individual developed country Party.	<ul style="list-style-type: none"> <li>First the technical review, then the international assessment process</li> </ul>
IV. Title	<b>International</b> [Assessment][Review]	<ul style="list-style-type: none"> <li>After the review, the international assessment process</li> </ul>
IV. A. Para 10	The <b>international</b> [assessment][review] will be carried out on the basis of:	<ul style="list-style-type: none"> <li>This part of the modalities deals with the international assessment</li> </ul>
IV. A. Para 10(a)	[Technical][Expert] [review][assessment] report(s) referred to in paragraph 9, and any other relevant review reports;	<ul style="list-style-type: none"> <li>The report of the technical review is the link between the 2 phases of the IAR process</li> </ul>
IV. A. Para 10(d)	Other information provided by the Party before or during the <b>international</b> [assessment][review];	<ul style="list-style-type: none"> <li>This part of the modalities deals with the international assessment</li> </ul>
IV. A. Para 10(e)	[Inputs from other stakeholders/Parties] <b>approved by the Party undergoing the international assessment process</b>	<ul style="list-style-type: none"> <li>External sources should be approved by the Party undergoing the IAR process</li> </ul>
IV. B. Para 11	Each developed country Party is [assessed][reviewed] individually <b>during a dedicated session of the Subsidiary Body for Implementation (SBI) or through a designated body operating under the auspices of the SBI.</b> [Developed country Parties <b>are could also be</b> [assessed][reviewed] aggregately.]	<ul style="list-style-type: none"> <li>Individual IA process is the rule but for small countries, grouped processes may be organised</li> <li>This part of the modalities deals with the international assessment</li> <li>Content of paragraph 13 taken up here</li> </ul>
IV. B. Para 12	The <b>international</b> [assessment][review] under the IAR process shall entail the following:	<ul style="list-style-type: none"> <li>This part of the modalities deals with the international assessment</li> </ul>
IV. B. Para 12(d)	The privileged option	<ul style="list-style-type: none"> <li>To keep the process manageable</li> </ul>

Reference	Submission by Switzerland	Rationale
IV. C.	Delete part C and move content of paragraph 13 into paragraph 11	<ul style="list-style-type: none"> <li>• Keep the structure of the modalities for each of the steps of the IAR process similar (inputs, process, outputs)</li> </ul>
IV. D. Para 14	The outputs of the <b>international</b> [assessment][ <del>review</del> ] are the following:	<ul style="list-style-type: none"> <li>• This part of the modalities deals with the international assessment</li> </ul>
IV. D. Para 14(c)-(i)	Delete. Keep only the objective record of the questions&answers and of the discussion, and the summary report	<ul style="list-style-type: none"> <li>• Compliance is not an objective of the IAR process</li> <li>• Compliance only after the target year</li> </ul>
IV. E.	Delete part E.	<ul style="list-style-type: none"> <li>• Relation with the review of the long-term global goal noted in the decision adopting the modalities and procedures of the IAR process</li> <li>• Address the relation between IAR and other (review) processes when the modalities and procedures will be translated into guidelines</li> <li>• Structural problem: Part E related to the whole IAR process and not only to the IA part thereof (E is a sub-item of IV)</li> </ul>
		<ul style="list-style-type: none"> <li>•</li> </ul>

### **Agenda item 3.2.1 - Possible elements of draft decision for adoption of the guidelines for biennial reports of developed country Parties**

Comments to be included in the draft text are included below:

#### **Possible elements of draft decision for adoption of the guidelines for biennial reports of developed country Parties**

- Insert paragraph 4: “Decision that the SBI will revise the national communication guidelines to include the annexed guidelines for biennial reports, as a standalone element within the national communications, to ensure consistency in reporting, for adoption at COP18.”

#### **I. Objectives**

- Paragraph 1(c) – the language here needs to be consistent with the objectives stated in 1/CP.16, and therefore the following language which is not consistent with paragraph 44 should be deleted: “[and on increasing of the level of ambition of the ambition of the economy-wide emission reduction targets];

#### **II. Summary of greenhouse gas emission inventory trends**

- Paragraph 3 – we already have a tabular format for presenting summary information on national GHG inventories as part of national communications. We should retain these summary tables in the biennial reports to ensure consistency of reporting.
- Paragraphs 4 and 5 – These paragraphs are unnecessary as they repeat much of the information that is contained in detail in the annual inventories and national inventory reports submitted annually. This detail, including discussion of emission trends and inventory methodologies used will only add unnecessary volume to the biennial report. The biennial report should focus only on the new and necessary elements related to total emissions. Our preference is to simply include text encouraging developed country Parties to reference their most recent annual inventory’s NIR for relevant information on trends and methods.

#### **III. Economy-wide emission reduction target**

- As a general comment, we suggest combining this section on the mitigation target with the following section tracking progress in implementation, which allows for consistent information on the description and the tracking of progress.
- Paragraph 6 – delete “among which unconditional domestic target shall be clearly stated.” It is not clear what this statement means. Parties’ economy-wide targets are listed in the INF documents and the need to explain any underlying assumptions or conditions are already mentioned in this paragraph.



- Paragraph 7(a) – This paragraph should reflect the range of targets contained in the INF.doc, and the parameters within each target. Only Parties who choose to implement a specific trajectory within their 2020 target, or who will convert their percentage reduction into an emissions level should be required to report on this information. Therefore, this paragraph should be reorder to read: “The emission reduction target expressed as a per cent reduction in emission levels, the base year [and base year level of emissions against which the per cent emission reduction is set], the year in which the target is to be achieved[, and, if applicable, emission reduction trajectory and target converted into quantified emission limitation and reduction and assigned amount]”
- Paragraph 9. – Delete the reference to “anticipated,” and replace with “planned” in order to focus reporting on offset programs currently in place or planned, rather than less specific information about programs that may or may not be developed in the future. Future biennial reports would add information on any offset programs that have been planned or implemented since the previous report. Also, after [offset units] insert: and/or allowances.
- Paragraph 9 (a) after [offset units] insert: “and/or allowances;” and in Paragraph (c) insert after “calculate baselines”: “address additionality, leakage, permanence, credit issuance procedures.”
- Paragraph 9(d) – While this information is helpful to know, perhaps this could come from a synthesis by the Secretariat, rather than by reporting by individual Parties. We would remove this provision.
- Paragraph 11 – Because developed country Parties have committed to an economy-wide target, the primary focus of biennial should be on overall emission reductions and removals, rather than on individual policies and actions. Some information in the biennial report on individual actions can be informative, but the bulk of reporting on policies and measures should be contained in the national communication. Consistent with this, paragraph 11 should more closely mirror the national communication guidelines from FCCC/CP/1999/7, page. 85, which lays out the key elements for reporting, and this should be a voluntary element, rather than a mandatory one, as is contained in the following language: “Each developed country Party [shall] should provide information on the mitigation actions, including policies and measures it has implemented or plans to implement to achieve its economy-wide emission reduction target.”
- The language from the national communication guidelines on policies and measures should replace paragraphs 12-15:
  - Parties shall organize the reporting of policies and measures by sectors, subdivided by greenhouse gas (carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulphur hexafluoride), to the extent appropriate. To the extent appropriate, the following sectors should be considered: energy, transport, industry, agriculture, forestry and waste management. Each sector shall have its own textual description of the principal policies and measures. Parties may include separate text and a table describing cross-sectoral policies and measures.

- Sub-heading for section B – Because this sub-section addresses emissions from all sources and sinks, not just from LULUCF or market mechanisms, the title of the sub-section should reflect this. It would better be titled “Calculation of emission reductions and removals.”
- Paragraph 17 should be moved down before paragraph 20, as they both relate to reporting on use of international units.
- Paragraph 18: delete “on quantified emission reduction targets and” as this section documents progress in emission reductions to date, not on the target itself.
- Paragraph 19 does not seem to relate to the task it is intended to achieve, which is account for emissions in the reported year. Information on emissions in the base year, including any LULUCF emissions covered, is addressed in paragraph 8. This paragraph should instead address emissions, including LULUCF, in each reported year. To make this fix, we would add to the 'base year' 'and the reported year' in first line and delete sub-paragraphs d, e and f.
- Paragraph 20(d) – This category of information is not consistent with the rest of the information in this paragraph and it is not clear what relevance this has to the reporting requirements in this section. We would propose to delete this paragraph.

## V. Projections

- Paragraph 23 – While it is certainly possible to do projections out to 2050, they are not meaningful going out so far in to the future. This paragraph could be revised to read: “Each developed country Party [should] provide GHG projections from the latest inventory year through 2020 [or later][and decadal until 2050] and for 2030, for the following”
- Paragraph 23(c) – “Gas by gas for CO<sub>2</sub>, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride, to the extent feasible, in the tabular format contained in the national communication guidelines [(to be defined)]”
- Paragraph 24 should be simplified to be meaningful and could be condensed down into the following: “Parties should provide supporting documentation on the model or methodologies used by which projections were developed.”
- Paragraph 25 – This forward-looking assessment is not based on actual results, nor can it be determined through a modeling exercise, and therefore should not be part of biennial reporting which should be focused on reporting of actual progress in implementation. We would propose to delete this paragraph and its sub-elements.
- Paragraph 26 – The concept “without measures” is not a very meaningful one. Almost all BAU or reference levels in existing modeling incorporate “measures” to some degree or another. We would suggest deletion of this paragraph.

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

- Paragraph 27- broadly speaking the approach the United States (as well as most donor countries) takes on capacity building is one where such elements are integrated into projects on mitigation, adaptation, finance, and technology, and we think a more accurate phrasing of

this kind of relationship would be to strike the phrase in parentheses at the end of the paragraph, and insert “noting capacity building elements of such activities where relevant.” After “and other activities.”

- Paragraph 30 – the term ‘provided’ could be clarified. We would propose to specify here that reporting should be on support that is “committed” or “obligated.”
- Paragraph 30 – ‘To that end, each developed country Party shall provide information in textual format and in tables (to be defined) on annual contributions for the previous two calendar years to the following’ – we propose to specify that the tables will be contained in the guidelines to be adopted in Durban, and would delete ‘(to be defined)’ and insert “Table Y.” We have provided a suggested reporting format in a supplement to this submission. Also we propose to add ‘for the previous two calendar years with no overlaps from previous reporting periods.’
- Paragraph 31 – It is not clear why this provision refers to five years rather than the previous two years, as this information will be biennial.
- Paragraph 32 – We propose to add REDD+ in addition to mitigation and adaptation categories. ‘[In reporting information, in accordance with paragraphs 30 and 31, Parties can categorize funding as related to mitigation, REDD+, or adaptation according to the criteria [to be agreed by the Conference of the Parties][developed by the Organisation for Economic Co-operation and Development’s Development Assistance Committee (DAC)].’
- Paragraph 33 – We propose to specify that reporting should be done consistent with specific tables to be adopted as part of the guidelines in Durban, and would replace “to be defined” with ‘in Table X’.
- Paragraph 36 – ‘Developed country Parties shall report on investment in mitigation activities under international market-based mechanisms.’ – insert ‘public’ before investment to ensure there is no double counting with 34(a).
- Paragraph 40—in first line, replace “enhanced” with “provided” since the provision of such support would enhance capacity building, which is all of our goal.
- Paragraph 41— We would propose to delete this paragraph. This provision would require significant, qualitative detail which would not be in line with the purposes of biennial reporting on support provided.

Suggested revised reporting tables in common reporting formats are provided below.

<b>Subsection and possible format of content</b>
<p><b>Introduction</b> - Overview of recent funding trends, range of support provided (finance, tech, CB) and modalities (eg GBS, projects).</p> <p>Outline of scope of info included in this section (e.g. what is included, whether private finance is included, etc). Could include brief summary table based on tables below.</p>

**Financial support - Details on financial support provided, broken down by theme – mitigation, adaptation, REDD+**

Financial flows/support	Recipient (country or multilateral institution, program or fund)	Amount (Total USD and in natl currency)	Timeframe	Principle focus of funding (mit, ad, general, etc)	Public finance flows (separate out ODA from OOFs)	Private flows (if appropriate)	Type of financial support (grant, loans, guarantees, etc)	Specific purpose of funding for bilat support (e.g NAMA support, etc)
<i>* Could have separate tables for bilat and multilat support</i>  <i>*need to be very clear on current stage of financial support – is it appropriated? Obligated? Disbursed?</i>								

**Other support (technology, capacity building) - Technology and capacity building support provided, broken down by mitigation, adaptation, REDD+**

Type of support provided	Activity	Country/region	Timeframe	Principal focus of support (mit, ad, REDD+)

### **Agenda Item 3.2.1 - Possible elements of modalities and procedures for international assessment and review**

Comments for incorporation into the draft text are included below:

#### **I. Objectives of the international assessment and review process**

- Paragraphs 1, 2 and 3 are redundant. A solution would be to keep a very broad focus for the objectives for the entire IAR process, and then include more specific objectives for each step of the process. Either way, these objectives should follow the agreed language in Cancun, which is reflected in paragraphs 42 and 44 of Decision 1/CP.16.
- Paragraph 1 should therefore state only: “To enhance guidelines for the review of information in national communications on progress made in achieving emission reductions and provision of financial, technology, and capacity building support to developing country Parties, and to assess emissions and removals related to quantified economy-wide emission reduction targets under the SBI, taking into account national circumstances, in a rigorous, robust, and transparent manner, with a view to promoting comparability and building confidence.” The other provisions should be deleted.
- Paragraph 2 which refers the existing system of in-depth expert review should only include the language from paragraph 42, “To enhance guidelines for the review of information in national communications on progress made in achieving emission reductions and provision of financial, technology, and capacity building support to developing country Parties.” We also note that the objectives other than those in sub-paragraphs (a), (c), and (f) should particularly be deleted as redundant or inconsistent with this agreed text.

Paragraph 3 on the second step of international assessment under the SBI should only include the language from paragraph 44, “To assess emissions and removals related to quantified economy-wide emission reduction targets under the SBI, taking into account national circumstances, in a rigorous, robust, and transparent manner, with a view to promoting comparability and building confidence.” The current sub-paragraphs could then be deleted as redundant or inconsistent with the agreed text.

#### **II. Process and scope**

- It is redundant to have the section on scope here for overall IAR, when the scope for each step, both review and assessment, are clearly defined below. This section should focus instead on the overall process for IAR, and remove the section on scope.
- Paragraph 4 should be amended to reflect the existing in-depth review process and to better track with the language of paragraph 44 of 1/CP.16, as follows, with deletion of all other sub-paragraphs:

(a) A technical expert review [assessment] of biennial reports, [where relevant in conjunction with] based on the existing in-depth review procedures and taking into account the results of the in-depth reviews of the annual inventory and national communications

[review process for developed country Parties], which would result in an individual review report for each developed country Party;

(b) An assessment [review] of [implementation] emission reductions and removals related to quantified economy-wide emission reductions targets conducted under the auspices of the Subsidiary Body for Implementation;

- As noted above, paragraph 5 is redundant and should be deleted.

### III. Technical Expert Review

- It is clear from Decision 1/CP.16 that we are not to abandon the extensive existing system for in-depth review of national reports, including national communications and annual inventories, and that this process should be enhanced to apply also to biennial reports. This is clearly part and parcel of the IAR process.
- Because in-depth review of annual inventory reports and national communications will proceed as they do currently, the provisions for IAR should apply primarily to the biennial update reports (which also include summaries of the national inventories). Paragraph 6 should therefore be made clearer by replacing the current text with:
  - (a) Biennial reports, whether submitted as a sub-set of the national communication or submitted separately in intervening years.
  - (b) For additional information, the review team may also consider previously submitted annual inventory reports, national communications and in-depth review reports from past national inventories or national communications.
  - (c) Any additional information provided by the Party before or during the review;
- Paragraph 7 (a) Delete the reference to provisions under the Kyoto Protocol, as they are not applicable here.
- In Paragraph 7(b), to make consistent with the existing review procedures and to make consistent with 1/CP.16, we would suggest deleting sub-paragraphs (ii) and (iii) and inserting before sub-element (i): “Review key qualitative information and quantitative data points contained in biennial reports;”
- In Paragraph 7(b), revise (i) to read: “[Assessing] Review overall progress in the implementation of the quantified economy-wide emission reduction target;]”
- And paragraph (iv) “Review [Assessing] of provision of financial, technology and capacity-building support to developing country Parties.”
- We are open to several of the options posed in paragraph 8, and do not see them as mutually exclusive. It is clear that we must build on the existing in-depth review structure, utilizing national experts and the Secretariat, and where possible, finding ways to add capacity from both.

### IV. Assessment

- Paragraph 10 – the primary inputs should be the most recent biennial report and the expert review report, but secondary information from previous reports and reviews. Questions from other Parties or stakeholders should also be available assuming they are also available in international consultations and analysis. Paragraph 10 should be split into two paragraphs and be revised to read:

10 (a) Technical expert review report referred to in paragraph 9; and (b) Biennial report;

10 bis. Other inputs to the assessment process may include:

(a) Previously submitted national GHG inventory, national inventory report and, where relevant, national communication, as well as any other relevant review reports; and

(b) Other information provided by the Party before or during the review;

- Paragraph 11 – each developed country party should be assessed individually. There are no provisions in 1/CP.16 for aggregate assessment as part of the IAR process.
- Paragraph 12 – we would see that all of these could be elements of the assessment process under the SBI, assuming similar transparency under international consultations and analysis, considering that broader participation of Parties and observers allows for increased transparency of the process.
- Paragraph 13 – we would be open to either a dedicated session of the SBI or a dedicated body under the SBI for conduct of the assessment, but we would not see any relationship to a compliance system which is not part of what was agreed in 1/CP.16. The word “shall” should read “will” for consistency with the rest of the text.
- Paragraph 14 – we would see the only outputs of the IAR process would be a summary report containing the in-depth review report and an objective summary of the assessment under the SBI, which should be provided by the Secretariat. We would not see any outputs related to compliance, again, as this was not an element agreed in Cancun. Thus, only (a) and (b) should be retained.
- Paragraph 15 – this section does not seem necessary. The relationship of IAR to other process may be decided in the elaboration of the other processes, but there should be no provision here for relationships with other processes or bodies. We would suggest deleting this section.

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