Annika Günther, Potsdam Institute for Climate Impact Research

---

My apologies if I missed important information or misunderstood something. I tried my very best to note a lot and correct information. When I was not sure whether I understood something correctly, I did not include the notes in the present file. Best wishes, Annika.

APA1-5 item 3, informal meeting on accounting guidance

03/05/2018, 17-18h, Genf

3. Further guidance in relation to the mitigation section of decision 1/CP.21 on:
(a) Features of nationally determined contributions, as specified in paragraph 26;
(b) Information to facilitate clarity, transparency and understanding of nationally determined contributions, as specified in paragraph 28;
(c) Accounting for Parties' nationally determined contributions, as specified in paragraph 31.

Questions projected to the screen:

- How should the principles of the PA be reflected in accounting for NDCs?
- Is accounting about principles, specific rules, some combination of both, or is it instead to be achieved through transparency?
- In light of national determination and the diversity of NDCs, do targets need to be quantified as part of accounting? If so, what types of NDCs need to be quantified, in what circumstances and for what purposes?
- What level of detail in the guidance on accounting is required to ensure the PA can function effectively in line with its Article 4, paragraph 13 as well as paragraph 31 of decision 1/CP.21?

Australia:

- Had a look through notes by co-facilitator on guidance.
- What he heard from Parties: critical need for guidance, to prevent e.g. double counting.
- Be consistent, avoid double counting. ???Notes??? Are setting expectations.
- Some Parties say: freedom needed as nationally determined.
- Few elements: quantify indicator. Avoid over / underestimation by Parties. Not prescribe how Parties should do it. But that they should do it.
- When they are set up: Parties can provide information at earliest point.
- Some Parties want to update reference point. Not update everything / a lot. But when e.g. Australia updates inventory --> reference point in NDC to be updated. --> Some information needed on how to do it.
- Parties: need to provide information to show that they followed the principles (transparency report).

Brazil on behalf of Argentina, Uruguay and Brazil:

- Accounting through three layers:
    - Accounting for / guidance on narrative
    - Accounting information regarding inventory / common metrics
    - Addition and voluntary mechanisms. Guidance on avoiding double counting (not discussed in this room, but in room for Art 6).

- Transparency important.
- Some Parties: LULUCF: possible sector to be included, specific accounting. But REDD is not for accounting. For us: not part of our discussion.

EU:

- Avoid double counting, provide environmental integrity.
- Principles and specific rules. Principles already in Art 4 $ 13. Other parts already in PA. Will result in specific rules. Common rules by IPCC & ?CMA?. Would be a clear rule, not a principle.
- Level of detail: § 31 already gives important guidance --> build on it. But not sufficiently clear yet. Clear guidance would facilitate countries in their work. Partly rather general paragraphs, unclear what to do. But important for NDCs.
- Changes in emissions should not only reflect changes in methodologies. Improve methodologies and data might trigger some updates. Should not result in lowering the NDC! Only when improvement in data and methodology.
- Little bit of further information needed in another paragraph ???. Common metrics: which metrics to be applied? Needs further information as it is not set yet.
- Parties should be required to describe accounting approach. Insure principles. GHG inventories should be used. Simple thing, but not said anywhere yet.
- Establish summary of all required components for the quantifiability of the NDC.
- Proper linkage to Art 6 should be included.
- Some elements should be included in land sector (harvested products and natural disturbances).
- Applicability: also very important in accounting guidance. Not all elements applicable for everyone. Not for specific NDCs, but general guidance. (Not too much NDC details).
- Targets not within accountability.

Israel:

- Accounting: approve goals that have been reached. Also create trust. And send *** to markets.
- Transparency: entire mechanism. Accounting component of the mechanism.
- Accounting should not be too burdensome. But more guidance needed.
- Not additional burden beyond existing reporting elements.

Marshall Islands on behalf of AOSIS:

- Combination of principles and specific rules.
- Support Parties in accounting → regarding progress. Transparency!
- Quantification: impacts of NDCs on emissions should be known. How far / close are we from PA temperature goal?
- There is a limited number of NDC types. Should apply to all.
- Level of detail: facilitate Parties to account for NDC. Track progress. Where collectively do we stand?
- Operationalize the TAC principles.

Zimbabwe on behalf of Africa Group:

- Crosscutting issues: understanding in terms of accounting, and objective of guidance on accounting important.
- Explain and report NDCs in robust manner.
- Need to build trust. Progress.
- Capacity building for developing countries.
- Also part of informal note. Already approaches in informal note.

- Flexibility fundamental.
- TAC principles important.
- Africa group has proposal to share with you on structure of guidance.
- Parties should account for anthropogenic emissions.
- Developed countries: latest IPCC methodologies. IPCC 2006 guidelines for Developing countries encouraged.
- Methodological consistency important. When they move forward.
- Own methodology for developing countries shall be allowed, not prescribed methodology.
- Art 6: avoid double counting and bring environmental integrity.
- Financial support: report on needs in developing countries.

Co-facilitator:

- Clarify: official submission?

Zimbabwe:

- List of elements for accounting, similar to list that had been available for the session yesterday.

Co-facilitator:

- Slot tomorrow on accounting: you can present it there.

New Zealand:

- Tomorrow: substance around accounting?!

Co-facilitator:

- Not the format will be discussed in the informal meetings.

China LMDC:

- Support: Zimbabwe. Applicability issues: capabilities of different Parties should be acknowledged. Differentiation should be discussed here.
- Pragmatic and concise. Applied for all Parties. Should be taken into consideration differentiation between developed and developing countries.
- Based on their own capabilities.
- Developing countries: move forward over time.
- Party may report change in transparency report. If no change in methodology: they don't have to explain.
- General guidance for accounting. Not very detailed needed.
- 31 c and d: PA has shown maximum consensus. Not valuable to have more detail here.
- Common metrics: support Brazil. Have more discussions on this.
- Market issue: this year maybe a general / principle discussion (after that more detailed).
- ??? Forest
- Not assess whether Party has achieved target or not. Only provide guidance to explain target in a clear manner. Not too prescriptive guidance.
- Not categorized by different NDCs, we cannot cover all types, and it is not necessary.

India:

- Align with comments by China / LMDC. Align with Zimbabwe / Africa. Especially: Application of methodologies & that there are existing methodologies.
- What means principles of the PA?

Co-facilitator:

- Questions come from co-chair reflection notes. Accounting principles (Art 4.13).

India:

- Word “Accounting” must be reflected.
- Any accounting guidance: equity and ?CBR?
- Difference in capacities.
- Difference in obligations.
- Light and concise framework!
- No burden on developing countries.
- Nature of accounting of NDCs is different from accounting in transparency framework.

Ethiopia:

- African group supported.
- Existing systems should be used as well. Not start from the scratch.
- We do not have the capacities.

Colombia on behalf of AILAC:

- Same challenge as with information. Streamline document. Guidance needed for that work.
- Guidance on information: about “what”. Guidance that we are discussing: about “how”.
- New challenge: easier “what” than “how”.
- Important to use the “how” guidance: start of reference point, during implementation period and at the end of implementation period.
- Principles of Art 4.13: accounting for NDC. Based on same principles as in §31. And Art 6. For us not clear who is going to provide details / work on Art 6.
- All type of mitigation components of NDC should be quantified.
- Level of detail: promote principles. Not so easy to answer.