

17 October 2018

Joint reflections note by the presiding officers of the Ad Hoc Working Group on the Paris Agreement, the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation

Addendum 1 – part 1¹

Matters relating to Article 4 of the Paris Agreement and paragraphs 22–35 of decision 1/CP.21

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1.1 Further guidance in relation to the mitigation section of decision 1/CP.21

A. Progress to date and ways forward

1. The discussions at the sixth part of the first session of the Ad Hoc Working Group on the Paris Agreement (APA) made it clear that Parties need to find agreement on the key issue of how the guidance on the information to facilitate clarity, transparency and understanding (ICTU) and accounting should be applied and to whom it should apply. Finding an agreement on this critical issue will be essential to enable other aspects of guidance under this agenda item to be determined. Answers to the following questions could, in our judgement, help:

- (a) Which of the many information elements currently identified under ICTU are in fact necessary for making the Paris Agreement operational?
- (b) How could those elements be best phrased to fulfil the ICTU objectives in a manner that nevertheless respects national sovereignty?
- (c) How could the different accounting concepts currently being discussed be concluded in a timely manner in Katowice, to recognise the Transparency, Accuracy Consistency, Comparability, and Completeness (TACCC) principles and the avoidance of double counting?

¹ For technical reasons, this addendum is issued in two parts: part 1 contains textual proposals relating to “Further guidance in relation to the mitigation section of decision 1/CP.21”, and part 2 contains textual proposals relating to “Development of modalities and procedures for operation and use of a public registry referred to in Article 4, paragraph 12, of the Paris Agreement”, “Common time frames for nationally determined contributions referred to in Article 4, paragraph 10, of the Paris Agreement” and “Modalities, work programme and functions under the Paris Agreement of the forum on the impact of the implementation of response measures”.

(d) Tracking of progress is also addressed under APA agenda item 5 and, taking that into consideration, what is required for “tracking of progress” under APA agenda item 3?

2. Our textual proposals for this item (see chapter B below) aim to assist Parties in focusing on key choices so that agreement on this item can be found within the limited time that will be available at the final APA session, in Katowice. We urge Parties to work together to resolve their different views as a matter of urgency: it will not be tenable to leave questions open beyond the earliest stage of the twenty-fourth session of the Conference of the Parties (COP).

3. Some groups and Parties have expressed the view that the Paris Agreement work programme (PAWP) outcome for this item does not require text in certain areas. Informal notes by the co-facilitators have, up to this point, identified these issues by including a ‘no text’ option. With the textual proposals, however, the APA Co-Chairs have elected to dispense with ‘no text’ references. Instead, differences in Party views are reflected by the use of square brackets around paragraphs or sections. Readers should interpret such square bracketed text as implying that Parties will need to reach consensus on any text to be included and an alternative is ‘no text’ in the PAWP outcome for that issue/area. This approach does not imply any judgment on our part as to the inclusion (or not) of substantive text on such issues as part of the final PAWP outcome.

4. The textual proposals in chapter B below have been prepared by the APA Co-Chairs under their own responsibility.

B. Textual proposals

CAVEATS

- i. *The textual proposals contained in this note are to help Parties advance textual negotiation and are not intended to prejudge or prejudice any next steps relating to the negotiation or the position of Parties on the final outcome on item 3 under the APA. To provide Parties with assurance that all of their proposals, views and options on APA item 3 are preserved and kept on the table, the APA Co-Chairs recognize that the informal notes and tools by the co-facilitators and submissions by all Parties will not be withdrawn until the final outcome on APA agenda item 3 is adopted.*
- ii. *Furthermore, these textual proposals do not represent agreed views, ideas or text, nor do they attempt to draw any conclusions on possible areas of convergence or divergence. They are also not meant to prejudice the placement or phrasing of specific elements.*
- iii. *The final form of the guidance on all three APA 3 agenda sub-items depends on what Parties ultimately decide. The textual proposals should not prejudice which contents of the outcome on APA item 3 will be in the main decision text or in any technical appendices/annexes. Particularly, various views have been expressed by Parties on whether substantive elements for information guidance (section C) and the specific elements for accounting guidance (section D) should be in appendices/annexes or part of the decision text or in another format. This is a question also being addressed in other parts of the APA agenda.*
- iv. *A wide range of strongly-held views on how to discuss the issues of scope of NDCs and differentiation have also been shared. While a number of Parties are of the view that these issues should be discussed under APA item 3, a number of other Parties consider that these issues should be discussed elsewhere under the process, and another number of Parties have expressed the view that these issues were already treated within the overall architecture of the Paris Agreement.*
- v. *Parties continue to have various views on whether particular elements in the textual proposals contained in section C on “substantive elements” for information guidance and in section D “specific elements” for accounting guidance should or should not be included in the guidance, or whether they are in or out of the mandate of APA item 3.*

- vi. *Furthermore, very divergent views exist among Parties on the application of section C on “substantive elements” for information guidance and in section D “specific elements” for accounting guidance. Various views were expressed on whether there should be different applicability for the listed elements, such as one or more of the below:*
- *All Parties to provide information on/account in accordance with all the listed elements, or each Party to provide information on/account in accordance with all the listed elements depending on the contents of its NDC; or*
 - *Developed country Parties to provide information on/account in accordance with all the listed elements and developing country Parties to provide information on/account in accordance with the listed elements at their discretion/over time; or*
 - *Those Parties with GDP/emissions/per capita cumulative historical emissions above a particular level to provide information on/account in accordance with all the listed elements and other Parties to provide information on/account in accordance with the listed elements at their discretion/over time.*

Preambular text

Preambular text

- Recalling relevant Article[s] of the Paris Agreement
- Recalling relevant paragraphs of decision 1/CP.21
- Other {relevant PAWP decisions}

I. Features of NDCs

A. [Identify and list existing features]

Option 1

[Features of nationally determined contributions are: Art 2.1: NDCs to achieve the purpose of the agreement, promote low emissions and climate resilient development, make financial flows consistent with this and accelerate the development and transfer of technology; context of sustainable development and efforts to eradicate poverty; Art 2.2: equity, CBDRCC, national circumstances and differentiation; Art 3: National determination, include elements of mitigation, adaptation, financial support, technology development and transfer and capacity building; Art 4.1: long-term goals (peaking – slower for developing countries, and “a balance between anthropogenic emissions by sources and removals by sinks” by the second half of this century). “On the basis of equity”, aggregable; Art 4.2: national determination, Parties pursue domestic mitigation measures, successive, maintain NDCs, unconditional component, successive increment; Art 4.3: progression, highest ambition, national circumstances, CBDRCC; Art 4.4: economy-wide absolute emission reduction targets by developed countries, leadership by developed countries, encouragement for developing country Parties to move over time towards economy-wide absolute emission reduction targets, differentiation; Art 4.5: support to developing country Parties, differentiation, conditional component; Art 4.6: LDCs and SIDS to prepare and communicate plans and actions for low greenhouse gas emissions development; Art 4.7: mitigation co-benefits resulting from Parties adaptation actions and/or economic diversification plans; Art. 4.8: clear, transparent and understandable; Art. 4.9: communication every five years, informed by global stocktake, NDCs to be either for a 5 or 10-year period; Art. 4.10: common timeframes; Art. 4.11: upward adjustment; Art 4.12: registry; Art 4.13: accounting, quantifiable; Art 4.15: consideration of response measures, quantifiable; Art 4.16-4.18: collaborative or joint action; Art. 4.19: successive increment in a long-term time series; Art. 7.1: achieve the purpose of the agreement; Art 9.1: differentiation; Art 9.3: differentiation; Art 9.5: differentiation; Art 9.7: differentiation; Art 10: differentiation; Art 11: differentiation; Decision 1/CP.21, paragraph 25: communication 9-12 months in advance of

relevant CMA session; Decision 1/CP.21, paragraph 27: reference years or periods, coverage in sectors and gases, metrics and guidelines;]

Option 2

[Features of NDCs are outlined in [[Article 3][Article 4][Articles 3 and 4][the relevant provisions] of] the Paris Agreement;]

[While the efforts and level of ambition communicated by Parties are nationally determined, NDCs should be prepared and communicated pursuant to the Paris Agreement and the guidance adopted by the CMA, as applicable;]

[Flexibility related to the nature of the features and characteristics included in nationally determined contributions to be provided to least developed countries and small island developing states;]

[Conclude the consideration of further guidance on features of the nationally determined contributions;]

B. [Guidance/Elaboration on features

[Further guidance on features of nationally determined contributions would assist Parties in preparing and communicating their NDCs [[all][some] features referred to in section A above], including inter alia on: Quantifiability of efforts in tonnes of CO₂ eq; Progression; Highest possible ambition; Use of common IPCC metrics; Coverage, sources and removals; Reference points; Time frames for submission; Target years; Outline of all key assumptions; Statement of nature of nationally determined contributions - economy-wide absolute emission reduction target, economy-wide emission reduction or limitation target, or other; Domestic mitigation measures in place in support; Movement over time towards economy-wide emission limitation or reduction targets; Low carbon and climate resilience development strategies; Conditions and circumstances or specification of emissions reduction capacity without support;]

II. Information to facilitate clarity, transparency and understanding (ICTU)

A. Objectives

[The objective of further guidance on information to facilitate clarity, transparency and understanding of nationally determined contributions is to:

- [[facilitate][enhance] the clarity, transparency and understanding of Parties' nationally determined contributions[, and to facilitate the implementation of Article 4, paragraph 8, of the Paris Agreement];]
- [assist Parties' in preparing and communicating their nationally determined contributions in line with the Paris Agreement;]
- [facilitate the exchange of best practices among Parties and contribute to raising public awareness of what Parties are going to do about climate change in the future;]
- [provide sufficient comparable information in the NDC submissions to facilitate the [tracking of progress][aggregation of NDCs].]

[The objective of further guidance on information to facilitate clarity, transparency and understanding of nationally determined contributions is not to:

- [present an additional burden on Parties, especially developing country Parties, in particular least developed countries and small island developing states;]
- [be prescriptive;]
- [enable the quantification of NDCs or provide quantitative information;]

- [impose a common type of, or format for, NDCs.]]

B. Capacity of developing countries

[Developing countries, in particular the least developed countries and small island developing States, require support in order to progressively improve the information included to contextualize their nationally determined contributions;]

[Different starting points and capacities;]

[Establish an incentive mechanism to encourage and support developing country Parties to prepare, communicate and implement their nationally determined contributions and to provide relevant information in a successive and durable manner;]

[Consider the capacity-building needs of developing country Parties and [work with partners to] increase their capacity to improve the [provision of information to facilitate] clarity, transparency and understanding of their nationally determined contributions over time[, including what support would be required relative to what is available][and support the implementation of nationally determined contributions];]

[Flexibility to be provided to developing country Parties based on their nationally determined contributions, in particular the least developed countries and small island developing States, recognizing that the least developed countries and small island developing States may communicate strategies, plans and actions for low greenhouse gas emission development;]

[Provide continuous and adequate support to developing country Parties to identify their capacity-building needs and increase their capacity for enhancing the clarity, transparency and understanding of their nationally determined contributions over time.]

C. Substantive elements

[Recalling Article 4, paragraph 8 of the Paris Agreement, which provides that in communicating their nationally determined contributions, all Parties shall provide the information necessary for clarity, transparency and understanding in accordance with decision 1/CP.21 and any relevant decisions of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement;]

[Adopting the guidance on information necessary for clarity, transparency and understanding [contained in Annex x] [below][contained in the Good Practice Guidance on information necessary for clarity, transparency and understanding of nationally determined contributions][, pursuant to Article 4, paragraph 8 of the Paris Agreement];]

[[In the context of the obligation under Art 4.8 to provide information necessary for clarity, transparency and understanding] In communicating its nationally determined contribution, each [developed country] Party [with [GDP][emissions][per capita cumulative historical emissions] above a particular level] to provide [and each developing country Party to provide [at their discretion][over time]] the information [contained in Annex x][following below][contained in the Good Practice Guidance on information necessary for clarity, transparency and understanding of nationally determined contributions] as applicable to its nationally determined contribution.]

{Note: depending on what Parties ultimately decide, the following (marked) sections would/could either remain a part of the decision or be moved to an annex or be captured in the Good Practice Guidance to provide information necessary for clarity, transparency and understanding of NDCs}

Quantifiable information on the reference point (including, as appropriate, a base year)

- Information on:
 - [The base year, reference period [or other starting point and the quantified value at such starting point];]

- [Conditions and point in time under which the base point/year/baselines/reference level will be updated, if applicable;]
- [Parameters used to formulate the mitigation contribution;]
- [Indicators used to quantify the reference point (metrics, source data, values).]

Time frames and/or periods

- Information on:

- [Time frame and/or period for implementation (incl. start and end date);]
- [The target being a single-year or a multi-year target, if applicable;]
- [Cross reference to the consideration by the CMA of Article 4.10.]

Scope and coverage

- Information on:

- [Coverage of NDC, in relation to the IPCC guidance on national greenhouse gas inventories, including on sectors, gases, categories, including land categories, if applicable, pools, activities [and relevant definitions][, including any difference between the definitions presented and those used in the national inventory report and/or by the IPCC];]
- [Whether categories of anthropogenic emissions and removals reflect continued coverage of categories covered in previous NDCs;]
- [How the NDC has considered the encouragement to include all categories of anthropogenic emissions and removals;]
- [Move over time to economy-wide emission reduction or limitation targets[, including a timeline for economy-wide coverage, if applicable];]
- [Other GHGs included following review by the UNFCCC or IPCC guidelines;]
- [Excluded sectors, gases or categories;]
- [The significance/percentage of a gas or sector in national emissions [included in the nationally determined contribution], if applicable;]
- [Whether the Party intends to use voluntary cooperation under Article 6;]
- [Whether NDC includes [mitigation,] adaptation and/or means of implementation;]
- [Mitigation co-benefits resulting from Parties' adaptation actions and/or economic diversification plans[, including a description of the specific projects, measures and initiatives of Parties' adaptation actions and/or economic diversification plans, that would yield co-benefits in the form of emission reductions];]
- [Geographical coverage.]

Planning processes

- Information on:

- [Domestic planning processes in relation to the NDC, as appropriate][, including, as applicable, on:
 - [laws, policies, legal and institutional frameworks, plans and processes relevant for the NDCs;]
 - [stakeholder consultations and other processes to achieve the objectives of the NDC, including with indigenous peoples; local communities; elders and youth; just transition; gender; human rights; other important considerations];]
- [Information gaps, barriers or issues that the Party faced during the NDC design process;]

- [How the NDC relates to long-term planning[, including [poverty eradication][development plans/strategies][long-term low greenhouse gas emission development strategies, referred to in Article 4.19], if applicable];]
- [How the NDC has been informed by the outcomes of the global stocktake in accordance with Article 4.9 of the Paris Agreement, and the 2018 Talanoa Dialogue, if applicable.]

Assumptions and methodological approaches

- Information on:

- [Approaches/methodologies that will be used for the accounting for anthropogenic GHG emissions and removals, in accordance with the accounting guidance][including:
 - [how the approach is consistent with the NDC and the Party's national circumstances;]
 - [if the approach will vary by sector or activity, describe each approach in detail.]]
- [Use of the IPCC methodologies and metrics for estimations of GHG emissions and removals, if appropriate in accordance with [the guidance for accounting for NDCs] [methodologies and common metrics assessed by the IPCC and adopted by the CMA] [1/CP.21 paragraph 31(a)][, including for the LULUCF sector];]
- [How the base year(s)/reference indicator(s)/baseline(s) and or reference levels are constructed, including parameters, key assumptions, definitions, methodologies, data sources, models used;]
- [Methods and assumptions related to main drivers of national GHG emissions;]
- [Quantification of emission reductions in tonnes of CO₂ or CO₂ eq[, where applicable];]
- [Assumptions and methodological approaches specific to LULUCF [forests][and REDD+], if included in the NDC][, including as appropriate:
 - [treatment in NDC (e.g. accounting like any other sector, sectoral target);]
 - [accounting approach, in accordance with the guidance decided by the CMA;]
 - [information on reference level, if this accounting approach is used, and its relation to the overall baseline;]
 - [coverage of activities/categories or sub-categories/pools, including HWP/fluxes/gases (comprehensive/partial);]
 - [intention to exclude emissions from natural disturbances and provisions to be applied;]
 - [treatment of HWP, natural disturbance, legacy effects, other;]
 - [linkage to IPCC categories/pools;]
 - [if using managed land proxy, specify which land is classed as managed].]
- [The intended use of voluntary cooperation under Article 6, in accordance with the guidance decided by the CMA;]
- [Pursuant to Article 4.7 of the Paris Agreement on mitigation co-benefits resulting from Parties' adaptation actions and/or economic diversification plans;]
- [Intended or proposed domestic mitigation measures that the Party will pursue to implement its NDC in accordance with Article 4.2 of the Paris Agreement;]
- [How the Party will ensure the methodological consistency between the communication and implementation of its NDC;]

- [Any changes that may occur during implementation and that affect the NDC: be reflected in the progress report as referred to in Article 13.7 (b) of the Paris Agreement;]
- [How any existing methods and guidance under the Convention and Kyoto Protocol has been taken into account.]

Fairness and ambition

- Information on:
 - [How the party considers that its NDC is fair and ambitious, in the light of its national circumstances;]
 - [Fairness considerations of efforts such as approaches and concepts that the Party has used to operationalize equity and fairness considerations;]
 - [How the Party's successive nationally determined contribution will represent a progression beyond the Party's then current nationally determined contribution and reflect its highest possible ambition, reflecting its common but differentiated responsibilities and respective capabilities, in the light of different national circumstances, as per Article 4.3 of the Paris Agreement;]
 - [How the Party has addressed Article 4.4 and Article 4.6 of the Paris Agreement;]
 - [How inputs from the best available science was considered in the Party's NDC, in view of the UNFCCC and the Paris Agreement goals;]
 - [Emissions levels or trajectory under the NDC compared to the appropriate counterfactual;]
 - [Features of geography, climate or economy that set practical limits on ambition;]
 - [The conditional part of the contribution, if relevant;]
 - [How the NDC contributes towards achieving the objective of the Convention as set out in its Article 2;]
 - [How the NDC is consistent with the [global temperature goal as described in Article 2.1(a) of the Paris Agreement][collective aim to reach global peaking of GHG emissions as soon as possible and undertake rapid reductions thereafter (Article 4.1)];]
 - [How the Party considers that its efforts [are strengthening the global response to the threat of climate change and] foster low greenhouse gas emissions development, in the context of sustainable development and efforts to eradicate poverty and in a manner, that does not threaten food production.]

[Additional general information on NDC, incl. information on the elements under Article 4

- Information on:
 - [Specific information applicable to Parties that decided to act jointly under Article 4.2 of the Paris Agreement, including the Parties that agreed to act jointly and the terms of this agreement, in accordance with Article 4.16 – 4.18 of the Paris Agreement;]
 - [How Parties take into consideration the concerns of Parties with economies most affected by the impacts of response measures, particularly developing country Parties;]
 - [Information pursuant to Article 4, paragraph 7 of the Paris Agreement on mitigation co-benefits resulting from Parties' adaptation actions and/or economic diversification plans[, including a description of the specific projects, measures and initiatives of Parties' adaptation actions and/or economic diversification plans, that would yield co-benefits in the form of emission reductions];]

- [Specific information on compliance to implementation;]
- [Specific information on review & verification;]
- [Information on mitigation, adaptation and means of implementation: include, as appropriate, the items in the information list, as set out in paragraph 27 of decision 1/CP.21;]
- [Best practices and experience related to the preparation of the NDCs;]
- [Potential climate benefits and co-benefits in other areas resulting from the implementation of the NDCs[, including sustainable lifestyles];]
- [Information on several or all of the items the items listed in paragraph 27 of decision 1/CP.21;]
- [Whether their NDCs include [mitigation,]adaptation and/or support.]]

[Additional information on the mitigation target of the NDC

- [Description of the target/of each of the different targets if there are several:]
 - [General description of the mitigation contribution [, including as appropriate a quantitative description of the target, type of target, headline percentage reduction, and/or policy objective];]
 - [Information on enhanced mitigation efforts and information on possible benefits and effects to be achieved correspondent to different scales of support to be received;]
 - [Mitigation information, on several or all of the items listed in paragraph 27 of decision 1/CP.21, and other information as set out in decision 2/CP.17 and 19/CP.18;]
 - [How the mitigation component of the NDCs could demonstrate their leadership in mitigating climate change;]
 - [Expected emissions trajectory that will be followed by the Party to meet its mitigation goal;]
 - [Reported emission level changes due to improvements in transparency, accuracy, completeness, comparability and consistency of data, if applicable;]
 - [Indicators used to track progress and to assess the attainment of the objective.]]

[Additional information on multiple or different types of mitigation targets in NDCs

- [If the Party has referred to an emissions reduction or limitation target: information relating to an absolute, economy-wide emissions reduction or limitation target, if relevant, including:]
 - [expected emissions level in base year and target year for fixed level target;]
 - [headline number in terms of emission reduction in % relative to the base year;]
 - [further information to help understand the NDC;]
 - [multi-year or single year targets (budget-based or single year approach).]
- [If the Party has referred to a BAU baseline or scenario: information relating to the construction of base years/baselines/reference levels including assumptions and parameters, if relevant, including on:]
 - [expected emissions level in the target year for mitigation targets based on BAU deviation;]
 - [headline number in terms of emission reduction in % relative to the base year;]

- [the quantified value of the base year and target year, should a projected baseline be used;]
- [baseline, including emissions level in terms of CO₂ eq;]
- [quantifiable information on the assumptions and methodologies used to construct trajectories and any projected baseline[, and whether these assumptions are consistent overtime];]
- [use of projection based baselines and/or reference levels, including coverage of policies and measures and projection methodology/model;]
- [whether the baseline is static or dynamic.]

- o [If a Party has referred to emission intensity: information relating to the intensity target, if applicable, including on:]

- [expected emissions intensity in the target year for mitigation intensity targets;]
- [Expected emission level in the target year;]
- [quantified target level of emissions or emission reduction per unit of GDP, unit of product/output or population, or another indicator;]
- [the level of emissions intensity in the base year/for the baseline;]
- [index value for the base year;]
- [headline number in terms of intensity reduction in %;]
- [quantifiable information on the assumptions and methodologies used to construct trajectories and any intensity target [, and whether these assumptions are consistent overtime];]
- [data sources [for the index value];]
- [source and type of GDP used, if applicable;]
- [past trends;]
- [projections, if available;]
- [timing and parameters of updates.]

- o [If a Party has referred to an emission peaking target: information relating to the emission peaking target, if applicable, including on:]

- [peaking year;]
- [expected emissions level in peaking year and emissions trajectory towards it for peaking emissions target, if available;]
- [expected rate of emissions decline after peak, if available.]

- o [If a party has referred to the implementation of policies and measures: information relating to the policy and measures, if applicable, including on:]

- [qualitative description of the policies and measures, including on mitigation co-benefits resulting from adaptation actions and/or economic diversification plans;]
- [quantitative information on expected emissions from the policies and measures (if possible) [or avoided from the policies and measures in terms of CO₂ eq];]
- [description of methodological approaches used to measure impact of policy, plan or action;]
- [base year(s) for policy objectives that are part of the contribution such as increasing energy efficiency or forest cover;]
- [non-GHG contribution including implementation of policies and measures;]
- [explanation on how to track the progress in implementation of the contribution, [including, if applicable, identifying quantifiable indicators].]

- o [If a party has referred to mitigation co-benefits resulting from Parties' adaptation actions and/or economic diversification plans: technical information on mitigation contributions as necessary, including if available:]

- [description of actions, including diversification plans;]
- [indicators the party will use to assess the attainment of the objective;]

- [information, if applicable, on how adaptation actions and/or economic diversification plans contribute to mitigation outcomes of the NDC;]
- [estimated impact of adaptation actions in emissions levels;]
- [any additional technical information the Party deems relevant to specify their GHG and/or non-GHG mitigation contributions.]

- o [If a Party has referred to achieving carbon/emission neutrality: information relating to the achieving carbon/emission neutrality, if applicable, including on:]

- [definition of carbon or emission neutrality;]
- [accounting approach used for carbon neutrality;]
- [how emissions from the land sector will be accounted for;]
- [whether and to what extent units from international market mechanisms or other compensation activities/credits will be used to reach target.]

[Information on adaptation:

- Information on:

- o [If a Party included an adaptation communication as a component of its NDC: follow the guidance being developed under APA agenda item 4;]

- o [NDC guidance for adaptation actions and/or economic diversification plans resulting in mitigation co-benefits [and additional specific information on Parties' adaptation actions and/or economic diversification plans that result in Mitigation co-benefits];]

- o [Parties that are communicating nationally determined actions and strategies pursuant to Article 4.7 designed to yield co-benefits as well as build resilience of socioeconomic and ecological systems, including through economic diversification and sustainable management of natural resources, to provide information on:

- a) Adaptation plans that also yield mitigation co-benefits, which may cover but are not limited to key sectors such as energy resources, water resources, coastal resources, human settlements and urban planning, agriculture, and forestry;
- b) Economic diversification actions, which may cover but are not limited to sectors such as manufacturing and industry; energy and mining; transport and communication; construction; tourism; real estate; agriculture, and fisheries.]

- o [The adaptation component of the NDC, both on actions and support provided and needed, as appropriate, in accordance with Articles 7, 9, 10 and 11 of the Paris Agreement;]

- o [Relevant information as set out in paragraph 27 of decision 1/CP.21 and information related to the adaptation communication referred to in Articles 7.10 and 7.11 of the Paris Agreement, taking into account the outcome of APA agenda item 4;]

- o [Adaptation efforts and needs in the NDC, if applicable;]

- o [General information of NDCs above, if applicable and the outcome of APA agenda item 4.]]

[Information on support

- Information on:

- o [Developed country Parties: indicative quantitative and qualitative the information on provision and mobilization of support in accordance with Article 9.5 and its related guidance:]

- [and 3, 4.5, 4.8, 10 and 11 of the Paris Agreement and paragraphs 27 and 55 of decision 1/CP.21;]

- [as well as taking into account relevant information requirements as set out in decision 19/CP.18.]

- o [Other Parties are encouraged to provide or continue to provide such information voluntarily;]
- o [Developing country Parties: information on how enhanced support will allow for higher ambition in their efforts;]
- o [Developing country Parties: information on finance, technology and capacity-building support needed related to implementation of their NDCs.]]

[Information on finance

- o [Developed countries Parties: quantified information on provision of finance support in their NDCs, including the following information:]

- [base year;]
- [period for implementation;]
- [quantitative amount in the following two years and five years;]
- [sources, including ratio between public and other resources;]
- [delivery channels;]
- [areas and priorities of support;]
- [relevant assumptions and methodologies for accounting the financial resources[, and estimating public finance, identifying resources mobilized by public interventions and other policies and attributing private investment];]
- [fairness and ambition why such financial resources are new and additional and how such financial support will assist developing country Parties to implement their NDCs;]
- [actions to make available the public finance, policies to attract finance flows from other resources and the causality between public interventions and mobilized investments.]

- o [Other Parties are encouraged to provide or continue to provide such information voluntarily;]
- o [Developing country Parties: information on finance support needed in relation to implementing their NDCs.]]

[Information on technology

- o [Developed countries Parties: quantifiable information on provision of technology development and transfer support in their NDCs, including the following information:]

- [types of support;]
- [base year;]
- [period for implementation;]
- [relevant amount of financial resources to be provided;]
- [delivery channels;]
- [areas and priorities of support;]
- [plans and policies [to encourage the participations by business and research institutes];]
- [measures on incentivizing innovation, promoting international collaboration on R&D, demonstration and deployment and facilitating the access to technologies and address barriers to their transfer to developing countries;]
- [programmes and projects to be conducted by public agencies;]
- [relevant methodologies and assumptions on estimating their support;]
- [[fairness and ambition, including] How such support will assist developing country Parties to implement their NDCs and increase their access to climate related technologies.]

- [Other Parties are encouraged to provide or continue to provide such information voluntarily;]
- [Developing countries Parties: information on technology development and transfer support needed in relation to implementing their NDCs.]

[Information on capacity building

- [Developed countries Parties: information on provision of capacity-building support in their NDCs, including the following information:]
 - [types of support;]
 - [base year;]
 - [period for implementation;]
 - [relevant amount of financial resources to be provided;]
 - [delivery channels;]
 - [areas and priorities of support;]
 - [policies, programmes and projects of capacity-building;]
 - [relevant methodologies and assumptions on estimating their support;]
 - [how such support will assist developing countries to strengthen their capacities on combating climate change.]
- [Other Parties are encouraged to provide or continue to provide such information voluntarily;]
- [Developing countries Parties: information on capacity-building support needed in relation to implementing their NDCs.]

[Information on support needs/received

- [Developing country Parties: information on the costs and barriers on implementing their NDCs and needs on finance, technology and capacity-building support.]

D. Procedural elements

(a) *Channel*

[Information to facilitate clarity, transparency and understanding of nationally determined contributions to be communicated when Parties submit their nationally determined contributions [in an information table that is annexed to the Party's nationally determined contributions][, submitted to the nationally determined contributions registry];]

(b) *Timing/application*

[Information to facilitate clarity, transparency and understanding of nationally determined contributions to be communicated [with the second and subsequent nationally determined contributions][as they communicate or update their nationally determined contributions by 2020, as required under decision 1/CP.21 paragraphs 23 and 24][, and that Parties may elect to apply this guidance to their first nationally determined contribution [and as they communicate or update their nationally determined contributions by 2020]]];]

[Least developed countries and small island developing States, reflecting their special circumstances, are encouraged to apply the guidance to the extent possible;]

[Parties may provide additional [or updated] information to facilitate clarity, transparency and understanding of nationally determined contributions at any time;]

(c) *[Revision*

[CMA to review the guidance on information to facilitate clarity, transparency and understanding of nationally determined contributions [at its X session in [2021][2024][2026][2031]][after the first global stocktake][, as appropriate taking into consideration any experience with the preparation and communication of nationally determined contributions in the future];]

III. Accounting for Parties' NDCs

A. *[Understanding of accounting]*

[The understanding of accounting for Parties' nationally determined contributions is [a procedural obligation as set out in Article 4, paragraph 13, of the Paris Agreement][being responsible for nationally determined contributions][to promote transparency][to avoid double counting][to track progress][to enable aggregation][to measure implementation][to demonstrate the achievements of nationally determined contributions][to ensure that specific methodologies and approaches are not common, "one size fits all" or mandatory for all];]

B. *[Objectives]*

[The objective of the guidance for accounting for Parties' nationally determined contributions is to:

- [The objective of the guidance for accounting for Parties' nationally determined contributions is to promote environmental integrity, transparency, accuracy, completeness, comparability and consistency, and ensure the avoidance of double counting, in accordance with Article 4, paragraph 14 of the Paris Agreement;]
- [Be a tool or reference document to assist Parties in preparing and communicating their nationally determined contributions in line with the Paris Agreement and decision 1/CP.21;]
- [Preserve the national determination of nationally determined contributions by respecting the accounting approaches embedded in their nationally determined contributions, which correspond to their highest possible ambition in the light of different capacities and national circumstances;]
- [Reflect equity and the principle of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances, stated in Article 2, paragraph 2, of the Paris Agreement, particularly in line with the diversity of nationally determined contributions;]
- [Assist Parties in fulfilling existing obligations under the Paris Agreement Article 4[, including that [each Party's successive nationally determined contribution will represent a progression beyond the Party's then current nationally determined contribution, pursuant to Article 4, paragraph 3][developed country Parties continue taking the lead pursuant to Article 4, paragraph 4 and Article 9, paragraph 3] of the Paris Agreement];]
- [Promote mutual trust among Parties and to provide the public a clear, accurate and comprehensive explanation on what Parties are planning to do on climate change;]
- [Provide clear methodological approaches to:
 - [ensure that nationally determined contributions deliver real, permanent, additional and verified mitigation outcomes, avoid double counting of effort, and achieve a net decrease and/or avoidance of greenhouse gas emissions;]
 - [ensure that the principles contained in Article 4, paragraph 13, of the Paris Agreement are implemented in the process of reporting and tracking progress with implementing and achieving nationally determined contributions;]
 - [allow Parties to demonstrate that their most recent emission levels are consistent with targets, in accordance with the parameters and indicators they have set out in their own nationally determined contributions;]
 - [facilitate understanding of mitigation effects in the implementation and achievement of nationally determined contributions;]

- [determine the aggregate impact of nationally determined contributions in relation to the long-term temperature goal under the Paris Agreement, in the context of its Article 4, paragraph 1];]

C. Capacity of developing countries

[Least developed countries and small island developing States may prepare and communicate strategies, plans and actions for low greenhouse gas emissions development reflecting their special circumstances;]

[Guidance on accounting to accommodate different national capacities and national circumstances of Parties, and recognize different starting points;]

[Flexibility to be provided to developing country Parties in the scope and level of details related to application of the relevant guidance;]

[The adoption of further requirements to developing countries [, including progressive improvement in accounting systems] to be contingent upon the provision of new, additional and adequate resources to meet their agreed full costs, or a portion of those costs;]

[[Continuous and adequate] Support to be provided to assist developing country Parties in the implementation of the guidance for accounting for Parties' nationally determined contributions [and to increase their relevant capacities][, including integrating and incorporating accounting elements in national MRV systems][in accordance with Article 13, paragraph 14 and Article 13, paragraph 15 of the Paris Agreement];]

[Capacity to be addressed through strong and sustained capacity building support and frameworks for developing countries;]

[Establish an incentivizing mechanism to encourage and support developing country Parties to apply the guidance for accounting;]

D. Specific elements

[Recalling article 4, paragraph 13 of the Paris Agreement, which provides that Parties shall account for their nationally determined contributions, and that in accounting for anthropogenic emissions and removals corresponding to their nationally determined contributions, Parties shall promote environmental integrity, transparency, accuracy, completeness, comparability and consistency, and ensure the avoidance of double counting, in accordance with guidance adopted by the Conference of the Parties serving as the meeting of the Parties to this Agreement;]

[Recalling paragraph 31 of decision 1/CP.21 which requests the Ad Hoc Working Group on the Paris Agreement to elaborate, drawing from approaches established under the Convention and its related legal instruments as appropriate, guidance for accounting for Parties' nationally determined contributions, as referred to in Article 4, paragraph 13, of the Agreement, for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its first session, which ensures that:

a) Parties account for anthropogenic emissions and removals in accordance with methodologies and common metrics assessed by the Intergovernmental Panel on Climate Change and adopted by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement;

b) Parties ensure methodological consistency, including on baselines, between the communication and implementation of nationally determined contributions;

c) Parties strive to include all categories of anthropogenic emissions or removals in their nationally determined contributions and, once a source, sink or activity is included, continue to include it;

d) Parties shall provide an explanation of why any categories of anthropogenic emissions or removals are excluded;]

[Adopting the guidance for accounting for Parties' nationally determined contributions [contained in Annex [x][y]][below][contained in the Good Practise Guidance on accounting for anthropogenic emissions and removals corresponding to nationally determined contributions][, pursuant to Article 4, paragraph 13 of the Paris Agreement];]

[In accounting for anthropogenic emissions and removals corresponding to their nationally determined contributions under Article 4, paragraph 13, of the Paris Agreement, [developed country] Parties [[with GDP][emissions][per capita cumulative historical emissions] above a particular level] [and each developing country Party] to apply the guidance for accounting for Parties' nationally determined contributions [contained in Annex [x][y]][below][contained in the Good Practice Guidance on accounting for anthropogenic emissions and removals corresponding to nationally determined contributions];]

{Note: depending on what Parties ultimately decide, the following (marked) sections would/could either remain a part of the decision or be moved to an annex or be captured in the Good Practise Guidance on accounting for anthropogenic emissions and removals corresponding to nationally determined contributions.}

Parties account for anthropogenic emissions and removals in accordance with methodologies and common metrics assessed by the IPCC and adopted by the CMA (decision 1/CP.21, paragraph 31(a))

[Account for anthropogenic emissions and removals in accordance with methodologies and common metrics assessed by the Intergovernmental Panel on Climate Change and adopted by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement [, taking existing guidance into account if no CMA guidance exists];]

[Use [the 2006][latest][most appropriate][any] IPCC Guidelines for National Greenhouse Gas Inventories[, in light of different capacities and circumstances][in accordance with the modalities, procedures and guidelines under Article 13, paragraph 13, of the Agreement][, and any subsequent guidance [adopted by the CMA]][and methodologies pursuant to article 4, paragraph 7 of the Paris Agreement];]

[Use [the [most recent][appropriate][scientifically accurate]][common metrics][assessed by the IPCC][[100-year Global Warming Potential (GWP)][or][global Temperature Potential (GTP)]] [as reported in their GHG inventory][as contained in the most recent Assessment Reports by the IPCC][as appropriate][in accordance with the modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement][, and any subsequent guidance [adopted by the CMA]];]

[For nationally determined contributions communicated in accordance with Article 4, paragraph 7 of the Paris Agreement [or other targets not quantified in terms of greenhouse gasses] Parties to provide [a description of the methodologies used to calculate emission reductions arising from the implementation of Parties' adaptation actions, and/or economic diversification plans][an estimation of the greenhouse gas impacts associated with the implementation and achievement of that target] in the [biannual transparency report following the submission of the nationally determined contributions][through the Enhanced Transparency Framework *{cross-reference to APA 5 section C}*];]

[When including other aspects of the target, including categories not part of IPCC guidelines, Parties to provide information methodologies and approaches used to estimate emissions [and how they relate to existing categories from the IPCC guidelines];]

Parties ensure methodological consistency, including on baselines, between the communication and implementation of nationally determined contributions (decision 1/CP.21, paragraph 31(b))

[Ensure methodological consistency, including on baselines, between the communication and implementation of nationally determined contributions [throughout the implementation period] [. Parties may make technical corrections, if necessary];]

[Ensure methodological consistency, including on baselines, between [nationally determined contributions and the methodological approach used to measure and track progress in the implementation of nationally determined contributions][approach for accounting communicated consistent with ICTU, and the approach used to account for the implementation and achievement of the NDC][the assumptions and methodologies used in subsequent nationally determined contributions][calculating basepoint/baselines or reference point/period and set mitigation goals][nationally determine contributions and GHG inventories][time series];]

[When using reference indicator(s), baseline(s), reference level(s) to account for their national determined contributions, to [make every effort to] prepare and apply reference indicator(s), baseline(s), reference level(s) that [are transparent, real, verifiable and robust]][neither over nor underestimate the results that would have been expected in the absence of additional measures];]

[When using reference indicator(s), baseline(s), reference level(s) to account for their national determined contributions, to provide a general description of how the base year indicator(s), baseline(s), reference level(s) and projection(s) were constructed [under the Enhanced Transparency Framework {cross-reference to APA 5 section C}];]

[When updating the reference indicator(s), baseline(s), reference level(s) and/or projections [[during][between]implementation periods], Parties to describe [through their biennial reports under the transparency framework][under the Enhanced Transparency Framework {cross-reference to APA 5 section C}][when communicating their nationally determined contributions][at the earliest opportunity] any [updates][changes] to [data][parameters][approaches][methodologies] [assumptions][coverage][, in a way that ensures comparability and the fulfilment of the other TACCC-principles];]

[Develop methodologies and approaches related to the updating and recalculating [data and initial benchmark/ parameters][indicator(s), baseline(s), reference level(s) and/or projections, as appropriate];]

Parties strive to include all categories of anthropogenic emissions or removals in their nationally determined contributions and, once a source, sink or activity is included, continue to include it (decision 1/CP.21, paragraph 31(c) and (d))

[Strive to include all categories of anthropogenic emissions or removals in their nationally determined contributions, once a source, sink or activity is included, continue to include it];]

[Provide an explanation of why any categories of anthropogenic emissions or removals are excluded][and provide a timeline or improvement plan for inclusion of omitted categories] [under the Enhanced Transparency Framework {cross-reference to APA 5 section C}];]

[Provide a description of sectors, gases, categories, pools covered, including where they differ from inventory coverage and IPCC guidelines and explain which methods they intend to apply for their estimation of GHG emissions, if relevant [under the Enhanced Transparency Framework {cross-reference to APA 5 section C}];]

Article 6

[Participating Parties to account for use of internationally transferred mitigation outcomes towards nationally determined contributions, consistent with the guidance referred to in Article 6, paragraph 2, and to ensure avoidance of double use of emission reductions from

the mechanism consistent with its rules, modalities and procedures pursuant to Article 6, paragraphs 4-7;]

[Parties participating on a voluntary basis in cooperative approaches to ensure environmental integrity and avoidance of double counting consistent with guidance adopted by the CMA, and to ensure that emission reductions resulting from the mechanism established by Article 6, paragraph 4 are used towards an nationally determined contributions only once, in accordance with Article 6, paragraph 5];]

[Parties engaging in cooperative approaches referred to Article 6, of the Paris Agreement, to make a corresponding adjustment consistent with guidance adopted by the CMA for Article 6, paragraph 2, of the Paris Agreement[, including by using a [accounting balance][structured/tabular summary]]];]

[Participating Parties to report on how the use of internationally transferred mitigation outcomes and/or emission reductions from the mechanism established by Article 6, paragraph 4 towards their nationally determined contributions, is consistent with the guidance on cooperative approaches for Article 6, paragraph 2[, through the Enhanced Transparency Framework {cross-reference to APA 5 section C}];]

[LULUCF, forests and REDD+

[Encouragement to include anthropogenic emissions by sources and removals by sinks for the land use, land-use change and forestry sector in nationally determined contributions;]

[Account for anthropogenic emissions by sources and removals by sinks from the land use, land-use change and forestry sector in the nationally determined contribution consistent with [paragraph 31 of decision 1/CP.21][GHG inventory under {cross-reference to APA 5 section C }], drawing on approaches established under the Convention and its related legal instrument, as appropriate [and specify the approaches for each land categories/activities/elements, if applicable];]

[When accounting for Harvested Wood Products use a [production][common] approach], consistent with IPCC guidance [that ensures the avoidance of double-counting;]

[Use relevant IPCC guidance in accordance with guidance adopted by the Conference of the Parties serving as the meeting of the Parties to this Agreement in case a Party chooses to exclude emissions from natural disturbances or account for harvested wood products, and transparently report as part of GHG inventory under {cross-reference to APA 5 section C}];]

[Tracking progress

[Track progress made in implementing and achieving its nationally determined contribution under Article 4 in accordance with {cross-reference to APA 5 section C}];]

[Describe [at the earliest opportunity][as part of the information to facilitate clarity, transparency and understanding], how they will track progress against their base year indicator (s), baseline(s), reference level(s) and/or projection(s) [under the transparency framework {cross-reference to APA 5 section C}];]

[Track progress in the implementation and achievement of their [mitigation objectives][nationally determined contributions under Article 4] through the comparison of actual emissions and removals and/or indicators ex-post estimated against a baseline, reference point/period or expected emission level in the target year/period [and for nationally determined contributions not expressed as GHG targets: estimate the GHG impact associated with the implementation/achievement of the target];]

[Track progress in the implementation and achievement of their [mitigation objectives][nationally determined contributions under Article 4] according to the following type of nationally determined contributions:

- Contribution expressed in absolute emissions: Parties compare intended net emissions in the target year reflecting their nationally determined contributions, with actual net emissions in the year of tracking progress or target year based on the same assumptions and methodological approaches they used for preparing their nationally determined contributions;
- Contribution expressed in emission intensity: Parties compare intended net emissions intensity in the target year reflecting their nationally determined contributions, with actual net emissions intensity in the year of tracking progress or target year based on the same assumptions and methodological approaches they used for preparing their nationally determined contributions;
- Contributions expressed as non-GHG contribution / implementation of policies and measures: based on the indicators identified to assess the progress and achievement of the targets by Parties, Parties compare the intended value of the indicators in the target year reflecting their nationally determined contributions, with the actual value in the year of tracking progress or target year;
- Other approaches drawing from approaches under the Convention and the Kyoto Protocol;]

[Use GHG inventories under Article 13, paragraph 7(b) for the accounting for their NDCs under Article 4 when NDCs are expressed in terms of GHG emissions by sources and removals by sinks;]

[Use a [accounting balance][structured/tabular summary] of quantified components for the tracking of progress of nationally determined contributions;]

[[*BODY*] to consider and, as appropriate, develop and recommend a template for the [accounting balance][structured/tabular summary] referred to in paragraph X above, with a view to forwarding a draft decision on this matter to the CMA for adoption at its [xth] session;]]

[Harmonization of accounting rules with those developed by ICAO and IMO

[Ensure the avoidance of double counting with regards to emissions from international aviation and maritime transport reported under ICAO and IMO, respectively;]

[Ensure transparency, clarity and understanding with regards to emissions from international aviation and maritime transport reported under ICAO and IMO, respectively;]]

[Accounting for different or different types of mitigation targets of nationally determined contributions

[Some provisions of the accounting guidance {*cross reference to relevant paragraphs above*} to be relevant to all NDCs, whereas others will be relevant only in certain circumstances based on the components determined as part of the NDCs;]

[Additional guidance for Parties with mitigation targets that are based on strategies, plans and actions for low GHG emission development to be provided for the design of tracking indicators;]]

[Accounting for adaptation

[Account for relevant adaptation targets in their nationally determined contributions [, [consistent with the guidance adopted by the APA on its agenda item 4 {adaptation}][and][the Adaptation Committee], as appropriate;]]

[Accounting for Support

[Developed country Parties to account for contributions on the provision of support in their nationally determined contributions, as appropriate[, in accordance with [Articles 4, paragraphs 5 and 13 of, the Paris Agreement, Article 9, paragraphs 7, 10 and 11 of the Paris Agreement][, and] [the modalities for the accounting of financial resources provided and mobilized through public interventions, developed under the SBSTA in accordance with paragraph 57 of decision 1/CP.21 and adopted by the CMA];]

[Developed country Parties to account for contributions on technology development and transfer and capacity-building in their nationally determined contributions, with a view to clarifying the definition and scope of technology development and transfer and capacity-building support, developing the appropriate methodologies to count and calculate the scale and possible effects of such support and avoiding the double counting in their nationally determined contributions, as appropriate;]

[Developing country Parties to be encouraged to use clear, concise and transparent methodologies or approaches to explain the costs, barriers and support needed related to their nationally determined contributions;]

E. Drawing from approaches under the Convention and the Kyoto Protocol

[Describe how accounting approaches used have been drawn from existing approaches under the Convention and its related legal instruments, through the Enhanced Transparency Framework {cross-reference to APA 5 section C};]

[Use greenhouse gas emission inventories pursuant to Article 13, paragraph 7(a) of the Paris Agreement for the accounting for their nationally determined contributions [, when nationally determined contributions are expressed in terms of GHG emissions];]

F. Procedural elements

(a) *[Channel*

[Provide relevant information related to the guidance for accounting for their nationally determined contributions [with their nationally determined contribution][through the Enhanced Transparency Framework {cross-reference to APA 5 section C}][, including with a [accounting balance][structured/tabular summary] of all relevant quantified components of their NDC];]

(b) *Timing/Application*

[Apply the guidance for accounting for Parties' nationally determined contributions to [the second and subsequent nationally determined contributions][the nationally determined contributions relevant from 2026] and Parties may elect to apply such guidance to their first nationally determined contribution [and as they communicate or update their nationally determined contributions by 2020];]

[Parties that choose to pursue voluntary cooperation in the implementation of their nationally determined contributions pursuant to Article 6, paragraph 2, [and through the mechanism established by Article 6, paragraph 4] of the Paris Agreement to apply the guidance for accounting for Parties' nationally determined contributions to their first nationally determined contributions;]

(c) *[Revision*

[CMA to review the guidance for accounting for Parties' nationally determined contributions [at its X session in [2021][2023][2026][2031]][after the first global stocktake][, as appropriate taking into consideration any experience with the preparation and communication of nationally determined contributions in the future];]
