



National Farmers'
FEDERATION

**CONFERENCE OF PARTIES 15
COPENHAGEN, DENMARK**

AUSTRALIAN AGRICULTURE DELEGATION SUMMARY

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Background

In December 2009, the National Farmers' Federation (NFF) led an Australian agriculture sector delegation to Copenhagen, Denmark for the United Nations Climate Change conference. Participating within the delegation were representatives from the NFF, Cattle Council of Australia (CCA), Meat and Livestock Australia (MLA) and the Grain Growers Association (GGA).

The conference (COP/MOP) included the fifteenth Conference of the Parties (COP 15) to the United Nations Framework Convention on Climate Change (UNFCCC) and the fifth Meeting of the Parties to the Kyoto Protocol (MOP 5).

The conference marked the culmination of a two-year negotiating process to enhance international climate change cooperation under the Bali Roadmap, adopted by COP 13 in December 2007.

There are 194 parties to the UNFCCC and 184 who have ratified the Kyoto protocol. However it is important to note that only 37 of those countries that have ratified Kyoto have emissions targets because they are developed countries (Annex 1 countries). Australia is an Annex 1 country.

COP 15 was a huge event with over 40,000 registered delegates participating - people of all ages from hundreds of countries and from all walks of life. In addition to the official negotiators, there are at least 350 Australians registered with the Australian Government at COP 15 representing various non-government organisations and interest groups. The majority of these interest groups were representatives of the environmental lobby.

Goals and objectives of the Australian agriculture delegation

Overview of goals and objectives

While there was clearly a strong focus for government negotiators in Copenhagen on the emissions reduction targets that will be adopted by developed countries and by major developing countries, this was not the main game for the Australian agriculture delegation. For us, the focus was on: (1) the international carbon accounting rules; and (2) recognition of the linkage of agriculture, climate change and food security.

It is the strong view of the Australian agriculture delegation that we need to ensure that the rules enable our farmers to be recognized for their positive actions in sequestering carbon through their soils and vegetation and their contribution to reducing greenhouse gas emissions through ongoing improvements in the efficiency of food production. It is the negotiations surrounding the rules on land use, land use change and forestry (LULUCF) that were therefore a major focus. As the sector most

directly affected by changes in climate and with emissions linked to natural biological processes including nutrient requirements for plant growth and ruminant digestion for protein production there is also a critical need for negotiations on future emissions reduction to also integrate strategies for long term sustainable livestock and crop production systems and food security.

The NFF has consistently highlighted the fact that the current international accounting rules fail to appropriately recognize the positive contribution by farmers in reducing emissions. While the rules remain as they are there will continue to be an undue emphasis on trees as the preferred regional land use option.

It is our belief that agriculture across the globe has a really positive story to tell about what it is already doing to help deal with the global challenge of greenhouse gas mitigation. Producing more food and fiber to meet growing human needs, while at the same time meeting the carbon challenge, is a powerful story and it is a reality.

Despite this, farmers are still vilified in some quarters as being climate vandals. This is despite the demonstrable positive contributions being made. This is only too clear in Copenhagen with daily demonstrations by a small but vocal group of activists calling on the world to adopt vegan diets as a way to curb climate change.

It is the Australian agriculture delegation's belief that the international carbon accounting rules, under the Kyoto Protocol, encourage this false perception. They do this by failing to fully recognize the mitigation efforts undertaken by farmers through the carbon accounting rules outlined within the cropping and grazing land management articles of the Kyoto Protocol.

The fact is that under Article 3.4, nations and potentially individual farmers are held liable for natural processes that emit carbon from the soil such as droughts and bushfires – natural processes beyond anyone's control.

Australia like most other agricultural countries would not wear the risks arising from these natural, or non-anthropogenic emissions. This in turn removed any opportunity for our farmers to gain credit for the positive actions on-farm that help to build carbon stocks within their soils. The rules need to be changed.

This Kyoto definition goes against the core principle of why the Kyoto Protocol was developed – that is – to bring about a reduction in human induced emissions. Why then, are the world's farmers being penalised under this treaty for natural processes that they cannot control?

Yet the Australian agriculture delegation was not only focussed on outcomes derived from changes to the Kyoto carbon accounting rules while at COP 15. On a broader level, we were also looking for the following outcomes:

- To demonstrate our commitment to working with the Australian Government to assist in the process of changing the Kyoto rules in the interests of lowering Australia's liability under the Treaty through recognition of sequestration activities by farmers. This also involves leveraging off our influence within the International Federation of Agricultural Producers (IFAP) to bring the world's farmers in line with the Australian negotiating position. As a leader in agricultural research and climate risk management, Australia can make a major contribution to increasing food production in developing as well as developed countries to meet the demands of an increasing global population.
- Utilising the COP 15 negotiations to communicate to Australian farmers the importance of changing the Kyoto Rules to appropriately recognise the positive carbon management by farmers.
- Demonstrate that regardless of domestic policy developments relating to climate change, the Australian agriculture delegation remains committed to attaining international recognition for the positive role that farmers play in carbon management.

Specific objectives relating to the Kyoto accounting rules

Specifically in the texts of the Kyoto Protocol, the Australian agriculture delegation is seeking the following:

- Excluding emissions due to natural disturbances in the national greenhouse gas accounts, thereby ensuring that governments and farmers are not held accountable under the international carbon rules for things that they cannot control such as bushfires and droughts.
- This relates to correcting the current flawed and simplistic representation under the Kyoto protocol of agriculture as a major greenhouse polluter, without appropriately acknowledging the sequestration undertaken by the sector. Change to the rules in this manner will thereby ensure that agriculture is established as an opportunity to assist in managing atmospheric GHG levels and not just as an emitter. i.e. appropriate accounting for the complete biological cycle involved.
- The Evolution of article 3.4 - The NFF is keen to ensure that Australia does not commit to article 3.4 liability in a new agreement or commit to mandatory inclusion of article 3.4 emissions within Australian targets without a full assessment of the impacts of such a move, even if concessions on natural disturbance are agreed to.
- To ensure that agriculture is treated in the same way for both Annex 1 and non Annex 1 countries. i.e. the FAO, etc have been very keen re agricultural offsets for developing countries. It would be perverse if non Annex 1 countries can offer offsets and agriculture in Annex 1 countries cannot.
- Correcting the current bias towards forestry over agriculture as a regional land use option under the Kyoto Protocol.
- Addressing the definitions of a forest and regrowth sinks in line with management of natural regeneration and vegetation thickening in savannahs and

grazed woodlands and with recent Australian state re-growth legislation and existing tree crop planting practices.

- Promoting the establishment of an international sectoral agreement or work program on agriculture that takes into consideration the special characteristics and needs of agriculture, including:
 - Global food security concerns
 - The physical limits to how far emissions can be reduced
 - The importance of international trade (and risk of leakage) for agricultural goods.
 - The much larger scientific uncertainties in estimating agricultural emissions and predicting the effects of changing practices across the many farm units including small to medium scale enterprises.

COP 15 outcomes

The Copenhagen Accord

The Copenhagen Accord is a non-legally binding agreement widely described as 'limited' or 'disappointing'. It was brokered at the end of COP 15 by USA, China, India, Brazil, South Africa and some European countries. A deadline has been set for the end of 2010 to get a legally-binding agreement and it is clear that a gap between the end of the first commitment period under the Kyoto Protocol and a further commitment is not wanted. Media has highlighted some of the key areas where agreement could not be reached and many aspects within the Accord are not yet clear. The notes below are intended to provide only a first-cut interpretation of some key points in the Copenhagen Accord (see Appendix 1 for Copenhagen Accord text).

Agriculture is not specifically mentioned in the Accord and there is insufficient detail to be able to determine whether the impact will be positive in terms of allowing additional time to make a case for the special role of agriculture in food security and adaptation to climate change. The need to enhance agricultural production in order to address food security and to recognise the role of agricultural land use as well as forestry in bio-sequestration was made strongly at COP 15 through IFAP, FAO and others. A SBSTA work plan for agriculture was requested but this and the details of changes in accounting rules will not be clear until later in 2010. Whether wording around the need for an "economy wide" emissions target will affect individual sectors in domestic policy is not clear.

Copenhagen Accord text	Impact (preliminary)
Increase in global temperature should be kept below 2°C - <i>on the basis of equity and in the context of sustainable development enhance long-term</i>	Until there are emissions reduction targets this does not provide any guidance. Many developing countries and NGOs were asking for a goal of 1.5°C

<p><i>cooperative action to combat climate change.</i></p> <p>The implementation of the Accord is to be assessed in 2015</p> <p><i>- including consideration of the science for strengthening the goal to 1.5°C</i></p>	<p>temperature rise. Current pledges have been analysed as leading to a 3°C rise.</p>
<p>Action should be taken with a view to achieving peaking of global and national emissions as soon as possible</p> <p><i>- recognising that peaking for developing countries will be longer considering social and economic development and poverty eradication</i></p>	<p>Earlier drafts had specified time to peaking of emissions but the final agreement is for each country to nominate the year of peaking. Draft dates varied, e.g. China would have to peak emissions in 2025 and India in 2045.</p>
<p>Annex 1 countries are required to implement individually or jointly “economy wide” emissions targets for 2020 to be submitted by 31 January 2010.</p> <ul style="list-style-type: none"> - <i>Kyoto Protocol parties are expected to strengthen their commitment</i> - <i>delivery of reductions by Annex 1 countries are to be subjected to measured, reported and verified (MRV) according to guidelines yet to be adopted by COP.</i> <p>Non-Annex 1 (developing) countries are required to list mitigation actions</p> <p><i>- listed actions will be subject to domestic MRV. Only actions receiving international support will be subject to international MRV</i></p>	<p>The impact of further commitment cannot be assessed until the targets are on the table.</p> <p>India and China in particular had opposed international verification of their domestic mitigation actions because it impinged their national sovereignty.</p>
<p>Reducing emissions from deforestation and forest degradation (REDD) and enhanced removals of greenhouse gases by forests are recognised as having a crucial role. Positive incentives are proposed.</p> <p>The details of the new Copenhagen Green Climate Fund are not yet known.</p>	<p>While the promotion of forest preservation and increase in forests is aimed at developing countries the implications for developed countries is uncertain except for expectation of financial input to REDD-plus.</p> <p>Creates further bias under the KP on forestation as a regional land use.</p>
<p>Finance of US\$30 billion by 2012 and US\$100 billion per year by 2020 to developing countries</p> <p><i>- Initially directed towards least developed,</i></p>	<p>No clarity on where these funds are to come from though the Accord says ‘a variety of sources, public and private, bilateral and multilateral’. Australia’s</p>

<i>poorest, most vulnerable countries</i>	expected contribution is not yet known.
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What is then the way forward regarding the two track negotiation process?

One track is the renewal of the Kyoto Protocol, with new binding agreements by the Annex 1 parties to reduce greenhouse gas emissions. The other track is a new paper involving all countries called “Long-term Cooperative Action (LCA)”.

The COP agreed to extend the mandate of the Ad-Hoc Working Group on Long Term Cooperative Action (AWG-LCA). It will continue its work with a view to presenting the results to COP 16 – to be held in Mexico City in November 2010.

However, officials will have to sort out problems due to a disconnect between the “Copenhagen Accord” and the work achieved by the two Ad Hoc Working Groups namely AWG- KP (Ad-Hoc Working Group on the Kyoto Protocol) and the AWG-LCA (Ad-Hoc Working Group on Long Term Cooperative Action).

Removing liability for natural processes – Article 3.4

This has been the key focus for the Australian agriculture delegation during the COP 15 negotiations.

During COP 15, new draft text has been included to article 3.4 of the Kyoto Protocol relating to the need to extract “force majeure” elements from countries national accounts. This text remains bracketed (see Appendix 2 for Draft Article 3.4 text) but is still a significant move forward.

The definition of “force majeure” for the purposed of the Kyoto Protocol draft text has been defined as:

Extraordinary events or circumstances, defined as those events or circumstances whose occurrence or severity was beyond the control of, and not materially influenced by, a Party [and whose associated total GHG emissions by sources and removals by sinks are a minimum of [X per cent][Y to 5 per cent] of the total national emissions included in the base year].

The minimum percentage figure of what constitutes a force majeure event remains unresolved. NFF advice is that a drought event creates a disturbance from the base year of approximately 1% meaning that Australian negotiators have advocated for this minimum percentage to be no greater than 1%. Our preference would be for emissions due to all natural disturbance events to be excluded, i.e. effectively a zero threshold.

Most of the opposition to extracting natural processes from the Kyoto liabilities has come from the developing country block of the G77 & China who perceive it to be a loophole for developed countries to avoid meeting their liabilities in reducing emissions. With the support of many green groups, the developing countries are

looking to ensure that provisions within the LULUCF sector texts do not allow for Annex 1 countries to easily derive offsets from the land use sector

Cooperative sectoral approaches and sector-specific actions in agriculture

During COP 15, there was positive development of the draft text relating to the establishment of a cooperative sectoral approaches and sector-specific actions in agriculture, leading to the establishment of a SBSTA work program (see Appendix 3 for Draft Agriculture Text).

The complete agriculture text remains 'bracketed' (still not agreed) but this only means that "nothing is agreed until everything is agreed". Given the fact that the AWG-LCA has received the mandate to extend its work over next year, no matter what the agricultural text contains as elements of agreements or disagreement within brackets, the text as a whole remains in a status of draft negotiating document.

Further discussions and negotiations will continue in the lead up to the next session of the UN Framework Convention on Climate Change (UNFCCC), and will be directed through the Subsidiary Body for Scientific and Technological Advice in June 2010 (SBSTA 32) and the negotiations leading up to that meeting, in Bonn, Germany. The COP 16 is meant to take a final decision on a final text when it meets in Mexico in November 2010.

The present draft text as it stands contains areas of agreement and of disagreement.

Areas of agreement:

- A specific reference in the beginning of the LCA text to Article 2 which recognises the importance of food security to address climate change challenges.
- Recognition of the relationship between agriculture and food security and the link between adaptation and mitigation.
- A request for SBSTA (Subsidiary Body for Scientific and Technological Advice) to establish at its 32nd session a program of work on agriculture (June 2010). The SBSTA work program for agriculture is intended to examine agriculture's capacity to mitigate emissions and adapt to climate change in the context of food security and other sector specific complexities. This program is also intended to examine methodologies surrounding soil carbon measurement, biochar, and other potential agricultural mitigation options.
- The need to promote and cooperate in the research & development.

Areas of disagreement:

- 2 similar paragraphs dealing with trade and reading as follows "*Affirming that cooperative sectoral approaches and sector specific actions in the agriculture sector should not constitute a means of arbitrary or unjustifiable discrimination or a disguised reduction on international trade*".

- A bracket in paragraph 1 on “shall” and “should” is a question of choosing how strong the requirements will be in the final agreement. The choice of terminology will carry a legal meaning to be agreed upon between the parties at the next COP.

Prior to COP 15 there was also a disturbing paragraph against the use of agricultural offsets that stated:

[Cooperative sectoral approaches in the agriculture sector shall not lead to carbon offsets or approaches that adversely impact forest land].

This paragraph has now been removed from the most recent draft.

Agricultural R&D funding and coordination

Prior to Copenhagen, New Zealand instigated a Global Alliance on agricultural R&D to ensure that global climate change mitigation research is coordinated. At COP 15 the scope of the Global Alliance was extended to include adaptation in part reflecting the interests of developing countries. This Global Alliance has been strongly supported by 20 countries, including Australia, Canada, Chile, Denmark, France, Germany, Ghana, Ireland, Japan, Malaysia, Netherlands, New Zealand, Sweden, Switzerland, the United Kingdom, the United States, Uruguay and Vietnam. Each have committed to a statement of intent of their support.

Minister for Climate Change and Water, Senator Penny Wong, joined New Zealand Associate Minister for Climate Change Issues, the Hon. Tim Grosser, and American Secretary of Agriculture, Tim Vilsack in launching the Alliance at COP 15, which formalises the ongoing collaboration of international research efforts on agriculture mitigation (see Appendix 4 for Joint Ministerial Statement).

The creation of a Global Research Alliance for agriculture is good news for the farming community. It is one of the positive outcomes of the Copenhagen Conference.

This Alliance is aimed at “helping to reduce the emissions intensity of agricultural production and increase its potential for soil carbon sequestration thereby contributing to overall mitigation efforts”. It will also “seek to increase international cooperation, collaboration and investment in both public and private research activities”.

The joint ministerial declaration also recognizes the need for farm organisations to be involved in this initiative. The objectives are: to better harness the mitigation potential of agriculture; identify knowledge gaps; enhance existing solutions in both mitigation and adaptation, while involving farmers and their organisations.

No funding commitments are required at this stage yet our understanding is that the commitment by countries over the next 4 yrs is so far:

- US - \$125M
- NZ - \$45M
- Canada - \$35M
- France - \$0.5M?

While Australia has not committed a specific amount it will likely look to attribute a portion of the existing DAFF allocation of \$46M from the Climate Change Research Program (CCRP) as Australia's preliminary contribution.

Of note is the fact that the Australian CPRS Bill has a provision for \$50 million in additional R&D funding that explicitly lists the Global Alliance as a benefactor of some of this funding. With the CPRS Bill being overturned in the Senate, Australia is not in a position to commit additional finances to the Global Alliance at this time.

Regrowth

The Australian agriculture delegation has pursued gaining recognition for woody regrowth to be credited as a carbon sink under Article 3.3 or 3.4 definitions. This would provide potential credits for Australian farmers affected by regrowth regulations or those farmers who voluntarily decide to permanently NOT clear woody regrowth. We have asked that this vegetation be treated in the same way as a managed forest under the international rules, despite that fact that such regrowth does not require planting and/or seeding.

Unfortunately, the NFF have received advice stating that it is highly unlikely that Australia will be able to attain flexibility in the LULUCF Article 3.4 accounts to give credits to farmers who allow woody regrowth to remain uncleared (due to either regulatory or voluntary decisions) while not incurring a debit for those farmers who clear regrowth. The net carbon balance if Australia was to extend its definition of "managed forests" to include woody regrowth is believed to be negative for Australia as a whole.

The argument has also been offered that while the IPCC is committed to the fundamental principle of having a "one in all in" approach to land management, there will be difficulty attaining the flexibility we are asking for.

This would therefore appear to be a disappointing outcome. The alternative argument is that where regrowth is being managed by regular re-clearing, the cycle of regrowth management represents a zero net greenhouse gas impact over a reasonable time frame, with the carbon dioxide emissions released on clearing being equal to the sequestration due to photosynthesis while growing. (Non-CO₂ emissions released if biomass is burnt would need to be accounted for separately.) Regrowth allowed to grow to mature and retained (for 100 years) represents a significant and measurable permanent sink managed by producers and therefore should be credited to them. There remains some uncertainty as to the definitions provided and we will continue to pursue the issue.

COP 15 insights

The following insights have been selectively extracted from a daily blog by the Australian agriculture delegation:

There was clearly a focus on emissions targets within the COP, with a strong push from developing nations for stronger targets. There was clear divergence of views of what is appropriate action in terms of setting emissions targets for Annex 1 countries. Developing countries would like to see 45% reductions by 2020, currently Australia has committed to 5-25%.

Unfortunately there is still significant resistance to modifying the rules, particularly from many of the developing countries who themselves rely so heavily on agriculture. Every day it became more evident that the developing countries are resolute that the developed nations should be held accountable for the threat of dangerous climate change affecting the globe. It is clearly their view that climate change is the result of the activities undertaken by developed nations and that they are not very willing to support any changes to the rules despite the fact that such changes may also allow developing nations to benefit from this agreement.

One has to question whether they are so focused on making sure that rich countries take responsibility for reducing fossil fuel emissions and on securing a high level of financial support from developed countries that they are not representing the interests of their own farmers who, through the International Federation of Agricultural Producers (IFAP), have also signalled their concerns over the flawed accounting rules.

Regrettably, the divisions between the developed and developing countries participating in the climate change talks appear to be entrenched. These divisions have flowed down from the debate over country emissions reduction targets right through to the discussions on the carbon accounting rules. While there are clear (yet not always reasonable) reasons offered by developing countries as to why they expect developed countries to adopt ambitious emissions reduction targets, for the accounting rules, their reasoning is less understandable. This is especially so bearing in mind that by obstructing change, they are effectively hurting their own farmers while at the same time placing further pressure on future food security for their own people.

For instance, the G77 + China (77 developing countries plus China) have specifically stated their objection to developed countries being able to use offsets to meet their targets. This, they claim, is being used as a loophole by developed countries and provides an "easy out" clause for these countries to meet their liabilities under the Kyoto Protocol.

COP 15 – Agriculture’s process of engagement

Australian Government Negotiators

The main focus for the Australian agriculture delegation centred on engagement with the Australian Government negotiating team. This involved daily formal briefings for all registered Non Government Organizations (NGO’s).

In addition to attending these formal daily briefings, the Australian agriculture delegation also met daily with Annemarie Watt, who has been the main Australian negotiator for the LULUCF texts.

The International Federation of Agricultural Producers (IFAP)

IFAP was one of nine major groups identified as stakeholders in the COP 15 discussions and are recognised as constituencies in the UNFCCC negotiations process. As a result, IFAP was offered special access to briefings by the UNFCCC Secretariat, UNFCCC Executive Secretary and the AWG- LCA and AWG- KP Chairs and were invited to make plenary interventions.

Due to NFF membership of IFAP, the Australian agriculture delegation was invited to participate in daily updates including global farmer organisations. These provided a good opportunity to gain feedback on what various delegations were discovering relating to the negotiations and to prepare strategies on how to elevate the issues for agriculture within the negotiations. This also allowed the Australian agriculture delegation to exert influence on other farming groups, particularly those from developing country farming groups, to advise them on why it was also in their interests to champion our listed issues.

Agriculture and rural development day 2009

IFAP was part of the Steering Committee to prepare a one-day event on Agriculture and Rural Development, which took place on 12 December at the University of Copenhagen. This event was organised, hosted and supported by major international organisations¹, donors and agricultural stakeholders. This ‘Agriculture Day’ event attracted more than 350 policymakers, scientists and farmers including about 50 IFAP representatives.

¹ The AARD was hosted by : the Consultative Group on Agricultural Research (CGIAR), CGIAR Challenge Program on Climate Change Agriculture and Food Security (CCAFS) , the Global Donor Platform for Rural Development and the University of Copenhagen. It was organised by the Alliance of the CGIAR (Consultative Group on International Agricultural Research) Centres, the Earth System Science Partnership (ESSP), the Food and Agriculture Organization (FAO), the Global Forum on Agricultural Research (GFAR), the International Federation of Agricultural Producers (IFAP), and the International Food Policy Research Institute (IFPRI)

The key objectives of the meeting were to build consensus on ways to fully incorporate agriculture into the post-Copenhagen climate agenda and to discuss strategies and actions needed to address climate change adaptation and mitigation in the agriculture sector.

The outcomes from Agriculture Day were fed into a COP 15 side event, hosted by IFAP on 14 December. This was entitled: "Beyond Copenhagen: Agriculture and Forestry are Part of the Solution". (see Appendix 5 for Statement of Outcomes).

The Australian agriculture delegation made strong interventions at this side event.

Speeches and interventions

During COP 15, David Crombie was invited to address the United Nations Plenary session as a representative of IFAP, to raise the issues faced by global farmers in the negotiations. The intervention focussed on changing the international carbon accounting rules under article 3.4 and elevating the need for a SBSTA work program for agriculture.

While in Copenhagen, David Crombie also delivered a speech at a side event for the International Centre for Trade and Sustainable Development (ICTSD) and the International Food & Agricultural Trade Policy Council (IPC) on the need to change the carbon accounting rules and the positive role that farmers can play in the carbon mitigation challenge.

Where to from here?

Much has been achieved to raise the profile of agriculture and food security within the climate change negotiations and to ensure that the Kyoto texts do not penalise countries for emissions from natural processes. However, there is still more work to do make sure that the right text, with the right messages on agriculture, is approved.

In particular, efforts need to be concentrated on the following:

- Continuing to work closely with the Australian negotiators in order to keep their focus on the interests of agriculture within the Kyoto negotiations.
- Continuing to work closely with the IFAP climate change expert group (where possible²) in order to keep the momentum on agriculture. It will be an ongoing challenge to keep the IFAP focus on the natural process issues that are more specific to Australian farmers. The engagement and insights from IFAP will be vital at the next session of the UN Framework Convention on Climate Change (UNFCCC), which is likely to be in June 2010, in Bonn, Germany. NFF and CCA will monitor whether value can be attained from attending these meetings.

² NFF will not be renewing its membership of IFAP unless additional funding can be attained. The NFF is currently exploring external funding opportunities. The membership is due to expire in Feb 2010.

- Coordinate industry engagement within Australia's involvement in the Global Alliance on Research on Agricultural Greenhouse Gases. A first meeting of this Alliance will be hosted by the New Zealand government in March 2010 (venue to be determined). NFF and CCA will examine opportunities to be invited to be part of this meeting to convey the farmers and their organisations' views. MLA was represented at a meeting in New Zealand in November 2009 hosted jointly by NZ MAF and DAFF that discussed opportunities for collaborative research on mitigation and soil carbon sequestration and is continuing to participate in discussions on potential work under the Global Alliance.
- Continue to monitor whether value can be attained from attending COP 16 in Mexico in November 2010.
- Examine opportunities to raise the profile of the problematic Kyoto carbon accounting rules at the next Cairns Group Farm Leaders (CGFL) meeting in Uruguay on 19-21 April 2010. NFF will examine options to coordinate CGFL's in separate discussions in Uruguay and invite key officials (e.g.: UNFCCC, IFAP, FAO) to advise CGFL's on the importance of changing the current flawed accounting rules and how these rules could lead to further distortions of agricultural land use and trade flows.
- Cattle Council will explore opportunities to raise the problems with Kyoto carbon accounting rules at the next Five Nations Beef Alliance conference, which will be held in New Zealand in February 2010. This may also include a discussion around the possibility of the alliance commissioning a report of the effect of global climate change policy on the world's beef supply.

Appendix 1

COPENHAGEN ACCORD CONFERENCE OF THE PARTIES Fifteenth session Copenhagen, 18 December 2009

The Heads of State, Heads of Government, Ministers, and other heads of delegation present at the United Nations Climate Change Conference 2009 in Copenhagen, In pursuit of the ultimate objective of the Convention as stated in its Article 2, Being guided by the principles and provisions of the Convention, Noting the results of work done by the two Ad hoc Working Groups, Endorsing decision x/CP.15 on the Ad hoc Working Group on Long-term Cooperative Action and decision x/CMP.5 that requests the Ad hoc Working Group on Further Commitments of Annex I Parties under the Kyoto Protocol to continue its work, Have agreed on this Copenhagen Accord which is operational immediately.

1. We underline that climate change is one of the greatest challenges of our time. We emphasise our strong political will to urgently combat climate change in accordance with the principle of common but differentiated responsibilities and respective capabilities. To achieve the ultimate objective of the Convention to stabilize greenhouse gas concentration in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system, we shall, recognizing the scientific view that the increase in global temperature should be below 2 degrees Celsius, on the basis of equity and in the context of sustainable development, enhance our long-term cooperative action to combat climate change. We recognize the critical impacts of climate change and the potential impacts of response measures on countries particularly vulnerable to its adverse effects and stress the need to establish a comprehensive adaptation programme including international support. GE.09-71523

2. We agree that deep cuts in global emissions are required according to science, and as documented by the IPCC Fourth Assessment Report with a view to reduce global emissions so as to hold the increase in global temperature below 2 degrees Celsius, and take action to meet this objective consistent with science and on the basis of equity. We should cooperate in achieving the peaking of global and national emissions as soon as possible, recognizing that the time frame for peaking will be longer in developing countries and bearing in mind that social and economic development and poverty eradication are the first and overriding priorities of developing countries and that a low-emission development strategy is indispensable to sustainable development.

3. Adaptation to the adverse effects of climate change and the potential impacts of response measures is a challenge faced by all countries. Enhanced action and international cooperation on adaptation is urgently required to ensure the implementation of the Convention by enabling and supporting the implementation of adaptation actions aimed at reducing vulnerability and building resilience in

developing countries, especially in those that are particularly vulnerable, especially least developed countries, small island developing States and Africa. We agree that developed countries shall provide adequate, predictable and sustainable financial resources, technology and capacity-building to support the implementation of adaptation action in developing countries.

4. Annex I Parties commit to implement individually or jointly the quantified economy-wide emissions targets for 2020, to be submitted in the format given in Appendix I by Annex I Parties to the secretariat by 31 January 2010 for compilation in an INF document. Annex I Parties that are Party to the Kyoto Protocol will thereby further strengthen the emissions reductions initiated by the Kyoto Protocol. Delivery of reductions and financing by developed countries will be measured, reported and verified in accordance with existing and any further guidelines adopted by the Conference of the Parties, and will ensure that accounting of such targets and finance is rigorous, robust and transparent.

5. Non-Annex I Parties to the Convention will implement mitigation actions, including those to be submitted to the secretariat by non-Annex I Parties in the format given in Appendix II by 31 January 2010, for compilation in an INF document, consistent with Article 4.1 and Article 4.7 and in the context of sustainable development. Least developed countries and small island developing States may undertake actions voluntarily and on the basis of support. Mitigation actions subsequently taken and envisaged by Non-Annex I Parties, including national inventory reports, shall be communicated through national communications consistent with Article 12.1(b) every two years on the basis of guidelines to be adopted by the Conference of the Parties. Those mitigation actions in national communications or otherwise communicated to the Secretariat will be added to the list in appendix II. Mitigation actions taken by Non-Annex I Parties will be subject to their domestic measurement, reporting and verification the result of which will be reported through their national communications every two years. Non-Annex I Parties will communicate information on the implementation of their actions through National Communications, with provisions for international consultations and analysis under clearly defined guidelines that will ensure that national sovereignty is respected. Nationally appropriate mitigation actions seeking international support will be recorded in a registry along with relevant technology, finance and capacity building support. Those actions supported will be added to the list in appendix II. These supported nationally appropriate mitigation actions will be subject to international measurement, reporting and verification in accordance with guidelines adopted by the Conference of the Parties.

6. We recognize the crucial role of reducing emission from deforestation and forest degradation and the need to enhance removals of greenhouse gas emission by forests and agree on the need to provide positive incentives to such actions through the immediate establishment of a mechanism including REDD-plus, to enable the mobilization of financial resources from developed countries.

7. We decide to pursue various approaches, including opportunities to use markets, to enhance the cost-effectiveness of, and to promote mitigation actions. Developing countries, especially those with low emitting economies should be provided incentives to continue to develop on a low emission pathway.

8. Scaled up, new and additional, predictable and adequate funding as well as improved access shall be provided to developing countries, in accordance with the relevant provisions of the Convention, to enable and support enhanced action on mitigation, including substantial finance to reduce emissions from deforestation and forest degradation (REDD-plus), adaptation, technology development and transfer and capacity-building, for enhanced implementation of the Convention. The collective commitment by developed countries is to provide new and additional resources, including forestry and investments through international institutions, approaching USD 30 billion for the period 2010-2012 with balanced allocation between adaptation and mitigation. Funding for adaptation will be prioritized for the most vulnerable developing countries, such as the least developed countries, small island developing States and Africa. In the context of meaningful mitigation actions and transparency on implementation, developed countries commit to a goal of mobilizing jointly USD 100 billion dollars a year by 2020 to address the needs of developing countries. This funding will come from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources of finance. New multilateral funding for adaptation will be delivered through effective and efficient fund arrangements, with a governance structure providing for equal representation of developed and developing countries. A significant portion of such funding should flow through the Copenhagen Green Climate Fund.

9. To this end, a High Level Panel will be established under the guidance of and accountable to the Conference of the Parties to study the contribution of the potential sources of revenue, including alternative sources of finance, towards meeting this goal.

10. We decide that the Copenhagen Green Climate Fund shall be established as an operating entity of the financial mechanism of the Convention to support projects, programme, policies and other activities in developing countries related to mitigation including REDD-plus, adaptation, capacity-building, technology development and transfer.

11. In order to enhance action on development and transfer of technology we decide to establish a Technology Mechanism to accelerate technology development and transfer in support of action on adaptation and mitigation that will be guided by a country-driven approach and be based on national circumstances and priorities.

12. We call for an assessment of the implementation of this Accord to be completed by 2015, including in light of the Convention's ultimate objective. This would include consideration of strengthening the long-term goal referencing various

matters presented by the science, including in relation to temperature rises of 1.5 degrees Celsius.

Appendix 2

AD HOC WORKING GROUP ON FURTHER COMMITMENTS FOR ANNEX I PARTIES UNDER THE KYOTO PROTOCOL

Tenth session

Copenhagen, 7.15 December 2009

ANNEX

Definitions, modalities, rules and guidelines relating to land use, land-use change and forestry activities under the Kyoto Protocol

[Option A

A. Definitions

1. For land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4 of the Kyoto Protocol, the following definitions shall apply:

(a) "*Forest*" is a minimum area of land of 0.05–1.0 hectares with tree crown cover (or equivalent stocking level) of more than 10–30 per cent with trees with the potential to reach a minimum height of 2–5 metres at maturity in situ. A forest may consist of either closed forest formations where trees of various storeys and undergrowth cover a high proportion of the ground or open forest. Young natural stands and all plantations which have yet to reach a crown density of 10–30 per cent or tree height of 2–5 metres are included under forest, as are areas normally forming part of the forest area which are temporarily unstocked as a result of human intervention such as harvesting or natural causes, but which are expected to revert to forest;

(b) "*Afforestation*" is the direct human-induced conversion of land that has not been forested for a period of at least 50 years to forested land through planting, seeding and/or the human-induced promotion of natural seed sources;

(c) "*Reforestation*" is the direct human-induced conversion of non-forested land to forested land through planting, seeding and/or the human-induced promotion of natural seed sources, on land that was forested but that has been converted to non-forested land. For the second commitment period of the Kyoto Protocol, reforestation activities will be limited to reforestation occurring on those lands that did not contain forest on 31 December 1989;

(d) "*Deforestation*" is the direct human-induced conversion of forested land to non-forested land;

(e) "*Revegetation*" is a direct human-induced activity to increase carbon stocks on sites through the establishment of vegetation that covers a minimum area of 0.05 hectares and does not meet the definitions of afforestation and reforestation contained here. It includes direct human-induced activities related to emissions of greenhouse gas and/or decreases in carbon stocks on sites which have been categorized as revegetation areas and do not meet the definition of deforestation;

(f) "*Forest management*" is a system of practices for stewardship and use of forest land aimed at fulfilling relevant ecological (including biological diversity), economic and social functions of the forest, and includes emissions by sources and removals by sinks;

(g) “*Cropland management*” is the system of practices on land on which agricultural crops are grown and on land that is set aside or temporarily not being used for crop production;

(h) “*Grazing land management*” is the system of practices on land used for livestock production aimed at manipulating the amount and type of vegetation and livestock produced;

(i) [“*Wetland management*” is a system of practices for rewetting and draining on land that covers a minimum area of 1 hectare. It includes all lands that have been drained and/or rewetted since 1990 and that are not accounted for under any other activity, where drainage is the artificial lowering of the soil water table and rewetting is the partial or total reversal of drainage;]

(j) [“*Planted production forest*” [is a forest consisting of [introduced] species, which as at 1990 met all the following criteria: [dominated by] one or two species at plantation, even age class and regular spacing. The “planted production forest”] shall have been established by direct human-induced conversion of non-forest land to forest land [or non-productive forest land to planted production forests] by the planting and/or seeding provisions of an afforestation or reforestation activity;]

(k) [“*Equivalent forest*” means an area of forest that will achieve at least the same carbon stock over the same period as would have occurred had the area of harvested “planted production forest” been re-established;]

(l) [“*Force majeure*” means, for the purposes of this decision, extraordinary events or circumstances, defined as those events or circumstances whose occurrence or severity was beyond the control of, and not materially influenced by, a Party [and whose associated total annual greenhouse gas emissions by sources and removals by sinks are a minimum of [X per cent][Y to 5 per cent] of the total national emissions included in the base year].

C. Article 3, paragraph 4

6. A Party included in Annex I may choose to account for anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from any or all of the following activities: [revegetation,] [forest management,] [cropland management,] [grazing land management and] [wetland management].

6 bis. [All Parties included in Annex I shall account for anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from the following: any activity under Article 3, paragraph 4, elected in the first commitment period; and [revegetation,] [forest management,] [cropland management,] [grazing land management and] [wetland management].

7. [A Party included in Annex I wishing to account for activities under Article 3, paragraph 4, in the second commitment period shall identify, in its report to enable the establishment of its assigned amount pursuant to Article 3, paragraphs 7 and 8, the activities under Article 3, paragraph 4, that it elects to include in its accounting for the second commitment period. Upon election, a decision by a Party will be fixed for the second commitment period. (Delete or revise if all or some activities are mandatory.)]

7 bis. [Activities elected by a Party under Article 3, paragraph 4, in the first commitment period shall continue to be accounted for in the second commitment period. This accounting shall be incorporated into the calculation of its assigned amount pursuant to Article 3, paragraphs 7 and 8.]

8. During the second commitment period, a Party included in Annex I that selects any or all of the activities mentioned in paragraph 6 above (if any), in addition to those already selected for the first commitment period, shall demonstrate that such activities have occurred since 1990 and are human-induced. A Party included in Annex I shall not account for emissions by sources and removals by sinks resulting from activities under Article 3, paragraph 4, if these are already accounted for under Article 3, paragraph 3.

9. For the second commitment period, accountable anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from [revegetation,] [forest management,] [cropland management,] [grazing land management,] [wetland management,] under Article 3, paragraph 4, shall be equal to anthropogenic greenhouse gas emissions by sources and removals by sinks in the commitment period, less [X] times the anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from these eligible activities in the base year of that Party, while avoiding double accounting. (Forest management would be deleted from this paragraph depending on the option adopted).

Accounting for forest management

[Option 1 (caps):

11. For the second commitment period, additions to and subtractions from the assigned amount of a Party resulting from forest management under Article 3, paragraph 4, and from forest management project activities undertaken under Article 6 shall not exceed the value inscribed in the appendix³, times [x].]

[Option 2 (reference levels):

11. For the second commitment period, accountable anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from forest management under Article 3, paragraph 4, shall be equal to anthropogenic greenhouse gas emissions by sources and removals by sinks in the commitment period, less [X] times the reference level inscribed in the appendix.⁴

³ [In arriving at the values in the appendix, the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol was guided by the application of an 85 per cent discount factor to account for the removals identified in paragraph 1 (h) of decision 16/CMP.1 and a 3 per cent cap on forest management, using a combination of data provided by Parties and by the Food and Agriculture Organization of the United Nations. Consideration was also given to national circumstances (including the degree of effort needed to meet Kyoto commitments and the forest management measures implemented). The accounting framework established in this paragraph shall not be construed as establishing any precedent for the second and subsequent commitment periods.]

⁴ 11 [The forest management reference levels inscribed in the appendix were set transparently, taking into account:

- (a) Removals or emissions from forest management as shown in greenhouse gas inventories and relevant historical data;
- (b) Age-class structure;
- (c) Forest management activities already undertaken;
- (d) Projected forest management activities;

[11 bis. [Neither credits nor debits shall result if net removals or emissions are [between the reference level and zero] [within X per cent³ of the reference level. In this case, credits or debits outside this range shall be generated by the difference calculated with reference to X per cent above or below the reference level according to whether the net removals or emissions are above or below.]]

11 ter. [For the second commitment period, additions to [and subtractions from] the assigned amount of a Party resulting from forest management under Article 3, paragraph 4, and from forest management project activities undertaken under Article 6 shall not exceed the quantitative limitation inscribed in the appendix, times [x].]

11 quater. [A Party may reconsider its reference level as inscribed in the appendix and described in paragraph 11 above upon changing the methodologies, coverage of carbon pool and/or activity data used in its accounting of emissions by sources and removals by sinks resulting from forest management for the second commitment period. Such reconsideration shall be based on the elements contained in the footnote to paragraph 11 above and be included in the national greenhouse gas inventory report of the Party. This information will be subject to review as part of the expert review of the Party's national greenhouse gas inventory in accordance with relevant decisions related to Article 8 of the Kyoto Protocol.]

D. Article 12

12. Afforestation and reforestation are eligible projects activities under the clean development mechanism in the second commitment period. Activities additional to afforestation and reforestation will be eligible if agreed by any future decision of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol.

13. The modalities and procedures contained in decision 5/CMP.1 for afforestation and reforestation project activities under the clean development mechanism, and in decision 6/CMP.1 for small-scale afforestation and reforestation project activities under the clean development mechanism, shall apply, mutatis mutandis, to the second commitment period. Alternative approaches to addressing the risk of non-permanence may apply in accordance with any future decisions of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol.

14. For the second commitment period, the total of additions to a Party's assigned amount resulting from afforestation and reforestation project activities under Article 12 shall not exceed one per cent of base year emissions of that Party, times [X].

E. General

(e) Continuity with the treatment of forest management in the first commitment period;

(f) The need to exclude removals in accordance with decision 16/CMP.1, paragraph 1 (h).

Points (c), (d) and (e) above were applied where relevant.

[The forest management reference levels also took into account the need for consistency with the provisions for addressing force majeure contained in paragraphs 19 bis to 19 septies by excluding emissions by sources and removals by sinks due to force majeure.]]

3 .X per cent. refers to a percentage of the reference level. It assumes the same value would apply for all Parties.

15. Each Party included in Annex I shall, for the purpose of applying the definition of .forest. as contained in paragraph 1 (a) above, apply the definition of forest selected in the first commitment period.

16. Those Parties included in Annex I that did not select a definition of forest for the first commitment period shall, for the purpose of applying the definition of .forest. as contained in paragraph 1 (a) above, select a single minimum tree crown cover value of between 10 and 30 per cent, a single minimum land area value of between 0.05 and 1 hectare and a single minimum tree height value of between 2 and 5 metres.

17. For the second commitment period, and subject to other provisions in this annex, the additions to and subtractions from the assigned amount of a Party pursuant to Article 3, paragraphs 7 and 8, shall be equal to anthropogenic greenhouse gas emissions by sources and removals by sinks measured as verifiable changes in carbon stocks, and non-carbon dioxide greenhouse gas emissions during the period [1 January 2013] to [31 December [YY]] resulting from afforestation, reforestation and deforestation under Article 3, paragraph 3, [and forest management under Article 3, paragraph 4,] that have taken place since 1 January 1990. Where the result of this calculation is a net sink of greenhouse gases, this value shall be added to the assigned amount of that Party. Where the result of this calculation is a net source of greenhouse gas emissions, this value shall be subtracted from the assigned amount of that Party. (This paragraph may need to be revised in light of decisions on forest management.)

18. Accounting of anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4, shall begin with the onset of the activity or the beginning of the commitment period, whichever comes later.

19. Once land is accounted for under Article 3, paragraphs 3 and 4, all anthropogenic greenhouse gas emissions by sources and removals by sinks on this land must be accounted for throughout subsequent and contiguous commitment periods.

Force majeure

[Option 1: delete section on Force Majeure]

[Option 2: (paragraphs 19 bis through 19 septies)]

19 bis. Each Party shall, for the purposes of applying the definition of force majeure, select a single minimum value for total annual greenhouse gas emissions by sources and removals by sinks in the range [Y to 5 per cent] of the total national emissions included in the base year. The selection made by the Party shall be fixed for the duration of the [commitment period]. Each Party shall explain why and how the value was chosen.]

19 ter. Where force majeure has occurred during the second or subsequent commitment periods affecting carbon stocks on lands subject to Article 3, paragraph 3, and [, if elected,] land subject to activities under Article 3, paragraph 4, a Party included in Annex I may, at the end of the commitment period, or annually during the commitment period, [exclude from accounting the associated total annual

[CO₂] [greenhouse gas emissions] until they have been balanced by subsequent removals], [or] [carry over the associated [CO₂] [greenhouse gas emissions] to the subsequent commitment period] provided that no land-use change has occurred on those lands. Emissions associated with the harvesting of salvage wood shall not be [excluded] [or] [carried over].

19 quater. A Party included in Annex I that applies the provisions of force majeure shall calculate the emissions and removals subject to the provisions contained in paragraph 19 bis above, showing that these emissions and removals comply with the definition of force majeure, and provide information:⁵

- (a) Showing that all lands subject to the provisions contained in paragraph 19 ter above are identified, including the geo-referenced location, year and type of force majeure;
- (b) Showing that no land-use change has occurred on lands subject to the provisions contained in paragraph 19 ter above and describing how lands monitoring will identify any future land-use changes on those lands;
- (c) That demonstrates that the occurrence or severity of the events or circumstances was beyond the control of, and not materially influenced by, the Party, by demonstrating efforts to manage or control, where practicable, the events or circumstances that led to the application of the provisions contained in paragraph 19 ter above;
- (d) That demonstrates efforts taken to rehabilitate, where practicable, the carbon stocks on the lands subject to the provisions contained in paragraph 19 ter above;
- (e) Describing the system in place to ensure the monitoring and reporting of emissions and subsequent removals occurring on lands subject to the provisions contained in paragraph 19 ter above;
- (f) That demonstrates that removals by sinks on lands after force majeure has occurred do not enter the accounting until they equal the [CO₂][greenhouse gas] emissions excluded owing to force majeure;
- (g) That demonstrates consistency with the treatment of force majeure in reference levels established for forest management;
- (h) Showing that emissions associated with the harvesting of salvaged wood were not [excluded] [or] [carried over].

19 quinquies. The supplementary information described in paragraph 19 quater above shall be included in the national greenhouse gas inventory reports of Parties. Actual emissions and removals and those described in paragraph 19 quater above shall be included in the common reporting format tables provided by Parties. All information and estimates referred to in paragraph 19 quater above will be subject to expert review as part of the expert review of the national greenhouse gas inventory reports submitted by Parties.

19 sexies. [Parties included in Annex I must ensure that their reporting continues to provide estimates of emissions by sources and removals by sinks until the greenhouse gas emissions due to force majeure have been balanced by subsequent

⁵ Not all of the information listed below may be needed in the case of carry-over.

removals, and ensure unbiased accounting by maintaining consistency with the treatment of reference levels established for forest management.]⁶

19 septies. The lands subject to force majeure must re-enter the accounting when the excluded greenhouse gas emissions and subsequent removals have been balanced on those lands.]

20. National inventory systems established under Article 5, paragraph 1, shall ensure that information on the areas of land subject to land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4, are identifiable, and information on these areas shall be provided by each Party included in Annex I in their national inventories in accordance with Article 7. Such information will be reviewed in accordance with Article 8.

21. Each Party included in Annex I shall account for all changes in the following carbon pools: above-ground biomass, below-ground biomass, litter, dead wood, [and] soil organic carbon [and harvested wood products]. A Party may choose not to account for a given pool in a commitment period, if transparent and verifiable information is provided that demonstrates that the pool is not a source.

21 bis. [When accounting for greenhouse gas emissions by sources and removals by sinks, Parties included in Annex I may remove the impacts of inter-annual variability.]

Harvested wood products

[Option 1: Delete section on Harvested Wood Products.]

[Option 2: (paragraphs 21 ter through 21 novies)]

21 ter. Emissions from carbon in wood removed from forests accounted for under Article 3 shall be accounted for by the producing country, as a default, on the basis of instantaneous oxidation, or on the basis of estimates of when emissions occur, provided that verifiable and transparent data are available.

Accounting⁷ shall be confined to harvested wood products⁸ originating from harvested forest for which emissions and removals have been included in the accounting of the Party.

21 quater. Emissions from carbon in wood removed from forests accounted for under Article 12 shall be accounted, as a default, on the basis of instantaneous oxidation, or on the basis of estimates of when emissions occur, provided that verifiable and transparent data are available. Accounting shall be confined to harvested wood products originating from harvested forest for which emissions and removals have been included in the accounting of the afforestation/reforestation project activity.

21 quinquies. Accounting may be on the basis of when emissions occur for the domestically produced and consumed harvested wood products pool only, and may

⁶ This may not be needed in the case of carry-over.

⁷ Where a ratio is applied for accounting of emissions and removals from forest management, it shall also apply to the harvested products pool (will be further elaborated in the text pending on the accounting rules to be agreed).

⁸ Definitions and classifications of wood products provided by the Food and Agriculture Organization of the United Nations shall apply.

also be on the basis of when emissions occur for the exported harvested wood products pool.

21 sexes. Estimates of net emissions from harvested wood products shall specify product categories and the underlying assumptions used for both domestic and export markets.

21 septies. When a Party accounts for exported harvested wood products on the basis of when emissions occur, estimates shall be reported separately for each country to which the harvested wood products are exported, using nationally specific data on the fate of the wood in the importing country.

21 octies. Emissions from harvested wood products in solid waste disposals sites shall be accounted for on the basis of instantaneous oxidation.

[21 novies. Emissions that occur during the commitment period⁹ from the harvested wood pool arising from wood harvested by the Party prior to 31 December 2007 [and since 1990] shall also be accounted for, using the same procedure as above and in line with the latest Intergovernmental Panel on Climate Change guidance, approved by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol.]

21 decies. Parties included in Annex I shall maintain consistency in the treatment of harvested wood products in the reference level and in the commitment period, and in order to do so shall make an accounting adjustment if necessary, and shall report on how the adjustment was made.]]

[Option B

A. Definitions

(Definitions of afforestation and reforestation moved to decision 5/CMP.1)

1. The following definitions shall apply:

(a) *.Forest.* is a minimum area of land of 0.05.1.0 hectares with tree crown cover (or equivalent stocking level) of more than 10.30 per cent with trees with the potential to reach a minimum height of 2.5 metres at maturity in situ. A forest may consist of either closed forest formations where trees of various storeys and undergrowth cover a high proportion of the ground or open forest. Young natural stands and all plantations which have yet to reach a crown density of 10.30 per cent or tree height of 2.5 metres are included under forest, as are areas normally forming part of the forest area which are temporarily unstocked as a result of human intervention such as harvesting or natural causes but which are expected to revert to forest;

(b) *.Forest land.* includes all land with woody vegetation which falls under the definition of forest;

(c) *.Cropland.* includes all arable and tillage land as well as agroforestry systems which do not fall under the category of forest land;

(d) *.Grassland.* includes [all] rangeland and pasture land as well as agroforestry systems which do not fall under the categories of forest land and cropland;

⁹ Noting that emissions from harvested wood products originating from harvests accounted for under Article 3, paragraph 3, and for some parts of Article 3, paragraph 4, (for those Parties that elected forest management) over the period 2008 to 2012 have already been accounted for on the basis of instantaneous oxidation of carbon in harvested wood products.

(e) *Wetlands*. includes land that is covered or saturated by water for all or part of the year, such as peatland, and which does not fall under the forest land, cropland, grassland or settlements categories;

(f) *Settlements*. includes all developed land, including transportation infrastructure and human settlements of any size, which does not fall under the forest land, cropland, grassland or wetlands categories;

(g) *Other land*. includes bare soil, rock, ice and all land areas which do not fall under the forest land, cropland, grassland, wetlands or settlements categories.

[(h) Option 1: *Force majeure*. means, for the purposes of this decision, an extraordinary event or circumstances beyond the control of Parties.

Option 2: *Expected net emissions*. is the algebraic sum of anthropogenic emissions by sources and removals by sinks of the greenhouse gases listed in Annex A to the Kyoto Protocol from the sectors which are expected to be accounted for during the relevant commitment period; it is expressed in gigagrams of carbon dioxide equivalent.]

B. Accounting rules for greenhouse gas emissions and removals

2. Option 1: For the purpose of accounting greenhouse gas emissions and removals from land use, land-use change and forestry, a Party shall account for anthropogenic greenhouse gas emissions by sources and removals by sinks on forest land, cropland, grassland, wetlands and settlements as well as greenhouse gas emissions by sources and removals by sinks resulting from land-use changes from the land-use categories forest land, cropland, grassland, wetlands or settlements to any other land-use category.

Option 2: For the purpose of accounting greenhouse gas emissions and removals from land use, land-use change and forestry, a Party shall account for those anthropogenic greenhouse gas emissions by sources and removals by sinks [on forest land and] from land-use changes occurring from the forest land category to other land-use categories and vice versa, and [for the second commitment period [only]] may account for those anthropogenic greenhouse gas emissions by sources and removals by sinks on [forest land,] cropland, grassland, wetlands and settlements as well as greenhouse gas emissions by sources and removals by sinks resulting from land-use changes occurring from cropland, grassland, wetlands or settlements to any other land-use category.

[Option 2 addendum: Where anthropogenic greenhouse gas emissions by sources and removals by sinks on forest land are not accounted for, the accounted anthropogenic greenhouse gas emissions by sources and removals by sinks from the land use, land-use change and forestry sector shall be adjusted for the displaced emissions. Displaced emissions are the anthropogenic greenhouse gas emissions by sources that occur on forest lands and are the consequence of reductions in emissions reported under an accounted category, as in the case of biomass fuel combustion in the energy sector.

A similar provision shall be included under Option A of this annex to cope with no or partial accounting of forest land: Where anthropogenic greenhouse gas emissions by sources and removals by sinks on forest land are not completely accounted for

because either no election of forest management has taken place or the forest management activity does not cover the whole national area of forest land, anthropogenic emissions by sources and removals by sinks from land use, land-use change and forestry activities shall be adjusted for displacement of emissions. Displaced emissions are the anthropogenic greenhouse gas emissions by sources which occur on forest land and are the consequence of a reduction in emissions reported under an accounted category, as in the case of biomass fuel combustion in the energy sector.]

3. Anthropogenic greenhouse gas emissions and removals from land use, land-use change and forestry shall be estimated using the guidance provided in the 2006 IPCC Guidelines for National Greenhouse Gas Inventories or any further guidelines for greenhouse gas inventories adopted by [the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol] [Parties] for this purpose.

4. For the purpose of accounting, greenhouse gas emissions by sources and removals by sinks resulting from land use change occurring on forest land, cropland, grassland, wetland or settlement during the commitment period shall be reported under the land category to which the land has been converted.

Option 1:

5. For the second commitment period, accountable anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from land use, land-use change and forestry shall be equal to the anthropogenic greenhouse gas emissions by sources and removals by sinks in the commitment period, less [[five] [X] times] the anthropogenic greenhouse gas emissions by sources and removals by sinks [that take place on [forest land], cropland, grassland, wetlands and settlements in the [base year] [base period]] [reported as the reference level] of that Party, while avoiding double accounting.

6. For the second commitment period [only], additions to and subtractions from the assigned amount of a Party¹⁰ resulting from anthropogenic greenhouse gas emissions by sources and removals by sinks occurring on forest land shall:

Option A: Be subject to the application of a [x per cent] discount factor.

Option B: Not exceed the value inscribed in the appendix below, times [five] [X].

Option C: (Bar approach/Reference level . text included under Option A of this annex is applied here.)

7. For the second commitment period, and subject to other provisions in this annex, the additions to and subtractions from the assigned amount of a Party pursuant to Article 3, paragraphs 7 and 8, shall be equal to the anthropogenic greenhouse gas emissions by sources and removals by sinks measured as verifiable changes in carbon stocks, and non-carbon dioxide greenhouse gas emissions during the period [1 January 2013 to] [31 December [YY]] occurring on forest land. Where the result of this calculation is a net sink of greenhouse gases, this value shall be added to the assigned amount of that Party. Where the result of this calculation is a net source of

¹⁰ In accordance with decision -/CMP.1 (.Modalities for the accounting of assigned amounts.).

greenhouse gas emissions, this value shall be subtracted from the assigned amount of that Party. (This paragraph may need to be revised to make it consistent with paragraphs 5 and 6 above.)

Option 2:

5. Any Party included in Annex I should apply as the reference level for the land use, land-use change and forestry sector the aggregate carbon dioxide equivalent anthropogenic greenhouse gas emissions by sources and removals by sinks estimated for the period 20XX.20XX. Taking into account national circumstances, any Party included in Annex I may apply a different reference level for the land use, land-use change and forestry sector from that selected in Article 3, paragraph 3, (as amended)¹¹ of the Kyoto Protocol. To do so, the Party shall submit, no later than two years before the start of the relevant commitment period, the proposed values and relevant elements in support of such a deviance.

The submission should be made together with the Party's annual greenhouse gases inventory submission.

Submitted data should be subject to the review procedure, and the agreed reference level should be part of the Party's annual review report on its greenhouse gas inventory.

C. Article 12

(Text included under Option A of this annex is applied here.)

D. General

8. (Same as Option A, paragraph 16)

9. (Same as Option A, paragraph 19)

10 (Same as Option A, paragraph 20)

11. Option 1: (Same as Option A, paragraph 21)

Option 2: Each Party included in Annex I shall account for all changes in the following carbon pools: above-ground biomass, below-ground biomass, litter, dead wood, soil organic carbon and harvested wood products. A Party may choose not to account for a given pool in a commitment period if transparent and verifiable information is provided to show that the exclusion of that pool does not result in discounting a debit.¹² (The same text shall also be included under Option A of this annex.)

[Option I:

¹¹ See page 38 of annex V to document FCCC/KP/AWG/2009/8.

¹² A debit means that either the average annual net increase in carbon stocks reported in the commitment period is smaller than that reported in the reference period or an average annual net decrease in carbon stocks has been reported in the reference period.

12. A Party included in Annex I in which a force majeure has occurred during the second or subsequent commitment periods, affecting carbon stocks on forest land [and [, if elected,] other land categories], may

Option 1: request [a review process²⁰], at the end of the commitment period, for the emissions and subsequent removals up to the levels prior to the event classified as force majeure to be removed from accounting. The carbon stocks resulting from any land use changes that occur in those areas shall not be removed from accounting and the corresponding emissions shall be fully accounted for.

Option 2: choose to carry over to the next commitment period(s) the non-anthropogenic emissions resulting from the event classified as force majeure.

13. (Same as Option A, paragraph 19)]

[Option II:

12. The Parties included in Annex I shall submit a proposed value for the expected net emissions of the land use, land-use change and forestry sector for the following commitment period, together with data which support the selected values. The values and data shall be submitted to the Conference of the Parties serving as the meeting to the Parties to the Kyoto Protocol before an agreement is reached on the quantified emission limitation and reduction commitments for the commitment period to which the data refer.

13. Together with the list of quantified emission limitation or reduction commitments for Parties inscribed in Annex B to the Kyoto Protocol, an appendix to this annex containing a list of expected net emissions from the agriculture, forestry and other land use sector for each Party inscribed in Annex B shall be adopted by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol. The value for the expected net emissions shall be the algebraic sum of anthropogenic emissions by sources and removals by sinks from the land use, land-use change and forestry sector of the greenhouse gases listed in Annex A that are expected to be accounted for during the commitment period to which it is applied; the value shall be expressed in gigagrams of carbon dioxide equivalent.]

14. At the end of the commitment period, any Party included in Annex I shall calculate the difference between anthropogenic greenhouse gas emissions by sources and removals by sinks measured as verifiable changes in carbon stocks, and non-carbon dioxide greenhouse gas emissions during the period 1 January 2013 to 31 December 20XX resulting from land use, land-use change and forestry sector the expected net emissions of that Party inscribed in the appendix to this annex. Where the result of this calculation is a positive value, this value shall be subtracted from the accounted anthropogenic greenhouse gas emissions by sources and removals by sinks from the land use, land-use change and forestry sector of that Party; moreover, an equivalent amount shall be added to the accounted anthropogenic greenhouse gas emissions by sources and removals by sinks from the land use, land-use change and forestry sector in the following commitment period.

15. (*Text included under Option A for harvested wood products is applied here.*)]

Appendix 3

Draft agriculture COP 15 decision Cooperative sectoral approaches and sector-specific actions in agriculture

[The Conference of the Parties,

Reaffirming the objective, principles and provisions of the Convention, in particular its Article 2, Article 3, paragraphs 1 and 5, and Article 4, paragraph 1(c),

Bearing in mind the need to improve the efficiency and productivity of agricultural production systems in a sustainable manner,

Recognizing the interests of small and marginal farmers, the rights of indigenous peoples and traditional knowledge and practices, in the context of applicable international obligations, and taking into account national laws and circumstances,

Recognizing that cooperative sectoral approaches and sector-specific actions in the agriculture sector should take into account the relationship between agriculture and food security, the link between adaptation and mitigation and the need to safeguard that these approaches and actions do not adversely affect food security,

[Affirming that cooperative sectoral approaches and sector-specific actions in the agriculture sector should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade,]

- Decides that all Parties, with respect to the agriculture sector and taking into account their common but differentiated responsibilities and their specific national and regional development priorities, objectives and circumstances, [shall][should] promote and cooperate in the research, development, including transfer, of technologies, practices and processes that control, reduce or prevent anthropogenic emissions of greenhouse gases, particularly those that improve the efficiency and productivity of agricultural systems in a sustainable manner and those that could support adaptation to the adverse effects of climate change, thereby contributing to safeguarding food security and livelihoods;
- [Affirms that cooperative sectoral approaches and sector-specific actions in the agriculture sector should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade;]
- Requests the Subsidiary Body for Scientific and Technological Advice to establish, at its thirty-second session, a programme of work on agriculture to enhance the implementation of Article 4, paragraph 1(c), of the Convention, taking into account paragraph 1 above;

- Invites Parties to submit to the secretariat, by 22 March 2010, their views on the content and scope of the work programme;
- Requests the secretariat to compile these views into a miscellaneous document for consideration by the Subsidiary Body for Scientific and Technological Advice at its thirty-second session

Appendix 4

JOINT MINISTERIAL STATEMENT ON THE ESTABLISHMENT OF A **Global Research Alliance on Agricultural Greenhouse Gases**

Australia
Canada
Chile
Denmark
France
Germany
Ghana
Ireland
Japan
Malaysia
Netherlands
New Zealand
Sweden
Switzerland
United Kingdom
United States
Uruguay
Vietnam
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- Agriculture (including livestock, cropping and rice production) plays a vital role in food security, poverty reduction and sustainable development.
- The agriculture sector is particularly vulnerable to the impacts of climate change and faces significant challenges in meeting a dramatic increase in global food demand while reducing its contribution to global greenhouse gas emissions.
- The agriculture sector contributes around 14 percent to global greenhouse gas emissions but has many opportunities to contribute to emission reductions and carbon sequestration while still helping meet food security objectives.
- There are opportunities to reduce agriculture greenhouse gas emissions and increase carbon sequestration by improving efficiency and productivity of agricultural systems through improved management practices and technologies. This can also help to build the resilience and adaptive capacity of these systems to meet the increasing demand for food in a sustainable manner.
- Underlining the need for food security, we decide to establish a Global Research Alliance on agricultural greenhouse gases to help reduce the emissions intensity of agricultural production and increase its potential for soil carbon sequestration thereby contributing to overall mitigation efforts.
- This Global Research Alliance will seek to increase international cooperation, collaboration and investment in both public and private research activities to:
 - Improve knowledge sharing, access to and application by farmers of mitigation and carbon sequestration practices and technologies, which can also enhance productivity and resilience.
 - Promote synergies between adaptation and mitigation efforts.
 - Develop the science and technology needed to improve the measurement and estimation of greenhouse gas emissions and carbon sequestration in different agricultural systems.
 - Develop consistent methodological approaches for the measurement and estimation of greenhouse gas emissions and carbon sequestration to improve research coherence and the monitoring of mitigation efforts.
 - Facilitate the exchange of information between scientists around the world.
 - Help scientists gain expertise in mitigation knowledge and technologies, through developing new partnerships and exchange opportunities.
 - Develop partnerships with farmers and farmer organisations, the private sector, international and regional research institutions, foundations and other relevant non-governmental organisations, to facilitate and enhance the coordination of research activities and dissemination of best practices and technologies.

Appendix 5

Joint Statement

Beyond Copenhagen: Agriculture and Forestry Are Part of the Solution

14 December 2009

Forestry and agriculture are where poverty reduction, food security and climate change come together and must be addressed in an integrated fashion was the key message to negotiators from agriculture and forestry communities¹³ at Cop 15, today.

Reducing greenhouse gas emissions and sequestering carbon from agriculture and forests must be an essential component of any strategy to keep global warming below the 2 degree Celsius threshold. Climate adaptation and mitigation measures must have multiple sustainable development benefits, including conservation of biodiversity and ecosystem services.

The communities:

- Agree it is critical that food security be integrated in the shared vision of the Long Term Cooperative Action text, in order to open the door to adaptation and mitigation support;
- Urge climate negotiators to agree on the early establishment of an agricultural work program under the SBSTA¹⁴;
- Look for agreement that REDD¹⁵ include agriculture, forestry and other land uses;
- Believe that the LULUCF¹⁶ accounting system needs to be favorable to agriculture.

The agricultural community is committed to playing an active role in reducing emissions, while increasing the productivity and sustainability of agriculture. We recognize that agriculture must nearly double food production to meet the demands of a growing population expected to reach 9 billion by mid-century while minimizing the sector's emissions.

The forestry community is committed to helping to design and implement new mechanisms to mobilize forests for climate mitigation and adaptation, while exploiting synergies with sustainable development objectives and managing associated risks. We recognize the significance of forest-based emissions and the cost-effectiveness of early action to reduce them. The most important drivers of deforestation originate from outside the forestry sector, including agriculture. There are also significant opportunities to correct current market and governance failures

13 Participants included: Food and Agriculture Organization, International Federation of Agriculture Producers, Consultative Group on International Agricultural Research and its Challenge Program on Climate Change Agriculture and Food Security, Global Donor Platform for Rural Development, University of Copenhagen Faculty of Life Sciences, Center for International Forestry Research, and the Collaborative Partnership on Forests.

14 Subsidiary Body for Scientific and Technological Advice

15 Reduced Emissions from Deforestation and Forest Degradation

16 Land Use , Land Use Change and Forestry

that lead to perverse outcomes for climate change and food security. Forest and agriculture based adaptation strategies are available, but not yet fully appreciated by policy-makers and the general public.

Significant financial resources and political will are needed to better address food security, slow deforestation and forest degradation, and reach emission reduction targets. Investments must be transparent and additional to support for global food security and rural development. These resources must be accessible to all stakeholders, including researchers, civil society and especially forest communities, farmers and their associations. Resources must also be devoted to the research necessary to underpin needed advances in the effectiveness, efficiency, and equity of agriculture and forestry-based approaches to mitigation and adaptation.

Policy processes need to be empowering and adaptive to respond to realities on the ground, the desires and aspirations of local communities, and ensure good governance. In particular, the role of local institutions in sustainable natural resources management should be given increased recognition, and the rights and roles of indigenous and local and farming communities especially women and young farmers must be recognized in developing national mitigation and adaptation strategies.

We commit to strengthening cross-sectoral cooperation to address the drivers of deforestation, enhance sustainable agricultural growth and foster rural development. We recognize that addressing climate change is fundamental to food security and poverty reduction today and for future generations.