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**Adoption of decisions forwarded by the Conference of the Parties to the
Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol
at its first session**

**Compendium of draft decisions forwarded for adoption by the
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to the Kyoto Protocol at its first session**

Note by the secretariat

Addendum

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¹ This draft decision was originally attached to decision 20/CP.7 (FCCC/CP/2001/13/Add.3).

² This draft decision was originally attached to decision 22/CP.7 (FCCC/CP/2001/13/Add.3). Additional sections have been incorporated in the attached guidelines in accordance with decisions 22/CP.8 and 13/CP.10.

³ This draft decision was originally attached to decision 17/CP.10 (FCCC/CP/2004/10/Add.2).

⁴ This draft decision was originally attached to decision 23/CP.7 (FCCC/CP/2001/13/Add.3). Additional sections have been incorporated in the attached guidelines in accordance with decisions 22/CP.8 and 13/CP.10.

⁵ This draft decision was originally attached to decision 23/CP.8 (FCCC/CP/2002/7/Add.3).

⁶ This draft decision was originally attached to decision 21/CP.9 (FCCC/CP/2003/6/Add.2).

⁷ This draft decision was originally attached to decision 18/CP.10 (FCCC/CP/2004/10/Add.2).

Text E

Draft decision -/CMP.1*

**Guidelines for national systems under Article 5, paragraph 1,
of the Kyoto Protocol**

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Recalling Article 5, paragraph 1, of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, in particular its provision that each Party included in Annex I shall have in place, no later than one year prior to the start of the first commitment period, a national system for the estimation of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol,

Recognizing the importance of such national systems for the implementation of other provisions of the Kyoto Protocol,

Having considered decision 20/CP.7, adopted by the Conference of the Parties at its seventh session,

1. *Adopts* the guidelines for national systems under Article 5, paragraph 1, of the Kyoto Protocol as contained in the annex to the present decision;
2. *Urges* Parties included in Annex I to implement the guidelines as soon as possible.

* This draft decision was originally attached to decision 20/CP.7 (FCCC/CP/2001/13/Add.3).

ANNEX

Guidelines for national systems for the estimation of anthropogenic greenhouse gas emissions by sources and removals by sinks under Article 5, paragraph 1, of the Kyoto Protocol¹

I. Applicability

1. The provisions of these guidelines shall apply for each Party included in Annex I which is also a Party to the Kyoto Protocol. Parties' implementation of national system requirements may differ according to national circumstances, but shall include the elements described in these guidelines. Any differences in implementation shall not impair the performance of the functions described in these guidelines.

II. Definitions

A. Definition of national system

2. A national system includes all institutional, legal and procedural arrangements made within a Party included in Annex I for estimating anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, and for reporting and archiving inventory information.

B. Other definitions

3. The meaning of the following terms in these guidelines for national systems² is the same as in the glossary of the Intergovernmental Panel on Climate Change (IPCC) good practice guidance,³ accepted by the IPCC at its sixteenth session:⁴

- (a) **Good practice** is a set of procedures intended to ensure that greenhouse gas inventories are accurate in the sense that they are systematically neither over- nor underestimated as far as can be judged, and that uncertainties are reduced as far as possible. Good practice covers choice of estimation methods appropriate to national circumstances, quality assurance and quality control at the national level, quantification of uncertainties, and data archiving and reporting to promote transparency
- (b) **Quality control (QC)** is a system of routine technical activities to measure and control the quality of the inventory as it is being developed. The QC system is designed to:
 - (i) Provide routine and consistent checks to ensure data integrity, correctness and completeness;
 - (ii) Identify and address errors and omissions;
 - (iii) Document and archive inventory material and record all QC activities.

¹ "Article" in these guidelines refers to an Article of the Kyoto Protocol, unless otherwise specified.

² The guidelines for national systems for the estimation of anthropogenic greenhouse gas emissions by sources and removals by sinks under Article 5, paragraph 1, of the Kyoto Protocol are referred to herein as "guidelines for national systems".

³ The IPCC *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories* is referred to as the "IPCC good practice guidance" in these guidelines for national systems.

⁴ Montreal, 1–8 May 2000.

Quality control activities include general methods such as accuracy checks on data acquisition and calculations and the use of approved standardized procedures for emission calculations, measurements, estimating uncertainties, archiving information and reporting. Higher tier QC activities also include technical reviews of source categories, activity and emission factor data and methods

- (c) **Quality assurance** (QA) activities include a planned system of review procedures conducted by personnel not directly involved in the inventory compilation development process, to verify that data quality objectives were met, ensure that the inventory represents the best possible estimate of emissions and sinks given the current state of scientific knowledge and data available, and support the effectiveness of the QC programme
- (d) **Key source category** is one that is prioritized within the national inventory because its estimate has a significant influence on a country's total inventory of direct greenhouse gases in terms of the absolute level of emissions, the trend in emissions, or both
- (e) **Decision tree** is a flow-chart describing the specific ordered steps which need to be followed to develop an inventory or an inventory component in accordance with the principles of good practice.

4. **Recalculation**, consistent with the UNFCCC reporting guidelines on annual inventories,⁵ is a procedure for re-estimating anthropogenic greenhouse gas (GHG)⁶ emissions by sources and removals by sinks of previously submitted inventories⁷ as a consequence of changes in methodologies, changes in the manner in which emission factors and activity data are obtained and used, or the inclusion of new source and sink categories.

III. Objectives

5. The objectives of national systems under Article 5, paragraph 1, for the estimation of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, referred to below as national systems, are:

- (a) To enable Parties included in Annex I to estimate anthropogenic GHG emissions by sources and removals by sinks, as required by Article 5, and to report these emissions by sources and removals by sinks in accordance with Article 7, paragraph 1, and relevant decisions of the Conference of the Parties (COP) and/or the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP);
- (b) To assist Parties included in Annex I in meeting their commitments under Articles 3 and 7;
- (c) To facilitate the review of the information submitted under Article 7 by Parties included in Annex I, as required by Article 8;

⁵ FCCC/CP/1999/7. The inventory reporting guidelines were revised by decisions 18/CP.8 and 13/CP.9, after these national system guidelines were agreed by decision 20/CP.7. The current inventory reporting guidelines are contained in document FCCC/SBSTA/2004/8. Because the inventory reporting guidelines may be revised in the future, this footnote will be deleted in the final text, after adoption by the COP/MOP.

⁶ References to greenhouse gases (GHG) in these guidelines for national systems refer to GHGs not controlled by the Montreal Protocol.

⁷ "National GHG inventories" are referred to simply as "inventories" in these guidelines for the sake of brevity.

- (d) To assist Parties included in Annex I to ensure and improve the quality of their inventories.

IV. Characteristics

- 6. National systems should be designed and operated to ensure the transparency, consistency, comparability, completeness and accuracy of inventories as defined in the guidelines for the preparation of inventories by Parties included in Annex I, in accordance with relevant decisions of the COP and/or COP/MOP.
- 7. National systems should be designed and operated to ensure the quality of the inventory through planning, preparation and management of inventory activities. Inventory activities include collecting activity data, selecting methods and emission factors appropriately, estimating anthropogenic GHG emissions by sources and removals by sinks, implementing uncertainty assessment and quality assurance/quality control (QA/QC) activities, and carrying out procedures for the verification of the inventory data at the national level, as described in these guidelines for national systems.
- 8. National systems should be designed and operated to support compliance with Kyoto Protocol commitments related to the estimation of anthropogenic GHG emissions by sources and removals by sinks.
- 9. National systems should be designed and operated to enable Parties included in Annex I to consistently estimate anthropogenic emissions by all sources and removals by all sinks of all GHGs, as covered by the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories* and IPCC good practice guidance, in accordance with relevant decisions of the COP and/or COP/MOP.

V. General functions

- 10. In the implementation of its national system, each Party included in Annex I shall:
 - (a) Establish and maintain the institutional, legal and procedural arrangements necessary to perform the functions defined in these guidelines for national systems, as appropriate, between the government agencies and other entities responsible for the performance of all functions defined in these guidelines;
 - (b) Ensure sufficient capacity for timely performance of the functions defined in these guidelines for national systems, including data collection for estimating anthropogenic GHG emissions by sources and removals by sinks and arrangements for technical competence of the staff involved in the inventory development process;
 - (c) Designate a single national entity with overall responsibility for the national inventory;
 - (d) Prepare national annual inventories and supplementary information in a timely manner in accordance with Article 5 and Article 7, paragraphs 1 and 2, and relevant decisions of the COP and/or COP/MOP;
 - (e) Provide information necessary to meet the reporting requirements defined in the guidelines under Article 7 in accordance with the relevant decisions of the COP and/or COP/MOP.

VI. Specific functions

11. In order to meet the objectives and perform the general functions described above, each Party included in Annex I shall undertake specific functions related to inventory planning, preparation and management.⁸

A. Inventory planning

12. As part of its inventory planning, each Party included in Annex I shall:

- (a) Designate a single national entity with overall responsibility for the national inventory;
- (b) Make available the postal and electronic addresses of the national entity responsible for the inventory;
- (c) Define and allocate specific responsibilities in the inventory development process, including those related to choice of methods, data collection, particularly activity data and emission factors from statistical services and other entities, processing and archiving, and QC and QA. This definition shall specify the roles of, and cooperation between, government agencies and other entities involved in the preparation of the inventory, as well as the institutional, legal and procedural arrangements made to prepare the inventory;
- (d) Elaborate an inventory QA/QC plan which describes specific QC procedures to be implemented during the inventory development process, facilitate the overall QA procedures to be conducted, to the extent possible, on the entire inventory and establish quality objectives;
- (e) Establish processes for the official consideration and approval of the inventory, including any recalculations, prior to its submission and to respond to any issues raised by the inventory review process under Article 8.

13. As part of its inventory planning, each Party included in Annex I should consider ways to improve the quality of activity data, emission factors, methods and other relevant technical elements of inventories. Information obtained from the implementation of the QA/QC programme, the review process under Article 8 and other reviews should be considered in the development and/or revision of the QA/QC plan and the quality objectives.

B. Inventory preparation

14. As part of its inventory preparation, each Party included in Annex I shall:

- (a) Identify key source categories following the methods described in the IPCC good practice guidance (chapter 7, section 7.2);
- (b) Prepare estimates in accordance with the methods described in the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories*, as elaborated by the IPCC good practice guidance, and ensure that appropriate methods are used to estimate emissions from key source categories;

⁸ For the purpose of these guidelines for national systems, the inventory development process encompasses inventory planning, preparation and management. These steps of the inventory development process are considered in these guidelines only in order to clearly identify the functions to be performed by the national systems, as described in paragraphs 12 to 17 of the present guidelines.

- (c) Collect sufficient activity data, process information, and emission factors as are necessary to support the methods selected for estimating anthropogenic GHG emissions by sources and removals by sinks;
 - (d) Make a quantitative estimate of inventory uncertainty for each source category and for the inventory in total, following the IPCC good practice guidance;
 - (e) Ensure that any recalculations of previously submitted estimates of anthropogenic GHG emissions by sources and removals by sinks are prepared in accordance with the IPCC good practice guidance and relevant decisions of the COP and/or COP/MOP;
 - (f) Compile the national inventory in accordance with Article 7, paragraph 1, and relevant decisions of the COP and/or COP/MOP;
 - (g) Implement general inventory QC procedures (tier 1) in accordance with its QA/QC plan following the IPCC good practice guidance.
15. As part of its inventory preparation, each Party included in Annex I should:
- (a) Apply source-category-specific QC procedures (tier 2) for key source categories and for those individual source categories in which significant methodological and/or data revisions have occurred, in accordance with the IPCC good practice guidance;
 - (b) Provide for a basic review of the inventory by personnel that have not been involved in the inventory development, preferably an independent third party, before the submission of the inventory, in accordance with the planned QA procedures referred to in paragraph 12 (d) above;
 - (c) Provide for a more extensive review of the inventory for key source categories, as well as source categories where significant changes in methods or data have been made;
 - (d) Based on the reviews described in paragraphs 15 (b) and 15 (c) above and periodic internal evaluations of the inventory preparation process, re-evaluate the inventory planning process in order to meet the established quality objectives referred to in paragraph 12 (d).

C. Inventory management

16. As part of its inventory management, each Party included in Annex I shall:
- (a) Archive inventory information for each year in accordance with relevant decisions of the COP and/or COP/MOP. This information shall include all disaggregated emission factors, activity data, and documentation about how these factors and data have been generated and aggregated for the preparation of the inventory. This information shall also include internal documentation on QA/QC procedures, external and internal reviews, documentation on annual key sources and key source identification and planned inventory improvements;
 - (b) Provide review teams under Article 8 with access to all archived information used by the Party to prepare the inventory, in accordance with relevant decisions of the COP and/or COP/MOP;
 - (c) Respond to requests for clarifying inventory information resulting from the different stages of the review process of the inventory information, and information on the national system, in a timely manner in accordance with Article 8.

17. As part of its inventory management, each Party included in Annex I should make the archived information accessible by collecting and gathering it at a single location.

VII. Updating of the guidelines

18. These guidelines shall be reviewed and revised, as appropriate, by consensus, in accordance with decisions of the COP/MOP, taking into account any relevant decisions of the COP.

Text F**Draft decision -/CMP.1*****Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol**

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Recalling Article 7 of the Kyoto Protocol to the United Nations Framework Convention on Climate Change,

Recalling that Parties have affirmed that the principles in decision -/CMP.1 (*Land use, land-use change and forestry*) govern the treatment of land use, land-use change and forestry activities in the annex to that decision,

Having considered decision 22/CP.7, adopted by the Conference of the Parties at its seventh session,

Recognizing the importance of transparent reporting for facilitating the review process under Article 8 of the Kyoto Protocol,

1. *Adopts* the guidelines for the preparation of information under Article 7 of the Kyoto Protocol as contained in the annex to the present decision;
2. *Decides* that each Party included in Annex I, bearing in mind Article 7, paragraph 3, of the Kyoto Protocol and the needs of the review under Article 8 of the Kyoto Protocol, shall start reporting the information under Article 7, paragraph 1, of the Kyoto Protocol with the inventory submission due under the Convention for the first year of the commitment period after the Protocol has entered into force for that Party, but may start reporting this information from the year following the submission of the information referred to in paragraph 6 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) on a voluntary basis;
3. *Decides* that a Party included in Annex I shall fail to meet the methodological and reporting requirements under Article 7, paragraph 1, for the purpose of the eligibility requirements under paragraph 21 of the guidelines adopted under decision 16/CP.7, paragraph 31 of the guidelines adopted under decision 17/CP.7, and paragraph 2 of the guidelines adopted under decision 18/CP.7 if:
 - (a) The Party concerned has failed to submit an annual inventory of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol, including the national inventory report and the common reporting format, within six weeks of the submission date established by the Conference of the Parties;
 - (b) The Party concerned has failed to include an estimate for an Annex A source category (as defined in chapter 7 of the Intergovernmental Panel on Climate Change *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories*, hereinafter referred to as the IPCC good practice guidance) that individually accounted for 7 per cent or more of the Party's aggregate emissions, defined as aggregate

* This draft decision was originally attached to decision 22/CP.7 (FCCC/CP/2001/13/Add.3). Additional sections have been incorporated in the attached guidelines in accordance with decisions 22/CP.8 and 13/CP.10.

submitted emissions of the gases and from the sources listed in Annex A to the Kyoto Protocol, in the most recent of the Party's reviewed inventories in which the source was estimated;

- (c) For any single year during the commitment period, the aggregate adjusted greenhouse gas emissions for the Party concerned exceed the aggregate submitted emissions, defined as aggregate submitted emissions of the gases and from the sources listed in Annex A to the Kyoto Protocol, by more than 7 per cent;
- (d) At any time during the commitment period the sum of the numerical values of the percentages calculated according to subparagraph (c) above for all years of the commitment period for which the review has been conducted exceeds 20;
- (e) An adjustment for any key source category (as defined in chapter 7 of the IPCC good practice guidance) of the Party concerned that accounted for 2 per cent or more of the Party's aggregate emissions of the gases from the sources listed in Annex A was calculated during the inventory review in three subsequent years, unless the Party has requested assistance from the facilitative branch of the Compliance Committee in addressing this problem, prior to the beginning of the first commitment period, and the assistance is being provided;

4. Requests the secretariat to prepare a report relating to paragraph 4 of section VI.1 of the annex to decision 5/CP.6, based on information contained in national communications from Parties and other relevant sources, for consideration by the Subsidiary Body for Scientific and Technological Advice. This report shall be prepared each time that the review process under Article 8 of the Kyoto Protocol relating to national communications and supplementary information from Parties included in Annex I is completed.

ANNEX

Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol¹**I. Reporting of supplementary information under Article 7, paragraph 1²****A. Applicability**

1. The provisions of these guidelines shall apply for each Party included in Annex I which is also a Party to the Kyoto Protocol.

B. General approach

2. Each Party included in Annex I shall include the necessary supplementary information required by these guidelines, for the purpose of ensuring compliance with Article 3, in its annual inventory of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol, prepared in accordance with Article 5, paragraph 2, and submitted in accordance with decisions of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP), taking into account any relevant decisions of the Conference of the Parties (COP). A Party included in Annex I need not separately submit an inventory under Article 12, paragraph 1 (a), of the Convention.

C. Objectives

3. The objectives of these guidelines are:
- (a) To enable Parties included in Annex I to meet their commitments for reporting information in accordance with Article 7, paragraph 1;
 - (b) To promote the reporting of consistent, transparent, comparable, accurate and complete information by Parties included in Annex I;
 - (c) To facilitate the preparation of the information to be submitted to the COP/MOP by Parties included in Annex I;
 - (d) To facilitate the review under Article 8 of inventories and supplementary information under Article 7, paragraph 1, from Parties included in Annex I.

D. Greenhouse gas inventory information

4. Each Party included in Annex I shall describe in its annual inventory any steps taken to improve estimates in areas that were previously adjusted.

5. Each Party included in Annex I shall include in its annual³ greenhouse gas inventory information on anthropogenic greenhouse gas emissions by sources and removals by sinks from land use, land-use

¹ Note that additional reporting requirements are included in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

² "Article" in these guidelines refers to an Article of the Kyoto Protocol, unless otherwise specified.

³ It is recognized in the Intergovernmental Panel on Climate Change (IPCC) *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories* that the current practice on land use, land-use change and forestry does not in every situation request annual data collection for the purpose of preparing annual inventories based on a sound scientific basis.

change and forestry activities under Article 3, paragraph 3 and, if any, elected activities under Article 3, paragraph 4, in accordance with Article 5, paragraph 2, as elaborated by any good practice guidance in accordance with relevant decisions of the COP/MOP on land use, land-use change and forestry.

Estimates for Article 3, paragraphs 3 and 4, shall be clearly distinguished from anthropogenic emissions from the sources listed in Annex A to the Kyoto Protocol. In reporting the information requested above, each Party included in Annex I shall include the reporting requirements specified in paragraphs 6 to 9 below, taking into consideration the selected values in accordance with paragraph 16 of the annex to decision -/CMP.1 (*Land use, land-use change and forestry*).

6. General information to be reported for activities under Article 3, paragraphs 3, and any elected activities⁴ under Article 3, paragraph 4, shall include:

- (a) Information on how inventory methodologies have been applied taking into account any IPCC good practice guidance on land use, land-use change and forestry agreed by the COP and recognizing the principles as laid out in decision -/CMP.1 (*Land use, land-use change and forestry*)
- (b) The geographical location of the boundaries of the areas that encompass:
 - (i) Units of land subject to activities under Article 3, paragraph 3;
 - (ii) Units of land subject to activities under Article 3, paragraph 3, which would otherwise be included in land subject to elected activities under Article 3, paragraph 4, under the provisions of paragraph 8 of the annex to decision -/CMP.1 (*Land use, land-use change and forestry*); and
 - (iii) Land subject to elected activities under Article 3, paragraph 4.

The information aims to ensure that units of land and areas of land are identifiable. Parties are encouraged to elaborate on this information on the basis of any relevant decisions of the COP/MOP on good practice guidance associated with land use, land-use change and forestry under Article 8

- (c) The spatial assessment unit used for determining the area of accounting for afforestation, reforestation and deforestation
- (d) Information on anthropogenic greenhouse gas emissions by sources and removals by sinks⁵ resulting from activities under Article 3, paragraphs 3 and 4, for all geographical locations reported in the current and previous years, under paragraph 6 (b), above, since the beginning of the commitment period or the onset of the activity, whichever comes later. In the latter case the year of the onset of the activity shall also be included. Once land is accounted for under Article 3, paragraph 3, or Article 3, paragraph 4, reporting shall continue throughout subsequent and contiguous commitment periods
- (e) Information on which, if any, of the following pools: above-ground biomass, below-ground biomass, litter, dead wood and/or soil organic carbon were not accounted for, together with verifiable information that demonstrates that these unaccounted pools were not a net source of anthropogenic greenhouse gas emissions.

⁴ The elected activities shall be the same as those identified in the Party's report referred to in paragraph 8 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

⁵ Such information shall be within levels of confidence as elaborated by any IPCC good practice guidance adopted by the COP/MOP and in accordance with relevant decisions of the COP/MOP on land use, land-use change and forestry.

7. Information⁶ should also be provided which indicates whether or not anthropogenic greenhouse gas emissions by sources and removals by sinks from land use, land-use change and forestry activities under Article 3, paragraph 3, and elected activities under Article 3, paragraph 4, factor out removals from:
- (a) Elevated carbon dioxide concentrations above pre-industrial levels;
 - (b) Indirect nitrogen deposition; and
 - (c) The dynamic effects of age structure resulting from activities prior to 1 January 1990;
8. Specific information to be reported for activities under Article 3, paragraph 3, shall include:
- (a) Information that demonstrates that activities under Article 3, paragraph 3, began on or after 1 January 1990 and before 31 December of the last year of the commitment period, and are directly human-induced
 - (b) Information on how harvesting or forest disturbance that is followed by the re-establishment of a forest is distinguished from deforestation
 - (c) Information on emissions and removals of greenhouse gases from lands harvested during the first commitment period following afforestation and reforestation on these units of land since 1990 consistent with the requirements under paragraph 4 of the annex to decision -/CMP.1 (*Land use, land-use change and forestry*).
9. Specific information to be reported for any elected activities⁷ under Article 3, paragraph 4, shall include:
- (a) A demonstration that activities under Article 3, paragraph 4, have occurred since 1 January 1990 and are human induced
 - (b) For Parties included in Annex I that elect cropland management and/or grazing land management and/or revegetation, anthropogenic greenhouse gas emissions by sources and removals by sinks for each year of the commitment period and for the base year for each of the elected activities on the geographical locations reported under paragraph 6 (b) above
 - (c) Information that demonstrates that emissions by sources and removals by sinks resulting from elected Article 3, paragraph 4, activities are not accounted for under activities under Article 3, paragraph 3
 - (d) For Parties included in Annex I that elect to account for forest management, under Article 3, paragraph 4, information that indicates to what extent the anthropogenic greenhouse gas removal by sinks offsets the debit incurred under Article 3, paragraph 3, if any, consistent with the requirements under paragraph 10 of the annex to decision -/CMP.1 (*Land use, land-use change and forestry*).

⁶ This recognizes that the intent of the appendix to the annex to decision -/CMP.1 (*Land use, land-use change and forestry*) is to factor out the effects described in paragraphs 7(a)–7(c) of these guidelines for the first commitment period.

⁷ See footnote 5.

E. Information on emission reduction units, certified emission reductions, temporary certified emission reductions, long-term certified emission reductions, assigned amount units and removal units⁸

10. Each Party included in Annex I that is considered to have met the requirements to participate in the mechanisms shall report the supplementary information in this section of the guidelines beginning with information for the first calendar year in which it transferred or acquired emission reduction units (ERUs), certified emission reductions (CERs), temporary certified emission reductions (tCERs), long-term certified emission reductions (lCERs), assigned amount units (AAUs) and removal units (RMUs) in accordance with decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)⁹ and decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*). This information shall be reported in conjunction with the inventory submission due under the Convention in the following year and until the first inventory submission due under the Protocol.

11. Each Party included in Annex I shall report, in a standard electronic format, the following information on ERUs, CERs, tCERs, lCERs, AAUs and RMUs from its national registry for the previous calendar year (based on Universal Time), distinguishing between units valid for different commitment periods:

- (a) The quantities of ERUs, CERs, tCERs, lCERs, AAUs and RMUs in each account type specified in paragraph 21 (a), (e) and (f) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), the quantities of ERUs, CERs, AAUs and RMUs in each account type specified in paragraph 21 (c) and (d) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), the quantities of ERUs, CERs, tCERs, AAUs and RMUs in the replacement account specified in paragraph 43 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), the quantities of ERUs, CERs, lCERs, AAUs and RMUs in the replacement account specified in paragraph 47 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), and the quantities of ERUs, CERs, tCERs, lCERs, AAUs and RMUs in all accounts of the type referred to in paragraph 21 (b) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), at the beginning of the year
- (b) The quantity of AAUs issued on the basis of the assigned amount pursuant to Article 3, paragraphs 7 and 8
- (c) The quantity of ERUs issued on the basis of Article 6 projects and the corresponding quantities of AAUs and RMUs that were converted to ERUs
- (d) The quantity of ERUs issued in accordance with paragraph 24 of the annex to decision -/CMP.1 (*Article 6*) on the basis of Article 6 projects, verified under the supervision of the Article 6 supervisory committee, and the corresponding quantities of AAUs and RMUs that were converted to ERUs

⁸ These terms are defined in paragraphs 1–4 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and paragraph 1 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*).

⁹ In accordance with paragraph 40 of the annex to decision 19/CP.9 (*Modalities and procedures for afforestation and reforestation project activities under the clean development mechanism in the first commitment period of the Kyoto Protocol*), unless otherwise stated in that annex, all other provisions that pertain to certified emission reductions in the guidelines under Articles 7 and 8, as well as the modalities for the accounting of assigned amounts under Article 7, paragraph 4, shall also apply to temporary certified emission reductions and long-term certified emission reductions.

- (e) The quantities of ERUs, CERs, tCERs, ICERs, AAUs and RMUs acquired from each transferring registry
- (f) The quantity of RMUs issued on the basis of each activity under Article 3, paragraphs 3 and 4
- (g) The quantities of ERUs, CERs, tCERs, ICERs, AAUs and RMUs transferred to each acquiring registry
- (h) The quantity of ERUs transferred in accordance with paragraph 10 of the annex to decision 18/CP.7
- (i) The quantities of ERUs, CERs, AAUs and RMUs cancelled under paragraph 32 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) on the basis of each activity under Article 3, paragraphs 3 and 4
- (j) The quantities of ERUs, CERs, AAUs and RMUs cancelled under paragraph 37 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) following determination by the Compliance Committee that the Party is not in compliance with its commitment under Article 3, paragraph 1
- (k) The quantities of other ERUs, CERs, tCERs, ICERs, AAUs and RMUs cancelled under paragraph 33 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)
- (l) The quantities of ERUs, CERs, tCERs, ICERs, AAUs and RMUs retired
- (m) The quantity of tCERs that expired in its retirement account and tCER replacement account
- (n) The quantity of ICERs that expired in its retirement account and ICER replacement account
- (o) The quantity of tCERs and ICERs that expired in its holding accounts
- (p) The quantities of ERUs, CERs, tCERs, AAUs and RMUs transferred to the tCER replacement account in accordance with paragraph 44 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*)
- (q) The quantities of ERUs, CERs, AAUs and RMUs transferred to the ICER replacement account in accordance with paragraph 48 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*)
- (r) The quantities of ERUs, CERs, ICERs, AAUs and RMUs transferred to the ICER replacement account in accordance with paragraph 49 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*)
- (s) The quantities of ERUs, CERs, ICERs, AAUs and RMUs transferred to the ICER replacement account in accordance with paragraph 50 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*)
- (t) The quantities of expired tCERs and ICERS transferred to a cancellation account in accordance with paragraph 53 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*)

- (u) The quantities of ERUs, CERs and AAUs carried over from the previous commitment period
- (v) The quantities of ERUs, CERs, tCERS, ICERs, AAUs and RMUs in each account type specified in paragraph 21 (a), (e) and (f) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), the quantities of ERUs, CERs, AAUs and RMUs in each account type specified in paragraph 21 (c) and (d) of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), the quantities of ERUs, CERs, tCERS, AAUs and RMUs in the replacement account specified in paragraph 43 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), the quantities of ERUs, CERs, ICERs, AAUs and RMUs in the replacement account specified in paragraph 47 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), and the quantities of ERUs, CERs, tCERS, ICERs, AAUs and RMUs in all accounts of the type referred to in paragraph 21 (b) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), at the end of the year.

12. Each Party included in Annex I shall report on any discrepancies¹⁰ identified by the transaction log pursuant to paragraph 43 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and paragraph 54 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), specifying whether the relevant transactions were completed or terminated and, in the case where transactions were not terminated, the transaction number(s) and serial numbers and quantities of ERUs, CERs, tCERS, ICERs, AAUs and RMUs concerned. The Party may also provide its explanation for not terminating the transaction.

13. Each Party included in Annex I shall report on any notification it has received from the Executive Board of the clean development mechanism (CDM) directing the Party to replace ICERs in accordance with paragraph 49 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*).

14. Each Party included in Annex I shall report on any notification it has received from the Executive Board of the CDM directing the Party to replace ICERs in accordance with paragraph 50 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*).

15. Each Party included in Annex I shall report on any record of non-replacement identified by the transaction log in accordance with paragraph 56 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), specifying whether the replacement was subsequently undertaken and, in the case where replacement was not undertaken, the serial numbers and quantities of the tCERS and ICERs concerned. The Party should provide its explanation for not undertaking the replacement.

16. Each Party included in Annex I shall report the serial numbers and quantities of ERUs, CERs, tCERS, ICERs, AAUs and RMUs held in the national registry at the end of that year that are not valid for use towards compliance with commitments under Article 3, paragraph 1, pursuant to paragraph 43 (b) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

17. Each Party included in Annex I shall report on any actions and the date of such actions taken to correct any problem that caused a discrepancy to occur, any changes to the national registry to prevent a discrepancy from reoccurring, and the resolution of any previously identified questions of implementation pertaining to transactions.

¹⁰ Not including any record of non-replacement, which is to be reported separately under paragraph 15 below.

18. Each Party included in Annex I shall report the calculation of its commitment period reserve in accordance with the annex to decision 18/CP.7.

19. Each Party included in Annex I shall provide access, upon request of expert review teams, to information held in the national registry relating to holding accounts referred to in paragraph 21 (b) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), and other types of accounts and transactions for the previous calendar year, that substantiates the supplementary information reported under paragraphs 11 and 12 above.

20. Each Party included in Annex I shall, for the year of submission of the annual inventory for the last year of the commitment period, report the supplementary information described in this section of the guidelines that relates to the accounting of assigned amounts for that commitment period, in conjunction with the report upon expiration of the additional period for fulfilling commitments referred to in paragraph 49 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

F. Changes in national systems in accordance with Article 5, paragraph 1

21. Each Party included in Annex I shall include in its national inventory report information on any changes that have occurred in its national system compared with information reported in its last submission, including information submitted in accordance with paragraphs 30 to 31 of these guidelines.

G. Changes in national registries

22. Each Party included in Annex I with a commitment inscribed in Annex B shall include in its national inventory report information on any changes that have occurred in its national registry, compared with information reported in its last submission, including information submitted in accordance with paragraph 32 of these guidelines.

H. Minimization of adverse impacts in accordance with Article 3, paragraph 14

23. Each Party included in Annex I shall provide information relating to how it is striving, under Article 3, paragraph 14, of the Kyoto Protocol, to implement its commitments mentioned in Article 3, paragraph 1, of the Kyoto Protocol in such a way as to minimize adverse social, environmental and economic impacts on developing country Parties, particularly those identified in Article 4, paragraphs 8 and 9, of the Convention.

24. Parties included in Annex II, and other Parties included in Annex I that are in a position to do so, shall incorporate information on how they give priority, in implementing their commitments under Article 3, paragraph 14, to the following actions, based on relevant methodologies referred to in paragraph 11 of decision -/CMP.1 (*Matters relating to Article 3, paragraph 14, of the Kyoto Protocol*):

- (a) The progressive reduction or phasing out of market imperfections, fiscal incentives, tax and duty exemptions and subsidies in all greenhouse-gas-emitting sectors, taking into account the need for energy price reforms to reflect market prices and externalities
- (b) Removing subsidies associated with the use of environmentally unsound and unsafe technologies
- (c) Cooperating in the technological development of non-energy uses of fossil fuels, and supporting developing country Parties to this end
- (d) Cooperating in the development, diffusion, and transfer of less-greenhouse-gas-emitting advanced fossil-fuel technologies, and/or technologies relating to fossil fuels that capture

and store greenhouse gases, and encouraging their wider use; and facilitating the participation of the least developed countries and other non-Annex I Parties in this effort

- (e) Strengthening the capacity of developing country Parties identified in Article 4, paragraphs 8 and 9, of the Convention for improving efficiency in upstream and downstream activities relating to fossil fuels, taking into consideration the need to improve the environmental efficiency of these activities
- (f) Assisting developing country Parties which are highly dependent on the export and consumption of fossil fuels in diversifying their economies.

25. Where the information referred to in paragraphs 23 and 24 above has been provided in earlier submissions, the Party included in Annex I shall include information in its national inventory report on any changes that have occurred, compared with the information reported in its last submission.

26. The secretariat shall annually compile the supplementary information mentioned in paragraphs 23 to 25 above.

II. Reporting of supplementary information under Article 7, paragraph 2

A. Applicability

27. The provisions of these guidelines shall apply for each Party included in Annex I which is also a Party to the Kyoto Protocol.

B. General approach

28. Each Party included in Annex I shall include the necessary supplementary information required under these guidelines to demonstrate compliance with its commitments under the Protocol in its national communication submitted under Article 12 of the Convention, with the time frames for the obligations established by the Kyoto Protocol, and with the relevant decisions of the COP and the COP/MOP.

C. Objectives

29. The objectives of these guidelines are:
- (a) To enable Parties included in Annex I to meet their commitments for reporting information in accordance with Article 7, paragraph 2;
 - (b) To promote the reporting of consistent, transparent, comparable, accurate and complete information by Parties included in Annex I;
 - (c) To facilitate the preparation of the information to be submitted to the COP/MOP by Parties included in Annex I;
 - (d) To facilitate the review under Article 8 of national communications and of the supplementary information under Article 7, paragraph 2, from Parties included in Annex I.

D. National systems in accordance with Article 5, paragraph 1

30. Each Party included in Annex I shall provide a description of how it is performing the general and specific functions defined in the guidelines for national systems under Article 5, paragraph 1. The description shall contain the following elements:

- (a) The name and contact information for the national entity and its designated representative with overall responsibility for the national inventory of the Party
- (b) The roles and responsibilities of various agencies and entities in relation to the inventory development process, as well as the institutional, legal and procedural arrangements made to prepare the inventory
- (c) A description of the process for collecting activity data, for selecting emission factors and methods, and for the development of emission estimates
- (d) A description of the process and the results of key source identification and, where relevant, archiving of test data
- (e) A description of the process for the recalculation of previously submitted inventory data
- (f) A description of the quality assurance and quality control plan, its implementation and the quality objectives established, and information on internal and external evaluation and review processes and their results in accordance with the guidelines for national systems
- (g) A description of the procedures for the official consideration and approval of the inventory.

31. Where the Party included in Annex I has not performed all functions, the Party shall provide an explanation of which functions were not performed or were only partially performed and information on the action planned or taken to perform these functions in the future.

E. National registries

32. Each Party included in Annex I shall provide a description of how its national registry performs the functions defined in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)¹¹ and the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), and complies with the requirements of the technical standards for data exchange between registry systems as adopted by the COP/MOP. The description shall include the following information:

- (a) The name and contact information of the registry administrator designated by the Party to maintain the national registry
- (b) The names of the other Parties with which the Party cooperates by maintaining their national registries in a consolidated system
- (c) A description of the database structure and capacity of the national registry
- (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)¹²

¹¹ In accordance with paragraph 40 of the annex to decision 19/CP.9 (*Modalities and procedures for afforestation and reforestation project activities under the clean development mechanism in the first commitment period of the Kyoto Protocol*), unless otherwise stated in that annex, all other provisions that pertain to certified emission reductions in the guidelines under Articles 7 and 8, as well as the modalities for the accounting of assigned amount under Article 7, paragraph 4, also apply to temporary certified emission reductions and long-term certified emission reductions.

¹² See decision 24/CP.8.

- (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
- (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
- (g) A list of the information publicly accessible by means of the user interface to the national registry
- (h) The Internet address of the interface to its national registry
- (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
- (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.

F. Supplementary relating to the mechanisms pursuant to Articles 6, 12 and 17

33. Each Party included in Annex I shall provide information on how its use of the mechanisms is supplemental to domestic action, and how its domestic action thus constitutes a significant element of the effort made to meet its quantified limitation and reduction commitments under Article 3, paragraph 1, in accordance with the provisions of decision 5/CP.6.

G. Policies and measures in accordance with Article 2

34. In providing information under part II, section V, of the guidelines for the preparation of national communications by Parties included in Annex I to the Convention (FCCC/CP/1999/7), each Party included in Annex I shall specifically address policies and measures implemented and/or further elaborated as well as cooperation with other such Parties in achieving its quantified emission limitation and reduction commitment under Article 3, in order to promote sustainable development. Such reporting shall take into account any relevant decision by the COP and the COP/MOP resulting from the process for further consideration of the issue of policies and measures (decision 13/CP.7).

35. With respect to aviation and marine bunker fuels, each Party included in Annex I shall, in pursuit of Article 2, paragraph 2, of the Kyoto Protocol, identify the steps it has taken to promote and/or implement any decisions by the International Civil Aviation Organization and the International Maritime Organization in order to limit or reduce emissions of greenhouse gases not controlled by the Montreal Protocol from aviation and marine bunker fuels.

36. Each Party included in Annex I shall also provide information not reported elsewhere under these guidelines on how it strives to implement policies and measures under Article 2 of the Kyoto Protocol in such a way as to minimize adverse effects, including the adverse effects of climate change, effects on international trade, and social, environmental and economic impacts on other Parties, especially developing country Parties and in particular those identified in Article 4, paragraphs 8 and 9, of the Convention, taking into account Article 3 of the Convention.

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

37. Each Party included in Annex I shall report any relevant information on its domestic and regional legislative arrangements and enforcement and administrative procedures, established pursuant to the implementation of the Kyoto Protocol, according to its national circumstances. This information shall include:

- (a) A description of any domestic and regional legislative arrangements and enforcement and administrative procedures the Party has in place to meet its commitments under the Kyoto Protocol, including the legal authority for such programmes, how they are implemented, and procedures for addressing cases of non-compliance under domestic law
- (b) A description of any provisions to make information on these legislative arrangements and enforcement and administrative procedures (e.g. rules on enforcement and administrative procedures, action taken) publicly accessible
- (c) A description of any institutional arrangements and decision-making procedures that it has in place to coordinate activities related to participation in the mechanisms under Articles 6, 12 and 17, including the participation of legal entities.

38. Each Party included in Annex I shall provide a description of any national legislative arrangements and administrative procedures that seek to ensure that the implementation of activities under Article 3, paragraph 3, and any elected activities under Article 3, paragraph 4, also contributes to the conservation of biodiversity and sustainable use of natural resources.

I. Information under Article 10

39. Each Party included in Annex I shall report its activities, actions and programmes undertaken in fulfilment of its commitments under Article 10.

40. Each Party included in Annex I shall report on the steps it has taken to promote, facilitate and finance the transfer of technology to developing countries and to build their capacity, taking into account Article 4, paragraphs 3, 5 and 7, of the Convention in order to facilitate the implementation of Article 10 of the Kyoto Protocol.

J. Financial resources

41. Each Party included in Annex II shall provide information on the implementation of Article 11 of the Kyoto Protocol, in particular information on what new and additional financial resources have been provided, in what way these resources are new and additional, and how that Party has taken into account the need for adequacy and predictability in the flow of these resources.

42. Each Party included in Annex II shall provide information on its contribution to the entity or entities entrusted with the operation of the financial mechanism.

43. Any Party included in Annex I that has provided funding for the adaptation fund established in accordance with decision 10/CP.7 shall report on its financial contributions to this fund. In doing so, the Party shall take into account the information reported in accordance with paragraph 6 of decision 10/CP.7.

III. Language

44. The information reported in accordance with these guidelines shall be submitted in one of the official languages of the United Nations. Parties included in Annex I are encouraged to submit a translation of the information under Article 7, paragraph 1, in English, in order to facilitate the annual review of the inventory information under Article 8.

IV. Updating

45. These guidelines shall be reviewed and revised, as appropriate, by consensus, in accordance with decisions of the COP/MOP, taking into account any relevant decisions of the COP.

Text G**Draft decision -/CMP.1*****Standard electronic format for reporting Kyoto Protocol units¹**

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Recalling the relevant provisions of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, in particular its Article 7, and decisions 11/CP.7, 16/CP.7, 17/CP.7, 18/CP.7, 19/CP.7, 19/CP.9 and 13/CP.10,

Being aware of the time frames for submission of information under Article 7 of the Kyoto Protocol established under decision -/CMP.1 (*Article 7*),

Having considered decision 17/CP.10,

1. *Adopts* the standard electronic format for reporting Kyoto Protocol units and the reporting instructions as contained in the annex to this decision, in accordance with paragraph 11 of section E of the guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol (annex to draft decision -/CMP.1 (*Article 7*));
2. *Decides* that Parties included in Annex I to the Convention may use the formats elaborated by the administrator of the international transaction log in accordance with paragraph 6 (j) of decision 16/CP.10 to report information required under paragraphs 12 to 16 of section E of the guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol (annex to draft decision -/CMP.1 (*Article 7*));
3. *Decides* that, where a Party included in Annex I to the Convention undertakes a corrective transaction to reflect a correction to the compilation and accounting database applied by the Compliance Committee, pursuant to chapter V, paragraph 5 (b), of the annex to decision -/CMP.1 (*Procedures and mechanisms relating to compliance under the Kyoto Protocol*),** the information in the compilation and accounting database shall be appropriately amended to avoid double counting, following the review of the corrective transaction in accordance with Article 8 of the Kyoto Protocol and the resolution of any questions of implementation;
4. *Decides* to extend the code of practice for the treatment of confidential information for the reviews of inventories under Article 8 of the Kyoto Protocol² to the review of assigned amount information under Article 8 of the Kyoto Protocol.

* This draft decision was originally attached to decision 17/CP.10 (FCCC/CP/2004/10/Add.2).

** This reference will be subject to final editing in the report of the session based on decisions adopted on the procedures and mechanisms relating to compliance.

¹ Emission reduction units, certified emission reductions, including temporary certified emission reductions and long-term certified emission reductions, assigned amount units and removal units.

² Adopted by decisions 12/CP.9 and -/CMP.1 (*Issues relating to the implementation of Article 8 of the Kyoto Protocol*).

ANNEX

**Standard electronic format for reporting of information on
Kyoto Protocol units¹**

I. General reporting instructions

1. The standard electronic format (SEF) is an essential part of submission under Article 7.1 of the Kyoto Protocol. It is designed to facilitate reporting of Kyoto Protocol units by Parties included in Annex I to the Convention (Annex I Parties) and review of Kyoto Protocol units.
2. Each Annex I Party shall annually report the SEF to the secretariat electronically. Any related information of a non-quantitative character shall be submitted separately. Unless otherwise indicated, Parties shall submit information for the previous calendar year (based on Universal Time). This is referred to as the 'reported year' (for example, in the 2010 SEF submission, the 'reported year' will be the 2009 calendar year).
3. For each commitment period, each Annex I Party shall submit the SEF in the year following the calendar year in which the Party first transferred or acquired Kyoto Protocol units. The first calendar year for which a Party reports this information shall in addition include any CERs that were forwarded by the clean development mechanism (CDM) registry to the registry accounts of project participants and Parties involved, under the prompt start of the CDM. Each Annex I Party shall submit the SEF annually thereafter until the expiration of the additional period for fulfilment of commitments for that commitment period.²
4. If an Annex I Party is undertaking transactions for two or more commitment periods simultaneously, then the Party shall provide a separate, complete report for each commitment period. Each report shall contain information only on those Kyoto Protocol units valid for that commitment period.³
5. The SEF consists of six tables. All values shall be recorded in the tables as positive, whole units. Negative values shall not be entered.
6. In accordance with the relevant provisions of the Kyoto Protocol, not all unit types are relevant for each account or transaction type. Where a cell is shaded in a table, the information or transaction does not apply for that particular unit type.
7. All tables shall be filled in completely. If no units of a particular type occurred for a transaction in the previous year, the Party shall enter NO in the cell for 'not occurring'.
8. In the interest of readability, descriptive titles are used in the SEF to refer to specific account and transaction types. Explanations of these descriptive titles and references to the pertinent provisions under the Kyoto Protocol are provided under the relevant table below.

¹ Assigned amount units (AAUs), emission reduction units (ERUs), removal units (RMUs), certified emission reductions (CERs), including temporary certified emission reductions (tCERs) and long-term certified emission reductions (lCERs).

² For the first commitment period, the reported years will probably be 2007–2015. These years are illustrative in the SEF, and should be changed as appropriate by the Annex I Party.

³ With the exception of table 3, which requires information on tCERs and lCERs that were valid in previous commitment periods.

II. Instructions on individual tables

A. Table 1. Total quantities of Kyoto Protocol units by account type at beginning of reported year

9. In table 1, Annex I Parties shall provide information on the total quantities of Kyoto Protocol units in each account type, by unit type, in the national registry as of 1 January of the reported year.

10. Each Annex I Party shall report on the total quantities of Kyoto Protocol units, by unit type, held in each of the account types specified in the following paragraphs of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) as described below:

- (a) 'Party holding accounts' (paragraph 21 (a))
- (b) 'Entity holding accounts' (paragraph 21 (b))
- (c) 'Article 3.3/3.4 net source cancellation accounts' for cancellation of Kyoto Protocol units as a result of emissions from activities under Article 3.3 and 3.4 of the Kyoto Protocol (paragraph 21 (c))
- (d) 'Non-compliance cancellation account' for cancellation of Kyoto Protocol units following a determination by the Compliance Committee that the Party is not in compliance with its commitment under Article 3.1 (paragraph 21 (d))
- (e) 'Other cancellation accounts' for other cancellations (paragraph 21 (e)). Parties shall not include the quantities of any Kyoto Protocol units in the registry's mandatory cancellation accounts as defined in the data exchange standards;
- (f) 'Retirement account' (paragraph 21 (f)).

11. In addition, each Annex I Party shall report on the total quantities of Kyoto Protocol units, by type, held in each of the account types specified in the following paragraphs of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*):

- (a) 'tCER replacement account for expiry' to cancel AAUs, CERs, ERUs, RMUs and/or tCERs for the purpose of replacing tCERs before expiry (paragraph 43)
- (b) 'lCER replacement account for expiry' to cancel AAUs, CERs, ERUs and/or RMUs for the purpose of replacing lCERs before expiry (paragraph 47 (a))⁴
- (c) 'lCER replacement account for reversal in storage' to cancel AAUs, CERs, ERUs, RMUs and/or lCERs from the same project activity for the purpose of replacing lCERs where there has been a reversal of removals by sinks (paragraph 47 (b))
- (d) 'lCER replacement account for non-submission of certification report', to cancel AAUs, CERs, ERUs, RMUs and/or lCERs from the same project activity for the purpose of replacing lCERs where a certification report has not been provided (paragraph 47 (c)).

B. Table 2 (a). Annual internal transactions

12. In table 2 (a), Annex I Parties shall report information on the total quantities of Kyoto Protocol units involved in internal transactions (those that did not involve another registry) that occurred between

⁴ The technical standards for data exchange between registries use separate account types to distinguish between different causes for replacement and to facilitate tracking of lCERs.

1 January and 31 December of the reported year, as described below, including any corrective transactions (see paragraph 42 below).

13. Under the Article 6 section, Annex I Parties shall report information relating to joint implementation projects under the Kyoto Protocol in accordance with the following paragraphs of the annex to decision -/CMP.1 (*Article 6*):

- (a) For 'Party-verified projects' (also referred to as 'track one' projects) Annex I Parties shall report information pertaining to projects where emission reductions or enhancement of removals have been verified by the host Party in accordance with paragraph 23 of the annex to decision -/CMP.1 (*Article 6*):
 - (i) Each Annex I Party shall report under 'Additions' the total quantity of ERUs issued pursuant to paragraph 29 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)
 - (ii) The Party shall report under 'Subtractions' the corresponding quantity of AAUs converted, or, in the case of land use, land-use change and forestry (LULUCF) projects, the corresponding quantity of RMUs converted, pursuant to paragraph 29 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).
- (b) For 'independently verified projects' (also referred to as 'track two' projects), Annex I Parties shall report information pertaining to projects where emission reductions or enhancement of removals have been verified through the procedure under the Article 6 Supervisory Committee in accordance with paragraphs 30–45 of the annex to decision -/CMP.1 (*Article 6*):
 - (i) Each Annex I Party shall report under 'Additions' the total quantity of ERUs issued pursuant to paragraph 29 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)
 - (ii) The Party shall report under 'Subtractions' the corresponding quantity of AAUs converted, or, in the case of LULUCF projects, the corresponding quantity of RMUs converted, pursuant to paragraph 29 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

14. Under the section 'Article 3.3 and 3.4 issuance or cancellation', each Annex I Party shall report information on its LULUCF activities, by individual activity, in accordance with the annex to decision -/CMP.1 (*Land use, land-use change and forestry*), and with its election of activities pursuant to paragraph 8 (c) and (d) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*):

- (a) For any activity that resulted in a net removal, each Annex I Party shall report under 'Additions' the total quantity of RMUs issued pursuant to paragraph 25 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)
- (b) For any activity resulting in net emissions, each Party shall report under 'Subtractions' the total quantities of AAUs, ERUs, RMUs and/or CERs cancelled pursuant to paragraph 32 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*). For any single activity, Parties shall **not** report a value under both 'Additions' and 'Subtractions'.

15. Under the section 'Article 12 afforestation and reforestation', each Annex I Party shall report information related to afforestation and reforestation project activities under the CDM specified in the following paragraphs of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*):⁵

- (a) 'Replacement of expired tCERs' – the total quantities of AAUs, CERs, ERUs, RMUs and/or tCERs that were transferred to the tCER replacement account (paragraph 44)
- (b) 'Replacement of expired ICERs' – the total quantities of AAUs, CERs, ERUs, and/or RMUs that were transferred to the ICER replacement account for expiry (paragraph 47 (a))
- (c) 'Replacement for reversal of storage' – the total quantities of AAUs, CERs, ERUs, RMUs and/or ICERs that were transferred to the ICER replacement account for reversal of storage (paragraph 47 (b))
- (d) 'Replacement for non-submission of certification report' – the total quantities of AAUs, CERs, ERUs, RMUs and/or ICERs that were transferred to the ICER replacement account for non-submission of certification report (paragraph 47 (c)).

16. Under 'Other cancellation', each Annex I Party shall report the total quantities of Kyoto Protocol units, by type, that were cancelled for other reasons. Parties shall not include the quantities of any Kyoto Protocol units in the registry's mandatory cancellation accounts as defined in the data exchange standards.

17. Each Annex I Party shall sum the quantities of Kyoto Protocol units in each column and report these under 'Sub-total'.

18. In the box 'Retirement', each Annex I Party shall report under 'Retirement' the total quantities of Kyoto Protocol units, by type, that were transferred to the retirement account. These values shall not be included in the main body of table 2 (a).

C. Table 2 (b). Annual external transactions

19. In table 2 (b), Annex I Parties shall report information on the total quantities of Kyoto Protocol units involved in external transactions (those that involved another registry) that occurred between 1 January and 31 December of the reported year, including any corrective transactions (see paragraph 42 below).

20. Each Annex I Party shall include a separate row for each registry (Party or CDM registry) to which it transferred, from which it acquired or from which it was forwarded, Kyoto Protocol units during the previous year:

- (a) Each Party shall report the quantities of all Kyoto Protocol units acquired from a registry, or forwarded from the CDM registry, by type, under 'Additions'
- (b) Each Party shall report the total quantities of Kyoto Protocol units transferred to that registry, by type, under 'Subtractions' on the same line.

21. Each Annex I Party shall sum the quantities of Kyoto Protocol units in each column and report these under 'Sub-total'.

⁵ Additional information relating to afforestation and reforestation project activities is reported in table 3.

22. If an Annex I Party has transferred for the first time ERUs that were independently verified by the Article 6 supervisory committee, the Party shall indicate the total quantity of these ERUs in the 'Additional information' box. (Note that this quantity shall also be included in the main body of table 2 (b).)

D. Table 2 (c). Total annual transactions

23. Each Annex I Party shall add the sub-totals of table 2 (a) and table 2 (b) and report the corresponding quantities under 'Total' in table 2 (c).

E. Table 3. Expiry, cancellation and replacement

24. In table 3, Annex I Parties shall report information on the expiry, cancellation and replacement of tCERs and ICERs in accordance with the modalities and procedures for afforestation and reforestation project activities under the CDM specified in the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*). Parties shall include all transactions that occurred between 1 January and 31 December of the reported year, including any corrective transactions (see paragraph 42 below).

25. Each Annex I Party shall report the following information under the section 'Temporary CERs (tCERs)':

- (a) 'Expired in retirement and replacement accounts' – the quantity of tCERs that expired in the reported year in the retirement and tCER replacement account for the previous commitment period. (Note that these tCERs will have been valid for the previous commitment period and will expire in the final year of the commitment period)
- (b) 'Replacement of expired tCERs' – the quantities of AAUs, CERs, ERUs, RMUs and/or tCERs that were transferred to the tCER replacement account pursuant to paragraph 43 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*)
- (c) 'Expired in holding accounts' – the quantity of tCERs that expired in all Party and entity holding accounts. (Note that these tCERs will have been valid for the previous commitment period and will expire in the final year of the commitment period)
- (d) 'Cancellation of tCERs expired in holding accounts' – the quantity of tCERs that expired in all Party and entity holding accounts and that were subsequently moved to the mandatory cancellation account, pursuant to paragraph 53 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*).

26. Each Annex I Party shall report the following information under the section 'Long-term CERs (ICERs)':

- (a) 'Expired in retirement and replacement accounts' – the quantity of ICERs that expired in the reported year in the retirement and ICER replacement accounts for previous commitment periods. (Note that these ICERs will have been valid for a previous commitment period.)
- (b) 'Replacement of expired ICERs' – the quantities of AAUs, CERs, ERUs and/or RMUs that were transferred to the 'ICER Replacement account for expiry' pursuant to paragraph 48 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*). Parties shall report quantities of Kyoto Protocol units transferred to replace ICERs due to expire in the current or future commitment periods

- (c) 'Expired in holding accounts' – the quantity of ICERs that expired in all Party and entity holding accounts. (Note that these ICERs will have been valid for a previous commitment period.)
- (d) 'Cancellation of ICERs expired in holding accounts' – the quantity of ICERs that expired in all Party and entity holding accounts and that were subsequently moved to the mandatory cancellation account, pursuant to paragraph 53 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*)
- (e) 'Subject to replacement for reversal of storage' – in the event that the Party has received notification(s) of a reversal of removals from a project activity from the Executive Board of the CDM, the quantity of ICERs that the Party is required to replace pursuant to that notification
- (f) 'Replacement for reversal of storage' – the quantities of AAUs, CERs, ERUs, RMUs and/or ICERs from the same project activity that were transferred to the 'ICER Replacement account for reversal of storage' pursuant to paragraph 49 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*)
- (g) 'Subject to replacement for non-submission of certification report' – in the event that the Party has received a notification(s) of non-submission of certification report from the Executive Board of the CDM, the quantity of ICERs that the Party is required to replace pursuant to that notification
- (h) 'Replacement for non-submission of certification report' – in the event that the Party has received a notification of non-submission of a certification report for a project, the quantities of AAUs, CERs, ERUs, RMUs and/or ICERs from the same project activity that were transferred to the 'ICER Replacement account for non-submission of certification' pursuant to paragraph 50 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*).

27. Annex I Parties shall sum the quantities of Kyoto Protocol units in each column and report these under 'Total'.

F. Table 4. Total quantities of Kyoto Protocol units by account type at end of reported year

28. In table 4, Annex I Parties shall include information on the total quantities of Kyoto Protocol units in each account type, by unit type, in the national registry as of 31 December of the reported year.

29. Parties should refer to account type references for table 1.

G. Table 5 (a). Summary information on additions and subtractions

30. In table 5 (a), Annex I Parties shall report cumulative information for the reported year and previously reported years to facilitate the recording of information for the commitment period in the compilation and accounting database in accordance with the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

31. Under 'Starting values' each Annex I Party shall report:

- (a) 'Issuance pursuant to Article 3.7 and 3.8' – the total quantity of AAUs issued on the basis of their assigned amount under Article 3, paragraphs 7 and 8, pursuant to paragraph 23 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)

- (b) 'Non-compliance cancellation' – if applicable, the quantities of Kyoto Protocol units, by type, that the Party cancelled pursuant to a determination by the Compliance Committee that the Party is not in compliance with its commitment under Article 3.1 for the previous commitment period pursuant to paragraph 37 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)⁶
- (c) 'Carry-over' – if applicable, the total quantities of AAUs, ERUs and/or CERs that were carried over from the previous commitment period pursuant to paragraph 15 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).⁷

32. Under the 'Annual transactions' section, each Annex I Party shall provide summary information on the transactions for the reported year and previously reported years for the commitment period:

- (a) For the reported year, each Party shall report the total quantities of Kyoto Protocol units, by type, from table 2 (c)
- (b) For all other years, the Party shall report the total quantities of Kyoto Protocol units, as reported in table 5 (a) in the previous SEF
- (c) Under 'Total', each Party shall report the sum to date of all transactions.

H. Table 5 (b). Summary information on replacement

33. In table 5 (b), Annex I Parties shall provide summary information relating to the replacement of tCERs and ICERs for each reported year for the commitment period.

34. Under 'Previous CPs', each Annex I Party shall report the total quantities of Kyoto Protocol units, by type, that were transferred to the 'tCER replacement account for expiry' and/or the 'ICER replacement account for expiry' in previous commitment periods to replace tCERs or ICERs due to expire in the current commitment period. For the first commitment period, Parties shall record NO in all cells in this row.

35. For the reported year, each Annex I Party shall report:

- (a) Under 'Requirement for replacement', the total quantities of tCERs and ICERs that expired in the reported year in retirement and replacement accounts for previous commitment periods or that are otherwise subject to replacement in that year
- (b) Under 'Replacement', the total quantities of Kyoto Protocol units, by type, cancelled to replace tCERs or ICERs. (Note that these quantities should match those reported under 'Total' in table 3).

36. For all years prior to the reported year, the Annex I Party shall repeat the information under 'Requirement for replacement' and under 'Replacement' as reported in the previous SEF.

37. Under 'Total', each Annex I Party shall report the sum of each column. (Note that at the end of the commitment period, the total quantities of tCERs and ICERs under 'Requirement for replacement' should match the total quantities of Kyoto Protocol units under 'Replacement'.)

⁶ This information will not be available until completion of the compliance assessment for the previous commitment period, following the expiration of the additional period for fulfilment of commitments.

⁷ This information will not be available until completion of the compliance assessment for the previous commitment period, following the expiration of the additional period for fulfilment of commitments.

I. Table 5 (c). Summary information on retirement

38. In table 5 (c), Annex I Parties shall provide summary information on retirement to facilitate the compliance assessment at the end of the additional period for fulfilling commitments.

39. For the reported year, each Annex I Party shall report under 'Retirement', the total quantities of Kyoto Protocol units, by type, retired in that year for the purpose of demonstrating its compliance with its commitment under Article 3, paragraph 1, of the Kyoto Protocol. (Note that these quantities should match those reported under 'Retirement' in table 2 (a).)

40. For all years prior to the reported year, the Annex I Party shall repeat the information as reported in the previous SEF.

41. Under 'Total', each Annex I Party shall report the sum of each column.

J. Table 6. Memo item: Corrective transactions undertaken in the reported year

42. In tables 6 (a) to (c), Annex I Parties shall report any corrective transactions undertaken in the reported year relating to previously reported years, including transactions to address a correction to the compilation and accounting database applied by the compliance committee, pursuant to paragraph 5 (b) in chapter V of the annex to decision -/CMP.1 (*Procedures and mechanisms relating to compliance under the Kyoto Protocol*).^{*} Note that quantities of Kyoto Protocol units reported here are included in the annual transactions reported in tables 2 and 3 and are reported in tables 6 (a) to (c) as a memo item for the purpose of transparency. Parties shall provide explanations for these transactions in accompanying text, as required by paragraph 8 of section E of the guidelines for reporting under Article 7 of the Kyoto Protocol.

^{*} This reference will be subject to final editing in the report of the session based on decisions adopted on the procedures and mechanisms relating to compliance.

Party
 Submission year
 Reported year
 Commitment Period

Table 1. Total quantities of Kyoto Protocol units by account type at beginning of reported year

Account type	Unit type					
	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
Party holding accounts						
Entity holding accounts						
Article 3.3/3.4 net source cancellation accounts						
Non-compliance cancellation accounts						
Other cancellation accounts						
Retirement account						
tCER replacement account for expiry						
ICER replacement account for expiry						
ICER replacement account for reversal in storage						
ICER replacement account for non-submission of certification report						
Total						

Party
 Submission year
 Reported year
 Commitment Period

Table 2 (a). Annual internal transactions

Transaction type	Additions						Subtractions					
	Unit type						Unit type					
	AAUs	ERUs	RMUs	CERs	tCERs	ICERs	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
Article 6 issuance and conversion												
Party-verified projects												
Independently verified projects												
Article 3.3 and 3.4 issuance or cancellation												
3.3 Afforestation and reforestation												
3.3 Deforestation												
3.4 Forest management												
3.4 Cropland management												
3.4 Grazing land management												
3.4 Revegetation												
Article 12 afforestation and reforestation												
Replacement of expired tCERs												
Replacement of expired ICERs												
Replacement for reversal of storage												
Replacement for non-submission of certification report												
Other cancellation												
Sub-total												

Transaction type	Retirement					
	Unit type					
	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
Retirement						

Party
 Submission year
 Reported year
 Commitment Period

Table 2 (b). Annual external transactions

	Additions						Subtractions					
	Unit type						Unit type					
	AAUs	ERUs	RMUs	CERs	tCERs	ICERs	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
Transfers and acquisitions												
[Registry name]												
[Registry name]												
[Registry name]												
[Registry name]												
[Registry name]												
Sub-total												

Additional information

Independently verified ERUs												
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Table 2 (c). Total annual transactions

Total (Sum of tables 2 (a) and 2 (b))												
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Party
 Submission year
 Reported year
 Commitment Period

Table 4. Total quantities of Kyoto Protocol units by account type at end of reported year

Account type	Unit type					
	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
Party holding accounts						
Entity holding accounts						
Article 3.3/3.4 net source cancellation accounts						
Non-compliance cancellation accounts						
Other cancellation accounts						
Retirement account						
tCER replacement account for expiry						
ICER replacement account for expiry						
ICER replacement account for reversal in storage						
ICER replacement account for non-submission of certification report						
Total						

Party
 Submission year
 Reported year
 Commitment Period

Table 5 (a). Summary information on additions and subtractions

	Additions						Subtractions					
	Unit type						Unit type					
	AAUs	ERUs	RMUs	CERs	tCERs	ICERs	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
Starting values												
Issuance pursuant to Article 3.7 and 3.8												
Non-compliance cancellation												
Carry-over												
Sub-total												
Annual transactions												
Year 0 (2007)												
Year 1 (2008)												
Year 2 (2009)												
Year 3 (2010)												
Year 4 (2011)												
Year 5 (2012)												
Year 6 (2013)												
Year 7 (2014)												
Year 8 (2015)												
Sub-total												
Total												

Table 5 (b). Summary information on replacement

	Requirement for replacement		Replacement					
	Unit type		Unit type					
	tCERs	ICERs	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
Previous CPs								
Year 1 (2008)								
Year 2 (2009)								
Year 3 (2010)								
Year 4 (2011)								
Year 5 (2012)								
Year 6 (2013)								
Year 7 (2014)								
Year 8 (2015)								
Total								

Table 5 (c). Summary information on retirement

Year	Retirement					
	Unit type					
	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
Year 1 (2008)						
Year 2 (2009)						
Year 3 (2010)						
Year 4 (2011)						
Year 5 (2012)						
Year 6 (2013)						
Year 7 (2014)						
Year 8 (2015)						
Total						

Party
 Submission year
 Reported year
 Commitment Period

Table 6 (a). Memo item: Corrective transactions relating to additions and subtractions

	Additions						Subtractions					
	Unit type						Unit type					
	AAUs	ERUs	RMUs	CERs	tCERs	ICERs	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
Transactions												

Table 6 (b). Memo item: Corrective transactions relating to replacement

	Requirement for replacement	Replacement						
	Unit type	Unit type						
	tCERs	ICERs	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
Transactions								

Table 6 (c). Memo item: Corrective transactions relating to retirement

	Retirement					
	Unit type					
	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
Transactions						

Text H**Draft decision -/CMP.1*****Guidelines for review under Article 8 of the Kyoto Protocol**

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Recalling Article 8 of the Kyoto Protocol to the United Nations Framework Convention on Climate Change,

Having considered decision 23/CP.7, adopted by the Conference of the Parties at its seventh session,

Recognizing the importance of the review process under Article 8 for the implementation of other provisions of the Kyoto Protocol,

1. *Adopts* the guidelines for review under Article 8 of the Kyoto Protocol as contained in the annex to the present decision;
2. *Decides* that for each Party included in Annex I the review prior to the first commitment period shall be initiated upon receipt of the report as mentioned in paragraph 6 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) attached to decision 19/CP.7. The review prior to the commitment period for each Party, including the procedures for adjustments under Article 5, paragraph 2, between the expert review team and the Party, shall be completed within 12 months of the initiation of the review and a report shall be forwarded expeditiously to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol and the Compliance Committee. Further expertise and resources shall be provided to ensure the quality of the review in the case where review has to take place for several Parties at the same time;
3. *Decides* to start the periodic review for each Party included in Annex I when it submits its first national communication under the Kyoto Protocol;
4. *Decides* to start the annual review for each Party included in Annex I in the year that the Party commences reporting under Article 7, paragraph 1;
5. *Decides* to start the annual review in the year following the submission of the report referred to in paragraph 6 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) attached to decision 19/CP.7 for those Parties included in Annex I that started reporting information under Article 7, paragraph 1, on a voluntary basis earlier than required under Article 7, paragraph 3;
6. *Invites* Parties that opt to submit information for review before January 2007 to notify the secretariat at their earliest convenience in order to facilitate the timely establishment of the expert review teams.

* This draft decision was originally attached to decision 23/CP.7 (FCCC/CP/2001/13/Add.3). Additional sections have been incorporated in the attached guidelines in accordance with decisions 22/CP.8 and 13/CP.10.

ANNEX

Guidelines for review under Article 8 of the Kyoto Protocol¹

Part I: General approach to review

A. Applicability

1. Each Party included in Annex I which is also a Party to the Protocol will be subject to review of information submitted under Article 7 in accordance with the provisions of these guidelines. For these Parties, the review process established under these guidelines shall encompass any existing review under the Convention.

B. Objectives

2. The objectives for review under Article 8 of the Kyoto Protocol are:
- (a) To establish a process for a thorough, objective and comprehensive technical assessment of all aspects of the implementation of the Kyoto Protocol by Parties included in Annex I;
 - (b) To promote consistency and transparency in the review of information submitted by Parties included in Annex I under Article 7 of the Kyoto Protocol;
 - (c) To assist Parties included in Annex I in improving their reporting of information under Article 7 and the implementation of their commitments under the Protocol;
 - (d) To provide the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP), and the Compliance Committee, with a technical assessment of the implementation of the Kyoto Protocol by Parties included in Annex I.

C. General approach

3. The provisions of these guidelines shall apply to the review of information submitted by Parties included in Annex I under Article 7, relevant decisions of the COP/MOP and relevant decisions of the Conference of the Parties (COP) specific to Parties included in Annex I.

4. The expert review team shall provide a thorough and comprehensive technical assessment of all aspects of the implementation by a Party of the Kyoto Protocol and identify any potential problems in, and factors influencing, the fulfilment of commitments. The expert review team shall conduct technical reviews to provide information expeditiously to the COP/MOP and the Compliance Committee in accordance with the procedures in these guidelines.

5. At any stage in the review process, expert review teams may put questions to, or request additional or clarifying information from, the Parties included in Annex I regarding a potential problem identified by the team. The expert review team should offer advice to Parties included in Annex I on how to correct problems that they identify, taking into account the national circumstances of the Party. The expert review team shall also provide technical advice to the COP/MOP or the Compliance Committee, upon its request.

6. Parties included in Annex I should provide the expert review team with access to information necessary to substantiate and clarify the implementation of their commitments under the Kyoto Protocol,

¹ “Article” in these guidelines refers to an article of the Kyoto Protocol, unless otherwise specified.

in accordance with relevant guidelines adopted by the COP and/or the COP/MOP and, during the in-country visits, should also provide appropriate working facilities. Parties included in Annex I should make every reasonable effort to respond to all questions and requests from the expert review team for additional clarifying information relating to identified problems and correct such problems within the time limits set out in these guidelines.

1. Questions of implementation

7. If the expert review team identifies potential problems during the review, it shall put questions to the Party included in Annex I regarding these potential problems and offer advice to the Party on how to correct them. The Party may correct the problems or provide additional information within the time frame set out in these guidelines. Subsequently, a draft of each review report shall be forwarded to the Party subject to review for comment.

8. Only if an unresolved problem pertaining to language of a mandatory nature in these guidelines influencing the fulfilment of commitments still exists after the Party included in Annex I has been provided with opportunities to correct the problem within the time frames established under the relevant review procedures, shall that problem be listed as a question of implementation in the final review reports. An unresolved problem pertaining to language of a non-mandatory nature in these guidelines shall be noted in the final review report, but shall not be listed as a question of implementation.

2. Confidentiality

9. Pursuant to a request from the expert review team for additional data or information or access to data used in the preparation of the inventory, a Party included in Annex I may indicate whether such information and data are confidential. In such a case, the Party should provide the basis for protecting such information, including any domestic law, and upon receipt of assurance that the data will be maintained as confidential by the expert review team, shall submit the confidential data in accordance with domestic law and in a manner that allows the expert review team access to sufficient information and data for the assessment of conformity with the Intergovernmental Panel on Climate Change (IPCC) *Revised 1996 IPCC Guidelines for Greenhouse Gas Inventories* as elaborated by the IPCC *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories* and any good practice guidance adopted by the COP/MOP. Any confidential information and data submitted by a Party in accordance with this paragraph shall be maintained as confidential by the expert review team, in accordance with any decisions on this matter adopted by the COP/MOP.

10. An expert review team member's obligation not to disclose confidential information shall continue after termination of his or her service on the expert review team.

D. Timing and procedures

1. Initial review

11. Each Party included in Annex I shall be subject to review prior to the first commitment period or within one year after the entry into force of the Kyoto Protocol for that Party, whichever is later.

12. The expert review team shall review the following information contained or referenced in the report referred to in paragraph 6 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) for each Party included in Annex I:

- (a) Complete inventories of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol for all years from 1990, or other approved base year or period under Article 3, paragraph 5, to the most recent year available with an emphasis on the base year or period, including the selected base year

for hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride in accordance with Article 3, paragraph 8, and the most recent year, for conformity with Article 5, paragraph 2, in accordance with the procedures contained in part II of these guidelines

- (b) The calculation of the assigned amount pursuant to Article 3, paragraphs 7 and 8, and the commitment period reserve, for conformity with the modalities for the accounting of assigned amounts under Article 7, paragraph 4, in accordance with the procedures contained in part III of these guidelines
- (c) The national system pursuant to Article 5, paragraph 1, in accordance with the procedures contained in part IV of these guidelines
- (d) The national registry pursuant to Article 7, paragraph 4, in accordance with the procedures contained in part V of these guidelines.

13. The first national communication due under the Convention after the Protocol has entered into force for that Party will be reviewed prior to the first commitment period in accordance with the provisions of paragraph 19 below.²

14. For each Party included in Annex I, the elements specified in paragraphs 12 (a) to 12 (d) above shall be reviewed in conjunction. An in-country visit shall be conducted as part of this review.

2. Annual review

15. Each Party included in Annex I shall be subject to an annual review of:

- (a) The annual inventory, including the national inventory report and the common reporting format (CRF), for conformity with Article 5, paragraph 2, in accordance with the procedures contained in part II of these guidelines
- (b) The following supplementary information, in accordance with the guidelines for the preparation of the information required under Article 7, section I:
 - (i) Information provided during the commitment period for land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4, for conformity with the requirements of relevant decisions of the COP/MOP, in accordance with the procedures contained in part II of these guidelines
 - (ii) Information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, emission reduction units, certified emission reductions, assigned amount units and removal units, in accordance with the procedures contained in part III of these guidelines
 - (iii) Changes in national systems in accordance with the procedures contained in part IV of these guidelines
 - (iv) Changes in national registries in accordance with the procedures contained in part V of these guidelines
 - (v) Information provided on matters related to Article 3, paragraph 14, and supplementary information in accordance with the procedures contained in part VI of these guidelines.

² This will be the case if this national communication is submitted prior to the first commitment period.

16. The annual review, including adjustment procedures as part of the review of the annual or base year inventory, shall be concluded within one year of the due date for submission of the information to be reported under Article 7, paragraph 1.

17. The elements specified in paragraph 15 (b) (iii) and (iv) above shall be subject to review as part of the annual review only if problems or significant changes have been identified by an expert review team or if the Party included in Annex I reports significant changes in its inventory report as defined in paragraphs 101 and 114 of these guidelines.

18. The elements described in paragraph 15 above shall be reviewed together for each Party included in Annex I by a single expert review team.

3. Periodic review

19. Each national communication submitted under the Kyoto Protocol by a Party included in Annex I shall be subject to a scheduled in-country review in accordance with part VII of these guidelines.³

E. Expert review teams and institutional arrangements

1. Expert review teams

20. Each submission under Article 7 shall be assigned to a single expert review team that shall be responsible for performing the review in accordance with the procedures and time frames established in these guidelines. A submission by a Party included in Annex I shall not be reviewed in two successive review years by expert review teams with identical composition.

21. Each expert review team shall provide a thorough and comprehensive technical assessment of information submitted under Article 7 and shall, under its collective responsibility, prepare a review report, assessing the implementation of the commitments of the Party included in Annex I and identifying any potential problems in, and factors influencing, the fulfilment of commitments. The expert review teams shall refrain from making any political judgement. If needed, the expert review teams shall calculate adjustments in accordance with any guidance under Article 5, paragraph 2, adopted by the COP/MOP, in consultation with the Party concerned.

22. Expert review teams shall be coordinated by the secretariat and shall be composed of experts selected on an ad hoc basis from the UNFCCC roster of experts and will include lead reviewers. Expert review teams formed for the tasks carried out under the provisions of these guidelines may vary in size and composition, taking into account the national circumstances of the Party under review and the different expertise needs of each review task.

23. Participating experts shall serve in their personal capacity.

24. Participating experts shall have recognized competence in the areas to be reviewed according to these guidelines. The training to be provided to experts, and the subsequent assessment after the

³ It is likely that the fourth national communication will be the first national communication under the Kyoto Protocol and that such review will occur prior to the first commitment period: Article 7, paragraph 3, states that each Party included in Annex I shall submit the information required under Article 7, paragraph 2, as part of the first national communication due under the Convention after the Protocol has entered into force for it and after adoption of guidelines for the preparation of information under Article 7. This Article also states that the COP/MOP shall determine the frequency of submission of national communications, taking into account any timetable for submission of national communications decided upon by the COP. Decision 11/CP.4 requests Parties included in Annex I to submit a third national communication by 30 November 2001 and subsequent national communications on a regular basis, at intervals of three to five years, to be decided at a future session, and requires that each of those national communications should be subject to an in-depth review coordinated by the secretariat.

completion of the training⁴ and/or any other means needed to ensure the necessary competence of experts for participation in expert review teams shall be designed and operationalized in accordance with relevant decisions of the COP and the COP/MOP.

25. Experts selected for a specific review activity shall neither be nationals of the Party under review, nor be nominated or funded by that Party.

26. Experts shall be nominated by Parties to the Convention to the roster of experts and, as appropriate, by intergovernmental organizations, in accordance with guidance provided for this purpose by the COP.

27. Participating experts from Parties not included in Annex I and Parties included in Annex I with economies in transition shall be funded according to the existing procedures for participation in UNFCCC activities. Experts from other Parties included in Annex I shall be funded by their governments.

28. In the conduct of the review, expert review teams shall adhere to these guidelines and work on the basis of established and published procedures agreed upon by the Subsidiary Body for Scientific and Technological Advice (SBSTA), including quality assurance and control and confidentiality provisions.

2. Competences

29. Competences required to be members of the expert review teams for the review of annual information submitted under Article 7, paragraph 1 are:

- (a) Greenhouse gas inventories in general and/or specific sectors (energy, industrial processes, solvents and other products use, agriculture, land use, land-use change and forestry, and waste);
- (b) National systems, national registries, information on assigned amounts and information related to Article 3, paragraph 14.

30. Competences required to be members of the expert review teams for the review of national communications and the supplementary information under Article 7, paragraph 2, are on those areas referred to in paragraph 135 (b) and (c) of these guidelines.

3. Composition of the expert review teams

31. The secretariat shall select the members of the review teams to review the annual information submitted under Article 7, paragraph 1, and to review national communications and the supplementary information under Article 7, paragraph 2, in a way that the collective skills of the team address the areas mentioned in paragraphs 29 and 30 above, respectively.

32. The secretariat shall select the members of the expert review teams with a view to achieving a balance between experts from Annex I and non-Annex I Parties in the overall composition of the expert review teams, without compromising the selection criteria referred to in paragraph 31 above. The secretariat shall make every effort to ensure geographical balance among those experts selected from non-Annex I Parties and among those experts selected from Annex I Parties.

33. The secretariat shall ensure that in any expert review team one co-lead reviewer shall be from a Party included in Annex I and one from a Party not included in Annex I.

⁴ Those experts that opt not to participate in the training have to undergo a similar assessment successfully in order to enable them to qualify for participation in expert review teams.

34. Without compromising the selection criteria stated in paragraphs 31, 32 and 33 above, the formation of expert review teams should ensure, to the extent possible, that at least one member is fluent in the language of the Party under review.

35. The secretariat shall prepare an annual report to the SBSTA on the composition, including the selection of experts for the review teams and the lead reviewers, and the actions taken to ensure the application of the selection criteria stated in paragraphs 31 and 32 above.

4. Lead reviewers

36. Lead reviewers shall act as co-lead reviewers for the expert review teams under these guidelines.

37. Lead reviewers should ensure that the reviews in which they participate are performed according to the review guidelines and are performed consistently across Parties by each expert review team. They also should ensure the quality and the objectivity of the thorough and comprehensive technical assessments in the reviews and to provide for continuity, comparability and timeliness of the review.

38. Lead reviewers may be offered additional training to that referred to in paragraph 24 above to enhance their skills.

39. With the administrative support of the secretariat, lead reviewers shall, for each review activity:

- (a) Prepare a brief work plan for the review activity;
- (b) Verify that the reviewers have all the necessary information provided by the secretariat prior to the review activity;
- (c) Monitor the progress of the review activity;
- (d) Coordinate queries of the expert review team to the Party and coordinate the inclusion of the answers in the review reports;
- (e) Provide technical advice to the ad hoc experts, if needed;
- (f) Ensure that the review is performed and the review report is prepared in accordance with the relevant guidelines; and
- (g) For inventory reviews, verify that the review team gives priority to individual source categories for review in accordance with the guidelines.

40. Lead reviewers collectively shall also:

- (a) Prepare an annual report to the SBSTA with suggestions on how to improve the review process in the light of paragraph 2 of the present guidelines; and
- (b) Advise on the standardized data comparisons of inventory information referred to in paragraph 67 below.

41. Lead reviewers shall comprise experts from Parties to the Convention nominated to the UNFCCC roster by Parties, and their collective skills shall address the areas mentioned in paragraph 29 above. During the period where national communications and the supplementary information under Article 7, paragraph 2, are reviewed, additional experts from Parties to the Convention nominated to the UNFCCC roster by Parties will act as lead reviewers whose collective skills relate to the areas referred to in paragraph 30 above.

42. Lead reviewers shall be assigned for a minimum period of two years and a maximum period of three years to ensure the continuity and consistency of the review process. Half of the lead reviewers shall be assigned initially for a term of two years and the other half for a term of three years. The terms of service of lead reviewers for a given period of service shall be designed and operationalized in accordance with relevant decisions of the COP and the COP/MOP.

5. Ad hoc review experts

43. Ad hoc review experts shall be selected from those nominated by Parties or, exceptionally and only when the required expertise for the task is not available among them, from the relevant intergovernmental organizations belonging to the UNFCCC roster of experts for specific annual or periodic reviews by the secretariat. They shall perform individual review tasks in accordance with the duties set out in their nomination.

44. Ad hoc review experts shall, as necessary, perform desk review tasks in their home countries and participate in in-country visits, centralized reviews and in review meetings.

6. Guidance by the SBSTA

45. The SBSTA shall provide general guidance to the secretariat on the selection of experts and coordination of the expert review teams and to the expert review teams on the expert review process. The reports mentioned in paragraphs 35 and 40 (a) above are intended to provide the SBSTA with inputs for elaborating such guidance.

F. Reporting and publication

46. The expert review team shall, under its collective responsibility, produce the following review reports for each Party included in Annex I:

- (a) For the initial review, a report on the review of the elements described in paragraph 12 (a) to 12 (d) above in accordance with parts II, III, IV and V of these guidelines
- (b) For the annual review, a status report after the initial check of the annual inventory and a final report on the annual review of the elements in paragraph 15 above in accordance with parts II, III, IV, V and VI of these guidelines
- (c) For the periodic review, a report on the review of the national communication in accordance with part VII of these guidelines.

47. Review reports for each Party included in Annex I shall follow a format and outline comparable to that set out in paragraph 48 below and shall include the specific elements described in parts II to VII of these guidelines.

48. All final review reports prepared by the expert review team, except for status reports, shall include the following elements:

- (a) An introduction and summary
- (b) A description of the technical assessment of each of the elements reviewed according to the relevant sections on the scope of the review in parts II to VII of these guidelines, including:
 - (i) A description of any potential problems in, and factors influencing the fulfilment of, commitments identified during the review

- (ii) Any recommendations provided by the expert review team to solve the potential problems
- (iii) An assessment of any efforts by the Party included in Annex I to address any potential problems identified by the expert review team during the current review or during previous reviews that have not been corrected
- (iv) Any questions of implementation of the commitments under the Kyoto Protocol
- (c) Possible recommendations by the expert review team on the conduct of the review in subsequent years, including which parts may need to be considered in more depth
- (d) Information on any other issue of concern deemed relevant by the expert review team
- (e) The sources of information used in the formulation of the final report.

49. Following their completion, all final review reports, including status reports on initial checks on annual inventories, shall be published and forwarded by the secretariat, together with any written comments on the final review report by the Party which is subject of the report, to the COP/MOP, the Compliance Committee and the Party concerned.

Part II: Review of annual inventories

A. Purpose

50. The purpose of the review of annual inventories of Parties included in Annex I is:
- (a) To provide an objective, consistent, transparent, thorough and comprehensive technical assessment of annual inventories of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol for conformity with the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories*⁵ as elaborated by the IPCC report entitled *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories*⁶ and any good practice guidance adopted by the COP/MOP, and with section I of the guidelines for the preparation of the information required under Article 7;
 - (b) To assess if adjustments under Article 5, paragraph 2, may be needed and, if so, to calculate adjustments in accordance with relevant decisions of the COP/MOP relating to Article 5, paragraph 2, of the Kyoto Protocol;
 - (c) To ensure that the COP/MOP and the Compliance Committee have reliable information on the annual inventories of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol of each Party included in Annex I.

⁵ In these guidelines, the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories* are referred to as the IPCC Guidelines.

⁶ In these guidelines, the IPCC report entitled *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories* is referred to as the IPCC good practice guidance.

B. General procedures

51. The review should cover:
- (a) The annual inventory, including the national inventory report and the common reporting format (CRF)
 - (b) Supplementary information under Article 7, paragraph 1, incorporated in the Party's national inventory according to section I.D, greenhouse gas inventory information, of the guidelines for the preparation of the information required under Article 7.
52. The annual inventory review shall consist of two elements:
- (a) Initial check by the expert review team, with the assistance of the secretariat
 - (b) Individual inventory review by the expert review team.
53. The individual inventory review shall occur in conjunction with the review of assigned amount, changes in national systems and changes in national registries as set out in part I of these guidelines.
54. The base year inventory shall be reviewed only once prior to the commitment period and adjusted if appropriate.
55. The annual inventory review should be conducted as a desk or centralized review. In addition, each Party included in Annex I shall be subject to at least one in-country visit by an expert review team during the commitment period as part of its annual review.
56. In-country visits should be scheduled, planned and take place with the consent of the Party included in Annex I subject to review.
57. In years when an in-country visit is not scheduled, an expert review team can request an in-country visit if it believes, based on the findings of the desk or centralized review, that such a visit is necessary to allow for fuller investigation of a potential problem that the team has identified, subject to the consent of the Party included in Annex I. The expert review team shall provide a rationale for the additional country visit and shall compile a list of questions and issues to be addressed during the in-country visit to be sent to the Party included in Annex I in advance of the visit. If such an in-country visit occurs, the expert review team may recommend that a pending scheduled in-country visit is not necessary.
58. If a Party included in Annex I fails to provide to the expert review team the data and information necessary for the assessment of conformity with the IPCC Guidelines as elaborated by the IPCC good practice guidance and any good practice guidance adopted by the COP/MOP, the expert review team shall assume that the estimate was not prepared in accordance with the IPCC Guidelines as elaborated by the IPCC good practice guidance and any good practice guidance adopted by the COP/MOP.

C. Initial checks of annual inventories

1. Scope of the review

59. The expert review team shall conduct an initial check as a desk or centralized review to examine that each Party included in Annex I has submitted a consistent, complete and timely annual inventory, including the national inventory report and the common reporting format (CRF), and that data contained in the CRF are complete by means of computerized analysis and checks and in the correct format to enable subsequent review stages to occur.

60. The initial check shall identify whether:
- (a) The submission is complete and information has been provided in the correct format in accordance with reporting guidelines on annual inventories;
 - (b) All sources, sinks and gases included in the IPCC Guidelines and any good practice adopted by the COP/MOP are reported;
 - (c) Any gaps are explained by use of notation keys, such as NE (not estimated) and NA (not applicable), in the CRF and whether there is frequent use of these notation keys;
 - (d) Methodologies are documented with notations in the CRF;
 - (e) Estimates for carbon dioxide (CO₂) emissions from fossil fuel combustion are reported using the IPCC reference approach, in addition to estimates derived using national methods;
 - (f) Estimates for hydrofluorocarbon, perfluorocarbon and sulphur hexafluoride emissions are reported by individual chemical species;
 - (g) A Party included in Annex I has failed to submit an annual inventory or the national inventory report or the common reporting format by the due date, or within six weeks of the due date;
 - (h) A Party included in Annex I has failed to include an estimate for a source category (as defined in chapter 7 of the IPCC good practice guidance) that individually accounted for 7 per cent or more of the Party's aggregate emissions, defined as aggregate submitted emissions of the gases and from the sources listed in Annex A to the Kyoto Protocol, in the most recent of the Party's reviewed inventories in which the source was estimated.
 - (i) A Party included in Annex I has failed to provide the supplementary information in accordance with paragraphs 5 to 9 of the annex to decision -/CMP.1 (*Article 7*).

2. Timing⁷

61. The initial check for each Party included in Annex I shall be performed and a draft status report shall be completed within four weeks after the submission date of the annual inventory and sent to the Party for comment. A delay in the preparation of the draft status report shall not shorten the time available for the Party concerned to comment on the draft status report. The secretariat shall immediately notify the Party concerned of any omissions or technical format problems identified in the initial check.

62. Any information, corrections, additional information or comments on the draft status report received from the Party included in Annex I within six weeks of the submission due date shall be subject to an initial check and shall be covered in the final status report. A delay in the submission of the annual inventory shortens the time available for the Party concerned to comment on the draft status report.

63. The status report on the initial check for each Party included in Annex I shall be finalized within 10 weeks from the submission due date to be used in the individual inventory review.

⁷ For the initial review, the time frames for the initial check may serve as an indication.

3. Reporting

64. The status report shall include:

- (a) The date of receipt of the inventory submission by the secretariat
- (b) An indication whether the annual inventory, including the national inventory report and the CRF, has been submitted
- (c) An indication whether any source category or gas of a source category is missing and, if so, an indication of the magnitude of the likely emissions of that source category or gas, if possible relative to the last inventory for which the review has been completed
- (d) Identification of any inventory problems according to the categories listed in paragraph 60 (g) to (i) above.

D. Individual inventory reviews

1. Scope of the review

65. The expert review team shall, inter alia:

- (a) Examine application of the requirements of the IPCC Guidelines as elaborated by any IPCC good practice guidance adopted by the COP/MOP and the reporting guidelines on annual inventories and relevant decisions of the COP/MOP, and identify any departure from these requirements;
- (b) Examine application of the reporting requirements of the section I.D of the guidelines for the preparation of information required under Article 7;
- (c) Examine whether the IPCC good practice guidance and any other good practice guidance adopted by the COP/MOP was applied and documented, in particular noting the identification of key source categories, selection and use of methodologies and assumptions, development and selection of emission factors, collection and selection of activity data, reporting of consistent time-series, reporting of uncertainties related to inventory estimates and methodologies used for estimating those uncertainties and identify any inconsistencies;
- (d) Compare emission or removal estimates, activity data, implied emission factors and any recalculations with data from previous submissions of the Party included in Annex I to identify any irregularities or inconsistencies;
- (e) Compare the activity data of the Party included in Annex I with relevant external authoritative sources, if feasible, and identify sources where there are significant differences;
- (f) Assess the consistency of information in the common reporting format with that in the national inventory report;
- (g) Assess the extent to which issues and questions raised by expert review teams in previous reports have been addressed and resolved;
- (h) Recommend possible ways for improving the estimation and the reporting of inventory information.

66. The expert review team may use relevant technical information in the review process, such as information from international organizations.

67. The secretariat shall, under the direction of the expert review team, conduct a standardized set of data comparisons to be performed on the electronic common reporting format submissions to be used in the review process.

2. Identification of problems

68. The individual inventory review shall identify any problems for which adjustments under Article 5, paragraph 2, would be appropriate and initiate procedures for calculation of adjustments.

69. Problems should be identified as a failure to follow agreed guidelines under Article 5, paragraph 2, in preparing greenhouse gas inventories, as a failure to follow section I of the guidelines for the preparation of the information required under Article 7, and as a failure to follow agreed methodologies for estimating and reporting activities under Article 3, paragraphs 3 and 4, as adopted by the COP/MOP. These may be further subdivided as problems of:

- (a) Transparency, as defined in the UNFCCC reporting guidelines on annual inventories,⁸ including:
 - (i) Inadequate documentation and description of methodologies, assumptions and recalculations;
 - (ii) Failure to disaggregate national activity data, emission factors and other factors used in national methods at the required level unless an issue of confidentiality exists;
 - (iii) Failure to provide justifications for recalculations, references and information sources for key factors and data;
- (b) Consistency, as defined in the UNFCCC reporting guidelines on annual inventories, including failure to provide consistent time-series in accordance with the IPCC good practice guidance;
- (c) Comparability, as defined in the UNFCCC reporting guidelines on annual inventories, including failure to use agreed reporting formats;
- (d) Completeness, as defined in the UNFCCC reporting guidelines on annual inventories, including:
 - (i) Gaps in the inventory estimates for source categories or gases;
 - (ii) Inventory data that do not provide full geographic coverage of sources and sinks of a Party included in Annex I;
 - (iii) Failure to provide full coverage of sources in a source category;
- (e) Accuracy, as defined in the UNFCCC reporting guidelines on annual inventories, including failure to provide estimates of uncertainty and address uncertainty through the application of the good practice guidance.

⁸ “Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories” (FCCC/CP/1999/7) or any subsequent revision of these guidelines by the COP.

70. The expert review team shall calculate:
- (a) The percentage by which the aggregate adjusted greenhouse gas emissions for a Party included in Annex I exceed the aggregate submitted emissions, defined as aggregate submitted emissions of the gases and from the sources listed in Annex A to the Kyoto Protocol, for any single year;
 - (b) The sum of the numerical values of the percentages calculated in subparagraph (a) above for all years of the commitment period for which the review has been conducted.
71. The expert review team shall identify whether the same key source category as defined in chapter 7 of the IPCC good practice guidance was adjusted in previous reviews and, if so, the team shall indicate the number of reviews that identified and adjusted the problem previously and the percentage that the key source category contributes to the aggregate submitted emissions, defined as aggregate submitted emissions of the gases and from the sources listed in Annex A to the Kyoto Protocol.

3. Timing

72. The individual inventory review, including adjustment procedures, shall be concluded within one year of the due date of submission of the information to be reported under Article 7, paragraph 1.
73. The expert review team shall list all problems identified, indicating which would need an adjustment, and send this list to the Party included in Annex I no later than 25 from the submission due date of the annual inventory, if the inventory was submitted at least six weeks after the submission due date.
74. The Party included in Annex I shall comment on these questions within six weeks and, where requested by the review team, may provide revised estimates.
75. The expert review team shall prepare a draft individual inventory review report, which includes, where appropriate, adjusted estimates calculated according to guidance under Article 5, paragraph 2, within eight weeks of the receipt of the comments on the questions posed and shall send the draft report to the Party concerned.
76. The Party included in Annex I shall be provided with four weeks to comment on the draft individual inventory review report and, where appropriate, on whether it accepts or rejects the adjustment.
77. The expert review team shall prepare a final individual inventory review report within four weeks of the receipt of the comments on the draft report.
78. If a Party included in Annex I, during the above steps, is able to comment earlier than in the time frames given above, the Party concerned may use the time saved to comment on the revised final report. A total of four additional weeks to comment may be granted to Parties included in Annex I whose national language is not one of the United Nations official languages.

4. Procedures for adjustments under Article 5, paragraph 2

79. Adjustments referred to in Article 5, paragraph 2, of the Kyoto Protocol shall be applied only when inventory data submitted by Parties included in Annex I are found to be incomplete and/or are prepared in a way that is not consistent with the IPCC Guidelines as elaborated by the IPCC good practice guidance and any good practice guidance adopted by the COP/MOP.
80. The procedure for the calculation of adjustments shall be as follows:

- (a) During the individual inventory review, the expert review team shall identify problems to which the criteria in the guidance for adjustments under Article 5, paragraph 2, apply. The expert review team shall officially notify the Party included in Annex I of the reason why an adjustment is considered necessary and provide advice on how the problem could be corrected;
- (b) The adjustment procedure should only commence after the Party included in Annex I has had opportunities to correct a problem and if the expert review team finds that the Party included in Annex I has not adequately corrected the problem through the provision of an acceptable revised estimate, in accordance with the time frames set out in paragraphs 73 to 78 above;
- (c) The expert review team shall calculate adjustments in accordance with any guidance under Article 5, paragraph 2, adopted by the COP/MOP, in consultation with the Party concerned and within the time frame set out in these guidelines;⁹
- (d) The expert review team shall officially notify the Party concerned of the calculated adjustment(s) within the time frame set out in these guidelines. This notification shall describe the assumptions, data and methodologies used to calculate the adjustment(s), as well as the value of the adjustment(s);
- (e) Within the time frame set out in these guidelines, the Party concerned shall notify the secretariat of its intention to accept or reject the adjustment(s), with its rationale. Failure to respond by this date shall be considered as acceptance of the adjustment(s), as follows:
 - (i) If the Party concerned accepts the adjustment(s), the adjustment(s) shall be applied for the purpose of compilation and accounting of emissions inventories and assigned amounts;
 - (ii) If the Party concerned disagrees with the proposed adjustment(s), it should send a notification to the expert review team, including its rationale, and the expert review team should send the notification along with its recommendation in its final report to the COP/MOP and the Compliance Committee, which will resolve the disagreement in accordance with the procedures and mechanisms on compliance.

81. A Party included in Annex I may submit a revised estimate for a part of its inventory for a year of the commitment period to which an adjustment was previously applied, provided that the revised estimate is submitted, at the latest, in conjunction with the inventory for the year 2012.

82. Subject to a review under Article 8 and the acceptance of the revised estimate by the expert review team, the revised estimate shall replace the adjusted estimate. In the event of a disagreement between the Party included in Annex I and the expert review team regarding the revised estimate, the procedure set out in paragraph 80 (e) (ii) above shall be followed. The option for a Party included in Annex I to submit a revised estimate for a part of its inventory to which an adjustment was previously applied should not prevent Parties included in Annex I from making best efforts to correct the problem at the time it was initially identified and in accordance with the time frame set forth in the guidelines for review under Article 8.

⁹ Special arrangements in the composition of the expert review teams may be needed for the case where an adjustment needs to be calculated.

5. Reporting

83. The following specific elements shall be included in the reports referred to in paragraphs 46 (a) and (b) above:

- (a) A summary of the results of the inventory review, including a description of emission trends, key sources and methodologies and a general assessment of the inventory
- (b) Identification of any inventory problems according to the categories listed in paragraph 69 above and a description of factors influencing the fulfilment of the inventory-related obligations of the Party included in Annex I
- (c) Information on adjustments, if applicable, including, inter alia,
 - (i) The original estimate, if applicable
 - (ii) The underlying problem
 - (iii) The adjusted estimate
 - (iv) The rationale for the adjustment
 - (v) The assumptions, data and methodology used to calculate the adjustment
 - (vi) A description of how the adjustment is conservative
 - (vii) The expert review team's identification of possible ways for the Party included in Annex I to address the underlying problem
 - (viii) The magnitude of the numerical values related to an adjusted problem as identified under paragraph 70 above
 - (ix) Recurrence of adjustments as identified under paragraph 71 above
 - (x) An indication whether the adjustment was agreed upon by the Party included in Annex I and the expert review team.

Part III: Review of information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, emission reduction units, certified emission reductions, assigned amount units and removal units

A. Purpose

84. The purpose of this review is:

- (a) To provide an objective, consistent, transparent and comprehensive technical assessment of annual information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, emission reduction units (ERUs), certified emission reductions (CERs), temporary certified emission reductions (tCERs), long-term certified emission reductions (lCERs), assigned amount units (AAUs) and removal units (RMUs) for conformity with the provisions of the annexes to decision -/CMP.1 (*Modalities for the accounting of assigned*

amounts)¹⁰ and decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), with the technical standards for data exchange between registry systems and any further guidance adopted by the COP/MOP, and with section I.E of the annex to decision -/CMP.1 (*Article 7*);

- (b) To ensure that the COP/MOP and the Compliance Committee have reliable information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, ERUs, CERs, tCERs, ICERs, AAUs and RMUs of each Party included in Annex I.

B. General procedures

85. The review of information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, ERUs, CERs, tCERs, ICERs, AAUs and RMUs, shall comprise the following procedures:

- (a) A thorough review of the calculation of assigned amounts pursuant to Article 3, paragraphs 7 and 8, as reported in accordance with paragraph 6 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) as part of the initial review of each Party included in Annex I performed in accordance with the procedures contained in part I of these guidelines
- (b) An annual review of the information on ERUs, CERs, tCERs, ICERs, AAUs and RMUs and of information on discrepancies reported in accordance with section I.E of the annex to decision -/CMP.1 (*Article 7*) for each Party included in Annex I
- (c) A desk or centralized review of the information of each Party included in Annex I to be reported upon expiration of the additional period for fulfilment of commitments in accordance with paragraph 49 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and of the information referred to in paragraph 20 of the annex to decision -/CMP.1 (*Article 7*).

C. Scope of the review

86. For each Party:

- (a) The initial review shall cover the calculation of its assigned amount pursuant to Article 3, paragraphs 7 and 8, as reported in accordance with paragraph 6 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);
- (b) The annual review shall cover the:
 - (i) Information on ERUs, CERs, tCERs, ICERs, AAUs and RMUs reported in accordance with section I.E of the annex to the decision -/CMP.1 (*Article 7*)
 - (ii) Transaction log records, including records of any discrepancies forwarded to the secretariat by the transaction log pursuant to paragraph 43 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), and any records of non-replacement forwarded by the transaction log in accordance with paragraph 56 of the annex to decision -/CMP.1 (*Afforestation and reforestation*

¹⁰ In accordance with paragraph 40 of the annex to decision 19/CP.9 (*Modalities and procedures for afforestation and reforestation project activities under the clean development mechanism in the first commitment period of the Kyoto Protocol*), unless otherwise stated in that annex, all other provisions that pertain to certified emission reductions in the guidelines under Articles 7 and 8, as well as the modalities for the accounting of assigned amounts under Article 7, paragraph 4, also apply to temporary certified emission reductions and long-term certified emission reductions.

project activities under the CDM), including records of any discrepancies or non-replacement that were forwarded to the secretariat since the start of the previous review and until the start of the review

- (iii) Information contained in the national registry that substantiates or clarifies the information reported. For this purpose Parties included in Annex I shall provide the expert review team with effective access to their national registry during the review. The relevant parts of paragraphs 9 and 10 of part I of these guidelines shall also apply to this information
- (c) The review upon expiration of the additional period for fulfilling commitments shall cover the report upon expiration of the additional period for fulfilling commitments in accordance with paragraph 49 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and paragraph 59 of decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), including the information reported under paragraph 20 of the annex to decision CMP.1 (*Article 7*), and shall include oversight of the preparation of the final compilation and accounting report for that Party published by the secretariat.

1. Identification of problems

87. During the initial review the expert review team shall assess whether:
- (a) The information is complete and submitted in accordance with the relevant provisions of paragraphs 6, 7 and 8 of the annex to decision -/CMP.1 (*Modalities of accounting for assigned amounts*), section I of the annex to decision -/CMP.1 (*Article 7*), and relevant decisions of the COP/MOP;
 - (b) The assigned amount pursuant to Article 3, paragraphs 7 and 8, is calculated in accordance with the annex to decision -/CMP.1 (*Modalities of accounting for assigned amounts*), and is consistent with reviewed and adjusted inventory estimates;
 - (c) The calculation of the required level of the commitment period reserve is in accordance with paragraph 6 of the annex to decision 18/CP.7.
88. During the annual review the expert review team shall assess whether:
- (a) The information is complete and submitted in accordance with section I.E of the annex to decision -/CMP.1 (*Article 7*) and relevant decisions of the COP/MOP;
 - (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;
 - (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;
 - (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 CDM registry;

- (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 -/CMP.1 (*Modalities for the accounting of assigned amounts*);
- (f) tCERs and ICERs have been issued, acquired, transferred, cancelled, retired and replaced, in accordance with the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*);
- (g) The information reported under paragraph 11 (a) of section I.E. in the annex to decision -/CMP.1 (*Article 7*) 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;
- (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;
- (i) The assigned amount is calculated to avoid double accounting in accordance with paragraph 9 of the annex to decision -/CMP.1 (*Land use, land-use change and forestry*);
- (j) Any discrepancy has been identified by the transaction log relating to transactions initiated by the Party, and if so the expert review team shall:
 - (i) Verify that the discrepancy has occurred and been correctly identified by the transaction log;
 - (ii) Assess whether the same type of discrepancy has occurred previously for that Party;
 - (iii) Assess whether the transaction was completed or terminated;
 - (iv) Examine the cause of the discrepancy and whether the Party or Parties has or have corrected the problem that caused the discrepancy;
 - (v) Assess whether the problem that caused the discrepancy relates to the capacity of the national registry to ensure the accurate accounting, 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, and if so, initiate a thorough review of the registry system in accordance with part V of these guidelines.
- (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:
 - (i) Verify that the non-replacement has occurred and been correctly identified by the transaction log;
 - (ii) Assess whether non-replacement has occurred previously for that Party;
 - (iii) Assess whether the replacement was subsequently undertaken;
 - (iv) Examine the cause of the non-replacement and whether the Party has corrected the problem that caused the non-replacement;

- (v) Assess whether the problem that caused the non-replacement relates to the capacity of the national registry to ensure the accurate accounting, 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.

89. During the review upon expiration of the additional period for fulfilling commitments, the expert review team shall review the information submitted by the Party under Article 7, paragraph 1, to assess whether:

- (a) The information is reported in accordance with paragraph 49 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);
- (b) The information is consistent with the information contained in the compilation and accounting database maintained by the secretariat and with the information contained in the Party's registry;
- (c) There are any problems or inconsistencies in the information provided by the Party in accordance with paragraph 88 above;
- (d) The quantity of AAUs, CERs, tCERs, ERUs and RMUs transferred into the tCER replacement account for the commitment period is equal to the quantity of tCERs in the retirement account, and in the tCER replacement account, that expired at the end of the commitment period;
- (e) The quantity of AAUs, CERs, ICERs, ERUs and RMUs transferred into the ICER replacement account for the commitment period is equal to the sum of the quantity of ICERs in the retirement account, and the quantity of ICERs in the ICER replacement account, that expired at the end of the commitment period, and the quantity of ICERs identified by the Executive Board of the CDM as requiring replacement within the registry for the commitment period.

90. During the review upon expiration of the additional period for fulfilling commitments, the expert review team shall review the information submitted in accordance with paragraph 20 of the annex to decision -/CMP.1 (*Article 7*) in accordance with paragraph 88 above.

91. Following the completion of the steps set out in paragraph 89 above and, if possible, resolution of any problems relating to the reported information, and taking account of the information contained in the compilation and accounting database maintained by the secretariat, the expert review team shall assess whether aggregate anthropogenic carbon dioxide equivalent emissions for the commitment period exceed the quantities of ERUs, CERs, tCERs, ICERs, AAUs, and RMUs in the retirement account of the Party for the commitment period.

D. Timing

92. The review of the calculation of assigned amount pursuant to Article 3, paragraphs 7 and 8, as part of the initial review shall be concluded within one year of the due date for submission of the report to facilitate the calculation of the assigned amount pursuant to Article 3, paragraphs 7 and 8, referred to in paragraph 6 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and shall follow the time frames and procedures established in paragraph 93 below.

93. The annual review of the information on ERUs, CERs, tCERs, ICERs, AAUs and RMUs reported in accordance with section I.E of the annex to decision -/CMP.1 (*Article 7*) shall be concluded

within one year of the due date for the submission of the information under Article 7, paragraph 1, and include the following steps:

- (a) The expert review team shall list all problems identified, indicating which problems would need corrections to previous accounting of AAUs, ERUs, CERs, tCERs, ICERs, or RMUs, and send this list to the Party included in Annex I no later than 25 weeks from the due date for submission of the annual inventory, if the information was submitted within six weeks after the submission due date
- (b) The Party included in Annex I shall comment on these questions within six weeks and, where requested by the review team, may provide revisions to the accounting of AAUs, ERUs, CERs, tCERs, ICERs, or RMUs. The expert review team shall prepare a draft review report within eight weeks of the receipt of the comments on the questions posed and shall send the draft report to the Party concerned for comments
- (c) The Party included in Annex I shall provide its comments on the draft review report within four weeks of receipt of the report. The expert review team shall prepare a final review report within four weeks of the receipt of the comments on the draft report.

94. The review of the report upon expiration of the additional period for fulfilling commitments and of the information submitted in accordance with paragraph 20 of the annex to decision -/CMP.1 (*Article 7*) shall be completed within 14 weeks of the due date for the submission of the information. The expert review team shall prepare a draft report within eight weeks of the due date for submission of the information. The Party concerned may comment on the draft report within four weeks of its receipt. The expert review team shall prepare a final review report within two weeks of receipt of comments on the draft report by the Party.

E. Reporting

95. The final review reports referred to in paragraphs 93 and 94 above shall include an assessment of the specific problems identified in accordance with paragraphs 87 to 91 above and shall follow the format and outline contained in paragraph 48 of part I of these guidelines, as appropriate.

Part IV: Review of national systems

A. Purpose

96. The purpose of the review of national systems is:
- (a) To provide a thorough and comprehensive technical assessment of the capacity of a national system and the adequacy of its institutional, legal and procedural arrangements to produce an inventory of anthropogenic emissions by sources and removals by sinks in conformity with Article 5, paragraph 2;
 - (b) To assess the extent to which the guidelines for national systems under Article 5, paragraph 1, have been adhered to, and to assist Parties included in Annex I in meeting their commitments under Article 5, paragraph 1;
 - (c) To provide the COP/MOP and the Compliance Committee with reliable information on national systems established under Article 5, paragraph 1.

B. General procedures

97. The review of national systems shall take place in two parts:

- (a) A thorough review of the national system, as part of the review prior to the commitment period and its in-country visit
- (b) A desk or centralized review of any reported changes in the national system reported since the first thorough review, conducted in conjunction with the annual inventory review.

98. The review of national systems shall be conducted, as appropriate, through interviews with personnel involved in inventory planning, preparation and management, and through examination of relevant records and documentation, including use of the inventory CRF and preparation of the national inventory report.

99. Based on any findings during the individual inventory review and on findings related to reported changes in national systems considered by the expert review team to be potentially significant in relation to an identified problem in the inventory of the Party included in Annex I, the expert review team may request an additional country visit to review the relevant components of the national system in conjunction with an in-country inventory review.

C. Scope of the review

1. In-country review

100. The expert review team shall conduct a thorough and comprehensive review of the national system of each Party included in Annex I. The review of national systems should cover:

- (a) Activities undertaken by the Party included in Annex I to implement, and performance of, the general functions described in paragraph 10 of the guidelines for national systems,¹¹ and the specific functions related to inventory planning, preparation and management in accordance with paragraphs 12 to 17 of those guidelines;
- (b) Reported and archived information on national systems in accordance with guidelines under Article 5, paragraph 1, and Article 7, including plans and internal documentation related to the functions mentioned in subparagraph (a) above.

2. Review of changes in national systems

101. Any significant changes in the functions of the national systems reported by Parties included in Annex I or identified by the expert review team during the in-country visit that may affect the preparation of greenhouse gas inventories in conformity with Article 5, paragraph 2, and the guidelines for national systems should be reviewed annually in conjunction with the annual inventory review. The scope of such a review shall follow the scope set out for the in-country review according to paragraph 100 above.

3. Identification of problems

102. The expert review team shall assess whether the Party included in Annex I has established and maintained the specific inventory planning components covered in paragraph 12 of the guidelines for national systems, on the basis of a review of the information provided on the national system under Article 7 and any additional information gathered.

103. The expert review team shall assess whether the Party included in Annex I has completed the inventory preparation components covered in paragraph 14 (a) and (d) of the guidelines for national

¹¹ The guidelines for national systems for the estimation of anthropogenic emissions by sources and removals by sinks under Article 5, paragraph 1, of the Kyoto Protocol are referred to as "guidelines for national systems" in the present annex. The full text of the guidelines can be found attached to decision 20/CP.7.

systems, on the basis of the review of the information provided on the national system under Article 7 and any additional information gathered.

104. The expert review team shall assess whether the inventory preparation components covered in paragraph 14 (c), (e) and (g) of the guidelines for national systems are functioning adequately, on the basis of an assessment of the most recent annual inventory, its consistency with good practice, and any additional information gathered.

105. The expert review team shall assess whether the Party included in Annex I has archived inventory information according to the provisions of paragraphs 16 and 17 of the guidelines for national systems as part of its inventory management. The expert review team shall assess whether the archiving is functioning adequately on the basis of an assessment of:

- (a) The completeness of archived information for a sample of source categories as chosen by the expert review teams, including key source categories, as defined in accordance with IPCC Guidelines and IPCC good practice guidance;
- (b) The ability of the Party included in Annex I to respond in a timely manner to requests for clarifying inventory information resulting from the different stages of the review process of the most recent inventory.

106. Based on the assessment carried out in accordance with paragraphs 102 to 105 above, expert review teams shall identify any potential problems in, and factors influencing, the fulfilment of commitments related to the functions of national systems according to paragraphs 10, 12, 14 and 16 of the guidelines for national systems. In addition, the expert review teams shall recommend how deficiencies of functions described in paragraphs 13, 15 and 17 of the guidelines for national systems could be improved. These provisions shall apply to both in-country reviews and reviews of changes in national systems.

D. Timing

107. During the process of in-country visit, the expert review team shall list all problems identified, and notify the Party included in Annex I no later than six weeks after the country visit on the problems identified. The Party included in Annex I shall comment on these problems not later than within six weeks. The expert review team shall prepare a draft of a review report on the national system, within six weeks of the receipt of the comments on the questions posed. Any corrections, additional information or comments on the draft report received from the Party included in Annex I within four weeks after the report has been sent to the Party included in Annex I shall be subject to review and shall be included in the final inventory review report. The expert review team shall prepare a final report on the review of the national system within four weeks of the receipt of the comments on the draft report. The review of national systems shall be concluded within one year of the date of submission of the information.

108. The process of review of changes in national systems shall follow the timetable for the review of annual inventories defined in part II of these guidelines. If either the annual inventory review or the review of changes in national systems recommends an in-depth review of national systems, the process of inventory review of national systems should be conducted together with the following in-country review either of the annual inventory or of the periodic national communication whichever is earlier.

E. Reporting

109. The following specific elements shall be included in the reports referred to in paragraph 46 (a) and (b) above:

- (a) An evaluation of the overall organization of the national system, including a discussion of the effectiveness and reliability of the institutional, procedural and legal arrangements for estimating greenhouse gas emissions
- (b) A technical assessment of the performance of each of the national system functions defined in paragraphs 10 to 17 of the guidelines for national systems, including an assessment of the system's strengths and weaknesses
- (c) Any recommendations by the review team for further improvement of the national system of the Party included in Annex I.

Part V: Review of national registries

A. Purpose

110. The purpose of the review of national registries is:
- (a) To provide a thorough and comprehensive technical assessment of the capacity of a national registry to ensure the accurate accounting of the 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;
 - (b) To assess the extent to which the registry requirements contained in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*),¹² and the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*) and any decisions by the COP/MOP have been adhered to, and to assist Parties included in Annex I in meeting their commitments;
 - (c) To assess the extent to which the national registry conforms to the technical standards for data exchange between registry systems adopted by the COP/MOP;
 - (d) To provide the COP/MOP and the Compliance Committee with reliable information on national registries.

B. General procedures

111. The review of national registries shall take place in two parts:
- (a) A thorough review of the national registry as part of the initial review in accordance with paragraphs 11 to 14 in part I of these guidelines and in conjunction with its periodic review;
 - (b) A desk or centralized review of any changes of the national registry reported in accordance with section I.G of the annex to decision -/CMP.1 (*Article 7*) in conjunction with the annual review.

¹² In accordance with paragraph 40 of the annex to decision 19/CP.9 (*Modalities and procedures for afforestation and reforestation project activities under the clean development mechanism in the first commitment period of the Kyoto Protocol*), unless otherwise stated in that annex, all other provisions that pertain to certified emission reductions in the guidelines under Articles 7 and 8, as well as the modalities for the accounting of assigned amounts under Article 7, paragraph 4, also apply to temporary certified emission reductions and long-term certified emission reductions.

112. A thorough review of the national registry shall also be conducted if the final review reports under paragraph 48 in part I of these guidelines recommend a thorough review of the national registry or if findings relating to reported changes in national registries considered by the expert review team lead to the recommendation of a thorough review in the final review report. The expert review team shall use the standard set of electronic tests described in paragraph 116 below for this purpose. An in-country visit shall be conducted only if standardized electronic tests are not sufficient to identify the problems.

C. Scope of the review

113. The expert review team shall conduct a thorough and comprehensive review of the national registry of each Party included in Annex I. The review of the national registry should cover the extent to which the registry requirements contained in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*) and the technical standards for data exchange between registry systems adopted by the COP/MOP have been adhered to.

1. Review of changes in the national registry

114. The expert review team shall review the information submitted as supplementary information under Article 7, paragraph 1, and shall identify any significant changes in the national registry reported by the Party or any problems identified by the expert review team in the course of the review of ERUs, CERs, tCERs, ICERs, AAUs and RMUs and transaction log records that may affect the performance of the functions contained in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*) and the adherence to the technical standards for data exchange between registry systems in accordance with relevant COP/MOP decisions. This review should take place in conjunction with the annual review in accordance with the relevant procedures in paragraphs 115 to 117 below.

2. Identification of problems

115. The expert review team shall review the national registry, including the information provided on it, to assess whether:

- (a) The information on the national registry is complete and submitted in accordance with section I of the annex to decision -/CMP.1 (*Article 7*), and with relevant decisions of the COP and the COP/MOP;
- (b) The registry conforms to the technical standards for data exchange between registry systems for the purpose of ensuring accurate, transparent and efficient exchange of data between national registries, the clean development registry and the independent transaction log;^{*}
- (c) The transaction procedures, including those relating to the transaction log, are in accordance with the modalities for the accounting of assigned amounts under Article 7, paragraph 4, contained in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*);
- (d) There are adequate procedures to minimize discrepancies in the issuance, transfer, acquisition, cancellation and retirement of ERUs, CERs, tCERs, ICERs, AAUs and RMUs, and in the replacement of tCERS and ICERs, and to take steps to terminate transactions where a discrepancy is notified, and to correct problems in the event of a failure to terminate the transactions;

^{*} Decision 16/CP.10 renamed the independent transaction log as the “international transaction log”. All references to the independent transaction log in this decision will therefore be amended in the report of the COP/MOP.

- (e) There are adequate security measures to prevent and resolve unauthorized manipulations and minimize operator error, and procedures for updating them;
- (f) Information is publicly available in accordance with the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);
- (g) There are adequate measures 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.

116. During the thorough review, the expert review team shall use a test version of the transaction log and a standard set of electronic tests and sample data to assess the capacity of the registry to perform its functions, including all types of transactions, referred to in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), and to assess the adherence to the technical standards for data exchange between registry systems adopted by the COP/MOP. The expert review team may draw upon the results of any other testing relevant to the review of the registry.

117. Based on the assessments carried out in accordance with paragraphs 115 and 116 above, expert review teams shall identify any potential problems in, and factors influencing, the fulfilment of commitments relating to the performance of the functions of the national registry and the adherence to technical standards for data exchange between registry systems. In addition, the expert review team shall recommend how problems could be addressed.

D. Timing

118. During the thorough review, the expert review team shall list all the problems identified and shall notify the Party included in Annex I of the problems identified no later than six weeks after the start of the review or after the in-country visit, as appropriate. The Party included in Annex I shall comment on these problems within six weeks of the notification. The expert review team shall prepare a draft review report on the national registry within six weeks of the receipt of the comments on the questions posed. Any corrections, additional information or comments on the draft report received from the Party included in Annex I within four weeks after the report has been sent to that Party shall be subject to review and shall be included in the final inventory review report. The expert review team shall prepare a final report on the review of the national registry within four weeks of the receipt of the comments on the draft report. The review of the national registry shall be concluded within one year of the due date for submission of the information.

119. The review of changes in the national registry shall follow the time frames and procedures for the annual review of the information to be submitted in accordance with section I.E of the annex to decision -/CMP.1 (*Article 7*) established in part III of these guidelines. If either the annual review or the review of changes in the national registry recommends a thorough review of the national registry, and if a country visit is considered necessary, this thorough review should be conducted together with the subsequent in-country visit of either the annual inventory or the periodic national communication, whichever is the earlier.

E. Reporting

120. The final review reports shall include an evaluation of the overall functioning of the national registry and an assessment of the specific problems identified in accordance with paragraphs 115 to 117 above, and shall follow the format and outline in accordance with paragraph 48 of part I of these guidelines.

Part VI: Review of information on the minimization of adverse impacts in accordance with Article 3, paragraph 14

A. Purpose

121. The purpose of the review of information of each Party included in Annex I in relation to Article 3, paragraph 14, is:

- (a) To provide a thorough objective and comprehensive technical assessment of the information submitted relating to how the Party included in Annex I is striving to implement its commitments under Article 3, paragraph 14;
- (b) To assess trends and the extent to which the Party included in Annex I is striving to implement action to minimize adverse impacts on developing countries in accordance to Article 3, paragraph 14, and taking into account any relevant decisions by the COP and with the COP/MOP;
- (c) To assist Parties included in Annex I to improve their reporting of information under Article 3, paragraph 14;
- (d) To ensure that the COP/MOP and the Compliance Committee have reliable information on the review of minimization of adverse impacts in accordance with Article 3, paragraph 14.

B. General procedures

122. The review of the information on the minimization of adverse impacts in accordance with Article 13, paragraph 14, shall take place in two parts:

- (a) An annual desk or centralized review of additional information submitted by Parties included in Annex I, conducted in conjunction with the annual inventory review
- (b) A thorough and comprehensive review through in-country visits, conducted in conjunction with the review of national communications.

C. Scope of the review

1. Annual review

123. The expert review team shall, inter alia:

- (a) Check whether the Party included in Annex I submitted the supplementary information in accordance with paragraphs 23 and 25 of the annex to decision -/CMP.1 (*Article 7*) on action relating to the minimization of adverse effects under Article 3, paragraph 14;
- (b) For the first year that the Party included in Annex I provides the information mentioned in subparagraph (a) above, conduct a desk or centralized review to assess whether each Party included in Annex I has submitted consistent, complete and timely information. For subsequent years, conduct a desk or centralized review to assess whether Parties included in Annex I have submitted information on any changes that have occurred, compared with the information reported in its last submission;
- (c) Notify the Party concerned of any questions the team has regarding information on actions relating to minimization of adverse effects under Article 3, paragraph 14, and relevant decisions of the COP and the COP/MOP;

- (d) Assess the extent to which issues and questions raised by previous reports have been addressed and resolved;
- (e) Recommend possible ways to improve the reporting of information, including possible recommendations to the workshop on reporting methodologies mentioned in decision 9/CP.7.

2. In-country visit

124. Each Party included in Annex I shall be subject to at least one in-country visit by an expert review team during the commitment period in conjunction with the review of the national communication.

125. The in-country review shall provide a detailed examination of supplementary information incorporated in the annual inventory, in accordance with paragraphs 23 and 25 of the annex to decision -/CMP.1 (*Article 7*) compiled by the secretariat and reviewed in paragraph 124 above for all years since the initial review.

126. Based on the assessment carried out in accordance with paragraphs 123 and 124 above, expert review teams shall identify any potential problems in, and factors influencing, the fulfilment of commitments under Article 3, paragraph 14, and relevant decisions of the COP and the COP/MOP.

3. Identification of problems

127. The problems identified during the assessment related to the supplementary information reported in accordance with paragraphs 23 and 25 of the annex to decision -/CMP.1 (*Article 7*) shall be identified as relating to:

- (a) Transparency
- (b) Completeness
- (c) Timeliness.

128. Failure to submit supplementary information reported in accordance with paragraphs 23 and 25 of the annex to decision -/CMP.1 (*Article 7*) shall be considered as a potential problem.

D. Timing

129. The process of the in-country review shall follow the timetable for the review of the national communication of the Party included in Annex I defined in part VII of these guidelines. The annual review process shall follow the timetable for the review of annual inventories defined in part II of these guidelines. The preparation of the reports should also follow these respective timetables.

E. Reporting

130. The following specific elements shall be included in the report referred to in paragraph 46 (a) and (b) above:

- (a) A technical assessment of the elements specified in paragraphs 123 and 125 above
- (b) An identification of problems in accordance with paragraphs 127 and 128 above
- (c) Any recommendations by the review team for further improvement of reporting by a Party included in Annex I.

Part VII: Review of national communications and information on other commitments under the Kyoto Protocol

A. Purpose

131. The purpose of the guidelines on the review of national communications of Parties included in Annex I, including information reported under Article 7, paragraph 2, is:

- (a) To provide a thorough and comprehensive technical assessment of national communications and information reported under Article 7, paragraph 2, of the Kyoto Protocol;
- (b) To examine in an objective and transparent manner whether quantitative and qualitative information was submitted by Parties included in Annex I in accordance with section II of the guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol;
- (c) To promote consistency in the review of the information contained in the national communications of Parties included in Annex I, including information reported under Article 7, paragraph 2;
- (d) To assist Parties included in Annex I to improve reporting of information under Article 7, paragraph 2, and the implementation of their commitments under the Protocol;
- (e) To ensure that the COP/MOP and the Compliance Committee have reliable information on the implementation of commitments under the Kyoto Protocol by each Party included in Annex I.

B. General procedures

132. Supplementary information under Article 7, paragraph 2, shall be incorporated into the national communications and shall be reviewed as part of the review of the communications. Each national communication submitted under the Kyoto Protocol by a Party included in Annex I shall be subject to a scheduled in-country periodic review.

133. Prior to the in-country visit, the expert review team shall conduct a desk or centralized review of the national communication of the Party included in Annex I. The review team shall notify the Party concerned of any questions the team has regarding the national communication and of any focal areas for the in-country visit.

C. Scope of the review

134. The review of the national communication shall also cover supplementary information reported under Article 7, paragraph 2.

135. The individual review shall:

- (a) Provide an assessment of the completeness of the national communication, including supplementary information reported under Article 7, paragraph 2, in accordance with the reporting requirements under Article 7, paragraph 2, and an indication of whether it was submitted on time;
- (b) Provide a detailed examination of each part of the national communication, as well as procedures and methodologies used in the preparation of the information, such as:

- (i) National circumstances relevant to greenhouse gas emissions and removals;
 - (ii) Policies and measures;
 - (iii) Projections and the total effect of policies and measures;
 - (iv) Vulnerability assessment, climate change impacts and adaptation measures;
 - (v) Financial resources;
 - (vi) Transfer of technology;
 - (vii) Research and systematic observation;¹³
 - (viii) Education, training and public awareness;
- (c) Provide a detailed examination of supplementary information provided under Article 7, paragraph 2:
- (i) Supplemmentarity relating to the mechanisms pursuant to Articles 6, 12 and 17;
 - (ii) Policies and measures in accordance with Article 2;
 - (iii) Domestic and regional programmes and/or legislative arrangements and enforcement and administrative procedures;
 - (iv) Information under Article 10;
 - (v) Financial resources;
- (d) Identify any potential problems in and factors influencing, the fulfilment of commitments related to each part of the national communication and to the reporting of supplementary information under Article 7, paragraph 2.

136. All common elements in paragraph 135 (b) and (c) above are to be reviewed in conjunction.

Identification of problems

137. The problems identified during the assessment related to individual sections of the national communication, including supplementary information reported under Article 7, paragraph 2, shall be identified as relating to:

- (a) Transparency
- (b) Completeness
- (c) Timeliness.

138. Failure to submit any section of the national communication shall be considered as a potential problem.

¹³ Information provided under this heading includes a summary of the information provided on global climate observation systems.

D. Timing

139. If a Party included in Annex I expects difficulties with the timeliness of its national communication submission, it should inform the secretariat before the due date of the submission. If the national communication is not submitted within six weeks after the due date, the delay shall be brought to the attention of the COP/MOP and the Compliance Committee and made public.

140. The expert review teams shall make every effort to complete the individual review of national communications within two years of the national communication submission for each Party included in Annex I.

141. If additional information is requested during the in-country visit, it should be provided by the Party included in Annex I within six weeks after the visit.

142. The expert review team for each Party included in Annex I shall, under its collective responsibility, produce a draft of the national communication review report following the format below to be finalized within eight weeks after the in-country visit.

143. The draft of each national communication review report will be sent to the Party included in Annex I subject to review for comment. The Party concerned shall be provided with four weeks of receipt of the draft report to provide comments on it.

144. The expert review team shall produce the finalized national communication review report taking into account the comments of the Party included in Annex I within four weeks of receipt of the comments.

E. Reporting

145. The following specific elements shall be included in the report referred to in paragraph 46 (c) above:

- (a) A technical assessment of the elements specified in paragraph 135 (b) and (c) above
- (b) An identification of problems in accordance with paragraphs 137 and 138 above.

146. The secretariat shall produce a report on the compilation and synthesis of national communications for all Parties included in Annex I in accordance with the decisions of the COP/MOP.

Part VIII: Expedited procedure for the review for the reinstatement of eligibility to use the mechanisms

A. Purpose

147. The purpose of the review of information related to a request, by a Party included in Annex I, for reinstatement of eligibility to use the mechanisms established under Articles 6, 12 and 17, pursuant to paragraph 2 of chapter X of the procedures and mechanisms relating to compliance, is:

- (a) To provide an objective, transparent, thorough and comprehensive technical assessment of information provided by a Party on matters relating to Articles 5 and 7 which led to the suspension of its eligibility to use the mechanisms;
- (b) To provide for an expedited review procedure for the reinstatement of eligibility to use the mechanisms for a Party included in Annex I which is able to demonstrate that it is no longer failing to meet eligibility requirements under Articles 6, 12 and 17;

- (c) To ensure that the enforcement branch of the Compliance Committee has reliable information to enable it to consider the request of a Party for the reinstatement of its eligibility to use the mechanisms.

B. General procedure

148. The review for the reinstatement of eligibility to use the mechanisms shall be an expedited procedure limited to the review of the matter or matters which led to the suspension of the eligibility. However, the expedited nature of this review procedure shall not compromise the thoroughness of the examination by the expert review team.

149. Any Party included in Annex I that has been suspended from eligibility to use the mechanisms may, at any time following suspension, submit information to the secretariat on the matter or matters which led to the suspension of eligibility. To enable the expert review team to perform its tasks, the information submitted by the Party concerned shall be additional to information previously submitted prior to or during the review that led to the suspension of eligibility. However, information previously submitted by the Party may also be included in the submission, if relevant. The information submitted by the Party shall be reviewed expeditiously in accordance with these guidelines.

150. The secretariat shall organize the review in the most expeditious way possible following the procedures established in these guidelines and taking into account the planned review activities in the regular review cycle. The secretariat shall convene an expert review team for conducting the expedited review procedures established in these guidelines in accordance with the relevant provisions of section E of part I of these guidelines and shall forward the information referred to in paragraph 3 above to this expert review team.

151. To ensure objectivity, the expert review team for the reinstatement of eligibility shall not be composed of the same members and lead reviewers who formed part of the expert review team that conducted the review which led to the suspension of eligibility of the Party concerned, and shall be composed of members with the necessary expertise for addressing the matter or matters contained in the Party's submission.

152. Depending on the issue that led to the suspension of the eligibility to participate in the mechanisms, the review shall be performed as a centralized review or an in-country review as provided for in parts II, III, IV and V of these guidelines, as deemed appropriate by the secretariat.¹⁴

C. Scope of the review

153. The review shall cover the information submitted by the Party. The expert review team may also consider any other information, including information previously submitted by the Party and any information relating to the Party's subsequent inventory, which the expert review team considers necessary in order to complete its task. The expert review team shall assess, consistent with the applicable provisions in parts II, III, IV or V of these guidelines, whether the question or questions of implementation that led to suspension of eligibility have been addressed and resolved.

154. If the expedited review for reinstatement of eligibility relates to the submission of a revised estimate for a part of its inventory to which an adjustment was previously applied, the expert review team shall assess whether the revised estimate is prepared in accordance with the IPCC Guidelines as

¹⁴ For example, if the failure to have in place a national system for the estimation of anthropogenic emissions led to loss of eligibility and such system has not previously been reviewed, the national system shall be reviewed in accordance with part IV of these guidelines, such review to include an in-country visit.

elaborated by the IPCC good practice guidance or whether the new information substantiates the original emission estimate provided by the Party.

D. Timing

155. A Party included in Annex I that intends to submit information under paragraph 149 to the secretariat on the matter or matters which led to its suspension of eligibility should provide the secretariat with at least six weeks notice of the date on which it intends to submit such information. The secretariat, on receipt of such notice, should undertake the necessary preparations with the aim of ensuring that an expert review team is convened and ready to start consideration of the information within two weeks of the receipt of the submission of information under paragraph 149 above from the Party concerned.

156. For the expedited procedure for the review for reinstatement of eligibility, the following time frames shall apply from the date of receipt of the information:

- (a) The expert review team shall prepare a draft expedited review report within five weeks of the receipt of information from the Party concerned
- (b) The Party concerned shall be provided with up to three weeks to comment upon the draft expedited review report. If the Party concerned notifies the expert review team, within that period of time, that it does not intend to provide comments, then the draft expedited review report becomes the final expedited review report upon receipt of such notification. If the Party concerned does not provide any comments within that period of time, the draft expedited review report becomes the final expedited review report
- (c) If comments by the Party are received within the time frame indicated above, the expert review team shall prepare a final expedited review report within three weeks of the receipt of comments upon the draft report.

157. The time periods in paragraph 156 (a) to (c) above are considered maximum time periods. The expert review team and the Party should strive to complete the review in the shortest time possible. However, the expert review team may, with the agreement of the Party, extend the time periods in paragraph 156 (a) to (c) above for the expedited review procedure for an additional four weeks.

158. Where the start of the consideration of information by the expert review team is delayed due to the Party giving shorter notice than provided in paragraph 155, the expert review team may extend the time in paragraph 156 (a) up to the difference in time between the period for notification in paragraph 155 and the actual notification given by the Party.

E. Reporting

159. The expert review team shall, under its collective responsibility, produce a final review report on the reinstatement of eligibility in accordance with the relevant provisions of paragraph 48 of these guidelines and in accordance with the relevant provisions for review reports in parts II, III, IV or V of these guidelines depending on the specific reason for the suspension of eligibility.

160. The expert review team shall include a statement whether the team considered thoroughly all questions of implementation that led to the suspension of the eligibility in the time available for the reinstatement procedure and shall indicate whether there is or is not any longer a question of implementation with respect to the eligibility of the Party concerned to use the mechanisms established under Articles 6, 12 and 17.

Text I

Draft decision -/CMP.1*

Terms of service for lead reviewers

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Recalling Article 8 of the Kyoto Protocol to the United Nations Framework Convention on Climate Change,

Having considered decisions 23/CP.7 and 23/CP.8, adopted by the Conference of the Parties at its seventh and eighth sessions, respectively,

Decides that lead reviewers referred to in the guidelines under Article 8 of the Kyoto Protocol (decision 23/CP.7) will be based in their home country or their country of residence for the period of their assignment and will attend regularly scheduled meetings and planned review activities outside their home country or their country of residence to perform the duties described in these guidelines.

* This draft decision was originally attached to decision 23/CP.8 (FCCC/CP/2002/7/Add.3).

Text J**Draft decision -/CMP.1*****Issues relating to the implementation of Article 8 of the Kyoto Protocol – 1**

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Having considered decisions 23/CP.7, 23/CP.8 and 21/CP.9,

1. *Requests* the secretariat, subject to the availability of resources, to develop and implement the training programme for members of expert review teams participating in the initial reviews under Article 8 of the Kyoto Protocol, in accordance with the provisions in annex I to this decision, including requirements for testing of experts, and to give priority to implementation of a final seminar for the course on application of adjustments;
2. *Encourages* Parties included in Annex II to the Convention that are Parties to the Kyoto Protocol to provide financial support for implementation of the training programme;
3. *Requests* the Subsidiary Body for Scientific and Technological Advice, at its first session in 2006, to assess the results of the training programme and to make recommendations to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol on the further development and implementation of the training programme for members of expert review teams participating in reviews under Article 8 of the Kyoto Protocol;
4. *Requests* the secretariat to prepare a report on information on the training programme, in particular on examination procedures and the selection of trainees and instructors, to be provided to the Subsidiary Body for Scientific and Technological Advice for the assessment mentioned in paragraph 3 above;
5. *Decides* to apply and give full effect to the code of practice for the treatment of confidential information, as contained in annex II to decision 12/CP.9, for the reviews of inventories under Article 8 of the Kyoto Protocol;
6. *Decides* that all members of expert review teams participating in the reviews under Article 8 of the Kyoto Protocol shall be required to sign an agreement for expert review services, in accordance with paragraph 6 of decision 12/CP.9;
7. *Adopts* the criteria for selection of lead reviewers contained in annex II to this decision;
8. *Requests* the secretariat, in organizing reviews:
 - (a) To apply the provisions resulting from paragraphs 5, 6 and 7 above;
 - (b) To ensure that an inventory submission by a Party included in Annex I to the Convention is not reviewed by the same lead reviewers in two successive years.

* This draft decision was originally attached to decision 21/CP.9 (FCCC/CP/2003/6/Add.2).

ANNEX I

Training programme for members of expert review teams for the initial review under the guidelines for review under Article 8 of the Kyoto Protocol

I. Premises of the training programme

1. All courses will be available, without instructor, to reviewers all year round. At the request of a Party, the courses will also be made available for others interested in the review process, provided this does not require additional resources.
2. All courses will include an examination. For courses which have a final seminar, the examination will generally take place during the seminar. In exceptional circumstances, other arrangements for examination will be made, provided that the examinations take place under the supervision of the secretariat. For other courses the examination will take place on-line.
3. Experts who do not pass an examination for a course at the first attempt may re-take the examination one additional time, provided that the expert has fulfilled all the tasks assigned to the trainees in the course in a timely manner, and that the re-take does not require the secretariat to incur additional costs.
4. Examination procedures should be standardized, objective and transparent.
5. All courses will be available on-line. The courses will be distributed on CD-ROM to trainees without easy access to the Internet; in such cases, and for courses that are facilitated by an instructor, trainees will communicate with the instructor by e-mail.
6. Final seminars for courses may be offered in conjunction with lead reviewers' meetings to complete the training for lead reviewers.
7. The development and implementation of the courses of this training programme depend on the availability of resources.
8. Experts with relevant expertise will be selected as instructors for courses of the training programme, in such a way that their skills cover the subjects addressed in each course. The secretariat will seek geographic balance among the instructors participating in the training programme.

II. Courses of the training programme

A. National systems

Description: This course covers guidelines for review of national systems under Article 5, paragraph 1, and related parts of guidelines under Articles 7 and 8 of the Kyoto Protocol

Preparation: 2004 or 2005

Implementation: 2005 and 2006

Target audience: 50 experienced reviewers and reviewers who have successfully completed the basic course for review of greenhouse gas inventories, and lead reviewers

Type of course: E-learning, facilitated by an instructor, with a final seminar, subject to the availability of resources, that could be held jointly for the three courses of this programme

Examination requirements: All reviewers who will review national systems or serve as lead reviewers must pass the examination

B. Application of adjustments

Description: This course covers decisions by the Conference of the Parties and technical guidance on methodologies for adjustments under Article 5, paragraph 2, and related parts of guidelines under Articles 7 and 8 of the Kyoto Protocol

Preparation: 2004 or 2005

Implementation: 2005 and 2006

Target audience: 50 experienced inventory reviewers per year, and lead reviewers

Type of course: E-learning, facilitated by an instructor, with a final seminar, subject to the availability of resources, that could be held jointly for the three courses of this programme

Examination requirements: Any reviewers who may apply adjustments or will serve as lead reviewers must pass the examination

C. Modalities for the accounting of assigned amounts under Article 7.4

Description: The exact content of this course will be determined following completion of the work on technical standards for data exchange between registry systems, as required by decision 24/CP.8

Preparation: 2004 or 2005

Implementation: 2005 and 2006

Target audience: Reviewers of national registries and assigned amount information, and lead reviewers

Type of course: E-learning, facilitated by an instructor, with a final seminar, subject to the availability of resources, that could be held jointly for the three courses of this programme

Examination requirements: Any reviewers who will review information relating to accounting of assigned amounts or serve as lead reviewers must pass the examination

Note: More information on general characteristics of the training programme can be found in document FCCC/SBSTA/2003/3.

ANNEX II

Criteria for selection of lead reviewers

1. Experts selected as lead reviewers:
 - (a) Shall have extensive experience in the preparation of greenhouse gas inventories (of emissions by sources and removals by sinks) and/or the management of national institutional arrangements for greenhouse gas inventory preparation;
 - (b) Shall have previously participated in at least two different review activities, including one in-country review;¹
 - (c) Shall have a strong general understanding of the overall process for the development and compilation of the entire inventory and, preferably, strong technical expertise in at least one of the Intergovernmental Panel on Climate Change (IPCC) sectors;
 - (d) Shall have proficiency in the use of the guidelines developed under the Convention and the Kyoto Protocol and procedures for reporting and review of inventories and assigned amount information, specifically:
 - (i) The guidelines for review under Article 8 of the Kyoto Protocol and the UNFCCC guidelines for the technical review of greenhouse gas inventories under the Convention;
 - (ii) The guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol and the UNFCCC reporting guidelines on annual inventories;
 - (iii) The modalities for the accounting of assigned amounts under Article 7, paragraph 4, including the requirements for national registries, and the technical standards for data exchange between registry systems under the Kyoto Protocol;
 - (e) Shall have knowledge of methodologies and technical guidance relating to the preparation and review of inventories, specifically:
 - (i) The *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories*, the *IPCC Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories*, and any other good practice guidance adopted by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP);
 - (ii) The technical guidance on methodologies for adjustments under Article 5, paragraph 2, of the Kyoto Protocol;
 - (iii) Other relevant technical guidance adopted by the COP/MOP;
 - (f) Shall have sufficient fluency in English to communicate with other members of the team and Party representatives;
 - (g) Shall have successfully completed any specific training and required examination as requested by the COP/MOP, and laid out in annex I to decision -/CMP.1 (*Issues relating to the implementation of Article 8 of the Kyoto Protocol – I*);

¹ Such review activities could have been conducted under the Convention or the Kyoto Protocol.

- (h) Shall have completed any specific training as requested by the Conference of the Parties (COP) and laid out in annex I to decision 12/CP.9, i.e. handling of confidential information and improving communication and facilitating consensus in expert review teams.
2. Other desirable criteria for lead reviewers include:
- (a) Experience in a management role;
 - (b) Knowledge of any other technical guidance and related review activities under the Convention and the Kyoto Protocol adopted by the COP and/or the COP/MOP.

Text K

Draft decision -/CMP.1*

Issues relating to the implementation of Article 8 of the Kyoto Protocol – 2

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Recalling decisions 23/CP.7, in particular paragraph 9 of the annex to draft decision -/CMP (Guidelines for review under Article 8 of the Kyoto Protocol) attached to that decision, 12/CP.9 and 21/CP.9,

Having considered decision 18/CP.10,

1. *Decides* that the content of the paragraphs 1 to 4 of decision 18/CP.10 relating to access to confidential information by inventory expert review teams for the technical review of greenhouse gas inventories of Parties included in Annex I to the Convention (Annex I Parties), shall apply and be given full effect for the reviews of inventories under Article 8 of the Kyoto Protocol;

2. *Decides* that the expert review team shall note in the review report the relevant information requested by the expert review team, that was designated as confidential by the Annex I Party, to which it did not have access;

3. *Decides* that, as an exception to paragraph 10 of the technical guidance on methodologies for adjustments annexed to decision -/CMP.1 (*Technical guidance on methodologies for adjustments under Article 5, paragraph 2, of the Kyoto Protocol*) attached to decision 20/CP.9,** an expert review team may recommend, on the basis of review of inventory information of an Annex I Party that is designated as confidential by this Party, the retroactive application of an adjustment for the relevant years of the commitment period for which a review team was not given opportunities to access the confidential information in question, as noted in previous review reports;

4. *Decides* that, with respect to any adjustments applied retroactively in accordance with paragraph 3 above, only the adjustment applied for the current inventory year under review shall be relevant for the eligibility requirements laid out in paragraph 3 (e) of draft decision -/CMP.1 (*Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol*) attached to decision 22/CP.7;

5. *Decides* that, for the inventory submitted for the final year of the commitment period, all Annex I Parties shall be subject to in-country or centralized reviews.

* This draft decision was originally attached to decision 18/CP.10 (FCCC/CP/2004/10/Add.2).

** The technical guidance attached to decision 20/CP.9 was revised at the twenty-second session of the Subsidiary Body for Scientific and Technological Advice (SBSTA). A draft decision which replaces the text adopted by decision 20/CP.9 has been forwarded by the SBSTA for adoption by the Conference of the Parties (COP) at its eleventh session. Following adoption of that COP decision, the reference here to the paragraph in the technical guidance will be changed to paragraph 11 to reflect the guidance adopted at COP 11 in the final text. The reference to decision 20/CP.9 will also be deleted.