

6 May 2013

English/French/Russian only

UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

Subsidiary Body for Scientific and Technological Advice

Thirty-eighth session

Bonn, 3–14 June 2013

Item 11(b) of the provisional agenda

Methodological issues under the Kyoto Protocol

**Land use, land-use change and forestry under Article 3, paragraphs 3 and 4,
of the Kyoto Protocol and under the clean development mechanism**

**Views on land use, land-use change and forestry issues
referred to in decision 2/CMP.7, paragraphs 5–7**

Submissions from Parties and admitted observer organizations

1. The Subsidiary Body for Scientific and Technological Advice (SBSTA), at its thirty-seventh session, agreed to continue, at its next session, its consideration of more comprehensive accounting of anthropogenic emissions by sources and removals by sinks from land use, land-use change and forestry (LULUCF), including through a more inclusive activity-based approach or a land-based approach, with the view to reporting to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) at its ninth session on the outcomes of its consideration.¹
2. The SBSTA also agreed to continue, at the same session, its consideration of modalities and procedures for possible additional LULUCF activities under the clean development mechanism (CDM), and modalities and procedures for alternative approaches to addressing the risk of non-permanence under the CDM, with a view to forwarding draft decisions on these matters to the CMP for consideration and adoption at its ninth session.²
3. The SBSTA further recalled its invitations³ to Parties and admitted observer organizations to submit to the secretariat their views on issues related to LULUCF and encouraged them to continue submitting such views until 25 March 2013.⁴ It requested the

¹ FCCC/SBSTA/2012/5, paragraph 109.

² FCCC/SBSTA/2012/5, paragraph 110.

³ FCCC/SBSTA/2012/2, paragraphs 116–118.

⁴ FCCC/SBSTA/2012/5, paragraph 111.

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secretariat to compile the submissions from Parties into a miscellaneous document for consideration by the SBSTA at its thirty-eighth session.⁵

4. The secretariat has received eight such submissions from Parties. In accordance with the procedure for miscellaneous documents, these submissions are attached and reproduced* in the languages in which they were received and without formal editing.⁶

5. In line with established practice, the one submission from a non-governmental organization has been posted in the UNFCCC website.⁷

⁵ FCCC/SBSTA/2012/5, paragraph 112.

* 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.

⁶ Also available at <unfccc.int/5901>.

⁷ Available at <unfccc.int/3689.php>.

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Paper no. 1: Chad on behalf of Burundi, Cameroon, Central African Republic, Chad, Congo, Democratic Republic of the Congo, Equatorial Guinea, Gabon, Rwanda, and Sao Tome and Principe

Soumission des vues des pays du Bassin du Congo (Burundi, Cameroun, Congo, Gabon, Guinée Equatoriale, République Centrafricaine, République Démocratique du Congo, Rwanda, Sao Tomé et Príncipe et Tchad)

PREAMBULE

Cette soumission est présentée par les pays du Bassin du Congo réunis au sein de la Commission des Forêts d'Afrique Central (COMIFAC), conformément à la déclaration des Chefs d'Etat de 1999, dite « Déclaration de Yaoundé », relative à la conservation et à la gestion durable des écosystèmes forestiers d'Afrique Centrale, soutenue par la signature et la ratification du traité de la COMIFAC.

La COMIFAC regroupe 10 pays : Burundi, Cameroun, Congo, Gabon, Guinée Equatoriale, République Centrafricaine, République Démocratique du Congo, Rwanda, Sao Tomé et Príncipe et Tchad.

La COMIFAC est un organe crée par les Chefs d'Etat en vue de gérer de manière concertée les forêts du Bassin du Congo à travers une plate forme commune dénommée « Plan de Convergence », qui comprend dix axes stratégiques. Le premier axe met un accent tout particulier sur les Conventions de Rio de Janeiro de 1992 dont la Convention Cadre des Nations Unies sur les Changements Climatiques (CCNUCC).

Le Partenariat pour les Forêts du Bassin du Congo (PFBC), lancé en 2002 lors du Sommet Mondial sur le Développement Durable de Johannesburg, regroupe 34 membres composés des pays du Bassin du Congo, des ONG internationales et des partenaires au développement (bilatéraux et multilatéraux). Et pour appuyer les pays de la COMIFAC, plusieurs membres du PFBC contribuent à la mise en œuvre du Plan de Convergence.

Dans le contexte des pays du Bassin du Congo, la déforestation et la dégradation restent modestes comparée à d'autres régions du monde.

Les pays de la COMIFAC considèrent que les efforts entrepris jusqu'à présent dans les domaines de la Gestion durable des forêts, la Conservation et de la préservation des écosystèmes forestiers sont bénéfiques pour le climat global et revendiquent leur prise en compte dans le futur régime climatique.

Les pays de la COMIFAC souhaitent également faire référence aux principes-clés énoncés dans leurs soumissions précédentes, à savoir :

- Bénéfices réels pour le climat,
- Responsabilité commune mais différenciée,
- Souveraineté des Etats et Développement Durable,
- Equité,
- Rapport coût efficacité,
- Ressources additionnelles,
- Actions rapides préservant l'intégrité des mécanismes existants.

MANDAT

La Conférence des Parties (COP- 18) de la Convention Cadre des Nations Unies sur les Changements Climatiques (CCNUCC), a invité les Parties à soumettre au Secrétariat d'ici le 25 mars 2013, leurs avis portant sur certains points à débattre lors des 38^{ème} Sessions des organes subsidiaires de ladite Convention.

Les points ci – dessous ont été retenus par les Pays membres de la COMIFAC et font l'objet de ces soumissions conformément à la demande du Secrétariat :

- **Concernant les questions relatives à l'UTCATF (FCCC/SBSTA/2012/2 paragraphe 116 à 118 ; FCCC/SBSTA/2012/L30, paragraphe 5).**

Pour le point relatif aux risques de la non-permanence des certificats des réductions des émissions, les pays de la COMIFAC souhaitent la création des crédits permanents avec une flexibilité accordées aux parties.

S'agissant des activités additionnelles ou supplémentaires, les pays de la COMIFAC restent ouverts à toutes inclusions d'activités. Il s'agit entre autres de la gestion durable des forêts et de l'agroforesterie.

S'agissant de la comptabilité exhaustive, les pays de l'espace COMIFAC souhaitent des règles de comptabilisation qui soient applicables à tous, et celles-ci devraient tenir compte des circonstances nationales.

En outre, les pays de l'espace COMIFAC souhaitent l'organisation des ateliers sur le renforcement des capacités relatif aux règles de comptabilisation.

Land use, land-use change and forestry under Article 3, paragraphs 3 and 4, of the Kyoto Protocol and under the clean development mechanism (FCCC/SBSTA/2012/L.30, paragraph 5)

BACKGROUND

SBSTA-37 invites further views from Parties and admitted observer organizations on issues related to land use, land-use change and forestry (LULUCF) referred to in paragraphs 116 - 118 of document FCCC/SBSTA/2012/2 (FCCC/SBSTA/2012/L.30, paragraph 5).

VIEWS OF INDONESIA

Forest and other land sector has a potential to significantly contribute to enhance the level of ambition in emission reduction to achieve target of holding the increase in global average temperature below 2 °C or 1.5 °C above pre-industrial levels, as well as to achieve sustainable development both in developed and developing countries. It is acknowledged that there are a number of outstanding issues to be addressed by SBSTA including issues set forth in the call for submission on LULUCF above. In this regard, Indonesia submits its views on the following issues :

1. More comprehensive accounting for LULUCF

Indonesia welcome the initiation of a work programme to explore more comprehensive accounting of anthropogenic emissions by sources and removals by sinks from LULUCF, including through a more inclusive activity-based approach or a land-based approach, with the aim to report on the outcomes of this work programme to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its ninth session.

The inclusion of additional activities under Article 3.4 of the Kyoto Protocol in the second commitment period, demand for adjustment to the LULUCF accounting approaches used for the first commitment period. A more comprehensive LULUCF accounting approaches will be necessary for the second commitment period of the Kyoto Protocol, and without prejudging future decision, also for possible new arrangement post 2020. In this regard, further exploration of more comprehensive accounting approaches under SBSTA work-programme should include more indepth analysis on activity-based approach and land-based approach, without putting any preference on one to another approach. Considering the technical and scientific nature of the approaches and in order to facilitate effective discussion among parties on the issues, Indonesia views that SBSTA should request Secretariat of the UNFCCC to prepare 'Technical Paper' relating to a more comprehensive LULUCF accounting approaches, to be considered at the thirty-ninth session of SBSTA.

2. Additional LULUCF activities under CDM

Forest and other land sector in non-Annex 1 parties play strategic roles not only in climate change mitigation and adaptation, but also in providing environmental services and livelihood of forest dependent people. However, A/R CDM, the only Kyoto Protocol mechanism which allow non-annex 1 parties to participate, has not generated meaningful benefits to non-annex 1 parties, because of eligibility criteria and a number of methodological and institutional issues.

Additional LULUCF activities under CDM is expected to provide developing countries (non-annex 1 parties) more options of eligible activities, that means open opportunities to developing countries to select the most appropriate activities for CDM according to their national circumstances and priorities. In this regard, SBSTA in its consideration of modalities and procedures for possible additional LULUCF activities, should assess possibility of eligible additional activities under Articles 3.4, to be also eligible for additional LULUCF activities under CDM.

Indonesia is willing to engage in the process of the development of modalities and procedures for possible additional land use, land-use change and forestry activities (LULUCF) activities under the clean development mechanism (CDM) in accordance with decision 2/CMP.7, paragraph 6. In order to progress towards recommending a draft decision of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol for adoption at its ninth session, the work programme should include technical workshop to address relevant issues by COP-19/CMP. 9.

3. Addressing risk of non-permanence under CDM

Implementation of approaches to address non permanence in afforestation and reforestation project activities under the CDM in the first commitment period of the Kyoto Protocol guided by decision 5/CMP. 1 should has provided experiences and lessons learned on the strengths and the weaknesses of the approaches. Along with the development of science and technology and experience from the implementation of A/R CDM, the approaches need to be reviewed and alternative approaches should be explored.

Indonesia views that the work programme to consider and develop modalities and procedures for alternative approaches to address the risk of non-permanence under the CDM should include review of existing approaches under decision 5/CMP. 1.

Furthermore, under decision 1/CP. 16 annex 1, developing countries undertaking REDD+ should address similar issue, that is risks of reversals. While risk of reversals in REDD+ may be addressed at the national level with policy approaches, risk of non-permanence under CDM (project-based activities) may also be part of actions to address risk of reversals for REDD+ at the national level. This is, however, need to be discussed further and should be taken into account in the development of modalities and procedures for alternative approaches to address the risk of non-permanence under the CDM.

4. General issue

The work programme relating to LULUCF under different subsidiary bodies of UNFCCC should address issues relating to implication of different accounting approaches on the consistency of result of mitigation on LULUCF sector, both in developed countries and in developing countries. The work programme should also consider methodological issues relating to the transition from existing arrangement of LULUF accounting approaches into possible new arrangement post 2020.

Paper no. 3: Japan

Further views on issues related to Land use, land-use change and forestry (LULUCF) as mentioned in paragraphs 116 - 118 of document FCCC/SBSTA/2012/2 and paragraph 5 of document FCCC/SBSTA/2012/L.30 (19 April, 2013)

Japan welcomes the opportunity to submit its views in response to the recall made by Subsidiary Body for Scientific and Technological Advice (SBSTA) at its thirty-seventh session (FCCC/SBSTA/2012/L.30, paragraph 5) on issues related to LULUCF as mentioned in the paragraphs 116-118 of document FCCC/SBSTA/2012/2.

Japan has submitted its preliminary views on the issues, in particular, regarding more comprehensive accounting of anthropogenic emissions by sources and removals by sinks from LULUCF including through a more inclusive activity-based approach or a land-based approach (http://unfccc.int/files/methods_science/redd/application/pdf/japan_submission_comprehensive_accounting.pdf), which remain valid for the continued consideration by SBSTA in 2013 and onward. This submission presents Japan's further views on more comprehensive accounting.

1. General Comments

The LULUCF sector is one of the major sinks/sources of the greenhouse gases (GHGs), therefore it is imperative to tackle with this sector for mitigation of and adaptation to the climate change. We would like to highlight that Article 4 of the Convention¹ proclaims conservation and enhancement of both sinks and reservoirs of GHGs. In order to fully materialize the functions of LULUCF sector, it should be explored to appropriately evaluate its function as reservoirs (carbon stock) as well as sinks (carbon flow).

Japan believes that comprehensive accounting of the LULUCF can be realized by either activity-based or land-based approach. Comprehensive accounting with appropriately constructed methodologies for whichever approaches would be effective to prevent alleged "pick-and-choose" and "loophole" issues concerning LULUCF sector accounting. SBSTA should also consider comprehensive accounting from other aspects such as its impacts to respective LULUCF activities, incentives to sustainable land-use management, LULUCF sector's role in mitigation, and implication to offset emission reductions.

2. Points to Be Discussed

(i) Provision of incentives to sustainable land management that will enhance removals and reduce emissions of GHGs

The post-2020 LULUCF accounting rule should be constructed so that it will provide for incentives to sustainable land management by Parties with different national circumstances. Allowing both activity-based and land-based approaches will be one of such measures. Activity-based approach can be linked with domestic policies to promote removals and curtail emissions of GHGs such as sustainable land management and thus can serve as direct incentives for implementation of domestic policies. In contrast, the linkage between land-based approach and the way it provides incentives for domestic policy does not seem so clear.

¹ Article 4, 1(d) of the Convention reads as follows. "*Promote sustainable management, and promote and cooperate in the conservation and enhancement, as appropriate, of sinks and reservoirs of all greenhouse gases not controlled by the Montreal Protocol, including biomass, forests and oceans as well as other terrestrial, coastal and marine ecosystems.*"

(ii) Consistency of the LULUCF accounting from commitment periods under the Kyoto Protocol through post-2020 framework

Consistency is one of the underlying principles of GHG inventory, and gap in the LULUCF accounting methodologies between pre- and post-2020 periods should be minimized to the extent possible. Simple and practicable guidance should be given how to address this issue, possibly by recalculation or well-documented explanation about the gap by Parties.

(iii) Transitional management from the accounting in place to a more comprehensive accounting in a feasible and efficient manner, including accommodation of both activity-based and land-based approaches in respect of different national circumstances

More comprehensive accounting should be carried out in a way that avoids imposing excessive burdens on Parties in terms of financial and human resources, and that Parties can utilize existing national inventory systems established for their LULUCF accounting under the Kyoto Protocol to the maximum extent possible.

(iv) Accounting rules under the post-2020 framework where all Parties will participate

Basic treatment of the LULUCF sector (e.g., definitions of activity/land categories, pools to be accounted, etc.) should be conceived taking into consideration that the accounting methodology would apply to all Parties under the post-2020 framework.

3. Overall Procedure

Since more comprehensive accounting of the LULUCF sector is an important element of the post-2020 framework, Japan believes that deliberations on this issue at SBSTA will provide a good input to the discussion under the ADP.

New Zealand submission to SBSTA
Initial views on Issues related to more comprehensive LULUCF accounting

April 2013

Context

1. CMP 7 requested SBSTA to consider more comprehensive accounting for anthropogenic emissions and sources from the LULUCF sector (Decision 2/CMP.7, paragraph 5). SBSTA 36 (May 2012) initiated its consideration of the issues, and invited Parties and admitted observer organizations to submit their views on these issues, for consideration by SBSTA 37 in November 2012. SBSTA 37 encouraged Parties to continue submitting their views in 2013, for compilation into a miscellaneous document for consideration at SBSTA 38 in June 2013.

Introduction

2. New Zealand welcomes this opportunity to provide its initial views on the issues related to more comprehensive accounting of anthropogenic emissions and removals from LULUCF (the 'land sector') including through a more inclusive activity-based or land-based approach.¹

3. The original interest in exploring more comprehensive LULUCF accounting derived from concerns, predating the current agreement on the second commitment period accounting rules, that the approach to LULUCF under the first Kyoto commitment period provided an insufficiently comprehensive coverage of emissions to ensure an effective mitigation response.

4. The SBSTA's discussions on this topic now provide Parties with an opportunity to consider the principles and objectives which could potentially inform the post-2020 architecture for the forestry and broader land sector, as well as the potential for integration of the different treatments of lands under the Convention and Kyoto Protocol and the resolution of issues related to the current accounting approaches.

5. These discussions will be important for the design of the new agreement to be negotiated under the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP), and it will be important that SBSTA's discussions are reflected in the ADP process to avoid duplication of effort.

6. For these reasons, the initial views of New Zealand presented in this submission are intended to contribute to a wider conversation about how the transition might be made towards a more effective yet comprehensive approach to land sector accounting after 2020.

More comprehensive LULUCF accounting

7. Under the Kyoto Protocol, Annex 1 Parties use the net changes in greenhouse gas emissions from direct human-induced land use change and forestry activities as a contribution towards meeting their commitments. For the first and second commitment periods, these activities are limited to those identified

¹ To clarify the use of terms in this submission, New Zealand understands the terms 'activity based' and 'land based' as they are explained in the IPCC Special Report *Land Use, Land-Use Change and Forestry*, 2000, at <http://www.ipcc.ch/pdf/special-reports/spm/srl-en.pdf>.

in Article 3.3 and 3.4 of the Kyoto Protocol², noting that some activities are mandatory and others are elective.

8. Concerns have been expressed that the approach to land sector accounting under the Kyoto Protocol provides insufficient coverage of land-based emissions to ensure an effective mitigation response or the environmental integrity of accounting. These concerns include the following issues:

- During the second commitment period of the Kyoto Protocol, accounting of Article 3.3 activities (afforestation/reforestation and deforestation) and the Article 3.4 activity, forest management, is mandatory, while the remaining Article 3.4 activities (cropland management, grazing land management, revegetation, and wetland drainage and rewetting) are elective, unless these were elected in the first commitment period.
- Activity-based accounting commences from the onset of the activity or the start of the commitment period, whichever comes later³, which means that some minor carbon stock changes on some areas of land may not be accounted for until the commencement of an Article 3.3 or 3.4 activity (e.g. the onset of a reforestation activity), potentially excluding carbon stock changes on that land prior to the onset of the activity.

9. Parties now have an opportunity to consider what could be a more comprehensive approach to LULUCF accounting in future.

What should drive our future consideration?

10. At the global scale, the land sector is responsible for approximately one third of all anthropogenic greenhouse gas emissions. The land sector can therefore make a very significant contribution to an effective, low-cost global mitigation response, provided the future agreement addresses land-based emissions on a global scale.

11. The future agreement will also need to reflect that Parties' dominant economic activities do not always align along traditional developed-developing country lines. While some developed and developing countries have emissions profiles dominated by land sector emissions, other developed and developing countries have a high proportion of industrial emissions. The agreement should therefore be able to accommodate diverse economic and biophysical national circumstances.

12. For the same reason, there may also be a need to consider whether the future approach should treat each type of land use in a consistent manner, irrespective of its country of location. A first step might be to explore whether there are synergies and overlaps between how forests are treated under the different approaches.

13. In designing a new approach, New Zealand sees value in learning from our experiences to date in developing and implementing the current systems, including by considering some of the challenges it has created. These challenges include the high level of complexity created by the numerous special accounting provisions and 'fixes' needed to remove arbitrary effects and address different national circumstances, and

² The current activities under the Kyoto Protocol are, under Article 3.3, afforestation, reforestation and deforestation, and under Article 3.4, forest management, cropland management, grazing land management, revegetation, and wetland drainage and rewetting.

³ As per paragraph 23, Annex to decision 2/CMP.7.

the difficulties inherent in designing accounting to deliver effective, efficient and sustainable mitigation incentives, that work with broader land management practices.

Principles for an effective, comprehensive land sector accounting approach

14. Before designing a future accounting approach for the land sector, it is important to consider what principles could support a more effective yet comprehensive mitigation approach. This is critical for maximising overall mitigation, and achieving the most cost-effective abatement. Any approach that is ineffective in some countries may reduce ambition in all countries by increasing the cost of action in those countries which do take part.

15. New Zealand considers that an effective future approach to the land sector is likely to be one that is straightforward, flexible, and works for all types of economies. It will also need to avoid creating arbitrary winners and losers – recognising that the land sector has different implications for different Parties at different points in time (i.e. a net source of greenhouse gases at one point in time and a net sink of greenhouse gases at another).

16. The future approach will also need to create mitigation incentives that support Parties' sustainable development goals. This requires recognising the land sector's contribution to delivering social, economic, environmental and cultural outcomes – for example through increased production of food, renewable sources of fibre and fuels, biodiversity protection and the sustainable use of water, soil and other natural resources, as well as by providing livelihoods for many hundreds of millions of people. These incentives will need to support the different mitigation ambitions of Parties, taking into account national priorities, capacities and capabilities.

17. To meet the diverse requirements for a more effective yet comprehensive global approach to the land sector, New Zealand believes the future approach will need to:

- Ensure the **environmental integrity** of accounting for emissions and removals, by transparently addressing all significant global sources of anthropogenic emissions from the land sector, without double counting of emissions reductions, and recognizing progressive improvement of measurement, reporting and verification (MRV) over time.
- Take into account **national circumstances** in order to create a level playing field for mitigation effort, for example, fast or slow growing forests, or high levels of natural disturbance.
- Provide sufficient **bounded flexibility** for domestic policy design, for example by allowing prioritisation according to key source/sink activities, or domestic land management practices, such as rotational land uses.
- Be able to be **readily applied by all** countries and all types of economies, for example, by exploring common approaches which could be sufficiently simple and flexible to be able to be applied consistently to all forests or all lands, in countries at all stages of development.
- Avoid creating **arbitrary winners and losers** – for example, due to historical or legacy effects, recognising that the land sector has different implications for different Parties, often due to factors outside a Party's control.
- Recognise the **sustainable development needs** of Parties and take into account their development priorities in the land sector, eg, production of food and fibre for a growing world population,

protection of biodiversity, and provision of livelihoods for many millions of the world's poorest people.

- Create **effective incentives for mitigation**, by targeting emission reductions that are material, technically possible, environmentally and economically sustainable, and consistent with broader land management objectives.
- Be enduring, by enabling **ambition to be scaled up over time** without having to re-negotiate complex accounting rules.

Designing accounting to deliver effective incentives for mitigation

18. Realising the full mitigation potential of the land sector on a global scale will require appropriate policies and incentives. In many regions, however, the IPCC has found the absence of both has been a barrier to implementation of land based mitigation activities.⁴

19. New Zealand believes the purpose of any future land sector accounting should be to create mitigation incentives that facilitate ambition. By contrast, a system establishing punitive consequences is unlikely to result in broad participation.

20. The creation of such incentives is important when making the distinction between reporting emissions and removals, and accounting. Whereas national greenhouse gas inventory reporting is a technical exercise intended to record all anthropogenic emissions and removals with progressive accuracy and completeness, the LULUCF accounting approach under the Kyoto Protocol has been designed to target primarily the major emission and removal activities i.e. those associated with significant carbon stock changes.

21. In this respect, the design of an accounting system is particularly critical for the land sector, as it helps to ensure that incentives focused on greenhouse gas mitigation do not conflict with other policy goals for the sector, or lead to perverse outcomes. Questions might legitimately be asked as to whether the current accounting incentives are able to deliver optimal and sustainable land management outcomes, in what are very complex biological and biophysical systems. Such questions could include whether the current approach:

- Incentivises mitigation of emissions which are directly human-caused within the accounting period and is amenable to material influence by changes in policy or behaviour; or conversely, imposes a blanket cost on Parties for emissions outside their ability to control.
- Effectively targets accounting to incentivise mitigation actions that are economically and environmentally sustainable, efficient and consistent with broader land management objectives⁵, or can lead to sub-optimal land management decisions, perverse environmental outcomes or diminished mitigation incentives.
- Distinguishes adequately between different types of activities and trigger points consistent with holistic land management decisions.

⁴ See: <http://www.ipcc.ch/pdf/assessment-report/ar4/wg3/ar4-wg3-chapter9.pdf>, page 543.

⁵ For example, sustainable timber production, food production, conservation, erosion control, etc.

22. New Zealand considers there may be value in further exploring the function of accounting in delivering incentives in the land sector, and the qualities and principles of accounting that could create more targeted and efficient incentives within countries, consistent with Parties' broader sustainable land management objectives.

Options for more comprehensive accounting

23. In New Zealand's view, a number of different approaches could be used to introduce more comprehensive land sector accounting, which could be either activity or land based (or a combination) and which could contribute to increased environmental integrity and a more effective global mitigation response. Options could include:

- More comprehensive **activity-based accounting**, by identifying new land-use activities or making more of the currently elective activities mandatory.
- More comprehensive **land-based accounting**, by applying land-based accounting to the current Kyoto activities, so that carbon stock changes on the relevant lands are accounted for from the start of the commitment period, rather than the onset of the activity.
- A comprehensive, **land-use category approach**, as used for Convention reporting, applying to the total managed land area of a country using the land use categories used for national GHG Inventories.⁶
- A more comprehensive, **integrated approach**, combining the land-use categories of Convention inventory reporting with the activity-based approach and special accounting provisions of the Kyoto Protocol for a subset of priority activities, emissions or removals.
- A more comprehensive, **inclusive approach**, using either activity or land-based categories, but made simpler and more flexible to enable more Parties to take part in land sector accounting.

24. New Zealand considers all options are likely to have some advantages and disadvantages, which would need careful consideration. In discussing these and other options, it will be important to assess them against the overarching objectives and principles discussed above, in order to ensure a more effective global approach to the land sector after 2020.

Building on key reporting and accounting achievements to date

25. In devising the current approach to land sector reporting and accounting, Parties have successfully resolved many complex accounting problems, including how to prioritise emissions coverage, address the arbitrary effects of a fixed base year, and accommodate some national circumstances in the land sector.

26. Parties have developed a number of accounting tools, special provisions and 'fixes' under both Convention reporting and Kyoto Protocol accounting which indicate useful functions and principles for any future accounting approach.

⁶ ie, Forest Land, Cropland, Grassland, Wetlands, Settlements, and Other Land.

Accounting tools under the Convention

27. Under Convention reporting, tools that New Zealand considers useful in addressing more comprehensive accounting of anthropogenic emissions and removals from the land sector include:

- ‘Key category’ analysis, to establish significance, materiality, and allow prioritisation.
- Provision for progressive evolution and improvement, from Tier 1 methods through to Tier 3 methods with country-specific models.
- Progressive movement from IPCC default emission factors to country-specific emission factors, where appropriate and cost-effective.
- Progressive conversion of land from the ‘land converted’ to ‘land remaining land’ categories, independent of a base year.

Accounting tools under the Kyoto Protocol

28. Under Kyoto Protocol supplementary reporting and accounting, tools that New Zealand considers useful in addressing more comprehensive accounting of anthropogenic emissions and removals from the land sector include:

- Targeting key source/sink activities e.g. deforestation, afforestation, reforestation, biomass burning, liming.
- Mandatory and elected activities, ensuring key land uses are accounted for.
- Reference levels – allowing arbitrary base-year effects, seasonality and other cyclical factors to be taken into account, and with potential for broader applicability to additional activities or categories e.g. agricultural soils.
- Specific accounting provisions:
 - Addressing natural disturbances – allowing emissions outside a Party’s control to be excluded from accounting, and with potential broader applicability beyond forests e.g. agricultural soils.
 - Flexible land use for planted forests – allowing for optimised use of land for its best productive or environmental use e.g. food, fibre, erosion control.
 - Harvested Wood Products – addressing the role of wood products in mitigation (through both carbon storage and product substitution) and potentially creating incentives for longer-lived products.
 - Afforestation/reforestation debit-credit rule (fast forest fix) – avoiding the perverse outcome of applying harvest liabilities to new sustainable production forests, planted since 1990 but grown to harvest age during the commitment period, by capping their liabilities at the level of credits received for these forests during the commitment period.

29. Despite these achievements, experience shows there is a need to be wary of excessive complexity. The iterative development of the land sector reporting and accounting rules, and mitigation approaches to forests in developing countries, has resulted in a proliferation of different reporting and accounting activities, rules and provisions, with increasing complexity, data collection and analysis requirements.

The challenge ahead

30. The key challenge will be to synthesise all we have learnt to develop an approach that is simple enough to be used effectively by Parties, to maximise future participation in land sector mitigation, while designing the flexibility for Parties to accommodate their national circumstances to enable them to set an appropriate level of ambition, and scale up their completeness, coverage and accuracy over time as their national capabilities permit.

31. We acknowledge that work needs to be done to determine how Parties might best employ the available tools and approaches to support a more globally comprehensive and effective approach to land sector mitigation in the future. Such work must recognise a diverse spectrum of capacity, economic characteristics and national circumstances, in order to create an even playing field for ambition after 2020.

32. New Zealand looks forward to continuing discussions at the next session of SBSTA, noting that these discussions will also be important for the design of the new agreement to be negotiated under the ADP.

Relevant Decisions of CP / SBSTA	Pakistan's Views
<p>Land use, land-use change and forestry under Article 3, paragraphs 3 and 4, of the Kyoto Protocol and under the clean development mechanism (CDM) Further views from parties and admitted observer organizations on issues related to LULUCF referred to in para 116-118 of document FCCC/SBSTA/2012/2.</p> <p>(FCCC/SBSTA/2012/L.30, paragraph 5)</p> <p>116. Issues related to modalities and procedures for alternative approaches to addressing the risk of non-permanence under the CDM</p> <p>117. Issues related to modalities and procedures for possible additional LULUCF activities under the CDM</p> <p>118. Issues related to a more comprehensive accounting of anthropogenic emissions by sources and removals by sinks from LULUCF, including through a more inclusive activity-based approach or a land-based approach</p>	<p>Views of Pakistan on LULUCF are based on stakeholders' consultation during "National Consultative Workshop on REDD+ Roadmap Development Process and Feedback on Doha Outcomes held on 21st February 2013 in Islamabad".</p> <p>116. Risk of non-permanence under CDM may be reduced by adopting procedures and methodologies of forest-carbon accounting on area (project-area) basis, instead of number of trees or volume of woody biomass.</p> <p>117. For implementing and monitoring of additional LULUCF activities such as peatlands management, forest-fires control, wetlands management and coal reserves management, methodologies may be simplified by developing remote-sensing based, site-specific carbon stock indices for estimation of carbon stock and changes over time. Land based approach is more feasible as it reduces the risk of non-permanence. In this approach, total carbon stock in five layers of project area should not to drop below baseline scenario.</p> <p>118. Pakistan proposes that while new and comprehensive methodologies are developed and approved, LULUCF activities may be undertaken by using (i) IPCC Guidelines 1996, and (ii) IPCC Good Practice Guide (2006) during the current commitment (extension) period.</p>

Paper no. 6: Republic of Moldova

RE: Inputs to the 38th meeting of SBSTA in response to the decision 2/CMP.7, paragraph 6, on development of modalities and procedures for possible additional LULUCF activities under the CDM.

Republic of Moldova welcomes the opportunity to submit inputs to the 38th meeting of the SBSTA on the work programme to develop modalities and procedures for additional LULUCF activities under the clean development mechanism (decision 2/CMP7, paragraph 6).

Land use activities have major significance to food security, employment, livelihoods, and exports in Republic of Moldova economy. Climate change has major implications for land use activities. Historical data indicates that Moldova has experienced an increase in mean temperature, moisture deficit and extreme event such as droughts, floods and frosts. In this context, sustainable management of cropland, grassland, wetland, and forest land resources is important for achieving the objectives of food security, poverty reduction, climate change mitigation and adaptation.

Land use, land-use change and forestry (LULUCF) activities offer significant opportunities for promoting climate change mitigation actions in Moldova. However, afforestation and reforestation (A/R) is the only land use activity currently eligible under the CDM. As a consequence, Republic of Moldova cannot harness mitigation actions associated with other LULUCF activities such as cropland, grassland, wetland, and forest land under the CDM although they offer cost-effective climate change mitigation and adaptation opportunities in the medium to long-term.

There has also been significant progress in developing methodologies for quantification, monitoring and verification of mitigation actions in cropland, grassland, wetland, and forest land under voluntary and compliance standards; and mitigation actions involving different categories of LULUCF activities have also been successfully demonstrated in several developing country contexts.

It is timely for SBSTA to consider inclusion of additional LULUCF activities under the CDM. Republic of Moldova requests SBSTA to consider developing modalities and procedures to enable implementation of mitigation activities covering additional LULUCF activities under the CDM.

RE: Inputs to the 38th meeting of SBSTA in response to the decision 2/CMP.7, paragraph 5, on development of modalities and procedures for comprehensive accounting of anthropogenic emissions by sources and removals by sinks from LULUCF activities under the CDM

Republic of Moldova welcomes the opportunity to submit inputs to the 38th meeting of the SBSTA on the work programme to develop modalities and procedures for more comprehensive accounting of anthropogenic emissions by sources and removals by sinks from LULUCF activities including through a more inclusive activity based approach or a land based approach under the clean development mechanism (decision 2/CMP7, paragraph 5).

Comprehensive accounting as a framework is relevant for developing and developed countries to quantify mitigation opportunities from LULUCF in accordance with national circumstances and capabilities. It can promote consistent procedures for accounting of anthropogenic emissions by sources and removals by sinks occurring in a landscape and permit extension of cost effective monitoring and reporting systems to additional LULUCF activities over time. It can also integrate principles of activity-based and land-based accounting taking into account national circumstances and capabilities.

The modalities and procedures of comprehensive accounting need to reflect principles that facilitate harmonization of accounting procedures of different land use activities; encourage knowledge transfer; and capacity building on monitoring and reporting systems in developing and developed country contexts.

Republic of Moldova recommends the SBSTA to consider developing modalities and procedures that promote broad principles of comprehensive accounting of anthropogenic emissions by sources and removals by sinks; relevant to a wide range of LULUCF activities; promote cost effective monitoring, accounting and reporting procedures; and recognize national circumstances and capabilities of developing and developed countries.

RE: Inputs to the 38th meeting of SBSTA in response to the decision 2/CMP.7, paragraph 7, on developing modalities and procedures for alternative approaches to addressing the risk of non-permanence under the CDM

Republic of Moldova welcomes the opportunity to submit inputs to the 38th meeting of the Subsidiary Body on Scientific and Technological Advice (SBSTA) on the work programme to develop modalities and procedures for alternative approaches to addressing the risk of non-permanence under the clean development mechanism (decision 2/CMP.7, paragraph 7).

Republic of Moldova has implemented two Afforestation and Reforestation (A/R) projects - Moldova Soil Conservation Project and Moldova Community Development Projects under the Clean Development Mechanism (CDM). These projects successfully demonstrated their contribution to the country's sustainable development in multiple ways such as through preventing soil erosion; restoring degraded lands; enhancing forest cover; improving supplies of fuel wood, timber, and non-timber products to rural communities; and contributing to climate change mitigation. Republic of Moldova offers significant opportunities for implementing climate change mitigation actions involving multiple land use activities.

However, experience with A/R projects implemented under the CDM highlights disadvantages of A/R projects as they receive temporary certified emission reductions (tCERs) that expire at the end of the commitment period *or* long-term certified emission reductions (ICERs) that expire at the end of a project's crediting period (5/CMP.1, Annex, paragraph 38). These credits are required to be replaced with credits from other project types implemented under the CDM. The replacement risk of tCERs/ICERs translates into their low prices in relation to the credits issued to other project types under the CDM. The low price of credits from A/R projects is a major constraint for scaling up investments in A/R projects, which has also been reflected in the registration of very few A/R projects during the first commitment period of the CDM.

Alternative approaches to addressing the risk of non-permanence in A/R project activities such as through withholding credits across multiple projects in a buffer system to replace potential loss of credits through reversal; and use of insurance to transfer liability for unintentional reversal to a third-party have already been adopted in voluntary and compliance standards. For example, Verified Carbon Standard, American Carbon Registry and Climate Action Reserve permit use of buffer system to address the risk of non-permanence. While the modalities and procedures adopted for carbon capture and storage (CCS) projects under the CDM recommend a combination of buffer, minimum permanence period, and host country guarantee to address the non-permanence risk in CCS projects. Use of buffer, insurance, or other alternative approaches backed by host country guarantee could be feasible, cost-effective, and permit choice to project participants in addressing the non-permanence risk in A/R projects.

Republic of Moldova requests the SBSTA to develop modalities and procedures that permit a menu of alternative approaches or their combinations to address the risk non-permanence in A/R projects so as to facilitate issuance of permanent credits in place of tCERs/ICERs to enable credits issued to A/R projects are fungible with credits from other project types under the CDM. Such modalities and procedures are also expected to be relevant for mitigation actions involving multiple LULUCF activities including those proposed to be implemented under reducing deforestation and forest degradation (REDD+); Framework of Various Approaches (FVA); and New Market Mechanism (NMM).

**Взгляды и предложения Российской Федерации
в соответствии с приглашением, содержащимся в решении Вспомогательного органа по
научным и техническим аспектам, 37-й сессии, по Землепользованию, изменению
землепользования и лесному хозяйству в рамках статьи 3, пунктов 3 и 4 Киотского протокола и
механизмов чистого развития (FCCC/SBSTA/2012/L.30)**

Российская Федерация выражает признательность за возможность представления своих взглядов и предложений по возможностям расширения учета выбросов и стоков парниковых газов в секторе землепользования, изменения землепользования и лесного хозяйства (ЗИЗЛХ) в соответствии с приглашением, содержащимся в документе FCCC/SBSTA/2012/L.30 (пункты 3-6).

РФ выражает надежду на конструктивное обсуждение предложений сторон, принципов и подходов к более полному учету в секторе ЗИЗЛХ на следующих сессиях ВОКНТА, а также рассматривает результат этой работы ВОКНТА как основу для выработки правил учета выбросов и стоков в секторе в новом глобальном соглашении на период после 2020 года в рамках работы Специальной рабочей группы по Дурбанской платформе.

В ходе переговорного процесса РФ неоднократно подчеркивала важность принципа адекватного учета роли лесного сектора в национальных целях по сокращению выбросов и усилению стоков парниковых газов. ЗИЗЛХ является важным элементом противодействия глобальному потеплению. В частности, зона бореальных лесов представляет собой устойчивый сток CO₂ из атмосферы и имеет значительный потенциал по дальнейшему сокращению выбросов и усилению стоков парниковых газов. Бореальные леса депонируют больше углерода, чем любая иная наземная экосистема, и почти вдвое больше, чем тропические леса. Однако этот потенциал до сих пор используется не в полной мере, в том числе, в связи с сохранением практики искусственных ограничений в существующих системах учета.

Для многих стран деятельность в секторе ЗИЗЛХ является критически важной, а также способствующей получению дополнительных выгод в области природопользования и устойчивого развития. Поэтому разработка недискриминационных, стимулирующих к дальнейшей деятельности правил учета в секторе, без сомнения будет способствовать достижению глобального климатического соглашения на период после 2020 года.

Таким образом, РФ не поддерживает любые подходы учета, содержащие установление искусственных ограничений в виде предельных значений, поправочных коэффициентов и/или пороговых значений.

РФ считает целесообразным учесть также ряд других принципов при разработке новых подходов к более полному учету выбросов и стоков парниковых газов в секторе ЗИЗЛХ.

Так, необходимо учитывать национальные особенности хозяйства, специфику природных экосистем разных регионов и стран, а также исходные состояния углеродных резервуаров. Унифицированность подходов учета может выразиться в неравноценных результатах, неоправданных выгодах или потерях единиц учета. Определенная гибкость в выборе опций учета была согласована для отчетности второго периода Киотского протокола (КП), в частности, установление базового уровня поглощения на основе исторических или прогнозных данных. Эта возможность должна быть сохранена в отчетности будущего глобального соглашения.

Учитывая значительный опыт, накопленный сторонами Приложения I по отчетности в секторе, а также степень развития систем мониторинга земель и хозяйственной деятельности, необходимо обеспечить преемственность в методологических принципах и подходах оценки антропогенных

потоков парниковых газов, а также сохранить сопоставимость и согласованность временных рядов. В этой связи РФ считает целесообразным сохранение установленных для отчетности второго периода КП базовых уровней с учетом возможных технических коррекций к ним.

Согласованность временных рядов может быть нарушена при изменении принципов учета от видов деятельности к полному земельному учету. РФ разделяет мнения сторон по необходимости расширения учета деятельности в области ЗИЗЛХ, однако выражает некоторые опасения в применении полного земельного учета, поскольку он может привести к проблемам в разделении антропогенных и естественных стоков и источников парниковых газов для стран, обладающих большими природными территориями, не контролируемые антропогенной деятельностью. Кроме того, общая точность оценок может снизиться при обязательном учете земельных категорий с незначительным вкладом в антропогенные потоки парниковых газов и высокой степенью неопределенностей (например, постоянные пастбища, населенные пункты, другие земли). Такие категории земель должны оставаться добровольными для отчетности Сторон.

Более полный учет в секторе ЗИЗЛХ не должен быть ассоциирован с дальнейшим усложнением правил отчетности. Напротив, следует рассмотреть возможности упрощения систем оценки, включающих, при этом, только антропогенные потоки парниковых газов. Необходимо добиться совмещения правил «двойной» отчетности по ЗИЗЛХ развитых стран в рамках РКИК и КП, а также принять во внимание правила отчетности в рамках REDD+ и NAMA. Учитывая возможность более широкого охвата стран в глобальном соглашении на период после 2020 года, следует разработать сходные правила учета деятельности в лесном секторе, включая лесное хозяйство как развитых, так и развивающихся стран, обеспечивая преемственность в подходах, в частности, по базовым уровням лесного хозяйства.

РФ считает целесообразным использовать недавние усовершенствования в подходах по учету выбросов и стоков в секторе в будущем, а именно, подходов по учету выбросов от экстремальных естественных нарушений и изменения запасов углерода в продуктах лесозаготовок (отказа от концепции мгновенного окисления), учету изменений углеродных резервуаров при осушении или обводнении торфяников. При этом необходимо сохранить гибкий и добровольный характер данной отчетности.

РФ отмечает, что данное представление содержит предварительные взгляды на методологические возможности расширения учета выбросов и стоков в ЗИЗЛХ и не может рассматриваться как окончательная позиция РФ по данному вопросу.

Paper no. 8: Swaziland on behalf of the African States

SUBMISSION TO SBSTA BY THE GOVERNMENTS OF SWAZIALND ON BEHALF OF THE AFRICA GROUP ON VIEWS ON ISSUES RELATED TO MODALITIES AND PROCEDURES FOR POSSIBLE ADDITIONAL LULUCF ACTIVITIES UNDER THE CDM

Background

As referred to in paragraphs 117 of document FCCC/SBSTA/2012/2.

(FCCC/SBSTA/2012/L.30, paragraph 5)

Context

African Group recognizes and supports the idea of land use, land-use change and forestry (LULUCF) under Article 3, paragraphs 3 and 4 of the Kyoto Protocol and under the clean development mechanism, but the current approaches are not assisting the process and they discourages investment. As a result, the approaches work against the objectives of the Convention of reducing anthropogenic greenhouse gas emissions over time and to maintain the global average temperature rise below two degrees. The CDM in its current form and shape is also very complex, costly and limited in scope, i.e. only applies to A/R projects, which makes it very difficult for developing countries to implement; as a result there are very few LULUCF projects globally, compared to other projects, such as renewable energy projects, etc. Consequently, Africa has not benefitted much from the mechanism. The inclusion of additional activities might assist countries to participate in mitigation activities and contribute to the global effort to address climate change, but some of the rules will have to be reviewed.

Elements of the Work Programme

Based on the above, the African Group propose that discussion and considerations by SBSTA, on issues relating methodological issues under the Kyoto Protocol: Land use, land-use change and forestry under Article 3, paragraphs 3 and 4 of the Kyoto Protocol and under the clean development mechanism, at its 38th session should include the following:

Issues related to modalities and procedures for possible additional LULUCF activities under the CDM

African Group is of the view, that in order to guarantee a viable long-term solution and mechanism, the modalities and procedures for possible additional LULUCF activities under the CDM should be developed to suit the national circumstances, capabilities and capacities within countries.

African Group therefore proposes that the following elements/proposals be further discussed and elaborated. This could be done during the 38th SBSTA sessions, in-session workshops and other technical workshops, in order for all Parties to have the same level of understanding:

1. The possibility or potential for opening new areas to facilitate investment;
2. The use of activities mentioned in article 3.3/3.4. However these will have to be further defined and potentially subdivided into additional categories;

3. The simplification of current modalities and procedures, because if these are not reviewed the inclusion of additional activities could be futile;
4. Streamlining of methodologies;
5. Simplify the rules of programmes of activities in order to integrate multiple activities;
6. Discuss and review the rules of eligibility, i.e. the 1990 rule and the small-scale threshold of 16000 tons;
7. Increased flexibility that takes into account country measurement capacity and also the associated transaction costs;
8. Refer to other examples and international standards (e.g. other carbon markets);
9. Consider existing methodologies (e.g. IPCC)

African Group also recognizes that there are a number of linkages between LULUCF and some of the issues on the UNFCCC agenda, which provides the potential of the outcomes of these discussions to stretch beyond CDM. Therefore lessons learnt from these discussions could also be important for items such as the nationally appropriate mitigation actions (NAMAs), REDD+, and the new market mechanism, especially as lessons learnt. There is also a need for the possible integration of activities, through a holistic or landscape approach. The links between the modalities and procedures for additional activities and comprehensive should also be carefully assessed.

African Group also proposes that the IPCC be invited at a later stage to revise the chapter on projects, and to provide further guidance, possibly after the additional LULUCF activities for inclusion under the CDM have been selected.

**SUBMISSION TO SBSTA BY THE GOVERNMENTS OF SWAZILAND ON BEHALF OF THE AFRICA GROUP ON
ISSUES RELATING TO A MORE COMPREHENSIVE ACCOUNTING OF ANTHROPOGENIC EMISSIONS BY
SOURCES AND REMOVALS BY SINKS FROM LULUCF, INCLUDING THROUGH A MORE INCLUSIVE ACTIVITY-
BASED APPROACH OR A LAND-BASED APPROACH,**

Background

As referred to in Decision 2/CMP.7, paragraph 5 (FCCC/SBSTA/2012/L.3, paragraph 4)

Context

African Group recognizes and supports the idea of land use, land-use change and forestry (LULUCF) under Article 3, paragraphs 3 and 4 of the Kyoto Protocol and under the clean development mechanism, but the current approaches are not assisting the process and they discourage investment. As a result, the approaches work against the objectives of the Convention of reducing anthropogenic greenhouse gas emissions over time and to maintain the global average temperature rise below two degrees. The current rules are complex, which makes it very difficult for developing countries to estimate emissions or removals from LULUCF activities; as a result there are very few LULUCF projects globally, compared to other projects, such as renewable energy projects, etc. Consequently, Africa has not benefitted much from the mechanism. A more comprehensive accounting system might assist countries to participate in mitigation activities and contribute to the global effort to address climate change more effectively, but some of the other related rules will have to be reviewed.

Elements of the Work Programme

Based on the above, the **African Group** propose that discussion and considerations by SBSTA, on issues relating to methodological issues under the Kyoto Protocol: Land use, land-use change and forestry under Article 3, paragraphs 3 and 4 of the Kyoto Protocol and under the clean development mechanism, at its 38th session should include the following:

Issues relating to a more comprehensive accounting of anthropogenic emissions by sources and removals by sinks from LULUCF, including through a more inclusive activity-based approach or a land-based approach

African Group is of the view, that in order to guarantee a viable long-term solution and mechanism, the more comprehensive accounting of anthropogenic emissions by sources and removals by sinks from LULUCF, including through a more inclusive activity-based approach or a land-based approach should be developed to suit the national circumstances, capabilities and capacities within countries.

African Group therefore proposes that the following elements/proposals be further discussed and elaborated. This could be done during the 38th SBSTA sessions, in-session workshops and other technical workshops, in order for all Parties to have the same level of understanding:

1. Discussions should focus on process for now and requests for capacity building and training to encourage participation;
2. The solution(s) should not be a one-for-all and should take into account ecosystem/country context and be designed for developing countries to also be able to use, where baseline data (and data overall) is a challenge, and additional understanding/support might be required;
3. There should be a systematic approach for countries to be in different accounting categories/tiers (this might include project scale for developing countries versus land-based accounting for developed countries);
4. The issue of comparability;
5. There is an interest in land based accounting (versus activity based);
6. There is a need to avoid loopholes and double accounting;
7. For developing countries this could be attractive for incentive systems and not to ensure compliance; and
8. Expertise and technology should be linked to landscape approach through enhanced capacity building activities.

African Group also recognizes that there are a number of linkages between LULUCF and some of the issues on the UNFCCC agenda, which provides the potential of the outcomes of these discussions to stretch beyond CDM. However, it should not preclude or pre-empt discussions on the post-2020 framework. The lessons learnt from these discussions could also be important for items such as the nationally appropriate mitigation actions (NAMAs), REDD+, and the new market mechanism, especially as lessons learnt. There are also possible linkages with IAR; ICA; means of implementation, including financial support/capacity building for developing countries; and national communications.

African Group proposes that further capacity building and training be provided to assist countries in considering implications for the future framework.

SUBMISSION TO SBSTA BY THE GOVERNMENTS OF SWAZILAND ON BEHALF OF THE AFRICA GROUP ON VIEWS ON ISSUES RELATED TO MODALITIES AND PROCEDURES FOR ALTERNATIVE APPROACHES TO ADDRESSING THE RISK OF NON-PERMANENCE UNDER THE CLEAN DEVELOPMENT MECHANISM (CDM)

Background

As referred to in paragraphs 116 of document FCCC/SBSTA/2012/2.

(FCCC/SBSTA/2012/L.30, paragraph 5)

Context

African Group recognizes and supports the idea of land use, land-use change and forestry (LULUCF) under Article 3, paragraphs 3 and 4 of the Kyoto Protocol and under the clean development mechanism, but the current approach is not assisting the process and it discourages investment. As a result, the approach works against the objectives of the Convention of reducing anthropogenic greenhouse gas emissions over time and to maintain the global average temperature rise below two degrees. The CDM in its current form and shape is also very complex and costly, which makes it very difficult for developing countries to implement; as a result there are very few LULUCF projects globally, compared to other projects, such as renewable energy projects, etc.

Elements of the Work Programme

As a result of the abovementioned, the **African Group** proposes that discussions and considerations by SBSTA, on issues relating to methodological issues under the Kyoto Protocol: Land use, land-use change and forestry under Article 3, paragraphs 3 and 4 of the Kyoto Protocol and under the clean development mechanism, at its 38th session should include the following, but not be limited thereto:

Issues related to modalities and procedures for alternative approaches to addressing the risk of non-permanence

African Group is of the view, that in order to guarantee a viable long-term solution, the alternative approaches for addressing the risk of non-permanence should be developed in such a way that it ensures

permanent credits, but at the same time maintains flexibility in order for countries to have options in selecting a suitable and implementable approach to suit their national circumstances, capabilities and capacities.

African Group, therefore proposes that the following approaches, suggested by various Parties, be further discussed and elaborated upon. This could be done during the 38th SBSTA sessions, in-session workshops and other technical workshops, in order for all Parties to understand the various approaches and to engage in discussions from a common basis of understanding regarding issues relating to the risk of non-permanence. Approaches include:

1. The Buffer approach;
2. The CCS approach;
3. The possible extension of credits that are currently temporary to permanent credits;
4. Complementing credits with insurance;
5. A flexible criteria to assess the risk of non-permanence, and that takes into account different country situations (ecosystems). This will require the Government to be involved, by:
 - a. Subjecting LULUCF activities to a risk assessment in an attempt to determine or guarantee permanence,
 - b. Considering possible conversion of areas subjected to LULUCF activities to permanent conservation areas, and
 - c. Considering issues of land tenure.
6. The complementarity of activities;
7. The tracking of activities of carbon credits throughout the value chain;
8. Ensuring permanence by the demand side.

African Group also recognizes that there are a number of linkages between LULUCF and some of the issues on the UNFCCC agenda and would like to consider the various approaches with a long-term view. Therefore, we understand that the various approaches for addressing the risk of non-permanence could have potential or applicability beyond only CDM. These approaches could be important for items such as the nationally appropriate mitigation actions (NAMAs), REDD+, and the new market mechanism, especially as lessons learnt from the process.

Currently, LULUCF also has other associated issues, such as issues of scale/size; natural disturbances and processes; and transboundary issues that could be addressed through the three work programmes.

African Group re-emphasizes the importance of further discussing and elaborating on the alternative approaches for addressing the risk of non-permanence proposed by the various Parties and admitted observer organisations.
