



AUSTRALIA

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Issues related to more comprehensive accounting of anthropogenic emissions by sources and removals by sinks from land use, land use change, and forestry, including through a more inclusive activity-based approach or a land-based approach | SBSTA

This submission contains the Australian Government's preliminary views on 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, as part of the consideration of this issue by the Subsidiary Body on Scientific and Technological Advice (SBSTA), as mandated by Decision 2/CMP.7.

Australia welcomes the opportunity to submit its initial thinking on this important matter. Australia considers that the land sector has a significant contribution to make to the global mitigation challenge. In-principle Australia supports a move toward more comprehensive accounting for LULUCF as key to realising the mitigation potential of the sector: this requires detailed consideration of the rules and principles underlying such accounting.

Australia notes that the work of SBSTA was mandated by the Conference of the Parties serving as the meeting of the parties to the Kyoto Protocol (CMP). However, Australia considers that this work could usefully inform consideration of land sector issues under the UNFCCC more broadly, including as Parties co-operate to develop a post-2020 framework. Given the complexity of the land sector negotiations, it will be important to begin consideration of the issues in a timely manner.

Australia notes that the request by the CMP to consider this matter specifically highlighted two approaches – a more inclusive activity-based approach or a land-based approach. Australia considers that these approaches can usefully define the scope of SBSTA's consideration of the issue. However, Australia cautions against concentrating on specific concepts or terminology at this stage and suggests that Parties should instead focus on the principles underlying these approaches. Australia notes that a land-based approach does not necessarily equate to Parties accounting for more emissions or removals, as the associated rules and modalities will be determining factors.

There may be merit in examining the feasibility of rationalising, harmonising, or combining the current differentiation between UNFCCC reporting categories and Kyoto Protocol accounting activities. Any such examination should comprise a technical analysis, and include an examination of linkages between categories and activities, the sources of differences, and similarities. The distinction between reporting categories and accounting activities adds a layer of complexity to the development of national inventory systems, and consideration could be given to operating a single



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approach. Any such consideration should not seek to limit the application of the improved accounting rules agreed in Durban under Decision 2/CMP.7.

It is important to consider the coverage and focus of reporting/accounting systems. The aim of more comprehensive accounting should be to account accurately for all emissions and removals associated with land management practises and changes in land use. One option to achieve this goal is a land sector framework that nests an accounting approach for anthropogenic emissions by sources and removals by sinks within a system of nationwide monitoring and reporting of all land sector emissions and removals utilising remote sensing data.

A nested approach is especially effective for countries with a large land mass and those with extensive areas not subject to active management. Such an approach allows Parties to account for those lands subject to active management while monitoring the remainder for land use change in an internally consistent and cohesive fashion, ensuring completeness and policy efficiency. Accounting on this basis is pragmatic, efficient, and combined with nationwide monitoring, the environmental integrity of the approach is maintained and the risks of leakage, double counting and unbalanced accounting minimised. Such a system may also enable greater and earlier participation by Parties in the process of developing inventory systems.

Australia notes that, in order to inform Parties' views on the various options for a more comprehensive approach to the land sector, it will be necessary for Parties to consider the underlying principles on which accounting would be based. Australia considers that Parties should build on the extensive work undertaken under the Kyoto Protocol negotiations to improve the environmental integrity of the land sector rules. In particular, Australia notes the importance of retaining the natural disturbance provision, the reference level approach for forest management (based on business as usual projections), and improved accounting for harvested wood products.

Australia notes that the extensive negotiations on forest management ultimately led to more comprehensive coverage of the land sector for the second commitment period of the Kyoto Protocol. Australia suggests that there may be merit in a similarly comprehensive examination of the other activities/reporting categories and where appropriate the development of new accounting approaches. For example, Australia notes that there may be merit in an examination of extending the application of existing provisions such as natural disturbance or reference levels to capture other reporting/accounting categories.

Australia suggests that it will be necessary to consider all reporting/accounting categories and the rules/principles related to these categories, and to ensure that Parties account for anthropogenic emissions. Australia considers that it may also be necessary to undertake further consideration of the basis for accounting under various reporting/accounting categories.

