

**Views on the organization of the Workshop,  
terms of reference and the agenda  
to develop definitions and modalities for  
including afforestation and reforestation project activities under the CDM**

**Submission by the Government of Japan**

This paper is submitted based on the document, FCCC/CP/2001/L.24.Add 2, (para 8-10).

**1. Terms of reference and an agenda for the work to be conducted under paragraph 10.  
(b) by SBSTA**

1.1 To develop definitions for including afforestation and reforestation project activities under Article 12 in the first commitment period

- a. To develop definitions of “forest”, “afforestation” and “reforestation” suitable for circumstances of the developing countries, referring to their definitions under Article 3.3 and 3.4

(Rationale)

The definitions of “forest”, “afforestation” and “reforestation” under Article 3.3 and 3.4 as they stand are not applicable to AR-CDM project activities because of the difficulty in tracking past land-use records due to undeveloped land-use registration systems, the irregular changes of land use (changing among forest, cropland and abandoned land) for example in slash and burn agriculture, and the variety of land use such as agroforestry and fuel-wood forestry that have a variety of aims and purposes.

1.2 To develop modalities and procedures for including “afforestation” and “reforestation” project activities under Article 12 in the first commitment period

- a. To develop methodologies for establishing a baseline reflecting the characteristics of AR-CDM project activities based on the “IPCC Special Report on LULUCF”

(Rationale)

Methodologies for establishing a baseline should be developed taking into account the characteristics of AR-CDM project activities because these LULUCF activities are quite unique and different from those of emission reduction activities.

- b. To develop approaches to select a crediting period suitable for AR-CDM project activities based on the “IPCC Special Report on LULUCF” and taking into account incentives for the participants for the project activities.

(Rationale)

In AR-CDM project activities, growth rates of trees vary depending on the selected tree species and local conditions. A project period may last as long as a couple of decades especially when plantation takes place in semi-arid areas and/or using slow growing local species. A crediting period, therefore, should be developed so as to encourage the participants for the project, taking into account such characteristics of AR-CDM project activities.

- c. To consider how to take into account the issues of non-permanence, additionality, leakage, uncertainties and socio-economic and environmental impacts based on the IPCC Special Report on LULUCF

(Rationale)

Because current information on the above-mentioned issues has already been scientifically reviewed in the “IPCC Special Report on LULUCF,” it is appropriate to utilize the results when the SBSTA considers basic approaches and options to address these issues. More detailed comments for each issue are presented below.

(a) Non-permanence

The issue of non-permanence can be addressed by applying risk hedge measures in accounting, which are, for example, presented in the “IPCC Special Report on LULUCF.” Japan believes it is imperative to discuss various measures in order to address this issue. Therefore, it is appropriate to illustrate available examples of good practice based on existing and future approaches and their elaboration.

(b) Additionality

An accurate assessment of additionality of a project can be ensured by establishing a proper baseline, which is conducted for the non-LULUCF CDM projects as well.

(c) Leakage

The leakage issues can be addressed by proper project design. Further, a possibility should be considered to illustrate methods for measuring leakage including the implementation of monitoring or data collection in a way which is reasonable for developers.

(d) Uncertainty

The IPCC has been investigating the methods to address uncertainties induced by measurement error and other elements. It is, therefore, appropriate to illustrate available methods to reduce uncertainties through compiling examples of good practices implemented by the Parties.

(e) Socio-economic and environmental impacts

Because forests can provide multi-dimensional functions including carbon sink and reservoir, bio-diversity conservation, water resource restoration, land conservation and wood supply, AR-CDM project activities should be implemented with a view to draw out such multi-dimensional functions. To encourage this, it is appropriate to illustrate available examples of assessment methods and good practices on sustainable forest management developed and implemented by the Parties, FAO and ITTO.

d. To develop a simplified application procedure for small-scale AR-CDM project activities (Rationale)

A simplified application procedure should be developed and applied for small-scale AR-CDM project activities because they could be generally considered to have only small leakage and impacts on bio-diversity and socio-economy.

e. To develop an annex on modalities and procedures for AR-CDM activities reflecting, *mutatis mutandis*, the annex to the decision on Article 12 on modalities and procedures for CDM, fully respecting the procedures in the current annex to the decision on Article 12 as a basis for this consideration.

1.3 To consider clear distinction, collaboration and adjustment between the works conducted respectively by the SBSTA and the IPCC

a. To clarify the area between the development of modalities for AR-CDM conducted by the SBSTA and the preparation of good practice guidance on LULUCF activities by the IPCC and to consider the way of the collaboration and the adjustment between the two works.

(Rationale)

In the Marrakesh Accords, the IPCC is invited to elaborate methods to estimate, measure, monitor, and report changes in carbon stocks resulting from LULUCF activities including those under Article 12 by COP9. Therefore, clear distinction and responsibility in the works conducted by the IPCC and the SBSTA is necessary.

b. To develop the procedure on how to make collaboration and adjustment of the above-mentioned works of the SBSTA and the IPCC

(Rationale)

The works of the SBSTA and the IPCC are, however, closely related to each other. In addition, both of them are due to be considered and adopted at COP9. Therefore, it is necessary to develop, in advance, the procedure for collaboration and adjustment so that the SBSTA, at its every session, can invite the IPCC to hear the progress of its work and request necessary adjustments of the work as appropriate.

1.4 The CDM Executive Board is now establishing various rules and modalities such as the guideline for the baseline and monitoring plan. The works conducted by the EB have close relation to the works by the IPCC and the SBSTA regarding the LULUCF CDM. It is, therefore, inevitable to decide beforehand the role and the collaboration measures among the IPCC, the SBSTA, and the CDM Executive Board.

## **2. Organization of the workshop referred to in paragraph 8**

2.1 For the development of recommendations on terms of reference and an agenda for the work of the SBSTA mentioned above, the workshop should provide opportunities to; (a) review the relevant parts of the IPCC Special Report on LULUCF and to; (b) share information on the examples of AR-CDM project activities that have already been implemented.

2.2 Appropriate persons should be invited from the IPCC to discuss possible collaborations and adjustments in the works of the two organizations.

2.3 The workshop should be scheduled so as not to conflict with relevant major events such as the 19<sup>th</sup> Session of the IPCC (17-20 April).