



Climate Action Network

Comments on LULUCF accounting in the Geneva text

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Climate Action Network International (CAN-I) is the world's largest network of civil society organizations working together to promote government action to address the climate crisis, with more than 900 members in over 100 countries. www.climate-network.org

Introduction

CAN is encouraged that the Geneva negotiating text includes substantive sections on principles to govern LULUCF accounting. We have long advocated such principles and we agree with much of the text. However, we consider that it can be improved by streamlining the many similar options. In this briefing document, we first outline some things that we are particularly keen to see in the Paris agreement, then we outline the substantive options in the current text and we finally suggest a specific option.

Where we are coming from

We wish to have common accounting rules because these are essential for assessing comparability of effort.

We consider that accounting should both comprehensive and complete, so that nations 'account for what the atmosphere sees' in terms of emissions and removals. Whilst we appreciate that a comprehensive land-based approach should give very similar coverage to an comprehensive activity-based approach, we think that the latter has developed a dubious reputation as a result of the Kyoto LULUCF rules. Moreover, as the Paris agreement will be under the Convention, the general rules of the Convention should apply. The Convention employs a land-based system of reporting and this should also be applied to accounting. The 2006 IPCC Guidelines also employ a land-based approach.

Clearly, some nations are not yet in a position to account comprehensively, notably LDCs and SIDs, but all advanced economies are able to do so and the aim should be for all countries to be in a position to do so eventually.

Our other main concern is the use of business as usual reference levels, as employed for forest management in the Kyoto Protocol accounting rules. These usually exclude emissions from accounting and so they should not be employed because they do not represent

accounting for what the atmosphere sees. Either a common base year should be employed, as in all other sectors, or a base period, as used in REDD+.

Options in the negotiating text

The main, substantive proposals on LULUCF accounting rules and principles are included in two main places in the Geneva negotiating text: Section D on Mitigation (under the subheading of *Commitments/contributions/actions on mitigation*), specifically as options in paragraph 39, and Section I on Transparency of Action and Support (under *Rules and Modalities*) as options in paragraph 152.

We do not have views as to precisely where the text on LULUCF accounting rules should be placed. It may be best to retain placeholder in both sections but, if so, they should clearly not conflict with each other.

The options that are closest to our views, and which are also the most comprehensive, are paragraph 39 Option 3, paragraph 152 Option 3 and paragraph 152 Option 5, although the common guidelines and guidance proposed by paragraph 152 Option 1 (sub-options b) are also helpful. Indeed, the three options are similar in many ways.

However, the paragraph that focuses solely and most clearly on accounting rules, and that is closest to what we consider essential, is 152 Option 5. We propose that this option be adopted with some short additions, as shown below in italics and underlined. The text would then read:

“The establishment and implementation of mitigation commitments shall be guided by the following accounting rules, applicable to all Parties:

- a. Parties shall account for all their significant anthropogenic emissions by sources and removals by sinks of greenhouse gases and the accounting shall be increasingly comprehensive over time;
- b. Once a gas, sector, category, activity, area of land or pool is accounted towards a commitment, it shall continue to be accounted for in the future;
- c. Parties shall define and report the methodologies, rules and assumptions used to frame their commitments, in particular those used to calculate ‘business as usual’ projections and work towards common, methodologies and rules over time with the aim of employing common base years or periods;
- d. Parties shall ensure methodological consistency between baselines and ‘business as usual’ projections and the emission estimation used during the implementation of the commitments.

The following accounting principles shall apply for the land-use sector:

- a. Parties shall include both anthropogenic emissions by sources and removals by sinks for any land-use category or activity included in its commitment;
- b. Accounting of land-use shall use carbon stock changes over time and exclude carbon stocks, and enable the impact of natural disturbances to be addressed;
- c. Parties shall base their accounting for the land-use sector on realistic and meaningful reference levels building on existing guidance under the Convention and its instruments;
- d. Parties should move towards land based accounting.”*