

**Submission of the United States of America
Methodological issues under the Convention –
Revision of the UNFCCC reporting guidelines on annual inventories for
Parties included in Annex I to the Convention
as Invited by SBSTA 38 Conclusions**

Additional Views on the Revision of the UNFCCC Annex I reporting guidelines

As part of the work programme on the revision of the “Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories,” the SBSTA at its 38th Session invited Parties to submit their additional views on specific matters in the revision of these guidelines. These include the reporting of carbon dioxide (CO₂) emission related to ammonia production and urea application and how to reflect the guidance on wetlands published by the IPCC in the *2013 Supplement for the 2006 IPCC Guidelines for National Greenhouse Gas Inventories: Wetlands* (hereinafter referred to as the Wetlands Supplement).

On the reporting of carbon dioxide (CO₂) emission related to ammonia production and urea application, the methodological approach in the 2006 IPCC Guidelines states that “the quantity of CO₂ recovered for downstream use in urea production must be subtracted from the total quantity of CO₂ generated to derive CO₂ emitted. Emissions of CO₂ from urea use should be accounted for in the corresponding sectors. In particular, emissions from urea use as fertiliser should be included in the Agriculture Forestry and Other Land Use (AFOLU) Sector (see Volume 4)” (2006 IPCC Guidelines, Volume 3, Chapter 3, Box 3.2). In using the 2006 IPCC Guidelines, the U.S. follows this technical approach, and reports CO₂ emissions from urea fertilization in the cropland remaining cropland category in its *Inventory of U.S. Greenhouse Gas Emissions and Sinks*. Furthermore, this approach was adopted through Decision 15/CP.17 in the revised UNFCCC reporting guidelines on annual inventories for Parties included in Annex I to the Convention. However, the U.S. has noted concerns by other Parties about the availability of data to report urea in other sectors, as described by the IPCC 2006 Guidelines, and its potential for underestimating emissions. Furthermore, the U.S. notes limitations in the data it currently uses to apportion agricultural uses of urea in its inventory. Additionally, this

approach taken in the inventory is not consistent with the approach for reporting greenhouse gas emissions from ammonia plants in EPA's Greenhouse Gas Reporting Program (GHGRP). Those plants report emissions from the production process and the CO₂ emissions from its products, which is dissimilar to the 2006 IPCC Guidelines methodological approach. Subsequently, the US is open to engaging with Parties on revising the reporting for this category. Reporting all emissions in ammonia production may mean it fully adheres to the 2006 IPCC Guidelines, but it could lead to more complete and transparent reporting of emissions by Parties for this source category and result in a closer adherence to the IPCC guidance to neither overestimate nor underestimate emissions in an inventory. The U.S. looks forward to engaging with Parties on this issue, and perhaps accommodating concerns with the completeness of reporting for this source category.

On reporting emissions by sources and removals by sinks using the Wetlands Supplement, this new supplemental guidance to the 2006 IPCC Guidelines presents Parties with an opportunity to enhance completeness by filling the gaps in greenhouse gas emissions and removals methodological approaches. With this new methodological guidance for inland peatlands and other wetlands on mineral soils, coastal wetlands including mangrove forests, tidal marshes and seagrass meadows, and constructed wetlands for wastewater treatment, the Annex I inventory reporting guidance should be expanded and revised to allow reporting of the anthropogenic emissions and removals. Noting this, the U.S. believes that the existing CRF tables for LULUCF, as agreed upon in Decision 15/CP.17 and further discussed at SBSTA's 38th session, can accommodate additional reporting in line with the new IPCC guidance. This is stated with an awareness that the IPCC Wetlands Supplement, while offering some new methods, mostly consists of new emission factors for wetlands rather than major methodological changes. The U.S. has prepared revisions to the CRF tables for LULUCF (i.e., Tables 4 through 4(V)) which will allow expanded reporting for wetlands, in line with the IPCC Guidance. Additional footnotes and comments have been provided to highlight necessary change for the reporting of wetlands. These proposed revised CRF tables for LULUCF are included in Annex I. It should be noted that the introduction of supplementary IPCC guidance for

additional reporting starting in 2015 could be problematic for Parties. It seems appropriate to include specific language to highlight that the IPCC Wetlands Supplement should be adopted for use through a trial period in the first years of inventory reporting under the revised UNFCCC reporting guidelines. This would enable Parties to collect the necessary data to implement the new methodological guidance, and ensure comprehensive reporting once that data collection is incorporated in to a Party's national inventory arrangements. The U.S. has provided this possible text on a trial period that could be introduced within the final COP 19 decision in Annex II.

Overall, the U.S. believes that few additional changes are needed to the successfully adopted Decision 15/CP.17 for the UNFCCC Annex I reporting guidelines to accommodate practical use of the *2006 IPCC Guidelines for National Greenhouse Gas Inventories*. With these smaller scale changes, a decision can be adopted which will guide Annex I Parties in the use of *2006 IPCC Guidelines for National Greenhouse Gas Inventories*, and additional IPCC supplemental guidance, starting in 2015. Through these minor, but necessary, revisions, SBSTA and COP 19 can ensure successful compilation, submission, and publication of Annex I inventories, and continuing improvements in Annex I inventories introduced by the *2006 IPCC Guidelines for National Greenhouse Gas Inventories*.

Annex I – Revisions to CRF tables to accommodate IPCC Wetlands Supplement

{See attached file}

Annex II – Additional Text to include in Decision regarding IPCC Wetlands Supplement

- x. Decides that Parties included in Annex I to the Convention (Annex I Parties) should use the Intergovernmental Panel on Climate Change 2013 Supplement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories: Wetlands" (hereinafter referred to as the Wetlands Supplement) for preparing annual inventories under the Convention, due in 2015 and beyond;
- x. Invites Parties to submit to the secretariat, by 15 May 2015, their views on the tables of the common reporting format for the Wetlands Supplement under the Convention and the experiences on their use, and requests the secretariat to synthesize the views of Parties for consideration by the Subsidiary Body for Scientific and Technological Advice at its 40th session;
- x. Encourages Parties not included in Annex I to the Convention to apply the Wetlands Supplement, as appropriate and to the extent possible, in the preparation of greenhouse gas inventories to be included in biennial update reports and national communications;
- x. Requests the secretariat, in consultation with the Intergovernmental Panel on Climate Change and other organizations, to use appropriate means to encourage the translation, wide dissemination and use of the Wetlands Supplement;
- x. Recommends that the Intergovernmental Panel on Climate Change Wetlands Supplement be included as an element in relevant capacity building activities, particularly of United Nations organizations.