



UNFCCC ITL Administrator

Standard Independent Assessment Report
Assessment Report
Part 2 - Substance

Reference:	IAR/2009/LUX/2/1	State:	Final
Version number:	2.0	Date:	23/08/2010
Prepared by:	Heidi McKenna / Independent Consultant		
Reviewed by:	Chris Collins / SRA International, Inc.		
Approved by:	Vitaly Matsarski / UNFCCC		

Circulation list

Name/Role	Organization	Info/Action
Heidi McKenna/ Assessor	Independent Consultant	Info
Miroslav Rehor	OTE, a.s. /Czech Republic	
Bryan Eckstein/Assessor Coordinator	SRA International, Inc.	Info
Chris Collins/Assessor Coordinator	SRA International, Inc.	Info
Martine Kemmer/ RSA – Main Contact	Administration de l'Environnement Division Air- Bruit	Info

Document change record

Version	Date	Description
0.1	11/08/2010	Initial draft
1.0	11/08/2010	Reviewed draft 1.0 – ready to send to Party.
2.0	23/08/2010	Final, party reported no comments to draft

Summary

Ref Nr	Description	Value	Comments
P2.0.1	Party name	Luxembourg	
P2.0.2	Reporting period	2009	
P2.0.3	Submission under review	Files submitted: - [SEF] SEF_LU_2010_2_15-3-14+7-1-2010.xls - [NIR] NIR_LUX_2010_100527.doc -[RESPONSE1] LUX_CONSULTATION FORM ON DRAFT PART1.doc -[TEST RESULTS] 002Luxembourg_23092009_COM.pdf 20090929_Successful_ETS_Testing.pdf	Information from the ITL Administrator: [SEFCR] SEF_LU_2010_2_15-3-14+7-1-2010-CR.xls -[RRITL] SIAR_Reports_2009_LU_v1.1.xls
P2.0.4	Previous annual review report reference	FCCC/ARR/2009/LUX (17 February 2010)	

Table of Contents

- 1. Introduction..... 4**
 - 1.1. Overall assessment4**
 - 1.2. Summary of findings.....5**
- 2. Identification of Problems..... 6**
- 3. Identification of Significant Changes.....11**
- 4. Recommendations.....14**
 - 4.1. Previous Expert Review Team recommendations14**
 - 4.2. Recommendations to address identified problems.....15**

1. Introduction

The SIAR Part 2 report assesses the substance of a Party's annual submission with regard to its national registry. Each section contains questions related to the specific items to be assessed.

1.1. Overall assessment

Ref Nr	Requirement	Assessment
P2.1.1	Is the information submitted by Party, in relation to its national registry, complete?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
P2.1.2	Problem found with Party's national registry?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
P2.1.3	Any unresolved problem with Party's national registry?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
P2.1.4	Problems identified with the significant changes to the Party's national registry?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
P2.1.5	National registry related recommendations from previous annual review were fully addressed?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
P2.1.6	Is there any recommendation that needs to be addressed by the Party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

1.2. Summary of findings

Ref Nr	Summary of findings
P2.2.1	<ol style="list-style-type: none"> 1. The information on Kyoto Protocol units has been reported in accordance with section I.E of the annex to decision 15/CMP.1 and is accurate. The national registry continues to fulfill the requirements related to its reporting and accounting of information on Kyoto Protocol units, transaction procedures, conformance to the technical standards, security, data integrity and recovery measures. 2. Party has reported information on its accounting of Kyoto Protocol units in the required SEF tables, as required by decisions 15/CMP.1 and 14/CMP.1. The SIAR was forwarded to the ERT prior to the review, pursuant to decision 16/CP.10. The SIAR assessor reiterated the main findings and recommendations contained in the SIAR. 3. Information reported by Party on records of any discrepancies and on any records of non-replacement were found to be consistent with information provided to the secretariat by the international transaction log (ITL) 4. The Party has not completely addressed all items that were identified as necessary by the previous ERT. The SIAR assessor found that Luxembourg did not undertake the corrective action, as recommended by the previous ERT, to report in a timely manner on Kyoto Protocol units, Kyoto Protocol transactions, changes in its national registry and any actions undertaken to address problems. 5. The SIAR assessor finds that the national registry continues to perform the functions set out in the annex to decision 13/CMP.1 and the annex to decision 5/CMP.1, and continues to adhere to the technical standards for data exchange between registry systems in accordance with relevant Conference of the Parties serving as the meeting of the Parties (CMP) to the Kyoto Protocol decisions. 6. The Party did not report its commitment period reserve in its 2009 annual submission. The SIAR assessor recommends that Luxembourg include information on its commitment period reserve in its next annual submission according to 15/CMP.1 annex I.E paragraph 18 7. The national registry has not completely fulfilled all requirements regarding the public availability of information in accordance with section II.E of the annex to decisions 13/CMP.1 <p><u>Recommendations</u></p> <ol style="list-style-type: none"> 1. The SIAR assessor reiterates the recommendation of the previous ERT and recommends that the party report the calculation of its Commitment Period Reserve according to 15/CMP.1 annex I.E. paragraph 18 in its annual submission. 2. The SIAR assessor reiterates the previous ERT recommendations and recommends that the party report the steps taken to address ERT recommendations in its annual submission

Ref Nr	Summary of findings
	<p>3. The SIAR assessor recommends that the Party clarify the information reported on its public website pursuant to 13/CMP.1 Annex paragraph 46 (a-d) related to Article 6 projects. If the Party does not participate in JI, the Party should make this statement both in its annual submission and on its public website.</p> <p>4. The SIAR assessor recommends that the Party specifically report information required under 15/CMP.1 Annex I.E related to the accounting of Kyoto Protocol units in its annual submission. The Party made this information available to the SIAR assessor via a consultation form in response to a draft Part 1 SIAR assessment. The SIAR assessor recommends that the Party include the following information in its annual submission:</p> <ul style="list-style-type: none"> • Information on discrepancies according to 15/CMP.1 Annex I.E. Paragraph 12 • Information on notifications received by the registry in accordance with 15/CMP.1 annex I.E.Paragraph 13 - 15 • Information on any invalid units exist in the registry in accordance with 15/CMP.1 annex I.E. Paragraph 16 • Information on changes made to correct discrepancies or to prevent them from reoccurring or specifically state if no changes were made according to 15/CMP.1 annex I.E. paragraph 17 • Information on changes to the national registry according to 15/CMP.1 annex II.E paragraph 32.(a-j)

2. Identification of Problems

The purpose of this section is to identify any problems with the national registry based on the Party's annual submission and transaction log records that may affect the performance of the functions of the national registry pursuant to paragraph 88 of the annex to decision 22/CMP.1.

Ref Nr	Requirement	Assessment	Comment
	<p>22/CMP.1 paragraph 88.(a)</p> <p>The information is complete and submitted in accordance with section I.E of the annex to decision 15/CMP.1 and relevant decisions of the COP/MOP;</p>	<p>Assessed in SIAR Part 1. Kept here for completeness</p>	

Ref Nr	Requirement	Assessment	Comment
P2.2.2	22/CMP.1 paragraph 88.(b) The information relating to issuance, cancellations, retirement, transfers, acquisitions, replacement and carry-over is consistent with information contained in the national registry of the Party concerned and with the records of the transactions log;	Problem Identified? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Party submitted a SEF which is consistent with the ITL records.
P2.2.3	22/CMP.1 paragraph 88.(c) The information relating to transfers and acquisitions between national registries is consistent with the information contained in the national registry of the Party concerned and with the records of the transaction log, and with information reported by the other Parties involved in the transactions;	Problem Identified? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Party submitted a SEF which is consistent with the ITL records.
P2.2.4	22/CMP.1 paragraph 88.(d) The information relating to acquisitions of CERs, tCERs, and ICERs from the CDM registry is consistent with the information contained in the national registry of the Party concerned and with the records of the transaction log, and with the clean development mechanism (CDM) registry;	Problem Identified? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Party submitted a SEF which is consistent with the ITL records.
P2.2.5	22/CMP.1 paragraph 88.(e) ERUs, CERs, AAUs and RMUs have been issued, acquired, transferred, cancelled, retired, or carried over to the subsequent or from the previous commitment period in accordance with the annex to decision 13/CMP.1;	Problem Identified? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	No discrepancies occurred for the Party and no problem has been identified with regard to its transaction procedures related to ERUs, CERs, AAUs and RMUs.
P2.2.6	22/CMP.1 paragraph 88.(f) tCERs and ICERs have been issued, acquired, transferred, cancelled, retired and replaced, in accordance with the annex to decision 13/CMP.1 and the annex to decision 5/CMP.1;	Problem Identified? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	No discrepancies occurred for the Party and no problem has been identified with regard to its transaction procedures related to tCERs and ICERS.

Ref Nr	Requirement	Assessment	Comment	
P2.2.7	22/CMP.1 paragraph 88.(g) The information reported under paragraph 11 (a) of section I.E. in the annex to decision 15/CMP.1 on the quantities of units in accounts at the beginning of the year is consistent with information submitted the previous year, taking into account any corrections made to such information, on the quantities of units in accounts at the end of the previous year;	Problem Identified? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Party submitted a SEF which is consistent with the ITL records and with information submitted in the year prior to the reported year.	
P2.2.8	22/CMP.1 paragraph 88.(h) The required level of the commitment period reserve, as reported, is calculated in accordance with paragraph 6 of the annex to decision 18/CP.7;	Only assessed by the Expert Review Team. Kept here for completeness		
P2.2.9	22/CMP.1 paragraph 88.(i) The assigned amount is calculated to avoid double accounting in accordance with paragraph 9 of the annex to decision 16/CMP.1;	Only assessed by the Expert Review Team. Kept here for completeness		
P2.2.10	22/CMP.1 paragraph 88.(j) A discrepancy has been identified by the transaction log relating to transactions initiated by the Party, and if so the expert review team shall:	Has the discrepancy been identified by the transaction log? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	No discrepancies occurred for the Party	
Repeat for each discrepancy type	P2.2.10.1	22/CMP.1 paragraph 88.(j)(i) Verify that the discrepancy has occurred and been correctly identified by the transaction log;	Has the discrepancy been identified by the transaction log? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No discrepancies occurred for the Party
	P2.2.10.2	22/CMP.1 paragraph 88.(j)(ii) Assess whether the same type of discrepancy has occurred previously for that Party;	Has the same type of discrepancy occurred previously for that Party? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No discrepancies occurred for the Party

Ref Nr	Requirement	Assessment	Comment
P2.2.10.3	22/CMP.1 paragraph 88.(j)(iii) Assess whether the transaction was completed or terminated;	Was the transaction completed or terminated? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No discrepancies occurred for the Party
P2.2.10.4	22/CMP.1 paragraph 88.(j)(iv) Has the Party corrected the problem that caused the discrepancy?	Problem that caused the discrepancy corrected? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No discrepancies occurred for the Party
P2.2.10.5	22/CMP.1 paragraph 88.(j)(v) Assess whether the problem that caused the discrepancy relates to the capacity of the national registry to ensure the accurate accounting of Kyoto Protocol units, issuance, holding, transfer, acquisition, cancellation and retirement of ERUs, CERs, tCERS, ICERs, AAUs and RMUs, the replacement of tCERs and ICERs, and the carry-over of ERUs, CERs and AAUs	Discrepancy relates to the capacity of the national registry to ensure the accurate accounting? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No discrepancies occurred for the Party

Ref Nr	Requirement	Assessment	Comment	
P2.2.11	22/CMP.1 paragraph 88.(k) Any record of non-replacement has been sent to the Party by the transaction log in relation to tCERs or ICERs held by the Party, and if so the expert review team shall:	Any tCERs or ICERs subject to non-replacement held by Party? [] Yes [x] No	No non-replacements occurred for the Party.	
Repeat for each non-replacement type (incl Type number	P2.2.11.1	22/CMP.1 paragraph 88.(k)(i) Verify that the non-replacement has occurred and been correctly identified by the transaction log;	Has the transaction log identified the non-replacement? [] Yes [] No [x] N/A	No non-replacements occurred for the Party.
	P2.2.11.2	22/CMP.1 paragraph 88.(k)(ii) Assess whether non-replacement has occurred previously for that Party;	Has this type of non-replacement previously occurred for that Party? [] Yes [] No [x] N/A	No non-replacements occurred for the Party.
	P2.2.11.3	22/CMP.1 paragraph 88.(k)(iii) Assess whether the replacement was subsequently undertaken;	Was the replacement subsequently undertaken? [] Yes [] No [x] N/A	No non-replacements occurred for the Party.
	P2.2.11.4	22/CMP.1 paragraph 88.(k)(iv) Examine the cause of the non-replacement and whether the Party has corrected the problem that caused the non-replacement;	Has the Party corrected the problem that caused the non-replacement? [] Yes [] No [x] N/A	No non-replacements occurred for the Party.
	P2.2.11.5	22/CMP.1 paragraph 88.(k)(v) Assess whether the problem that caused the non-replacement relates to the capacity of the national registry to ensure the accurate accounting of Kyoto Protocol units, holding, transfer, acquisition, cancellation, and retirement of ERUs, CERs, tCERs, ICERs, AAUs and RMUs, and the replacement of tCERs and ICERs, and if so, initiate a thorough review of the registry system in accordance with part V of these guidelines.	Non-replacement relates to the capacity of the national registry to ensure the accurate accounting? [] Yes [] No [x] N/A	No non-replacements occurred for the Party.

3. Identification of Significant Changes

The purpose of this section is to identify any **significant changes** in the national registry reported by the Party that may affect the performance of the functions contained in the annex to decision 13/CMP.1, the annex to decision 15/CMP.1 and the adherence to the technical standards for data exchange between registry systems in accordance with relevant COP/MOP decisions.

If a change to a Party's national registry has been identified under paragraph 22 of the annex to decision 15/CMP.1 then information relating to this change should be submitted by the Party in accordance with paragraph 32 of the annex to decision 15/CMP.1. This section assesses the submitted changes reported by Party in accordance with paragraph 32 of decision 15/CMP.1, and the further guidance elaborated in the Independent Assessment Report common operational procedure.

Ref Nr	Requirement	Has the Party reported a change?	Problem Identified with the Change?	Comment
P2.3.1	15/CMP.1 paragraph 32.(a) The name and contact information of the registry administrator designated by the Party to maintain the national registry	Not a significant change, left here for completeness		
P2.3.2	15/CMP.1 paragraph 32.(b) The names of the other Parties with which the Party cooperates by maintaining their national registries in a consolidated system	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	No changes occurred for the Party for this item.
P2.3.3	15/CMP.1 paragraph 32.(c) A description of the database structure and capacity of the national registry.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	No changes occurred for the Party for this item.

Ref Nr	Requirement	Has the Party reported a change?	Problem Identified with the Change?	Comment
P2.3.4	15/CMP.1 paragraph 32.(d) A description of how the national registry conforms to the technical standards for data exchange between registry systems for the purpose of ensuring the accurate, transparent and efficient exchange of data between national registries, the clean development mechanism registry and the transaction log (decision 19/CP.7, paragraph 1)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	The party sufficiently reported changes to the national registry's conformance with technical standards.
P2.3.5	15/CMP.1 paragraph 32.(e) A description of the procedures employed in the national registry to minimize discrepancies in the issuance, transfer, acquisition, cancellation and retirement of ERUs, CERs, tCERs, ICERs, AAUs and/or RMUs, and replacement of tCERs and ICERs, and of the steps taken to terminate transactions where a discrepancy is notified and to correct problems in the event of a failure to terminate the transactions	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	No changes occurred for the Party for this item.
P2.3.6	15/CMP.1 paragraph 32.(f) An overview of security measures employed in the national registry to prevent unauthorized manipulations and to prevent operator error and of how these measures are kept up to date	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	No changes occurred for the Party for this item.

Ref Nr	Requirement	Has the Party reported a change?	Problem Identified with the Change?	Comment
P2.3.7	15/CMP.1 paragraph 32.(g) A list of the information publicly accessible by means of the user interface to the national registry	Not a significant change, left here for completeness		
P2.3.8	15/CMP.1 paragraph 32.(h) The Internet address of the interface to its national registry	Not a significant change, left here for completeness		
P2.3.9	15/CMP.1 paragraph 32.(i) A description of measures taken to safeguard, maintain and recover data in order to ensure the integrity of data storage and the recovery of registry services in the event of a disaster	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	No changes occurred for the Party for this item.
P2.3.10	15/CMP.1 paragraph 32.(j) The results of any test procedures that might be available or developed with the aim of testing the performance, procedures and security measures of the national registry undertaken pursuant to the provisions of decision 19/CP.7 relating to the technical standards for data exchange between registry systems.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	No changes occurred for the Party for this item.

4. Recommendations

4.1. Previous Expert Review Team recommendations

This section assesses Party's response to the previous annual review recommendations.

Ref Nr	Recommendation from previous Annual Review report (with ref)	Has Party acted on recommendation?	Comment
P2.4.1.1	<p>Paragraph 114 of FCCC/ARR/2009/LUX includes the strong recommendation of the previous ERT that Luxembourg should ensure sufficient resources are allocated to allow Luxembourg to report in a timely manner on Kyoto Protocol units, Kyoto Protocol transactions and changes in its national registry and to allow Luxembourg to report on any actions undertaken to address problems in its next annual submission.</p> <p>Further, in paragraph 117, the previous ERT recommends that Luxembourg in its next annual submission report any change(s) in its national registry in accordance with section I.G of the annex to decision 15/CMP.1.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	The assessor notes that the Party has made changes to the registry management team, but reporting, for purposes of SIAR assessment in 2010 was not complete.
P2.4.1.2	Paragraph 114 of FCCC/ARR/2009/LUX includes the recommendation of the previous ERT that Luxembourg should enhance the user interface of its national registry by providing all the public information referred to in paragraphs 46 and 47 of the annex to decision 13/CMP.1, and report, in its next annual submission, on any changes to that public information.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	The assessor notes definite improvements in the publicly available information published in the Luxembourg public website.
P2.4.1.3	Paragraph 115 of FCCC/ARR/2009/LUX includes the recommendation of the previous ERT that Luxembourg include information on its commitment period reserve in its next annual submission.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	The party did not report the calculation of the CPR in its annual submission

4.2. Recommendations to address identified problems

If a problem has been identified earlier in section 2 and 3 or a previous recommendation listed in section 4.1 has not been taken into account, then this section of the report lists a recommendation for each problem to be brought to the attention to the Expert Review Team.

Ref Nr	Recommendation Ref	Recommendation description	Comment
P2.4.2.1	P.1.2.4	<p>The SIAR assessor recommends that the Party specifically report on discrepancies according to 15/CMP.1 Annex I.E. Paragraph 12 in its annual submission.</p> <p>Please refer to the SIAR Reporting Requirements and Guidance for Registries v4.3, page 5.</p>	<p>This information was provided by the Party via a consultation form submitted in response to the draft assessment. The SIAR assessor requests that this information be provided directly in the subsequent annual submission.</p>
P2.4.2.2	P.1.2.6 and P.1.2.8 and P.1.2.10	<p>The SIAR assessor recommends that the Party specifically report if any notifications were received in accordance with 15/CMP.1 annex I.E. Paragraph 13 -15 in its annual submission</p> <p>Please refer to the SIAR Reporting Requirements and Guidance for Registries v4.3, pages 5-6.</p>	<p>This information was provided by the Party via a consultation form submitted in response to the draft assessment. The SIAR assessor requests that this information be provided directly in the subsequent annual submission.</p>
P2.4.2.4	P.1.2.12	<p>The SIAR assessor recommends that the Party specifically report if any invalid units exist in the registry in accordance with 15/CMP.1 annex I.E. Paragraph 16 in its annual submission.</p> <p>Please refer to the SIAR Reporting Requirements and Guidance for Registries v4.3, page 6.</p>	<p>This information was provided by the Party via a consultation form submitted in response to the draft assessment. The SIAR assessor requests that this information be provided directly in the subsequent annual submission.</p>
P2.4.2.5	P.1.2.13	<p>The SIAR assessor recommends that the Party specifically report on changes made to correct discrepancies or to prevent them from reoccurring or specifically state that no changes were made according to 15/CMP.1 annex I.E. paragraph 17 in its annual submission</p> <p>Please refer to the SIAR Reporting</p>	<p>This information was provided by the Party via a consultation form submitted in response to the draft assessment. The SIAR assessor requests that this information be provided directly in the subsequent annual submission.</p>

		Requirements and Guidance for Registries v4.3, page 6.	
P2.4.2.6	P2.4.1.3 P.1.2.14 and P.1.5.3	The SIAR assessor reiterates the recommendation from the previous ERT that the Party should report the calculation of its CPR according to 15/CMP.1 annex .I.E. paragraph 18 in its annual submission. Please refer to the SIAR Reporting Requirements and Guidance for Registries v4.3, pages 6-7.	
P2.4.2.7	P.1.3.1 through P.1.3.10	The SIAR assessor recommends that the Party report on changes made at the registry related to staffing, procedures, security measures, technical conformance, database structure, test results, public information, or specifically state that there were no changes to this information in its annual submission in accordance with 15/CMP.1 annex II.E. paragraph 32 (a-j) Please refer to the SIAR Reporting Requirements and Guidance for Registries v4.3, Section 3.2	This information was provided by the Party via a consultation form submitted in response to the draft assessment. The SIAR assessor requests that this information be provided directly in the subsequent annual submission.
P2.4.2.9	P.1.4.2	The SIAR assessor recommends that the Party clarify the public information available at the web site regarding Article 6 Project Information according to 13/CMP.1 Annex paragraph 46 (a-d)	
P2.4.2.10	P.1.4.3.1 - P.1.4.3.12	The SIAR assessor recommends that the Party specifically state on the annual submission and on the public website which publicly available information referenced in 13/CMP.1 Annex paragraph 45-48 is considered confidential	
P2.4.2.11	P.1.5.1-P.1.5.3 P2.4.1.1, P2.4.1.3	The SIAR assessor recommends that the Party provide information in its annual submission specifically indicating the steps taken by the Party to address previous ERT recommendations.	

