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Standard Independent Assessment Report
Assessment Report
Part 2 - Substance

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0.1	27/06/2012	Initial Draft
0.2	29/06/2012	Review of initial draft
1.0	29/06/2012	Approved draft 1.0 for review and consultation by Party
1.1	16/07/2012	Updated with consideration of Party comments
1.2	16/07/2012	Review of draft 1.1additional updates
2.0	16/07/2012	Approved Final report

Summary

Ref Nr	Description	Value	Comments
P2.0.1	Party name	Portugal	
P2.0.2	Reporting period	2011	
P2.0.3	Submission under review	Files provided by the Party: - [SEF] SEF_PT_2012_1_9-55-24+3-1-2012.xls - [NIR] NIR_20120315_v20120315.pdf - [REPORTS] SIAR_Reports_PT_2011_R2_R5_after_review.xls - [RESPONSE 1] PT_Consultation+Form+Part+1.doc - [RESPONSE 2] SIAR Consultation Form on Draft Part 2_PT.docx	Files provided by the ITL Administrator: - [SEFCR] SEF_PT_2012_1_9-55-24+3-1-2012_CR.xls -[RRITL] SIAR_Reports_2011_PT_v1.xls - IAR/2011/PRT/1/2
P2.0.4	Previous annual review report reference	FCCC/ARR/2010/PRT (11/04/2011)	FCCC/ARR/2011/PRT was not available at the start of the review process.

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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?	**[X] Yes [ ] No**
P2.1.2	Problem found with Party's national registry?	**[X] Yes [ ] No** **P2.2.5**
P2.1.3	Any unresolved problem with Party's national registry?	**[X] Yes [ ] No** **P2.2.10.4**
P2.1.4	Problems identified with the significant changes to the Party's national registry?	**[ ] Yes [X] No**
P2.1.5	National registry related recommendations from previous annual review were fully addressed?	**[X] Yes [ ] No**
P2.1.6	Is there any recommendation that needs to be addressed by the Party?	**[X] Yes [ ] No**

1.2. Summary of findings

Ref Nr	Summary of findings
P2.2.1	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, public availability of information, 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 assessor reviewed the findings included in the SIAR on the SEF and the SEF comparison report.1 The SIAR was forwarded to the ERT prior to the review, pursuant to decision 16/CP.10. 3. Information on the accounting of Kyoto units has been prepared and reported in accordance with section I E of the annex to decision 15/CMP.1, and reported in accordance with decision 14/CMP.1 using the SEF tables. 4. Information reported by Party on records of any discrepancies were found to be consistent with information provided to the secretariat by the international transaction log (ITL). However, the SIAR identified the following as problems that will need corrective action from the Party in its national registry: discrepancy type 4004. 5. Portugal reported changes in its national registry compared with the previous annual submission. However, the SIAR has identified a change in the national registry not fully reported by the Party: Security measures. The SIAR assessor concluded that, taking into account the confirmed change in the national registry, Portugal's 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 CMP decisions. The SIAR assessor recommends that the Party in its next annual submission fully report any and all changes in its national registry in accordance with section I.G of the annex to decision 15/CMP.1. 6. Party has reported its commitment period reserve in its 2012 annual submission. 7. The national registry has fulfilled all requirements regarding the public availability of information in accordance with section II.E of the annex to decision 13/CMP.1.

[1] The SEF comparison report is prepared by the ITL administrator and provides information on the outcome of the comparison of data contained in the Party's SEF tables with corresponding records contained in the ITL.

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
	22/CMP.1 paragraph 88.(a) 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;	Assessed in SIAR Part 1. Kept here for completeness	
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? **[ ] Yes [X] 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? **[ ] Yes [X] No**	Party submitted a SEF which is consistent with the ITL records.

Ref Nr	Requirement	Assessment	Comment
P2.2.4	22/CMP.1 paragraph 88.(d) The information relating to acquisitions of CERs, tCERs, and lCERs 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? **[ ] Yes [X] 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? **[X] Yes [ ] No**	Discrepancy type 4004 significantly exceeding the average figures reported by all registries occurred in Party registry in [RRITL] report R-2. Party stated in [RESPONSE 2] that all discrepant transactions were terminated and explained the cause of the discrepancy. Due to the change of software (EY ETS registries moving to Union Registry) Party expect this discrepancy type to be minimized [RESPONSE 2].
P2.2.6	22/CMP.1 paragraph 88.(f) tCERs and lCERs 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? **[ ] Yes [X] No**	Discrepancy 4004 significantly exceeding the average figures reported by all registries occurred in Party registry. Both [SEF] and [SEFCR] confirm no transactions with tCERs or lCERs occurred in Party registry during reported period.
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? **[ ] Yes [X] No**	Party submitted a SEF which is consistent with the ITL records and with information submitted in the year prior to the reported year.

Ref Nr		Requirement	Assessment	Comment
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? **[X] Yes [ ] No**	Discrepancy type 4004 occurred in Party registry during reported year.
Discrepancy type 4004	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? **[X] Yes [ ] No [ ]N/A**	Both the Party [REPORTS] and the ITL [RRITL] have reported the same discrepancy.
	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? **[ ] Yes [X] No [ ]N/A**	The same type of discrepancy did not occur previously according to [RRITL]. The Party did not provide previous occurrences in [REPORTS].
	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? **[X] Yes [ ] No [ ]N/A**	All discrepant transactions were terminated.

Ref Nr		Requirement	Assessment	Comment
	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? **[ ] Yes [X] No [ ]N/A**	The Party reported in paragraph 13.4 of [NIR] that there were no actions necessary to undertake to correct problems that caused discrepancies from occurring, or to prevent discrepancies from reoccurring. Party stated in [RESPONSE 2] that no actions were taken because of the integration of Party's registry to the Union Registry and abandonment of the existing software. While the assessor agrees with the Party that there is an expectation of a reduction in discrepancies with the adoption of the Union Registry, the assessment respective to the cited discrepancy shall remain marked as "No".
	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, lCERs, AAUs and RMUs, the replacement of tCERs and lCERs, and the carry-over of ERUs, CERs and AAUs	Discrepancy relates to the capacity of the national registry to ensure the accurate accounting? **[ ] Yes [X] No [ ]N/A**	Discrepancies were not identified as being related to the capacity of Party registry in [REPORTS].

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 lCERs held by the Party, and if so the expert review team shall:	Any tCERs or lCERs subject to non-replacement held by Party? **[ ] Yes [X] No**	No non-replacements occurred for the Party.
	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, lCERs, AAUs and RMUs, and the replacement of tCERs and lCERs, 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	**[ ] Yes [X] No**	**[ ] Yes [ ] 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.	**[ ] Yes [X] No**	**[ ] Yes [ ] 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)	**[ ] Yes [X] No**	**[ ] Yes [ ] No**	No changes occurred for the Party for this item.
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, lCERs, AAUs and/or RMUs, and replacement of tCERs and lCERs, 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	**[ ] Yes [X] No**	**[ ] Yes [ ] 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
P2.3.6	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	**[X] Yes [ ] No**	**[ ] Yes [X] No**	The Party reported significant changes to security measures such as implementing 2-factor authentication in paragraph 13.5 of [NIR] but did not provide any further documentation such as Security Plan to confirm that Registry has carried out sufficient planning, implementation and testing to ensure smooth implementation and operation of the changes. Party stated in [RESPONSE 2] that detailed documentation on the Security is considered confidential. Party provided additional summary level information regarding security measures, testing, penetration testing, and noted that all transaction were performed using the 2-level transaction signature. Party also notes that that the existing software in 2011 is no longer in operation (the PT registry was integrated in Union Registry).
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	**[ ] Yes [X] No**	**[ ] Yes [ ] 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
P2.3.10	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.	**[X] Yes [ ] No**	**[ ] Yes [X] No**	The Party reported changes and provided test results of internal testing on registry software upgrades in paragraph 13.7 of [NIR].

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	Recommendation to enhance the public information in the registry website (P2.4.2.1 of IAR/2010/PRT/2/1)	**[X] Yes [ ] No**	FCCC/ARR/2011/PRT was not available at the time of the review. The party formally addresses recommendations made in IAR/2010/PRT/2/1 in [NIR] section 13.8.
P2.4.1.2	Recommendation to correct the public information in the registry website regarding external transfers (P2.4.2.2 of IAR/2010/PRT/2/1)	**[X] Yes [ ] No**	FCCC/ARR/2011/PRT was not available at the time of the review. The party formally addresses recommendations made in IAR/2010/PRT/2/1 in [NIR] section 13.8.
P2.4.1.3	Recommendation to report changes to support a user authentication mechanism (P2.4.2.3 of IAR/2010/PRT/2/1)	**[X] Yes [ ] No**	FCCC/ARR/2011/PRT was not available at the time of the review. The party formally addresses recommendations made in IAR/2010/PRT/2/1 in [NIR] section 13.8.

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	P1.4.3.6, P1.4.3.7	The external assessor identified some information not being correctly displayed among publicly accessible information on the registry website. It is recommended that the Party makes sure the correct information is accessible.	The Party stated in [RESPONSE 1] that recently discovered bug causing prevention of publication of correct values is being investigated and will be corrected or, the SEF report will be made publicly available.
P2.4.2.2	P2.2.10.4	It is recommended that the Party makes sure all necessary measures preventing discrepancies from re-occurring are taken.	The external assessor identified that the Party did not take any actions to correct the problem that caused discrepancies because of the integration of the Party registry to the Union Registry and abandonment of existing software [RESPONSE 2].