C. Land use, land-use change and forestry: definitions and modalities for including afforestation and reforestation activities under Article 12 of the Kyoto Protocol

(Agenda item 4 (c))

1. Proceedings

18. The SBSTA considered this sub-item at its 2nd and 6th meetings, on 2 and 9 December respectively. It had before it document FCCC/SBSTA/2003/10/Add.3. Statements were made by representatives of 20 Parties, including one speaking on behalf of the European Community and its member States and of Hungary, Lithuania, Malta and Poland, one on behalf of the Group of 77 and China, and one on behalf of AOSIS. Statements were also made by representatives of the Food and Agriculture Organization of the United Nations (FAO) and of the Convention on Biological Diversity (CBD).

19. At its 2nd meeting, the SBSTA agreed to consider this sub-item in a contact group co-chaired by Ms. Thelma Krug (Brazil) and Mr. Karsten Sach (Germany). At the 6th meeting, Ms. Krug reported on the contact group's consultations.

20. At the 6th meeting, in a discussion of the proposed draft decision to be forwarded to the COP, representatives of four Parties requested that their statements be summarized in the report of the session.

The representative of Australia expressed the view that it was not appropriate to single out alien invasive species and genetically modified organisms (GMOs) in the decision text. He underlined that host Parties have the right to decide how best to use clean development mechanism (CDM) sinks projects, consistent with their international rights and obligations. The representative of the United States of America expressed the view that nothing in the decision on modalities and procedures for afforestation and reforestation project activities under the CDM in the first commitment period of the Kyoto Protocol FCCC/SBSTA/2003/15 English Page 10 affects the applicability of other international obligations, including trade obligations, referred to its submission and on this matter FCCC/SBSTA/2003/MISC.5/Add.1). The representative of Canada noted that the conclusion of the difficult negotiations on sinks in the CDM will enable Parties to move forward with projects in advance of the first commitment period, while expressing concerns about some of the definitions and modalities in the agreement. She also made clear Canada's view that implementation of the provision on GMOs in the decision was reserved to each Party. She also observed that the COP decision provides for Parties to review how well the agreed definitions and modalities for including afforestation and reforestation project activities under the CDM are working, anytime prior to 2011. Canada looks forward to participating in that review and hopes it will provide a practical demonstration of Canada's vision of the role of carbon sinks in addressing climate change. Finally, the representative of Italy, speaking on behalf of the European Community and its

members States, noted that they had accepted a compromise on the double accounting system to deal with non-permanence as well as on the agreed approach relating to small-scale CDM afforestation and reforestation projects. He highlighted that the introduction of the socio-economic and environmental analysis made the agreement acceptable in the light of the environmental integrity of the Kyoto Protocol.

2. Conclusions

21. At its 6th meeting, on 9 December, having considered a proposal by the Chair, the SBSTA recommended a draft decision on this subject (FCCC/SBSTA/2003/L.27) for adoption by the COP at its ninth session⁶.

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⁶ For the text as adopted, see document FCCC/CP/2003/6/Add.2, decision 19/CP.9.