

30 March 2011

English only

UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

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

Fourteenth session

Bangkok, 5–8 April 2011, and Bonn, 6–17 June 2011*

Item 6 of the provisional agenda

**Work programme on enhanced measurement, reporting and verification
for Parties not included in Annex I to the Convention**

Views on the items relating to a work programme for the development of modalities and guidelines listed in decision 1/CP.16, paragraph 66

Submissions from Parties

1. The Conference of the Parties, by its decision 1/CP.16, paragraph 67, invited Parties to submit to the secretariat, by 28 March 2011, views on the items relating to the work programme for development of modalities and guidelines listed in decision 1/CP.16, paragraph 66, including with respect to the initial scheduling of the processes described in chapter III.B of the decision.
2. The secretariat has received eight such submissions from seven Parties. In accordance with the procedure for miscellaneous documents, these submissions are attached and reproduced** in the language in which they were received and without formal editing.

* The second part of the fourteenth session of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention will be held in conjunction with the second part of the sixteenth session of the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol and the thirty-fourth sessions of the Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice. The exact dates of the resumed sessions of the ad hoc working groups will be announced in due course.

** These submissions have been electronically imported in order to make them available on electronic systems, including the World Wide Web. The secretariat has made every effort to ensure the correct reproduction of the texts as submitted.

FCCC/AWGLCA/2011/MISC.7

GE.11-60711

Please recycle 

Contents

	<i>Page</i>
1. Australia (Submission received 28 March 2011)	3
2. China (Submission received 30 March 2011)	9
3. Hungary and the European Commission on behalf of the European Union and its member States* (Submission received 16 March 2011)	11
4. New Zealand (Submission received 21 February 2011)	17
5. New Zealand (Submission received 28 March 2011)	19
6. Norway (Submission received 28 March 2011)	29
7. United States of America (Submission received 28 March 2011)	34
8. Uzbekistan (Submission received 28 March 2011)	41

* This submission is supported by Albania, Bosnia and Herzegovina, Croatia, Iceland, Montenegro, Serbia and the former Yugoslav Republic of Macedonia.

Submission under the Cancun Agreements | March 2011
Enhanced action on Mitigation and Measurement, Reporting and Verification (MRV) | AWG-LCA | AWG-KP | SBI

I. Overview

This submission contains the views of the Australian Government on enhanced mitigation and measurement, reporting and verification (MRV), as requested under Decision 1/CP.16 (Outcome of the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention)(hereinafter referred to as “Decision 1/CP.16”).

The Cancun Agreements delivered a balanced package of decisions across all UNFCCC bodies. Some items are ready for implementation, and others require further elaboration. Guided by the Cancun Agreements, it will be important to use the negotiating forums at our disposal to progress work in a coordinated way, utilising the bodies best suited and considering joint work programs where useful.

Australia welcomes the opportunity to submit its views under the Cancun Agreements on enhanced mitigation and measurement, reporting and verification (MRV), including international assessment and review (IAR) and international consultation and analysis (ICA). In summary, Australia considers:

- The economy-wide targets and nationally appropriate mitigation actions put forward by Parties are the first step to achieving our mitigation objectives. The workshops in 2011 to clarify the assumptions and conditions associated with targets, and the diversity of actions, will be critical to improving our understanding of what undertakings Parties are making and how we are collectively tracking towards our goals.
- An effective climate architecture must provide certainty about what Parties will do, as well as flexibility to recognise diverse types of undertakings and scale up ambition over time.
 - Annexes attached to decisions would transparently record the targets and actions that Parties’ have locked-in as firm mitigation undertakings, including actions that have secured support. A registry would complement them, serving as a voluntary tool for recording information on what developing Parties could further do with support.
 - A periodic process for scaling-up mitigation efforts would give Parties recognition for building their mitigation undertakings and encourage deepening ambition over time.
 - This will facilitate a smooth transition to a new climate treaty over time as countries gain confidence and experience.
- An effective MRV system, including IAR and ICA, will provide the transparency needed to improve our understanding of the range of targets and actions being implemented, build confidence, and assess our efforts to achieve our global goal.
 - It will be important to build on and learn from the existing system under the Convention, and to ensure a coherent approach to MRV across the different processes and guidelines. This will help to aid understanding and avoid duplication.

II. A strong Mitigation and MRV regime

Australia remains committed to its objective of a durable and environmentally effective international outcome that includes legally-binding mitigation undertakings by all major economies. The Cancun Agreements establish the building blocks of this new regime and the implementation of the Agreements' key elements will advance us towards that objective.

Two fundamental building blocks of the new regime are the mitigation targets and actions put forward by developed and developing Parties and the measurement, reporting and verification (MRV) framework established in the Agreements. From these building blocks, a transparent and environmentally rigorous regime can be designed to support the broad participation and ambitious action necessary to achieving our long term global goal and the Convention's objective.

III. What mitigation contributions are countries making?

Understanding the mitigation undertakings in the INF documents

Australia welcomes the mitigation targets and actions put forward by Parties in documents FCCC/SB/2011.INF.1 and FCCC/AWGLCA/2011/INF.1 (together, the "INF documents"). In 2011, Australia urges Parties and particularly all major economies, to engage fully and constructively in the Secretariat-organised workshops. Early clarification of the assumptions and conditions associated with targets, and the diversity of actions, will assist Parties to understand better both individual and collective efforts and refine their own contribution. This process will help to clarify the targets and actions that should be recorded in annexes as Parties' defined mitigation undertakings, and identify the developing country actions that are still seeking support and may be entered in the registry. The work will also underpin efforts to assess progress towards our global mitigation objective.

Developing a durable architecture to record mitigation undertakings

As well as understanding the information in the INF documents, we should invest some of our time this year in developing a durable mitigation architecture.

Establishing a vehicle for capturing quantifiable mitigation undertakings will be a core element of an effective new climate architecture. This will allow Parties to easily understand what others are doing and provide the basis for systems to track our progress. If well-designed, such a vehicle will encourage the broad participation and mitigation ambition necessary to achieve the 2 degree or lower global goal agreed at Cancun. In the short-term, this vehicle could take the form of annexes attached to decisions, building over time to national schedules attached to a new climate treaty.

The annexes should provide certainty about what countries are doing. This will give Parties confidence that they are not acting alone and encourage ambitious national action. It will also allow us as a global community to assess the collective effort against the long term global goal, and promote the environmental integrity of the new climate regime.

To provide this certainty, the climate regime will need to clearly distinguish between what Parties will do – that is, the targets and actions that Parties have locked-in as their defined mitigation undertakings – as well as what developing Parties could do with further support. The annexes should focus on the former, capturing autonomous mitigation undertakings and mitigation actions that have already secured support. Actions seeking support can be entered into the registry on a voluntary basis, discussed below.

The annexes should be capable of recognising the full spectrum of mitigation undertakings and encourage all Parties to participate in a way that is in line with their national circumstances and capabilities. The INF documents set out a wide range of different types of mitigation efforts and will be an important input to the annexes.

Given the variety of Parties' undertakings, we will need to consider what basic information should be included in the annexes so that Parties can easily understand what others are doing. We should take care to avoid overly constraining Parties' ability to define mitigation undertakings in order to maximise their mitigation potential. Nevertheless, some degree of commonality in the information provided could help to improve understanding of the different types of undertakings and create transparency about what countries' undertakings mean. For example, Parties might agree common parameters, such as a set period of time for defining mitigation undertakings, common formats for defining particular types of undertakings, and common data requirements, such as expected emissions outcomes against a baseline.

Operation of the registry

The registry established under the Cancun Agreements can usefully serve as a complement to the annexes, as a voluntary tool for recording and sharing information on what developing country Parties could do with further support to realise their full mitigation potential.

As a voluntary information clearinghouse, the registry can provide an indication of the mitigation opportunities that could be realised by developing countries with support. This information could feed into a process for scaling-up Parties' mitigation undertakings (discussed further below), with actions that have secured support being transferred from the registry to the annexes at this time. Consistent with this approach, FCCC/AWGLCA/2011/INF.1 includes some useful information about actions seeking support that could be entered into the registry. The actions in this INF document that are firm should, as discussed above, be entered in annexes following the workshop process of clarifying Parties' mitigation undertakings.

The registry can help potential donors and recipients to find each other by recording voluntarily submitted information on actions seeking support and support available. The modalities for facilitation of support through the registry should be consistent with this information-clearinghouse role, providing guidance on the information to be submitted by potential donors and recipients to enable each to assess project-support compatibility. To maximise opportunities for support, the modalities should allow all potential donors – bilateral, regional, multilateral; public and private – to voluntarily submit information on support available to assist developing countries undertake proposed mitigation actions.

In designing the registry and considering the need for linkages with other mechanisms, we must be mindful of the importance of achieving practical functionality and system-wide coherence. We should be careful to avoid duplication with other mechanisms, particularly with regards to funding decision-making.

Scaling-up mitigation efforts

The Cancun Agreements recognise that scaling-up overall mitigation effort is essential to achieving our long term global goal. The new climate regime should provide a clear avenue for Parties to take on new or enhanced mitigation undertakings over time as they learn from experience, deepen their capabilities and gain confidence in the level of global action.

To scale-up overall mitigation effort, the regime should include a regular process for Parties to deepen ambition. Regular negotiating sessions would promote higher ambition by giving Parties a distinct opportunity to understand the efforts of others and be recognised for scaling up. This process could link in with the periodic review of the long term global goal, to be first completed in 2015, so that Parties could take into account the review's findings when considering further undertakings.

Scaled-up mitigation undertakings resulting from this process would be entered in the annexes; affording Parties full recognition for deepening their effort and facilitating understanding of the advancement in overall mitigation effort towards the long term global goal.

Between these periodic discussions, the architecture of the new climate regime could also provide flexibility for Parties to communicate any new or enhanced mitigation measures through other information channels, such as reporting. This information could be transferred to the annexes at the time of the scaling up process, along with actions from the registry that have secured support.

IV. How are we tracking towards our goals?

Measurement, reporting and verification (MRV)

The Cancun Agreements recognise the importance of transparency to help understand Parties undertakings and track progress towards collective goals. Enhanced transparency will be achieved through two key measures; increased frequency of reporting for both developed and developing countries; and the establishment IAR and ICA processes. These measures will support improved understanding of the range of targets and actions undertaken, help build the confidence of all Parties, and provide a firm basis to measure our progress towards our long term global goal. Effective MRV, IAR and ICA will also position Parties to begin in 2013 the Review referred to in paragraph 138 of Decision 1/CP.16, based on the best available information. Priority should be given to progress work on MRV, IAR and ICA in 2011.

The objective of efforts to enhance MRV for both developed and developing country Parties should be to develop a system that is accessible and simple to use. Parties should build on the existing system under the Convention and use current processes and guidelines where these are already effective. Where possible, we should avoid duplication and impose additional requirements only where absolutely necessary. In all instances, simplicity should be a key consideration.

Australia welcomes the move towards biennial reporting as a key element of the new MRV system. It will be especially important in the immediate future, for developed countries and countries with expertise, to focus capacity building efforts toward helping developing countries to build-up necessary resources and expertise to prepare their first biennial reports. Australia supports consideration of options to build-in flexibility and appropriate sequencing to help ensure that biennial reports draw on the best available information and data, and help developing countries to consolidate experience, incorporate the benefit of lessons learnt and streamline the preparation of future biennial reporting. This would complement and augment national communications without unnecessarily duplicating existing information and effort.

This year we should prioritise the revision of reporting guidelines, including in relation to biennial reports, in order for sufficient information to be available for the 2015 review. In some cases we will need to identify and address different areas of reporting for developed country Parties and for developing country Parties. Enhanced guidelines for developed country Parties should revise standard approaches to report policies and measures, projections and support provided to developing countries. Enhanced guidelines for developing country Parties should set out standard approaches to establish inventories and to reporting the progress of mitigation actions and support provided and received.

In relation to MRV of support, the national communication guidelines drafted in 1999 (Decision 4/CP.5) for Annex II Parties' support for developing countries have been useful in laying the foundations for Annex II reporting on financial resources and the transfer of technology. Some revision would help ensure that a rigorous and effective process of MRV of support can be undertaken in the future. There are a number of opportunities to enhance the national communications guidelines and tailor them for use in biennial reports. The enhancements would provide further transparency by assisting Parties to produce accurate and comparable data. This will help improve the understanding of financial flows and their outcomes as well as assist in the consideration of future climate change priorities.

Australia welcomes work already underway to enhance MRV, including under the Subsidiary Body for Scientific and Technological Advice (SBSTA). We urge Parties to continue this work in the spirit and context of the Cancun outcome and our future MRV system.

International assessment and review (IAR) and international consultation and analysis (ICA)

Effective IAR and ICA processes will significantly increase transparency and will help to build confidence and capacity to implement more ambitious mitigation contributions over time. In Australia's view, IAR and ICA will be of most value if Parties regard it as an opportunity to learn and collaborate with the objective of building our collective capacity and ambition.

Australia supports open consultation that provides Parties with an opportunity to acknowledge, comment on and learn about countries' national efforts in a non-adversarial environment. Australia welcomes and is encouraged by its experience with consultation and review models in other international bodies, including the International Monetary Fund and the Organisation for Economic Cooperation and Development. IAR and ICA have the potential to be effective tools to assess how we are tracking toward our global mitigation goal. In this context, Australia considers the key objective should be to develop a practical approach that facilitates improved policymaking by encouraging Parties to collaborate and adopt best practices.

IAR and ICA will have many elements in common because they share the same objective. They are intended as parallel processes for developed and developing country Parties respectively. For example, IAR will be undertaken on biennial submissions of developed country Parties, just as ICA will be undertaken on biennial submissions on developing country Parties. Australia encourages Parties to streamline the design and administration of the two processes, as far as is appropriate, for example, by establishing both processes under the same body. Common rules, procedures and standards of information would simplify and help reduce administrative costs and minimise the potential for misunderstanding information.

This year we should prioritise the development of guidelines that establish detail on the operation of IAR and ICA. In relation to IAR, the "R" (review) is something that developed country Parties are already subject to. The "R" should be designed to enhance and consolidate the existing review process for Annex I national communications. As Parties develop guidelines for IA and IC, priority should be given to ensuring they are complementary and do not create an unnecessary proliferation of administrative or procedural requirements. In relation to ICA, consideration will need to be given to how technical analysis will work, including the composition and operation of the technical panel, and the procedures for international consultations.

Priorities for progressing MRV work

Australia considers that the Cancun Agreements on MRV, IAR and ICA have great potential to provide a transparent system to underpin and support our global mitigation effort. The work program to implement new elements must build on the processes already in place under the Convention. Going forward our work priorities should be to develop and agree:

- Guidelines for biennial reports (attachment outlines elements to be addressed)
- Process for IAR (developed country Parties) and ICA (developing country Parties)
- MRV for actions by developing country Parties (international MRV of internationally supported actions and domestic MRV of domestically supported actions)
- MRV of support for support provided by developed countries to developing countries.

Elements to be addressed in biennial reports

Biennial reports should address eight elements. Consideration will need to be given to the level of detail required on each of those elements, in particular for those that are also addressed in full national communications to promote a streamlined approach that is not burdensome. This will help to avoid duplication and maximise efficiency.

- National greenhouse gas inventories
- Emissions projections and indicative trajectory
- A detailed description of the Party's mitigation contribution(s) (targets and/or actions as relevant, including emissions allowances and/or expected emissions outcome as appropriate) and progress towards achievement, including in relation to mitigation undertakings contained in the annexes (for detail on the 'annexes' see above section: "Developing a durable architecture to record mitigation undertakings"), and descriptions of policy and measures used in implementation
- Methodologies used and assumptions made to quantify emissions and emissions reductions or removals, and other information needed to understand implementation
- Tracking of emissions units, including the acquisition, transfer and retirement of units, as well as their link with international offsets
- Information on receipt of finance, technology and capacity-building support, how the support was used, and how it related to the needs identified in the Party's low-carbon development strategy/plan and national and subnational adaptation plans and strategies, enabling environments for receipt of support, and actions linked to international offsets or trading
- Information on the provision of support to developing country Parties
- For developing country Parties, a detailed description of the Party's system of domestic MRV and detailed results of domestic verification of domestic mitigation actions.

Paper no. 2: China

China's Submission on Subject related to Developing Countries' Mitigation Actions

The Conference of the Parties at its sixteen sessions (Para 67 of Decision 1/CP.16) invited Parties to submit their views on a work programme for the development of modalities and guidelines related to Bali Action Plan 1bii part. China welcomes this opportunity and would like to submit the following views

General Views

Nationally appropriate mitigation actions by developing countries in para 1(b)(ii) of BAP shall be country-driven, in conformity with the legitimate and prior needs of developing countries for sustained economic growth and eradication of poverty. The form of specific actions shall be subject to the determination of each developing country, taking into account its respective capacities and specific national circumstances.

Nationally appropriate mitigation actions by developing countries in the BAP shall be supported and enabled by technology, financing and capacity building from developed countries. Such support shall be new, additional, adequate, predictable and sustained. Relevant supporting mechanism shall also be developed as channels for providing technology, financing and capacity building support for nationally appropriate mitigation actions by developing countries.

MRV on nationally appropriate mitigation actions by developing countries is only applicable to the mitigation actions per se and shall be undertaken by their national entities under the guidance of UNFCCC in accordance with their national circumstances and practices. Provision of support in terms of technology transfer, financing and capacity building by developed country Parties to developing countries shall be measurable, reportable and verifiable in a proper manner.

Registry

The matching function is a key element in registry through which developing country Parties are supported in terms of finance, technology and capacity building from developed country Parties. The extent to which developing country Parties will effectively implement their commitments under the Convention will depend on the effective implementation by developed country Parties of their commitment under the Convention related to financial resources and transfer of technology. It is China's view that Registry should be a top priority for this year's work programme, through which financial, technological and capacity building support from developed country Parties can be delivered concretely and timely to developing country Parties and bring long-term cooperative action to a success.

Non-Annex 1 National Communication

Enhancement of national communication from Parties not included in Annex 1 to the convention put forward a great challenge to developing countries. Firstly, developing countries lack necessary national capacity to enhance their reporting; secondly, the current funding for Annex 1 national communication is not adequate and procedurally time-consuming. The enhancement of reporting from developing country Parties is seriously constrained by lack of financial resources. To overcome these barriers, it is China's view the work programme should provide adequate and necessary financial, technological and capacity building support to developing country Parties to enhance their national system of reporting which is a necessary basis for any enhancement of reporting activities. It is also China's view that the current activity-base funding mechanism for national communication of non Annex 1 countries should be reformed to simplify the process, improve efficiency and increase funding scale to make sure an adequate and timely funding is available for developing country Parties.

International Consultation and Analysis

Internationally consultation and analysis (ICA) is a process intended to provide transparency of information related to unsupported actions taken by developing country Parties through consultation and analysis with expert teams. ICA should be guided by agreed principles including respecting of national sovereignty, non-intrusive and non-punitive. The discussion about the appropriateness of domestic policies and measures of developing country Parties is not part of the ICA process. The content and requirement of ICA for developing country Parties should be less onerous than expert review for Parties included in Annex I to the Convention. The discussion on ICA is subject to negotiation outcome of non Annex I national communication, thus discussion on ICA should be schedule after finalization of the reporting guidelines for non Annex I national communications.

It is China's view that work programme should be conducted as follows:

- 1, Invite Parties to submit their views on registry and launch a process under SBSTA this June to consider modalities and guidelines of registry including its relationship with financial mechanism;
- 2, SBSTA continue its discussion for revision of non Annex I national communication guiding by provision of Convention, Bali Action Plan and Cancun agreement;
- 3, AWG-LCA should address reform of current funding mechanism for non Annex I national communication to ensure an adequate and timely financial support can be garneted. Secretariat should invite Parties to submit their views before the next SB meeting in June;
- 4, AWG-LCA should also invite Parties to submit their views on ICA taking consideration of discussion of ICA is subject to finalization of non Annex I national communication guidelines.

Paper no. 3: Hungary and the European Commission on behalf of the European Union
and its member States

**SUBMISSION BY HUNGARY AND THE EUROPEAN COMMISSION ON BEHALF OF THE
EUROPEAN UNION AND ITS MEMBER STATES**

**This submission is supported by Croatia, Iceland, the Former Yugoslav Republic of Macedonia,
Montenegro and Serbia.**

Budapest, 16 March 2011

**Subject: Work programme for the development of modalities and guidelines relating to MRV
for developing country Parties**

Paragraph 67 of the Cancún Agreements (decision 1/CP.16) invites Parties to submit views on a work programme for the development of modalities and guidelines for:

1. facilitation of support to nationally appropriate mitigation actions through a registry;
2. measurement, reporting and verification of supported actions and corresponding support;
3. biennial reports as part of national communications from non-Annex I Parties;
4. domestic verification of mitigation actions undertaken with domestic resources;
5. and international consultations and analysis.

1. General considerations

- **Progress on MRV will be an essential part of a balanced Durban package.** The Cancún Agreements decided on ambitious provisions and work must start swiftly to implement these provisions.
- As a matter of priority for the **AWG session in Bangkok**, Parties need to **define the organisation of work for this year to achieve the delivery of MRV modalities and guidelines** agreed in the Cancún Agreements (decision 1/CP.16).
- There is much work to do which should start as soon as possible. A **series of technical workshops** should support the work on MRV modalities and guidelines in addition to the sessions of subsidiary bodies and the AWG-LCA.
- The **review scheduled for the period 2013 to 2015 will require a solid and enhanced basis of information** on GHG emissions and removals and mitigation actions to assess the overall progress towards achieving the long-term global goal to limit the increase in global average temperature to below 2°C above pre-industrial levels. The EU believes that national communications and biennial reports should provide key information to support **the review process**.
- In order to have the best information for the review, **developing countries will need to communicate their first biennial report by 1 January 2014**, and **developed countries will need to communicate their 6th national communications by 1 January 2014** (as already decided in Cancún).
- In this context, **a priority for Durban will be to agree reporting guidelines for biennial reports by COP 17 (2011)**, so that developing countries provide their **first biennial report** by 1 January 2014.
- **The work on developing/enhancing guidelines should start and proceed in parallel for biennial reports and national communications. The work for guidelines for developed and developing countries, respectively, should proceed in parallel.**
- To be most efficient and effective, Parties should **build on existing reporting and review guidelines, existing processes and experiences**. One such instrument is the national communication. The national communications provide a solid starting point for addressing several areas of the work programme.

- Reporting by developing countries **should take into account their respective capacities and capabilities**. In elaborating the new modalities and guidelines, **flexibility could be ensured by introducing a tiered approach** for example in regards to the level of information reported (currently the concept of tiers is applied to inventories and is linked to the use of methodologies) based for example on the countries' pledges.
- To ensure that reporting can start swiftly in developing countries, we need a process to ensure that the support provided is addressing the major needs and is well coordinated to enable developing countries to engage in the implementation of monitoring and reporting requirements.
- **International Consultation and Analysis (ICA)** is also a key issue. There should be a spin-off group established under the AWG LCA focusing on ICA with the goal of **defining the main issues and overall approach for ICA by Durban**.
- We need to **ensure consistency between work undertaken in the context of the AWG-LCA and in the SBs**.
- **This submission focuses on MRV related to mitigation action and of climate-related support**, acknowledging that this is within the context of the broader Cancún Agreements.

2. Specific elements of the work programme

2.1 Revision of reporting guidelines for national communications, including biennial reports

The work should specifically address the enhancement of reporting in national communications, in particular the biennial reports. For this purpose a revision of the reporting guidelines for Non-Annex I national communications is necessary as also mandated by paragraph 60 of the LCA decision. As the Cancún Agreement includes new provisions on a number of issues such as technology transfer, it would be important that these elements of the reporting guidelines for Non-Annex I national communications be also assessed and updated as needed to ensure the overall consistency and coherence of the guidelines to be developed.

The enhanced reporting guidelines to be adopted for non-Annex I national communications could be split into two parts, part I covering the regular extended national communication, and part II the biennial report ensuring that the necessary linkages are established between these two parts. In those years in which a full national communication is reported this will in essence incorporate the requirements of the biennial report.

A priority for Durban will be to agree the reporting guidelines for biennial reports by COP 17 (2011), so as to enable developing countries to provide their first biennial report by 1 January 2014. The revision of the full guidelines for national communications part I should be completed by COP 18.

Scope of work

a) Clarifying the contents and structure of the biennial reports

The Cancún decision defined the following elements for the scope of the biennial report (paragraph 60(c)):

- a) national GHG inventories, including a national inventory report;
- b) information on the mitigation actions and their effects, and
- c) the support needed and received.

The biennial reports should be focused, concise documents but sufficiently transparent to understand the sources of the information and how the information was derived. They should present all necessary information primarily in tabular forms based on common principles and definitions so as to ensure consistency, coherence and comparability of that information across Parties. The guidelines to be developed will need to reflect this.

Elements of the future work related to the reporting of biennial reports should include:

- major principles and definitions for the three areas;
- outline for the structure of the biennial report;
- definition of type and level of information to be reported and specific guidance for the three areas included in the biennial report;
- reporting tools and reporting formats for the information;
- methodological guidance and reporting on methodologies used.

b) Elaborating on technical elements to be contained in the national communications and biennial reports

(i) National GHG inventories, including national inventory reports:

As per the Cancún agreements a complete national inventory report will need to be provided every 2 years either as part of the overall national communication or with the biennial report.

The existing guidelines for non-Annex I national communications provide only limited guidance with regard to the preparation of inventories and almost no guidance with regard to the preparation of a national inventory report.

The Cancún agreement emphasizes that the reporting by developing countries should take into account their respective capacities and capabilities. In elaborating guidance for national inventory reports, the work should focus on the key elements of the NIR that ensure the transparency of the data and methodologies used in the inventory estimation and the guidance should include some level of simplification compared to guidelines for Annex I Parties. Flexibility in reporting in order to take into consideration Parties different capacities and capabilities could be ensured within the revised reporting guidelines, e.g. related to methodological choice, by using the concept of tiered approaches according to countries' capabilities in innovative ways and by elaborating and addressing tools that facilitate the inventory work for Parties.

(ii) Mitigation actions and their effects.

Mitigation actions can significantly differ between countries. In this respect, the guidance needs to be able to reflect different types of mitigation actions implemented or planned by Parties. Depending on the type of action a number of possible reporting elements could be defined in the guidelines.

The national communication will provide more detailed information on the actions and their effects while the biennial report should focus on presenting key information in tabular form in a transparent and comparable manner.

The scope of work with regard to reporting should cover the following elements:

- Main principles and definitions for reporting on implemented and planned mitigation actions;
- Definition of type and level of information to be reported (actual and projected emission and activity data);
- Reporting formats;
- Domestic verification of mitigation actions, methodologies for evaluation of mitigation action and quantification of effects.

Parties should also address the question of how low-carbon development strategies which developing countries are encouraged to develop should be reflected.

The Cancún agreement decides to enhance reporting in national communications, including inventories, from Parties not included in Annex I to the Convention (non-Annex I Parties) on mitigation actions and their

effects, and support received; with additional flexibility to be given to the least developed country Parties and small island developing states.

Additional flexibility in reporting could be ensured by introducing a tiered approach for example in regards to the level of information reported based for example on the countries' mitigation pledges. This would allow countries to initially report according to certain minimum requirements and to gradually enhance the comprehensiveness of their reporting in terms of transparency, accuracy, consistency, comparability, and completeness.

(iii) Support needs and support received

The Cancún agreement places great importance on improving the information provided on financial support available to developing countries. Information on support should be provided in a coherent and comprehensive way regarding both the support needs and support received. Therefore it is important that the relevant guidance is developed in a coordinated and parallel way. Ultimately the information reported on both sides should complement each other and to help better understand gaps and needs.

Main issues/topics to address would be:

- Main principles and definitions
- Definition of type and level of information to be reported
- Reporting formats

c) Ensuring the concrete implementation of the reporting requirements

Paragraph 60 (c) of the Cancún agreements specifies that developing countries, with their respective capacities and capabilities, should be able to submit biennial reports and that they would need to be supported by developed countries. In this respect, the EU express its willingness to support the MRV implementation in DCs through multilateral and where appropriate bilateral channels.

We should provide a space to discuss how implementation of the Cancún requirements could work in practice and to develop a concrete implementation plan.

Timelines, who and how

A series of workshops between or prior to the sessions should support the technical work to be undertaken. The EU suggests that the first workshop should take place ahead of or back-to-back to the SB sessions in June and should focus on the biennial reports.

Additional technical workshops should then be held between June and September 2011 on each of the work areas identified above (National GHG inventories, including national inventory reports; Mitigation actions and their effects; Support needs and support received), and their specific programme should be discussed at the AWG-LCA meeting in April.

The technical workshop that will focus, specifically, on discussing the guidance related to reporting of support needed and received should be organized back-to-back with a workshop related to the enhancement of Annex I Parties' reporting on support provided so as to ensure the consistency and coherence of the information reported on support across all Parties.

Finally, another workshop could be organised to exchange on ways to ensure the concrete implementation of the reporting requirements, as outlined in point (c) above.

The Secretariat and the Consultative Group of experts on Non-Annex I national communications (CGE) could be requested to prepare relevant background material to support the discussions on the issues at the workshops.

Additional submissions from Parties should be invited following the April AWG LCA meeting on the issues identified in the scope of work above prior to the workshops and/or the SB sessions. The deadlines for submissions should be set in such a way so as to ensure that the submissions support the workshops with substance for discussion.

2.2 Domestic verification of mitigation actions undertaken with domestic resources;

The revision of the reporting guidelines for Non-Annex I national communications including those for biennial reports should provide initial information on domestic verification of mitigation actions and their effects with domestic resources.

The secretariat should be requested to compile the information provided by Non-Annex I Parties, once available, as an input to this process and Parties should be invited to submit further views on the work process to develop modalities and guidelines on the basis of such compilation with a view to adopt as part of the overall guidelines for national communications.

2.3 Measurement, reporting and verification of supported actions and corresponding support;

The EU believes that the work on developing modalities and guidelines for measurement of supported actions and verification of supported actions should be seen as a longer term process that is closely linked to the information on nationally appropriate mitigation actions addressed in paragraph 49 of Cancún Agreements.

Submissions could be requested from Parties on the scope, main principles, guidance that might be appropriate for the measurement, reporting and verification of supported actions and corresponding support after the AWG-LCA meeting in April. The AWG-LCA should consider the submissions at its meeting in autumn 2011 and further define the work process on this basis.

2.4. Facilitation of support to nationally appropriate mitigation actions through a registry

Following the establishment of the registry by the Secretariat, as mandated by the Cancún Agreements, Parties should be invited to submit their views on how the registry could facilitate matching of support to listed actions.

2.5. International consultation and analysis (ICA)

The Cancún Agreement has identified the ICA as a non-intrusive, non-punitive process focused on the biennial reports including national inventory reports, information on mitigation actions and their effects, needs and support received with a view of increasing among other transparency.

The focus of the ICA is consistent with the areas where focus has been placed on reporting through the national communications and the biennial reports. Thus in defining reporting requirements an initial assessment of the elements that could be subject to an ICA should also be conducted. The full ICA guidelines could then be completed upon finalization of the reporting guidelines.

Scope of work

The work can be divided in two different aspects, one focusing on analysis and one on consultation. For both analysis and consultation, further work needs to concentrate on:

- Main purpose, principles and definitions, general approach
- Steps of the procedure (incl. both analysis and consultation) and timelines
- Definition of roles of Parties involved, role of experts
- Specific technical guidance (e.g. defining the scope of the analysis and the scope of the consultation process)

Timelines, who and how

There should be a **spin-off group established under the AWG LCA focusing on ICA with the goal of defining the main issues and overall approach by Durban**. These should be developed in parallel with the modalities for international assessment and review for developed countries so as to ensure the efficiency of the process and to avoid any potential conflicting resource requirements.

The work of this group should be completed by COP 17 so that then SBI can take over and define the details of the agreed approach and develop the specific technical guidance with a view to adopt guidelines by COP 18 in 2012.

NEW ZEALAND SUBMISSION
A registry for developing country mitigation actions

February 2011

1. This submission responds to the invitation contained in document FCCC/ AWGLCA/2010/L.7 (paragraph 67) that invites parties to submit their views on the modalities and guidelines for a registry for developing country mitigation actions.
2. There has been much confusion and debate on the purpose and function of a registry. Discussions in the AWG-LCA have canvassed a wide variety of views. The decision text from Cancun provides much needed clarity (paragraphs 53-59 of document FCCC/AWGLCA/2010/L.7). This text describes various purposes for the registry, including:
 - To record actions that seek support and to facilitate the matching of finance, technology and capacity building (paragraph 53).
 - To regularly update actions that seek support, support made available, and the actions that have been ‘matched’ (paragraph 56).
 - To ‘recognise’ mitigation actions undertaken by developing countries (paragraph 58).
 - To regularly update developing country mitigation actions/goals/targets (paragraph 59).
3. New Zealand believes that the registry, combined with measurement, reporting and verification and biennial reporting can help better facilitate understanding of the mitigation efforts by individual developing countries and the aggregate level of mitigation by developing countries as a group. Improved and transparent reporting will provide a close to real time snapshot of current mitigation actions. The registry combined with biennial reporting will also provide an evidence based platform within the UNFCCC to acknowledge the mitigation actions that are being taken.

Comment

4. The design and functioning of the part of the registry that will be facilitating matching of support to actions should be guided by and be consistent with current provisions under the Framework Convention. Two articles are useful in this respect. Article 4.3 of the UNFCCC refers to “agreed full incremental costs”, implying no automaticity of funding, as this will need to be agreed. Article 12.4 states that “Developing country parties may, on a voluntary basis, propose projects for financing, including specific technologies, materials, equipment, techniques or practices that would be needed to implement such projects, along with, if possible, an estimate of all incremental costs, of the reductions of emissions and increments of removals of greenhouse gases, as well as an estimate of the consequent benefits”, implying a level of rigour required to justify and demonstrate feasibility.
5. While we support the purposes for the registry listed in paragraph 1, we remain of the view that **the registry should not put in place perverse incentives or replace the need to inscribe targets, goals or commitments in a treaty**. The registry should always be viewed as a mechanical, but rigorous process, primarily to facilitate the matching of actions and support.

6. Firstly, **the registry should not disincentivise autonomous developing country mitigation action.** Some countries have stated that there will be no action without support. This would be a perverse outcome and contrary to the spirit of the Framework Convention. Those developing countries that are already undertaking mitigation actions in the context of sustainable development should have these efforts acknowledged. Therefore, the purpose of the registry should be to build on those autonomous actions, to provide stretch to current stated goals by identifying what more could be done with support, and to facilitate ‘matching.’ It is critical that autonomous action, within the limits of current capability, continues. Countries should be incentivised to continue to take actions themselves and to be explicit about what they could do in addition to this, with the aid of support.
7. Secondly, **the registry should not record intended actions that have no real prospect of being supported.** Parties providing support will need to be assured that the stated benefits are indeed deliverable and that these actions could not have been undertaken without that support. Similarly, parties seeking support for mitigation actions should have some assurance that they have followed a thorough process to maximise the chances of gaining that support. Paragraph 57 of FCCC/AWGLCA/2010/L.7 calls for the development of modalities for the facilitation of support, including any functional relationship with the financial mechanism. **Methodologies for proposed actions will be essential in order to establish baselines and to quantify emission reductions in an uncapped environment on a project by project basis.** We believe that drawing on existing project methodologies and tools, including those approved under the clean development mechanism, could be useful in this respect.
8. Finally, **the registry cannot replace the need to inscribe targets, goals or commitments in a treaty.** Inscribing such obligations in a treaty or schedules should be seen as fulfilling responsibility under the Framework Convention. The object of treaties is always an obligation, whether mutual between all the parties, or unilateral on the part of one only. The principle of common but differentiated responsibilities and respective capabilities implies that all countries have a responsibility to address climate change, but that responsibilities differ. **A registry is a mechanical, dynamic process of facilitating the matching of actions and support – inscribing obligations in a treaty or schedules is a separate and higher order exercise, symbolising commitment to meeting the ultimate objective of the Convention.**

Views on a work programme for the development of modalities and guidelines for mitigation actions and commitments

Submission to the AWG-LCA

March 2011

1. This submission responds to the invitations contained in document FCCC/CP/2010/7/Add.1 (paragraphs 47 and 67) relating to mitigation. New Zealand has already provided submissions relating to the development of a registry mechanism for developing country mitigation actions and support, on market and non-market approaches¹ and on LULUCF reference levels under the Kyoto Protocol.
2. This submission covers issues relating to transparency for both developed country mitigation actions and commitments and developing country mitigation actions. New Zealand intends to submit further on these issues as progress is made under the AWG-LCA; including on the issues related to the role of land use, land use change and forestry and on the use of carbon credits from market based mechanisms.

Context

Implement and Build

3. The Cancun Agreement decided to “*hold the increase in global average temperature below 2°C above pre-industrial levels.*” This long-term goal is useful in guiding the immediate work of the various subsidiary bodies - requiring the political gains to be banked now and those gains to be built upon over time to deliver a comprehensive response to climate change. Parties should ensure that their iterative negotiation delivers solutions piece by piece, each piece continuing to build confidence. The Cancun Agreement has provided much needed political guidance allowing for immediate and practical implementation on a broad range of fronts. Parties should not lose the opportunity to ‘get on with it,’ while at the same time contemplating those issues that require additional time. Realistically, Parties will need to look beyond the next meeting in Durban to a multi-year programme of work. If we start with that frame in mind we can begin to set realistic expectations from the outset.

Timetable of work as it relates to transparency provisions and the 2015 Review

4. Immediate and pragmatic implementation of the various transparency provisions e.g. reporting and review, is required for an effective Review² in 2015. The Review should be based on timely and peer-reviewed information, including a comprehensive set of country actions, aggregate greenhouse gas emission and removal levels, the latest science and needed capacity. To meet this deadline, the first biennial reports (containing national greenhouse gas inventories for developing and developed countries for the year 2010) should go through their respective international consultation, assessment and review processes in 2013/14. In 2012,

¹ See www.unfccc.int/meetings/ad_hoc_working_groups/lca/items/4578.php

² Paragraphs 138-140 of FCCC/CP/2010/7/Add.1.

all parties³ should compile and report information according to the various guidelines that have been agreed by the end of this year. In paragraph 23 New Zealand has listed a range of capacity building initiatives. Capacity building considerations are essential and should be an explicit part of the development of the various guidelines that make up the MRV/ICA work programme for developing countries. If capacity building considerations are incorporated from the start they will help expedite implementation of the MRV/ICA system.

Global picture

5. Improved transparency will also be an important element in helping countries demonstrate a complete picture of what climate change action is being taken at the national level. Measuring, reporting and verification (MRV) guidelines should encourage countries to include in their national reporting, actions taken primarily under other international commitments but which also have valuable mitigation benefits. One example is the reform of fossil fuel or energy subsidies. These reform commitments to phase-out inefficient fossil fuel subsidies have been made in the G20 and APEC contexts⁴, but their mitigation potential creates clear linkages to the UNFCCC agenda. New Zealand would like to see progress in implementing related mitigation actions, such as progress in reforming fossil fuel subsidies, included as part of the transparency framework. Reporting on fossil fuel subsidy reform is also helpful from a domestic policy perspective as it clarifies for governments the cross-linkages and impacts between policies with different objectives, but which have mutually reinforcing outcomes.

Mitigation Workshops

6. Consideration of mitigation action should also draw on the experience gained to date under the UNFCCC and its Kyoto Protocol. Many issues under discussion in the AWG-KP are due for discussion under the AWG-LCA. One such parallel that a number of countries have noted in submissions is the need to clarify 'rules' e.g. rules for the operation of market based mechanisms, and for land use, land use change and forestry. Assuming there will be a set of multilaterally agreed rules: are the rules being negotiated under the Kyoto Protocol substantially the same as or substantially different from those to be determined under the AWG-LCA? How might these rules allow flexibility to accommodate national circumstances? Might a "negative list" approach, such as that applied in the WTO-services agreement, be workable within the UNFCCC? Under such an approach Parties would agree a common rule set but could transparently show where they chose to apply an alternative rule or approach on a given issue, maximising comparability but allowing flexibility for national circumstances. The question of rules matters to countries taking on commitments as it will impact the level of ambition they are willing to take. Because many substantive issues are still to be discussed under the AWG-LCA we believe strongly that the mitigation workshops that begin in Bangkok should be an ongoing feature of the AWG-LCA's work through 2011.

³ Noting the additional flexibility to be given to the least developed country Parties and small island developing States.

⁴ See www.g20.org/Documents/pittsburgh_summit_leaders_statement_250909.pdf and www.apec.org/Meeting-Papers/Leaders-Declarations/2009/2009_aelm.aspx

Views on the work programme for the development of modalities and guidelines for developed country transparency provisions

Organisation of the work programme

7. The considerable amount of work to be undertaken means there is a need for additional technical meetings to enable the measurement, reporting and verification (MRV) and International Assessment and Review (IAR) work programme to deliver a result in Durban. These additional meetings will need to operate effectively and efficiently. New Zealand's view is that we need to use a smaller representative (but open) group of Parties (with particular technical expertise and interests) to advance technical work intersessionally. The work of this technical group would need to be fully transparent, and while meeting intersessionally, it would report progress back to the full AWG-LCA sessions and receive feedback from Parties at these sessions. This type of process was successfully applied to the development of the reporting and review guidelines under Articles 5, 7 and 8 of the Kyoto Protocol. It may be prudent to prioritise MRV guideline development this year and complete IAR guideline development in 2012.
8. Progress on the work programme needs to begin as soon as practicable. The first intersessional technical meeting should take place before the UNFCCC's June session.

Outcomes of the work programme

9. The MRV/IAR work programmes agreed in Cancun require the following outcomes:
 - a. Revised national communication reporting guidelines, including biennial reports;
 - b. Revised national communication review guidelines, including biennial reports, annual inventories and national inventory arrangements/systems;
 - c. Establishment of guidelines for national inventory arrangements;
 - d. Modalities and procedures for international assessment and review of emissions and removals related to quantified economy wide emission reductions targets including the role of LULUCF, carbon credits from market-based mechanisms, taking into account international experience.
10. We note that wherever possible existing work programmes should be used to address the Cancun Agreement. For example, the reporting guidelines for annual greenhouse gas inventories from Annex I Parties are already being revised in a work programme under the SBSTA. The establishment of guidelines for national inventory arrangements is within the scope of this work programme and New Zealand does not see the need to duplicate this work. However, the linkage between the current SBSTA work programme and the need (as reflected in the Cancun Agreement) to establish guidelines for national inventory arrangements should be made explicit in order that it is clear where the responsibility sits for the work. To the extent that other elements of the SBSTA work programme will assist with the above four outcomes, this should also be used to advantage to avoid duplication of work.
11. There is also work taking place under the AWG-KP on rules for land use, land-use change and forestry to apply in a second commitment period under the Kyoto Protocol. This work is also relevant to the reporting and review work programme under the AWG-LCA.

Basis for the outcomes

12. The Cancun Agreement decided that enhanced reporting and review would build on existing reporting and review guidelines, processes and experiences. There is already considerable experience of reporting and review under both the Convention and the Kyoto Protocol. This experience is more widespread than just the countries that have been subject to review, as experts from both developed and developing countries participate in the process as expert reviewers. We need to draw on this experience as well as the considerable amount of documentation that serves to guide the reporting and review processes. New Zealand considers the guidance listed in **Appendix I** to this submission should serve as the basis for the work programme. The UNFCCC secretariat may like to map existing work in this area against what has been called for under the Cancun Agreements – this would serve as a common and useful starting point for deliberations.

Conclusion

13. The development of this work programme also needs to take into account the related work programme for developing countries. This relationship includes the content of the guidelines being developed/enhanced/revised as well as the scheduling of intersessional technical meetings. There will be considerable advantages to back-to-back scheduling of such intersessional meetings for each work programme. To ensure this work stays in synch it may also be useful to appoint common co-facilitators.
14. New Zealand looks forward to engaging on these matters with interested Parties at the next round of negotiations in Bangkok.

Views on the work programme for the development of modalities and guidelines for developing country transparency provisions

Organisation of the work programme

15. Because of the amount of work to be done New Zealand sees that there is a need for additional technical meetings to enable the measurement, reporting and verification (MRV) and International Consultation and Analysis (ICA) work programme to deliver a result in Durban. These additional meetings will need to operate effectively and efficiently. New Zealand's view is that we need to use a smaller representative group of Parties (with particular technical expertise and interests) to advance technical work intersessionally. The work of this technical group would need to be fully transparent, and while meeting intersessionally, it would report progress back to the full AWG-LCA sessions and receive feedback from Parties at these sessions. This type of process was successfully applied to the development of the reporting and review guidelines under Articles 5, 7 and 8 of the Kyoto Protocol. It may be prudent to prioritise MRV guideline development this year and complete ICA guideline development in 2012. This will enable countries to get on with compiling information for the initial biennial report that will be subject to the ICA process at a later date.
16. Progress on the work programme needs to begin as soon as practicable. The first intersessional technical meeting should take place before the UNFCCC June session.

Outcomes of the work programme

17. The mitigation work programme agreed in Cancun requires the development of modalities and guidelines for:
 - a. Facilitation of support to nationally appropriate mitigation actions through a registry;
 - b. Measurement, reporting and verification of supported actions and corresponding support;
 - c. Biennial reports as part of national communications;
 - d. Domestic verification of mitigation actions undertaken with domestic resources;
 - e. International consultation and analysis.

As noted above, New Zealand has already made a separate submission on the Registry elements and hence this submission will concentrate on modalities and guidelines for the MRV/ICA elements of the work programme.

Basis for the outcomes

18. Compared with the guidance already available to Annex I Parties by way of COP and CMP decisions with respect to reporting and review, there is little such guidance directed at developing countries. However, because of the considerable experience of Annex I Party reporting and review under both the Convention and the Kyoto Protocol there is a solid platform to draw from to develop the needed modalities and guidelines for developing countries. The UNFCCC secretariat may like to map existing work in this area against what has been called for under the Cancun Agreement – this would serve as a common and useful starting point for deliberations.
19. Experience with the Annex I reporting and review requirements is more widespread than just the countries that have been subject to review, as experts from both developed and developing countries participate in the process as expert reviewers. We need to draw on this experience as well as the considerable amount of documentation that serves to guide the existing reporting and review processes under the Convention and the Kyoto Protocol. In particular the concept that reviews are facilitative and non-confrontational is a concept that should be readily transferrable to review processes for developing country Parties. New Zealand considers the guidance listed in **Appendix II** should serve as the basis for the developing country MRV/ICA work programme.
20. We note that wherever possible existing work programmes should be used to avoid duplication of work. Of particular relevance is the revision of the reporting guidelines for annual greenhouse gas inventories from Annex I Parties (including application of the 2006 IPCC Guidelines for National Greenhouse Gas Inventories) in a work programme under the SBSTA. Having all countries use comparable methodologies (as per Articles 12.1(a) and 7.2(d) of the Convention) will assist the COP in carrying out assessments under Article 7.2(e).
21. New Zealand would see the inventory guidelines being developed for Annex I Parties under the existing SBSTA work programme being equally applicable to non-Annex Parties. We recognise that for many Parties the application of more detailed guidance, together with the need to produce more regular greenhouse gas inventories, will require a considerable increase

in the effort and resources required. These considerations, including phased implementation of reporting guidelines need to be an explicit part of the design of and the implementation of the MRV/ICA work programme envisaged under the Cancun Agreements as contained in document FCCC/CP/2010/7/Add.1.

Capacity building

22. Consistent with the Cancun outcome on capacity building (Section IV C of FCCC/CP/2010/7/Add.1) and as noted in the previous paragraph, more regular greenhouse gas inventories will require more effort and resources. We note that there are existing greenhouse gas inventory capacity building programmes/training opportunities that already exist or could be re-invigorated. These include (but are not limited to):

- UN agencies (e.g. UNDP and UNEP);
- The Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention (the CGE);
- Government funded bilateral or plurilateral approaches; and
- Private or not for profit sector (e.g. GHG Management Institute, the current provider of on-line training for UNFCCC/Kyoto Protocol greenhouse gas inventory expert reviewers).

23. As stated above in paragraph 4, capacity building considerations should be an essential part of the development of the various guidelines that make up the MRV/ICA work programme. If we incorporate capacity building considerations from the start, this will help better facilitate implementation of the MRV/ICA system.

24. The UNFCCC secretariat could compile a list of available greenhouse gas inventory capacity building programmes including related training opportunities.

Conclusion

25. The development of this work programme for developing countries needs to take into account the related work programme for developed countries. This relationship includes the content of the guidelines being developed/enhanced/revised as well as the scheduling of intersessional technical meetings. There will be considerable advantages to back-to-back scheduling of such intersessional meetings for each work programme. To ensure this work stays in synch it may also be useful to appoint common co-facilitators.

26. New Zealand looks forward to engaging on these matters with interested Parties at the next round of negotiations in Bangkok.

Appendix I: Existing guidance for the development of modalities and guidelines for developed country reporting and review

New Zealand considers that the developed country reporting and review work programme should be guided by the decisions listed below.

Guidance under the Convention:

- 2/CP.1: Review of first communications from the Parties included in Annex I to the Convention
- 9/CP.2: Communications from Parties included in Annex I to the Convention: guidelines, schedule and process for consideration
- 6/CP.3: Communications from Parties included in Annex I to the Convention
- 11/CP.4: National communications from Parties included in Annex I to the Convention
- 3/CP.5: Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories
- 4/CP.5: Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part II UNFCCC reporting guidelines on national communications
- 4/CP.8: National communications from Parties included in Annex I to the Convention
- 18/CP.8: Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories
- 19/CP.8: UNFCCC guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention
- 12/CP.9: Issues relating to the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention
- 13/CP.9: Good practice guidance for land use, land-use change and forestry in the preparation of national greenhouse gas inventories under the Convention
- 18/CP.10: Issues relating to the technical review of greenhouse gas inventories of Parties included in Annex I to the Convention and the implementation of Article 8 of the Kyoto Protocol.

Guidance under the Kyoto Protocol:

- 13/CMP.1: Modalities for the accounting of assigned amounts under Article 7, paragraph 4 of the Kyoto Protocol
- 14/CMP.1: Standard electronic format for reporting Kyoto Protocol units
- 15/CMP.1: Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol
- 16/CMP.1: Land use, land-use change and forestry
- 17/CMP.1: Good practice guidance for land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4, of the Kyoto Protocol
- 19/CMP.1: Guidelines for national systems under Article 5, paragraph 1 of the Kyoto Protocol
- 20/CMP.1: Good Practice guidance and adjustments under Article 5, paragraph 2 of the Kyoto Protocol
- 21/CMP.1: Issues relating to adjustments under Article 5, paragraph 2 of the Kyoto Protocol
- 22/CMP.1: Guidelines for review under Article 8 of the Kyoto Protocol
- 23/CMP.1: Terms of service for lead reviewers
- 24/CMP.1: Issues relating to the implementation of Article 8 of the Kyoto Protocol – 1 (Training programme for members of expert review teams)
- 25/CMP.1: Issues relating to the implementation of Article 8 of the Kyoto Protocol – (Confidential information)

In addition, methodological guidance from the IPCC underpins greenhouse gas inventory reporting and there is also considerable experience with the following IPCC products:

- Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories
- 2000 Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories
- 2003 Good Practice Guidance for Land Use, Land-Use Change and Forestry

The most recent methodological guidance from the IPCC (2006 IPCC Guidelines for national greenhouse gas inventories) has not yet been adopted for reporting under the Convention, but is under consideration as part of the SBSTA work programme on the revision of inventory reporting guidelines for Annex I Parties.

Appendix II: Existing guidance for the development of modalities and guidelines for developing country reporting, verification, and international consultation and analysis

New Zealand considers that the developing country reporting and review work programme should be guided by the decisions listed below.

Guidance under the Convention:

(for non-Annex I Parties)

- 17/CP.8: Guidelines for the preparation of national communications from Parties not included in Annex I to the Convention
- 8/CP.11: Submission of second, and where appropriate, third national communications from Parties not included in Annex I to the Convention

(for Annex I Parties)

- 2/CP.1: Review of first communications from the Parties included in Annex I to the Convention
- 9/CP.2: Communications from Parties included in Annex I to the Convention: guidelines, schedule and process for consideration
- 6/CP.3: Communications from Parties included in Annex I to the Convention
- 11/CP.4: National communications from Parties included in Annex I to the Convention
- 3/CP.5: Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories
- 4/CP.5: Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part II UNFCCC reporting guidelines on national communications
- 4/CP.8: National communications from Parties included in Annex I to the Convention
- 18/CP.8: Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories
- 19/CP.8: UNFCCC guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention
- 12/CP.9: Issues relating to the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention
- 13/CP.9: Good practice guidance for land use, land-use change and forestry in the preparation of national greenhouse gas inventories under the Convention
- 18/CP.10: Issues relating to the technical review of greenhouse gas inventories of Parties included in Annex I to the Convention and the implementation of Article 8 of the Kyoto Protocol.

Guidance under the Kyoto Protocol:

(For Annex I Parties)

- 13/CMP.1: Modalities for the accounting of assigned amounts under Article 7, paragraph 4 of the Kyoto Protocol
- 14/CMP.1: Standard electronic format for reporting Kyoto Protocol units
- 15/CMP.1: Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol
- 16/CMP.1: Land use, land-use change and forestry
- 17/CMP.1: Good practice guidance for land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4, of the Kyoto Protocol
- 19/CMP.1: Guidelines for national systems under Article 5, paragraph 1 of the Kyoto Protocol
- 20/CMP.1: Good Practice guidance and adjustments under Article 5, paragraph 2 of the Kyoto Protocol
- 21/CMP.1: Issues relating to adjustments under Article 5, paragraph 2 of the Kyoto Protocol
- 22/CMP.1: Guidelines for review under Article 8 of the Kyoto Protocol
- 23/CMP.1: Terms of service for lead reviewers
- 24/CMP.1: Issues relating to the implementation of Article 8 of the Kyoto Protocol – 1 (Training programme for members of expert review teams)
- 25/CMP.1: Issues relating to the implementation of Article 8 of the Kyoto Protocol – (Confidential information)

In addition, methodological guidance from the IPCC underpins greenhouse gas inventory reporting and there is also considerable experience with the following IPCC products:

- Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories
- 2000 Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories
- 2003 Good Practice Guidance for Land Use, Land-Use Change and Forestry

The most recent methodological guidance from the IPCC (2006 IPCC Guidelines for national greenhouse gas inventories) has not yet been adopted for reporting under the Convention, but is under consideration as part of the SBSTA work programme on the revision of inventory reporting guidelines for Annex I Parties.

NORWAY

Submission to the Ad-Hoc Working Group on Long Term Cooperative Action (AWG-LCA).

28 March 2011

Work programme on Monitoring, Reporting and Verification (MRV) for developing countries

General considerations

Norway welcomes the Cancun agreements and the work programme on mitigation and MRV for developing countries. A well functioning MRV system is a key part of a comprehensive and credible international climate agreement. Furthermore, the MRV system is important in order to track global greenhouse gas emissions and progress in relation to the 2 degree target. More frequent, complete and updated coverage of global emissions and mitigation efforts is an essential basis for stepping up ambition, and mitigation action, at both the national and international level. The main characteristics of a comprehensive MRV framework should be:

- An MRV system must cover the steps from monitoring through to review and assessment, with coherence between the different steps.
- It should be built on common rules and frameworks, to ensure transparency, comparability and consistency over time, and credibility in the implementation of commitments.
- MRV of mitigation actions should ensure monitoring, reporting and review that fits the kind of mitigation target or action in question, whether these are economy-wide emission reduction objectives, intensity targets or sectoral approaches.
- It should have a learning-by-doing approach, which allows for some differentiation with respect to the level of sophistication of the MRV system, emphasizes continuous improvement and includes facilitative processes to support this.

Scope of work, timeline and mode of working towards COP17 in Durban

The work programme on MRV for developing countries includes the following main elements:

- More frequent reporting; submission of National communications every 4 years supplemented by biennial update reports;
- Enhanced reporting on GHG emissions, mitigation actions and on support received; and
- Modalities and procedures for international consultation and analysis.

The timeline for finalising the work programme on MRV should be seen in context with the review process starting in 2013 and concluding in 2015. Updated information on global anthropogenic greenhouse gas emissions and mitigation actions will be a necessary basis for conducting a fact-based review. The biennial reports that were decided upon in the Cancun agreement include these elements, and will inform the review.

We therefore believe that the first biennial reports on emissions, mitigation actions and support, in accordance with new and revised guidelines, should be submitted by 2013, so as to inform the 2013-2015 review. These reports should be viewed as a starting point for more regular and enhanced reporting. We understand that before 2013, information on mitigation actions may be scarce, but believe this round of reporting will provide an invaluable basis for better planning of mitigation actions and for stepping up support in an efficient manner. It is Norway's view that the least developed countries and small island developing states should be allowed flexibility in this regard in accordance with paragraph 60 of the Cancun Agreements.

Guidelines on international consultation and analysis (ICA) for developing countries should be developed parallel to reporting guidelines, to ensure that the two processes are aligned. An overall timeline for the MRV work programme would then be:

- 2011: Finalisation with a view for adoption, of guidelines for reporting and of international consultation and analysis.
- 2012: Implementation of guidelines in ongoing or planned reporting
- 2013: First submission of biennial reports, possibly as updates of elements of previous national communications
- 2013-2014: First round of international consultation and analysis

A more detailed work programme should be established at the meeting of the AWG-LCA in Bangkok in April, taking into account the need for work of a technical nature. Workshops would be very useful in addressing the different elements. A first set of workshops should be held in conjunction with the SB June sessions, preferably in parallel with the ordinary negotiation session, in order to save time and resources.

New and more detailed submissions from parties on the work programme on MRV would be desirable before the June meeting and also before the third quarter meeting, in order to have a more substantial basis for negotiations.

For Norway, the MRV work programme is a matter of high priority for COP17 in Durban. We believe it is feasible to finalise new and revised guidelines in Durban, provided we start on a practical work programme for 2011 that includes necessary time allocated for this, including workshops at the technical level.

As a first step, we propose that the secretariat performs a compilation and analysis of the existing guidelines and identifies gaps. This should be a technical analysis and provide an overview of the elements for which new guidelines need to be developed. Furthermore, we encourage other Parties to submit views and proposals for revised and new guidelines, before the June session. More detailed proposals will facilitate a more substantial discussion.

Enhanced MRV for developing countries

More frequent and streamlined reporting

The Cancun agreement establishes a frequency of submitting National Communications every four years, supplemented with biennial update reports two years after submission of a National Communication. The biennial update report will include a national GHG inventory and information on mitigation actions. We believe this schedule strikes a good balance between the need for regular information to the international community, and the effort needed to submit the reports. The biennial update reports would be submitted by Parties according to their respective capabilities. In our view, the least developed countries and other countries with very modest emissions should not be expected to report every second year. The reporting guidelines should set a low threshold for being able to start reporting, e.g. through options for using default values and tier 1 methodologies for the inventory reporting. The process of international consultation and analysis should encourage further improvement of the reports.

The enhanced regularity and frequency of reporting will build capacity in the country, in terms of skills, experience and competence in appropriate national institutions. In this context, national ownership of the MRV work is particularly important. We can expect that the reporting will gradually improve, and be easier, over time. This is in contrast to infrequent reporting where skills and experience may be lost from one reporting round to the next, and where countries will face start-up costs for every report. In our experience, more systematic and regular reporting will also stimulate the planning and implementation of nationally appropriate mitigation actions, and promote greater financial flows from private sources and the carbon

market, because updated knowledge of the emission sources is necessary to be able to identify mitigation potential.

It is clear that more support will be needed in order to increase the reporting capabilities of non-Annex I countries. Norway will seek to integrate support to enhanced MRV capacity in conjunction with financial support for planning and implementing mitigation actions.

The biennial report and the national communication

We see the biennial report as most relevant for countries with considerable capacity and relatively high levels of emissions. A starting point for developing appropriate guidelines is to determine the scope and outline of the report, and the level of detail for reporting each element. The biennial report should include:

- An updated national GHG inventory and national inventory report;
- Information on mitigation actions; and
- Information on support needs and support received.

The biennial report should build on the corresponding reporting items in the National Communication, but information should be short and concise. Tabular formats could be useful. More detail and further methodological information should be in the National Communication.

In order to facilitate reporting according to countries' respective capabilities, a tiered approach could be used. A tiered approach to reporting, e.g. mitigation actions, could have different tiers according to the type of mitigation action a country is implementing. Similarly, tiered approaches could be applied to the inventory reporting with respect to coverage of gases, time periods and projections. The OECD has published a report outlining possible tiered approaches, which describes this more closely and which could inform our discussion.⁵

Revised guidelines for emission inventories

The GHG inventory will be a key element of the biennial reporting. The guidelines for national communications for non-Annex I countries are from 2002 and need to be revised as non-Annex I countries report their GHG inventories more frequently and more comprehensively.

SBSTA at its 30th session acknowledged that the 2006 IPCC Guidelines contain the most recent scientific methodologies available and also acknowledged that the information contained in these guidelines enables Parties to further improve the quality of their GHG inventories. These guidelines should also be the methodological basis in the revised guidelines for the national greenhouse gas inventories for non-Annex I countries. Application of the IPCC 2006 guidelines could be phased in over time, allowing countries some flexibility. Once a decision has been taken and revised guidelines are in place, many non-Annex I Parties should be able to report their inventories at a regular basis in two years time.

The annual GHG national inventory should in principle cover all sectors and categories, removals and emissions of greenhouse gases. Currently, non-Annex I countries shall report only three gases; carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O). It is Norway's view that emissions of F-gases also should be reported, and that countries should be encouraged to include further gases in line with the 2006 IPCC guidelines. However, flexibility should be possible with respect to coverage of gases, in particular for countries with no or very small emission sources of these gases.

Currently, non-Annex I countries are not required to report on aggregate emissions and removals expressed in CO₂-equivalents. This does not facilitate comparisons between sectors or comparing the relative

⁵ Ellis, J., S. Moarif and G. Briner (2010b), "Core Elements of National Reports", OECD/IEA Information Paper, <http://www.oecd.org/dataoecd/28/32/45409866.pdf>.

importance of each GHG. Norway therefore believes that the revised guidelines should include reporting on aggregate emissions and removals expressed in CO₂-equivalents. Reporting should be in a tabular form, using the Common Reporting Format (CRF).

With regard to inventory years, it should not be necessary to report for every year from 1990. One option could be to report for 1990, 1995, 2000 and then annually from 2005. In order to inform the 2015 review in the best possible way, the report in 2013 should include a national GHG inventory for 2010.

Reporting on mitigation actions

Enhanced reporting on mitigation actions will be a key element for transparency regarding implementation of the mitigation ambitions many countries have formulated. In order to give a complete picture, the biennial reports and the national communications should report all mitigation actions implemented or under implementation, whether they are domestically or internationally supported, or both. Reporting could be at an aggregate level, and not at the details of individual projects, and focus on the overall mitigation effect. The reporting guidelines should include:

- information on the mitigation actions that have been or are being implemented, and estimates of their effect;
- necessary parameters for quantifying the actions or the pledge; and
- main principles that can be the basis for developing and applying country specific methodologies.

In order to facilitate comprehensive reporting, the guidelines should encourage reporting of action that might not have mitigation as primary objective but still have mitigation benefits. Reform of fossil fuel subsidies is one example in this regard.

The methodologies used should be the same for the same type of measures, with some flexibility to reflect national circumstances. The methodology used should be standardized or alternatively well documented. For countries with less capacity, the expectation will be that reporting on the effects of mitigation actions will be at a more aggregate level, including key data such as expected mitigation effect, underlying information and status of implementation.

Many pledges for mitigation action from non-Annex I Parties are formulated as a deviation from what would be their “business as usual” emissions, expressed as economy- or sector-wide deviations relative to a projection. In order to quantify these actions, i.e. in million tonnes reductions, the Parties should report on parameters necessary to understand their pledge. This should be the case also for mitigation action in terms of relative reductions, for instance improved energy efficiency per unit of GDP.

The methodologies for estimating the emission projections should be well documented and supported by underlying data. Where countries already have submitted pledges for deviation below business as usual emissions, the emission projection that forms the BAU pathway should be reported as well as the methodological basis for estimating this projection. An economy-wide BAU emission projection should include all gases and sectors. It would be preferable to develop standard methodologies for estimating BAU projections as this will promote transparency and comparability, and facilitate formulation of this kind of mitigation action for other countries. The IPCC could be tasked with providing more methodological guidance on this, for later updating.

Verification of internationally and domestically supported actions

According to the Cancun agreements, internationally supported actions will be subject to domestic MRV as well as international MRV in accordance with guidelines to be developed under the Convention. Domestically supported actions will be measured, reported and verified domestically, in accordance with general guidelines under the Convention.

It may be difficult to differentiate between domestically and internationally supported actions – many actions could have a mixed financial basis. Internationally and domestically supported actions would differ mostly with respect to verification. The guidelines under the Convention should therefore establish a common basis for the domestic monitoring, reporting and verification of actions, that can be used for both sets of actions. Common international guidelines for MRV of these actions will be important to ensure transparency. Common guidelines will also promote comparability between countries as well as facilitate learning between countries. The guidance from the Convention should emphasize that third party verification of the emission reduction effect should be standard practice for internationally supported actions.

Many financial institutions already have arrangements for monitoring, reporting and verification of actions. The further discussion on MRV of domestically and internationally supported action should be more informed on the MRV arrangements already in use.

International consultation and analysis (ICA)

We also welcome the decision to establish a process of international consultation and analysis. The process of international consultation and analysis should be a facilitative and advisory process. The ICA process should provide a clearer understanding to the international community of the country's emissions, actions and implementation of the Convention, including support needs. It should also provide advice to the Party in question on how to improve monitoring and reporting.

The basis for the ICA process should be the national communication and the biennial report. The process should be conducted by a group of experts under the SBI, and take the form of a peer review, with the aim of providing guidance to the party on improved reporting as well as clarity and transparency to the international community. The first part of the process should include an in-depth technical analysis of a country's report.

Analysis of the national GHG inventory and the national inventory report is particularly important. Norway would therefore propose that there is a distinct technical analysis of the inventory, involving inventory experts, and that a separate part of the ICA report addresses the inventory and suggests ways for improvement and more streamlined reporting. This part of the ICA report could be for the Party's use, and only a summary be included in the overall ICA report that goes to the wider community.

Overview of the ICA process:

- An analysis of the report, including a technical analysis of the GHG inventory with recommendations to the Party. The analysis should be performed by the peer review panel and result in formulating relevant questions to the Party.
- A consultative process based on the peer review panel's questions as well as questions asked by other Parties.
- A summary report of the process, to be presented to the SBI.

Views on items in paragraphs 46 and 66 of Decision 1/CP.16

March 25, 2011

The United States welcomes the opportunity to submit its views on the Cancun agreement's measurement, reporting, verification, and international consultations and analysis provisions, as well as the organization of work in 2011 to effectively implement the work programs outlined in paragraphs 46 and 66 of Decision 1/CP.16.

We are pleased that the international community took a significant step forward in Cancun to agree on a balanced decision. It is important as we work toward COP-17 in Durban South Africa that we focus on completing the tasks set forth in the Cancun agreement.

In Cancun, Parties agreed to establish a system that provides a better understanding of global emissions and that builds confidence around the world that both developed and developing nations are making progress in implementing mitigation targets and actions, improving the transparency of our progress to meet our common goals.

This year we are tasked with elaborating the work program agreed in Cancun to develop a system of measurement, reporting, verification, and international consultations and analysis. We should strive to make such a system:

- **Transparent**- including enhanced frequency and quality of information on: greenhouse gas emissions, progress in implementing mitigation targets and actions, and provision and use of finance, technology and capacity building support;
- **Rigorous** - based on high quality information, consistent with existing international guidelines and methodologies, in particular IPCC guidelines, to ensure that reporting is transparent, complete, consistent, comparable and accurate.
- **Facilitative** - allowing for Parties to engage in information sharing and discussion in a manner that is respectful, non-punitive, and with the aim of improving performance and capacity over time; and
- **Flexible** - accommodating a range of evolving capabilities, with additional considerations for LDCs and SIDS.

Consistent with the Parties' agreement in Cancun, the U.S. believes that the development of modalities and guidelines should be a priority in 2011. Timely modalities and guidelines that provide sufficient information on emissions and progress in meeting our goals are essential to inform the review process to start in 2013 and be completed by 2015. In order to provide a solid basis for the review, a particular priority will be development of guidelines for biennial reports, including GHG inventories, and for the review or consultations and analysis of such information. Guidelines for these priority elements should be agreed at COP17, with the first set of biennial reports submitted in advance of the 2013-2015 review.

To advance the work program set out in Cancun by COP17, it will be important to effectively organize our work this year, to prioritize key elements, and move related issues forward in a balanced manner. We will need dedicated time for discussion of the key elements of the transparency framework, which should be clearly articulated under the AWG-LCA agenda this year. While we see the AWG-LCA taking the lead on elaboration of guidelines and modalities, we see a clear need for solid cooperation with the SBI and SBSTA. To support progress in the priority areas of the MRV work program, we propose that a series of workshops be held over the course of this year, each focused on a specific priority element of the work program, in order to provide sufficient technical and operational input to the development of guidelines for COP17.

For **Annex I Parties**, Cancun laid out a pathway to build on the existing structures and processes to continue to improve and enhance the decades of experience of reporting and review. We see, in addition to continued submission of robust annual inventories and national communications, biennial reporting to include additional information on progress in achieving emissions reductions and provision of support. In-depth review of inventories and national communications would be expanded to include biennial reports and their enhanced content, which would be reflected in a consolidated set of review guidelines. Finally, international assessment conducted by the SBI would allow discussion among Parties, based on the biennial reports and the results of the in-depth review. Further comments on the specific elements of the Cancun work program reflected in paragraph 46 of 1/CP.16 are included in Appendix I to this submission.

For **non-Annex I Parties**, Cancun laid the framework for enhanced reporting through more focused biennial reports to provide a better understanding of mitigation actions and their implementation, effects on emissions through regular inventories, and finance, technology and capacity building support to enable such actions. It also established international consultations and analysis of biennial reports to provide technical expert analysis of mitigation actions and support and consultations in the SBI in a manner that is transparent, non-intrusive and respectful. Further comments on the specific elements of the Cancun work program reflected in paragraph 66 of 1/CP.16 are included in Appendix II to this submission.

Attachments:

- Appendix I - Views on items on paragraph 46 of Decision 1/CP.16
- Appendix II - Views on items in paragraph 66 of Decision 1/CP.16

Appendix II

Views on items in paragraphs 66 of Decision 1/CP.16

Non-Annex I Reporting - Paragraphs 60, 63, 64, and 66

With regard to enhanced reporting by non-Annex I Parties, the United States believes that our most fruitful work this year would be to begin building upon the framework decided on in Cancun. The elements of enhanced reporting are outlined in Decision 1/CP.16, paragraphs 60 with discussion of how such reports would be considered in paragraphs 63, 64.

There is extensive experience with reporting through national communications and GHG inventories under Article 12.1 of the Convention. Decision 1/CP.16 calls for enhanced reporting through more frequent and focused biennial reports to provide a better understanding of mitigation actions, effects on emissions through regular inventories, and finance, technology and capacity building support to enable such actions.

According to Decision 1/CP.16, paragraphs 60(c) and 64, biennial update reports, as the basis for international consultations and analysis, should include the following elements:

- o National GHG Inventory
- o Description of mitigation actions
- o Progress in implementation and analysis of impacts
- o Discussion of associated methodologies and assumptions
- o Information on domestic MRV
- o Information on support received

We recognize that some countries (particularly those with limited capacity) may seek additional flexibility as they work to increase the frequency and improve the content of reporting under these new guidelines. Clearly, the commitment to provide scaled up support for developing countries to prepare reports will be an essential element in helping countries follow the guidance. In addition, we note that the IPCC guidelines (already applied by all Parties) use a tiered approach to accommodate different levels of capability and provide flexibility where needed. Given the global community's interest in making the process not only sustainable and effective, but also attuned to the needs of individual countries and not overly burdensome, we would be willing to consider what additional flexibility might be provided that would still ensure environmental integrity.

Recognizing this, we envision that the standard for biennial reports would be submissions every two years, as an interim update to the 4-year full national communications. We also envision that biennial reports would be submitted every fourth year as a section of the full national communication (or as a separate chapter). This would mean only one report is submitted every fourth year, reducing the reporting burden and avoiding a situation where content was repeated in biennial reports and full national communications.

We consider that our focus this year should be on developing guidelines for biennial reports, including a specific focus on GHG inventories. Below, we offer some thoughts on the various elements for biennial report guidelines that the Parties will need to develop this year in order to have a functioning system.

Inventories

Decision 1/CP.16 calls for biennial reports to contain an update of national GHG inventories including a National Inventory Report (NIR) with a description of the methodologies and data sources. It is our view that this element deserves specific focus this year taking into account the existing IPCC methodological

guidelines and the existing experience with inventory reporting over the past few decades. In preparing biennial national greenhouse gas inventories, we see that non-Annex I Parties should:

- Move toward application of the 2006 IPCC Guidelines, which consolidates and updates the 1996 Guidelines, providing a more user-friendly and streamlined approach. IPCC Guidelines provide substantial flexibility through tiering, allowing for variations in country capacity and data availability.
- Include all greenhouse gases not regulated by the Montreal Protocol and all sectors, noting the need for accommodation in a tiered system according to capability.
- Submit an NIR, including time series data for all years reported to the UNFCCC, any subsequent years reported, and any relevant base year and a description of methodologies and assumptions and IPCC tiers applied.

Mitigation actions

Decision 1/CP.16 calls for enhanced reporting on mitigation actions and their effects (60) and that ICA of biennial reports should consider the following information contained in those reports (64). Below we outline the core elements for biennial report guidelines on mitigation actions:

- **Description of mitigation actions:** for each action or suite of actions, a thorough description of mitigation actions, including information on the nature of the action, timescale, and coverage.
- **Implementation and impacts:** Information on the progress of implementation of mitigation actions, and the results, including to the extent possible the estimated emission reductions.
- **Methodologies and assumptions:** a thorough description including information needed to understand implementation (such as BAU or GDP).
- **Domestic MRV:** A description of the Party's system of domestic MRV would be reported in the first biennial report with subsequent updates in future reports.
- **Tradable emission units:** information on the acquisition, use or transfer of emission reductions, removals, or allowances, including means to verify their uniqueness.
- **Support received:** Information on finance, technology, and capacity building support received for mitigation actions and the enhanced mitigation outcomes attributable to such support.

There are many ways to build in flexibility in reporting on mitigation actions and we are open to consider any number of approaches. Just as national inventory reporting allows for tiered methods and reporting, reporting on mitigation actions may also differ based on the types of mitigation actions taken, and the unique circumstances and capabilities of the Party in question. We understand that, just as for Annex I Parties, there is a wide range of capabilities among non-Annex I Parties, and that this may be taken into account in both the frequency and content of reporting.

International Consultations and Analysis - Paragraphs 63, 64, and 66

Paragraph 66 of Decision 1/CP.16 establishes a work program to develop modalities and guidelines for international consultations and analysis (ICA), the core elements of which are outlined in paragraphs 63 and 64:

- Analysis of biennial reports by technical experts in consultation with the Party concerned (63)
- International consultations of biennial reports via a facilitative sharing of views (63)
- The process is to take place in the SBI (63)

The process should be non-intrusive, non-punitive, respectful of national sovereignty, aim to increase transparency of mitigation actions and their effects (63), not include discussion about

the appropriateness of such domestic policies and measures, and provide transparency on information related to unsupported actions (64)

- The process should result in a summary report (63)
- Information considered should include: inventories, information on mitigation actions, including a description, analysis of the impacts and methodologies and assumptions, progress in implementation and information on domestic MRV and support received (64)

So long as we are able to flesh these elements out to create a workable system, we are open to a number of different approaches. We come to this exercise with considerable flexibility, and are open to finding means to address capability concerns that do not cross other countries' redlines.

Below, with respect to the two elements that the Parties will need to develop this year in order to have a functioning system, we would propose:

Technical analysis

- A group of five to eight **technical experts** would be selected by the Secretariat, drawing from Party-nominated experts and professional Secretariat staff, balanced for expertise and developed/developing country diversity. Two to three experts would focus on the inventory alone.
- The expert group would conduct an **analysis of the biennial report**, focusing primarily on three areas: (1) inventories; (2) whether the information required has been submitted and has a solid foundation; and (3) for those countries that have listed actions, whether those actions have been implemented. The experts would also consider a Party's full suite of actions and the emissions benefits gained, analyze the methodologies and assumptions used in the biennial report, and the Party's domestic MRV process and support received. The experts will aim to provide transparency within the UNFCCC system, and will be instructed not to analyze the appropriateness of a Party's choice of domestic policies and measures or their consistency with other international frameworks. The experts would be authorized to meet directly with Party representatives, request additional documentation or information from the Party, conduct in-country visits as necessary, and solicit information from other Parties or stakeholders.
- The technical experts would produce a draft **analysis report**, shared with the Party for review and comment, and should respond to or incorporate Party comments. The final analysis report should be made available at least two, and preferably four, weeks before the next COP.

International consultations

- We propose that an SBI working group session, open to all, of one to three hours in length, be convened at the SBI meeting following completion of the analysis report. Parties with commonalities and anticipating fewer questions may request to join into a single session. The session would include a brief Party presentation, followed by oral questions by regional representatives and Party responses. The tenor of the session is to be a facilitative sharing of views - respectful, non-confrontational, confidence-building, and focused on the content mentioned in Cancun paragraph 64, the biennial report(s), and the experts' analysis. We envision that Parties may submit written follow-up questions within a specified time period (e.g. two weeks), to be answered by the Party shortly thereafter (e.g. within two months).
- After consultations, a **summary report** would be issued to include the technical expert analysis report, a summary of the oral consultations, the results of the written questions and answers, and any observations the Party concerned wishes to include.

Domestic MRV of mitigation actions undertaken with domestic resources - Paragraph 62, 66

Decision 1/CP.16 calls for mitigation actions taken by developing country Parties, whether supported domestically or internationally, to be measured, reported and verified domestically. Just as diverse national circumstances and capacities among Parties lead to a wide range of potential mitigation actions, so the nature and extent of domestic MRV will vary. There is, however, best practice to draw from to help Parties to establish or improve domestic MRV procedures, including:

- Clear identification of an entity or entities responsible for implementing, measuring, reporting and verifying mitigation actions, and clarification of the appropriate roles and responsibilities.
- Establishment of a system for collection of all relevant data, sources, and methodologies, including any models used for projections or extrapolation.
- Appropriate selection of performance indicators to measure progress in implementation of mitigation actions, and procedures for reporting and collecting performance indicator data.
- A system of quality assurance and control to ensure reliability of data and performance indicators.
- A process for verifying implementation of actions and the relevant performance indicators, including through some form of independent, expert third party review or audit.
- A process for reporting information in a way that is transparent, consistent, comparable, and complete, and made available to the public.

We consider that any general guidelines developed by the COP would be just that, general. We do not consider that such guidelines would be in any way intrusive with respect to domestic policy. Instead, we believe that concise, general guidelines could lay out the basic features that would contribute to a robust and reliable system for domestic MRV, as highlighted above.

MRV of Supported Actions and Support Received - Paragraphs 60, 61, 66

Decision 1/CP.16 calls for developing country Parties to enhance reporting on support received for mitigation actions, both in national communications and in biennial update reports. Additionally, under paragraph 61, internationally supported actions are "subject to international measurement, reporting, and verification in accordance with guidelines to be developed under the Convention."

The credibility of the climate finance system depends not only on the provision of finance, but also on the transparent accounting of what is done with it and the results achieved. Current information from recipient countries on the impact of support received is very limited, due to the infrequency of developing country national communications and the lack of clear reporting guidelines. The limited information reported by recipient countries makes it difficult to demonstrate to donor country taxpayers the concrete benefits of public climate finance, and to show that support was utilized in a cost-effective, efficient, and transparent manner.

Accordingly, revised reporting guidelines should require recipient countries to provide more detailed and frequent information on how international support led to enhanced mitigation and adaptation outcomes. In addition, arrangements made between finance channels and recipient countries should incorporate requirements for joint measurement and reporting of the mitigation and adaptation outcomes associated with the support provided. We view international MRV to consist of two elements: 1) international consultations and analysis; and 2) additional provisions for finance and information on outcomes for support provided.

Facilitation of Support through a Registry - Paragraph 56, 66

The registry can serve as a useful tool to facilitate the matching of actions and support, as noted in paragraph 57 of decision 1/CP.16. In implementing the registry as an online resource, the Secretariat can present information about the range of support channels available to developing countries. In particular, information provided by developed country Parties on support should be organized and presented to create a useful resource describing climate finance channels according to the thematic areas and geographic areas they support, links to their eligibility criteria and project cycle descriptions, as well as information about projects recently financed. The website www.climatefinanceoptions.org, developed by the UNFCCC Secretariat, UNDP and the World Bank, may serve as a basis for developing these facilitative functions.

Paper no. 8: Uzbekistan

Executive Secretary of UNFCCC
Secretariat of UNFCCC

Subject/Object: Outcome of the work of the Ad Hoc Working Group on long-term Cooperative Action under the Convention (AWG-LCA)

Dear Ms. Christiana Figueres

Please, find in the attachment **opinion of Republic Uzbekistan on questions concerning the working program for development of approaches and recommendations** which is given in FCCC/AWGLA/2010/L/7, paragraph 66 taking into account the initial planning of processes described in Section III.B (Strengthened actions on prevention. Relevant national actions on prevention for developing countries) according to point 17 of Summary Table of submission of information and views of Parties requested by the bodies of UN FCCC and Kyoto Protocol for 2011.

Attachment: 1 p.

Sincerely yours,



Prof. V.E.Chub

Minister
Director General of Uzhydromet
National Focal Point on Climate Change
in Uzbekistan

Opinion of Republic Uzbekistan on questions concerning the working program for development of approaches and recommendations

Republic of Uzbekistan supports the initiatives of Secretariat aimed at achieving of more comprehensive understanding of the whole scope of actions on prevention of climate change, underlying assumptions and any support needed for implementation of these actions regarding the differences in national conditions and available capacities of Parties being the developing countries.

Making-up of roster with a separate section for developing countries, for registering of actions on prevention of climate change according to national conditions for which international support is being sought will undoubtedly be the support for the strengthening of capacity for these actions.

Registration and regular updating of information submitted by the Parties in the roster regarding the following:

- actions on prevention of climate change for which the international support is sought;
- support for these actions from the Parties being the developed countries;
- support provided for developing countries for the actions on prevention of climate change following the national conditions.

Furthermore, it will facilitate and ease the processing of finding the sources of financial and technological support via different functional linkages with financial mechanism.

Uzbekistan supports the proposal:

- to extend the submission of information on prevention of climate change, their outcomes and received support in the national reports;
- to pertain the frequency of submission of National reports in accordance with requirements of Convention for Non-Annexes I Parties.

In the Second National report of Republic of Uzbekistan the information on the actions on mitigation of consequences of climate change was presented.

Uzbekistan supports the submission of biennial reports containing the updated information on national inventories of the greenhouse gases including the national report on inventory and information on actions on prevention of climate change, needs and received support.
