



SUBMISSION BY CYPRUS AND THE EUROPEAN COMMISSION ON BEHALF OF THE EUROPEAN UNION AND ITS MEMBER STATES

This submission is supported by Albania, Bosnia and Herzegovina, Croatia, the Former Yugoslav Republic of Macedonia, Montenegro and Serbia.

Nicosia, 14 September 2012

Subject: The work programme on the revision of the guidelines for the review of the biennial reports and national guidelines, including national inventory reviews, for developed country Parties
SBSTA agenda item 10(b)

Background/Introduction

The work programme on the revision of the guidelines for the review of the biennial reports and national guidelines, including national inventory reviews, for developed country Parties, was established at the Conference of the Parties, at its 17th session (Decision 2/CP.17), with a view to concluding the revision of the review guidelines no later than at the 19th session of the Conference of Parties (COP 19).

At its 36th session, the SBSTA (SBSTA 36) invited Parties to submit their views, by 15 September 2012, on the elements of the work programme on revision of the guidelines for the review of the biennial reports and national guidelines, including national inventory reviews, for developed country Parties¹. The secretariat was requested to prepare a synthesis of the submissions for discussion at SBSTA 37.

At SBSTA 36 Parties requested also the secretariat to prepare a technical paper summarizing the current review process and the secretariat's experience in co-ordinating the reviews of national communications and national inventory reports for SBSTA 37.

The EU welcomes the opportunity to submit its views on the elements and timeline of activities of the work programme, and on the key elements of the revision of the review guidelines. The submission is structured so that general views and views on the review of the specific reporting elements are given separately. At the end of the submission a summary of the work programme with suggested timelines for actions is given.

¹ As this submission addresses only reviews of developed country Parties, this is not specified later on in the submission text unless needed for reasons of clarity.

General

Parties have gained experience from the review of national communications and greenhouse gas inventory submissions from a period of more than ten years. During this period, the submission quality and timeliness of the submission have improved significantly. The reviews have been an important factor contributing to this improvement. The EU believes that robust, comparable and comprehensive reviews should continue to ensure the quality of information submitted. At the same time, the EU believes that there is a need and room to enhance the cost-efficiency and effectiveness of the reviews by analysing alternative ways of conducting the reviews including the frequency of in-depth review of information. Streamlining and enhancement of the efficiency of the review processes should be reflected in the revised review guidelines.

- Reviews should be consistent and comparable across all developed country Parties.
- The reviews should focus on key issues not on insignificant details.
- Responses and additional information provided by Parties during reviews should be considered at subsequent reviews (repetitive questions should be avoided).
- The review reports should be made more concise and contents more standardised, to the extent possible.
- The timeliness of the reviews should be improved.
- The QA/QC procedures conducted to achieve consistent review reports and a comparable treatment of Parties in the review process should be better reflected in the review guidelines.
- The burden imposed by the reviews on the secretariat and the Parties should be reduced where possible.
- The frequency of the reviews should be reconsidered and evaluated taking into account a larger number of reports that need to be reviewed in the future and the experiences with regard to timeliness and work load of the secretariat and reviewers.

The availability of skilled and qualified reviewers is key to successful and timely reviews, and has been a problem in the past reviews.

- Optional ways of conducting the reviews should be explored as the existing problems with the availability of experts may further aggravate with a larger scope and a higher number of reports to be reviewed in the coming years.

The contents of the national communications (NCs) and biennial reports are addressing the implementation of policy-related commitments under the UNFCCC, whereas the national greenhouse gas inventories provide technical estimates of emissions and removals. The expertise and nature of the reviews of national greenhouse gas inventories differ from the review of the national communications and the biennial reports.

- The guidelines for the review of NC's and Guidelines for the review of greenhouse gas inventories under the UNFCCC should be developed as separate guidelines from those of the BRs and guidelines for BR should draw on the review processes for NCs and GHG inventories where appropriate.

International assessment and review of biennial reports

Elements and timing of actions of the work programme

According to decision 2/CP.17, developed country Parties shall submit biennial reports (BR reports) to the UNFCCC starting on 1st January 2014. In the years where national communications (NCs) are submitted, biennial reports may be included as an annex to the NC's or as a separate report.

Modalities and procedures for International Analysis and Review (IAR) for biennial reports were agreed in Durban (decision 2/CP.17). The IAR process includes the technical review of the information submitted. Parties have already agreed that the modalities and procedures of the IAR process will be revised no later than 2016 (COP 22), after experience from the first round reviews. The EU believes that any revision of the review guidelines for biennial reports as included in decision 2/CP.17 should follow this timetable as agreed.

Review of national communications

Elements and timing of actions of the work programme

According to the decision 2/CP.17, developed country Parties shall submit their national communications to the UNFCCC every four years starting on 1st of January 2014. According to previous decisions, in particular 2/CP.1, 9/CP.2, 6/CP.3, 11/CP.4, 33/CP.7, 7/CP.11 and 9/CP.16, each national communication is subject to an in-depth review to be conducted as an in-country review within two years after the due date of submissions. The contents of the reviews of NC's are currently based on the guidance from several COP decisions, but no self-standing document of review guidelines for NCs was elaborated in the past.

Decision 2/CP.17 includes two requests to the SBI on revision of the reporting guidelines for information included in national communications by COP 20 (2014):

- the revision of the "Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part II: UNFCCC reporting guidelines on national communications", based on the experiences gained in preparing the first biennial reports and other information, to begin at SBI's 40th session
- the development of methodologies for reporting financial information.

The EU is of the view that the result of these work streams should be taken into account in the development of review guidelines for national communications and that it would be more efficient to adopt a longer-term timeline for the elaboration of review guidelines for national communications than by COP 19. This would mean that the 6th national communications would be reviewed based on current procedures for review. The 7th national communication (due 1 January 2018) would be reviewed based on new review guidelines.

The EU believes also that the new guidelines for the review of national communications should follow the review guidelines for national communications established under the Kyoto Protocol except for those areas that cover supplementary information related only to the requirements under the Protocol.

Element of the revision of the review guidelines

The review guidelines for national communications should consider the linkages to the IAR and inventory reviews. Duplication of work across reviews should be minimised or removed to streamline resources.

- The greenhouse gas inventory including the national inventory arrangements should not be part of the review of national communications, but should be reviewed as part of the inventory review.
- The review of mitigation actions and information on finance in reviews of biennial reports should build on the review of national communications ².

The elaboration of review guidelines for NCs should take into account the recent COP decisions to provide the secretariat more flexibility in organising the reviews taking into account the availability of reviewers or resources at the secretariat, e.g. organising NC reviews as centralized reviews for

- all Parties where no significant recommendations to improve the reporting were made in the previous review, or
- small Parties.

² In the short-term time horizon for the first biennial report, this may be different, but this should be the objective in the longer term-perspective.

Review of greenhouse gas inventories

Elements and timing of actions of the work programme

Annex I parties need to submit greenhouse gas inventories to the UNFCCC annually. Inventories are prepared and reviewed annually according to the decisions 18/CP.8, 19/CP.8 and 14/CP.11. Decision 15/CP.17 revised the annual inventory reporting guidelines to incorporate the 2006 IPCC guidelines. The UNFCCC reporting guidelines for preparing and reporting annual greenhouse gas inventories will be revised after a trial period for their use with a view to adopt a final decision by COP 19. This means, revised review guidelines for GHG inventories under the Convention should not be finally adopted prior to COP 19, and these guidelines could be completed at COP 19 in parallel with the reporting guidelines or at COP 20.

Elements to consider in the revision

The need for revision of guidelines for inventory review arises on the one hand from the adoption of the revised reporting guidelines under the UNFCCC, which include the implementation of the use of the methodological guidance in the 2006 IPCC Guidelines national inventory in the preparation of national greenhouse gas inventories and also the national inventory arrangements as a new element in greenhouse gas inventory reporting.

The EU is of the view that the revision of the inventory review guidelines under the Convention should ensure comparability of reported emission data across all developed country Parties. The EU believes that a procedure for technical corrections of inventory estimates by ERTs in the review reports under the Convention should be established. Such corrections would be calculated by the ERTs and would quantify the change in emissions or removal estimates resulting from a correction of the problems identified by the ERT (related to lack of estimates, lack of transparency, underestimation, methodologies not in line with IPCC guidelines) that are not corrected by the Party itself. If a technical correction would need to be calculated by an ERT, the views of the Party relating to the correction should also be included in the review report.

The aim of the revision of the review guidelines should also be to resolve the current problems with the implementation of the inventory review, in particular to increase the timeliness, efficiency and functionality as well as the consistency of the reviews. The focus of the review should be on key issues, not on small details. The experience gained from the reviews should be utilised in the revision. In addition, the professional skills of review teams should be given more consideration and emphasis. This could involve consideration of issues such as the use of voluntary vs. professional experts, the role of the secretariat, need for more comprehensive training and demanding exams.

The EU is also of the view that Parties should consider whether the in-depth part of the annual reviews could be performed biennially with annual reviews comprising the initial checks and a follow-up on how recommendations from the previous review are implemented.

The procedures to increase the efficiency and functionality should be developed in parallel in the review guidelines under the Convention and under the Kyoto Protocol.

Summary of the elements and timing of actions of the work programme and elements of the revision of the review guidelines

The EU is of the view that the work programme on review of biennial reports and national communications, including national inventory reviews should focus on analysing and exploring ways to make the reviews more cost-effective, efficient and functional. The work programme should build on the experience on past reviews of national communications and greenhouse gas inventories. The EU believes that the numerous processes to update reporting and review guidelines should be implemented in a way that avoids that the

same guidelines are revised and updated several times in the upcoming 4 to 5 years and that allows that the revision processes can build on each other.

- The guidelines for IAR for biennial reports for developed country parties include guidelines for the review of these reports and a process for to revise the guidelines is established in the decision 2/CP.17.
- The reporting guidelines for greenhouse gas inventories and national communications should be revised by COP 19 (2013) and COP 20 (2014), respectively. The EU believes that the revised reporting guidelines should be taken into account when revising or elaborating any review guidelines for these reports.

The revised guidelines for the review of national greenhouse gas inventories should be adopted at COP 19 or COP 20. Revised guidelines for review of national communications and revised modalities and procedures for IAR biennial reports should be adopted at COP 21 (2015) or COP 22 (2016). To achieve this, the work of the revision of the guidelines for reporting and review would need to be partly done in parallel during 2013 and 2014.