

**AD HOC WORKING GROUP ON LONG-TERM COOPERATIVE ACTION UNDER THE CONVENTION**

**Fourteenth session (third part)  
Panama City, 1–7 October 2011**

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

**Agenda item 3.2.2**

**Nationally appropriate mitigation actions by developing country Parties**

**Version of 14 October 2011 @ 16.30**

**Non-paper by the co-facilitators**

**I. [Possible elements of draft decision for adoption of guidelines for biennial update reports from Parties not included in Annex I to the Convention]**

1. *Recall relevant decisions;*
2. *Recognize the need for enhanced support;*
3. *Invitation to the GEF and to Annex II and other Parties for provision of support for preparation of biennial update reports;*
4. *Frequency of submission of biennial update reports;*
5. *Flexibility in reporting;*
6. *Date of submission of the first biennial update reports.*

**[Non-Annex I Parties should submit either their first biennial reports or their next national communication by 01.01.2014. The content of the biennial report as described in these guidelines shall be integrated<sup>1</sup> into the national communication.]**

**7. [Decision to revise the guidelines to reflect the experience with reporting and review including with the use of the standard electronic formats and tables no later than [...]]**

**Possible elements of draft guidelines for biennial update reports from Parties not included in Annex I to the Convention<sup>2</sup>**

**I. Introduction**

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 in biennial update reports.] Least Developed Countries (LDCs) and Small Island Developing States (SIDS) may submit biennial update reports at their discretion. **[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 as a separate section into the national communication.]**

**[2. Non-Annex I Parties will implement these guidelines consistent with their capabilities and the level of support provided.] [Note: The link to the support and flexibility with regard to**

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<sup>1</sup> **The future structure and content of the national communication shall be discussed under the revision of the guidelines for non-Annex I national communications. In the future the 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 etc.**

<sup>2</sup> The possible elements of draft guidelines for biennial update reports from developing country Parties presented here are broadly based on the relevant sections of the guidelines for the preparation of national communications from Parties not included in Annex I to the Convention as contained in the annex to decision 17/CP.8. The mandatory language of this decision has been retained here.

*capabilities should be addressed in a general way in the decision text to which these guidelines will be attached. In addition specific provisions may indicate flexibility with regard to capabilities, but this introductory paragraph is not in line with the legal drafting of reporting guidelines in past decisions]*

## A. Objectives

3. The objectives of the guidelines for the preparation of the biennial update reports from non-Annex I Parties are:

(a) To assist non-Annex I Parties in meeting their reporting requirements under Articles 4, paragraph 1[(a)] and 12 of the Convention and decision 1/CP.16;

(b) [To encourage the presentation of information in a consistent, transparent, comparable<sup>3</sup>, complete, accurate, timely and flexible manner, taking into account specific national [and sectoral] circumstances];

(c) [To facilitate provision of [transparent and consistent] information on mitigation actions and their effects.]

(d) To facilitate the presentation of information on finance, technology and [the] capacity building support [needs] [required] [and received] [and support provided] for the preparation of biennial update reports;

(e) [To serve as policy guidance to the operating entity of the financial mechanism for the timely provision of financial support needed by developing country Parties in order to meet the agreed full costs of complying with their obligations under Article 12, paragraph 1];

(f) To enable enhanced reporting by non-Annex I Parties in accordance with their capacities and respective capabilities, and the availability of support;

(g) 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.

[ (h) To ensure that the Conference of the Parties (COP) has sufficient information to carry out the 2013-2015 and subsequent periodic reviews.]

(i) [To facilitate the international consultations and analysis of biennial reports under the Subsidiary Body for Implementation.]

## B. Scope

4. The scope of biennial update reports is to provide [an update to the most recently submitted national communication] [information] in the following areas:

(a) The national inventory of anthropogenic emissions by sources and removals by sinks of all greenhouse gases (GHGs) not controlled by the Montreal Protocol, including a national inventory report;

(b) [Information on mitigation actions and their effects] [including a description, analysis of the impacts and associated methodologies and assumptions, progress in implementation and information on domestic measurement, reporting and verification];

(c) [Information on methodologies and assumptions];

(d) A description of support needed and received [and provided, as applicable];

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<sup>3</sup> The use of term .comparable. is consistent with paragraph 1(b) of the annex to the decision 17/CP.8

(e) [Information on the level of support received to enable the preparation and submission of biennial update reports];

(f) [Information on domestic measurement reporting and verification];

(g) [Any other information that the non-Annex I Party considers relevant to the achievement of the objective of the Convention and suitable for inclusion in its biennial update report.]

## II. National greenhouse gas inventory

### [A. Principles

#### X. In the context of the preparation of the national GHG inventory:

(a) Transparency means that the assumptions and methodologies used for an inventory should be clearly explained to facilitate replication and assessment of the inventory by users of the reported information.

(b) Consistency means that an inventory should be internally consistent in all its elements with inventories of other years. An inventory is consistent if the same methodologies are used for the initial and all subsequent years and if consistent data sets are used to estimate emissions or removals from sources or sinks. Under certain circumstances an inventory using different methodologies for different years can be considered to be consistent if methodologies provided by the IPCC for such situations have been applied.

(c) Comparability means that estimates of emissions and removals reported by Non-Annex I Parties in inventories should be comparable among Non-Annex I Parties. For this purpose, Non-Annex I Parties should use the methodologies and formats agreed by the COP for estimating and reporting inventories.

(d) Completeness means that an inventory covers all relevant sources and sinks, as well as all gases, included in the IPCC Guidelines. Completeness also means full geographic coverage of sources and sinks of a Non-Annex I Party.

(e) Accuracy is a relative measure of the exactness of an emission or removal estimate. Estimates should be accurate in the sense that they are systematically neither over nor under true emissions or removals, as far as can be judged, and that uncertainties are reduced as far as practicable. Appropriate methodologies should be used, in accordance with the IPCC good practice guidance, to promote accuracy in inventories.]

5. Each non-Annex I Party shall, in accordance with Article 4, paragraph 1(a), and Article 12, paragraph 1(a), of the Convention, communicate to the COP an updated national inventory of anthropogenic emissions by sources and removals by sinks of all GHGs not controlled by the Montreal Protocol, to the extent [of the provision of funds from developed country Parties], [and] its capacities permit, following the provisions in these guidelines.

6. Each non-Annex I Party [shall] [should] submit inventory data for the year [according to the provision of funds] [2010] [N-X]<sup>4</sup> [N-3] [not more than Y years from the date of last submission] [shall provide a consistent time series back to the first biennial report, and is encouraged to provide a consistent time series back to reported years in the previous national communications]. LDCs and SIDS [should] [may] estimate their national GHG inventories for recent years at their discretion. [Developing country Parties whose share of global emissions is less than 1% may also estimate their national GHG inventories for recent years at their discretion].

7. Non-Annex I Parties should submit summary information tables of previously reported inventory or inventories (for example for years 1994 and 2000).

8. The inventory submission [shall][should] consist of [electronic reporting tables, as included in the Annex to these guidelines, and] a national inventory report (NIR).

#### **A. Methodologies [Enabling environment to implement methodologies]**

9. Non-Annex I Parties should use the IPCC Guidelines [approved by the COP] for estimating and reporting their updated national GHG inventories. Parties may also continue to use UNFCCC NAI Greenhouse Gas Inventory Software to calculate and report emissions and removals, and report key category analysis.

10. In accordance with the IPCC Guidelines and depending on their capacity, Parties may use different methods (tiers) included in the IPCC Guidelines to estimate their emissions, giving priority to those methods which are believed to produce the most accurate estimates, depending on national circumstances and the availability of data.

11. The IPCC Guidelines offer a default methodology which includes default emission factors and in some cases default activity data. As these default factors, data and assumptions may not always be appropriate for specific national circumstances, non-Annex I Parties, as encouraged by the IPCC Guidelines, [are encouraged to] [can also] use national methodologies and regional emission factors and activity data for key sources, where they consider these to be better able to reflect their national situations, provided that these methodologies are more accurate than the default data and are documented transparently.

12. Non-Annex I Parties are encouraged to [use] [apply] the IPCC good practice guidance [and IPCC good practice guidance for LULUCF], taking into account the need to improve transparency, consistency, comparability, completeness and accuracy in inventories.

13. Non-Annex I Parties [shall] [are also encouraged, to the extent possible, to] undertake [any] key category analysis [as indicated in the IPCC good practice guidance] to assist in developing inventories that better reflect their national circumstances. [Key categories are those that, when summed together in descending order of magnitude, add up to 70 percent of the total level of GHG emissions. As Parties' reporting improves over time, Parties should assume as key categories those whose sum, in descending order of magnitude, adds up to 90 percent of the total level of GHG emissions];

14. [Non-Annex I Parties [should] [shall] include a national inventory report with information on the compilation of the inventory, including information on: institutional arrangements; analysis of key categories; [interpretation of trends by sector and most

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<sup>4</sup> N-X denotes that data would be submitted for [x] years prior to the date of submission. For example, if biennial update reports were submitted in 2013, the data would be for 2011, in case of to N-2

**significant key category;** methodologies, assumptions, emission factors and activity data used; level of uncertainty; [changes from previous years]; quality assurance/quality control; and identification of areas of improvement noting that accuracy will improve over time]

15. [Non-annex I Parties **are encouraged to** **may** use the [2006] IPCC Guidelines **in particular in areas in which 2006 IPCC Guidelines provide improved methodologies and parameters for circumstances in developing countries** [at their discretion.]

## **B. Reporting<sup>5</sup> [Enabling environment for preparation of reporting]**

16. Non-Annex I Parties [should][are encouraged to] describe updates to procedures and arrangements undertaken to collect and archive data for the preparation of national GHG inventories, as well as efforts to make this a continuous process, including information on the role of the institutions involved.

17. Each non-Annex I Party shall **],** as appropriate and to the extent possible, **]** provide in its updated national inventory, on a gas-by-gas basis and in units of mass, estimates of anthropogenic emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O) by sources and removals by sinks.

18. Each non-Annex I Party, depending on its capacity and the significance<sup>6</sup> of a gas is encouraged to also provide in its national inventory, on a gas-by-gas basis and in units of mass, estimates on the following greenhouse gases: perfluorocarbons (PFCs), hydrofluorocarbons (HFCs), **nitrogen trifluoride [NF<sub>3</sub>]** and sulphur hexafluoride (SF<sub>6</sub>).

19. [Non-Annex I Parties should, to the extent possible, and if disaggregated data are available, report emissions from international aviation and marine bunker fuels separately in their inventories. Emission estimates from these sources should not be included in the national totals].

20. [Non-Annex I Parties [should] [wishing to] report on aggregated GHG emissions and removals expressed in CO<sub>2</sub> equivalents using the global warming potentials (GWPs) provided by the IPCC in its **]** **]** **]** Assessment Report ("the 1995 IPCC GWP Values") based on the effects of GHGs over a 100-year time horizon.]

21. Non-Annex I Parties [should][are encouraged to] provide updated information on methodologies used in the estimation of anthropogenic emissions by sources and removals by sinks of GHGs not controlled by the Montreal Protocol, including on the sources of emission factors and activity data. [Where previously reported data has been recalculated, non-Annex I Parties should describe the reasons for the recalculation, the manner in which the recalculations have been undertaken and the effect in terms of emissions/removals reported.]

22. Non-Annex I Parties [should][are encouraged to] include in their biennial update reports the **]** **]** **]** tables **annexed to these guidelines** **]** [and worksheets of the IPCC], in electronic format.

23. Non-Annex I Parties are encouraged to provide updated information on the level of uncertainty associated with inventory data and their underlying assumptions, and to describe the methodologies used, if any, for estimating these uncertainties.

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<sup>5</sup> Some Parties have suggested that providing information in tabular formats may assist with streamlining reporting of biennial update reports.

<sup>6</sup> Definition of this term needs to be further elaborated .

### III. Mitigation actions [supported by developed country Parties]

#### *Option 1*

24. Non-Annex I Parties [shall][are encouraged to] provide up-to-date information on actions to mitigate climate change, by reducing addressing anthropogenic emissions by sources and by enhancing removals by sinks of all GHGs not controlled by the Montreal Protocol.

25. For each mitigation action or suite of mitigation actions [supported by developed countries and voluntarily reported for unsupported actions] [both supported and unsupported], [including those actions contained in document FCCC/AWGLCA/2011/INF.1] non-Annex I Parties [are encouraged to] shall provide the following information [to the extent possible][as per respective capabilities and capacities].

(a) Name and description of the mitigation action, including up-to-date information on the nature of the action (e.g., economic, fiscal, voluntary, regulatory etc.), [base year] [start date and time frame], coverage (i.e. sectors and gases), quantitative goals and progress indicators,;

(b) Objectives of the policy or measure;

(c) Up-to-date information on the progress of implementation, and the results achieved, such as estimated outcomes (metrics depending on type of action) (eg. deviation from emission reference levels or deviation for projected emission levels in target year or period) and estimated emissions reductions, to the extent possible. Highlight whether the policy or measure is in the planning stage or is adopted or whether it is under implementation;

[(c)bis description of the MRV arrangements/guidance applied at national level to implement mitigation actions (e.g., institutional arrangements, implementing entities, data collection methods, progress indicators)]

(d) Information on their projected emissions and removals for the sectors reported in their GHG inventory, in accordance with their capacities and respective capabilities;

(e) [Supplementary information on incremental costs, related public or private investments, and expected benefits other than mitigation for each action or a group of actions];

(f) Parties participating in market-based mechanisms shall provide up to date information on:

i) Total acquisitions of international [carbon][credits][offset][units] from market-based mechanisms approved at the UNFCCC level;

ii) Total transfers of international [carbon][credits][offset][units] from market-based mechanisms approved at the UNFCCC level;

iii) Total amount of international [carbon][credits][offset][units] from market-based mechanisms approved at UNFCCC level which have been retired and/or cancelled]

[bilateral and multilateral offset programmes should provide up to-date information on offset programme elements including offset type, coverage, rules, including provisions for additionality, transparency, permanence and for prevention of double counting and leakage]

(g) Up-to-date information on methodologies and assumptions (specific to the mitigation action, including where relevant, methods for determining the baseline used, business-as-usual information or according to national or other metrics).

[25bis. Non-Annex I Parties shall provide information related to paragraphs 24 and 25 in electronic reporting format tables X of the Annex to these guidelines and should provide descriptive information in the report for the most recent year for which information on mitigation actions is available]. [Non-Annex I Parties using the registry for nationally appropriate mitigation actions are encouraged to report information on mitigation actions, consistent with the information provided in the registry.]

[Option 2<sup>7</sup> (option to paragraphs 24 and 25)]

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>8</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.]

#### **IV. Finance, technology and capacity-building needs and support received**

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), Annex II Parties, any other Parties, 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.

27. Non-Annex I Parties are encouraged to provide, to the extent their capacities permit, a list of actions proposed for financing (support needs), in accordance with Article 12, paragraph 4, of the Convention, in preparation for arranging the provision of technical and financial support. For Parties using the registry, [information on] mitigation actions [included in this list] should aim to be consistent with information provided in the Registry.

28. [Non-Annex I Parties should also provide information on financial resources and technical support for the preparation of the current biennial report provided by themselves. Non-Annex I Parties are also encouraged to provide information on financial resources related to the implementation of the Convention provided through bilateral, regional and multilateral channels for other Non-Annex I Parties.]

29. With regard to the development and transfer of technology, non-Annex I Parties [shall] [should] provide information on country-specific technology needs and technology support received, that is support received for activities to promote, facilitate or enhance the development, transfer and diffusion of climate technologies; this information shall at least include the donor country or organization, the amount of the financial support received, the description of the activity or initiative, and the type of technology transferred, including on how this assistance has been utilized in support of the development and enhancement of endogenous capacities, technologies and know-how].

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<sup>7</sup> Paragraph 40 of annex to the decision 17/CP.8

<sup>8</sup> Such as measures being considered by the government for future implementation

[29bis. Non-Annex I Parties should provide information related to paragraphs 26 and 29 by using the electronic reporting format tables Y-Z of the Annex to these guidelines].

## V. Submission

29. The information provided in accordance with these guidelines [shall] be communicated by each non-Annex I Party to the COP in a single document, in electronic format.

30. Non-Annex I Parties should [shall] submit [its] [their] biennial update report[s] in [English] [any] [one of the] official UN language[s]]. [Non-Annex I Parties are also encouraged to submit a translation of the biennial report into English].

[31. Additional or supporting information may be supplied through other documents, such as a technical annex.]

## VI. [Updating the guidelines]

32. These guidelines shall be reviewed and revised, as appropriate, in accordance with decisions of the COP.]

## VII. Annex

### GHG inventories

Common reporting format tables for national GHG inventories in particular the summary tables, Table 10 and main sectoral background data tables for largest key categories.

### Tables for GHG inventories

Table 2: Information on mitigation actions

<u>Name of mitigation action and short description</u>	<u>Objective</u>	<u>Sector affected</u>	<u>GHG affected</u>	<u>Type</u>	<u>Status of implementation</u>	<u>Implementing entity</u>	<u>MRV arrangements</u>	<u>Estimated mitigation impact by year 20xx or alternative indicator</u>	<u>Additional voluntary information</u>

### Tables for support received

Table 3a: Support received for mitigation actions

<u>Name of mitigation action and short</u>	<u>Estimated costs (indicate time</u>	<u>Support needed (indicate time</u>	<u>Support received (in USD)</u>	<u>Source of support</u>	<u>Support type (financial technology,</u>	<u>Type of finance (e.g.</u>



<u>description</u>	<u>frame)</u>	<u>frame)</u>	<u>(indicate reporting year(s))</u>		<u>capacity building)</u>	<u>grant. loan)</u>

**Table 3b: Support received and own contributions for the preparation of the current biennial report, years X and Y, in USD**

	<u>x. biennial report YEAR X</u>	<u>x. biennial report YEAR Y</u>
<u>From GEF</u>		
<u>From Annex I Parties</u>		
<u>From Annex II Parties</u>		
<u>Own contributions</u>		
<u>Other sources (please specify)</u>		
<u>Total</u>		

**Table 3c: General table on support received for activities relating to climate change, in USD**

**a**

<u>Name of action/ project/ programme</u>	<u>Source of support</u>	<u>Support received (in USD)</u>	<u>Reporting Year</u>	<u>Mitigation</u>	<u>Adaptation</u>	<u>Indicate support type (financial, technology, capacity building)</u>

**a Please provide information separately for the two recent years since the last biennial report.**