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UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

**AD HOC WORKING GROUP ON FURTHER COMMITMENTS
FOR ANNEX I PARTIES UNDER THE KYOTO PROTOCOL**

Seventh session

Bonn, 29 March to 8 April 2009

Item 5 (b) of the provisional agenda

**Other issues arising from the implementation of the work programme of the Ad Hoc Working Group on
Further Commitments for Annex I Parties under the Kyoto Protocol**

Land use, land-use change and forestry

**Further elaboration of the options, elements and issues contained in annex IV
to document FCCC/KP/AWG/2008/3 and annex III to document
FCCC/KP/AWG/2008/5, including on which proposals
could address cross-cutting issues, and how**

Submissions from Parties

Addendum

1. In addition to the 12 submissions contained in document FCCC/KP/AWG/2009/MISC.5, one further submission has been received.
2. In accordance with the procedure for miscellaneous documents, this submission is attached and reproduced* in the language in which it was received and without formal editing.

* This submission has been electronically imported in order to make it available on electronic systems, including the World Wide Web. The secretariat has made every effort to ensure the correct reproduction of the text as submitted.

FCCC/KP/AWG/2009/MISC.5/Add.1

GE.09-60458

SUBMISSION FROM TUVALU

Tuvalu submission on definitions, modalities, rules and guidelines for the treatment of land use, land-use change and forestry (LULUCF) in the second commitment period (AWG-KP)

Tuvalu welcomes the opportunity to make a submission on views and proposals for further elaboration of the options, elements and issues contained in annex III to the report of the first part of the sixth session, and annex IV to the report of the resumed fifth session, including views on how and which proposals address cross-cutting issues FCCC/KP/AWG/2008/L.19.

Tuvalu has proposed decision text based on Decision 16/CMP.1. The reason for maintaining continuity with Decision 16/CMP.1 is to provide a certain level of continuity with the accounting framework that has already been established. This is also due to the fact that accounting elements of Decision 16/CMP.1 extend beyond the first commitment period. In essence this means that activity-based accounting shall continue. The new decision maintains the “principles” that were established in the original decision. These principles are important in the context of LULUCF rules and are clearly relevant beyond the first commitment period. The definitions found in Article 16/CMP.1 have been retained to ensure continuity. Some new definitions have been added. The limitation on eligible activities under Article 12 has been retained. The reason for this is described below.

The Tuvalu decision is consistent with the existing provisions of the Kyoto Protocol. It is the view of Tuvalu that additional activities can be added to Article 3.4 without the need for an amendment, so long as these additional activities are consistent with the activity-based, accounting framework established under Article 3.4.

Some modifications have been made to the original 16/CMP.1 decision text. This is for a number of reasons:

- (a) Some unforeseen adverse consequences have arisen as a result of the original decision. The new decision attempts to rectify these adverse consequences.
- (b) In Decision 16/CMP.1, some accounting rules were developed to suit the needs of individual countries. These provisions should no longer be necessary as it is assumed that the CMP will agree on the rules before new targets are set for Annex I Parties. Therefore all Parties should be subject to the same set of rules. Once these rules are established each Party can then consider the implications for its target setting, rather than the reverse.
- (c) New activities have been included for Article 3, paragraph 4 to ensure balanced accounting and to provide opportunities for producer countries to account for a limited, but manageable, set of harvested wood products. This is in recognition of the fact that wood products are important in storing carbon, but it is also a recognition that accounting for harvested wood products is not simple, therefore a limited accounting set has been established;
- (d) A special rule has been added to provide a limited, but important demand-side measure for addressing deforestation and forest degradation in developing countries.
- (e) Additional rules have been established to account for the environmental and social consequences of accounting for carbon in LULUCF activities.
- (f) Additional rules have been included to account for the effects of *force majeure*, therefore providing greater opportunities for Parties to elect Article 3 paragraph 4 activities.

Having read various reviews of the initial reports of a number of Annex I Parties, Tuvalu is concerned that there are many reporting inconsistencies and inaccuracies associated with land use, land-use change and forestry. This tends to suggest that rules for reporting and accounting for LULUCF activities must be clearly defined and limited to what can be effectively reported and accounted for. Subsequently new proposals by some Parties with respect to reporting and accounting for LULUCF activities are considered inadvisable.

Details of the Changes to Decision 16/CMP.1 are hereby explained:

There is a recognition of Decision 16/CMP.1;

- New references to the second commitment and subsequent commitment periods have been added;
- The definitions from 16/CMP.1 have been retained for consistency of accounting. They have been rearranged alphabetically (using English as the basis);
- A new activity known as “devegetation” has been included. It is defined and added as a “required activity to be accounted” under Article 3.4. This provides a better accounting of emissions from the LULUCF sector and creates some balance with the “revegetation” (even though revegetation remains an elected activity);
- A definition for “*force majeure*” has been added. This allows for Parties that elect Article 3.4 activities to have an accounting “time-out” if land under their accounting framework is subject to force majeure during the commitment period. It also established a time out for countries that have experienced a force majeure since 1990, so that they do not receive an imbalanced benefit from the regrowth of carbon stocks up to and during the second commitment period, yet faced major emissions since 1990. The definition of force majeure is specific to the LULUCF accounting framework. It hopefully resolves some of the inconsistencies created by the IPCC’s managed and unmanaged concept. The force majeure or “time out” concept allows all non anthropogenic emissions to be addressed on all lands, whether managed or not. It does not account for indirect effects. These are accounted for in other ways (see below)
- “Forest biomass decline” has been added as “required activity to be accounted” under Article 3.4. This activity attempts to pick up the unintended consequence of the definition of “forest” whereby a forest may experience a decline in carbon stocks without the definition of deforestation being triggered. As a consequence, significant emissions may have not been accounted for in the first commitment period. Forest biomass decline is a similar concept to forest degradation, without the unnecessary connotations of the term “degradation”.
- “Harvested wood products are defined. They do not include products such as oils and fuel wood which are used as replacements for fossil fuels.
- “Harvested wood product management” has been added as an electable activity under Article 3.4. It is defined as harvested wood product management (HWPM) so as to be consistent with the activity based accounting framework established in Article 3.4. The accounting system for HWPM is described below.
- “Time out” has been added to the list of definitions and is intended to allow Parties to temporarily exclude land from the accounting system where such land has been subject to a force majeure.
- A new category of Article 3.4 activities is prescribed. This establishes a set of activities that shall be accounted for in the second and subsequent commitment periods and hence are not electable. These prescribed activities include: forest biomass decline, devegetation and the import of harvested wood products from developing countries. The first two activities aim to pick up emissions from the land use and forestry sector that may have been omitted in the first commitment period and hence bring about more balanced accounting of emissions and removals. The third activity is aimed at providing a mechanism to contribute to reducing emissions from deforestation and forest degradation in developing countries. (See description below).
- Provisions relating to Article 3.3 remain as they were in 16/CMP.1 except for the debit-credit rule (paragraph 3 of the Annex to 16/CMP.1). This accounting anomaly is no longer appropriate as accounting rules are being standardised without particular concessions for certain countries. Furthermore, as some credits will be available for harvested wood products this provision becomes superfluous. The context year of 1990 would remain.
- The paragraph in 16/CMP1 (paragraph 5 of the Annex) concerning harvest or forest disturbance will be retained, however loss of carbon stocks from harvesting or forest disturbance will be accounted for under the provisions relating to ‘forest biomass decline’.
- As described above, new prescribed activities have been added to Article 3.4
- A new category of electable activity, “harvested wood product management” has been added to the list of electable Art 3.4 activities;

- Forest management has been added to the list of activities that are subject to commitment period relevant net-net accounting. Commitment period net-net accounting is relative to actions taken during the commitment period, rather actions relative to 1990. This is based on the presumption that accounting procedures for LULUCF may be more advanced in 2012 than it was in 1990. It also ensures that accounting is attributable to commitment period actions only. Using commitment period net-net accounting is a method to partially factor out indirect effects, such as nitrogen deposition etc. It does not effectively address the age class structure issue. The age class structure issue is an unavoidable artefact of the 1990 accounting framework of the Kyoto Protocol and is not easily resolved without complex and difficult to verify accounting methods such as forward project baselines. Time-out provisions and some accounting for harvested wood products may help to offset some disadvantages for countries with old age class forests. The rule regarding a cap on forest management (paragraph 11 of 16/CMP.1) has been deleted as the consequences of indirect effects are at least substantially addressed by net-net commitment period accounting.
- The rule regarding offsetting Art 3.4 activities against Art 3.3 activities (paragraph 10 of 16/CMP.1) has been deleted. This first commitment period rule is not consistent with effective GHG accounting as this was primarily inserted to suit the circumstances of a limited number of countries. Uniform accounting rules for all countries makes this rule redundant.
- A new “time out” section has been added to allow countries who have suffered from a force majeure to exclude land subject to the effects of the force majeure from the accounting system until the carbon stocks have returned to the original state. Parties would need to show that the force majeure is not human induced. This means that certain forest fires would not be considered force majeure.
- Harvested wood products will be allowed to be accounted for subject to a number of conditions. HWPs can only be accounted for through the following activities:
 - (i) from reforestation and then forest biomass decline activities;
 - (ii) forest management activities

HWPs from deforestation activities shall not be counted. Nor should salvage timber taken from force majeure events as this would imbalance “time out” provisions.

As a means of simplifying accounting only a limited set of HWPs will be permitted. These are relatively long lived HWPs. Furthermore once a HWP leaves the country where it was grown it will be counted as an emission. This simplifies that accounting system and makes it far more transparent and verifiable. Accounting for HWP is based on a formula whereby all emissions from residuals and non-HWPs short-lived wood products and a decay calculation from HWPs produced during the commitment period are subtracted from the annual growth increment from eligible forests. The remainder are accountable HWPs.

- Eligible activities and accounting rules for the Clean Development Mechanism remain the same as for the first commitment period. Concerns about non-permanence, uncertainties, leakage and measurement remain. There is one slight change and this states afforestation and reforestation on natural grasslands and shrublands will not be eligible. This is to ensure that biodiversity considerations in natural ecosystems are not adversely affected by the definition of afforestation and reforestation.
- A new provision has been added to account for the import of wood products from Non Annex I Parties. It aims to create a carbon cost for the import of wood products derived from deforestation and forest degradation activities. It establishes a certification system as a means of supporting sustainable forest management. This is a system to apply a demand side measure to reduce emissions from deforestation and forest degradation in developing countries. While on the surface, this provision may appear discriminatory because it only relates to Non Annex I wood products, the fact remains that emissions from deforestation and forest degradation are accounted for in Annex I Parties at the time of deforestation. Furthermore it is proposed not to account for the import of harvested wood products from Annex I Parties.

Decision X/CMP.4
Land use, land-use change and forestry

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Affirming that the implementation of land use, land-use change and forestry activities included under the provisions of the Kyoto Protocol shall be consistent with the objectives and principles of, and any decisions taken under, the United Nations Framework Convention on Climate Change and its Kyoto Protocol,

Having considered decision 11/CP.7 adopted by the Conference of the Parties at its seventh session,

Having further considered decision 16/CMP.1 adopted by the Conference of Parties serving as the Meeting of Parties at its first session;

1. *Affirms* that the following principles govern the treatment of land use, land-use change and forestry activities:

- (a) That the treatment of these activities be based on sound science
- (b) That consistent methodologies be used over time for the estimation and reporting of these activities
- (c) That the aim stated in Article 3, paragraph 1, of the Kyoto Protocol not be changed by accounting for land use, land-use change and forestry activities
- (d) That the mere presence of carbon stocks be excluded from accounting
- (e) That the implementation of land use, land-use change and forestry activities contributes to the conservation of biodiversity and sustainable use of natural resources
- (f) That accounting for land use, land-use change and forestry does not imply a transfer of commitments to a future commitment period
- (g) That reversal of any removal due to land use, land-use change and forestry activities be accounted for at the appropriate point in time
- (h) That accounting excludes removals resulting from: (i) elevated carbon dioxide concentrations above their pre-industrial level; (ii) indirect nitrogen deposition; and (iii) the dynamic effects of age structure resulting from activities and practices before the reference year;

2. *Decides* that good practice guidance, and methods to estimate, measure, monitor and report changes in carbon stocks and anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from land use, land-use change and forestry activities, as developed by the Intergovernmental Panel on Climate Change, shall be applied by Parties, if decided in accordance with relevant decisions of the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;

3. *Decides* that anthropogenic greenhouse gas emissions by sources and removals by sinks shall be accounted for in accordance with the annex to the present decision and reported in annual inventories and reviewed in accordance with relevant decisions relating to Articles 5, 7 and 8 of the Kyoto Protocol, and consistent with Good Practice Guidance on Land Use Change and Forestry, as appropriate, and any future elaboration of these guidelines, or parts of them, and any good practice guidance on land-use change and

forestry in accordance with relevant decisions of the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;

4. *Adopts* the definitions, modalities, rules and guidelines relating to land use, land-use change and forestry activities under Articles 3, 6 and 12 of the Kyoto Protocol contained in the attached annex for application in the second commitment period and where relevant in any further commitment period.

ANNEX

Definitions, modalities, rules and guidelines relating to land use, land-use change and forestry activities under the Kyoto Protocol

A. Definitions

1. For land use, land-use change and forestry activities under Article 3, paragraphs 3¹ and 4, the following definitions shall apply:

(a) "Afforestation" is the direct human-induced conversion of land that has not been forested for a period of at least 50 years to forested land through planting, seeding and/or the human-induced promotion of natural seed sources;

(b) "Cropland management" is the system of practices on land on which agricultural crops are grown and on land that is set aside or temporarily not being used for crop production

(c) "Certified Sustainable Forest Management" is socially just and ecologically responsible management of forests that has been certified, and that such certification has been considered by SBSTA and subsequently approved by the Conference of Parties serving as the meeting of Parties and is based on the criteria provided for in this Annex;

(d) "Deforestation" is the direct human-induced conversion of forested land to non-forested land

(e) "Devegetation" is a human-induced loss of carbon stocks of vegetation that does not meet the definition of forests. It includes the loss of vegetation on land, whether covered by water or not, and shall include areas of land or land covered by water that is a minimum area of 0.05 hectares. Dev egetation includes both living and non-living biomass and includes above ground and below ground biomass, including, *inter alia*, peat, swamp vegetation, shrubs, grasslands, sea grasses, mangroves, and sea weeds.

(f) "Forest" is a minimum area of land of 0.05–1.0 hectare with tree crown cover (or equivalent stocking level) of more than 10–30 per cent with trees with the potential to reach a minimum height of 2–5 metres at maturity in situ. A forest may consist either of closed forest formations where trees of various storeys and undergrowth cover a high proportion of the ground or open forest. Young natural stands and all plantations which have yet to reach a crown density of 10–30 per cent or tree height of 2–5 metres are included under forest, as are areas normally forming part of the forest area which are temporarily unstocked as a result of human intervention such as harvesting or natural causes but which are expected to revert to forest

(g) "Forest biomass decline" is a human-induced activity leading to a decrease in carbon stocks and/or greenhouse gas emissions on forested land remaining forested land. It includes losses of carbon stocks or emissions from both living and non living biomass and includes both above-ground and below-ground biomass ;

(h) "*Force majeure*" means, for the purposes of this decision, an extraordinary event or circumstance that is beyond the control of Parties, and may include, wildfire, severe pest outbreak, flooding, landslide, volcano, earthquake, or severe wind storm. *Force majeure* is not intended to excuse negligence or other malfeasance of a Party.

¹ : "Article" in this annex refers to an Article of the Kyoto Protocol, unless otherwise specified.

(i) "Forest management" is a system of practices for stewardship and use of forest land aimed at fulfilling relevant ecological (including biological diversity), economic and social functions of the forest in a sustainable manner

(j) "Grazing land management" is the system of practices on land used for livestock production aimed at manipulating the amount and type of vegetation and livestock produced.

(k) "Harvested wood products" are carbon-based products derived from forests and include timber, wood, ply, chipboard, but does not include sawdust, cardboard, wood chips, paper or other short-lived wood based products. It does not include combustible products used as fuel, such as fuel wood or other fuel types such oils, hydrocarbons or alcohols derived from forest products.

(l) "Harvested wood product management" is the system of practices that result in the short term or long term storage of carbon stocks in harvested wood products within the country of origin of forests where the wood products were grown;

(m) "Importing harvested wood products" is the system of practices associated with importing harvested wood products from Non Annex I Parties;

(n) "Reforestation" is the direct human-induced conversion of non-forested land to forested land through planting, seeding and/or the human-induced promotion of natural seed sources, on land that was forested but that has been converted to non-forested land. For the second commitment period, reforestation activities will be limited to reforestation occurring on those lands that did not contain forest on 31 December 1989

(o) "Revegetation" is a direct human-induced activity to increase carbon stocks on sites through the establishment of vegetation that covers a minimum area of 0.05 hectares and does not meet the definitions of afforestation and reforestation contained here

(p) "Time out" is a period of time where accounting for land has been suspended as a result of a force majeure.

(q) "Non Annex I wood products" includes wood products originally grown in Parties not included in Annex I and shall include all carbon-based products derived from forests and shall include timber, wood, ply, chipboard, sawdust, cardboard, wood chips, paper. It shall include combustible products used as fuel, such as fuel wood or other fuel types such oils, hydrocarbons or alcohols derived from forest products.

B. Article 3, paragraph 3

2. For the purposes of Article 3, paragraph 3, eligible activities are those direct human-induced afforestation, reforestation and/or deforestation activities that meet the requirements set forth in this annex and that started on or after 1 January 1990 and before 31 December of the last year of the commitment period.

3. For the purposes of determining the area of deforestation to come into the accounting system under Article 3, paragraph 3, each Party shall determine the forest area using the same spatial assessment unit as is used for the determination of afforestation and reforestation, but not larger than 1 hectare.

4. Each Party included in Annex I shall report, in accordance with Article 7, on how harvesting or forest disturbance that is followed by the re-establishment of a forest is distinguished from deforestation. This information will be subject to review in accordance with Article 8.

C. Article 3, paragraph 4 activities requiring accounting

5. A Party included in Annex I shall account for anthropogenic greenhouse gas emissions by sources resulting from forest biomass decline;

6. A Party included in Annex I shall account for anthropogenic greenhouse gas emissions by sources resulting from devegetation;

7. A Party included in Annex I shall account for importing of harvested wood products that have originated from a Non Annex I Party in a manner prescribed in paragraphs X-Y below;

8. For the second commitment period, accountable anthropogenic greenhouse gas emissions by sources resulting from forest biomass decline, shall be equal to anthropogenic greenhouse gas emissions by sources and removals by sinks associated with forest biomass decline, in the commitment period, less five times the anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from forest biomass decline during 2012, while avoiding double accounting. The year 2012 shall be used as the reference year, whether or not the Party included in Annex I elected to account for any or all of those elected activities in the first commitment period.

9. For the second commitment period, and subject to other provisions in this annex, the additions to and subtractions from the assigned amount of a Party pursuant to Article 3, paragraphs 7 and 8, shall be equal to anthropogenic greenhouse gas emissions by sources and removals by sinks measured as verifiable changes in carbon stocks, and non-carbon dioxide greenhouse gas emissions during the period 1 January 2013 to 31 December 2017 resulting from activities under Article 3, paragraph 3. Where the result of this calculation is a net sink of greenhouse gases, this value shall be added to the assigned amount of that Party. Where the result of this calculation is a net source of greenhouse gas emissions, this value shall be subtracted from the assigned amount of that Party.

D. Article 3, paragraph 4 elected activities

10. A Party included in Annex I may choose to account for anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from any or all of the following human-induced activities, other than afforestation, reforestation and deforestation, under Article 3, paragraph 4, in the second commitment period, and where relevant any subsequent commitment period: revegetation, forest management, cropland management, grazing land management, harvested wood product management, subject to the following provisions;

11. A Party included in Annex I wishing to account for elected activities under Article 3, paragraph 4, in the second commitment period, shall identify, in its report to enable the establishment of its assigned amount pursuant to Article 3, paragraphs 7 and 8, the activities under Article 3, paragraph 4, which it elects to include in its accounting for the second commitment period. Upon election, a decision by a Party will be fixed for the second commitment period.

12. A Party that elected any or all activities under Article 3 paragraph 4 in the first commitment period shall continue to account for such activities in the second and subsequent commitment periods. Such ongoing accounting shall be incorporated into the calculation of its assigned amount pursuant to Article 3, paragraphs 7 and 8.

13. During the second commitment period, a Party included in Annex I that selects any or all of the activities mentioned in paragraph 10 above shall demonstrate that such activities have occurred since 1990 and are human-induced. A Party included in Annex I shall not account for emissions by sources and removals by sinks resulting from activities under Article 3, paragraph 4, if these are already accounted for under Article 3, paragraph 3.

14. For the second commitment period, accountable anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from forest management, cropland management, grazing land management and revegetation under Article 3, paragraph 4, shall be equal to anthropogenic greenhouse gas emissions by sources and removals by sinks in the commitment period, less five times the anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from these eligible activities during 2012, while avoiding double accounting. The year 2012 shall be used as the reference year, whether or not the Party included in Annex I elected to account for any or all of those elected activities in the first commitment period.

15. Accounting of anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4, shall begin with the onset of the activity or the beginning of the commitment period, whichever comes later.

E. Time out

16. A Party included in Annex I that has elected to account for any or all elected activities under Article 3, paragraph 4 and which has suffered a *force majeure* during the second commitment period or subsequent commitment periods, may seek approval from the Conference of Parties serving as the meeting of Parties to seek a time out and hence eliminate such land from the accounting system for a period of time until the carbon stocks on the explicitly geo-referenced land are returned to the state prior to the *force majeure*.

17. In making a decision whether to approve a time out for a Party, the Conference of Parties serving as the meeting of the Parties shall take into consideration the following aspects: whether the force majeure fits the definition as prescribed in this decision; how the *force majeure* was not human induced; whether the Party can provide verifiable geo-referenced information on the land subject to the force majeure; whether the Party can provide a verifiable estimate of the carbon stocks on the affected land immediately prior to the force majeure; whether the Party has provided an estimate of the time for the time out; and whether the Party is able to maintain an ongoing inventory and assessment of the recovery of carbon stocks until the end of the time out period.

18. Once land has been timed out it shall continue to be reported and accounted for during and beyond the second commitment period until such time as the land has recovered the carbon stocks to the state prior to the *force majeure*.

F. Use of Harvested Wood Products:

19. A Party included in Annex I may chose to account for the use harvested wood products for harvested wood products derived from forests subject to reforestation activities since 1 January 1990 in the country of that Party and which have subsequently been subject to forest biomass decline activities during the commitment period.

20. A Party included in Annex I may also chose to account for the use of harvested wood products for such products derived from elected forest management activities if so elected in the first commitment period or elected forest management activities in the second commitment period.

21. Notwithstanding the provisions included in paragraph 34 below, imported harvested wood products from another country shall not enter the accounting system.

22. The calculation of carbon stock changes for the purposes of accounting for harvested wood products, if so elected, on land that is to be accounted for under either, reforested land or elected forest management land shall be based on the total increment of carbon stock growth in the eligible forest minus any changes in soil carbon, *minus* carbon stocks left over from timber harvest activities, *minus* carbon stocks from any wood residues from wood mills *minus* carbon stocks from wood products used for the purposes of paper,

wood chips or other short-lived wood products, *minus* a carbon release estimate of harvested wood products produced and then destroyed during the commitment period *times* a conversion factor from carbon to carbon dioxide equivalent.

23. Harvested wood products derived from deforestation shall be accounted for on the basis that all carbon biomass deforested is considered to have oxidised in the year when the deforestation took place and shall be accounted for as an emission. All other biomass emissions, such as loss of soil carbon, human induced fires etc., associated with the deforestation activity, shall be accounted for as an emission.

24. Once a harvested wood product leaves the country of Party included in Annex I where the forest product was originally grown, the carbon stocks included in such a product shall be accounted for as an emission.

G. Article 12

25. The eligibility of land use, land-use change and forestry project activities under Article 12 is limited to afforestation and reforestation.

26. For the second commitment period, the total additions to a Party's assigned amount resulting from afforestation and reforestation project activities under Article 12 shall not exceed one per cent of base year emissions of that Party, times five.

27. For afforestation and reforestation project activities to be eligible under Article 12 the land must be unforested in 1990 and remain unforested until the start of the second commitment period. Land that did not contain forest on 31 December 1989 and which has subsequently been allowed to revegetate or reforest prior to the start of the second commitment period and subsequently devegetated or deforested prior to the second commitment period shall not be eligible under Article 12.

28. Land that was natural grassland or shrubland in 1990 shall not be eligible under Article 12.

29. Accounting for afforestation and reforestation project activities under Article 12 as described in decision 19/CP.9 shall apply, *mutatis mutandis*, for the second and subsequent commitment periods.

H. General

30. Each Party included in Annex I shall, for the purposes of applying the definition of "forest" as contained in paragraph 1 (a) above, select a single minimum tree crown cover value between 10 and 30 per cent, a single minimum land area value between 0.05 and 1 hectare and a single minimum tree height value between 2 and 5 metres. The selection of a Party shall be fixed for the duration of the first and subsequent commitment periods. The selection shall be included as an integral part of its report to enable the calculation of its assigned amount pursuant to Article 3, paragraphs 7 and 8, in accordance with decision 19/CP.7, and shall include the values for tree crown cover, tree height and the minimum land area. Each Party shall justify in its reporting that such values are consistent with the information that has historically been reported to the Food and Agriculture Organization of the United Nations or other international bodies, and if they differ, explain why and how such values were chosen.

31. Once land is accounted for under Article 3, paragraphs 3 and 4, all anthropogenic greenhouse gas emissions by sources from, and removals by sinks on this land must be accounted for throughout subsequent and contiguous commitment periods.

32. National inventory systems under Article 5, paragraph 1, shall ensure that areas of land subject to land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4, are identifiable, and information about these areas should be provided by each Party included in Annex I in their national inventories in accordance with Article 7. Such information will be reviewed in accordance with Article 8.

33. Each Party included in Annex I shall account for all changes in the following carbon pools: above-ground biomass, below-ground biomass, litter, dead wood, and soil organic carbon. A Party may choose not to account for a given pool in a commitment period if transparent and verifiable information is provided that the pool is not a source.

I. Non Annex I Wood Products

34. Carbon stocks included in wood products that have been imported into a Party included in Annex I that have originated from a Non Annex I Party as a result of deforestation or forest degradation activities in a Non Annex I Party shall be accounted for as an emission in the Party in Annex I.

35. Notwithstanding paragraph 34 above a Party included in Annex I shall not have to account emissions for wood products that have been imported into its country that have originated from a Non Annex I Party, if it can be verified that such wood products have been derived from certified sustainable forest management practices.

36. All certified sustainable forest management practices shall be approved by the Conference of Parties serving as the meeting of Parties, based on recommendations from SBSTA and shall be kept in a registry maintained by the secretariat.

37. With respect to making recommendations regarding the approval of certified sustainable forest management practices SBSTA shall fully take into consideration the following criteria:

- (a) that the practices do not adversely affected indigenous peoples or local communities;
- (b) that the practices do not adversely affect biological diversity
- (c) that the practices are legal as determined by the laws of the country of origin;
- (d) that adequate law enforcement capabilities are in place;
- (e) that the practices lead to a long-term, sustainable supply of wood products;
- (f) that the practices are independently monitored
- (g) that the practices do not lead to a displacement of emissions to another location, whether within the country of origin or elsewhere.
