



AGRICULTURAL INVENTORY ADVISORY PANEL RECOMMENDATIONS FOR CHANGES TO THE AGRICULTURAL INVENTORY

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Main Purpose: Decide Discuss Note

Purpose of Report

1. The purpose of this paper is to advise the DDG (Policy) of the changes agreed by the Agricultural Inventory Advisory Panel (AIAP) to the agricultural national inventory methodology.
2. It is requested that the DDG (Policy) approve these changes and subsequent incorporation into the 2010 submission of the agricultural national inventory.
3. This report outlines the three changes being proposed. The three briefing papers that were discussed and approved by the AIAP at their inaugural meeting on Fri 27 November 2009 are attached.

Strategic Risks

4. MfE, on behalf of NZ submits the National Inventory to the UNFCCC. The National Inventory is reviewed annually by internationally qualified reviewers. The reviewers have the authority to accept or reject inventory changes. Rejections usually occur as a result of a lack of transparency/robustness in the changes being made and/or inadequate systems and processes used to generate the national inventory. If this should happen there is a long and detailed process that is followed whereby the reviewers and country concerned work through the issue. In such instances it is very rare that financial penalties are applied.
5. Obtaining AIAP agreement to inventory changes provides transparency and robustness and minimises the risk of the UNFCCC reviewers rejecting NZ's agricultural inventory improvements.

Strategic Opportunities

6. NZ has made a commitment to meet UNFCCC requirements. Continuous inventory improvements demonstrate this commitment.
7. The proposed changes result in two main benefits:
 - a. A more accurate reflection of the real world in the methodology used to calculate the inventory; and
 - b. A reduction in NZ's agricultural greenhouse gas liability.

Background

8. The AIAP met on the 27th November 2009 and discussed the potential changes to the agricultural section of the National Inventory. Details are outlined in the attached briefing papers.
9. From this meeting the AIAP recommend the following changes to the agricultural section of the National Inventory:
 - a. the value for $Frac_{gasm}$ be changed from the IPCC default of 0.2 to a country specific value of 0.1 and the IPCC default value of 0.1 for $Frac_{gasf}$ be taken on as a country specific value.
 - b. a change in the method used to estimate the uncertainty of enteric methane emissions will result in a reduction of the reported uncertainty to ± 16 percent (previously reported at ± 53 percent).
 - c. the calculations for dairy emissions be carried out at a regional level rather than a national level as was previously done.
10. The AIAP would also like it to be noted that the uncertainty analysis on the methane yield was determined using statistical methods only and doesn't account for a potential bias in methane emission yield for sheep < 1 year old that was noted in the report
11. The AIAP also recommended that a further piece of work be undertaken to re-analyse the uncertainty around the methane emissions of dairy, based on a regional calculation. This work could be picked up in the research programme component of the CC Plan of Action in 2010/2011 and has been discussed with the Climate Change team.

The Proposed Process and Key Dates

Process	When	Who
DDG (Policy approves recommended changes	22 December 2009	Paul Stocks
MAF advises MfE of the changes	22 December 2009	Andrea/Alice
Incorporation of changes into the agricultural inventory	22 January 2010	Andrea Pickering
CE level sign off of agricultural inventory numbers and text	25 January 2010	Murray Sherwin
Send agricultural Inventory numbers and text	29 January 2010	Andrea/Darran

Recommendations

It is recommended that the DDG (Policy):

12. **Approve** the value for $Frac_{gas,m}$ be changed from the IPCC default of 0.2 to a country specific value of 0.1 and the IPCC default value of 0.1 for $Frac_{gas,f}$ be taken on as a country specific value.

Approved / not approved

13. **Approve** a change in the method used to estimate the uncertainty of enteric methane emissions will result in a reduction of the reported uncertainty to ± 16 percent (previously reported at ± 53 percent).

Approved / not approved

14. **Approve** the calculations for dairy emissions be carried out at a regional level rather than a national level as was previously done.

Approved / not approved

Alice Marfell-Jones
Manager Monitoring and Evaluation

Approved/ Not Approved/ Approved as Amended

Paul Stocks
Deputy Director General (Policy)

22 December 2009