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SBSTA event on quantified economy-wide emission reduction targets by developed country Parties

Measuring progress towards achievement of targets

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Inputs informed by relevant publications from WRI

- Levin and Bradley. “Comparability of Annex I Emission Reduction Pledges.” WRI. February 2010.
- Levin et al. “Remedying Discord in the Accord: Accounting Rules for Annex I Pledges in a Post-2012 Climate Agreement.” WRI. November 2010.
- Two new standards under development under the GHG Protocol
 - For policies/actions
 - For mitigation goals (including reduction from base year, reduction from baseline, reduction to a fixed level, and reduction in intensity)
 - First drafts completed
 - For more information and to download, please visit www.ghgprotocol.org/mitigation-accounting

Measuring progress towards achievement of targets

Two steps that are necessary:

(1) Clarification: At a minimum, any effort will require more information about the assumptions underlying the pledges.

(2) Accounting: It will also that principles agreed to by the UNFCCC – consistency, transparency, completeness, comparability, and accuracy – are applied to future accounting methodologies.

Clarification: current requirements

Currently, developed country Parties are required to clarify the following information related to their emission reduction targets:

- Base year
- Global warming potential (GWP) values
- Coverage of gases
- Coverage of sectors
- Expected emission reductions
- Role of LULUCF
- Role of carbon credits from market-based mechanisms
- Associated assumptions and conditions related to the ambition of the pledge

Clarification: additional information that is needed

- Base year emissions and calculation methodology used
- Frequency and justification for recalculation of base year emissions
- The time-frame of the target – whether a single or multi-year target
- Methodology that will be used to calculate the national inventory over the target period, if different from the methodology used to calculate base year emissions
- Emission level in the target year associated with achieving the target and calculation methodology used
- Methodology used to calculate emissions and removals from the LULUCF sector, if included in the target. If LULUCF is not included in the target, a justification for its exclusion.
- Anticipated amount of international offsets that will be used to meet the target
- Methodologies used to estimate emission reductions from international market-based mechanisms
- Mechanisms (e.g. legal mandates, registries, transaction logs, and/or agreements between buyers and sellers) used to prevent double counting of transferable units

The case for common accounting

- Common accounting provides a common basis for measuring progress toward targets because it ensures that all Parties use the same calculation methodologies, GWP values, coverage of sectors and gases, and other relevant technical details to estimate emissions and removals associated with their targets.
 - Implications of unharmonized accounting rules:
 - Coverage/completeness
 - LULUCF methodologies
 - Methodologies for transferable units, including double counting
- Challenges for measuring progress
- Challenges in assessing collective ambition and determining comparability

Common elements: A way forward

If common accounting rules for all topics cannot be agreed upon, common rules could be adopted for several aspects of accounting, e.g.:

- calculation methodologies for base year emissions
- GWP values
- coverage of sectors and gases

For the remaining elements, e.g. LULUCF and market-based mechanisms, continue a negotiation process to reach agreement.

Alternatively, a panel on accounting methodologies could be established to review and assess Parties' methodologies for more politically complex accounting issues against agreed upon criteria, ex ante, so as to ensure that methodologies are rigorous, robust, and transparent.

- This panel could have power to assess, comment on, and approve methodologies.

Conclusion

- While Parties have come forward with their targets, many have not been clear about all of the assumptions underlying them.
- Furthermore, Parties have not agreed on guidance to assess and track emission reductions generated by the targets in a consistent and comparable manner.
- Further clarification and accounting rules can provide a common basis for measuring progress toward the achievement of quantified economy-wide emission reduction targets.
 - On clarification, more information is needed to accurately measure progress.
 - On accounting, can move forward with a common approach at least for some elements while negotiating the others.

Thank you

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