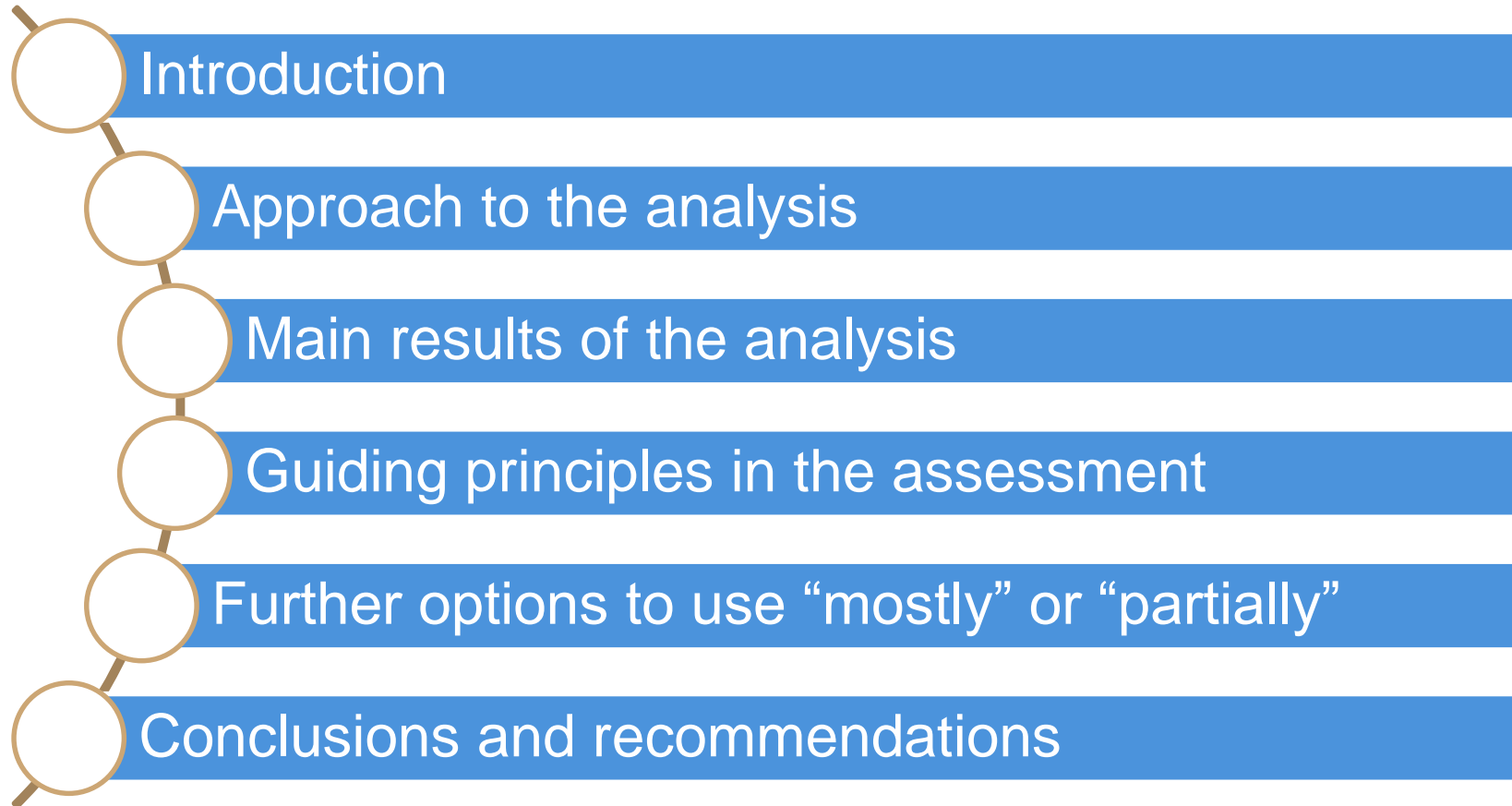


Analysis of further options to use “mostly” or “partially” in the assessment of completeness and transparency in Biennial Reports

3rd BRs and NCs lead reviewers meeting



Outline of the presentation



Introduction

Recommendation from the LRs to the ERTs:

The LRs at their 2nd meeting in 2015 confirmed that the four-gradation approach used to assess completeness and transparency **had proven to be useful** and recommended that the ERTs continue to follow this approach in future reviews of BRs.

Request from the LRs to the secretariat:

Explore the application of **further options** for using the gradations “mostly” or “partially” when assessing completeness and transparency and provide relevant input to the discussions at the next LR meeting.



Introduction

Scope of work:

- Analyze practice applied by the ERTs during the technical review of BR1;
- Recognize linkages between findings, recommendations and assessment of the completeness and transparency;
- Develop rule-based options for assessment based on empirical evidence;
- Prepare **background paper** which incorporates the findings of the analysis and serves as an input to facilitate discussion at 3rd LRs meeting.



Introduction

Working assumptions:

- Assessment of the completeness and transparency of individual BR section depends on how the information provided under this section fulfill related mandatory reporting requirements;
- If the number of the ERTs' recommendations related to mandatory reporting requirements under individual BR section is increasing then information which is provided under this section is considered to be less complete and/or less transparent;
- If practice applied by the ERTs in assessment of the completeness and transparency converge in a consistent way then it would be possible to develop an empirical rule-based approach and quantitative criteria for assessment of the completeness and transparency.



Approach to the analysis

- Main goal of the analysis was to **identify patterns** in applying the four gradations by the ERTs, **with focus on “mostly” and “partially”**, in the assessment of the completeness and transparency of the individual BR1 sections;
- In this regard three elements from the TRRs were used for the analysis:
 - a) findings on mandatory reporting requirements (“shall” requirements),
 - b) recommendations made, and
 - c) assessment of completeness and transparency on BR section level;



Steps in the analysis

“It is important to see the wood for the trees”

Analysis was performed in three steps:

1. All recommendations were extracted and organized per related BR section together with assessment of its completeness and transparency for each TRR (C/T assessment tables);
2. Based on assessment from individual TRRs an overall assessment approach for each BR section was mapped in a form of frequency distribution tables;
3. In cases of potential inconsistency in assessment identified in frequency distribution tables, so called ‘grey areas’, individual recommendations which led to different assessment were further analyzed (C/T comparison tables).



Step 1 – C/T assessment tables

Party 1	FC	MC	PC	NC	Rec.
GHG emissions and removals	•				0
Description of the target	•				0
Progress in achievement of targets	•				0
Projections	•				0
Provision of FTC support	•				0

Party 2	FC	MC	PC	NC	Rec.
GHG emissions and removals	•				0
Description of the target	•				0
Progress in achievement of targets		•			2
Projections	•				0
Provision of FTC support			•		3

Party n	FC	MC	PC	NC	Rec.
GHG emissions and removals	•				0
Description of the target	•				0
Progress in achievement of targets			•		2
Projections			•		3
Provision of FTC support			•		3



Step 2 – frequency distribution tables

Assessment	NC/NT						n	o	<i>Normal distribution</i>
	PC/PT				q	●			
	MC/MT		y	z					
	FC/FT	x							
BR section		0	1	2	3	4	...	N	
		Number of recommendations							



Step 2 – identification of ‘grey areas’

- A **different number of recommendations** in one section leads to an **equal assessment** of completeness and transparency → horizontal distribution;
- An **equal number of recommendations** in one section leads to a **different assessment** of completeness and transparency → vertical distribution;
- A relatively smaller number of recommendations leads to a lower gradation or a relatively greater number of recommendations leads to a higher gradation → outliers.

Assessment	NC/NT		out		●				<i>Vertical distribution</i> <i>Horizontal distribution</i>
	PC/PT				n				
	MC/MT		x	y	z	●			
	FC/FT							out	
BR section		0	1	2	3	4	...	N	
		Number of recommendations							



Step 3 – C/T comparison tables

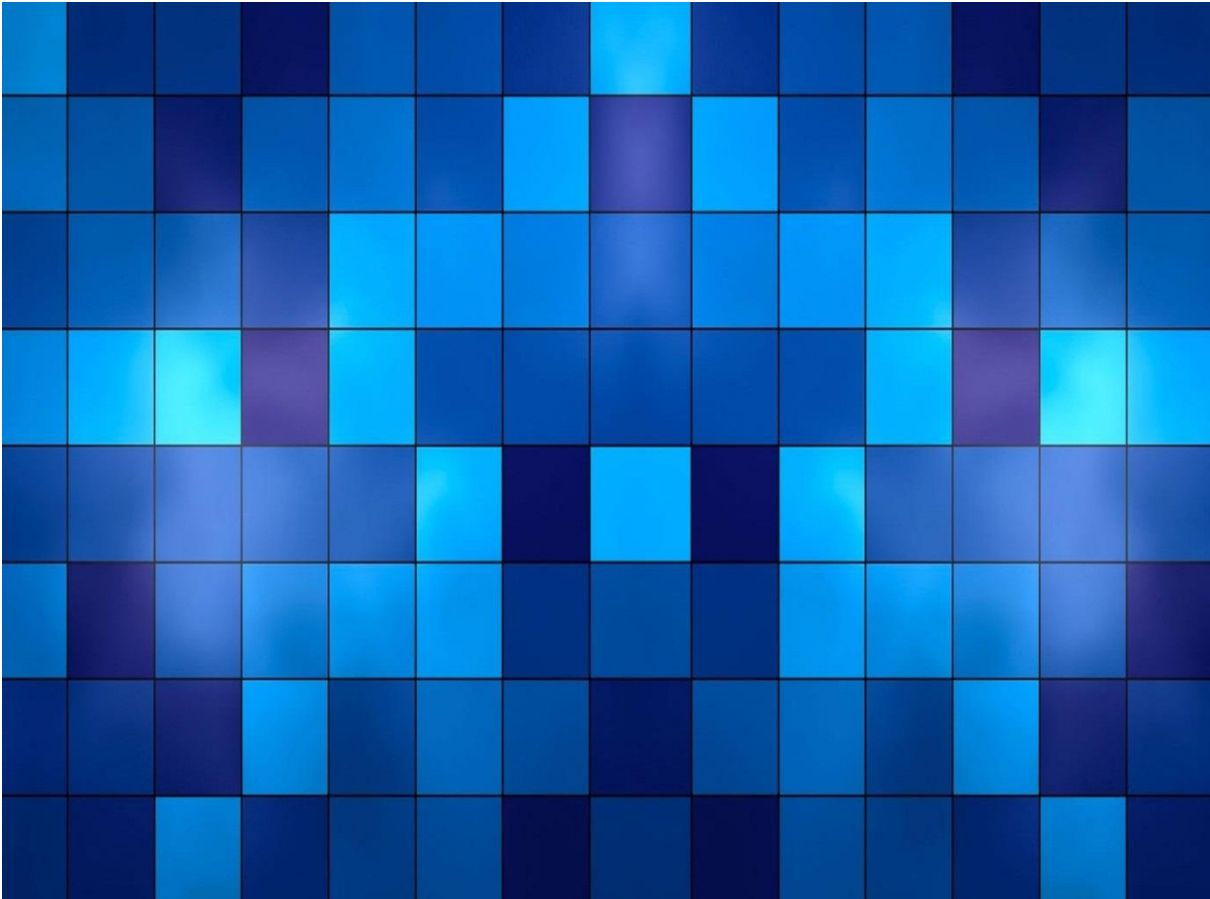
BR section: Projections		
Assessment	Recommendation	Party
Partially complete	• The total effect of <u>PaMs</u> by gas (<i>for 2020 and 2030</i>);	Party 1
	• An updated 'with measures' projection for up to 2030;	Party 2
Mostly complete	• Emission projections for 2030;	Party 3
	• Projections for the year 2030 including in CTF tables 6;	Party 4
	• Information on emission projections for 2030;	Party 5
Number of recommendations in the BR section = 1		



“mostly” and “partially” dilemma - completeness



“mostly” and “partially” dilemma - transparency



Main results of the analysis

- Most recommendations for both completeness and transparency were related to:
 - a) provision of FTC support,
 - b) progress made towards targets, and
 - c) projections;
- The analysis demonstrated that the assessment of completeness and transparency by the ERTs across the TRRs of BR1 was generally consistent;
- Several cases of outliers were observed, mainly related to the assessment of BR sections as “mostly” complete/transparent, although not a single recommendation was made;
- Only one case on “not” complete was noticed;



Main results of the analysis

- Horizontal distribution of cases occurs more frequently than vertical distribution, which means that the ERTs in most cases did not consider certain mandatory reporting requirements to be more important than others → **examples:** [frequency distribution tables](#);
- There were cases where the absence of information under the same reporting requirement resulted in a different assessment → **examples:** [C/T comparison tables](#);
- Horizontal distribution allows for the establishment of thresholds between the four gradations, based on empirical evidence from the review practice applied, which are in functional relationship with the number of recommendations made.



Guiding principles in the assessment

- **“The assessment is based on mandatory requirements”**: the identification of issues and the related assessment of completeness and transparency by the ERT should be based only on mandatory (“shall”) reporting requirements;
- **“All mandatory requirements are of equal importance”**: all mandatory (“shall”) reporting requirements should be treated equally by the ERTs and there should not be an “expert’s weighting factor” applied which could imply that some “shall” requirements are more important than others;
- **“One omitted mandatory requirement leads to one recommendation”**: one “shall” requirement should trigger not more than one recommendation for completeness and/or one recommendation for transparency in cases where information provided in the BR does not fulfil the mandatory reporting requirement.



Further options to use “mostly” or “partially”

- **The “top-down” assessment:** the assessment of each BR section is based on the number of recommendations made by the ERTs which reflect the missing mandatory reporting requirements under the relevant section;
- **The “bottom-up” assessment:** the assessment of each BR section is based on the assessment of completeness and transparency of each “shall” reporting requirement under the relevant section, as defined in the UNFCCC reporting guidelines on BRs.



The “top-down” assessment

- This option is largely based on the current practice applied by the ERTs and the results of the analysis:
 1. First, the ERTs identify issues when the information provided in the BR does not fulfill the reporting requirements,
 2. then they formulate recommendations, and
 3. lastly they summarize the completeness and transparency issues for each section in table 1 of the review report based on the recommendations made and expert judgment, for each section (“top-down”).
- The most straightforward approach would be to assess the completeness and transparency of the BR sections based on the **number of mandatory reporting requirements missed** which are reflected in the recommendations made under each section → *“top-down” assessment scoreboard*.



The “top-down” assessment scoreboard

BR section	Number of mandatory reporting requirements	Number of missing mandatory requirements found by the ERT ¹	Assessment of the completeness and transparency of the BR section
GHG emissions and removals related to the target	2	1	MC / MT
		2	PC / PT
Assumptions, conditions and meth. related to the target	2	1	MC / MT
		2	PC / PT
Progress in the achievement the target	4	1–2	MC / MT
		3–4	PC / PT
Projections	9	1–2	MC / MT
		3–9	PC / PT
Provision of support to developing country Parties	15	1–2	MC / MT
		3–15	PC / PT

¹ In case when number of missing mandatory requirements is equal to number of mandatory requirements from reporting guidelines, the ERTs should decide whether to assess BR section as partially complete/transparent or not complete/transparent.



The “bottom-up” assessment

- This option is analogous to a grading system in which individual grades for specific requirement (i.e. “shall”) are used to estimate the overall achievement of a particular subject (i.e. BR section) → *“bottom-up” assessment scoreboard.*
- The “bottom-up” assessment is based on the requirement from the UNFCCC review guidelines to assess the degree to which the information provided under each reporting requirement is complete and transparent;
- Most important element for further consideration is how the grading method should work in practice.



The “bottom-up” assessment scoreboard - illustration

BR section	Mandatory reporting requirement	Assessment “level 1”				Assessment “level 2”			
1	“shall 1”	Completeness 1				Completeness			
		FC	MC	PC	NC	NC	MC	PC	NC
		Transparency 1							
	“shall 2”	FT	MT	PT	NT				
		Completeness 2							
		FC	MC	PC	NC				
	“shall 3”	FT	MT	PT	NT				
		Completeness 3				Transparency			
		FC	MC	PC	NC	FT	MT	PT	NT
	“shall n”	Transparency 3							
		FT	MT	PT	NT				
		Completeness n							
“shall n”	FC	MC	PC	NC					
	Transparency n								
	FT	MT	PT	NT					



Conclusions and recommendations

1. The analysis demonstrated that the assessment of completeness and transparency by the ERTs across the TRRs of the BR1 was **generally consistent**;
2. The cases of inconsistencies occurred in distinguishing between the assessment of completeness and transparency as “mostly” and “partially”, when the ERTs applied expert judgment, subjectively weighted the mandatory requirements, or included reporting requirements that were not mandatory in the assessment → **‘grey areas’**;
3. In order to reduce inconsistencies, a set of agreed **guiding principles** in the assessment is needed;
4. There are **two options** for the assessment of completeness and transparency which are proposed for discussion: (1) **the “top-down” assessment**, which in principle is an evolution of the current practice applied by the ERTs; (2) **the “bottom-up” assessment** which is analogous to a grading system in which individual grades (mandatory requirements) are used to calculate the overall achievement of a particular subject (section).



Conclusions and recommendations

5. The main **advantages** of option 1 (“top-down”) are that it inherently includes established ERT practice and experience and is relatively simple and straightforward to apply. A **disadvantage** is that it potentially over-simplifies the assessment of completeness and transparency, particularly in sections with a greater number of mandatory reporting requirements.
6. The main **advantage** of option 2 (“bottom-up”) is that it takes into account each mandatory reporting requirement, which means that the overall assessment is more comprehensive and justifiable. The **disadvantages** are the complexity of the grading method which has to be developed and applied and the amount of time needed for the assessment.



Conclusions and recommendations

7. Noting that option 1 (“top-down”) has a strong empirical foundation based on practice established during the 2014–2015 review cycle of the BR1s, it would be plausible to apply the guiding principles and the “top-down” assessment scoreboard for future BR reviews.
8. In order to evaluate the effectiveness of the approach used, it would be useful in the future to:
 - a) analyse the TRRs of the second biennial reports,
 - b) assess how the review practice in the assessment of completeness and transparency has evolved in comparison with the previous review cycle and
 - c) update the frequency distribution tables.



Thank you!!

