

Discussion paper

**For the second meeting of lead reviewers on biennial reports and national
communications**

Bonn, Germany, 5–6 March 2015

**FIRST BIENNIAL REPORTS AND SIXTH NATIONAL
COMMUNICATIONS:
REVIEW CHALLENGES AND PRACTICE**

27 February 2015

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1. Background

1. The Conference of the Parties (COP), by decision 1/CP.16, decided that developed country Parties should, building on existing reporting and review guidelines, processes and experiences, enhance the reporting in their national communications (NCs) and submit biennial reports (BRs), which outline their progress made in achieving emission reductions and provide information on their provision of financial, technological and capacity-building support to Parties not included in Annex I to the Convention (non-Annex I Parties).

2. The COP, by decision 2/CP.17, also decided that, in the years when the full NCs are submitted, each developed country Party should present its BR as an annex to its NC or as a separate report. By decision 19/CP.18, the COP encouraged developed country Parties to ensure consistency, to the extent possible, between the information provided in their BRs and NCs, in particular as there is a significant overlap between the reporting requirements for the NCs and those for the BRs, for example with regard to greenhouse gas (GHG) emissions, policies and measures (PaMs) and projections.

3. The COP, by decision 23/CP.19, adopted the “Guidelines for the technical review of information reported under the Convention related to greenhouse gas inventories, biennial reports and national communications by Parties included in Annex I to the Convention” (hereinafter referred to as the review guidelines for NCs and BRs). The technical review of the BRs is the first step in the international assessment and review (IAR) process. The purpose of the technical review of the BRs and NCs of Parties included in Annex I to the Convention (Annex I Parties) is to ensure that the requirements of the reporting guidelines have been fulfilled, to promote consistency among Parties’ reports, to help Parties to improve their reporting, to examine Parties’ progress in achieving their targets and to ensure that the COP has reliable information on the implementation of Parties’ commitments under the Convention.

4. The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP), by decision 15/CMP.1, adopted the “Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol” (hereinafter referred to as the Article 7 guidelines). The decision stipulates that each Annex I Party shall include the necessary supplementary information required under those guidelines in its NC in order to demonstrate compliance with its commitments under the Kyoto Protocol. The CMP, by decision 22/CMP.1, also adopted the “Guidelines for review under Article 8 of the Kyoto Protocol”, which cover the review of information under Article 7, paragraph 2, of the Kyoto Protocol reported in the NCs of Annex I Parties. The purpose of the review of such information and the guidelines is: (a) to provide a technical assessment of the information reported; (b) to examine whether all quantitative and qualitative information was submitted; (c) to promote consistency in the review of the information; (d) to assist Parties to improve their reporting; and (e) to ensure that the CMP and the Compliance Committee have reliable information on the implementation of commitments under the Kyoto Protocol (KP).

5. The COP, by decision 9/CP.16, requested Annex I Parties to submit, by 1 January 2014, their sixth national communications (NC6s) and first biennial reports (BR1s). The technical review of the information reported by Parties took place in 2014.

2. Purpose and scope

6. This discussion paper highlights the key review challenges faced by the expert review teams (ERTs) when reviewing the BR1s and NC6s in 2014 and summarizes suggested approaches to addressing these challenges in the reviews. It does not aim to cover an exhaustive list of questions or concerns raised by the ERTs during the reviews, but rather focuses on the practices applied by the ERTs and the difficulties in reviews observed by the review coordinators in a number of cases.

7. The paper summarizes the most frequent and most relevant substantive review challenges faced by the ERTs and observed by the review coordinators across 41 reviews coordinated in 2014. It consists of four substantive sections: (a) cross-cutting issues; (b) quantified economy-wide emission reduction targets and progress in their achievement, including effects of mitigation actions, projections and the total effect of PaMs; (c) provision of financial and technological support to developing country Parties; and (d) Article 7, paragraph 2, of the Kyoto Protocol.

8. Each section provides a textual overview of the difficulties encountered by the ERTs in reviewing the reported information, as well as examples, where appropriate, of how these difficulties were resolved in the reviews and reflected in the review reports. The sections provide suggestions on how the ERTs can approach the assessment of these elements on the basis of experience from the 2014 review cycle. Each section is concluded by a table, which summarizes the most relevant issues and details how these issues were addressed in the 2014 review cycle.

3. Cross-cutting issues in relation to reviews

9. The review of BRs and NCs should provide an objective and comprehensive technical review of all aspects of the implementation of the Convention by individual Annex I Parties and Annex I Parties as a whole and ensure that the COP has accurate, consistent and relevant information in order to review the implementation of the Convention.

10. The review reports should therefore contain a consistent, comparable and transparent technical review of the information reported by Annex I Parties on all aspects of the implementation of the Convention in accordance with the NC reporting guidelines and the BR reporting guidelines, and should provide an objective and transparent assessment of the quantitative and qualitative information submitted by Annex I Parties in accordance with the review guidelines for NCs and BRs.

11. Therefore, the cross-cutting issues encountered during the review process should be carefully considered by the ERTs as they are fundamental to achieving the objectives of the review. The information provided by Parties in their NCs and BRs should be assessed from an objective and technical standpoint. The ERT should avoid expressing its own opinion on the information reported, but rather critically assess it with respect to the existing reporting and review requirements.

12. The ERT should strive to ensure that the text of the review report remains factual and that the recommendations/encouragements are clearly linked to the reporting requirements and reflect the information presented by the Party. Overall, the ERT should aim at highlighting in a technical, objective and well-substantiated manner the information in such a way as to maximize

the usefulness of the review reports as an input to the multilateral assessment, which represents the next step in the IAR process.

3.1. Recommendations and encouragements

13. One of the objectives of the review of the information reported under the Convention is to assist Annex I Parties in improving their reporting of the information contained in their NCs and BRs.

14. To that end, the recommendations and encouragements made by ERTs in the review reports are of vital importance. Not only do they indicate to what extent a Party was able to follow the reporting requirements but, more importantly, they provide clear direction on how the Party can further improve its reporting.

15. Since recommendations and encouragements are an indication of how well a Party has followed the reporting requirements, inconsistencies in how the ERTs provide recommendations and encouragements in the review reports, or incorrect use of recommendations and encouragements, can create a distorted picture of a Party's fulfilment of the reporting requirements, may lead to inconsistent treatment of Parties and inconsistencies from one reporting year to the next and, more importantly, may lead Parties to make incorrect decisions and identify the wrong priorities for the improvement of their reporting.

A. Suggested approach to choosing between recommendations and encouragements

16. To that end, the review reports should address the requirements of the NC and BR reporting guidelines within the framework of the review guidelines for NCs and BRs. In practical terms, this means that there is no need to provide in the review reports extensive information on all requirements; rather it should be made clear which requirements were fulfilled by Parties and to what extent, and which were not fulfilled. This is particularly important for mandatory requirements.

17. The NC and BR reporting guidelines contain both "shall" and "should" requirements, but also contain requirements in the forms of "may", "to the extent possible" and "where feasible", or a combination thereof.

18. During the reviews, the ERTs are facing difficulties with regard to the treatment of the "shall", "should" and "may" requirements, and they are not always consistent in the review reports in providing recommendations in the case of "shall" requirements and encouragements in the case of "should" requirements.

19. The basis for the recommendations or encouragements presented in the review reports should be the respective reporting guidelines.

20. A "shall" requirement is a mandatory requirement and, in case of problems, needs to be addressed through a recommendation, while a "should" requirement is not a mandatory requirement and, in case of problems, needs to be addressed through an encouragement. A "may" requirement is also not a mandatory requirement and leads to an encouragement.

21. In more complex cases, when a “shall” reporting requirement is followed by an expression such as “where feasible” or “to the extent possible”, it is still considered to be a mandatory requirement. Therefore, the ERT should consider, in such cases, that a Party has two options for addressing this mandatory requirement: either to report the required information; or, if it cannot provide this information or can report only partial information, to clearly and concretely explain why this was not feasible or possible. If the Party has neither reported the information nor provided an explanation for not reporting or partially reporting it, then this should lead to a recommendation being given by the ERT, which should include the language of the reporting requirement (e.g. “The ERT recommends that..., where feasible”; or “The ERT recommends that..., to the extent possible”).

B. Suggested approach to framing recommendations/encouragements in the review reports

22. In some cases, the ERTs are finding it difficult to frame the recommendations and encouragements in a clear and neutral language. In other instances, the way in which the recommendations/encouragements are framed makes it difficult, if not impossible, to trace back to the relevant reporting guidelines.

23. Recommendations and encouragements should closely reflect the language of the reporting guidelines and be concrete, factual and neutral, as well as easily traced back to the respective reporting guidelines. At the same time, they could be adapted to fit a particular finding in the context of the review of a particular Party.

C. Suggested approach to requesting a Party to provide additional information

24. In many cases, the ERTs request additional and/or clarifying information before or during the review, and Parties often provide this additional information. In some cases, the ERTs incorrectly provide recommendations and/or encouragements with regard to how this information should be presented in the subsequent NCs and BRs.

25. When additional information is provided during the review, the ERT should clearly distinguish between information that refers to future/anticipated developments in relation to different aspects of a particular Party’s climate change activities and information that is provided by that Party to address gaps in its reporting identified by the ERT. The ERT can take note of future developments in the review report and can provide guidance on how information thereon could be included in subsequent reports, but there should not be any recommendation or encouragement provided in this regard. The ERT should, however, provide a recommendation or an encouragement, as appropriate, for the Party to include in its subsequent NC or BR any additional information provided during the review that addresses reporting gaps or issues identified during the review.

D. Suggested approach to listing recommendations in the “Conclusions and recommendations” section of the review reports

26. In some cases, the ERTs treated inconsistently the recommendations provided in the review reports, as they did not include all of the recommendations provided in the main body of the report in the “Conclusions and recommendations” section, and/or they also included the encouragements in that section, deviating from the review report template. This resulted in inconsistency in the treatment of the recommendations relating to completeness and

transparency, not only within each of the NC and BR review reports, but also between the NC and BR review reports.

27. The “Conclusions and recommendations” section of the NC review reports (IDRs) and the “Conclusions” section of the BR review reports (TRRs) should include all of the recommendations (referred to as “shall” requirements) that were provided by the ERT in the main body of the report and should not include the encouragements (referred to as “should” and “may” requirements). The language of these recommendations should be consistent with and follow as closely as possible the language used in the main body of the report.

3.2. Completeness vs. transparency

28. The review guidelines for NCs and BRs, when defining the scope of the technical review, state that the individual review shall identify any potential issues in individual sections of the NCs and BRs as regards transparency and completeness, among other aspects. Therefore, the ERT should assess the completeness and transparency of the information provided by a Party for each particular reporting requirement. The assessments of the completeness and of the transparency of the reported information are not interdependent and should be based on the nature of the reported information. However, the ERTs did not always show in the review reports the same understanding as to what constitutes an issue of completeness and what constitutes an issue of transparency.

29. Unlike completeness, which is a fairly straightforward concept, transparency is more difficult to define and therefore to assess. Reported information should be considered transparent if all of the elements necessary for understanding it are provided in an open, clear and factual manner. Transparently presented information is information that does not give rise to questions and allows the reader to assess its credibility, reliability and relevance. Issues of transparency can also comprise incorrect or irrelevant reported information, poorly cross-referenced information, the provision of general information when detailed information is requested, information not presented in the form/format requested (e.g. different years reported, different split of information than stipulated in the reporting guidelines, highly aggregated information, etc.), missing tabular information, the provision of qualitative data instead of mandatory quantitative data, and inconsistencies within the same information without any explanation provided.

A. Suggested approach to distinguishing between completeness and transparency

30. The ERT should treat completeness issues independently from transparency issues and therefore always provide separate recommendations/encouragements for completeness and for transparency for each reporting requirement. Recommendations/encouragements for completeness and transparency should be treated together only in cases where the lack of transparency is directly linked to the lack of completeness.

31. The ERT should always assess the completeness and transparency of the information provided for a particular requirement in two separate steps: (a) the ERT should assess the completeness of the reported information; and (b) the ERT should assess its transparency. As a starting point in assessing completeness, the ERT should ask the following question: “Did the Party report fully on a particular reporting requirement of the guidelines?”. Depending on the answer to this fundamental question, the ERT should take the following steps:

- i. If the information reported by the Party corresponds fully to the particular reporting requirement of the guidelines, then this information should be considered complete;
- ii. If the information reported by the Party does not give rise to questions and allows the reader to assess its credibility, reliability and relevance, then this information should be considered transparent. Information should also be considered transparent if the elements necessary for its understanding are all provided in an open, clear and factual manner;
- iii. If an individual reporting requirement or important part of it has not been addressed by the Party in its reporting, this is an issue of completeness and generally is not an issue of transparency, even though missing information might also lead to a lack of transparency.

B. Suggested approach to addressing specific issues related to completeness and transparency in the biennial report common tabular format

32. The BR reporting guidelines require Parties to report certain information both in textual and in tabular format. In some instances, in the reporting in their BRs, Parties did not provide consistent textual and tabular information, provided only textual information or provided only tabular information (in the common tabular format (CTF) tables). In some cases, this resulted in some ERTs treating inconsistently in the review reports information that was missing from the CTF tables when substantive information was provided in the BR.

33. Providing information in the CTF tables is a mandatory reporting requirement. However, the ERT should take into account that gaps identified in the CTF tables might not necessarily mean incomplete reporting, provided that they are adequately explained by the Party as being due to national circumstances.

34. The national circumstances of a Party are to be taken into account when the ERT reviews the reported information included in these tables, for example when reviewing information on the effects of individual PaMs. If a Party has not reported some information in the CTF tables, the ERT should clarify why the Party did not provide such information and, if relevant, clarify whether any national circumstances precluded the Party from fulfilling the reporting requirement.

35. When the information provided in this context is relevant, credible and transparent, the ERT can summarize the Party's explanation in the review report, together with a relevant recommendation for addressing the reporting gap in the next NC or BR.

3.3. “Mostly” vs. “partially”

36. As indicated in the section above on completeness and transparency, the ERTs are required to assess the degree to which the information provided under each reporting requirement is complete and transparent, and, on that basis, to provide, in the table of the review report summarizing completeness and transparency issues of the reported information (table 1), an overall assessment of completeness and transparency for each section of the NC and the BR.

37. The ERTs have the option of four gradations when assessing the completeness and transparency of the information reported by Parties: fully, mostly, partially, and not complete or

transparent.¹ However, in some cases, the ERTs have difficulty in applying consistently their assessment of information as “mostly” or “partially” complete/transparent.

C. Suggested approach to distinguishing between mostly and partially

38. The identification of issues and the related assessment of completeness and transparency by the ERT should be based only on the “shall” reporting requirements contained in each section of the NC or BR. The ERT should ensure consistency with the conclusions/recommendations section of each review report, where only the “shall” reporting requirements are to be addressed.

39. All “shall” requirements should be treated by the ERTs equally and there should not be an artificial ‘weighting factor’ applied, which could imply that some “shall” requirements are more important than others. In the NC and BR reporting guidelines there is an inherent prioritization (‘weighting’) of requirements through the use of “shall”, “should” and “may”. The ERTs should avoid further interpretation of the guidelines as this might undermine their validity, create ‘grey’ zones and lead to inconsistent treatment of Parties’ reported information.

40. There could be a certain degree of subjectivity when applying the aforementioned gradations, unless the required information is easily quantifiable and measurable. A section should be classified as “fully” complete when information on all mandatory requirements (“shall”) has been provided, as “mostly” complete when the majority of the required elements have been addressed, as “partially” complete when less than half of the required elements were provided, and as “not complete” when none or hardly any of the required elements have been provided. Similarly, for the assessment of transparency, the above criteria should be applied by the ERTs considering the transparency of the individual elements contained in each section of the NC or BR.

41. When the completeness or transparency of the reported information in a specific section is particularly hard to assess or quantify under the gradations of “mostly” or “partially”, the ERT should always give ‘advantage’ to the Party and assess the information as “mostly” complete/transparent rather than “partially” complete/transparent.

3.4. Consistency

42. As indicated in the BR reporting guidelines, Parties should ensure the consistency of the information reported in their GHG inventories, BRs and NCs, but they should also seek consistency of the information reported within each report as a reporting principle.

43. As there is a significant overlap in the reporting requirements for information in the NCs and BRs, Parties presented information in their NCs and BRs following two main approaches, which largely ensured the consistency of the information reported: (a) Parties presented the exact same information in both reports when the NC and BR reporting requirements overlapped. This ensured the consistency of the information reported, but resulted in significant repetition of the information in the reports. In some cases information was repeated without adjusting it to fit the exact reporting requirements underpinning each report; and (b) Parties opted to provide

¹ See the conclusions and recommendations of the first meeting of lead reviewers, available at <http://unfccc.int/files/national_reports/biennial_reports_and_iar/application/pdf/conclusions_and_recommendations_first_lrs_meeting_brs_ncs.pdf>.

relevant references from one report to the other (usually the BR would reference the NC). This approach also ensured consistency; however, the presented information was not necessarily tailored to the exact reporting requirements for the BR.

44. As many of the reporting requirements for NCs and BRs are similar or even the same, the respective review findings, recommendations and encouragements in the IDR and TRR should be consistent and should not differ from each other. However, in some cases, issues identified by an ERT in the IDR were not included in the TRR and vice versa. In particular, when a Party, instead of providing textual information in the BR, provided references to the NC, the ERTs tended to highlight their findings in the IDR rather than in the TRR. The fact that the BR reporting guidelines in many instances refer to the NC reporting guidelines instead of detailing the relevant reporting provisions also often leads the ERTs to present their findings in the IDR rather than in the TRR. In a few cases, the differences between the IDR and the TRR may be justified, owing to inconsistencies or differences in what Parties reported in their NCs and BRs.

45. To the extent that there is a significant overlap between the information required to be reported in the NC and the BR, there should also be overlapping information in the respective review reports. However, in some cases, the ERTs replicated information in the IDR and the TRR without critically assessing the extent to which such information reflected the respective reporting requirements. For example, in the NC reporting guidelines, “providing, to the extent feasible, information on success and failure stories related to technology transfer” is a “shall” requirement, while in the BR reporting guidelines this is a “may” requirement. Thus, the review text should be adequately adjusted to address this difference in the reporting requirements.

D. Suggested approach to ensuring consistency

46. For those areas where the reporting requirements are the same for NCs and BRs (e.g. in relation to the GHG inventory and projections), the TRR should not necessarily repeat all of the information that was included in the IDR; a short summary could be adequate, in addition to a clear reference to where a more detailed assessment of the reporting requirement is included in the IDR. However, the findings presented in the TRR, and in particular the recommendations in the “Conclusions” section, should be fully consistent with those in the IDR, except for in those cases where the Party has provided inconsistent or different information in its NC and BR.

47. Where the reporting requirements for BRs are similar to those for NCs but not the same (e.g. in relation to PaMs and financial and technology support), great care needs to be taken to ensure that the review findings and recommendations/encouragements are adequately adjusted to match the specific NC and BR reporting requirements.

48. Where the ERT recognizes inconsistencies between the information provided by a Party in its NC, BR or GHG inventory, it should flag these and recommend or encourage the Party, in the corresponding review report, to ensure consistency in its subsequent submissions. The use of a recommendation or encouragement depends on the way in which the requirements and linkages between different reporting guidelines are framed. For example, the NC reporting guidelines acknowledge that the GHG inventory information provided in the NC “should be consistent” with that provided in the annual GHG inventory; hence, this would lead to the choice of giving an encouragement.

Table 1

Review challenges and suggested approaches in relation to cross-cutting issues

Review challenge	Suggested approach
<p>1. How to choose between recommendation and encouragement?</p>	<ul style="list-style-type: none"> • The basis for the recommendations or encouragements presented in the review reports should be the respective reporting guidelines. • A “shall” requirement is a mandatory requirement and, in case of problems, needs to be addressed through a recommendation. • A “should” requirement is not a mandatory requirement and, in case of problems, needs to be addressed through an encouragement. • A “may” requirement is also not a mandatory requirement and leads to an encouragement. • A “shall” requirement followed by an expression such as “where feasible” or “to the extent possible” is also a mandatory requirement. If the Party has neither reported the information nor provided an explanation for not reporting or partially reporting it, then this should lead to a recommendation provided by the ERT, which should include the language of the reporting requirement (e.g. “The ERT recommends that..., where feasible”; or “The ERT recommends that..., to the extent possible”).
<p>2. How to frame recommendations/ encouragements in the review reports?</p>	<ul style="list-style-type: none"> • Recommendations and encouragements should closely reflect the language of the reporting guidelines and be concrete, factual and neutral, as well as easily traced back to the respective reporting guidelines. • At the same time, they could be adapted to fit a particular finding in the context of the review of a particular Party.
<p>3. How to request a Party to provide additional information?</p>	<ul style="list-style-type: none"> • Two types of additional information: <ul style="list-style-type: none"> (i) Information that refers to future/anticipated developments; (ii) Information that is provided by a Party to address gaps in its reporting. • The ERT can take note of future developments in the review report and can provide guidance on how information thereon could be included in subsequent submissions, but there should not be any recommendation or encouragement provided in this regard. • The ERT should provide a recommendation or an encouragement, as appropriate, for the Party to include in its subsequent NC or BR any additional information provided during the review that addresses reporting gaps or issues identified during the review.
<p>4. How to compile recommendations in the “Conclusions and recommendations” section of the review reports?</p>	<ul style="list-style-type: none"> • The “Conclusions and recommendations” section should include all of the recommendations (referred to as “shall” requirements) that were provided by the ERT in the main body of the report. • The “Conclusions and recommendations” section should not include the encouragements (referred to as “should” and “may” requirements) that were provided by the ERT in the main body of the report.
<p>5. How to assess completeness and transparency</p>	<ul style="list-style-type: none"> • The ERT should treat completeness issues independently from transparency issues and therefore always provide separate recommendations/encouragements for completeness and for transparency

Review challenge	Suggested approach
(completeness vs. transparency)?	<p>in relation to each reporting requirement.</p> <ul style="list-style-type: none"> • If a requirement has not been addressed, this is an issue of completeness and not of transparency (even though missing information might also lead to a lack of transparency). • The ERT should always assess the completeness and transparency of the information provided for a particular requirement in two separate steps: <ul style="list-style-type: none"> (i) The ERT should assess the completeness of the reported information; (ii) The ERT should assess its transparency. • To assess whether information is complete and/or transparent, the ERT may follow these steps: <ul style="list-style-type: none"> (i) If the information reported by the Party corresponds fully to the particular reporting requirement of the guidelines, then this information should be considered complete; (ii) If the information reported by the Party does not give rise to questions and allows the reader to assess its credibility, reliability and relevance, then this information should be considered transparent. Information should also be considered transparent if the elements necessary for its understanding are all provided in an open, clear and factual manner.
<p>6. How to assess the completeness and transparency of the BR CTF tables?</p>	<ul style="list-style-type: none"> • Providing information in the BR CTF tables is a mandatory reporting requirement. • Gaps identified in the BR CTF tables might not necessarily mean incomplete reporting, provided that they are adequately explained by the Party as being due to national circumstances. • When a Party has not reported some information in the CTF tables, the ERT should clarify why the Party did not provide such information and, if relevant, clarify whether any national circumstances precluded the Party from fulfilling the reporting requirement. • When the information provided in this context is relevant, credible and transparent, the ERT can summarize the Party’s explanation in the review report, together with a relevant recommendation for addressing the reporting gap in its next NC or BR.
<p>7. How to assess completeness and transparency (mostly vs. partially)?</p>	<ul style="list-style-type: none"> • The identification of issues and the related assessment of completeness and transparency by the ERT should be based only on the “shall” reporting requirements contained in each section of the NC or BR. • The ERT should ensure consistency with the “Conclusions and recommendations” section of each review report, where only the “shall” reporting requirements are to be addressed. • The ERT should use the checklist to ensure that all requirements have been addressed. • The ERT’s assessment of completeness and transparency should be based on four gradations: fully, mostly, partially, and not complete or transparent.

Review challenge	Suggested approach
	<ul style="list-style-type: none"> • All “shall” requirements should be treated equally and there should not be an artificial ‘weighting factor’ applied, which could imply that some “shall” requirements are more important than others. <p>A section should be classified: [use a. b. etc. here rather than bullets]</p> <ul style="list-style-type: none"> • As “(fully) complete or transparent” when information on all mandatory (“shall”) requirements has been provided; • As “mostly complete or transparent” when the majority of the required elements have been addressed; • As “partially complete or transparent” when less than half of the required elements were provided; • As “not complete or transparent” when none or hardly any of the required elements have been addressed.
<p>8. How to ensure consistency of recommendations and encouragements when reviewing the BR and NC in conjunction?</p>	<ul style="list-style-type: none"> • Where the reporting requirements are the same for NCs and BRs (e.g. GHG inventory and projections), the TRR should not necessarily repeat all of the information that was included in the IDR; a short summary could be adequate. • Where the reporting requirements are the same for NCs and BRs (e.g. GHG inventory and projections), the findings presented in the TRR, and in particular in the “Recommendations and Conclusions” section, should be fully consistent with those in the IDR, except for in those cases where the Party has provided inconsistent information in its NC and BR. • Where the reporting requirements for BRs are similar to those for NCs but not the same (e.g. PaMs and financial and technological support), the language used for the recommendations/encouragements should be fully aligned with the respective reporting guidelines.

4. Quantified economy-wide emission reduction targets and progress in their achievement

4.1. Reviewing the information on the target

49. The BR reporting guidelines stipulate that “each Annex I Party shall describe its quantified economy-wide emission reduction target, including any conditions or assumptions that are relevant to the attainment of that target, as communicated to the secretariat and contained in document FCCC/SB/2011/INF.1/Rev.1 or any update to that document”. Difficulties in reviewing the information on the target mostly stem from the lack of clarity for a number of Parties on reporting requirements relating to the reporting of targets under the Convention. Hence, they reported on their KP targets.

50. In addition, the BR reporting guidelines require each Party to include in the description of its quantified economy-wide emission reduction target the following information:

- (i) Base year;
- (ii) Gases and sectors covered;

- (iii) Global warming potential values as established by the relevant decisions adopted by the COP;
- (iv) Approach to counting emissions and removals from the land use, land-use change and forestry (LULUCF) sector, taking into consideration any relevant decisions adopted by the COP;
- (v) Use of international market-based mechanisms in achieving its emission reduction target, taking into consideration any relevant decisions adopted by the COP, including a description of each source of international units and/or allowances from market-based mechanisms and the possible scale of the contributions of each;
- (vi) Any other information, including relevant accounting rules, taking into consideration any relevant decisions of the COP, where appropriate.

51. When discussing their approaches to using LULUCF or units from market-based mechanisms, Parties sometimes presented information that was pertinent to their KP targets, which may or may not be fully consistent with their targets under the Convention. This poses a challenge to the review and to what information should be reflected in the review report (TRR).

52. For example, the European Union (EU) target was inconsistently presented among some EU member States. The main reason for the observed inconsistency is that the EU has a unilateral target under the Convention that is to be met under different conditions from those for its target under the second commitment period of the KP.

A. Suggested approach to reviewing information on the target

53. The ERT should ensure that the TRR reflects the target under the Convention and not that under the KP (see table below for the differences between those two targets in the example of the EU).

Table 2
EU targets under the Convention and under its Kyoto Protocol

	EU target	
	Convention	CP2 KP
Target	Emissions 20% below 1990 in 2020	Emissions 20% below BY throughout CP
Joint agreement	Only EU member States	Includes Iceland
International aviation	Included	Not included
LULUCF	Not included	Included
NF3	Included	Included
GWP	IPCC AR2 and AR4	IPCC AR4
Base year	1990	Base years as per CP1 KP

Source: European Union submissions.

54. The EU target under the Convention allows for the use of units from market-based mechanisms. However, it is up to each EU member State to decide whether or not it will make use of this provision. Thus, in providing textual and tabular information in the TRR on this issue, the ERT should follow the suggestions provided in the relevant sections below.

4.2. Reviewing the progress made towards achieving the target

55. As Parties were reporting on the progress made towards achieving their targets for the first time in their BR1s, some of them seem to have had difficulties with such reporting, which also poses challenges to the review. Some of these difficulties in reporting stem from the fact that accounting under the KP is different from measuring the progress made towards the target under the Convention (assigned amount/carbon budget versus single-year target trajectory). This difference sometimes led to confusion as to what Parties should report in CTF table 4.

56. This section deals in a more general way with how to reflect the progress made towards achieving the target in the TRR. For the related challenges for the review of information on the contribution from LULUCF and the use of units from market-based mechanisms, see sections 4.3 and 4.4 below. For reviewing mitigation actions and their effects as part of the progress made towards achieving the target, please refer to the relevant section of this paper on PaMs.

57. Although the ERTs are in a position to have access to a wealth of information with regard to a Party's climate change actions, their mandate is limited to the objective technical examination of the reported information and to ensuring that the COP is provided with reliable information (complete, transparent and consistent). Such information will enable the COP and the Subsidiary Body for Implementation, through the multilateral assessment process, to assess Parties' progress in achieving their targets as per the relevant guidelines. Decision 23/CP.19 clearly defines the mandate of the ERTs, stating, among other things, that "the individual review will undertake a technical examination of a Party's progress in achieving its target". The assessment during the technical review of whether a Party is making progress towards its target is essential, as this is the main focus of the subsequent multilateral assessment.

A. Suggested approach to reviewing the progress made towards achieving the target

58. The ERT needs to reflect in the TRR what the Party reported, but at the same time highlight to what extent this information is in accordance with the requirements of the respective guidelines in terms of consistency, completeness and transparency.

59. The ERT should strive to ensure that the text of the TRR remains factual and reflects the information presented by the Party. Overall, the ERT should aim to highlight in a technical, objective and well-substantiated manner the information that is critical to the next steps in the IAR process.

60. To reflect a Party's progress, the ERT should include a factual statement of the main PaMs/strategies that are contributing to achieving the target, as well as reflect the emission level (including LULUCF and use of credits from market-based mechanisms, if applicable) in the latest reported year and the projected emission level in the target year, compared with the base year level and target year level. On the basis of this information, the ERT should assess from a technical point of view whether the Party is making (good) progress towards achieving its target.

61. In addition, the ERT should reflect any challenges faced in meeting the target, on the basis of information provided by the Party.

4.3. Reviewing information on the contribution from land use, land-use change and forestry

62. Providing information on LULUCF in CTF table 2 and filling out the LULUCF-related information in CTF table 4 has proven challenging, in particular for KP Parties, because in some cases the Parties' KP targets differ from their Convention targets. In particular, some Parties use different accounting approaches for LULUCF: land-based approach under the Convention versus activity-based approach under the KP. In addition, Parties were sometimes unclear as to the values that they needed to report in the CTF tables and provided inconsistent information in the text and tables, including inconsistent information between CTF tables 2 and 4. For the TRRs to provide a solid technical basis for the multilateral assessment, it is important that the ERTs reflect the Parties' progress in a meaningful and consistent way in the review reports, in particular in table 3 of the TRR, and not only describe what and how a Party reported.

A. Suggested approach to reviewing information on the contribution from land use, land-use change and forestry

63. With regard to LULUCF emissions/removals, if inconsistent information is provided or if a Party erroneously reports in BR CTF table 4 the contribution from LULUCF, it is essential for the ERT to clarify this with the Party during the review and reflect the correct information in the TRR and its table 3. This means that, if there are doubts about the reported information, the ERT should clarify first with the Party whether LULUCF is or is not included in the target and then whether the Party applies the land-based or activity-based approach to counting emissions from the LULUCF sector. The ERT should then assess whether the information on emissions/removals from the contribution from LULUCF in CTF table 4 is consistent with the approach specified for the target.

64. If a Party erroneously reports in BR CTF table 4 the contribution from LULUCF (e.g. the Party does not account for LULUCF units in its target, but reported emissions/removals; or the Party presented KP data instead of Convention data), then the ERT should note in the review report the reported information, conclude on what the correct information should be, and provide a recommendation for the Party to enhance the transparency of its reporting by providing the correct information in its next submission.

65. For all Parties that do include LULUCF in their target under the Convention, the ERT should include the reported (in the BR CTF tables or during the review) information in table 3 of the TRR for "LULUCF emissions/removals". Information in the column "Emissions including LULUCF" should then be the sum of the information in the columns "Emissions excluding LULUCF" and "LULUCF emissions/removals".

66. For all Parties that do not include LULUCF in their target under the Convention, the ERT should use the notation key for not applicable ("NA") in table 3 of the TRR for "LULUCF emissions/removals" and "Emissions including LULUCF" (applies to all EU member States).

4.4. Reviewing the use of units from market-based mechanisms

67. Parties can elect to use units from market-based mechanisms to achieve their individual targets under the Convention. In some cases, Parties have reported that they do plan on making use of units from market-based mechanisms in CTF table 2. Among the Parties that elected to use units from market-based mechanisms, few have included the possible scale of contributions of those units to the achievement of their target in CTF table 2. Yet, they reported a “0” value in CTF table 4, either to indicate that they have not yet been able to estimate the contribution of the market-based mechanisms towards their target or that for the years reported no units were acquired.

68. There were also cases where the textual information provided indicated that the Party did not intend to use units from market-based mechanisms, but values were reported in CTF table 4. The latter indicates that reporting the use of units from market-based mechanisms under the Convention is sometimes confused with the reporting of units in the KP registry, which includes the issued assigned amount units (AAUs) for KP accounting. In addition, KP Parties may have different rules for the use of units from market-based mechanisms under their KP and their Convention targets and/or may not intend to use the same amount of units to reach each target.

69. The above issues have in some instances resulted in unclear or inaccurate reporting of information in the BR and CTF tables and in inconsistencies between the information reported in the text and the tables. For the TRRs to provide a solid technical basis for the multilateral assessment, it is important that the ERTs reflect the Parties’ progress in a meaningful and consistent way in the review reports, in particular in table 3 of the TRR, and not only describe what and how a Party reported.

A. Suggested approach to reviewing the use of units from market-based mechanisms

70. With regard to the use of units from market-based mechanisms, if inconsistent information is provided or if a Party erroneously reports in BR CTF table 4 the use of units (for example, issued AAUs and not only those that were acquired to achieve the target), it is essential for the ERT to clarify this with the Party during the review and reflect the correct information in the TRR and its table 3. This means, if there are doubts, the ERT should clarify whether the Party intends to use units from market-based mechanisms to achieve its target. The ERT should then assess whether the information on the quantity of units from market-based mechanisms provided in CTF table 4 is consistent with the approach specified for the target.

71. The ERT should include information in the TRR as reported by the Party, unless it is obvious that the reported values do not correspond to the units that the Party acquired and intends to use to achieve its target. For example, the reported use of units for some Parties greatly exceeds their emissions, while some of these Parties project emissions with existing PaMs well below the target under the Convention and, hence, do not even need to use units from market-based mechanisms to achieve their target. In these cases the ERT should note in the review report the reported information, clarify with the Party what the actual intended use of units for achieving the target is, and provide a recommendation for the Party to enhance the transparency of its reporting by providing the correct information in its next submission.

72. Some KP Parties plan to use units for achieving their targets under the Convention consistent with their accounting under the KP, but do not report a value for units from market-

based mechanisms in CTF table 4, providing the argument that they will only know the quantity of units by the end of the KP commitment period. In these cases, and where applicable, the ERT could use the annual mean value of the total units (planned to be) acquired for the KP commitment period as a proxy value.

73. In table 3 of the TRR, the ERT should use the values reported by the Party (in the BR CTF tables or during the review) if the Party makes use of units from market-based mechanisms, the notation key “NA” when a Party does not plan to use units from market-based mechanisms, and the value “0” when the Party intends to use units from market-based mechanisms but does not report on units for particular years. In all cases, the source of the value of the units included in table 3 should be explained in a footnote.

4.5. Reviewing the effects of individual mitigation actions

74. As part of their NCs and BRs, Parties have to report on the effects of their PaMs (used here interchangeably with mitigation actions). However, there are differences in the reporting requirements for NCs and BRs, which have led to review challenges faced by experts, potentially leading to incorrect assessments.

75. In their NCs, Parties are required to report a table including a column for information on estimated mitigation impact, by gas. However, the NC reporting guidelines specify that Parties’ description of each PaM should include, as appropriate, a quantitative estimate of the effects of individual PaMs, or a collection of PaMs, for particular years (1995, 2000 and 2005). At the time that the NC reporting guidelines were adopted, this meant that Parties should report for one historical year and two future years. In the BRs, Parties are required to report CTF table 3, which includes the reporting of information on mitigation actions and their effects for 2020 and for any additional year deemed relevant by the Party.

76. The challenge in reviewing the reporting of this information is therefore to reconcile some of the differences between the reporting requirements for NCs and BRs and make the appropriate encouragement in the case of NCs or recommendation in the case of BRs.

A. Suggested approach to reviewing the effects of individual mitigation actions

77. The case of the NC is simpler than that of the BR, since the reporting of information on the effects of individual PaMs is not mandatory. Where no estimates, or unclear estimates, of mitigation impact are reported by a Party in its NC, the ERT should encourage the Party to improve the completeness or transparency of its reporting by including or clarifying this information in its next NC. This encouragement should be reflected in the IDR and no recommendation should be included there in relation to this requirement.

78. In the case of the BR, the lack of reported information on the effects of mitigation actions for 2020 would normally lead to a recommendation to improve the completeness of the reporting by including the effects of mitigation actions for 2020 in the next BR. However, in accordance with the conclusions of the first meeting of lead reviewers in 2014, the ERT should clarify, where applicable, why a Party did not report some information in the BR CTF tables, including on the effects of its individual mitigation actions, and summarize the Party’s explanation in the review report. Gaps in reporting identified in the BR CTF tables might not necessarily mean incomplete reporting, provided that they are adequately explained by the Party

as being based on its national circumstances. The ERT should therefore recommend in the TRR that the Party improve the transparency of its reporting by including the explanation for such gaps in its next submission of the BR and/or the BR CTF tables. If, on the other hand, the gaps in reporting cannot be rationalized on the basis of national circumstances, the ERT should recommend that the Party improve the completeness of its reporting by including this information in its next BR.

4.6. Reviewing how policies and measures are modifying longer-term trends in anthropogenic greenhouse gas emissions and removals

79. In the case of NCs only, although there is no specific requirement to report on progress made in achieving the quantitative economy wide emission reduction target as such, Parties are nevertheless required to provide information on how they believe their PaMs are modifying longer-term trends in GHG emissions and removals consistent with the objective of the Convention. According to the NC reporting guidelines, information on PaMs “should be presented as an estimate for a particular year, such as 1995, 2000 and 2005, not for a period of years”.

80. In the case of many of the reviews of NCs, the ERTs have highlighted the challenge of reviewing this mandatory information reported by Parties. Many Parties either: (a) did not report information to fulfil this reporting requirement, which leads to a recommendation to include it in their next NC; (b) attempted to satisfy this reporting requirement by referring to the expected effects of individual PaMs or the total effect of PaMs; or (c) assumed that the reporting of projections was sufficient. However, there are issues with all three of these reporting approaches, which resulted in challenges in reviewing this information and deciding whether a recommendation was in order.

A. Suggested approach to reviewing how policies and measures are modifying longer-term trends in anthropogenic greenhouse gas emissions and removals

81. The effects of individual PaMs or groups of PaMs, or the total effect of PaMs, are presented only for specific years, usually for one historical year (2010) and for two future years in the short to medium term (2015 or 2020, but sometimes for 2030). Since the effect of a PaM or of all PaMs is commonly estimated by comparing a situation with the PaM(s) to a situation without the PaM(s), this estimated value consists of avoided GHG emissions and does not indicate how the actual trend in anthropogenic GHG emissions and removals is expected to be modified. Actually, longer-term trends in GHG emissions could still be increasing even if a PaM is expected to result in a large value of avoided GHG emissions. Thus, this information on its own does not adequately fulfil the reporting requirement and leads to a recommendation on completeness to include the relevant information. If, however, the Party reported specifically on how this PaM is or all PaMs and their resulting effects are expected to modify GHG emissions in the longer term, then this information may be complete and transparent and a careful technical assessment of the plausibility of this statement needs to be performed.

82. Other methods are also used to estimate the effects of PaMs that provide the expected reduction in emissions from the level of GHG emissions for a historical year. Although the expected emission reductions as a result of the PaM(s) from a historical year allows the ERT to calculate the resulting GHG emission level in the specified year in which the reductions are

expected, the ERT needs to look for the explanation reported by the Party describing how the emission trend will be modified in the longer term.

83. The projection of GHG emissions is a useful tool to assess possible GHG emissions in future years using a particular model and sets of assumptions and parameters under a specific scenario (e.g. with PaMs or without PaMs). As such, the projected GHG emission levels are determined by many factors, including the type and sophistication of the approach used to model economic and population growth, evolution of energy prices, autonomous technological improvements and PaMs. So, if a Party has only reported projections of GHG emissions without adding an explanation of the specific role played by its PaMs in determining the GHG emissions in long-term future years, the ERT should make a recommendation on completeness, since this information cannot be deduced simply from the projections. On the other hand, if information is provided on how PaMs have contributed to the changes in the GHG emission level, the ERT needs to technically assess this information.

84. If a Party has not provided any quantitative information, then it should have provided the relevant qualitative descriptions of the effect of PaMs. The provision of sufficient, clear and plausible qualitative information on the likely role of PaMs in determining longer-term trends in GHG emissions would not lead to a recommendation.

85. A Party could, for example, have: discussed factors that might influence the successful implementation of a particular PaM and address the potential interactions with other PaMs; highlighted expected changes in activity levels or structural changes in a sector; discussed potential changes in current practices following the implementation of the PaM; and discussed how the resulting structural impacts on GHG emissions might persist in the long term. Or, a Party could have reported relevant elements from its 2050 emission reduction or sustainable development strategies. Examples include PaMs that address infrastructure such as roads and buildings (e.g. energy efficiency in buildings) and PaMs linked to urban planning, including in the waste sector (recycling versus landfilling) or in the energy sector (shift to gas and elimination of nuclear plants).

4.7. Reviewing projections and the total effect of policies and measures

86. The relevant reporting requirements for BRs are identical to those for NCs. The NC reporting guidelines stipulate that “projections shall be presented on a sectoral basis, to the extent possible, using the same sectoral categories used in the policies and measures section”. As the guidelines are not prescriptive with respect to projections, Parties are naturally following a number of different approaches, reflecting their particular national circumstances. However, Parties did not always report consistent information in their BR1s and NC6s, nor did they follow the mandatory requirements on how projections should be presented (by sector and gas) and on how the total effect of PaMs should be presented (overall total and total by gas).

87. Projections indicate whether a Party is on track to achieve its emission reduction target or under which conditions a Party might be able to achieve its target. The guidelines stipulate that projections shall be presented on a sectoral basis, to the extent possible, using the same sectoral categories used in the PaMs section (e.g. energy, transport, industry, agriculture, forestry and waste management). However, an interesting case is that of the EU target, which is split into a target for the emissions from sectors covered by the European Union Emissions Trading System (ETS sector) and a target for the emissions from sectors covered by the EU effort-sharing

decision. The challenge is therefore to review the information on projections reported by EU member States in order to make a technical assessment of whether an EU member State is on track to achieving its target under the Convention or its Kyoto Protocol on the basis of its projected GHG emissions.

A. Suggested approach to reviewing projections and the total effect of policies and measures

88. In reviewing information on projections, the ERT should check if the Party closely adhered to the guidelines and completed CTF tables 5 and 6. “With measures” scenario projections should encompass implemented and adopted PaMs after a cut-off year;² “with additional measures” scenario projection should, in addition, include all planned PaMs after the cut-off year; and “without measures” scenario projections should exclude all implemented, adopted and planned PaMs since the cut-off year. The ERT should also check if the Party has presented its projections in a consistent manner in its NC and BR.

89. The guidelines suggest that the projections be presented for the same sectoral categories as used in the PaMs section, to the extent possible. This allows Parties the possibility of choosing a different sectoral breakdown if they consider it more appropriate, as long as the information provided is complete and transparent.

90. However, the way many Parties have formulated their targets is not conducive to using the sectoral breakdown suggested in the PaMs chapter. One such example is the EU target which is split into a target for the ETS emissions and a target for the non-ETS emissions. This gives rise to the question of what projections information Parties should be reporting to enable a better assessment of their progress in achieving their targets. If an EU member State did not present projections for emissions from the ETS and non-ETS sectors separately improves the, the ERT should not recommend that this more detailed information be provided by the Party since it is not specifically required by the reporting guidelines.

Table 3
Review challenges and suggested approaches in relation to quantified economy-wide emission reduction targets and progress in their achievement

Review challenge	Suggested approach
<p>1. Technical examination of progress made towards achieving the target in the TRR</p> <p><i>How should the ERT formulate its findings with regard to the progress made by Parties towards their</i></p>	<ul style="list-style-type: none"> The ERT should reflect in the TRR what the Party reported, but at the same time highlight to what extent this information is in accordance with the requirements of the respective guidelines in terms of consistency, completeness and transparency. The ERT should include a factual statement of the main PaMs/strategies that are contributing to achieving the target, as well as reflect the emission level (including LULUCF and use of credits from market-based mechanisms, if applicable) in the latest reported year and the projected emission level in the target year, compared

² Implemented PaMs are those to which one or more of the following applies: (a) national legislation is in force; (b) one or more voluntary agreements have been established; (c) financial resources have been allocated; and (d) human resources have been mobilized. Adopted PaMs are those for which an official government decision has been made and there is a clear commitment to proceed with implementation. Planned PaMs are options under discussion that have a realistic chance of being adopted and implemented in the future.

Review challenge	Suggested approach
<p><i>targets?</i></p>	<p>with the base year level and target year level.</p> <ul style="list-style-type: none"> • On the basis of this information, the ERT should assess from a technical point of view whether the Party is making progress towards achieving the target. • The ERT should reflect any challenges faced in meeting the target, on the basis of information provided by the Party.
<p>2. Assessment of the contribution of LULUCF towards achieving the target in the TRR</p> <p><i>How should the ERT reflect in the TRR the information reported by a Party on the contribution of LULUCF units towards achieving its target?</i></p>	<ul style="list-style-type: none"> • If inconsistent information is provided, or if a Party erroneously reports in BR CTF table 4 the contribution from LULUCF (e.g. the Party does not account for LULUCF units in its target, or the Party presented KP data instead of Convention data), it is essential for the ERT to clarify this with the Party during the review and reflect the correct information in the TRR and its table 3. The ERT should: [formatting of a/b/c not consistent with in other tables] <ul style="list-style-type: none"> (i) Note in the review report the reported information; (ii) Conclude on what the correct information should be; (iii) Provide a recommendation for the Party to enhance the transparency of its reporting by providing the correct information in its next submission. • For all Parties that include LULUCF in their target under the Convention, the ERT should include the reported (in the BR CTF tables or during the review) information in table 3 of the TRR for “LULUCF emissions/removals”. “Emissions including LULUCF” should be the sum of “Emissions excluding LULUCF” and “LULUCF emissions/removals”. • For all Parties that do not include LULUCF in their target under the Convention, the ERT should use the notation key “NA” in table 3 of the TRR for “LULUCF emissions/removals” and “Emissions including LULUCF” (this applies to all EU member States).
<p>3. Assessment of the contribution of market-based mechanisms towards achieving the target</p> <p><i>How should the ERT reflect in the TRR the information reported by a Party on the contribution of units from market-based mechanisms towards achieving its target?</i></p>	<ul style="list-style-type: none"> • If inconsistent information is provided, or if a Party erroneously reports in BR CTF table 4 the use of units (i.e. the reported information does not correspond to the units that the Party acquired and intends to use to achieve the target), it is essential for the ERT to clarify this with the Party during the review and reflect the correct information in the TRR and its table 3. The ERT should: <ul style="list-style-type: none"> (i) Note in the review report the reported information; (ii) Clarify with the Party what the actual intended use of units for achieving the target is; (iii) Provide a recommendation for the Party to enhance the transparency of its reporting by providing the correct information in its next submission. • In table 3 of the TRR, the ERT should use the value reported by the Party (in the BR CTF tables or during the review) if the Party makes use of units from market-based mechanisms, the notation key “NA” when a Party does not plan to use units from market-based

Review challenge	Suggested approach
	<p>mechanisms, and the value “0” when the Party intends to use units from market-based mechanisms but does not report on units for particular years. In all cases, the origin of the value included in table 3 should be explained in a footnote.</p>
<p>4. Review of reporting on the individual effects of mitigation actions in BRs</p> <p><i>How should the ERT formulate its findings when effects of mitigation actions are not reported?</i></p>	<ul style="list-style-type: none"> • The ERT should reflect in the TRR what the Party reported, as appropriate, and what information is missing. • The ERT should include any explanation provided in the BR or during the review, especially information on national circumstances that may have prevented/hindered the Party from reporting on this requirement. • The ERT should reflect any challenges in estimating the effects of mitigation actions faced by the Party. • On the basis of this information, the ERT should assess whether the gap in reporting is one of transparency (if gap can be adequately explained by the Party as being due to national circumstances) or of completeness (where gap in reporting cannot be explained by national circumstances). • Example: In its BR1 and CTF table 3, Party X has not reported on the effects of its individual mitigation actions for 2020. However, during the review Party X explained that the building hosting its highly sophisticated server CPUs used to compute the individual and total effects of its 567 mitigation actions burned down after it was struck by lightning during hurricane Zwedna. Party X further explained that, as a result, it will not be able to provide estimates before its next BR submission. The ERT therefore recommends that Party X improve the transparency of its reporting by including this explanation in its next BR.
<p>5. Review of reporting in NCs on how Parties believe their PaMs are modifying longer-term trends in GHG emissions and removals</p> <p><i>When should this requirement be considered fulfilled? Is the provision of estimates of the effects of PaMs for particular years (e.g. 2015, 2020 and 2030) sufficient to substantiate how PaMs are modifying longer-term emission trends?</i></p>	<ul style="list-style-type: none"> • The provision of estimates for the effects of individual or all PaMs for particular years cannot adequately capture the general direction in which emissions are developing or changing and the ERT should recommend that the Party provide further information in its next NC. • The ERT should consider the reported information complete if the Party complemented the quantitative information on the effects of PaMs with textual information and further explanations based on its national circumstances, overall climate strategy and planned actions. The textual information can, for example, include relevant elements from a Party’s 2050 emission reduction or sustainable development strategy, and a discussion of policies that have structural effects, affect common practices and have long-term impacts, such as PaMs that address infrastructure (e.g. energy efficiency in buildings) and PaMs linked to urban planning, including in the waste sector (recycling versus landfilling) or in the energy sector (shift to gas and elimination of nuclear plants). • If the NC does not include a specific discussion on longer-term trends as indicated above, the ERT should provide a recommendation to this effect.

Review challenge	Suggested approach
	<ul style="list-style-type: none"> Example: The ERT noted that, while Party Y did not explicitly state in its NC6 how it believes its PaMs are modifying longer-term trends in GHG emissions, many of the PaMs reported are expected to have lasting effects on such trends, as suggested in the projections for 2050. The ERT recommends that Party Y explain specifically how its PaMs are expected to modify GHG emissions in the longer term in its next NC.
<p>6. Review of reporting on EU member States' projections</p> <p><i>Should the ERT be providing an encouragement/recommendation when an EU member State does not provide projections separately for the ETS and non-ETS sectors?</i></p>	<ul style="list-style-type: none"> The EU member States mostly present their projections in accordance with the sectoral categories identified in the NC reporting guidelines. As per the guidelines, the ERT cannot recommend/encourage that the EU member States report separate projections for emissions covered by the ETS and ESD sectors. Example: The ERT could state in the review report: "Party Z's reporting on GHG emission projections is complete and transparent. The ERT notes that presenting separate projections for emissions from sectors covered by the ETS and the ESD would further facilitate the assessment of whether Party Z is on track to achieving its target".

5. Provision of financial and technological support to developing country Parties

91. The level of detail of the reporting on the provision of financial, technological and capacity-building support has increased compared with that reported by Annex I Parties previously in their fifth national communications through the introduction of BR and BR CTF reporting requirements. The review of the provision of support reported in the NCs and BRs might be challenging as, besides the overlapping reporting requirements, there are different reporting requirements on the same matter in the NC and BR reporting guidelines. Therefore, when reviewing the BR and NC in conjunction, the ERTs should be very careful when cross-referencing the IDR and TRR.

5.1. Reviewing information on the provision of financial support

92. A few challenges have been noted in reviewing information that has been reported for the first time by Parties in their BRs, leading to a lack of detail and transparency of the reported information. These challenges include: the review of the description of how the financial resources provided effectively address the needs of non-Annex I Parties with regard to climate change adaptation and mitigation; and the review of the description of Parties' national approach to tracking the provision of financial, technological and capacity-building support. Some ERTs were not sure how to address the information on financial support provided by Parties with economies in transition and Parties not included in Annex II to the Convention (non-Annex II Parties), or how to assess the reporting in the NC6s on contributions to the Adaptation Fund.

93. The BR reporting guidelines stipulate that each Party included in Annex II to the Convention (Annex II Party) "shall describe, to the extent possible, how it seeks to ensure that the resources it provides effectively address the needs of non-Annex I Parties with regard to climate change adaptation and mitigation". In some cases Parties did not report on how the

financial resources provided “effectively” addressed the needs of non-Annex I Parties, but instead reported on the efforts that they make to ensure that the financial resources provided do take these needs into consideration. In this respect, some Parties reported for example on the type of cooperation agreements that they establish with non-Annex I Parties, on the structures and arrangements that they have in place to consult with non-Annex I Parties and on how they ensure national ownership, but not necessarily on how the financial resources “effectively” address the needs of non-Annex I Parties.

94. The BR reporting guidelines also stipulate that “each Annex II Party shall provide a description of its national approach for tracking of the provision of financial, technological and capacity-building support to non-Annex I Parties, if appropriate”. Some Parties reported tracking the provision of financial support using the Rio Markers for climate change mitigation and adaptation. These markers, developed and defined within the Development Assistance Committee of the Organisation for Economic Co-operation and Development, are a new methodology developed a few years ago and are already used by many developed countries to track public finance dedicated to addressing climate change related issues on adaptation and mitigation. According to the existing approach for these markers, through a system of allocating points or percentages to each cooperation project, depending on whether mitigation/adaptation is a ‘primary’ or a ‘significant’ objective of the financing provided, or not an objective at all, Parties are enabled to report on the climate-related financing that they have provided to developing countries. In reviewing the information on tracing the provision of financial support through the use of the Rio Markers, the ERT needs to pay particular attention to how a Party has classified the objectives of the projects keeping in mind this approach so as to avoid the double counting of the support provided.

95. According to the BR reporting guidelines, the description of the national approach to tracking the provision of financial support “shall include information on indicators and delivery mechanisms used and allocation channels tracked”. Allocation channels and delivery mechanisms could be understood as appropriate institutional and operational arrangements to efficiently and effectively deliver funds where they are most needed so as to enable the success of global adaptation and mitigation efforts.³ Suggested approach to reviewing information on financial support provided by Parties with economies in transition

96. When reviewing the information on provision of financial support in both the BRs and NCs, some ERTs questioned how to address the information on financial support provided by Parties with economies in transition and non-Annex II Parties. The BR reporting guidelines stipulate that “Annex II Parties shall provide information on the provision of financial, technological and capacity-building support to non-Annex I Parties”. The NC reporting guidelines stipulate that “in accordance with Article 12, paragraph 3 Annex II Parties shall provide details of measures taken to give effect to their commitments under Article 4 paragraphs 3,4 and 5”. Therefore, non-Annex II Parties do not have an obligation to report on the provision on financial, technological and capacity-building support to developing country Parties. If this

³ Examples of allocation channels/delivery mechanisms are the financing mechanisms of the Convention, the Green Climate Fund, the Climate Investment Funds and the Adaptation Fund, as well as new evolving mechanisms such as performance-based payments like those for REDD-plus, bilateral and multilateral channels such as the Food and Agriculture Organization of the United Nations and the United Nations Development Programme, or national financial mechanisms, such as a national development bank, or a simple trust fund.

information is provided by a non-Annex II Party, it should be treated as information provided on a voluntary basis.

97. The ERT should review and note the information provided by the non-Annex II Party on the provision of financial support. The ERT should not provide a recommendation or an encouragement as this information was provided on a voluntary basis. The ERT can commend the Party for reporting this information and suggest that the Party continue reporting thereon in its subsequent submissions.

A. Suggested approach to reviewing contributions to the Adaptation Fund

98. When reviewing the NC6s of KP Parties, some ERTs were not sure if reporting on contributions to the Adaptation Fund was mandatory. The Adaptation Fund is sourced by a share of proceeds from the certified emission reductions under the clean development mechanism. In addition, KP Parties can contribute to the fund on a voluntary basis.⁴ According to decision 15/CMP.1, “any Party included in Annex I that has provided funding for the Adaptation Fund <...> shall report on its financial contributions to this fund”.

99. If a KP Party has made a contribution to the Adaptation Fund, it shall report on that in its NC. If a Party did not report information on such a contribution, the ERT should reflect this in the review report and provide a relevant recommendation. If a KP Party has not made any contribution to the Adaptation Fund, it cannot be expected to report on it. The ERT should not then provide a recommendation or encouragement on this issue.

5.2. Reviewing information on the provision of technology transfer

100. A few mandatory reporting requirements linked to technology transfer proved challenging during the reviews. Among them are the requirements for Parties to distinguish between technology transfer activities undertaken by the public and private sectors, to report on the support that they have provided for the development and enhancement of endogenous capacities and technologies in developing countries, to report on success and failure stories, and to report on their activities for financing access by developing countries to ‘hard’ or ‘soft’ environmentally sound technologies.

101. Many technology transfer activities are a product of the cooperation of the public with the private sector and thus Parties often find it difficult or impossible to make a clear distinction as required by the NC reporting guidelines. However, some Parties reported on actions taken to encourage the effective participation of the private sector in technology transfer projects or described programmes that have a strong technology transfer element, highlighting how the private sector is involved in those. Reviewing BR CTF table 8 (information on technology transfer) can help to clarify how and to what extent the private sector is expected to contribute to technology transfer efforts. BR CTF table 8 indicates the source of the funding for technology transfer as public, private or both.

⁴ The contributions made by Parties are available on the website of the Adaptation Fund. The document reflecting the contributions made by Parties is prepared on regular basis (2–3 times a year) for the Board of the Adaptation Fund (the latest version at the time of the preparation of this paper is available at <https://www.adaptation-fund.org/sites/default/files/AFB.EFC_.16.4%20Trustee%20Report.pdf>). Information from the trustee and real-time financial data are available at <<http://fiftrustee.worldbank.org/index.php?type=fund&ft=af>>.

102. Reviewing the support that Annex I Parties provided for the development and enhancement of endogenous capacities was challenging in some cases, as the nature of the endogenous capacities was not clear. Some Parties highlighted in the description of their technology transfer projects the relevant capacity-building elements. This was acknowledged by the ERTs and reflected in the review reports.

103. Another challenge that some ERTs faced was the review of information provided by Parties on ‘hard’ and ‘soft’ technology transfer. The technology activities transferred and developed can be ‘hard’ or ‘soft’ in nature. To understand these concepts, the ERTs may refer to the definitions provided by the Intergovernmental Panel on Climate Change.⁵ The differences between these types of technology are not always clear, and some activities have characteristics of both; in these cases it is helpful if both ‘hard’ and ‘soft’ aspects of the activity in question are highlighted in Parties’ descriptions.

A. Suggested approach to reviewing success and failure stories

104. With regard to the review of success and failure stories of technology transfer, it is worth mentioning that the nature of the reporting requirements in the BR and NC reporting guidelines is slightly different. While the requirement to report success and failure stories in the NC is mandatory, the BR reporting requirement is not. The NC reporting guidelines stipulate that “Parties shall, where feasible, report activities related to technology transfer, including success and failure stories, using table 6”. The BR reporting guidelines stipulate that “Parties may also provide information on success and failure stories”.

105. Some ERTs found that information on success and failure stories was not provided at all, or was provided only in textual format, without table 6 of the NC reporting guidelines. Some Parties reported in a qualitative way on factors that contributed to a particular technology transfer project being successful. For example, one Party reported such factors as being the programmatic approach and local ownership for one of its projects and for another one innovative financing and local partnerships.

106. The ERT should consider that the requirement to report success and failure stories has been fulfilled when the Party has clearly highlighted in the text and/or the relevant tables the success/failure story(ies) related to at least one project. If a Party, in its NC, has provided substantive information in textual format, but not in table 6, the ERT should recommend that the Party improve the transparency of the reported information by filling out table 6 in its next NC. If a Party, in its BR, did not report on success and failure stories, then the ERT should provide an encouragement to do so in the next BR.

Table 4

Review challenges and suggested approaches in relation to the provision of financial and technological support to developing country Parties

Review challenge	Suggested approach
1. Assessment of information on the provision of financial	<ul style="list-style-type: none"> • The ERT cannot provide a recommendation or an encouragement as there is no requirement for non-Annex II Parties to report on the financial support that they have provided to developing countries. • The ERT can commend the Party for reporting this information and

⁵ Intergovernmental Panel on Climate Change. 2001. *Methodological and Technological issues in Technology Transfer*. Available at < http://www.grida.no/publications/other/ipcc_sr/?src=/climate/ipcc/tectran/006.htm>.

Review challenge	Suggested approach
<p>support by non-Annex II Parties/Parties with economies in transition</p> <p><i>How should the ERT formulate its findings on financial support provided by non-Annex II Parties?</i></p>	<p>suggest that the Party continue including it in its subsequent submissions.</p>
<p>2. Assessment of contributions to the Adaptation Fund</p> <p><i>How should the ERT formulate its findings if a Party does not report on its contribution to the Adaptation Fund?</i></p>	<ul style="list-style-type: none"> • The Adaptation Fund is sourced by a share of proceeds from the certified emission reductions under the clean development mechanism. • In addition, KP Parties can contribute to the fund on a voluntary basis. • If a KP Party has made a contribution to the Adaptation Fund, it shall report on that in its NC (decision 15/CMP.1, para. 43). If a Party did not report information on such a contribution, the ERT should reflect this in the review report and provide a relevant recommendation. • If a KP Party has not made any contribution to the Adaptation Fund on a voluntary basis, it cannot be expected to report on it. The ERT should not then provide a recommendation on this issue.
<p>3. Assessment of the reporting of success and failure stories related to technology transfer in the BRs and NCs</p> <p><i>How should the ERT formulate its findings on success and failure stories with regard to technology transfer in the case that table 6 of the NC reporting guidelines is not provided?</i></p>	<ul style="list-style-type: none"> • The ERT should consider that this requirement has been fulfilled when the Party has clearly highlighted in the text and the relevant tables the success/failure story(ies) related to at least one project. • NC: If a Party provided substantive information in textual format, but not in table 6, in its NC, the ERT should recommend that the Party improve the transparency of its reporting by filling in table 6 in its next NC. • BR: If a Party did not report on success and failure stories in its BR, then the ERT should provide an encouragement to report this information in the next BR.

6. Article 7, paragraph 2, of the Kyoto Protocol

107. The Article 7 guidelines, in section II on reporting of supplementary information under Article 7, paragraph 2, of the Kyoto Protocol, require Annex I Parties that are also Parties to the Kyoto Protocol (referred to as Annex I Parties in this section) to report on the following aspects, among others: supplementarity relating to the mechanisms pursuant to Articles 6, 12 and 17 of the Kyoto Protocol; PaMs in accordance with Article 2 of the Kyoto Protocol; domestic and regional programmes and/or legislative arrangements and enforcement and administrative

procedures; information on Article 10 of the Kyoto Protocol; and financial resources (on the implementation of Article 11 of the Kyoto Protocol).

108. In many cases Annex I Parties provided in their NC6s complete and transparent information on the aspects listed in paragraph 107 above; however, in some cases the information on some of these aspects or specific parts of the requirements under these aspects was either not reported or reported in a way that was not transparent or complete. Such problems with reporting posed challenges to the review by the ERTs, in particular when reviewing the reporting elements discussed in the following sections.

6.1. Supplementarity relating to the mechanisms pursuant to Articles 6, 12 and 17 of the Kyoto Protocol

109. The Article 7 guidelines require each Annex I Party to provide information on how its use of the mechanisms is supplemental to domestic action and how its domestic action constitutes a significant element of the effort made to meet its commitments under the Kyoto Protocol. This means that supplementarity obligations under the Kyoto Protocol require any purchase or acquisition of Kyoto Protocol units through mechanisms to be supplemental to emission abatement actions taken domestically. This also means that these actions taken domestically must be a significant element of the overall effort made towards achieving the commitments by an Annex I Party in terms of GHG emission reductions compared with the amount of acquired Kyoto Protocol units. Although the supplementarity requirement was never defined in quantitative terms in the Article 7 guidelines, a number of Annex I Parties have provided a quantitative assessment of how their use of mechanisms is supplemental to domestic action. Other Annex I Parties provided only a qualitative assessment and a third group of Annex I Parties stated that they do not plan to use mechanisms to meet their commitments and that, hence, their domestic action accounts for the overall effort made to meet their commitments under the Kyoto Protocol. Accordingly, the ERTs provided in the review reports a qualitative assessment of supplementarity and, where applicable, they also provided a quantitative assessment.

A. Suggested approach to reviewing supplementarity

110. When assessing information on supplementarity, in particular when this information is not explicitly provided in the context of supplementarity, the ERTs should first assess if an Annex I Party does not intend to use units from the Kyoto Protocol mechanisms to achieve its commitment under the Kyoto Protocol and if this information is clearly stated in its NC. When such information is not explicitly or clearly stated in the NC, the ERTs should request this information and/or clear information on supplementarity in accordance with the Article 7 guidelines before or during the review. In the case that an Annex I Party is not intending to use units from the Kyoto Protocol mechanisms, the requirement of supplementarity is fulfilled and the ERTs can conclude that domestic action accounts for the overall effort made to meet the commitment under the Kyoto Protocol and hence the use of mechanisms is supplemental to domestic action. The ERTs should also reflect this in the review report. If the relevant information was not provided in the NC, the ERTs should include a recommendation on the provision of the information required by the Article 7 guidelines in the next NC.

111. In all other cases, the ERTs should assess if an Annex I Party provided information that quantifies the amount of units from the Kyoto Protocol mechanisms that it plans to use for achieving its commitment. They should also assess if the Party compared this amount with the domestic emission reductions and assess if the Party clearly explained/demonstrated, as a result of such a comparison, how the domestic emission reductions constitute a significant element of

the effort made towards meeting its commitment compared with the amount of units from Kyoto Protocol mechanisms used. If this relevant information was not provided in the NC, the ERTs should request this information and/or clear information on complementarity in accordance with the Article 7 guidelines before or during the review. The ERTs should reflect this information in the review report and include a recommendation on the provision of the information required by the Article 7 guidelines.

6.2. Policies and measures in accordance with Article 2 of the Kyoto Protocol: steps taken to implement decisions of the International Civil Aviation Organization and the International Maritime Organization

112. The Article 7 guidelines require each Annex I Party to identify the steps that it has taken to promote and/or implement any decisions made by the International Civil Aviation Organization (ICAO) and the International Maritime Organization (IMO) in order to limit or reduce emissions of GHGs not controlled by the Montreal Protocol from aviation and marine bunker fuels. Some Annex I Parties did not provide this information at all, while others were not clear in providing the information. For example, many Parties reported that they participate in the meetings and discussions that these organizations hold on environmental and climate-related matters, while other Parties reported on regional actions, but not on domestic or individual actions, undertaken. In these cases, the ERTs found it difficult to assess if this information would be sufficient and/or useful to assess whether the information requirement of the Article 7 guidelines had been met.

A. Suggested approach to reviewing steps taken to implement decisions of the International Civil Aviation Organization and the International Maritime Organization

113. As a basis for the assessment of this reporting requirement, the ERTs could take into account some background information on the work undertaken by these international organizations. For example, according to decisions of the Marine Environment Protection Committee (MEPC), IMO focuses on developing technical, operational and market-based measures for reducing carbon dioxide (CO₂) emissions from shipping. At its 62nd meeting, MEPC decided on the Energy Efficiency Design Index for new ships and the Ship Energy Efficiency Management Plan for all ships, which are now in force.

114. At the same time, ICAO has established some high-ranking working groups, such as the Group on International Aviation and Climate Change, to resolve important political issues related to the introduction of climate protection instruments. On the basis of the work of that group, the 2010 ICAO Assembly approved a plan of measures that included an annual 2 per cent increase in technical efficiency, technical and operational measures and market-based instruments, including the possible introduction of biofuels. The 38th ICAO Assembly decided in its resolution to introduce a global market-based measure to limit CO₂ emissions from air transport, on which a decision is to be made at the 39th ICAO Assembly in 2016 and which is to enter into force in 2020.

115. Therefore, the ERTs should assess if Parties report in their NCs on the steps that they have taken to implement any relevant decisions made by ICAO and IMO, for example those listed in paragraphs 113 and 114 above, and/or how Parties helped to shape some of these decisions. Relevant for the reviews in this context could be any references to studies that Annex I Parties undertook to support deliberations, meetings that they participated in and proposals that they

submitted to ICAO and IMO. Also relevant could be any reports written by Annex I Parties on measures that they have taken following the IMO and ICAO decisions, for example information on voluntary agreements between ship owners, ship operators, the ship-building industry and relevant ministries concerning the reduction of GHG emissions by the maritime sector; or the adoption of measures, such as the simplification and optimization of the airspace and procedures for its use, performance-based navigation roadmaps and aeronautical information management roadmaps.

116. If relevant information on the steps taken to implement any relevant decisions made by ICAO and IMO was not provided by a Party in its NC, the ERT should request this information before or during the review. In all cases, the ERT should assess the information, reflect its findings in the review report and include a recommendation on the provision of the information required by the Article 7 guidelines if this information was not included in the NC.

6.3. Domestic and regional programmes and/or legislative arrangements and enforcement and administrative procedures

117. In accordance with the Article 7 guidelines, reporting on these aspects should address three main distinct issues: (a) legislative arrangements and enforcement and administrative procedures to ensure that Kyoto Protocol commitments will be met, along with information on how these arrangements and procedures are made publicly accessible, and legal procedures for addressing cases of non-compliance; (b) institutional arrangements and decision-making procedures for the coordination of activities to participate in the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol; and (c) legislative arrangements and administrative procedures to ensure that the implementation of activities under Article 3, paragraphs 3 and 4, of the Kyoto Protocol contributes to the conservation of biodiversity and the sustainable use of natural resources.

118. The level and detail of the information reported on domestic and regional programmes, arrangements and procedures indicated in paragraph 117 above varies significantly, probably because it is sometimes not clear to Parties what information should be provided to fulfil the reporting requirements. Therefore, the ERTs also found it difficult sometimes to assess the completeness and transparency of the reported information while striving to maintain consistency in the review approach across Parties. The requirement that proved the most difficult to address in this context was the one concerning the conservation of biodiversity and the sustainable use of natural resources.

A. Suggested approach to reviewing domestic and regional programmes and/or legislative arrangements and enforcement and administrative procedures

119. For all three of the issues listed in paragraph 117 above, the ERTs should assess if Parties provided a description of what legislation they have in place, how it is being implemented and enforced, what institutions are involved and, where applicable, what coordination arrangements are established with regard to participation in the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol. For these issues, the assessment of transparency is more difficult, while the assessment of completeness has proven relatively easier given the language of the reporting requirements. If this information was not provided in the NC, the ERT should request it before or during the review. The ERT should provide its assessment of the information in the review report and include a recommendation on the provision of the information required by the Article 7 guidelines if this information was not included in the NC.

120. In its assessment of these reporting requirements, the ERT can take into account if descriptions, for example, contain the following types of information and their level of detail:

- (i) Legislative arrangements, enforcement and administrative procedures and provisions for their public accessibility and non-compliance procedures: overarching national PaMs relevant to climate change; decrees, regulations and governmental decisions on the implementation of the Kyoto Protocol; procedures for monitoring annually or periodically the progress of the mitigation actions; regulations for emissions trading and/or participation in the Kyoto Protocol mechanisms; PaMs and legal arrangements addressing important sectors of the economy; administrative procedures in place to ensure compliance with environmental rules and regulations; environmental laws, acts and regulations and their relation to climate change actions; enforcement regulations, agreements and legal measures for monitoring compliance and sanctions; information on and references to official government bulletins and governmental websites, which provide public access to information regarding these arrangements and procedures; and the legal provisions that make mandatory the public access to such information (e.g. freedom of information acts or laws);
- (ii) Institutional arrangements and procedures for participation in the mechanisms: administrative framework for participating in the Kyoto Protocol mechanisms and related acts and regulations; decrees and regulations with guidance on the contents of the applications for project approvals, approval procedures and authorization for entities to participate in the mechanisms; and detailed regulations with provisions on the monitoring of emissions, evaluation of approval criteria and implementation of verification processes;
- (iii) Legislative arrangements and procedures to ensure that activities under Article 3, paragraphs 3 and 4, of the Kyoto Protocol contribute to the conservation of biodiversity and the sustainable use of natural resources: forest policies and legislation and their contribution to sustainable forestry; provisions and environmental legislation on nature reserves and habitat protection areas; supplementary legislation and programmes to conserve biodiversity and use of natural resources (e.g. forest biodiversity programmes and national forest programmes); and information on the Party's activities under the Convention on Biological Diversity.

Table 5

Review challenges and suggested approaches in relation to information reported under Article 7, paragraph 2, of the Kyoto Protocol

Review challenge	Suggested approach
<p>Assessment of supplementarity</p> <p><i>How should the ERT formulate its findings when a Party does not report on supplementarity with regard to the use of market-based mechanisms?</i></p>	<ul style="list-style-type: none"> • The ERT should assess whether the Party reported on how its use of the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol is supplemental to domestic action. • When this information is not explicitly or clearly provided in the NC, the ERT should request the Party under review to provide before or during the review clear information on supplementarity in accordance with the Article 7 guidelines. • The ERT should assess if the Party does not intend to use units from the Kyoto Protocol mechanisms to achieve its commitment under the Kyoto Protocol and if this information is clearly stated in its NC. • If the Party clearly indicates that it does not plan to make use of units from the Kyoto Protocol mechanisms to achieve its commitment under the Kyoto Protocol, but does not specifically elaborate on supplementarity, then the ERT should consider this information complete and can conclude that domestic action accounts for the overall effort made to meet the Party's commitments under the Kyoto Protocol, and hence the use of mechanisms is supplemental to domestic action. • In all other cases, the ERT should assess if the Party: <ul style="list-style-type: none"> (i) Provided information that quantifies the amount of units from the Kyoto Protocol mechanisms that it plans to use for achieving its commitment; (ii) Compared this amount with its domestic emission reductions and clearly explained/demonstrated how the domestic emission reductions are more significant than the amount of units from the Kyoto Protocol mechanisms used. • In all cases, when information on supplementarity was not provided in the NC, the ERT should include a recommendation on the provision of the information required by the Article 7 guidelines. • The ERT should use the standard language available in the template and provide a factual statement on whether the Party reported on how its use of the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol is supplemental to domestic action and on whether or not it elaborated on supplementarity.