

3 October 2011

English only

## **Ad Hoc Working Group on Long-term Cooperative Action under the Convention**

**Fourteenth session, part three  
Panama City, 1–7 October 2011**

Agenda item 3.2.1.

**Nationally appropriate mitigation commitments or actions by  
developed country Parties**

### **Submission from the African Group**

1. On 3 October 2011, the secretariat received one submission from a Party on agenda item 3.2.1. The secretariat was requested to issue a conference room paper containing this submission.
2. The submission is attached and reproduced<sup>1</sup> in the language in which it was received and without formal editing. This submission have also been posted on the UNFCCC website.<sup>2</sup>

---

<sup>1</sup> 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.

<sup>2</sup> <[http://unfccc.int/meetings/ad\\_hoc\\_working\\_groups/lca/items/4578.php](http://unfccc.int/meetings/ad_hoc_working_groups/lca/items/4578.php)>.

**Submission for the Ad Hoc Working Group on Long-Term Cooperative Action under the Convention (AWG-LCA) on Annex I mitigation commitments, and common accounting and reporting for mitigation and finance**

**Draft decision proposed by the African Group for COP 17 (Durban)**

*Recalling* the objective, principles and provisions of the Convention and its decisions 1/CP.13 and 1/CP.16;

**Level of ambition and contribution by Annex I Parties to the global goal**

1. *Decides* that the long-term global goal for emission reductions shall be underpinned by Annex I Parties' ambitious emission reductions commitments and a clear roadmap for their emission reductions, based on the best available scientific information, in particular that of the IPCC's Fourth Assessment Report and more recent reports, reducing by at least 40% below 1990 levels by 2017, at least 45% below 1990 levels by 2020 and at least 95% below 1990 levels by 2050;
2. *Decides* to establish a process on Annex I Parties' quantified emission limitation and reduction commitments (QELRCs), building on the workshops held during 2011 and the technical paper mandated by decision 1/CP.16 and prepared by the Secretariat;
3. *Agrees* that QELRCs for Annex I Parties that are not party to the Kyoto Protocol shall be translated assigned amounts or carbon budgets under the Convention, representing an amount of tons of CO<sub>2</sub>-eq over a period of time in a manner that is comparable to QELRCs undertaken by Annex I Kyoto Parties under the Kyoto Protocol. Carbon budgets shall be reflected in legally binding form;
4. *Further agrees* to carry forward pledges by Annex I Parties that are not party to the Kyoto Protocol as information under the Convention, until the legally binding form is concluded;

**Procedures for international assessment and review (IAR)**

1. *Affirms* that international assessment and review (IAR) shall be guided by the principles and provisions of the Convention and shall be of transparent, accountable, and equitable;
2. *Further affirms* that the IAR process is integral to ensuring comparability of efforts among Annex I Parties and shall complement the process under the Kyoto Protocol of assessment of Annex I Parties that are party to the Kyoto Protocol;
3. *Decides* that the objective of IAR shall be to assess progress in achieving QELRCs;
4. *Agrees* that IAR will hold Parties to account in a process of multi-lateral review, and that the review shall lead to consequences which may include increasing the level of ambition;
5. *Agrees* that IAR of mitigation commitments by Annex I Parties will be more rigorous than international consultation and analysis for non-Annex I Parties' actions.

## Inputs

6. *Decides* that the inputs for IAR shall be national communications, biennial reports and annual GHG inventories, which shall include information on:
  - a. Supplementary information on the achievement of QELRCs submitted by Annex I Parties;
  - b. Information accounting for LULUCF under the Kyoto Protocol in achieving QELRCs, based on comparable accounting rules for all Annex I Parties; and
  - c. Information specifying the percentage of the QELRC achieved through carbon credits from market-based mechanisms;
7. *Agrees* that this information shall be verified by means of reports containing the technical assessment of expert review teams of Annex I national communications, biennial reports and annual GHG inventories;
8. *Decides* that the process shall allow questions on the above to be submitted in writing by other Parties via the Secretariat; and shall allow the Annex I Party concerned to provide written answers to the Secretariat;
9. *Requests* the Secretariat to compile, for all information submitted in the previous [x] years, the information submitted by Annex I Parties together with the written questions and answers in a miscellaneous document;

## Multi-lateral review process

10. *Requests* the Subsidiary Body on Implementation to conduct a multi-lateral consultation process to consider the information in paragraphs 6 to 9 above;
11. *Agrees* that IAR shall be undertaken annually, ensuring that the progress in achieving QELRCs for individual Annex I non-Kyoto Parties under the Convention is undertaken every 2 years;
12. *Agrees* that this multi-lateral process constitutes the review of IAR, that it shall assess progress in the achievement of QELRCs, and that consequences may flow from the review;

## Outputs

13. *Agrees* that a review panel on comparability, hereby established under the Subsidiary Body on Implementation, shall undertake a rigorous, robust and transparent technical assessment of the comparability of efforts among Annex I Parties, and report to the COP and CMP for consideration and possible action;
14. *Agrees* that if the IAR process finds that a Annex I non-Kyoto Party is not on a pathway to meet its QELRC, it shall:
  - a. Engage in a facilitative process to engage the Party concerned and assist it in taking remedial action or, failing that;
  - b. Lead to consequences, including compliance procedures and penalties including increases in the QELRC of the Party.

## Common accounting rules

*Recalling* paragraph 40 of decision 1/CP.16 requiring Annex I Parties to build on existing reporting and review guidelines, processes and experiences;

*Aware* of its decisions [COP];

*Recalling* Article 5, 7, 8 and 18 of the Kyoto Protocol to the United Nations Framework Convention on Climate Change;

*Aware* of decisions [CMP] of the Kyoto Protocol to the United Nations Framework Convention on Climate Change;

*Recognizing* the importance of building on already agreed accounting rules for Annex I Parties with the goal of enhancing their effectiveness;

*Affirms* that comparable multi-laterally agreed rules on LULUCF and mechanisms are crucial to assessment of progress in achieving quantified economy-wide emission limitation and reduction commitments;

1. *Agrees* that existing reporting of *national communications* by Annex I Parties shall be enhanced by being submitted every four years starting in January 2014 and including information on
  - a. Description of national system;
  - b. Description of registry;
  - c. Supplementarity;
  - d. Policies and measures, including any new mitigation policies and measures since the previous report;
  - e. Legislative, enforcement and administrative arrangements;
  - f. Finance, technology transfer and capacity building to non-Annex I Parties;
  - g. Key assumptions and models used; and
  - h. Biennial reports submitted every two years starting in 2012, which include a summary of the national communications on mitigation, adaptation and support to non-Annex I Parties.
2. *Agrees* that existing reporting of annual greenhouse gas inventories by Annex I Parties shall be enhanced for by:
  - a. Preparing a national system for estimating greenhouse gas emissions, which:
    - i. Shall include all institutional, legal and procedural arrangements for estimating GHG emissions;
    - ii. Shall include good practices, quality control and quality assurance, key source categories and decision trees; and
    - iii. Applies IPCC good practice guidance and the most recently revised IPCC Guidelines for National Greenhouse Gas Inventories.
  - b. Establishing a national registry to track its holdings of emissions units including its LULUCF units;
  - c. Including supplementary information in an annual national inventory report, including information on:
    - i. Assigned amount units; or
    - ii. Holdings of a carbon budget, compared to an annual average over the period;
    - iii. Degree to which use of off-setting mechanisms that meets the determined supplementarity of a Parties reductions; and
    - iv. With and without LULUCF emissions and/or removals;
  - d. Instructing ERTs to make adjustments to the greenhouse gas inventory when submitted inventory data is found to be incomplete or not consistent with the IPCC guidelines for national greenhouse gas inventories;
3. *Decides* that expert review teams (ERTs) reviewing the national communications and national greenhouse gas inventories of Annex I Parties shall, in addition to existing procedures and guidelines for review (Decision 22/CMP.1);

- a. Identify problem with Party's implementation;
  - b. Seek resolution of such problems during the review, failing which;
  - c. ERTs may list a 'question of implementation' in its final report;
  - d. Report whether the national communication has been completed fully, mostly, partially or inadequately;
  - e. All review reports, including those that do not list any questions of implementation, will be forwarded to the review panel and the IAR process which shall consider consequences of such findings;
4. *Agrees* that Parties shall only be eligible to use any market mechanisms that may be established under the Convention if their GHG inventories have been reviewed by ERT and found adequate by the review panel.

### **Comparability among Annex I Parties targets, compliance and rules**

1. *Pursuant* to decisions 1/CP.13 and 1/CP.16;
2. *Agrees* the comparability of efforts among Annex I Parties shall be established through the process of international assessment and review, operationalized through the review panel (see IAR), which shall assess:
  - a. Comparability of commitments (QELRCs);
  - b. Comparability of compliance and consequences of the multi-lateral review under IAR;
  - c. Comparability of multi-laterally agreed rules for accounting of assigned amounts (carbon budgets), LULUCF and mechanisms.

### **MRV of the means of implementation**

#### Common reporting framework on finance (finance / mitigation / adaptation)

1. *Recalling* its decisions [COP] establishing a common reporting format for finance provided by Annex I Parties, as part of their national communications under the Convention;
2. *Re-affirming* that financing by Annex I Parties will be measured, reported and verified in a manner that will ensure that accounting of finance is rigorous, robust and transparent.
3. *Believing* that the existing common reporting format needs to be enhanced in order to enable rigorous, robust and transparent accounting against the collective commitment by Annex I Parties to provide new and additional resources;
4. *Agrees* to enhance the common reporting framework by
  - a. Providing for sufficient disaggregation of reported funding across all sources to be counted towards the collective commitment by Annex I Parties;
  - b. Ensuring that finance for adaptation and mitigation activities is clearly distinguishable;
  - c. Listing of institutions through which finance has been provided;
  - d. Reporting the instrument (grant vs loan) and the value of finance being counted;
  - e. Clearly distinguishing in reporting public and private finance
  - f. Listing the sector for which finance has been provided;
  - g. Listing any technologies that may have been supported with the finance;

- h. For activities with multiple benefits, providing a separate amount of finance for climate change;
  - i. Other issues;
5. *Further agrees* that the underlying assumptions and methodologies in producing the numbers filled into the common reporting format for finance shall be stated in a rigorous, robust and transparent;
6. *Decides* that only leveraged finance shall not be included in the common reporting format;
7. *Decides* that the expert review teams on Annex I national communications shall assess the adequacy of information reported on finance provided by Annex I Parties and that they shall provide independent third-party verification of such reporting;
8. *Further decides* that the reporting of finance provided by Annex I Parties shall be verified against the finance received by non-Annex I Parties, that Annex I Parties shall include information on support received in their biennial reports as part of national communications;
9. *Agrees* on the common reporting format as set out in Appendix 1;
10. *Decides* that Annex I Parties shall implement the common reporting format, starting with their next national communications, but no later than 2013;
11. *Agrees* that the common reporting format shall apply to any sources of finance which are to be counted towards the collective commitment by Annex I Parties;

#### **Biennial reports by Annex I Parties**

1. *Agrees* that biennial reports shall be the information base for IAR and that process shall take place every two years;
2. *Decides* that guidelines on biennial reports by Annex I Parties shall Annex I concurrently with the revision of guidelines for Annex I national communications and the review of those national communications, to enable an efficient process yielding two results (national communications and biennial reports);
3. *Decides* to develop new guidelines for national inventory arrangements for Annex I Parties under the Convention;
4. *Decides* to enhanced reporting, applying common accounting rules, under the Convention by Annex I Parties:
  - a. To report on progress in achievement of QELRCs; and
  - b. To include supplementary information.

## Appendix 1

### Indicative common reporting format (CRF) table for enhanced reporting by Annex I Parties on finance

Define New & Additionnal :									
Recipient country	Funded actions*	Activity	Amount of financial support provided for one given year (in original currency and USD)**		ODA financial support counted towards ODA commitments	Amount of financial support anticipated (in original currency and USD)	Sector	Financial channels through which the support has been provided***	The financial instrument****
			Pledged	Disbursed					
	Adaptation								
	Mitigation								
	Capacity building								
	Technology development and transfer								
	Development of reports by non-Annex I Parties including inventories, biennial reports, biennial report updates, national inventory reports and national adaptation plans								

\*For programs and activities with multiple components, specify the support or portion of support for each component

\*\* Precise whether the financial support is for incremental or full costs, consistent with Article 4.3 of the Convention

\*\*\* Examples:

- UNFCCC Financial Mechanism
- GEF
- other multi-lateral channels

- 
- regional channels
  - bi-lateral channels
  - international private investment flows including leveraged funds, international bank lending, public debt, portfolio equity holdings, foreign direct investment
- \*\*\*\* Grants; loans (concessional portion and market-interest) ; guarantees; equity; leveraged funds
-