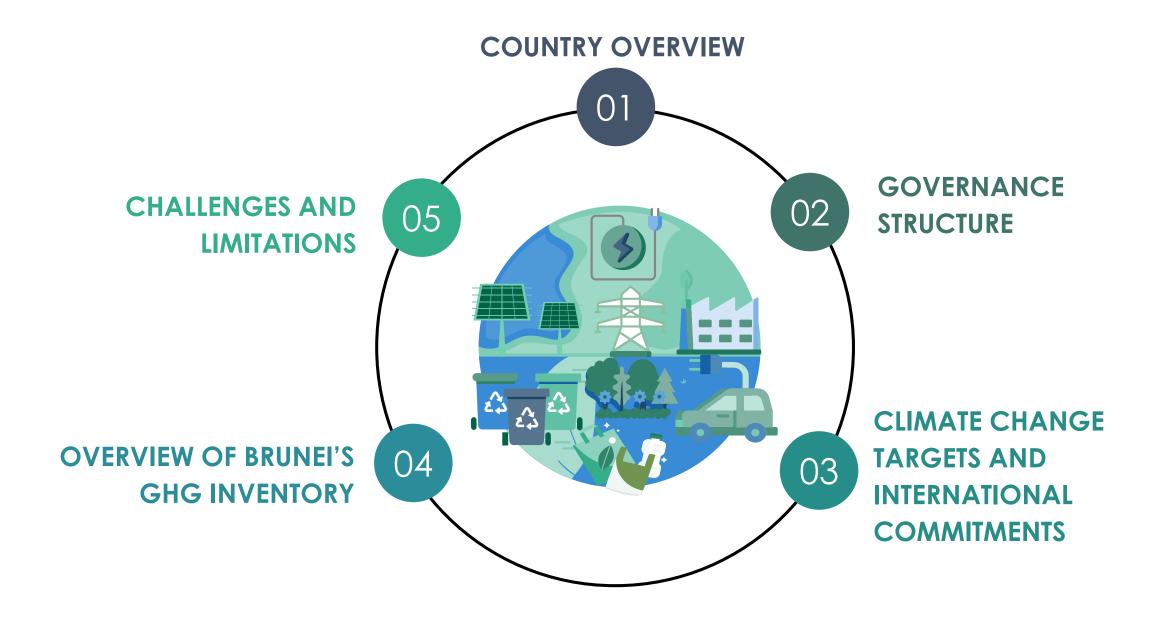


Agenda





BRUNEI DARUSSALAM 'THE ABODE OF PEACE"

Population 455,500

Land Area 5,765 KM2

GDP: US\$21 Billion (2023)
Derived from Oil & Gas: 52.1%
Government Services: 10.5%
Downstream: 21.0%
Others: 16.4%

Main Industries
Petroleum, petroleum refining,
liquefied natural gas, construction,
agriculture, aquaculture,
transportation

Language: Malay, English, Chinese

Climate: tropical; hot, humid, rainy



Climate Change Governance In Brunei Darussalam

BRUNEI DARUSSALAM NATIONAL COUNCIL ON CLIMATE CHANGE



YB Dato Seri Setia Dr. Awang Haji Mohd Amin Liew bin Abdullah Minister at the Prime Minister's Office and Minister of Finance and Economy II

MEMBER

YB Dato Seri Setia Dr. Haji Abdul Manaf bin Haji Metussin Minister of Primary Resources and Tourism **MEMBER**

YB Pengiran Dato Seri Setia Shamhary bin Pengiran Dato Paduka Haji Mustapha Minister of Transport and Infocommunications CO-CHAIR

YB Dato Seri Setia Awang Haji Muhammad Juanda bin Haji Abdul Rashid Minister of Development

MEMBER

YM Haji Mohammad Azmi bin Haji Mohd Hanifah Deputy Minister (Energy) at the Prime Minister's Office MEMBER

YM Dato Seri Paduka Awang Haji Khairuddin bin Haji Abdul Hamid Deputy Minister of Finance and Economy (Economy)

EXECUTIVE COMMITTEE ON CLIMATE CHANGE

Secretariat: Brunei Climate Change Office (BCCO)

INDUSTRIAL EMISSIONS
WORKING GROUP

Secretariat
Energy Transition
Division, Dept of Energy,
PMO

Chairperson: TSUT ENERGY

ELECTRIC VEHICLE WORKING GROUP

Secretariat
Land Transport Department, MTIC
Energy Transition Division, Dept of
Energy, PMO

Chairpersons: TSUT MTIC, TSUT ENERGY

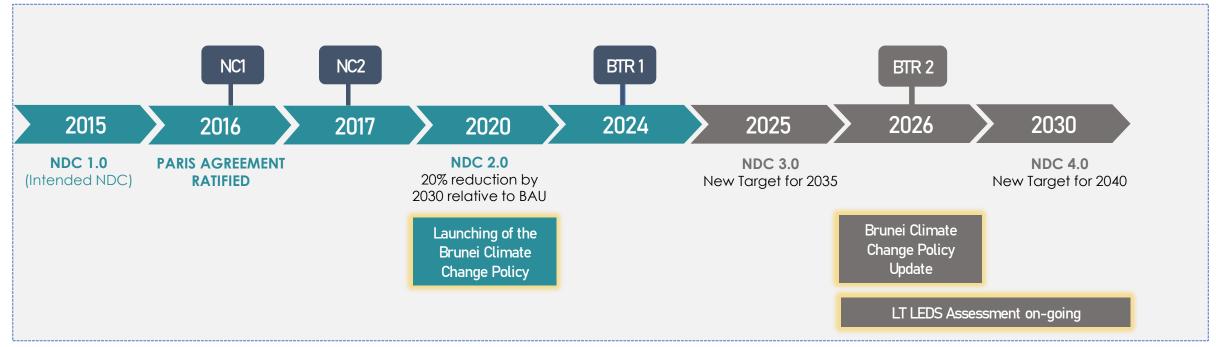
ADAPTATION & RESILIENCE WORKING GROUP

<u>Secretariat</u> Brunei Climate Change Secretariat

Chairpersons: TSUT MOHA and TSUT MOD

International Commitments

Brunei Darussalam remains firmly committed to addressing climate change through enhanced transparency, ambitious climate action, and sustained international cooperation, in line with its national priorities and the goals of the Paris Agreement.



LT LEDS - Long-Term Low Emission Development Strategies

- Brunei is currently assessing its current national circumstances to develop targets that are realistic, evidence-based, and aligned with national priorities.
- Brunei expected to submit its updated NDC by Q3 2025 for inclusion in the global synthesis report.

National Strategies Towards a Low Carbon Pathway

NATIONALLY DETERMINED CONTRIBUTION (NDC)

- Submitted Dec 2020
- Legally binding under the Paris Agreement
- Reduction of GHG emissions by 20% by 2030 relative to BAU levels

BRUNEI NATIONAL CLIMATE CHANGE POLICY (BNCCP) National document launched in June 2020



ADAPTATION



Strengthen Adaptation and Resilience

ENABLING STRATEGIES



Increase climate awareness & education



Improve GHG inventory



Introduce carbon pricing



Reduce GHG emissions from industry.



Increase Brunei's forest cover.



SIX MITIGATION STRATEGIES

Increase sales of electric vehicles.



Increase the share of RE in the energy mix.



Reduce GHG emissions from power generation.



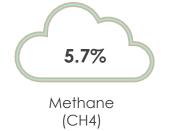
Reduce waste emissions

Overview of GHG Emissions and Removals (2022), By Sector And By Type

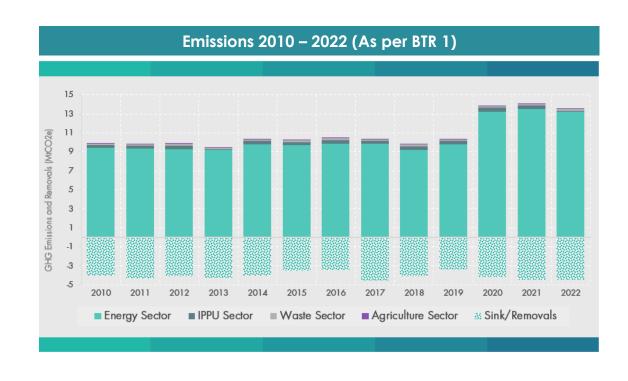
As a predominantly oil and gas country, energy sector remains the largest emitting sector, accounting for more than 90% of the total emissions.















Industrial Sector (Power Generation & Own Use)

8.2%

8.9%

2.9%

1.5%

1.0%

0.6%

0.3%





Public Utilities Venting Power Generation and Flaring

Land Transportation Non-specified Industries

Waste

Industrial **Processes**

Residential

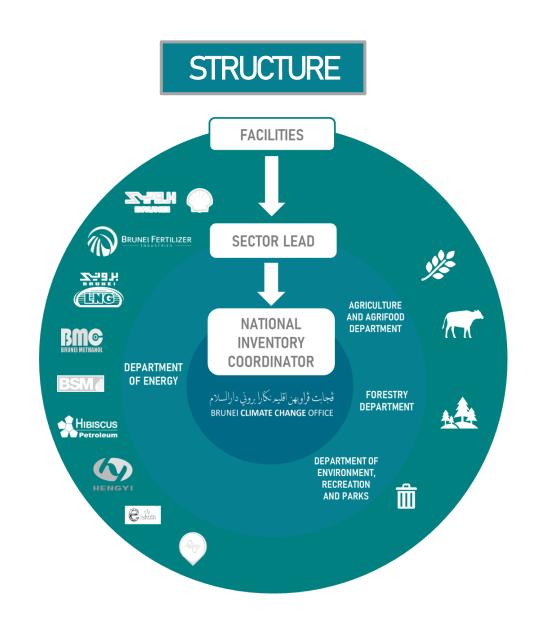
Agriculture

Mandatory Reporting Directive (MRD) on Greenhouse Gas

BRUNEI GHG REPORTING SYSTEM

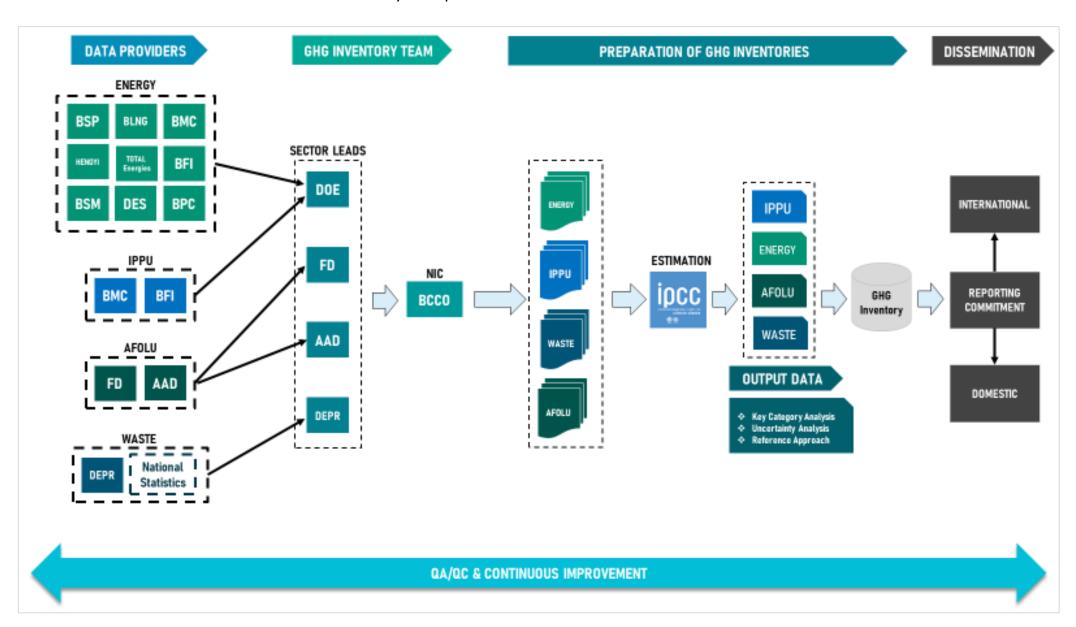


MRD introduced in April 2023



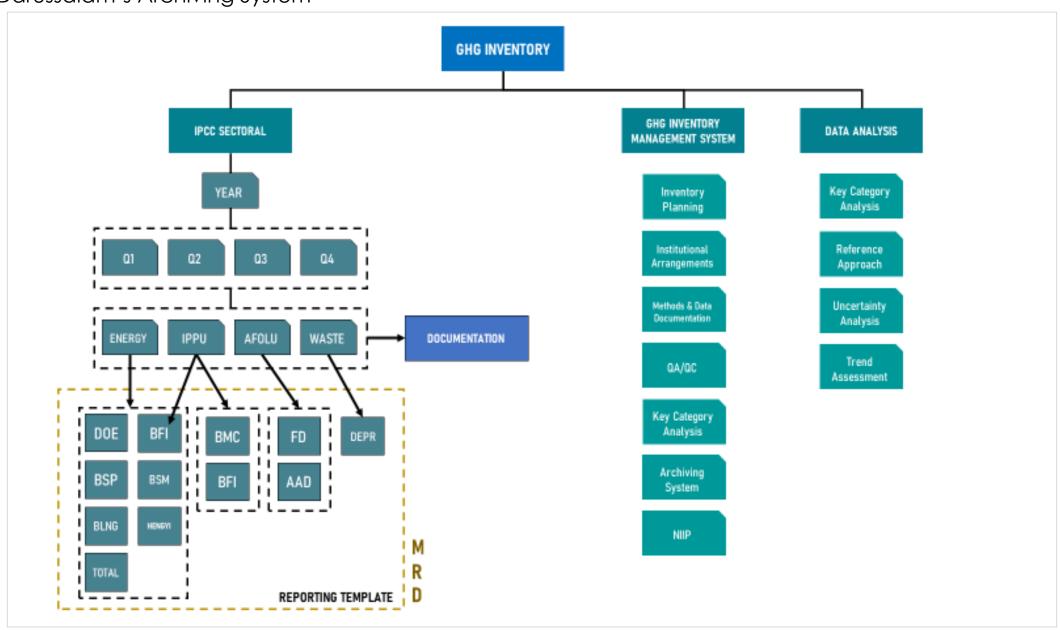
Inventory Management System

Brunei Darussalam's Data Flow and Inventory Preparation Process



Inventory Management System

Brunei Darussalam's Archiving System



Methodologies and Data Sources

The inventory was prepared in accordance with the requirements of the UNFCCC using the Intergovernmental Panel On Climate Change (IPCC) Guidelines, supplemented by the 2019 IPCC Refinement and utilizes the associated IPCC software.

IPCC	Emission sources/removal categories	CO ₂		CH₄		N ₂ O	
Code		Method	EF	Method	EF	Method	EF
1.A	Energy	T1, T3	D, PS	T1, T3	D, PS	T1, T3	D, PS
1.A.1.a. i	Electricity Generation	T1	D	T1	D	T1	D
1.A.1.a. ii	Combined Heat and Power Generation (CHP)	T1	D	T1	D	T1	D
1.A.2.m	Non-Specified Industry	T1	D	T1	D	T1	D
1.A.3.a. ii	Domestic Aviation	T1	D	T1	D	T1	D
1.A.3.b. i	Cars	T1	D	T1	D	T1	D
1.A.4.b	Residential	T1	D	T1	D	T1	D
1.A.1.b	Petroleum Refining	Т3	PS	Т3	PS	Т3	PS
1.A.1.c. ii	Other Energy Industries	Т3	PS	Т3	PS	Т3	PS
1.A.2.c	Chemicals	Т3	PS	Т3	PS	Т3	PS
1.B.2.a	Oil	Т3	PS	Т3	PS	Т3	PS
1.B.2.b	Natural Gas	Т3	PS	Т3	PS	Т3	PS
2B	Industrial Processes & Product Use	T1, T3	D, PS	-	-	-	-
2.B.8.a	Methanol	T1, T3	D, PS	-	-	-	-

Tier 1 applied to most sectors, except in cases where available national data allowed the adoption of higher tier.

Tier 3 approaches are implemented for Fuel Combustion in Petroleum Refining and Other Energy Industries, Fugitive Emissions.

Hybrid (Tier 1 and 3) approach applied to **IPPU sector**.

Methodologies and Data Sources

IPCC	Emission sources/removal categories	CO ₂		CH ₄		N ₂ O	
Code		Method	EF	Method	EF	Method	EF
3A	Agriculture	T1	D	T1	D	T1	D
3.A.1.a.ii	Other Cattle	-	-	T1	D	T1	D
3.A.1.b	Buffalo	-	-	T1	D	T1	D
3.A.1.d	Goats	-	-	T1	D	T1	D
3.A.2.a.ii	Other Cattle	-	-	T1	D	T1	D
3.A.2.b	Buffalo	-	-	T1	D	T1	D
3.A.2.d	Goats	-	-	T1	D	T1	D
3.A.2.i	Poultry	-	-	T1	D	T1	D
3.C.3	Urea Application	T1	D	-	-	-	-
3.C.4	Direct N ₂ O Emissions from Managed Soils	-	-	-	-	T1	D
3.C.5	Indirect N ₂ O Emissions from Managed Soils	-	-	-	-	T1	D
3.C.6	Indirect N ₂ O Emissions from Manure Management	-	-	-	-	T1	D
3.C.7	Rice Cultivation	-	-	T1	D	-	-
3B	Land-Use, Land-Use Change and Forestry (LULUCF)	T1, T3	D, CS	Τl	D	Tl	D
3.B.1.a	Forest Land Remaining Forest Land	T1, T3	D, CS	-	-	-	-
3.C.3	Cropland Remaining Cropland	T1	D	T1	D	T1	D
3.C.4	Settlements Remaining Settlements	T1	D	T1	D	T1	D
4A	Waste	-	-	T1, T2	D	ΤΊ	D
4.A.1	Managed Waste Disposal Sites	-	-	T2	D	-	-
4.D.1	Domestic Wastewater Treatment and Discharge	-	-	T1	D	T1	D
4.D.2	Industrial Wastewater Treatment and Discharge	-	-	T1	D	T1	D

Tier 2 approach applied in calculating waste disposal combines default parameters alongside reliable country-specific activity data for both current and historical waste disposal at Solid Waste Disposal Sites.

Tier 1 approach applied to the Agriculture sector.

Global Warming Potential (GWP) values from Fifth Assessment Report:

Greenhouse Gas	Global Warming Potential (AR5)			
Carbon Dioxide (CO ₂)	1			
Methane (CH ₄)	28			
Nitrous Oxide (N ₂ O)	265			

Quality Assurance and Quality Control (QA/QC)

Brunei is in the midst of formulating a QA/QC plan that emphasizes the principles of **TACCC** in accordance with the **2006 IPCC Guidelines**. These procedures primarily focus on verifying activity data and emission factors, as well as archiving of reference materials.

Quality Control conducted at 3 levels of the Inventory Process:

- Pre-inventory preparation
- Inventory preparation
- Post inventory preparation

Quality Assurance

- GHG Inventory report was submitted to a third-party verifier, highlighting information gaps and levels of uncertainties.
- QA workshop conducted by the UNFCCC Secretariat and FAO

PaSTI-JAIF Project

 Capacity building workshop and consultation which analyzed all collected data and preliminary results.

INVENTORY VERIFICATION CHECK SHEET				
Cross-check activity input data for transcription errors.				
Cross-check unit conversion data to ensure no errors.				
Cross-check emission factor and global warming potential (GWP).				
Check unit consistency and labels in all sheets.				
Cross-check other estimated parameters such as fuel density, etc., with those listed and documented				
Check time series consistency for the reporting period (2010–2022).				
Check to confirm that assumptions were clearly documented.				
Check to ensure consistency between data for different categories.				
Check each category and sub-category for completeness and/or omissions.				

Source: Brunei Darussalam First Biennial Transparency Report

General Uncertainty Assessment

- IPCC Tier 1 method used to estimate uncertainty, based on error propagation across sectors
- Due to data limitations, Brunei applies **default (maximum range) uncertainty values for both activity data and emission factors** (as per 2006 IPCC Guidelines)
- Committed to improvements through development of country-specific data and refined methodologies

Approach 1 Uncertainty Analysis Result (2022)

2022 GHG Inventory	Uncertainty of To	tal Inventory (%)	Uncertainty in Trend (%)		
	(-)	(+)	(-)	(+)	
Total Inventory including LULUCF	23.67	23.67	179.18	179.18	
Total Inventory excluding LULUCF	6.71	6.71	72.77	72.77	

Source: Brunei Darussalam First Biennial Transparency Report

Flexibility Applied

Brunei demonstrates flexibility in its GHG inventory tailored to its capacities.

- Brunei focuses on delivering quality data from 2010 onwards. This aligns with the flexibility for developing
 country Parties under Article 4 of the Paris Agreement.
- Brunei exercises **flexibility in completeness**. E.g., Certain categories **unreported** due to data unavailability or capacity, **the use of 'NE'**, **'NO'**, **'IE' notations**.

Key Categories

Brunei conducts Key Category Analysis (KCA) for 2022 through a level assessment using Approach 1 with the IPCC software, for all inventory categories, including and excluding the LULUCF sector. More detailed information is described in Annex II.

CRT Category code	IPCC Category	GHG	2022 Estimate (MtCO ₂ e)	Individual Contribution	Cumulative Contribution
1.A.1	Energy Industries - Gaseous Fuels	CO_2	5,374.09	28.95%	28.95%
3.B.1.a	Forest land Remaining Forest land	CO_2	5,302.74	28.57%	57.52%
1.A.1	Energy Industries - Solid Fuels	CO ₂	2,515.74	13.55%	71.07%
1.A.1	Energy Industries - Liquid Fuels	CO ₂	2,098.97	11.31%	82.38%
1.A.3.b	Road Transportation - Liquid Fuels	CO_2	1,176.01	6.34%	88.71%
1.A.2	Manufacturing Industries & Construction - Liquid Fuels	CO ₂	402.18	2.17%	90.88%
1.B.2.b	Fugitive Emissions - Natural Gas	CO ₂	301.90	1.63%	92.51%
1.B.2.a	Fugitive Emissions - Oil	CH ₄	287.29	1.55%	94.06%
1.A.2	Manufacturing Industries & Construction - Gaseous Fuels	CO_2	264.72	1.43%	95.48%

9 key categories in the level assessment: 8 of these from the energy sector, followed by 1 from AFOLU sector.

Current GHG Inventory Gaps

Sectors	Sub Categories	Challenges and Limitations
Energy	1.A.2.c	Inconsistency across time periods when estimating emissions due to application of different methodologies i.e. Tier 1 for the period of 2010-2021 and Tier 3 for 2022.
	1.B.2	flaring from processing, production, storage, and distribution, as accounted for by Hengyi Industries, were calculated based on the difference between input and output of material (mass balance check).
IPPU	2.A	Not estimated due to limited data
	2.B	Inconsistency across time periods due to application of different methodologies
	2.F	Not estimated
AFOLU	-	Emission factors for this sector used Tier 1
	-	Absence of robust QA/QC processes to verify data for agricultural emissions
	3.A.2	Challenges in tracking and categorization manure management
	3.C.2 & 3.C.3	Methodological issues in calculating emissions, including whether to base it on the production of fertiliser batches or when they are used.
	3.B	Insufficient data to estimate emissions and removals from land use change
Waste	4.A	Only includes waste collection and disposal data obtained from the 3 operating landfills. Other waste disposal entities are not considered.
	4.D.2	Industries beyond fish processing, meat and poultry and petroleum refineries have not been considered.
		Chosen waste treatment method for calculating emissions requires reassessment, as its presence in the country is unknown.

CHALLENGES AND LIMITATIONS

Data Gaps

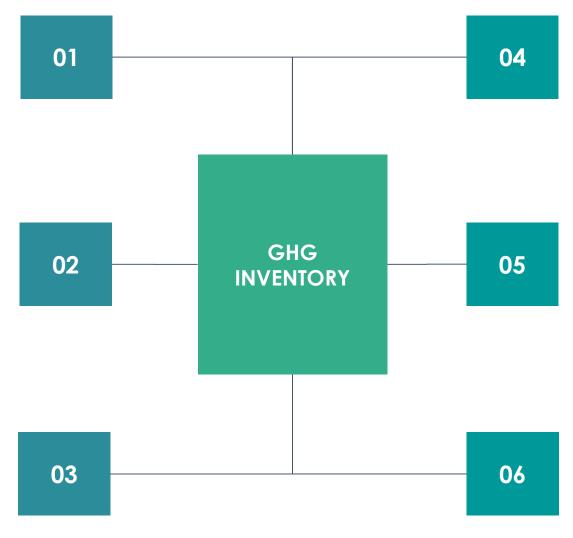
- Incomplete inventory due to incomplete or outdated activity data. Particularly on AFOLU (Land Use Changes & Forestry) & IPPU sector.
- Most categories rely primarily on Tier 1 methodologies, affecting accuracy.

Data Availability & Quality Issues

- Difficulty accessing and processing data
- Unavailable datasets, poor formats, scattered across agencies, no sense of ownership
- Heavy reliance on default IPCC EF due to lack country-specific emissions factor

Institutional and Clearance Delays

- Inter-agency endorsement and clearance processes were lengthy
- Requires active push from senior management to move forward



GHG Forecasting

 Lack of technical capacity, limited access to forecasting tools, incomplete historical data, and uncertainty in key assumptions collectively hinder the development of reliable and policy-relevant GHG emission forecasts.

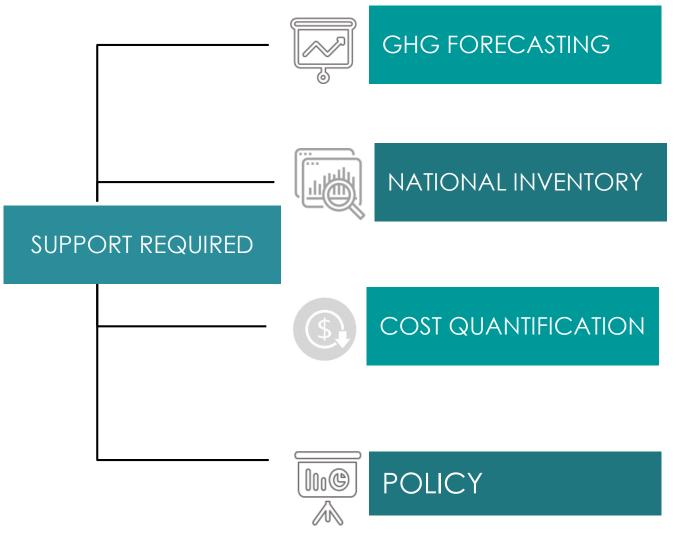
Capacity Constraints

 Small team with limited technical skills and institutional resources

Technical Tools and Reporting Systems

- Lack of familiarity with tools and guidelines (CRT, MPGs)
- Reporting tools require disaggregated, sector-specific data that was often unavailable
- National systems are still under development, tools still evolving
- Lack of examples or precedents

GENERAL SUPPORT REQUIRED



- Capacity Building
- Sector-specific modelling tools for LT emissions forecasting and policy impact assessment
- Scenario development and macroeconomic impact assessment
- Development of country-specific emission factors and higher-tier methodologies (Tier 2/3) especially for Power, a key category.
- Address inventory gaps for AFOLU and IPPU.
- Estimation of F-gases from Product Uses
- Cost-benefit analysis (CBA) adapted to the national context to enable consistent, evidence-based evaluation of mitigation and adaptation actions.
- Tools and models for economic valuation of adaptation cobenefits, avoided damages, and long-term mitigation returns.
- Assistance in updating and implementing climate-related policies, sectoral strategies, and regulatory frameworks.

