Japan's Further Views on Approaches for Considering Adjustments Referred to in Article 5.2 of the Kyoto Protocol and Any Methodologies for Their Application

In response to the request (FCCC/SBSTA/1999/L.14 of 30 October 1999) to make a submission to the Secretariat on further views on approaches for considering adjustments referred to in Article 5.2 of the Kyoto Protocol and methodologies for their application, Japan submits the following:

Japan considers that adjustments to a Party's inventory under Article 5.2 would be made in the course of the review of inventories by expert review teams under Article 8. Inventories of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol are critical information for judging compliance with the obligation under Articles 3.1 of the Kyoto Protocol. It is important to calculate GHG inventories transparently, consistently, completely and accurately in a way that is consistent with the IPCC 1996 Revised Guidelines as elaborated by any good practice agreed upon by the COP.

The IPCC 1996 Revised Guidelines allow for using country-specific methodologies and/or emission factors in cases which a country believes their methodologies better reflects their national situations. However, if a Party elects to use any country-specific methodologies and/or emission factors, the Party must provide sufficient information to support the use of such methodologies and/or factors.

If the following situations are indicated in the review process, the Party may revise the estimate of emission/removal in question according to the methodologies to be agreed upon by COP/moP:

- a) the Party's inventory is incomplete (e.g. emission by a source is not estimated due to the lack of activity data); and/or
- b) country-specific methodologies and/or emission factors are used but supporting documents are considered insufficient.

Such revision by the Party should be regarded as 'adjustments' under Article 5.2

In the case that the expert review team considers the Party's 'adjustment' or the Party's explanation for not having 'adjustments' to be technically inappropriate, the

expert review team would develop an estimate of emission and/or removal according to the methodologies to be agreed upon by COP/moP. The Party may accept such an estimate and revise its inventory accordingly. Such a revision should be regarded as 'adjustments' under Article 5.2. If the Party did not accept the estimate, the expert review team would include its estimate in its report. At the same time the Party may provide an explanatory text to be included in the report. The report of the review process will be published, and should be forwarded through the secretariat to COP/moP and the compliance body.

Japan believes that the adjustment which is outside the IPCC 1996 Revised Guidelines as elaborated by any good practice agreed upon by the COP, such as that related to climate variations or trade patterns of electricity, shall not be applied under Article 5.2.