



United Nations

FC/CP/KP/CMP/2012/6



Framework Convention on
Climate Change

Distr.: General
8 November 2012

Original: English

**Conference of the Parties serving as the meeting
of the Parties to the Kyoto Protocol**

Eighth session

Doha, 26 November to 7 December 2012

Item 9(a) of the provisional agenda

Matters relating to compliance under the Kyoto Protocol

Report of the Compliance Committee

**Annual report of the Compliance Committee to the
Conference of the Parties serving as the meeting of
the Parties to the Kyoto Protocol***

Summary

The seventh annual report of the Compliance Committee to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol covers activities undertaken from 14 October 2011 to 25 October 2012. The report provides a summary of the further consideration by the enforcement branch of the questions of implementation with respect to Croatia, Lithuania, Romania and Ukraine and its consideration of new questions of implementation and a disagreement whether to apply adjustments with respect to Slovakia. It also contains information on discussions by the facilitative branch on provisions relating to facilitation, and discussions of the plenary of the Compliance Committee on: legal arrangements for privileges and immunities for individuals serving on constituted bodies under the Kyoto Protocol; the implications on the work of the Compliance Committee of the additional functions proposed by the Joint Implementation Supervisory Committee; the establishment of a dialogue with compliance bodies under other treaties; and practices relating to the travel costs of members and alternate members of constituted bodies under the Kyoto Protocol.

* This document was submitted after the due date in order to take into account the outcomes of the eleventh meeting of the plenary of the Compliance Committee, which took place from 24 to 25 October 2012.

Contents

	<i>Paragraphs</i>	<i>Page</i>
I. Introduction.....	1–4	3
A. Mandate.....	1	3
B. Scope of the report.....	2	3
C. Action to be taken by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol.....	3–4	3
II. Organizational matters.....	5–19	4
A. Election of the chairpersons and vice-chairpersons of the enforcement and facilitative branches of the Compliance Committee.....	8–9	4
B. Membership in the Compliance Committee.....	10–11	4
C. Transparency, communication and information.....	12–14	5
D. Privileges and immunities for members and alternate members of the Compliance Committee.....	15	5
E. Use of electronic means of decision-making.....	16–19	5
III. Work undertaken in the reporting period.....	20–76	7
A. Activities of the plenary.....	20–32	7
B. Activities of the enforcement branch.....	33–62	9
C. Activities of the facilitative branch.....	63–76	14
IV. Budget for the work of the Compliance Committee.....	77	17
 Annexes		
I. Decisions taken by the enforcement branch of the Compliance Committee during the reporting period.....		18
II. Provision of advice and facilitation in accordance with section IV, paragraph 6(a), of the “Procedures and mechanisms relating to compliance under the Kyoto Protocol”: correspondence between the facilitative branch and Canada.....		21

I. Introduction

A. Mandate

1. Under section III, paragraph 2(a), of the “Procedures and mechanisms relating to compliance under the Kyoto Protocol” (annex to decision 27/CMP.1; hereinafter referred to as the procedures and mechanisms), the plenary of the Compliance Committee (plenary) is to report on the activities of the Committee to each ordinary session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP).

B. Scope of the report

2. The seventh annual report of the Compliance Committee covers the period from 14 October 2011 to 25 October 2012. It summarizes the work of and matters addressed by the Committee during that period.

C. Action to be taken by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol

3. In accordance with section XII of the procedures and mechanisms, the CMP is to consider the annual report of the Compliance Committee.

4. The CMP may also wish to:

(a) Invite the President of the CMP to undertake consultations on the nominations of members and alternate members of the Compliance Committee, as necessary;

(b) Adopt legal arrangements for privileges and immunities and ensure that such arrangements cover the members and alternate members of the Compliance Committee; (see para. 15 below)

(c) Consider the implications on the work of the Compliance Committee of the additional functions proposed by the Joint Implementation Supervisory Committee (JISC) in its recommendations on modalities and procedures for the implementation of Article 6 of the Kyoto Protocol¹ (see para. 29 below);

(d) Provide guidance to the Compliance Committee on the establishment of a dialogue with compliance bodies under other treaties (see para. 14 below);

(e) Request the secretariat to adjust UNFCCC practices so that the travel-related costs of all members and alternate members of the Compliance Committee are covered, thereby aligning such practices with those related to other constituted bodies under the Kyoto Protocol (see paras. 31 and 32 below);

(f) Invite Parties to make contributions to the Trust Fund for Supplementary Activities to support the work of the Compliance Committee in the biennium 2012–2013 and express its thanks to Parties that made contributions during the reporting period (see para. 77 below).

¹ Report of the thirtieth meeting of the JISC, annex 1. Available at http://ji.unfccc.int/Sup_Committee/Meetings/030/ann1.pdf.

II. Organizational matters

5. The plenary held two meetings during the reporting period. The tenth meeting of the plenary was held on 9 February 2012 and the eleventh meeting from 24 to 25 October 2012, both in Bonn, Germany.

6. The facilitative branch met twice in Bonn (from 6 to 8 February 2012 and from 22 to 24 October 2012) and the enforcement branch met six times in Bonn (from 14 to 18 November 2011, from 20 to 21 December 2011, from 7 to 8 and on 10 February 2012, from 8 to 9 March 2012, from 9 to 14 July 2012 and from 22 to 24 October 2012). In addition to these meetings, the bureau and branches of the Compliance Committee used electronic means for decision-making during the reporting period (see chapter II.E below).

7. The agenda and annotations, documentation supporting agenda items and the chairpersons' report on each meeting of the plenary and of the facilitative and enforcement branches are available on the UNFCCC website.²

A. Election of the chairpersons and vice-chairpersons of the enforcement and facilitative branches of the Compliance Committee

8. In accordance with section II, paragraph 4, of the procedures and mechanisms, the enforcement branch elected Mr. René Lefebber as chairperson and Ms. Rueanna Haynes as vice-chairperson by acclamation on 7 February 2012, and the facilitative branch elected Mr. Khalid Abuleif as chairperson and Mr. Adrian Roberts as vice-chairperson by acclamation on 6 February 2012. These chairpersons and vice-chairpersons constitute the new bureau of the Compliance Committee.

9. The plenary expressed appreciation for the work of the members of the previous bureau, namely Ms. Sandea de Wet, chairperson of the enforcement branch, Mr. Kunihiko Shimada, chairperson of the facilitative branch, Mr. Lefebber, vice-chairperson of the enforcement branch, and Mr. Javad Aghazadeh Khoei, vice-chairperson of the facilitative branch.

B. Membership in the Compliance Committee

10. In accordance with rule 3, paragraph 5, of the "Rules of procedure of the Compliance Committee of the Kyoto Protocol" (annex to decision 4/CMP.2, as amended by decision 4/CMP.4; hereinafter referred to as the rules of procedure), when a member or alternate member resigns or is otherwise unable to complete the assigned term or the functions of a member or alternate member, the Compliance Committee is to request the CMP to elect a new member or alternate member for the remainder of the term at its next session.

11. Mr. Mark Berman, an alternate member nominated by Parties included in Annex I to the Convention (Annex I Parties) and elected to serve in the facilitative branch until 31 December 2013, resigned from the Committee as of 16 April 2012. In accordance with section II, paragraph 5, and section IV, paragraph 2, of the procedures and mechanisms, and rule 3, paragraph 5, of the rules of procedure, the plenary requests the CMP to fill the vacancy in the facilitative branch by electing an alternate member from Annex I Parties to serve for the remaining period of Mr. Berman's term.

² <http://unfccc.int/kyoto_protocol/compliance/items/2875.php>.

C. Transparency, communication and information

12. In accordance with rule 9, paragraph 1, of the rules of procedure, the tenth and eleventh meetings of the plenary, parts of the eleventh and twelfth meetings of the facilitative branch and parts of the sixteenth, seventeenth, eighteenth, nineteenth, twentieth and twenty-first meetings of the enforcement branch that were held in public were recorded and broadcast on the Internet through the UNFCCC website.

13. In accordance with rule 12, paragraph 2, of the rules of procedure, all documents of the plenary and of the enforcement and facilitative branches have been made available to the public through the UNFCCC website.³

14. On 28 June 2012, the Chair of the Committee for Administering the Mechanism for Promoting Implementation and Compliance of the Basel Convention (Basel Compliance Committee), at the request of the Conference of the Parties to the Basel Convention,⁴ wrote to the co-chairpersons of the Compliance Committee regarding the establishment of a dialogue on national reporting issues. In its discussions at its eleventh meeting, the plenary expressed interest in the proposal and acknowledged the value of such a dialogue. The plenary concluded that, subject to any views expressed by the CMP, the co-chairpersons of the Compliance Committee would reply to the Basel Compliance Committee, and requested guidance from the CMP on the establishment of a dialogue by the Committee with compliance bodies under other treaties.

D. Privileges and immunities for members and alternate members of the Compliance Committee

15. At its eleventh meeting, the plenary noted the oral report by the secretariat on the current state of negotiations under the Subsidiary Body for Implementation (SBI) on legal arrangements for privileges and immunities for individuals serving on constituted bodies under the Kyoto Protocol. The plenary emphasized the importance of conferring privileges and immunities on members and alternate members in order to secure their attendance at meetings, in particular with respect to the timely issuance of long-term multiple-entry visas.

E. Use of electronic means of decision-making

16. Pursuant to rule 11, paragraph 2, of the rules of procedure, the Compliance Committee may elaborate and take decisions using electronic means. During the reporting period, the bureau of the Compliance Committee used electronic means to take a decision on the allocation of the questions of implementation with respect to Slovakia. The enforcement branch also used electronic means to take decisions on eight occasions, in relation to: a preliminary examination with respect to Slovakia; expert advice with respect to Lithuania, Romania, Slovakia and Ukraine; the review and assessment of a plan submitted by Lithuania pursuant to a final decision of the enforcement branch; a final decision with respect to Slovakia; and a decision not to initiate the expedited procedure

³ Documents relating to the plenary are available at <http://unfccc.int/kyoto_protocol/compliance/plenary/items/3788.php>; documents relating to the facilitative branch are available at <http://unfccc.int/kyoto_protocol/compliance/facilitative_branch/items/3786.php>; and documents relating to the enforcement branch are available at <http://unfccc.int/kyoto_protocol/compliance/enforcement_branch/items/3785.php>.

⁴ Decision BC-10/11.

referred to in section X, paragraph 1, of the procedures and mechanisms with respect to Lithuania.

17. During the reporting period, electronic means of decision-making were also used to facilitate decision-making due to the lack of quorum at the meetings of the enforcement branch:

(a) At the sixteenth meeting of the enforcement branch, in conjunction with those members and alternate members present and voting, electronic means were used to collect additional votes to enable the enforcement branch to take decisions on: the review and assessment of a plan submitted by Romania pursuant to a final decision of the enforcement branch; a preliminary finding with respect to Lithuania; and the review and assessment of a plan submitted by Croatia pursuant to a final decision of the enforcement branch;

(b) At the seventeenth meeting of the enforcement branch, in conjunction with those members and alternate members present and voting, electronic means were used to collect additional votes to enable the enforcement branch to take a decision on the review and assessment of a plan submitted by Ukraine pursuant to a final decision of the enforcement branch;

(c) At the nineteenth meeting of the enforcement branch, in conjunction with those members and alternate members present and voting, electronic means were used to collect additional votes to enable the enforcement branch to take a decision under section X, paragraph 2, of the procedures and mechanisms reinstating Ukraine's eligibility to participate in the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol;

(d) At the twenty-first meeting of the enforcement branch, in conjunction with those members present and voting, electronic means were used to collect additional votes to enable the enforcement branch to take: a decision on expert advice with respect to Lithuania; a decision under section X, paragraph 2, of the procedures and mechanisms reinstating Lithuania's eligibility to participate in the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol; and a decision on the review and assessment of the plan submitted by Slovakia pursuant to the final decision of the enforcement branch;

(e) At the sixteenth, seventeenth, nineteenth and twenty-first meetings of the enforcement branch, in conjunction with those members and alternate members present and voting, electronic means were used to collect additional votes to enable the branch to adopt the agenda for each respective meeting.

18. The use of electronic means of decision-making on the above-mentioned occasions enabled the meetings of the enforcement branch to proceed when urgent and unforeseeable circumstances resulted in the late withdrawal of members and alternate members from attendance at scheduled meetings.

19. The facilitative branch also used electronic means to discuss its correspondence with Canada. The use of electronic means of decision-making enabled the facilitative branch to respond promptly to Canada, while avoiding the need for an additional meeting. At its twelfth meeting, the facilitative branch, in conjunction with those members present and voting, used electronic means to collect additional votes to enable the branch to take decisions to: adopt the agenda for the meeting; publish its correspondence with Canada; and conclude its consideration of the matter relating to Canada.

III. Work undertaken in the reporting period

A. Activities of the plenary

1. Reports of expert review teams under Article 8 of the Kyoto Protocol and other information received by the plenary of the Compliance Committee

20. In accordance with section VI, paragraph 3, of the procedures and mechanisms, the secretariat forwarded to the Compliance Committee the reports from the expert review teams of the centralized in-depth reviews of the fifth national communications of Australia, Belarus, Bulgaria, Canada, European Union, Iceland, Liechtenstein, Luxembourg, Monaco, Romania, Russian Federation and Slovenia.

21. Similarly, in accordance with section VI, paragraph 3, of the procedures and mechanisms, the secretariat forwarded to the Compliance Committee the reports of the individual reviews of the annual submissions submitted in 2011 (2011 ARRs) by Australia, Austria, Belgium, Bulgaria, Canada, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Latvia, Liechtenstein, Lithuania, Luxembourg, Monaco, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, Ukraine and United Kingdom of Great Britain and Northern Ireland.

22. Also in accordance with section VI, paragraph 3, of the procedures and mechanisms and paragraph 49 of the annex to decision 22/CMP.1, the secretariat forwarded to the Compliance Committee the annual status reports of annual inventories submitted in 2012 of Australia, Austria, Belgium, Bulgaria, Canada, Croatia, Czech Republic, Denmark, Estonia, European Union, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Latvia, Liechtenstein, Lithuania, Luxembourg, Monaco, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Russian Federation, Slovakia, Slovenia, Spain, Sweden, Switzerland, Ukraine and United Kingdom.

23. Pursuant to section VI, paragraph 3, of the procedures and mechanisms and paragraph 49 of the annex to decision 22/CMP.1, the secretariat forwarded to the Compliance Committee the report on the expedited review for Lithuania.

24. In accordance with section VI, paragraph 1, of the procedures and mechanisms, the secretariat forwarded to the Compliance Committee the 2011 ARR of Slovakia, which indicated questions of implementation and a disagreement whether to apply adjustments. In accordance with section VI, paragraph 2, of the procedures and mechanisms, the report was also made available to Slovakia. Information on the work of the enforcement branch with respect to these questions of implementation and the disagreement whether to apply adjustments is set out in chapter III.B below.

25. In accordance with paragraph 4 of decision 13/CMP.1, the secretariat forwarded to the Compliance Committee the fourth annual compilation and accounting report for Parties to the Convention with commitments inscribed in Annex B to the Kyoto Protocol and the addendum to this report (CC/2011/1).

26. At its eleventh meeting, the plenary noted the information provided to it by the secretariat on the status of submission and review of reports under the Kyoto Protocol.

27. The plenary continued its consideration of the issue of consistency in the review process. The matter was also considered by both branches at their respective meetings (see also paras. 75 and 76 below). The plenary noted that the dialogue with the inventory lead reviewers had continued through the participation of the vice-chairpersons of both branches in the ninth meeting of inventory lead reviewers held in March 2012. It considered such

dialogue valuable and expressed its appreciation to the lead reviewers for their engagement. The plenary requested the secretariat to maintain the arrangements for participation by the members of its bureau in the lead reviewers' meetings.

28. The plenary also considered how to enhance the continued cooperation with inventory lead reviewers. In this regard, it noted the proposal by both branches and the bureau to organize a joint workshop with the participation of members and alternate members of the Compliance Committee and inventory lead reviewers, with the support of the secretariat, in order to provide a common platform for discussions on improving the consistency of reviews. The plenary requested the bureau, with the assistance of the secretariat, and in consultation with lead reviewers, to explore possibilities for organizing such a workshop in early 2013, subject to the availability of financial resources.

2. Recommendations of the Joint Implementation Supervisory Committee

29. The plenary noted the recommendations of the JISC with regard to modalities and procedures for the implementation of Article 6 of the Kyoto Protocol contained in annex 1 to the report of the thirtieth meeting of the JISC. These recommendations propose additional functions for the Compliance Committee in relation to determining whether Parties comply with the proposed joint implementation modalities, procedures and mandatory standards. In this regard, the plenary noted that these recommendations have potential implications on its work and agreed to bring the matter to the attention of the CMP for its consideration at its eighth session.

3. Participation of members and alternate members

30. At its eleventh meeting, the plenary noted challenges relating to achieving quorum at the meetings of both branches and the plenary, and highlighted that lack of quorum affects the efficiency and efficacy of the Compliance Committee.

31. The plenary noted that, in its sixth annual report to the CMP,⁵ it recalled that members and alternate members of the Compliance Committee are elected to serve in their individual capacities and reiterated the recommendation that the eligibility for funding related to the costs of travel and participation in meetings of the Compliance Committee should be extended to all members and alternate members.⁶ It noted that, at its seventh session, in response to this proposal (decision 12/CMP.7, para. 4), the CMP requested the secretariat to prepare a report on the policy and budgetary implications of funding the travel and participation in meetings of the constituted bodies of all members and alternate members for consideration by the SBI at its thirty-sixth session.⁷ The plenary noted that the SBI, at its thirty-sixth session, considered the document prepared by the secretariat at the request of the CMP and recommended to the CMP for its consideration that the current practice relating to funding for travel-related expenditures of members and alternate members of the constituted bodies be maintained.⁸

32. At its eleventh meeting, the plenary expressed its concern regarding the current practice referred to in paragraph 31 above. At the same time, the plenary noted that, at its

⁵ See paragraph 63 of the sixth annual report of the Compliance Committee to the CMP (FCCC/KP/CMP/2011/5).

⁶ See also paragraph 26 of the first annual report of the Compliance Committee to the CMP (FCCC/KP/CMP/2006/6); paragraph 27 of the second annual report of the Compliance Committee to the CMP (FCCC/KP/CMP/2007/6); paragraph 38 of the third annual report of the Compliance Committee to the CMP (FCCC/KP/CMP/2008/5); and paragraphs 34–36 of the fourth annual report of the Compliance Committee to the CMP (FCCC/KP/CMP/2009/17).

⁷ FCCC/SBI/2012/INF.1.

⁸ FCCC/SBI/2012/15, paragraph 270.

seventh session, the CMP requested the secretariat to adjust UNFCCC practices so that the travel-related costs of all members and alternate members of the JISC are covered.⁹ The plenary reiterated its recommendation that the eligibility for funding relating to the costs of travel and participation in meetings of the Compliance Committee should be extended to all members and alternate members. The plenary emphasized that such funding is essential for the full independence of members and alternate members, who are elected to serve in their individual capacities. The lack of such funding affects the participation of members and alternate members at meetings, where participation is essential for the effective functioning of the Compliance Committee, especially meetings held at short notice. The plenary noted the concerns raised by members and alternate members with respect to long-haul travel on budget airlines and the corresponding effects on the ability of members and alternate members to participate effectively in the work of the Compliance Committee.

B. Activities of the enforcement branch

1. Consideration of questions of implementation with respect to Croatia

33. In the three preceding reporting periods, the enforcement branch considered two questions of implementation with respect to Croatia.¹⁰ At its sixteenth meeting on 18 November 2011, the branch adopted a decision on the review and assessment of a plan submitted by Croatia pursuant to a final decision of the enforcement branch (CC-2009-1-11/Croatia/EB). The branch decided, *inter alia*, to defer the consideration of Croatia's request, pursuant to section X, paragraph 2, of the procedures and mechanisms, to reinstate Croatia's eligibility. The branch further decided that, although the measure reflected in Croatia's plan, if implemented in accordance with the decision, was expected to remedy the non-compliance, it did not meet the requirements set out in the final decision of the enforcement branch (CC-2009-1-8/Croatia/EB) taken on 26 November 2009 which gave effect to the consequences contained in paragraph 23 of the preliminary finding of the enforcement branch (CC-2009-1-6/Croatia/EB).

34. On 27 December 2011, Croatia transmitted, via a letter to the Secretary to the Compliance Committee, a revised plan related to the calculation of its assigned amount and commitment period reserve (CC-2009-1-12/Croatia/EB). In its revised plan, Croatia indicated that it was prepared to accept the values of the assigned amount and the commitment period reserve, as calculated by the expert review team (ERT) that reviewed Croatia's initial report, and that it had written to the secretariat to confirm its acceptance of these calculations. In its plan, Croatia reiterated its request for the reinstatement of its eligibility to participate in the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol. On 30 December 2011, the secretariat responded to Croatia, indicating that the value for Croatia's assigned amount and the initial value for the commitment period reserve, as determined by the ERT that conducted the review of Croatia's initial report, had been entered into the compilation and accounting database.

35. At its eighteenth meeting, the enforcement branch considered Croatia's request for reinstatement of its eligibility to participate in the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol and the revised plan referred to in paragraph 34 above. On 8 February 2012, at its eighteenth meeting, the enforcement branch, in accordance with

⁹ FCCC/KP/CMP/2011/10/Add.2, decision 11/CMP.7, paragraph 29.

¹⁰ Details of this consideration that occurred in the three previous reporting periods can be found in chapter III.C of the fourth annual report of the Compliance Committee to the CMP (FCCC/KP/CMP/2009/17); chapter III.B of the fifth annual report of the Compliance Committee to the CMP (FCCC/KP/CMP/2010/6); and chapter III.B of the sixth annual report of the Compliance Committee to the CMP (FCCC/KP/CMP/2011/5).

section X, paragraph 2, of the procedures and mechanisms, adopted a decision to reinstate Croatia's eligibility (CC/2009-1-14/Croatia/EB). In that decision, the enforcement branch concluded that there no longer continued to be a question of implementation and that Croatia was fully eligible to participate in the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol as of 8 February 2012 at 9:53:32 Greenwich Mean Time.

36. In accordance with section III, paragraph 2(a), of the procedures and mechanisms, the decisions taken by the enforcement branch with respect to Croatia during the reporting period are listed in annex I to this report.

2. Consideration of a question of implementation with respect to Romania

37. In the previous reporting period, the enforcement branch considered a question of implementation with respect to Romania.¹¹ At its fourteenth meeting, on 27 August 2011, the enforcement branch adopted a final decision (CC-2011-1-8/Romania/EB) confirming its preliminary finding that Romania was not in compliance with the "Guidelines for national systems for the estimation of anthropogenic greenhouse gas emissions by sources and removals by sinks under Article 5, paragraph 1, of the Kyoto Protocol" (annex to decision 19/CMP.1) and that Romania did not meet the eligibility requirements under Articles 6, 12 and 17 of the Kyoto Protocol to have in place a national system in accordance with Article 5, paragraph 1, of the Kyoto Protocol and the requirements and guidelines decided thereunder.

38. On 3 November 2011, the enforcement branch received a plan from Romania (CC-2011-1-9/Romania/EB) in accordance with the final decision referred to in paragraph 37 above. On 14 November 2011, at its sixteenth meeting, the enforcement branch adopted a decision to seek expert advice on the plan (CC-2011-1-10/Romania/EB).

39. On 15 November 2011, also at its sixteenth meeting, the enforcement branch adopted a decision on the review and assessment of a plan submitted pursuant to a final decision of the enforcement branch (CC-2011-1-11/Romania/EB). The enforcement branch decided that the plan adequately addressed each of the elements specified in section XV, paragraph 2, of the procedures and mechanisms, and that the plan, if implemented in accordance with the decision, was expected to remedy the non-compliance.

40. On 2 February 2012, Romania submitted its second progress report to the enforcement branch (CC-2011-1-12/Romania/EB) and on 23 March 2012, the enforcement branch received a request for reinstatement together with the third progress report on Romania's plan (CC-2011-1-13/Romania/EB).

41. On 27 June 2012, the enforcement branch adopted a decision on expert advice, by electronic means, in relation to Romania's third progress report and request for reinstatement (CC-2011-1-14/Romania/EB). At its twentieth meeting, the enforcement branch considered Romania's third progress report and request for reinstatement and on 13 July 2012 adopted a decision to reinstate Romania's eligibility (CC-2011-1-15/Romania/EB). In that decision, the enforcement branch also concluded that there no longer continued to be a question of implementation and that Romania was fully eligible to participate in the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol as of 13 July 2012 at 10:42:59 Greenwich Mean Time.

42. In accordance with section III, paragraph 2(a), of the procedures and mechanisms, the decisions taken by the enforcement branch with respect to Romania during the reporting period are listed in annex I to this report.

¹¹ Details of this consideration that occurred in the previous reporting period can be found in chapter III.D of the sixth annual report of the Compliance Committee to the CMP (FCCC/KP/CMP/2011/5).

3. Consideration of a question of implementation with respect to Ukraine

43. In the previous reporting period, the enforcement branch considered a question of implementation with respect to Ukraine.¹² As part of its consideration, the branch adopted a final decision on 12 October 2011 confirming its preliminary finding that Ukraine was not in compliance with the “Guidelines for national systems for the estimation of anthropogenic greenhouse gas emissions by sources and removals by sinks under Article 5, paragraph 1, of the Kyoto Protocol” (annex to decision 19/CMP.1) and that Ukraine did not meet the eligibility requirements under Articles 6, 12 and 17 of the Kyoto Protocol to have in place a national system in accordance with Article 5, paragraph 1, of the Kyoto Protocol and the requirements and guidelines decided thereunder.

44. On 8 December 2011, the enforcement branch received a plan (CC-2011-2-10/Ukraine/EB) from Ukraine pursuant to the final decision referred to in paragraph 43 above. On 21 December 2011, at its seventeenth meeting, the enforcement branch adopted a decision on the review and assessment of Ukraine’s plan in accordance with section XV, paragraph 2, of the procedures and mechanisms, and rule 25 bis, paragraph 3, of the rules of procedure (CC-2011-2-11/Ukraine/EB). The enforcement branch concluded, based on the information submitted and presented by Ukraine, that the plan met the requirements set out in section XV, paragraph 2, of the procedures and mechanisms, and rule 25 bis, paragraph 1, of the rules of procedure. The enforcement branch noted that not all the measures described in the plan had yet been implemented and urged Ukraine to carry out all the measures contained in the plan.

45. On 24 January 2012, the enforcement branch received a request to reinstate Ukraine’s eligibility (CC-2011-2-12/Ukraine/EB). On 7 February 2012, the enforcement branch received the first progress report on Ukraine’s plan (CC-2011-2-13/Ukraine/EB). On 10 February 2012, during its eighteenth meeting, the enforcement branch adopted a decision to defer the adoption of a decision under section X, paragraph 2, of the procedures and mechanisms (CC-2011-2-14/Ukraine/EB). In reaching its decision, the branch commended Ukraine for the significant progress already made but noted that not all the measures described in Ukraine’s plan had yet been implemented. The enforcement branch took into account the fact that no question of implementation had been identified in the 2011 ARR of Ukraine (FCCC/ARR/2011/UKR), although it noted that some uncertainties had arisen in Ukraine’s 2011 ARR, and therefore concluded that it needed further clarification in order to be in a position to conclude its consideration of the request for reinstatement.

46. On 6 March 2012, using electronic means, the enforcement branch adopted a decision on expert advice on Ukraine’s request for reinstatement (CC-2011-2-15/Ukraine/EB). On 9 March 2012, at its nineteenth meeting, the enforcement branch adopted a decision to reinstate Ukraine’s eligibility (CC-2011-2-16/Ukraine/EB). In that decision, the enforcement branch concluded that there no longer continued to be a question of implementation and that Ukraine was fully eligible to participate in the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol as of 9 March 2012 at 15:32:22 Greenwich Mean Time.

47. In accordance with section III, paragraph 2(a), of the procedures and mechanisms, the decisions taken by the enforcement branch with respect to Ukraine during the reporting period are listed in annex I to this report.

¹² Details of this consideration that occurred in the previous reporting period can be found in chapter III.E of the sixth annual report of the Compliance Committee to the CMP (FCCC/KP/CMP/2011/5).

4. Consideration of a question of implementation with respect to Lithuania

48. In the previous reporting period, the enforcement branch considered a question of implementation with respect to Lithuania.¹³ On 9 November 2011, the enforcement branch received a written submission from Lithuania (CC-2011-3-5/Lithuania/EB) and an addendum to the submission on 16 November 2011 (CC-2011-3-5/Lithuania/EB/Add.1). On 17 November 2011, at its sixteenth meeting, the enforcement branch adopted a preliminary finding (CC-2011-3-6/Lithuania/EB) that Lithuania was not in compliance with the “Guidelines for national systems for the estimation of anthropogenic greenhouse gas emissions by sources and removals by sinks under Article 5, paragraph 1, of the Kyoto Protocol” (annex to decision 19/CMP.1) and that Lithuania did not meet the eligibility requirements under Articles 6, 12 and 17 of the Kyoto Protocol to have in place a national system in accordance with Article 5, paragraph 1, of the Kyoto Protocol and the requirements and guidelines decided thereunder.

49. After receiving a further written submission from Lithuania (CC-2011-3-7/Lithuania/EB) on 19 December 2011, the enforcement branch confirmed its preliminary finding in a final decision adopted at its seventeenth meeting on 21 December 2011 (CC-2011-3-8/Lithuania/EB).

50. On 27 March 2012, the enforcement branch received a plan (CC-2011-3-9/Lithuania/EB) from Lithuania pursuant to the final decision referred to in paragraph 49 above. On 24 April 2012, the enforcement branch received a letter from Lithuania that requested the enforcement branch to review and assess the plan (CC-2011-3-10/Lithuania/EB). On 2 May 2012, the enforcement branch adopted a decision, using electronic means, on the review and assessment of the plan submitted by Lithuania pursuant to the final decision of the enforcement branch (CC-2011-3-11/Lithuania/EB). The enforcement branch decided that the plan adequately addressed each of the elements specified in section XV, paragraph 2, of the procedures and mechanisms and that the plan, if implemented in accordance with the decision, was expected to remedy the non-compliance.

51. On 15 June 2012, the enforcement branch received a second progress report from Lithuania together with a request to reinstate its eligibility (CC-2011-3-12/Lithuania/EB). On 27 June 2012, the enforcement branch adopted a decision, using electronic means, on expert advice (CC-2011-3-13/Lithuania/EB) in relation to Lithuania’s request for reinstatement. On 14 July 2012, at its twentieth meeting, the enforcement branch adopted a decision not to reinstate Lithuania’s eligibility (CC-2011-3-14/Lithuania/EB) as the enforcement branch concluded that a question of implementation continued to exist. The decision also provided Lithuania with a possibility to request the enforcement branch, before 31 July 2012, not to initiate the expedited procedure referred to in section X, paragraph 1, of the procedures and mechanisms.

52. In a letter to the enforcement branch received on 19 July 2012, Lithuania requested the branch not to initiate the expedited procedure referred to in section X, paragraph 1, of the procedures and mechanisms (CC-2011-3-15/Lithuania/EB). On 31 July 2012, using electronic means, the enforcement branch adopted a decision not to initiate the expedited procedure referred to in section X, paragraph 1, of the procedures and mechanisms pending the receipt by the branch of the report of an in-country review of Lithuania’s national system in conjunction with the review of its annual inventory report submitted in 2012 (CC-2011-3-16/Lithuania/EB).

¹³ Details of this consideration that occurred in the previous reporting period can be found in chapter III.F of the sixth annual report of the Compliance Committee to the CMP (FCCC/KP/CMP/2011/5).

53. On 11 October 2012, the report on the expedited review for Lithuania conducted from 28 to 29 September 2012 (FCCC/EXP/2012/LTU) was published. On 23 October 2012, at its twenty-first meeting, the enforcement branch adopted a decision on expert advice in relation to the expedited review (CC-2011-3-17/Lithuania/EB). At the same meeting, the enforcement branch also adopted a decision to reinstate Lithuania's eligibility (CC-2011-3-18/Lithuania/EB). In that decision, the enforcement branch concluded that there no longer continued to be a question of implementation and that Lithuania was fully eligible to participate in the mechanisms under Article 6, 12 and 17 of the Kyoto Protocol as of 24 October 2012 at 10:47:02 Greenwich Mean Time.

54. In accordance with section III, paragraph 2(a), of the procedures and mechanisms, the decisions taken by the enforcement branch with respect to Lithuania during the reporting period are listed in annex I to this report.

5. Consideration of questions of implementation with respect to Slovakia and a disagreement whether to apply adjustments

55. On 8 May 2012, the Compliance Committee received questions of implementation and a disagreement whether to apply adjustments indicated in the report of the individual review of Slovakia's 2011 annual submission.¹⁴ The bureau of the Compliance Committee, using electronic means, allocated the questions of implementation to the enforcement branch on 16 May 2012. On 1 June 2012, the enforcement branch, using electronic means, made a decision on preliminary examination and decided to proceed with the questions of implementation (CC-2012-1-2/Slovakia/EB).

56. The questions of implementation relate to compliance with the "Guidelines for national systems for the estimation of anthropogenic greenhouse gas emissions by sources and removals by sinks under Article 5, paragraph 1, of the Kyoto Protocol" (annex to decision 19/CMP.1). In addition, the ERT that reviewed the 2011 annual submission of Slovakia also included a question of implementation with respect to Slovakia's calculations of estimates for 2008 and 2009 of carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O) emissions from road transportation, and hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆) emissions from the consumption of halocarbons and SF₆ since they were incomplete and/or not prepared in accordance with the methodological and reporting requirements of the Intergovernmental Panel on Climate Change (IPCC) *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories*¹⁵ and the IPCC *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories*.¹⁶

57. On 27 June 2012, using electronic means, the enforcement branch adopted a decision on expert advice in relation to issues involved in any decision of the enforcement branch with regard to the indicated questions of implementation regarding Slovakia and the disagreement whether to apply adjustments (CC-2012-1-4/Slovakia/EB). On 4 July 2012, the enforcement branch received a written submission from Slovakia (CC-2012-1-5/Slovakia/EB).

58. On 14 July 2012, the enforcement branch, during its twentieth meeting, adopted a decision on the disagreement whether to apply adjustments under Article 5, paragraph 2, of the Kyoto Protocol (CC-2012-1-6/Slovakia/EB). In its decision, the enforcement branch decided not to apply the adjustments calculated and recommended by the ERT that

¹⁴ FCCC/ARR/2011/SVK.

¹⁵ IPCC. 1996. *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories*. Available at <<http://www.ipcc-nggip.iges.or.jp/public/gl/invs1.html>>.

¹⁶ IPCC. 1996. *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories*. Available at <<http://www.ipcc-nggip.iges.or.jp/public/gp/english/>>.

reviewed Slovakia's 2011 ARR in relation to estimates of emissions from road transportation. In addition, the enforcement branch decided to apply the adjustments calculated and recommended by the ERT in the 2011 ARR with respect to estimates of emissions from the consumption of halocarbons and SF₆.

59. At the same meeting, the enforcement branch also adopted a preliminary finding in which it found that Slovakia had in place a national system in accordance with Article 5, paragraph 1, of the Kyoto Protocol and the requirements in the guidelines decided thereunder (CC-2012-1-7/Slovakia/EB). The enforcement branch considered that the partial operational impairment of the performance of some of the specific functions of Slovakia's national system during the review of Slovakia's 2011 annual submission resulted in non-compliance with Article 5, paragraph 1, of the Kyoto Protocol and the guidelines decided thereunder, but did not result in non-compliance with the eligibility requirements under Articles 6, 12 and 17 of the Kyoto Protocol.

60. On 18 July 2012, in a letter to the enforcement branch (CC-2012-1-8/Slovakia/EB), Slovakia indicated that it would not make a further written submission in relation to the preliminary finding. On 17 August 2012, the enforcement branch adopted a final decision, by electronic means, confirming its preliminary finding with respect to Slovakia (CC-2012-1-9/Slovakia/EB). On 21 September 2012, the enforcement branch received from Slovakia its plan and progress report pursuant to the final decision (CC-2012-1-10-/Slovakia/EB).

61. On 23 October 2012, at its twenty-first meeting, the enforcement branch adopted a decision on the review and assessment of Slovakia's plan in accordance with section XV, paragraph 2, of the procedures and mechanisms, and rule 25 bis, paragraph 3, of the rules of procedure (CC-2012-1-12/Slovakia/EB). The branch concluded, based on the information submitted and presented, that the plan met the requirements set out in section XV, paragraph 2, of the procedures and mechanisms, and rule 25 bis, paragraph 1, of the rules of procedure. The branch also concluded that the receipt of the report of the review of Slovakia's annual submission submitted in 2012 is required for it to determine whether all the questions of implementation have been resolved.

62. In accordance with section III, paragraph 2(a), of the procedures and mechanisms, the decisions taken by the enforcement branch with respect to Slovakia during the reporting period are listed in annex I to this report.

C. Activities of the facilitative branch

1. Early warning of potential non-compliance

63. At its sixth meeting, the facilitative branch agreed to continue its discussions on how it can carry out its responsibility to provide advice and facilitation "with the aim of promoting compliance and providing for early warning of potential non-compliance" under section IV, paragraph 6(a), of the procedures and mechanisms.¹⁷ In order to facilitate those discussions, the facilitative branch, at the same meeting, requested a background paper from the secretariat which would provide the branch with a compilation and assessment of information on trends in relation to the commitments under Article 3, paragraph 1, of the Kyoto Protocol found in the in-depth reviews of fifth national communications.

64. At its twelfth meeting, the facilitative branch considered the "Background paper on information on trends in relation to the commitments under Article 3, paragraph 1, of the Kyoto Protocol found in the reports of the in-depth reviews of the fifth national communications of Parties included in Annex I"¹⁸ (background paper). In particular, the

¹⁷ CC/FB/6/2008/2, paragraph 5.

¹⁸ CC/FB/12/2012/2.

facilitative branch considered paragraphs 15 and 16 of the background paper and noted that paragraph 16 raised particular issues with respect to four Parties, namely Austria, Canada, Croatia and Italy. The branch's consideration of the issues with respect to each Party is addressed in this section of the report.¹⁹

65. In its consideration of the background paper, the facilitative branch recalled that its early warning function is based on information contained in review reports and, as such, its ability to engage in an early warning exercise depends heavily on the timeliness and accuracy of such information. The branch also discussed the status of Parties that are members of the joint fulfilment agreement between the European Union and 15 member States (EU bubble), in accordance with Article 4 of the Kyoto Protocol. The branch concluded that its role was to provide advice and facilitation to individual Parties to the EU bubble on compliance with their commitments under Article 3, paragraph 1, of the Kyoto Protocol.

66. The facilitative branch, at its eleventh meeting, agreed on indicative working arrangements for its provision of advice and facilitation under section IV, paragraph 6(a), of the procedures and mechanisms.²⁰ The branch agreed that these arrangements were work in progress and had been developed with a view to having a clear point of reference on how the branch would develop its practice in addressing issues relating to early warning of potential non-compliance. The arrangements would be tested in practice and kept under review, while the branch considered its first cases. The branch agreed that in its deliberations over decisions about whether to be seized of a particular case, it would consider whether or not there was sufficient information in the relevant reports submitted to it under section VI, paragraph 3, of the procedures and mechanisms indicating potential non-compliance with commitments under Article 3, paragraph 1, of the Kyoto Protocol.

67. At its eleventh meeting, the facilitative branch applied these arrangements in consideration of the information regarding Italy. The branch considered the factual information before it, as contained in the report of the in-depth review of the fifth national communication of Italy and the "Compilation and synthesis of supplementary information incorporated in fifth national communications submitted in accordance with Article 7, paragraph 2, of the Kyoto Protocol"²¹ (synthesis of fifth national communications). The facilitative branch concluded that the information available was not sufficient in order for it to engage in an early warning exercise with regard to Italy. The branch agreed not to proceed with these matters at this time, but to revisit them later once a report of the individual review of the annual submission of Italy became available.

68. In addition, and noting paragraph 16 of the background paper, the facilitative branch, at its twelfth meeting, considered information brought to its attention with regard to Austria and Croatia. The branch considered the factual information before it, as contained in the reports of the in-depth reviews of the fifth national communications of Austria²² and Croatia,²³ as well as the information contained in the 2011 and 2012 annual submissions of both Parties.²⁴ The branch concluded that the information available was not sufficient in

¹⁹ See paragraph 68 for Austria; paragraphs 71–74 for Canada; paragraph 68 for Croatia; and paragraph 67 for Italy.

²⁰ CC/FB/11/2012/2, annex 1.

²¹ FCCC/SBI/2011/INF.2.

²² FCCC/IDR.5/AUT.

²³ FCCC/IDR.5/HRV.

²⁴ The 2011 national inventory submissions of Austria and Croatia are available at <http://unfccc.int/national_reports/annex_i_ghg_inventories/national_inventories_submissions/items/5888.php>; and the 2012 national inventory submissions of Austria and Croatia are available at <http://unfccc.int/national_reports/annex_i_ghg_inventories/national_inventories_submissions/items/6598.php>.

order for it to engage in an early warning exercise with regard to either Austria or Croatia. The branch agreed not to proceed with these matters at this time, but to revisit them later once reports of the individual reviews of the annual submissions of Austria and Croatia became available.

69. At its tenth meeting, the plenary discussed the indicative working arrangements for the facilitative branch's provision of advice and facilitation under section IV, paragraph 6(a), of the procedures and mechanisms.²⁵ In this regard, the plenary considered the consistency in the application of the rules of procedure across the facilitative and enforcement branches of the Compliance Committee. The plenary noted that, to further enhance transparency and due process, the facilitative branch, when further developing its working arrangements, may wish to:

- (a) Give due consideration to the need to systematically examine all reports of ERTs, including by adding a corresponding item on its meeting agenda, to ensure fair and equal treatment of all Parties;
- (b) Further clarify what is meant by 'early warning';
- (c) Consider possible criteria for deciding whether to address an issue of early warning;
- (d) Further clarify its approach to the application of consequences;
- (e) Consider the use of terminology and the use of mandatory and non-mandatory language in the working arrangements.

70. At its twelfth meeting, the branch reviewed its indicative working arrangements and concluded that it was premature to revise them at this stage. The branch will keep the arrangements under review as it gains further experience in applying them.

2. Provision of advice and facilitation

71. With regard to concerns raised at its tenth meeting in connection with potential non-compliance by Canada, at its eleventh meeting, the facilitative branch considered information available to it, as contained in the report of the individual review of the annual submission of Canada submitted in 2010²⁶ and the synthesis of fifth national communications. The branch noted a strong concern expressed by the ERT in the report of the in-depth review of the fifth national communication of Canada²⁷ with regard to Canada's potential to become non-compliant with its obligations under Article 3, paragraph 1, of the Kyoto Protocol.

72. The facilitative branch also noted that Canada had submitted to the Depository a notification of withdrawal from the Kyoto Protocol and that such withdrawal would be effective as of 15 December 2012. While the branch agreed that the consequences of withdrawal after 15 December 2012 would have to be assessed at a later stage, Canada, for the time being, remained a Party to the Kyoto Protocol. Based on the indicative working arrangements related to the exercise of its early warning mandate under section IV, paragraph 6(a), of the procedures and mechanisms, the branch concluded that it was seized of an early warning issue relating to Canada and mandated its chairperson to send a letter to Canada.

73. By letter, dated 9 February 2012, the chairperson of the facilitative branch wrote to Canada to offer it the opportunity to engage in a dialogue with the branch to clarify

²⁵ CC/FB/11/2012/2, annex 1.

²⁶ FCCC/ARR/2010/CAN.

²⁷ FCCC/IDR.5/CAN.

Canada's response to the concerns raised by the ERT, either in writing or orally at a meeting of the facilitative branch. On 5 April 2012, Canada replied to the letter from the chairperson of the facilitative branch indicating that on account of its notification of withdrawal there would be little value in its further engagement with the facilitative branch at this time. Following a discussion and decision taken by electronic means, the chairperson, by letter dated 16 May 2012, replied to Canada's letter, informing it that the branch would further consider this issue at its next meeting, with a view to closing its consideration of the matter, and drawing attention to the branch's intention to publish the correspondence. Canada responded to this letter by an e-mail message, dated 22 May 2012, and indicated that it agreed with the publication of the correspondence.

74. At its twelfth meeting, with respect to the correspondence with Canada, the facilitative branch decided to publish the correspondence related to Canada, which is provided in annex II to this report, and to conclude its consideration of this matter.

3. Consistency of reviews under Article 8 of the Kyoto Protocol

75. At its eleventh meeting, the facilitative branch, recalling that, at its ninth meeting, the plenary had invited the branch to further consider the issue of consistency of reviews under Article 8 of the Kyoto Protocol, had an initial exchange of views on the possible outcome of and plans for its future work on this issue. The facilitative branch also received background information on the issue from two members of the enforcement branch, who were nominated by the bureau to contribute to the work of the facilitative branch, in accordance with section II, paragraph 7, of the procedures and mechanisms.

76. At its twelfth meeting, the facilitative branch continued its consideration of this issue. It received further background information from one member of the enforcement branch nominated by the bureau to contribute to the work of the facilitative branch. The facilitative branch supported the proposal made by the bureau to convene a joint workshop with the inventory lead reviewers and the Compliance Committee, with the support of the secretariat, to discuss the issue of consistency of reviews. Such a workshop could facilitate a dialogue promoting mutual comprehension between the Compliance Committee and lead reviewers, and one of its main purposes could be to develop a common understanding of consistency. The branch also noted that consistency is important because of fairness, which in turn generates confidence in the reporting, review and compliance system.

IV. Budget for the work of the Compliance Committee

77. For the biennium 2012–2013, EUR 741,153²⁸ was approved in the core budget of the UNFCCC for activities related to the Compliance Committee. In addition, EUR 417,700 was approved under the item "Support to the Compliance Committee" of the resource requirements of the Trust Fund for Supplementary Activities. As of 31 July 2012, contributions of USD 44,236 were received for the biennium. The CMP may wish to express its sincere thanks to Japan, which made a contribution to the Trust Fund for Supplementary Activities to support the work of the Compliance Committee in the biennium 2012–2013.

²⁸ This amount does not include secretariat-wide operating costs, programme support costs (overheads) or working capital reserve as defined in decision 18/CP.17.

Annex I

[English only]

Decisions taken by the enforcement branch of the Compliance Committee during the reporting period

CROATIA (CC-2009-1/Croatia/EB)*

<i>Title</i>	<i>Document no.</i>	<i>Date</i>
Decision on the review and assessment of the plan submitted under paragraph 2 of section XV	CC-2009-1-11/Croatia/EB	18 November 2011
Decision under paragraph 2 of section X	CC-2009-1-14/Croatia/EB	8 February 2012

ROMANIA (CC-2011-1/Romania/EB)**

<i>Title</i>	<i>Document no.</i>	<i>Date</i>
Decision on expert advice	CC-2011-1-10/Romania/EB	14 November 2011
Decision on the review and assessment of the plan submitted under paragraph 2 of section XV	CC-2011-1-11/Romania/EB	15 November 2011
Decision on expert advice	CC-2011-1-14/Romania/EB	27 June 2012
Decision under paragraph 2 of section X concerning the request for reinstatement	CC-2011-1-15/Romania/EB	13 July 2012

* Decisions with respect to Croatia are available at http://unfccc.int/kyoto_protocol/compliance/questions_of_implementation/items/5456.php. The decisions are available in all six official languages of the United Nations.

** Decisions with respect to Romania are available at http://unfccc.int/kyoto_protocol/compliance/questions_of_implementation/items/6030.php. The decisions are available in all six official languages of the United Nations.

UKRAINE (CC-2011-2/Ukraine/EB)***

<i>Title</i>	<i>Document no.</i>	<i>Date</i>
Decision on the review and assessment of the plan submitted under paragraph 2 of section XV	CC-2011-2-11/Ukraine/EB	21 December 2011
Decision to defer the adoption of a decision under paragraph 2 of section X	CC-2011-2-14/Ukraine/EB	10 February 2012
Decision on expert advice	CC-2011-2-15/Ukraine/EB	6 March 2012
Decision under paragraph 2 of section X	CC-2011-2-16/Ukraine/EB	9 March 2012

LITHUANIA (CC-2011-3/Lithuania/EB)****

<i>Title</i>	<i>Document no.</i>	<i>Date</i>
Preliminary finding	CC-2011-3-6/Lithuania/EB	17 November 2011
Final decision	CC-2011-3-8/Lithuania/EB	21 December 2011
Decision on the review and assessment of the plan submitted under paragraph 2 of section XV	CC-2011-3-11/Lithuania/EB	2 May 2012
Decision on expert advice	CC-2011-3-13/Lithuania/EB	27 June 2012
Decision under paragraph 2 of section X concerning the request for reinstatement	CC-2011-3-14/Lithuania/EB	14 July 2012
Decision not to initiate the expedited procedure referred to in paragraph 1 of section X	CC-2011-3-16/Lithuania/EB	31 July 2012
Decision on expert advice	CC-2011-3-17/Lithuania/EB	23 October 2012
Decision under paragraph 2 of section X concerning reinstatement	CC-2011-3-18/Lithuania/EB	24 October 2012

*** Decisions with respect to Ukraine are available at http://unfccc.int/kyoto_protocol/compliance/questions_of_implementation/items/6077.php. The decisions are available in all six official languages of the United Nations.

**** Decisions with respect to Lithuania are available at http://unfccc.int/kyoto_protocol/compliance/questions_of_implementation/items/6195.php.

SLOVAKIA (CC-2012-1/Slovakia/EB)*****

<i>Title</i>	<i>Document no.</i>	<i>Date</i>
Decision on preliminary examination	CC-2012-1-2/Slovakia/EB	1 June 2012
Decision on expert advice	CC-2012-1-4/Slovakia/EB	27 June 2012
Decision on a disagreement whether to apply adjustments under Article 5, paragraph 2, of the Kyoto Protocol	CC-2012-1-6/Slovakia/EB	14 July 2012
Preliminary finding	CC-2012-1-7/Slovakia/EB	14 July 2012
Final decision	CC-2012-1-9/Slovakia/EB	17 August 2012
Decision on expert advice	CC-2012-1-11/Slovakia/EB	15 October 2012
Decision on the review and assessment of the plan submitted under paragraph 2 of section XV	CC-2012-1-12/Slovakia/EB	23 October 2012

***** Decisions with respect to Slovakia are available at
 <http://unfccc.int/kyoto_protocol/compliance/questions_of_implementation/items/6920.php>.

Annex II

[English only]

Provision of advice and facilitation in accordance with section IV, paragraph 6(a), of the “Procedures and mechanisms relating to compliance under the Kyoto Protocol”: correspondence between the facilitative branch and Canada

Letter from the chairperson of the facilitative branch to Canada dated 9 February 2012

Dear Mr. Christie,

I am writing to you in my capacity as chairperson of the facilitative branch of the Compliance Committee of the Kyoto Protocol. I have the honour to draw your attention to the Report of the in-depth review of the fifth national communication of Canada (FCCC/IDR.5/CAN, dated 10 November 2011), which was discussed at the eleventh meeting of the branch.

In accordance with decision 27/CMP.1, section IV, paragraphs 4 and 6(a), the branch has the responsibility of providing advice and facilitation to the Parties with the aim of promoting compliance and providing for early warning of potential non-compliance with regard to implementing commitments under the Protocol, including commitments under Article 3, paragraph 1, of the Protocol.

Canada’s projected emissions, as noted in ‘Box 1’ on page 32 of the Compilation and synthesis of supplementary information incorporated in fifth national communications submitted in accordance with Article 7, paragraph 2, of the Kyoto Protocol (document FCCC/SBI/2011/INF.2), are said to be 21 per cent above the base year in 2008–2012, which is described as well above Canada’s Kyoto target of minus 6 per cent, without indication of whether and how Canada plans to attain its Kyoto target.

The branch notes the conclusions of the expert review team (ERT) contained in document FCCC/IDR.5/CAN, in paragraphs 125 to 127, where the ERT noted with strong concern that, on the basis of information provided in Canada’s fifth national communication, and during the review, Canada could potentially become non-compliant with its commitments under Article 3, paragraph 1, of the Kyoto Protocol.

The branch also notes that in paragraph 127 of document FCCC/IDR.5/CAN, the ERT stated that Canada has clarified that it is not planning to make significant use of the Kyoto Protocol mechanisms to meet its target under the first commitment period of the Kyoto Protocol.

The branch further noted that Canada submitted to the Depositary its notification of withdrawal from the Kyoto Protocol and that such withdrawal will be effective as of 15 December 2012. While the branch agreed that the consequences of withdrawal after 15 December 2012 will have to be assessed at a later stage, Canada, for the time being, remains a Party to the Protocol.

Consequently, the branch concluded at its eleventh meeting that it was seized of an early warning issue with regard to Canada’s potential non-compliance. Before deliberating further on the issue, the branch would like to offer the opportunity to Canada to engage in a dialogue with the branch to clarify Canada’s response to the concerns raised by the ERT, either in writing or orally at a meeting of the branch.

The branch would appreciate receiving a response in writing indicating:

- Whether Canada would like to engage in a dialogue with the branch (and, if so, whether it wishes to make oral representations at the next meeting of the branch or whether it prefers to respond in writing); and
- Whether Canada wishes the branch to provide any advice and facilitation on Canada's implementation of its commitments under the Kyoto Protocol, including commitments under Article 3, paragraph 1, of the Protocol.

The branch would appreciate receiving a response in writing as soon as possible but no later than 16 April 2012, with a view to engaging with the branch at its twelfth meeting, which is tentatively scheduled to take place in June 2012, when the branch will resume its consideration of this issue.

Sincerely yours,

(signed)

Khalid M. Abuleif
Chairperson, Facilitative Branch
Compliance Committee of the Kyoto Protocol

Letter from Canada to the chairperson of the facilitative branch dated 5 April 2012

Dear Mr. Abuleif,

In my capacity as Canada's Chief Negotiator and Ambassador for Climate Change, I am responding to your letter of February 9, 2012, in which you invite Canada to engage in a dialogue with the facilitative branch of the Compliance Committee of the Kyoto Protocol, specifically, regarding the conclusions of the expert review team on Canada's fifth national communication.

The Government of Canada understands that, as this is the first time the facilitative branch has been seized of an early warning issue, the branch is developing its methods and procedures for this process. The Government appreciates your proposed approach to solicit Canada's views, including whether we wish the facilitative branch to provide advice and facilitation regarding implementation of the Kyoto Protocol emission reduction commitment.

It is our understanding that in such a process the facilitative branch would provide early warning of potential non-compliance with Article 3, paragraph 1 of the Kyoto Protocol. However, as you are aware, Canada submitted to the Depository its notification of withdrawal from the Kyoto Protocol, which will take effect on December 15, 2012. As a consequence, Canada will no longer be a Party to the Kyoto Protocol when compliance would be assessed. On this basis, we are of the view that there is, therefore, little value in further engagement with the facilitative branch at this time.

Having said that, I would like to take this opportunity to make clear that the Government of Canada takes the challenges of climate change seriously. As climate change is a global problem requiring a global solution, we are taking action on international, continental and domestic fronts.

We stand firm on our commitment under the Copenhagen Accord to reduce greenhouse gas emissions by 17 percent below 2005 levels, or a target of 607 megatonnes, by 2020. Current measures now in place or in the process of being implemented by all levels of government in Canada are expected to reduce emissions by about a quarter of the reductions needed to achieve the 2020 target. For instance, in October 2010, new light duty vehicle regulations for model years 2010-2016, the first ever national GHG regulations in Canada, came into force. These regulations establish a common North American standard. Also, on August 19, 2011, the Government of Canada released the proposed draft regulations to reduce emissions from the coal-fired electricity sector.

All provincial and territorial governments have also established climate change mitigation targets and are implementing their own strategies to achieve those targets in a manner that reflects differing individual circumstances and their responsibilities under the Canadian Constitution. In aggregate, GHG reduction targets established by the provinces and territories are collectively close to the federal government's 2020 target. As mentioned, Canada's target is 607 megatonnes, while combined provincial and territorial targets amount to 625 megatonnes. The fact that all levels of government are driving towards similar outcomes supports enhanced collaboration and provides positive reinforcement.

While we have made progress, we recognize that a lot of work remains. As part of our climate change plan, regulated GHG performance standards are being developed for the remaining major sources of emissions with a focus on the oil and gas sector and other industrial emitters.

I would also like to note that a new report, released on November 7, 2011 by the International Institute for Sustainable Development (IISD)¹ confirms that the Government's regulatory approach is delivering

¹ Mind the Gap: The state-of-play in Canadian greenhouse gas mitigation – Dave Sawyer, Director of Climate Change and Energy, IISD

results and contributing to a national effort to reduce emissions toward Canada's 2020 target. It states that "Canada's federal government is finally establishing the policy architecture to reduce greenhouse gas emissions".

On the international front, Canada has been, and will continue to be an active participant in the UNFCCC negotiations towards a new international climate change agreement. In our view, the Copenhagen Accord, agreed by leaders in 2009, represented a significant first step in that direction in that it included mitigation commitments by all major economies, covering over 80% of global emissions. A year later, the Cancun Agreements set out the framework necessary to deliver on the Copenhagen Accord and confirmed that all major emitters must take action to address climate change.

The Durban Platform for Enhanced Action took yet another step forward by setting out a negotiating mandate to develop a new, international agreement applicable to all Parties and thus including all major emitters, to be adopted in 2015 and implemented from 2020. Canada will engage constructively with international partners to successfully conclude these negotiations.

The Government also continues to demonstrate its commitment to addressing climate change by providing its fair share of international climate finance in support of mitigation and adaptation efforts by developing countries. On December 5, 2011, Minister Kent announced that Canada will contribute in total \$1.2 billion in new and additional fast-start financing by the end of our 2012/13 fiscal year. This is Canada's largest ever contribution to support international efforts to address climate change, and will assist developing countries to adapt to the effects of a changing climate, invest in clean energy, and promote sustainable forest and agriculture.

Canada is also working with international partners outside the formal United Nations process to address climate change. These processes bring together smaller groups of countries and address more manageable issues in an informal setting; thus having the potential to deliver more immediate results.

These efforts include initiatives under the G8, the G20, the Major Economies Forum on Energy and Climate Change, as well as efforts to address short-lived climate pollutants such as black carbon, methane and hydrofluorocarbons. In this way, Canada is working with key countries to find practical solutions to addressing climate change.

Going forward, Canada will continue to provide clarity on its plan to meet its 2020 target through the processes set out for this purpose under the Convention.

Sincerely,

(signed)

Guy Saint-Jacques
Chief Negotiator and Ambassador for Climate Change

Letter from the chairperson of the facilitative branch to Canada dated 16 May 2012

Excellency,

I wish to thank you for your letter sent to me as the chairperson of the facilitative branch of the Compliance Committee of the Kyoto Protocol, in which you replied to the invitation by the branch to engage in a dialogue regarding the conclusions of the expert review team on Canada's fifth national communication as well as the branch's offer to provide advice and facilitation on Canada's commitments under the Protocol, including its commitments under Article 3, paragraph 1, of the Protocol.

At the outset, I wish to clarify that the branch recognizes that Canada will no longer be a Party to the Kyoto Protocol as of 15 December 2012, in view of Canada's submission to the depositary of its notification of withdrawal from the Protocol. However, for the time being Canada remains a Party to the Protocol and is subject to the procedures and mechanisms relating to compliance under the Protocol, including the facilitative branch mandate to provide advice and facilitation to the Parties with the aim of promoting compliance and providing for early warning of potential non-compliance with regard to implementing commitments under the Protocol, including commitments under Article 3, paragraph 1, of the Protocol, during the relevant commitment period.

In that context, the branch acknowledges that Canada has declined its offer to further engage in a dialogue and to provide any advice and facilitation on Canada's commitments under the Protocol, including commitments under Article 3, paragraph 1, of the Protocol. The branch will further consider these issues at its next meeting, which is now tentatively scheduled for October 2012, with a view to close its consideration of the matter.

I also wish to bring to your attention that, in accordance with its past practice and in order to ensure transparency, the branch intends to publish the correspondence with Canada as an annex to the report on its next meeting as well as in the next annual report of the Compliance Committee to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP). I would welcome Canada's views on the publication of such correspondence, if any, and would appreciate if such views could be communicated to me before the meeting in the fall.

Finally, I take this opportunity to wish the Canadian Government all the best in its continued efforts to deal with and reduce the effects of climate change.

Sincerely yours,

(signed)

Khalid M. Abuleif
Chairperson, Facilitative Branch
Compliance Committee of the Kyoto Protocol

Correspondence from Canada to the chairperson of the facilitative branch dated 22 May 2012

Dear Mr. Abuleif,

Thank you for your letter of 16 May 2012 in which you asked for Canada's views on the publication of the correspondence between the Committee and Canada. I would like to inform you that Canada agrees to the publication of such correspondence.

Yours sincerely,

Guy Saint-Jacques
Chief Negotiator and Ambassador for Climate Change
Government of Canada
