

**Submission by Nepal on behalf of the Least Developed Countries Group with respect to
Modalities and Procedures for Applying the Concept of Additionality as called for in
FCCC/SBSTA/2013/L.5**

Nepal, on behalf of the Least Developed Countries Group (LDC Group), offers the following views with respect to modalities and procedures for applying the concept of additionality as called for in FCCC/SBSTA/2013/L.5 para 5.

The concept of additionality has been well established within the context of the Clean Development Mechanism (CDM). In essence, it refers to actions that have been taken to reduce anthropogenic emissions of greenhouse gases by sources or the enhancement of sinks that are in addition to those that would have occurred in the absence of the registered CDM project activity. This is generally measured against a business as usual baseline.

In the context of land use, land-use change and forestry (LULUCF) activities undertaken by Annex I Parties in the context of Article 3.4, the concept of additionality has particular relevance for the setting of reference levels for the accounting of forest management in the second and subsequent commitment periods. As Parties agreed in Decision 2/CMP.7, forest management would be based on the establishment of reference levels.

In the footnote to paragraph 12 of the Annex to Decision 2/CMP.7 there is reference to the requirement to take into account "...(c) forest management activities already undertaken". This is where the concept of additionality should apply. It is our view that Annex I Parties may not account for business as usual activities. They need to clearly demonstrate in a verifiable manner that activities accounted for under forest management are in addition to a business as usual scenario. Such information should be indicated in National Inventory Reports.

In its ongoing work SBSTA may need to give guidance on how Annex I Parties would report on their achievement of additionality as required under Decision 2/CMP.7. SBSTA should undertake this work rapidly to ensure that there is no undue delay in the implementation of the second commitment period.