

4 November 1998

ENGLISH ONLY

UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

CONFERENCE OF THE PARTIES\*

Fourth session

Buenos Aires, 2-13 November 1998

Agenda item 5 (a) (i)

**MATTERS RELATED TO THE KYOTO PROTOCOL**

**MATTERS RELATED TO DECISION 1/CP.3, PARAGRAPH 5**

**LAND-USE CHANGE AND FORESTRY**

**Submissions by Parties**

**Note by the secretariat**

**Addendum**

1. In addition to the submissions included in documents FCCC/CP/1998/MISC.9 and Add.1, one further submission has been received.\*\*
2. In accordance with the procedure for miscellaneous documents, this submission is attached and reproduced in the language in which it was received and without formal editing.

---

\* Including the ninth sessions of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation.

\*\* In order to make this submission available on electronic systems, including the World Wide Web, this contribution has been electronically scanned and/or retyped. The secretariat has made every effort to ensure the correct reproduction of the text as submitted.

**FCCC/CP/1998/MISC.9/Add.2**

EZE.98-

PAPER NO. 1: NEW ZEALAND

**NEW ZEALAND SUBMISSION ON ARTICLE 3.4 “ADDITIONAL ACTIVITIES”**

New Zealand continues to hold the view that the objective for the second commitment period under the Kyoto Protocol should be the full ‘carbon accounting’ of all anthropogenic emissions by sources and removals by sinks.

In the first commitment period, the inclusion of “afforestation, reforestation and deforestation since 1990” is consistent with a gross-net framework that has avoided the ‘emissions loophole’ that could have occurred with a broader inclusion of forests<sup>1</sup>. This represents a first step towards full carbon accounting but one which does not provide a sound basis from which to build.

Presentations by Parties at the September 1998 SBSTA workshop have already begun to show the anomalous outcomes that can occur. Parties have shown that, whereas a full accounting of land use, land use change and forestry activities would establish that these represent a considerable net sink, the Kyoto Protocol partial accounting will result in their being a net source. These Parties will be penalised unless selective interpretations of definitions of words and phrases in Article 3(3) are made to correct this anomalous outcome. While not inappropriate in this context, such selective interpretations lead us further away from the rational “as the atmosphere sees it” basis of inventory accounting that has guided the development by the IPCC of inventory guidelines for calculating anthropogenic emissions by sources and removals by sinks.

New Zealand suggests that a two stage evaluation process be taken when considering Article 3(4) “additional activities”.

In the first stage, consideration should only be given to additional activities that might be included for the first commitment period. To be consistent with the quantified emissions limitation and reduction commitments that have been agreed by Annex B (their targets), and the gross-net framework established for this first commitment period, only such activities begun since January 1 1990 should be included in the assessment of changes in carbon stocks during 2008-2012 and the corresponding changes to Parties’ assigned amounts.

New Zealand is open to considering any activities for which verifiable changes in carbon stocks can be assessed. We particularly note that non-forestry activities such as changed land use practises that can sequester carbon in soils and the revegetation of degraded lands are worthy of consideration.

In the second stage, which should be for the second and subsequent commitment periods, the beginning premise should be that all land use, land use change and forestry activities that give rise to anthropogenic emissions by sources and removals by sinks should be included in the

---

<sup>1</sup> Assuming the land use change based ‘IPCC definition’ of *reforestation* and *deforestation*.

legally binding commitments. The focus of this evaluation should therefore be on issues relating to defining the anthropogenic ‘boundary’, identifying areas of measurement difficulty and uncertainty and means to minimise this, and an assessment of data that is relevant to the issue of the ‘carbon saturation’ effect<sup>2</sup>. This will be necessary to negotiate future targets that, in aggregate, place the Protocol on an “as the atmosphere sees it” net basis. New Zealand’s previous submissions relating to sinks, prior to and since Kyoto, further elaborate this issue which we consider to be of fundamental importance to the achievement of Article 2 of the Convention.

In our view, attempting to progress towards full anthropogenic carbon accounting through a ‘bottom up’ approach (i.e. using article 3.3 as a starting point and adding individual activities) would almost certainly be difficult and prolonged.

- - - - -

---

<sup>2</sup> The term *carbon saturation effect* is being used by some to describe the effect whereby all growing sinks are in a transition to becoming stable stores of carbon when they will no longer sequester additional carbon, i.e. their rate of carbon removal will in time drop to zero. In 1990, Annex I Parties reported a removal by ‘anthropogenic sinks’ in excess of 1 billion tonnes of CO<sub>2</sub>. By excluding existing sinks in 1990 for the first commitment period, the Protocol failed to address the fact that these sinks will not continue to remove carbon at the same rate as in 1990 and hence the atmosphere will ‘see’ increased aggregate emissions. Targets for future commitment periods need to take this effect into account without penalising those countries who were contributing to the sink in 1990.