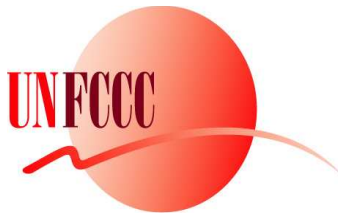


Estimation, Reporting and Accounting of Harvested Wood Products

UNFCCC Secretariat

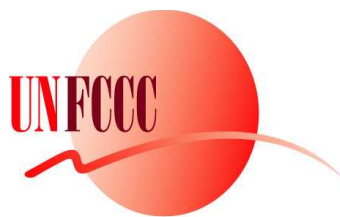
Geneva

9-10 September 2008



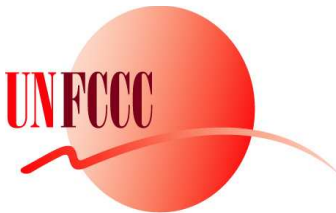
Background

- The carbon cycle is affected when forests are harvested.
- CO₂ is released during harvesting and manufacture of wood products and by the use and disposal of wood.
- In the IPCC recommended default approach (Revised 1996 IPCC Guidelines), all CO₂ emissions and removals associated with forest harvesting and the oxidation of wood products are accounted for by the country in the year of harvesting (removal).



Estimation....

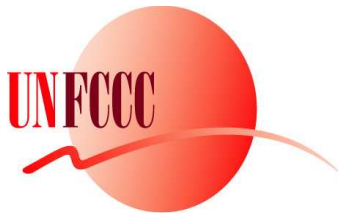
- Harvested wood products (HWP) according to the IPCC good practice guidance (2003) include wood and paper products. It does not include carbon in harvested trees that are left at harvest sites.
- Methodologies and good practice for the estimating and reporting of emissions and removals from HWP (Appendix 3a.1 in the IPCC GPG LULUCF 2003).
- New methodologies are available in the IPCC 2006 Inventory Guidelines. Where a minimum set of variables is proposed that allow the calculation of all proposed approaches.



Overview of the Technical Paper

(FCCC/TP/2003/7 and Corr.1)

- SBSTA-15 requested the secretariat to prepare a technical paper on HWP accounting, taking into account socio-economic and environmental impacts, including impacts on developing countries.
- SBSTA considered and took note of the technical paper at its nineteenth session.



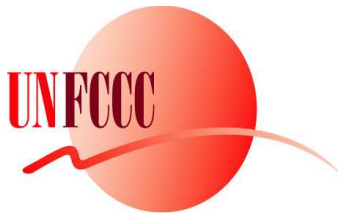
Approaches for Accounting of Changes in Carbon Stocks and GHG Emissions from Forest Harvesting and Wood Products

- IPCC Expert Meeting in Dakar (1998) identified four approaches to accounting for GHG emissions resulting from wood products:
 - IPCC default method
 - Stock change approach
 - Production approach
 - Atmospheric-flow approach
- A major difference between the approaches relates **where** and **when** changes in carbon stocks or emissions occur.



Conclusions and Issues

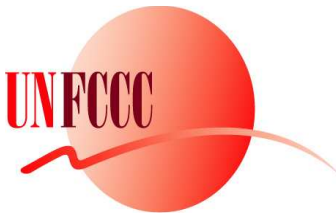
- Treatment of wood products either within the context of the UNFCCC or the Kyoto Protocol presents several complex issues:
 - Definitions and classification of wood products, consider as a whole or a specific set of products;
 - Concepts relating to accounting, treatment of emissions vs changes in C stocks;
 - Accounting of old stocks of wood products (pre-1990);
 - Timing and place of accounting (when and where);
 - Methodological issues in estimation, limited availability of data;
 - Analysis of implications of a possible accounting system that does not create perverse incentives or negative socio-economic and environmental impacts;
 - Trade of wood products within and between Annex I and non-Annex I Parties.



Conclusions and Issues

Questions....

- Are the available approaches sufficient to enter into discussions on the inclusion of wood products in the context of the UNFCCC and the Kyoto Protocol ?
- Is there a need to consider new approaches ?
- Different approaches have different implications for emission limitation commitments, markets and trade, use of wood and recycling and sustainable forest management. Is there a need to analyze further impacts and implications of each approach ? How to minimize or eliminate negative impacts ?

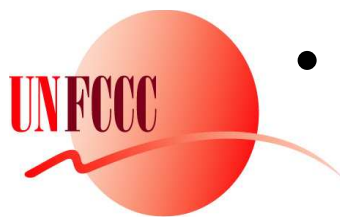


Last developments...

- At **SBSTA19** decided to continue discussing HWP at SBSTA21 and mandated a Workshop before, ToR decided at **SBSTA20** and requested submissions (views and data, FCCC/SBSTA/2004/MISC.9).
- The workshop took place in Lillehammer, Norway, from 30 August to 1 September 2004 (FCCC/SBSTA/2004/INF.11)

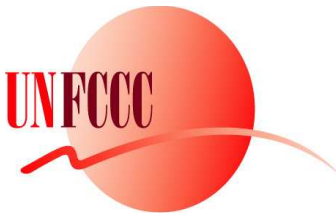
Specific topics to be discussed:

- Definitions and scope of estimation
- Approaches and implications of each, including socio-economic and environmental
- Methods (inventory methods, availability of data, cost..)



Workshop output

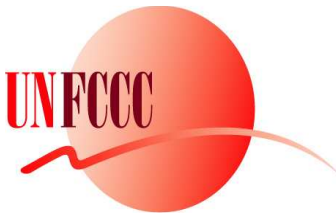
- An assessment of the application of each approach was needed to support any future decision on the selection of one, compared to the application of the IPCC default approach.
- Participants proposed some elements for such an assessment, these being:
 - (a) Approach environmental integrity in relation to reporting and/or accounting, and its consistency with the ultimate objective of the Convention
 - (b) Equity between consuming and producing countries
 - (c) Accountability
 - (d) Provision of incentives for, inter alia, increased use of biofuels, reduction of emissions and sustainable forest management
 - (e) Simplicity and practicality
 - (f) Cost-effectiveness.



Last developments...

SBSTA 21 noted the need to further analyze:

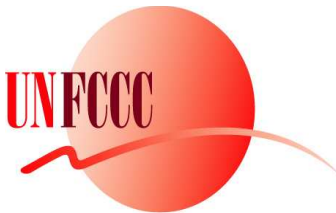
- the socio-economic and environmental implications,
- impacts on forest carbon stocks and emissions in Annex I and non-Annex I Parties,
- impacts on sustainable forest management,
- and impacts on trade, of reporting GHG emissions resulting from the production, use and disposal of HWP, including those arising from the application of the accounting approaches



Last developments...

SBSTA 23 considered

- methodological issues, including **data and information on changes in carbon stocks and emissions of GHG from HWP** and experiences with the use of relevant guidelines and good practice guidance of the IPCC to generate such data and information were submitted by Parties
(FCCC/SBSTA/2005/MISC.9, Add.1 and 2)
- Information note (FCCC/SBSTA/2005/INF.7) by the secretariat presenting information on HWP contained in previous submissions from Parties and in national inventory reports.

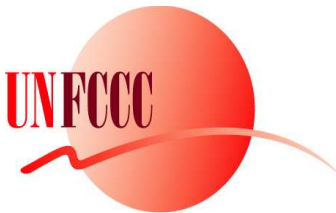


Last developments...

SBSTA 24 invited Parties to voluntarily report on HWP in their national inventories in a manner consistent with current UNFCCC reporting guidelines.

The SBSTA agreed to return to the consideration of this item at its twenty-sixth session under two separate context:

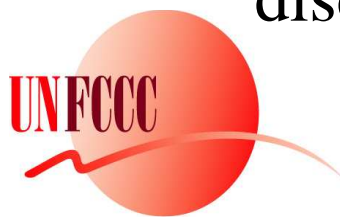
- to discuss reporting of harvested wood products in the context of its consideration of the 2006 IPCC Guidelines; and
- to also consider other issues associated with harvest wood products



Last developments...

- At **SBSTA26**:
 - decided to discuss reporting of HWP in the context of its consideration of the 2006 IPCC Guidelines (SBSTA30).
 - agreed to consider these other issues relating to HWP in the context of the consideration of broader issues relating to land use, land-use change and forestry, at future sessions.

AWG-KP is considering now the possible changes to the rules and modalities for the treatment of LULUCF for 2CP of the Kyoto Protocol HWP is one of the issues to be discussed.



THANK YOU

