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CONFERENCE OF THE PARTIES  
Seventh session  
Marrakesh, 29 October - 9 November 2001  
Agenda item 3 (b) (i)

**IMPLEMENTATION OF THE BUENOS AIRES PLAN OF ACTION: ADOPTION OF  
THE DECISIONS GIVING EFFECT TO THE BONN AGREEMENTS**

**DRAFT DECISIONS FORWARDED FOR ELABORATION, COMPLETION  
AND ADOPTION**

**NATIONAL SYSTEMS, ADJUSTMENTS AND GUIDELINES UNDER  
ARTICLES 5, 7 AND 8 OF THE KYOTO PROTOCOL**

**Draft decision proposed by the Chairman of the negotiating group**

**Draft decision -/CP.7**

**Good practice guidance and adjustments under Article 5, paragraph 2, of the  
Kyoto Protocol**

*The Conference of the Parties,*

*Noting* Article 5, paragraph 2, of the Kyoto Protocol to the United Nations Framework  
Convention on Climate Change,

*Recalling* its decisions 1/CP.3, 2/CP.3, 1/CP.4, 8/CP.4 and 5/CP.6,

*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 anthropogenic emissions and anthropogenic removals<sup>1</sup> 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 anthropogenic removals by sinks and anthropogenic base year emissions are not overestimated,

*Having considered* the relevant conclusions and recommendations of the Subsidiary Body for Scientific and Technological Advice,<sup>2</sup>

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. *Requests* the secretariat to organize a workshop prior to, and one or possibly more workshops after, the sixteenth session of the Subsidiary Body for Scientific and Technological Advice on methodologies for adjustments under Article 5, paragraph 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, paragraph 2, building upon submissions by Parties contained in documents FCCC/SBSTA/2000/MISC.1 and Add.1, FCCC/SBSTA/2000/MISC.7 and Add.1-2 as well as FCCC/TP/2000/1, for consideration by the Subsidiary Body for Scientific and Technological Advice at its sixteenth session. At that session, the Subsidiary Body for Scientific and Technological Advice should define more precisely the scope of the second workshop;<sup>3</sup>
3. *Requests* the Subsidiary Body for Scientific and Technological Advice to complete technical guidance on methodologies for adjustments under Article 5, paragraph 2, of the Kyoto 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 ninth 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;
4. *Decides* to develop technical guidance on methodologies for adjustments under Article 5, paragraph 2, of the Kyoto Protocol for estimates of anthropogenic emissions and removals from land use, land-use change and forestry, in light of the decision -/CP.7 (land use, land-use change and forestry) immediately after completion of the work of the Intergovernmental Panel on Climate Change on good practice guidance on land use, land-use change and forestry, with a view to recommending a decision on adjustments, at its tenth session, for adoption by the

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<sup>1</sup> In this decision, estimates of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol are referred to as anthropogenic emissions and anthropogenic removals respectively, for the sake of brevity.

<sup>2</sup> FCCC/SBSTA/1999/14, paragraph 51 (i); FCCC/SBSTA/2000/5, paragraph 40 (b).

<sup>3</sup> The organization of the workshops is subject to availability of funds.

Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its subsequent session.

**Draft decision -/CMP.1**

**Good practice guidance and adjustments under Article 5, paragraph 2, of the Kyoto Protocol**

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

*Recalling* Article 5, paragraph 2, of the Kyoto Protocol to the United Nations Framework Convention on Climate Change,

*Further recalling* decisions 1/CP.3, 2/CP.3, 1/CP.4, 8/CP.4 and 5/CP.6 of the Conference of the Parties,

*Having considered* decision -/CP.7 adopted by the Conference of the Parties at its seventh 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 in their preparation of national greenhouse gas inventories under the Kyoto Protocol;
3. *Decides* that adjustments referred to in Article 5, paragraph 2, of the Kyoto Protocol shall be applied only when inventory data submitted by Parties included in Annex I are found to be incomplete and/or are prepared 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 and any good practice guidance adopted by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;
4. *Decides* that the calculation of adjustments shall commence only after a Party included in Annex I has been provided with 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 concerned so as to ensure that anthropogenic emissions are not underestimated and anthropogenic removals by sinks and anthropogenic base year emissions are not overestimated;
6. *Emphasizes* that adjustments are intended to provide an incentive for Parties included in Annex I 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 and any good practice guidance adopted by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol. Adjustments are intended to correct inventory problems for the purpose of accounting emissions inventories and assigned amounts of the Parties included in Annex I. Adjustments are not intended to substitute for the obligation of a Party included in Annex I 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 and any good practice guidance adopted by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;

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;

8. *Decides* that any adjustments applied to the base year inventory estimates of a Party included in Annex I shall be used in the calculation of the Party's assigned amount pursuant to Article 3, paragraphs 7 and 8, in accordance with the modalities for the accounting of assigned amount under Article 7, paragraph 4, and shall not be replaced by a revised estimate subsequent to the establishment of the Party's assigned amount pursuant to Article 3, paragraphs 7 and 8;

9. *Decides* that any adjustments applied to the inventory for a year of the commitment period of the Party included in Annex I shall be used in the annual compilation and accounting of emission inventories and assigned amounts;

10. *Decides* that in the event of a disagreement between the Party included in Annex I and the expert review team regarding the adjustment, the issue will be forwarded to [the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol and] the Compliance Committee;

11. *Decides* that a Party included in Annex I may submit a revised estimate for a part of its inventory of a year of the commitment period 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. Subject to a review under Article 8 and the acceptance of the revised estimate by the expert review team, the revised estimate shall replace the adjusted estimate. In the event of a disagreement between the Party included in Annex I and the expert review team regarding the revised estimate, the issue will be forwarded to [the COP/MOP and] the Compliance Committee, which will resolve the disagreement in accordance with the procedures and mechanisms on compliance. The option for a Party included in Annex I to submit a revised estimate for a part of its inventory to which an adjustment was previously applied should not prevent Parties included in Annex I from making best efforts to correct the problem at the time it was initially identified and in accordance with the time-frame set forth in the guidelines for review under Article 8.

ANNEX

*(to be elaborated in accordance with decision -/CP.7, paragraph 3)*

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