



SUBSIDIARY BODY FOR SCIENTIFIC AND TECHNOLOGICAL ADVICE
Thirteenth session
Lyon, 11-15 September 2000
Agenda item 9 (b)

METHODOLOGICAL ISSUES

GUIDELINES UNDER ARTICLES 5, 7 AND 8 OF THE KYOTO PROTOCOL

Draft conclusions by the Chairman

Addendum

**POSSIBLE ELEMENTS FOR A DECISION OR DECISIONS RELATED TO
ARTICLES 5, 7 AND 8**

1. This document contains possible elements¹ on issues related to Articles 5, 7 and 8 of the Kyoto Protocol that could be incorporated in a draft decision or draft decisions by the Conference of the Parties (COP) at its sixth session and in a draft decision or draft decisions to be recommended to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP) for adoption at its first session.
2. The possible elements contained in this document relate to guidelines that are at different stages of development. Guidelines for national systems under Article 5.1 of the Kyoto Protocol were agreed upon by the Subsidiary Body for Scientific and Technological Advice at its twelfth session and can be found in document FCCC/SBSTA/2000/5 (annex I). Draft guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol and draft guidelines for the review under Article 8 of the Kyoto Protocol that were considered by the SBSTA, at the first part of its thirteenth session, can be found in documents FCCC/SBSTA/2000/L.7/Add.2 and FCCC/SBSTA/2000/L.7/Add.3, respectively.

¹ As mentioned in paragraphs 1 and 2 of document FCCC/SBSTA/2000/L.7.

Elements related to guidelines for national systems under Article 5.1 of the Kyoto Protocol to be incorporated in a draft COP decision

The Conference of the Parties,

Recalling its decisions 1/CP.3, 1/CP.4 and 8/CP.4,

Noting Article 5.1 of the Kyoto Protocol,

Having considered the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice,²

1. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session after the entry into force of the Protocol, adopt the attached draft decision;
2. *Encourages* Parties included in Annex I to the Convention (Annex I Parties) to implement the guidelines for national systems under Article 5.1 of the Kyoto Protocol as soon as possible with the aim of gaining experience with their implementation;
3. *Urges* Parties included in Annex II to the Convention to assist Annex I Parties with economies in transition, through appropriate bilateral or multilateral channels, with the implementation of the guidelines for national systems under Article 5.1 of the Kyoto Protocol.

Elements related to guidelines for national systems under Article 5.1 of the Kyoto Protocol to be incorporated in a draft COP/MOP1 decision

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

Recalling Article 5.1 of the Kyoto Protocol, in particular its provision that each Party included in Annex I to the Convention shall have in place, no later than one year prior to the start of the first commitment period, a national system for the estimation of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol,

Recognizing the importance of such national systems for the implementation of other provisions of the Kyoto Protocol,

Having considered decision (-)/CP.6, adopted by the Conference of the Parties at its sixth session,

² FCCC/SBSTA/2000/_.

1. *Adopts* the guidelines for national systems under Article 5.1 of the Kyoto Protocol;³
2. *Urges* Parties included in Annex I to the Convention to implement the guidelines as soon as possible.

³ FCCC/SBSTA/2000/5, annex I.

Elements related to good practice guidance and adjustments under Article 5.2 of the Kyoto Protocol to be incorporated in a draft COP decision

The Conference of the Parties,

Noting Article 5.2 of the Kyoto Protocol,

Recalling its decisions 1/CP.3, 2/CP.3, 1/CP.4 and 8/CP.4,

Recognizing the essential role of high quality greenhouse gas inventories under the Convention and the Kyoto Protocol,

Recognizing the need for confidence in estimates of emissions by sources and removals by sinks for the purpose of ascertaining compliance with commitments under Article 3 of the Kyoto Protocol,

Acknowledging the importance of ensuring that anthropogenic emissions are not underestimated and that removals by sinks and base year emissions are not overestimated,

Having considered the relevant conclusions and recommendations of the Subsidiary Body for Scientific and Technological Advice,⁴

1. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session after the entry into force of the Protocol, adopt the attached draft decision;

2. *Requests* the secretariat to organize a workshop prior to, and one or possibly more workshops after, the fourteenth session of the Subsidiary Body for Scientific and Technological Advice on methodologies for adjustments under Article 5.2 of the Kyoto Protocol with the participation of greenhouse gas inventory experts and other experts nominated to the UNFCCC roster of experts and experts involved in the preparation of the Intergovernmental Panel on Climate Change report entitled *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories*. The purpose of the first workshop would be to elaborate draft technical guidance on methodologies for adjustments under Article 5.2, building upon submissions by Parties contained in documents FCCC/SBSTA/2000/MISC.1 and Add.1, FCCC/SBSTA/2000/MISC.7 and Add.1⁵ as well as FCCC/TP/2000/1, for consideration by the Subsidiary Body for Scientific and Technological Advice at its fourteenth session. At that session, the Subsidiary Body for Scientific and Technological Advice should define more precisely the scope of the second workshop;⁶

2. *Requests* the Subsidiary Body for Scientific and Technological Advice to complete technical guidance on methodologies for adjustments under Article 5.2 of the Kyoto

⁴ FCCC/SBSTA/1999/14, paragraph 51(i); FCCC/SBSTA/2000/5, paragraph 40 (b); FCCC/SBSTA/2000/_.

⁵ Additional views that may be provided by Parties should also be taken into account.

⁶ The organization of the workshops would be subject to availability of funds.

Protocol, building upon the attached draft decision and the outcome of the process described in paragraph 2 above, for consideration by the Conference of the Parties at its eighth session, with a view to recommending, at that session, such technical guidance for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session.

3. [*Decides* to consider relevant technical guidance on methodologies for adjustments under Article 5.2 of the Kyoto Protocol for estimates of emissions and removals from land-use, land-use change and forestry after completion of the work of the Intergovernmental Panel on Climate Change on good practice guidance on this matter, with a view to recommending such technical guidance for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session.]

Elements related to good practice guidance and adjustments under Article 5.2 of the Kyoto Protocol to be incorporated in a draft COP/MOP1 decision

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

Recalling Article 5.2 of the Kyoto Protocol,

Further recalling decisions 1/CP.3, 2/CP.3, 1/CP.4 and 8/CP.4 of the Conference of the Parties,

Having considered decision (-)/CP.6 adopted by the Conference of the Parties at its sixth session,

1. *Endorses* the Intergovernmental Panel on Climate Change (IPCC) report entitled *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories*, as accepted by the sixteenth session of the IPCC held in Montreal, Canada, 1 to 8 May 2000 (hereinafter referred to as the IPCC good practice guidance), as an elaboration of the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories*;

2. *Decides* that the good practice guidance referred to in paragraph 1 shall be used by Parties included in Annex I to the Convention in their preparation of national greenhouse gas inventories under the Kyoto Protocol;

3. *Decides* that adjustments referred to in Article 5.2 of the Kyoto Protocol should only be applied when inventory data submitted by Parties included in Annex I to the Convention are found to be incomplete and/or are calculated in a way that is not consistent with the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories* as elaborated by the IPCC good practice guidance;

4. *Decides* that the calculation of adjustments shall commence only after a Party included in Annex I to the Convention has been provided with the opportunities to correct any

deficiencies in accordance with the time-frame and procedures set forth in the guidelines for inventory review under Article 8;

5. *Decides* that the adjustment procedure shall result in estimates that are conservative for the Party included in Annex I to the Convention concerned so as to ensure that emissions are not underestimated [and removals by sinks] and base year emissions are not overestimated [and, at the same time, are not unreasonably exaggerated];

6. *Emphasizes* that adjustments are intended to provide an incentive for Parties to provide complete and accurate annual greenhouse gas inventories prepared in accordance with the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories* as elaborated by the IPCC good practice guidance. Adjustments are intended to correct inventory problems in specific source categories for the purpose of accounting of the Parties' emissions and assigned amounts. Adjustments are not intended to substitute for a Party's obligation to estimate and report greenhouse gas inventories in accordance with the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories* as elaborated by the IPCC good practice guidance;

7. *Decides* that adjusted estimates shall be calculated in accordance with the technical guidance on methodologies for adjustments contained in the annex to this decision. Such technical guidance shall ensure consistency and comparability and that similar methods are used for similar problems as far as possible across all inventories reviewed under Article 8 [and to ensure consistency with the base year emission estimates included in the Parties' national inventories];

8. *Decides* that a Party may submit a revised estimate for a part of its [commitment period] inventory to which an adjustment was previously applied, provided that the revised estimate is submitted, at the latest, in conjunction with the inventory for the year 2012. The revised estimate will replace the adjusted estimate subject to review under Article 8 [with the authorization of the compliance [institution][body]]. The option for a Party to submit a revised estimate for a part of its [commitment period] inventory to which an adjustment was previously applied should not prevent Parties from making best efforts to correct the problem at the time it was initially identified and in accordance with the timetable set forth in the guidelines for review under Article 8;

9. [*Decides* that a Party will only be rendered in non-compliance with Article 5.2 if, at any point during the commitment period, the sum of the percent difference for each year between the Party's total emissions according to its adjusted annual inventory and its submitted annual inventory, relative to the submitted inventory, exceeds [30][10][x] per cent, i.e. when

$\Sigma((\text{adjusted inventory} - \text{submitted inventory})/(\text{submitted inventory})) > [0.30][0.10][x/100]$

Annex

(to be elaborated in accordance with decision -/CP.6, paragraph 3 (above))

Possible elements related to guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol to be incorporated in a draft COP decision

[The Conference of the Parties,

Recalling its decisions 1/CP.3, 1/CP.4, 8/CP.4, 3/CP.5 and 4/CP.5,

Noting the relevant provisions of the Kyoto Protocol, in particular its Article 7,

Having considered the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation,⁷

Recognizing that the reporting requirements on demonstrable progress as referred to in Article 3.2 of the Kyoto Protocol are to be included under guidelines for the preparation of the information under Article 7 of the Kyoto Protocol,

1. *Recommends that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt the attached draft decision;*

[2. Decides to further elaborate these guidelines at future sessions;]

[2. Decides to further consider the elements of the guidelines on matters relating to:

(a) Article 3.14 of the Kyoto Protocol, at its [seventh] [xth] session, taking into account decision ___/CP.6 [on matters relating to Article 3.14 of the Kyoto Protocol]; and

(b) Article 3.3 and 3.4 of the Kyoto Protocol, at its [eighth] [xth] session, taking into account decision ___/CP.6 [on matters relating to Article 3.3 and 3.4 of the Kyoto Protocol];]

(It is anticipated that the working group on mechanisms will finalize its work on registries and other issues relating to reporting requirements under Articles 6, 12 and 17 at COP 6. If not, then a paragraph similar to (a) and (b) will be added to reflect any relevant timing issues.)

(The following paragraph is an alternative to paragraph 2 of the possible elements of a COP/MOP decision related to Article 7 below. Parties should decide on the approach to be followed in relation to the timing of the use of these guidelines)

⁷ FCCC/SBSTA/2000/_.

[3. *Requests* the Subsidiary Body for Implementation, at its sixteenth session, to prepare a draft decision on the start dates for reporting information under Article 7 of the Kyoto Protocol, taking into account the needs of the review process under Article 8 of the Kyoto Protocol, for consideration by the Conference of Parties at its eighth session, with a view to recommending it for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session;]

[4. *Invites* Parties to submit their views, by 1 April 2001, on the definition of demonstrable progress in the context of Article 3.2 of the Kyoto Protocol, for compilation in a miscellaneous document to be considered by the Subsidiary Body for Scientific and Technological Advice at its fourteenth session.]

[5. *Requests* the Subsidiary Body for Scientific and Technological Advice to consider the above-mentioned views, at its fourteenth session, and to elaborate reporting requirements on matters related to Article 3.2, with a view to adoption of a decision on this matter by the COP at its seventh session.]]

Possible elements related to guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol to be incorporated in a draft COP/MOP1 decision

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

Recalling Article 7 of the Kyoto Protocol,

Having considered decision (-)/CP.6, adopted by the Conference of the Parties at its sixth session,

Recognizing the importance of transparent reporting for facilitating the review process under Article 8 of the Kyoto Protocol,

1. *Adopts* the guidelines for the preparation of information under Article 7 of the Kyoto Protocol;⁸

(The following paragraph is an alternative to paragraph 3 of the possible elements for a COP decision related to Article 7 above. Parties should decide on the approach to be followed in relation to the timing for the use of these guidelines)

[2. *Decides* that Parties included in Annex I to the Convention (Annex I Parties), bearing in mind Article 7.3 of the Kyoto Protocol and the needs of the review under Article 8 of the Kyoto Protocol, shall start using these guidelines for reporting of information as follows:

⁸ FCCC/SBSTA/2000/L.7/Add.2.

- (a) Under Article 7.1 of the Kyoto Protocol by [*date*];
- (b) Under Article 7.2 of the Kyoto Protocol by [*date*];]

[3. *Requests* Parties included in Annex I to the Convention to submit to the secretariat by [*date*] the information required by the guidelines for the preparation of information under Article 7 of the Kyoto Protocol, to enable the establishment of initial assigned amounts prior to the first commitment period, in accordance with Article [3.5, 3.7 and 3.8] [7.4] of the Kyoto Protocol;]

[4. *Requests* the secretariat to make available to the expert review teams operating under Article 8 of the Kyoto Protocol, the information provided by Parties for the establishment of the initial assigned amounts of Annex I Parties, in accordance with Article [3.5, 3.7 and 3.8] [7.4] of the Kyoto Protocol, in order to facilitate the review of this information in accordance with the guidelines under Article 8 of the Kyoto Protocol, as soon as practicable after this information has been submitted by Annex I Parties;]

[5. *Requests* the secretariat to record the reviewed initial assigned amounts of all Annex I Parties by [*date*], [after which date they shall remain fixed for the duration of the commitment period] [after which date they shall remain fixed for the duration of the commitment period, unless the Party, no later than with the 2012 inventory report, provides a revised estimate, which is reviewed under Article 8];]

[6. *Recognizes* the importance of the first national communications submitted under the Kyoto Protocol in demonstrating the progress of Annex I Parties in achieving commitments under the Protocol;]

[7. *Determines* that each Annex I Party should demonstrate progress in a way that is appropriate to its national circumstances, including for example, through the institutional and legal steps it has taken to prepare to meet its obligations under the Protocol, such as:

- (a) A national system for greenhouse gas estimation;
- (b) A national registry for accounting for assigned amount;
- (c) Domestic measures, including legislation, to implement Protocol obligations and mitigate greenhouse gas emissions; or
- (d) Programmes for domestic compliance and enforcement;]

[8. *Decides* that, in this regard, the entirety of each Party's first national communication submitted under Article 7.2 of the Protocol is relevant for demonstration of progress by that Party;]

[9. *Decides* that a Party will be rendered in non-compliance with the inventory requirements under Article 7.1 only upon:

(a) Failure to submit an inventory of anthropogenic emissions by sources and removals by sinks within 60 days of the submission due-date; or

(b) Failure to include an estimate for a source category (as defined in chapter 7 of the IPCC good practice guidance) that individually accounts for 10 per cent or more of the Party's total annual emissions, as measured in the most recently reviewed inventory.]]

Possible elements related to guidelines for review under Article 8 of the Kyoto Protocol to be incorporated in a draft COP decision

[The Conference of the Parties,

Recalling its decisions 1/CP.3, 1/CP.4, 8/CP.4 and 6/CP.5,

Noting the relevant provisions of the Kyoto Protocol, in particular its Article 8,

Having considered the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation,⁹

1. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session after the entry into force of the Protocol, adopt the attached draft decision ____ [CMP.1];

(The following two paragraphs may not be necessary. If all parts of the guidelines are completed, both paragraphs are unnecessary. If only some parts of the guidelines are completed, both paragraphs are necessary)

[2. *Endorses* parts I to [II] [III] [IV] [V] [VI] [VII] of the guidelines for review under Article 8 of the Kyoto Protocol;¹⁰]

[3. *Decides* that the elaboration of parts [III] [IV] [V] [VI] and [VII] of the guidelines for review under Article 8 of the Kyoto Protocol² are to be completed in time for adoption at its [seventh] [eighth] session, taking into account decision __CP.6 on mechanisms pursuant to Articles 6, 12 and 17 of the Kyoto Protocol and decision __CP.6 on guidelines for the preparation of information under Article 7 of the Kyoto Protocol];

[4. *Requests* the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation to consider, at their sixteenth sessions, the need for any revision to parts I and II of the guidelines for review under Article 8 of the Kyoto Protocol² arising from experience during the trial period in the use of the guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention; and to forward any draft decision on this issue to the Conference of Parties at its eighth session, with a view to recommending it for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session;]

(The following paragraph is an alternative to paragraphs 2 to 4 of the possible elements for the COP/MOP decision related to Article 8 below. Parties should decide on the approach to be followed in relation to the timing of the use of these guidelines)

⁹ FCCC/SBSTA/2000/_.

¹⁰ FCCC/SBSTA/2000/L.7/Add.2.

[5. *Requests* the Subsidiary Body for Implementation, at its sixteenth session, to prepare a draft decision on the start dates for review under Article 8 of the Kyoto Protocol, for consideration by the Conference of the Parties at its eighth session, with a view to recommending it for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session;]]

Possible elements related to guidelines for review under Article 8 of the Kyoto Protocol to be incorporated in a draft COP/MOP1 decision

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

Recalling Article 8 of the Kyoto Protocol,

Having considered decision (-)/CP.6, adopted by the Conference of the Parties at its sixth session,

Recognizing the importance of the review process under Article 8 for the implementation of other provisions of the Kyoto Protocol,

1. *Adopts* the guidelines for review under Article 8 of the Kyoto Protocol;¹¹

(The following paragraphs are an alternative to paragraph 5 of the possible elements for the COP decision related to Article 8 above. Parties should decide on the approach to be followed in relation to the timing for the use of these guidelines)

[2. *Decides* to start the pre-commitment period review in...]

[3. *Decides* to start the annual review in ...]

[4. *Decides* to start the annual compilation and accounting in...]]

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¹¹ FCCC/SBSTA/2000/L.7/Add.3