

**PLAN PURSUANT TO FINAL DECISION**



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*Ambassador*

No. 1898 /2.11 2011

**Mr. Dan Bondi Ogolla  
Secretary to the Compliance Committee  
Framework Convention on Climate Change - Secretariat**

Dear Mr. Dan Bondi Ogolla,

Following your letter of 25 October 2011 (Reference: DBO/MSM/eps), I have the pleasure to submit herewith the plan of Romania under paragraph 1 of section XV (Decision 27/CMP 1), as well as the first progress report on the implementation of the above mentioned plan, under paragraph 3 of section XV (Decision 27/CMP 1).

The plan was referred to in paragraph 24(b) of the preliminary finding of the enforcement branch dated 8 July 2011.

I use this opportunity also to confirm hereby the list of the designated representatives of Romania who will attend the sixteenth meeting of the enforcement branch on 14 November 2011.

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Please accept, dear Mr. Bondi Ogolla, the assurances of my highest consideration.

Lazăr Comănescu



**GOVERNMENT OF ROMANIA**

# Section XV(2) Plan

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Ref. CC-2011-1-8/Romania/EB

**2 November 2011**

Re: Final decision of the Enforcement Branch of the Compliance Committee. Party concerned Romania. 27 August 2011 (Ref. CC-2011-1-8/Romania/EB)

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## Abbreviations

ARR 2010	Report of the individual review of the annual submission of a Party submitted in 2010
CMP	Conference of the Parties serving as the Meeting of the Parties
EB-CC	Enforcement Branch of the Compliance Committee
ERT	Expert Review Team
EU-MM	European Union – Mechanism for Monitoring Community greenhouse gas emission and for implementing the Kyoto Protocol
Gov.	Governmental
IPCC	Intergovernmental Panel on Climate Change
IPCC 1996	Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories
IPCC GPG 2000	IPCC Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories, 2000
IPCC GPG 2003	IPCC Good Practice Guidance for Land Use, Land Use Change and Forestry, 2003
IT	Information Technologies
KP	Kyoto Protocol
MEF	Ministry of Environment and Forests

NA	Not applicable
NE	Not estimated
NEPA	National Environmental Protection Agency
NGHGI	National Greenhouse Gas Inventory
NIR	National Inventory Report
NS	National systems for the estimation of anthropogenic greenhouse gas emissions by sources and removals by sinks under Article 5, para. 1 of the Kyoto Protocol
para.	Paragraph
<i>Procedures and Mechanisms</i>	Procedures and mechanisms related to compliance under the Kyoto Protocol, annex to Decision 27/CMP.1-FCCC/KP/CMP/2005/8/Add.3
Rules of Procedure	Rules of Procedure of the Compliance Committee of the Kyoto Protocol
“Saturday paper”	Potential Problems and Further Questions from the ERT formulated in the course of the 2010 review of the greenhouse gas inventories of Romania submitted in 2010
Section XV(2) Plan	Plan submitted by Romania in accordance with para. 2 of section XV of the Procedures and Mechanisms, and referred to in para. 24 (b) of the preliminary finding of the EB-CC (CC-2011-1-6/Romania/EB) of 8 July 2011
QA	Quality Assurance

QC

Quality Control

QI

Question of Implementation

## **I. Introduction**

On 27 August 2011, the EB-CC adopted by consensus a final decision concerning Romania. In its preliminary finding, the EB-CC concluded, after considering the further written submission and, in the context, the presentation made by the Romanian delegation before it, that there were no sufficient grounds provided in the submission to alter the preliminary finding of the branch. Therefore, the EB-CC confirmed, in accordance with para. 8 of section IX, para. 1(f) of section X of the *Procedures and Mechanisms*, and rule 22 of the Rules of Procedure, its preliminary finding concerning Romania of 8 July 2011.

In this preliminary finding, the EB-CC determined that Romania is 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, para. 1, of the Kyoto Protocol (annex to decision 19/CMP.1), and hence does not meet the eligibility requirements under Articles 6, 12 and 17 of the KP 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. Following this determination, in accordance with section XV of the *Procedures and Mechanisms*, the EB-CC declared Romania to be in non-compliance, requested Romania to develop a plan referred to in para. 1 of section XV of the *Procedures and Mechanisms*, in accordance with the substantive requirements of para. 2 of section XV of the *Procedures and Mechanisms* and para. 1 of rule 25 bis of the Rules of Procedure, and submit it within three months to the EB-CC in accordance with para. 2 of section XV of the *Procedures and Mechanisms*, and report on the progress of its implementation in accordance with para. 3 of section XV of the *Procedures and Mechanisms*, and, finally, suspended Romania's eligibility to participate in the mechanisms in accordance with the relevant provisions under Articles 6, 12 and 17 of the KP. This final decision, together with the preliminary finding, stands at the basis of renewed efforts of the Romanian authorities to achieve compliance as it can be seen below.

## **II. General presentation of the documentation**

### ***A. Timing of the transmittal***

In accordance with the "Notice to the Party concerned of the Final Decision" (CC-2011-1/Romania/EB) and with para. 2 of section XV of the *Procedures and Mechanisms*, the plan referred to in the preliminary finding, is due on or before 28 November 2011. Following an exchange of correspondence between the diplomatic agent of Romania and the Secretary to the Compliance Committee, it was agreed that if Romania submitted its plan on 2 November 2011, the EB-CC would be able to review and assess this plan during its sixteenth meeting.<sup>1</sup>

Romania is grateful for the opportunity given by the EB-CC to submit its plan before the deadline, and thus to be able to present the considerable progress made since the EB-CC adopted its final decision.

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<sup>1</sup> See DBO/MSM/eps of 19 October 2011 and of 25 October 2011.

## ***B. Description of the plan***

The considerable progress referred to above has been made possible through the sustained efforts of the Government of Romania, who has taken all measures within its power to increase the rhythm for improving the NS. Its commitment to such improvement was shown during all meetings of the EB-CC to which a Romanian delegation attended, as well as through the improvement plans presented before the EB-CC. The EB-CC appreciated, in this respect, that Romania has shown willingness and continued commitment to improve its national system.<sup>2</sup>

As the EB-CC noted, Romania has already planned and taken measures to remedy the non-compliance, many of which have been presented before the EB-CC. Thus, the EB-CC specifically requested Romania to include in the Section XV(2) Plan information on the development and implementation of measures Romania is taking and intends to take in order to remedy the non-compliance, including further information on measures already planned and initiated.

In accordance with para. 1 and 2 of section XV of the *Procedures and Mechanisms*, where the EB-CC has determined that a Party is not in compliance with Article 5, para. 1 or para. 2, or Article 7, para. 1 or para. 4 of the KP, such Party needs to develop, within three months after the determination of non-compliance, a plan and submit it to the EB-CC for review and assessment. The substantive requirements of such plan are specifically listed in para. 2 of section XV of the *Procedures and Mechanisms* as follows:

- (a) an analysis of the causes of non-compliance;
- (b) measures intended to be implemented in order to remedy the non-compliance;
- (c) a timetable for implementing such measures.

In accordance with para. 1 of the Rules 25bis of the Rules of Procedure, the Section XV(2) Plan (as well as the compliance action plan under para. 6 of section XV of the *Procedures and Mechanisms*) needs to address, in separate sections, each of the elements specified in para. 2 (or para. 6, respectively). Such plan should also respond to any specific issues raised in the part of the final decision of the EB-CC applying the consequences.

As in the finding and consequences chapter of its preliminary finding, the EB-CC raised no specific issues, the Romanian Section XV(2) Plan includes, in separate sections, the requirements referred to in para. 2 of section XV of the *Procedures and Mechanisms*. In order to support the EB-CC in reviewing and assessing the Section XV(2) Plan, the Romanian authorities have drawn a clear table describing the non-compliance issue, where they have included, into a separate section, the analysis of the causes, as well as the remedy to the non-compliance issue. This includes, again in separate sections, the measures intended to be implemented, the timetable for their implementation and the modalities of control/review of results.

A brief presentation of each section is also given separately, with more detail given in the section concerning the analysis of the causes of non-compliance.

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<sup>2</sup> See CC-2011-1/8/Romania/EB, para. 4 (b).



### III. Section XV(2) Plan

#### A. As a table

Description of non-compliance issue			Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Analysis of causes	Measure(s)	Timetable for implementing measure(s)	Control/review of the results
<b>1. Romania's 2010 annual submission was not sufficiently complete, accurate and transparent, as required by UNFCCC reporting guidelines, IPCC 1996, IPCC GPG 2000, IPCC GPG 2003</b>	ARR 2010, CC-2011-1-8/Romania/EB/27 August 2011				
<b>1.1 KP Annex A sources</b>					

Description of non-compliance issue			Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Analysis of causes	Measure(s)	Timetable for implementing measure(s)	Control/review of the results
<p>1.1.1 Accuracy: Tier 1 estimation methods have been exclusively used within the Energy, Agriculture and Waste Sectors; tier 1 method was used to estimate the PFC emissions from Aluminium production (Industrial processes Sector).</p> <p>Decision 19/CMP.1 para. 14 (c), 14 (d) IPCC GPG 2000</p>	<p>ARR 2010, para. 17, 20, 21 (general), para. 58 (Energy), para. 93 (Agriculture), para. 118 (Waste), para 84. (PFC emissions from Aluminium production category- Industrial processes Sector);</p> <p>CC-2011-1-8/Romania/EB/27 August 2011.</p>	<p>Lack of national emission factors/other parameters;</p> <p>lack of allocation of financial resources for developing relevant studies;</p> <p>restricted human capacity at NEPA level.</p>	<p>Based on NEPA work: development of Tier 2 CO<sub>2</sub> emissions estimates for Public electricity and heat production, Manufacturing industries and constructions, Other sectors and Road transport (based on the COPERT III model use) categories (Energy); Tier 3 CO<sub>2</sub> estimates and Tier 2 PFC estimates associated to the Aluminium production category (Industrial processes); Tier 2 estimates for Managed waste disposal on land category (Waste).</p> <p>Tier 2 estimates for extended data series and Tier 3 estimates, as appropriate, for Public electricity and heat production, Manufacturing industries and construction, Other sectors (Energy); Tier 1a estimates for Ammonia production (Industrial processes); Tier 2/Tier 1a/1b with national parameter values estimates for Enteric fermentation, Manure management and Agricultural soils (Agriculture); Tier 2 estimates for Solid waste disposal on land and Wastewater treatment (Waste), based on <b>study 1</b>.</p>	<p>Incorporation into version 2 of 2011 NGHGI at the beginning of August 2011</p> <p>Final results available at 31 October 2011; full incorporation into the 2012 NGHGI due in January 2012</p>	<p>QC performed by the contractor (study 1, study 5)</p> <p>QA ensured on behalf of the contractor (study 1, study 5)</p> <p>QC/peer review ensured by NEPA dedicated team for own results/study 1 and study 5 results)</p> <p>2011 in-country review/"Saturday paper" (attached) and ARR 2011</p> <p>QA under the EU-Monitoring</p>

Description of non-compliance issue			Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Analysis of causes	Measure(s)	Timetable for implementing measure(s)	Control/review of the results
			<p>Tier 2 for Road transport estimates (using the COPERT IV model), based on <b>study 5</b>.</p> <p>Tier 2 for Railways and Navigation categories (Energy), based on NEPA work.</p>	<p>Final results to be provided by 31 October 2012; incorporation into the 2013 NGHGI due in January 2013</p> <p>Incorporation into the 2012 NGHGI due in January 2012</p>	<p>2012 review/"Saturday paper" and ARR 2012</p>
1.1.2 Completeness: categories whose associated emissions are not estimated when relevant methodologies exists (NEs) can be found on an important scale					

Description of non-compliance issue			Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Analysis of causes	Measure(s)	Timetable for implementing measure(s)	Control/review of the results
<p>Energy sector (including adjustment for venting and flaring in oil production)</p> <p>IPCC 1996 Decision 20/CMP.1 (Guidance on methodologies for adjustment)</p>	<p>ARR 2010, para. 10-11</p> <p>ARR 2010, para. 132-140 (adjustment)</p>	<p>Lack of national emission factors/other parameters;</p> <p>lack of allocation of financial resources for developing relevant studies;</p> <p>restricted human capacity at NEPA level.</p>	<p>Estimating the emissions for some categories in the Fugitive emissions subsector; improving further the characterization of NEs.</p> <p>Improving further the characterization of NEs.</p>	<p>Version 1 of the NGHGI 2011, 15 April 2011</p> <p>Version 2 of the NGHGI, at the beginning of August 2011;</p> <p>NGHGI 2012, due in January 2012</p>	<p>QC performed by NEPA</p> <p>QA under the EU-Monitoring Mechanism (EU-MM)</p> <p>2011 in-country review/"Saturday paper" and ARR 2011</p> <p>2012 review/"Saturday paper" and ARR 2012</p>

Description of non-compliance issue			Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Analysis of causes	Measure(s)	Timetable for implementing measure(s)	Control/review of the results
Industrial Process  IPCC 1996, IPCC GPG 2000	ARR 2010, para. 10	Lack of national emission factors/other parameters;  lack of allocation of financial resources for developing relevant studies;  restricted human capacity at NEPA level.	Improving further the characterization of NEs.	Version 1 of the NGHGI 2011, 15 April 2011  NGHGI 2012, due in January 2012	QC performed by NEPA  QA under EU-MM  2011 in-country review/"Saturday paper" and ARR 2011  2012 review/"Saturday paper" and ARR 2012
1.1.3 Transparency					
Energy sector: sub-categories less detailed than, and inconsistent with, energy balance  IPCC GPG 2000	ARR 2010, para. 57, 71	Restricted human capacity at NEPA level.	Improvement of the Energy Sector transparency, including through the extended use of detailed data in the Energy Balance and through the inclusion in the NIR of the disaggregated data on transport and on other fuels and other petroleum oil, data provided by the National Institute for Statistics.	Incorporation into NGHGI 2012 due January 2012	QC performed by NEPA  QA under EU-MM  2012 review/"Saturday paper" and ARR 2012

Description of non-compliance issue			Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Analysis of causes	Measure(s)	Timetable for implementing measure(s)	Control/review of the results
Industrial Processes: trend explanation missing  IPCC GPG 2000	ARR 2010, para. 77, 83	Restricted human capacity at NEPA level.	Improving the emissions and emission factors trend explanations in the NIR.	Incorporation into version 3 of NGHGI 2011, mid September 2011	QC performed by NEPA  2011 in-country review/"Saturday paper" and ARR 2011
Agriculture: trend explanation missing  IPCC GPG 2000	ARR 2010, para. 90	Restricted human capacity at NEPA level.	Improving the activity data trend explanations in the NIR.	Incorporation into version 3 of NGHGI 2011, mid September 2011	QC performed by NEPA  2011 in-country review/"Saturday paper" and ARR 2011
Agriculture: justification missing for selection of default EFs for developing countries  IPCC GPG 2000	ARR 2010, para. 98, 101	Lack of national emission factors/other parameters;  restricted human capacity at NEPA level.	Improving the explanations on selection of EFs in the NIR.	Incorporation into version 3 of NGHGI 2011 mid September 2011	QC performed by NEPA  2011 in-country review/"Saturday paper" and ARR 2011

Description of non-compliance issue			Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Analysis of causes	Measure(s)	Timetable for implementing measure(s)	Control/review of the results
Waste: explanation of trends  IPCC GPG 2000	ARR 2010, para. 119, 125	Restricted human capacity at NEPA level.	Improving the explanations on the determination of parameters, on their yearly variation and on envisaged improvements, within the NIR.	Incorporation into NGHGI 2012, due in January 2012	QC performed by NEPA  QA under EU-MM  2012 review/"Saturday paper" and ARR 2012
<b>2. The NS of Romania did not perform some of the specific functions required by the guidelines for NS</b>	ARR 2010, CC-2011-1-8/Romania/EB/27 August 2011				

Description of non-compliance issue			Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Analysis of causes	Measure(s)	Timetable for implementing measure(s)	Control/review of the results
<p>Institutional arrangements: failure to collect required data</p> <p>Decision 19/CMP.1 para. 14 (c)</p>	ARR 2010, para. 27, 178, 185	<p>Lack of national emission factors/other parameters;</p> <p>lack of financial resources for developing relevant studies;</p> <p>restricted human capacity at NEPA level.</p>	<p>Updating the NEPA NS/NGHGI dedicated structure as a result of:</p> <ul style="list-style-type: none"> <li>- governmental approval;</li> <li>- employment of additional staff;</li> <li>- ensuring appropriate working space and facilities;</li> <li>- ensuring necessary IT equipment through the support of <b>study 4</b>;</li> <li>- adequate training of all staff using the UNFCCC Secretariat and GHG management reviewer training courses, under the study 3 and based on the collaboration with European Environment Agency and European Topic Centre for Air pollution and Climate change Mitigation.</li> </ul> <p>Updating the NS as outcome of <b>study 3</b></p> <p>Updating the informational fluxes related to NGHGI under the <b>study 4</b></p>	<p>Gov. approval: June-July 2011</p> <p>Employment of additional staff: August 2011</p> <p>Ensuring appropriate working conditions and IT equipment: August 2011</p> <p>Staff training: September-December 2011</p> <p>Final results of study 3/4 to be provided by 30 November 2011/September 2012</p> <p>Results incorporated into NGHGI 2012 and onward</p>	<p>MEF and NEPA administrate the update of the NEPA NS/NGHGI dedicated structure</p> <p>Peer review of study 3 results: NEPA and MEF</p> <p>Peer review of study 4 results implemented by NEPA</p> <p>2011 in-country review/"Saturday paper" and ARR 2011</p> <p>2012 review/"Saturday paper" and ARR 2012</p>



Description of non-compliance issue			Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Analysis of causes	Measure(s)	Timetable for implementing measure(s)	Control/review of the results
Inventory preparation: failure to ensure that appropriate methods are used for key categories  Decision 19/CMP.1 para. 14 (b)	ARR 2010, para. 27, 178, 185	Please consider the elements at previous item.	Please consider the elements at previous item and in item 1.1.1.		
Inventory preparation: lack of accuracy (as a consequence of above)	ARR 2010, para. 187	Lack of national emission factors/other parameters;  lack of financial resources for developing relevant studies;  restricted human capacity at NEPA level.	Please consider the elements under 1.1.1 item.		
Inventory preparation: improvements based on previous plans and ERT recommendations are mostly not implemented	ARR 2010, para. 50, 53, 190	Lack of national emission factors/other parameters;  lack of financial resources for developing relevant studies;  restricted human capacity at NEPA level.	Please consider the elements under items 1.1.1-1.1.3.		

Description of non-compliance issue			Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Analysis of causes	Measure(s)	Timetable for implementing measure(s)	Control/review of the results
Adequacy of funding to improve the national system through the planned studies is unclear to ERT	ARR 2010, para. 31, 50, 191	Lack of sufficient transparency in presenting the elements on funding.	Improve the presentation of funding dedicated to the improvement of the NS, within the NIR.	Version 3 of the 2011 NGHGI, mid September 2011	2011 in-country review/"Saturday paper" and ARR 2011
The Party did not indicate any specific changes to the NS that are likely to ensure its proper functioning in the near future	ARR 2010, para. 190	Lack of sufficient transparency in presenting the changes to the NS.	Improve the presentation of changes to the NS to ensure its proper functioning in the future, within the NIR.	Version 3 of the 2011 NGHGI mid September 2011	2011 in-country review/"Saturday paper" and ARR 2011
Preparation of the KP-LULUCF information/data-accuracy: a Tier 1 method was used to estimate the emissions/removals associated to the Forest Management activity, a key category  IPCC GPG 2003 Decision 19/CMP. 1 para. 14 (f)	ARR 2010, para. 21, 27 (general), para. 153 (info under KP), para. 186 (QI)	Lack of national emission factors/other parameters;  lack of allocation of financial resources for developing relevant studies;  restricted human capacity at NEPA level.	Development of Tier 2 estimates for Forest Management activity, based on <b>study 2</b> .	Version 3 of the 2011 NGHGI, mid September 2011	QC ensured by the contractor of study 2  Peer review of the study 2 results ensured by NEPA  2011 in-country review/"Saturday paper" and ARR 2011

Description of non-compliance issue			Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Analysis of causes	Measure(s)	Timetable for implementing measure(s)	Control/review of the results
<p>Preparation of the KP-LULUCF information/data-completeness: not all C pools are estimated while no demonstration that these pools are not net sources is available</p> <p>IPCC GPG 2003 Decision 19/CMP.1 para. 14 (f) Decision 15/CMP.1 (para. 6 (e) to Annex) Decision 16/CMP.1 (para. 21)</p>	ARR 2010, para. 21, 27 (general), para. 142 (info under KP), para. 186 (QI)	<p>Lack of national emission factors/other parameters;</p> <p>lack of financial resources for developing relevant studies;</p> <p>restricted human capacity at NEPA level.</p>	<p>Develop estimates associated to the litter and dead wood pools and with the Forest Management activity and to the carbon stock associated to the mineral soils and Revegetation activity based on <b>study 6</b> considering, as appropriate, the development of the National Forest Inventory.</p> <p>Updating the NEPA NS/NGHGI dedicated structure according to the elements within first item at point 2.</p>	<p>Provision of final results from study 6, by end of October 2012; results incorporated within the 2013 NGHGI due in January 2013.</p> <p>Updating the NEPA NS/NGHGI dedicated structure according to the elements within first item at point 2; results incorporated into NGHGI 2012 and onward.</p>	<p>QC of the results of study 6 implemented by the contractor</p> <p>QA of the results of study 6 on behalf of the study contractor</p> <p>Peer review of study 6 results by NEPA team</p> <p>QA under EU MM</p> <p>2013 review/"Saturday paper" and ARR 2012</p> <p>MEF and NEPA administrate the update of the NEPA NS/NGHGI dedicated structure</p>

Description of non-compliance issue			Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Analysis of causes	Measure(s)	Timetable for implementing measure(s)	Control/review of the results
Preparation of the KP-LULUCF information/data-transparency: the associated information/data presented are insufficient  IPCC GPG 2003 Decision 19/CMP. 1 para. 14 (f)	ARR 2010, para. 144, 145 (Forest Management and Revegetation), para. 150 (Afforestation)		Improve the transparency of information/data within the NIR, based on the <b>study 2</b> .	Incorporation into the version 3 of the 2011 NGHGI, mid September 2011	QC ensured by the contractor of study 2  Peer review of the study 2 results ensured by NEPA  2011 in-country review/"Saturday paper" and ARR 2011

## ***B. By section***

### **1. Analysis of the causes of non-compliance**

As it can be seen from the table above, the main causes of non-compliance are the lack of national emission factors/other parameters, mainly due to the lack of allocation of financial resources for developing relevant studies, the insufficient human and technical capacity of NEPA. Other causes, such as the lack of transparency in presenting the adequacy of funding to improve the national system through the planned studies and the lack of transparency in indicating changes to the NS that are likely to ensure its proper functioning in the near-future are, in fact, consequences, of the main causes mentioned above.

These causes were present, although in a lesser form, since before the Report of the review of the initial report of Romania (FCC/IRR/2007/ROU) of 16 May 2008. The main factors behind these causes can be summed up like this 2007-2008 (political instability), 2009 (political instability and economic crisis), and 2010 (economic crisis). Because of this political instability, the importance of ensuring the proper functioning of NEPA was not fully understood at Governmental level and resources were redirected to other sectors considered of much more relevance. In this context, it was impossible even to take into consideration the possibility of a self-referral to the facilitative branch of the Compliance Committee, as self-referrals usually require a clear political mandate to acknowledge that there are difficulties that cannot be worked out nationally, and ask the international community for assistance.

The report of the individual review of the annual submission of Romania (FCCC/ARR/2010/ROU) submitted in 2010, noted that although Romania elaborated improvement plans for several years, practically after each review, addressing problems and recommendations from previous review reports was done at an insufficient pace, as noted by the ERT and recognised by the EB-CC in its proceedings. Much progress in strengthening the national system and improving the NGHGI was achieved in 2011, when this was truly acknowledged and prioritised at the highest political level

Additional reasons for delays in accelerating measures to strengthen the NS and improve NGHGI was that in 2009 and 2010, the economy of Romania contracted continuously,<sup>3</sup> and only an aggressive program of public expenditure adjustments (such as trimming down the salaries of public employees by 25%), revenue increases (such as raising the VAT by 5%, from 19% to 24%), and administrative reform enabled Romania to sustain its public finances. In this context, the requests from NEPA experts to improve the NS through the improvement of human and technical resources and the allocation of financial resources for studies were perceived as not in line with the general policy of the Government.

### **2. Measures to remedy the non-compliance**

The Government of Romania has taken several measures to remedy the non-compliance even before the EB-CC reached this conclusion, by commissioning several studies to improve the NGHGI and upgrading the NEPA NS/NGHGI

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<sup>3</sup> IMF, World Economic Outlook Database, September 2011.

structure. The preliminary results of such studies were presented in the further written submission of Romania of 11 August 2011.

The upgrade of the NEPA NS/NGHGI structure has been finished, and now it is considered to have sufficient allocation of human resources. Moreover, a complex program of training has been started using the UNFCCC Secretariat and GHG management reviewer training courses, based on the cooperation with the European Environment Agency and the European Topic Centre for Air Pollution and Climate Change Mitigation. The technical capacity of the upgraded structure was also ensured at an optimal level.

In turn, these improvements have led to the possibility of developing more accurate estimates (including Tier 2 and Tier 3 estimates) for a wide range of categories, improving the characterization of NEs, inclusion of data provided by the National Institute for Statistics, improving the explanations in the NIR etc.

Moreover, the increased funding allotted by the Government will allow for the finalization of several studies essential in improving the NS and the NGHGI. As it can be seen from the list of these studies which are presented below, their objectives range from improving the accuracy in key categories estimates and the completeness, consistency and transparency of the LULUCF sector to strengthening the NS, including in respect of data collection.

No.	Study title	Objectives	Contractor	Status of implementation	Deadline for providing final results
1.	“Elaboration/documentation of national emission factors/other parameters relevant to NGHGI Sectors Energy, Industrial Processes, Agriculture and Waste, values to allow for the higher Tier calculation methods implementation”	improving the accuracy in key categories estimates, as previously presented	SC ISPE SA	Finalized	31 October 2011
2.	“NGHGI LULUCF both under the UNFCCC and KP obligations”	improving the accuracy, completeness, consistency and transparency of the LULUCF Sector	ICAS Bucharest	Finalized	31 October 2011
3.	“Support for the implementation of the European Union requirements on the monitoring and reporting of the carbon dioxide (CO <sub>2</sub> ) and other greenhouse gas emissions”	strengthening the NS, including in respect to data collection	SC ISPE SA	On-going	30 November 2011
4.	“Environmental Integrated Informational System”	optimizing the informational fluxes related to the NGHGI, including: - data collection from the operators for the Electricity and heat production category (Energy); - data collection from public authorities.	SC Asesoft International SA-SC TeamNet International SA-SC Star Storage SRL consortium	On-going	September 2012
5.	“Development of historical data, for the period 1989-2010, for allowing to estimate direct and indirect GHG emissions from Road Transport using the COPERT 4 model associated to the Tier 2 approach”	increasing the accuracy of the Road transport estimates, using the COPERT 4 model	Not known at present, as procurement procedure is ongoing.	Terms of References are prepared	31 October 2012

6.	“NGHGI LULUCF both under the UNFCCC and KP obligations”	improving the accuracy, completeness, consistency and transparency of the LULUCF Sector	Not known at present, as procurement procedure is ongoing.	Terms of References are under preparation	31 October 2012
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### **3. Timetable for implementing the measures**

In accordance with para. 2 of section XV of the *Procedures and Mechanisms*, the timetable for implementing the measures that the Party intends to implement in order to remedy the non-compliance should not exceed twelve months. Having in mind this requirement, the Section XV(2) Plan includes in its remedy the non-compliance issue part a clear and detailed timetable extending until 31 October 2012.

It should be noted, that since parts of there were measures planned or taken before the EB-CC adopted its final decision, some of the deadlines have already passed and the measures finalized.

### **IV. Conclusion**

During the course of the technical review of Romania's 2010 annual submission, the ERT found that the NS of Romania did not perform some of the specific functions required by the guidelines for national systems. In addition, the ERT noted that the NS of Romania was unable to comply with the requirements for the preparation of the information required under Article 7, para. 1, in particular for LULUCF activities under Article 3, para. 3 and 4, of the KP. As underlined by the ERT and by the EB-CC, the main issue which raised the question of implementation relates to the NS of Romania. The EB-CC concluded that Romania needs to make further progress in the development and implementation of measures to ensure that the national system performs all the specific functions described in the guidelines for national systems.

In relation with the conclusion above, the EB-CC noted that an in-country review of Romania's NS, in conjunction with a review of an annual inventory submission that is generated by this system, is required for the branch to assess compliance with the guidelines for national systems. From 26 September to 1 October 2011, NEPA hosted an in-country review team. At the end of their review, the ERT concluded that Romania's NS conforms to the requirements of the guidelines for national systems and noted the improvements already done to the 2011 NGHGI as well as the future improvements. The "Saturday Paper" drafted on 1 October 2011 does not make any reference to potential problems associated to the NS. All the other problems identified by the ERT will be solved until the deadline (14 November 2011).

Having in mind all the above, the Government of Romania pledges to implement all measures stipulated in the plan and expresses its hopes that the plan drafted and presented above, and the measures that have already been taken will satisfy the requirements for ensuring the compliance of Romania's NS with the guidelines for national systems and will allow the EB-CC to declare that Romania is no longer in non-compliance

In order to underline the fact that measures have already been taken in implementing the Section XV(2) Plan, and to demonstrate that this plan will achieve the desired results, the Government of Romania has also included in this documentation a first progress report on the implementation of the plan. This progress report is submitted in accordance with para. 3 of section XV of the *Procedures and Mechanisms*.

## V. First progress report

Description of non-compliance issue		Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Measure(s) implemented	Timetable for implemented measure(s)	Control/review of the results
<b>1. Romania's 2010 annual submission was not sufficiently complete, accurate and transparent, as required by UNFCCC reporting guidelines, IPCC 1996, IPCC GPG 2000, IPCC GPG 2003</b>	ARR 2010, CC-2011-1-8/Romania/EB/27 August 2011			
<b>1.1 KP Annex A sources</b>				

Description of non-compliance issue		Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Measure(s) implemented	Timetable for implemented measure(s)	Control/review of the results
<p>1.1.1 Accuracy: Tier 1 estimation methods have been exclusively used within the Energy, Agriculture and Waste Sectors; tier 1 method was used to estimate the PFC emissions from Aluminium production (Industrial processes Sector).</p> <p>Decision 19/CMP.1 para. 14 (c), 14 (d) IPCC GPG 2000</p>	<p>ARR 2010, para. 17, 20, 21 (general), para. 58 (Energy), para. 93 (Agriculture), para. 118 (Waste), para 84. (PFC emissions from Aluminium production category- Industrial processes Sector);</p> <p>CC-2011-1-8/Romania/EB/2 7 August 2011.</p>	<p>Based on NEPA work, Tier 2 CO<sub>2</sub> estimates for Public electricity and heat production, Manufacturing industries and constructions, Other sectors and Road transport (based on the COPERT III model use) categories (Energy); Tier 3 CO<sub>2</sub> estimates and Tier 2 PFC estimates associated to the Aluminium production category (Industrial processes); Tier 2 estimates for Managed waste disposal on land category (Waste), have been developed and included within version 2 of 2011 NGHGI.</p> <p>Intermediary/final elements to allow the implementation of Tier 2 estimates for extended data series and Tier 3 estimates, as appropriate, for CO<sub>2</sub> emissions, and of Tier 1a for CH<sub>4</sub> and N<sub>2</sub>O emissions, for Public electricity and heat production, Manufacturing industries and construction, Other sectors (Energy); Tier 1a estimates for Ammonia production (Industrial processes); Tier 2/Tier 1a/1b with national parameter values estimates for Enteric fermentation, Manure management and Agricultural soils (Agriculture); Tier 2 estimates for Solid waste disposal on land and Wastewater treatment (Waste), has been provided to MEF and NEPA by the contractor, based on <b>study 1</b>.</p> <p>Preparation by NEPA of the Terms of References associated to the <b>study 5</b>.</p> <p>Beginning of data collection in order to implement Tier 2 for Railways and Navigation categories (Energy), based on NEPA work.</p>	<p>Version 2 of 2011 NGHGI has been submitted to the UNFCCC Secretariat on 11 August 2011</p> <p>Energy, Industrial Processes Sectors results, based on <b>study 1</b>:</p> <ul style="list-style-type: none"> <li>- intermediary: 30 August 2011 (delivered on schedule);</li> <li>- final: 30 September 2011 (delivered on schedule).</li> </ul> <p>Final Agriculture Sector results: 15 October 2011 (delivered on schedule).</p> <p>Intermediary results on Waste Sector: 30 September 2011 (delivered on schedule).</p> <p>Preparation of the Terms of References associated to the <b>study 5</b>: April 2011.</p> <p>Beginning of data collection in order to implement Tier 2 for Railways and Navigation categories (Energy): October 2011.</p>	<p>QC performed by the contractor (study 1)</p> <p>QA ensured on behalf of the contractor (study 1)</p> <p>QC/peer review ensured by NEPA dedicated team for own results/study 1 results</p> <p>2011 in-country review/"Saturday paper" and ARR 2011, for NEPA results</p> <p>Check of the study 5 related Terms of References by MEF</p>

Description of non-compliance issue		Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Measure(s) implemented	Timetable for implemented measure(s)	Control/review of the results
1.1.2 Completeness: categories whose associated emissions are not estimated when relevant methodologies exists (NEs) can be found on an important scale				

Description of non-compliance issue		Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Measure(s) implemented	Timetable for implemented measure(s)	Control/review of the results
<p>Energy sector (including adjustment for venting and flaring in oil production)</p> <p>IPCC 1996 Decision 20/CMP.1 (Guidance on methodologies for adjustment)</p>	<p>ARR 2010, para. 10-11</p> <p>ARR 2010, para. 132-140 (adjustment)</p>	<p>Estimating for the first time emissions in Oil production, Oil transport, Natural gas production/processing and Natural gas transmission categories of the Fugitive emissions subsector; incorporation the estimates into version 1 of the 2011 NGHGI.</p> <p>Comparing with version 3.2 of the 2010 NGHGI, the characterization of NEs has been further improved within the version 1 of the 2011 NGHGI based on NEPA work; the number of NEs decreased with 24 for the last characterized year (2008, associated to the version 3.2 of the 2010 NGHGI and, respectively, 2009, associated to the version 1 of the 2011 NGHGI), from 88 to 64.</p> <p>Comparing with version 1 of the 2011 NGHGI, the characterization of NEs has been further improved within the version 2 of the 2011 NGHGI, based on NEPA work; the number of NEs decreased with 20 for 2009 year, from 64 to 44.</p>	<p>Version 1 of 2011 NGHGI has been submitted to the UNFCCC Secretariat on 15 April 2011</p> <p>Version 2 of 2011 NGHGI has been submitted to the UNFCCC Secretariat on 11 August 2011</p>	<p>QC performed by NEPA</p> <p>QA under the EU-Monitoring Mechanism (EU-MM)</p> <p>2011 in-country review/"Saturday paper" and ARR 2011</p>

Description of non-compliance issue		Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Measure(s) implemented	Timetable for implemented measure(s)	Control/review of the results
Industrial Process  IPCC 1996, IPCC GPG 2000	ARR 2010, para. 10	Comparing with version 3.2 of the 2010 NGHGI, based on NEPA work, the characterization of NEs has been further improved within the version 1 of the 2011 NGHGI; the number of NEs decreased with 45 for the last characterized year (2008, associated to the version 3.2 of the 2010 NGHGI and, respectively, 2009, associated to the version 1 of the 2011 NGHGI), from 81 to 36.	Version 1 of 2011 NGHGI has been submitted to the UNFCCC Secretariat on 15 April 2011	QC performed by NEPA  QA under the EU-Monitoring Mechanism (EU-MM)  2011 in-country review/"Saturday paper" and ARR 2011
1.1.3 Transparency				
Industrial Processes: trend explanation missing  IPCC GPG 2000	ARR 2010, para. 77, 83	The emissions and emission factors trend explanations have been improved within the NIR, part of the version 3 of NGHGI 2011.	Version 3 of the 2011 NGHGI has been submitted to the UNFCCC Secretariat in 15 September 2011	QC performed by NEPA  2011 in-country review/"Saturday paper" and ARR 2011

Description of non-compliance issue		Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Measure(s) implemented	Timetable for implemented measure(s)	Control/review of the results
Agriculture: trend explanation missing  IPCC GPG 2000	ARR 2010, para. 90	The activity data trend explanations have been improved within the NIR, part of the version 3 NGHGI 2011.	Version 3 of the 2011 NGHGI has been submitted to the UNFCCC Secretariat in 15 September 2011	QC performed by NEPA  2011 in-country review/"Saturday paper" and ARR 2011
Agriculture: justification missing for selection of default EFs for developing countries  IPCC GPG 2000	ARR 2010, para. 98, 101	The explanations on selection of EFs have been improved within the NIR, part of the version 3 of the NGHGI 2011.	Version 3 of the 2011 NGHGI has been submitted to the UNFCCC Secretariat in 15 September 2011	QC performed by NEPA  2011 in-country review/"Saturday paper" and ARR 2011
<b>2. The NS of Romania did not perform some of the specific functions required by the guidelines for NS</b>	ARR 2010, CC-2011-1-8/Romania/EB/27 August 2011			

Description of non-compliance issue		Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Measure(s) implemented	Timetable for implemented measure(s)	Control/review of the results
<p>Institutional arrangements: failure to collect required data</p> <p>Decision 19/CMP.1 para. 14 (c)</p>	ARR 2010, para. 27, 178, 185	<p>The following progresses have been achieved in updating the NEPA NS/NGHGI dedicated structure conform to the timetable in the column herewith :</p> <ul style="list-style-type: none"> <li>- governmental approval during June-July 2011 of establishing a new unit at NEPA having exclusively the responsibilities of administrating the NS and the NGHGI and allowing for an increased staff number, from 5 to 16;</li> <li>- employment of additional staff (11 people);</li> <li>- ensuring appropriate working space and facilities;</li> <li>- ensuring necessary IT equipment through the support of <b>study 4</b>;</li> <li>- beginning of training of all staff using the UNFCCC Secretariat and GHG management reviewer training courses.</li> </ul> <p>Analyze of the NS as outcome of <b>study 3</b>.</p> <p>Establishing in detail the coordinates of updating the informational fluxes related to NGHGI under the <b>study 4</b>; provision of intermediary results by the contractor.</p>	<p>Gov. approval: June-July 2011</p> <p>Employment of additional staff: August 2011</p> <p>Ensuring appropriate working conditions and IT equipment: August 2011</p> <p>Beginning of training of all staff using the UNFCCC Secretariat and GHG management reviewer training courses: September-October 2011</p> <p>Analyze of the NS as outcome of <b>study 3</b>: October 2011</p> <p>Establishing in detail the coordinates of updating the informational fluxes related to NGHGI under the <b>study 4</b>; provision of intermediary results by the contractor: January-June 2011</p>	<p>MEF and NEPA administrate the update of the NEPA NS/NGHGI dedicated structure</p> <p>Peer review of study 4 results implemented by NEPA</p> <p>2011 in-country review/"Saturday paper" and ARR 2011</p>



Description of non-compliance issue		Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Measure(s) implemented	Timetable for implemented measure(s)	Control/review of the results
Inventory preparation: failure to ensure that appropriate methods are used for key categories  Decision 19/CMP.1 para. 14 (b)	ARR 2010, para. 27, 178, 185	Please consider the elements at previous and the 1.1.1 items.		
Inventory preparation: lack of accuracy (as a consequence of above)	ARR 2010, para. 187	Please consider the elements under 1.1.1 item.		

Description of non-compliance issue		Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Measure(s) implemented	Timetable for implemented measure(s)	Control/review of the results
Inventory preparation: improvements based on previous plans and ERT recommendations are mostly not implemented	ARR 2010, para. 50, 53, 190	Please consider the elements under items 1.1.1-1.1.3.		
Adequacy of funding to improve the national system through the planned studies is unclear to ERT	ARR 2010, para. 31, 50, 191	The presentation of funding dedicated to the improvement of the NS has been improved within the NIR, part of the version 3 of the 2011 NGHGI. Moreover, funding for 3 out of 5 studies has been secured by July 2011, and provisional/final results have already been implemented in the NGHGI 2011 version 2 and 3.	Version 3 of the 2011 NGHGI has been submitted to the UNFCCC Secretariat in 15 September 2011	2011 in-country review/"Saturday paper" and ARR 2011
The Party did not indicate any specific changes to the NS that are likely to ensure its proper functioning in the near future	ARR 2010, para. 190	The presentation of changes to the NS to ensure its proper functioning in the future has been improved within the NIR, part of the version 3 of the 2011 NGHGI.	Version 3 of the 2011 NGHGI has been submitted to the UNFCCC Secretariat in 15 September 2011	2011 in-country review/"Saturday paper" and ARR 2011

Description of non-compliance issue		Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Measure(s) implemented	Timetable for implemented measure(s)	Control/review of the results
<p>Preparation of the KP-LULUCF information/data -accuracy: a Tier 1 method was used to estimate the emissions/removals associated to the Forest Management activity, a key category</p> <p>IPCC GPG 2003 Decision 19/CMP.1 para. 14 (f)</p>	<p>ARR 2010, para. 21, 27 (general), para. 153 (info under KP), para. 186 (QI)</p>	<p>Development of Tier 2 estimates for Forest Management activity, based on <b>study 2</b>; estimates have been incorporated in version 3 of the NGHGI 2011.</p>	<p>Version 3 of the 2011 NGHGI has been submitted to the UNFCCC Secretariat in 15 September 2011</p>	<p>QC ensured by the contractor of study 2</p> <p>Peer review of the study 2 results ensured by NEPA</p> <p>2011 in-country review/"Saturday paper" and ARR 2011</p>

Description of non-compliance issue		Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Measure(s) implemented	Timetable for implemented measure(s)	Control/review of the results
<p>Preparation of the KP-LULUCF information/data-completeness: not all C pools are estimated while no demonstration that these pools are not net sources is available</p> <p>IPCC GPG 2003 Decision 19/CMP. 1 para. 14 (f) Decision 15/CMP.1 (para. 6 (e) to Annex) Decision 16/CMP. 1 (para. 21)</p>	ARR 2010, para. 21, 27 (general), para. 142 (info under KP), para. 186 (QI)	<p>Beginning of elaboration by NEPA of the Terms of References associated to the <b>study 6</b>.</p> <p>Updating the NEPA NS/NGHGI dedicated structure according to the elements within first item at point 2.</p>	<p>Beginning of elaboration of the Terms of References associated to the <b>study 6</b>: end of October 2011</p> <p>Updating the NEPA NS/NGHGI dedicated structure according to the elements within first item at point 2.</p>	<p>MEF and NEPA administrate the update of the NEPA NS/NGHGI dedicated structure</p> <p>2011 in-country review/"Saturday paper" and ARR 2011</p>

Description of non-compliance issue		Remedy the non-compliance issue		
Issue, including the reference to relevant requirement(s)	Where described	Measure(s) implemented	Timetable for implemented measure(s)	Control/review of the results
Preparation of the KP-LULUCF information/data -transparency: the associated information/data presented are insufficient  IPCC GPG 2003 Decision 19/CMP. 1 para. 14 (f)	ARR 2010, para. 144, 145 (Forest Management and Revegetation), para. 150 (Afforestation)	The transparency of the KP-LULUCF related information/data has been improved within the NIR, part of the version 3 of the 2011 NGHGI, based on the <b>study 2</b> .	Version 3 of the 2011 NGHGI has been submitted to the UNFCCC Secretariat in 15 September 2011	QC ensured by the contractor of study 2  Peer review of the study 2 results ensured by NEPA  2011 in-country review/"Saturday paper" and ARR 2011

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