

**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

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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:

Recalling, in particular, Article 4, paragraphs 1, 3 and 7, Article 10, paragraph 2 (a), and Article 12, paragraphs 1, 5 and 7, of the Convention,

Recalling also its decisions on national communications from Parties not included in Annex I to the Convention (non-Annex I Parties), in particular its decisions 10/CP.2, 2/CP.4, 12/CP.4, 8/CP.5, 31/CP.7, 32/CP.7, 17/CP.8 and 8/CP.11,

Reaffirming that, in accordance with Article 4, paragraph 3, of the Convention, the developed country Parties and other developed Parties included in Annex II to the Convention shall provide new and additional financial resources to meet the agreed full costs incurred by developing country Parties in complying with their obligations under Article 12, paragraph 1, of the Convention,

Noting that current guidelines for the preparation of national communications were adopted by the Conference of the Parties at its eighth session,

Noting also that in accordance with decision 17/CP.8, non-Annex I Parties should use the guidelines contained in the annex to that decision for the preparation of second and, where appropriate, third national communications and, where appropriate, initial national communications,

Recognizing that the preparation of national communications is a continuing process,

Recognizing also that the submission of national communications is very important for Parties to better understand climate change issues,

Recognizing further the difficulties that non-Annex I Parties have had in preparing their initial national communications and the need to build capacity for using the guidelines for the preparation of national communications from non-Annex I Parties, and the need to allocate adequate time to non-Annex I Parties for preparing their national communications,

Acknowledging that although the majority of non-Annex I Parties have submitted their initial national communications and some have also submitted their second and third national communications, a number of non-Annex I Parties are still having difficulties with the preparation and submission of their initial national communications due to both technical and resource constraints,

Taking into account that paragraph 60(c) of Decision 16/CP. 1 states that: “Developing countries, consistent with their capabilities and the level of support provided for reporting, should also submit biennial update reports containing updates of national greenhouse gas inventories, including a national inventory report and information on mitigation actions, needs and support received;”

~~2. Recognize the need for enhanced support;~~

2 bis Enhanced support for the preparation of biennial update reports will be ensured by developed country Parties by means of new and additional resources, under article 4.5 of the Convention.

~~3. Invitation to the GEF and to Recognizing the urgent need for Annex II and other Parties to provide for provision of new and additional 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.~~

Possible elements of draft guidelines for biennial update reports from Parties not included in Annex I to the Convention¹

I. Introduction

1. Parties not included in Annex I to the Convention (non-Annex I Parties) shall submit **update** reports on **a** 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.
2. Non-Annex I Parties will implement these guidelines consistent with their capabilities and the level of support provided.

¹ 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.**

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**, complete, accurate, timely and flexible manner, taking into account specific national and **domestic** sectoral circumstances];

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

(d) To facilitate the presentation of information on **new and additional** finance, technology and ~~the~~ capacity building support required [and received] 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 aggregate effect of actions ~~the implementation of the Convention~~ by Parties.

(h) [To facilitate the international consultations and analysis of biennial update 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 in the following areas:

(a) Information on national circumstances and on institutional arrangements relevant to the preparation of the national communications on a continuous basis¹

(a) The national inventory of anthropogenic emissions by sources and removal by sinks of all greenhouse gases (GHGs) not controlled by the Montreal Protocol², including a national inventory report;

(b) [Information on mitigation actions and their effects]Programmes containing Measures to Mitigate Climate Change³;

(c) [Information on methodologies and assumptions];

(d) Constraints and Gaps, and Related Financial, Technical and Capacity Needs⁴, including a description of support needed and received;

(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

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 ~~of its~~ 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.

5bis. The updates of national inventories of anthropogenic emissions by sources and removals by sinks of all GHGs not controlled by the Montreal Protocol indicated in paragraph 5 should contain the most recent data on activity level based on the best information available multiplied by the emission factor reported in its previous National Communication; any change on the emission factor can only be made in the subsequent full National Communication.

² The use of term 'comparable' is consistent with paragraph 1(b) of the annex to the decision 17/CP.8 . it does not refer to comparability in the context of decisions 1/CP.13 or 1/CP.16.

¹ Section II and part of the content of para 5 of the annex to Decision 17/CP.8

² Section III of the annex to Decision 17/CP.8

³ Section IV.B of the annex to Decision 17/CP.8

⁴ Title of Section VI of the annex to Decision 17/CP.8

6. Each non-Annex I Party [shall] [should] submit inventory data ~~for the year~~ [according to the provision of funds] [2010] [N-X]; [not more than Y years from the date of last submission] 2 years from the date of last submission. 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 a national inventory report (NIR), as an update of the inventory information contained in the previous National Communication.

A. Methodologies [Enabling environment to implement methodologies]

9. Non-Annex I Parties should use the current guidelines for the preparation of National Communications from Non-Annex I Parties (Decision 17/CP.8) ~~the IPCC Guidelines approved by the COP~~ for estimating and reporting their updated national GHG inventories, as appropriate for an update. ~~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, 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 apply the IPCC good practice guidance, taking into account the need to improve transparency, consistency, comparability, completeness and accuracy in inventories.~~

~~13. Non-Annex I Parties 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;~~

14. [Non-Annex I Parties [should] include a national inventory report with information on the compilation of the inventory, including information on: institutional arrangements; analysis of key categories; 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 may use the [2006] IPCC Guidelines at their discretion.]

B. Reporting [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 in the section entitled “Information on national circumstances and on institutional arrangements relevant to the preparation of the national communications on a continuous basis”⁵.

17. Each non-Annex I Party shall is encouraged, 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

⁵ Section II and part of the content of para 5 of the annex to Decision 17/CP.8

emissions of carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O) by sources and removals by sinks.

~~3 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~~
~~4 Some Parties have suggested that providing information in tabular formats may assist with streamlining reporting of biennial update reports.~~

18. Each non-Annex I Party, depending on its capacity and the significances 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) and sulphur hexafluoride (SF₆).

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 CO₂ equivalents using the global warming potentials (GWPs) provided by the IPCC in its Second 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 inventory sectoral tables 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.~~

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 addressing anthropogenic emission by sources and 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 provide the following [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, [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) 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;

- (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 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.

⁵ Definition of this term needs to be further elaborated .

- (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).

Option 2⁶ (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, 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.

Option 3

Non-Annex I Parties shall provide updated information on the general description of steps taken or envisaged for formulating, implementing, publishing and regularly updating national and, where appropriate, regional programmes containing measures to mitigate climate change by addressing anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, and any other information they consider to be relevant to the achievement of the objective of the Convention⁶ and suitable for inclusion in their update reports. This information should only cover the period since the previous submission, whether National Communication or biennial update report.

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

26. Non-Annex I Parties [shall] [should] also provide up-to-date information on constraints and gaps, and related financial, technical and capacity needs, including 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, should aim to be consistent with information provided in the Registry.~~

28. With regard to the development and transfer of technology, non-Annex I Parties [shall] [should] provide information on country-specific technology needs, which must be nationally determined, 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.

⁶ Paragraph 37, Decision 17/CP.8

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 Party should submit its biennial update report in [English] [any official UN language].

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

⁶ Paragraph 40 of annex to the decision 17/CP.8

⁷ Such as measures being considered by the government for future implementation

VI. [Updating the guidelines

32. ~~These guidelines shall be reviewed and revised, as appropriate, in accordance with decisions of the COP.~~ Also decides that in case of a future revision of the guidelines for the preparation of national communications from Parties not included in Annex I to the Convention, the content of biennial update reports may be revised by the Conference of the Parties, taking into account the difficulties encountered by non-Annex I Parties in the preparation of their biennial update reports.

VII. Financial Support

Decides that additional financial resources, corresponding to 30% of the total monetary amount provided for the preparation of the previous or current National Communication, shall be made available by Annex II Parties to non-Annex I Parties for the elaboration of a biennial update report.