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Item 12 (a) of the provisional agenda

Other matters

Progress reports

**National systems for the preparation of greenhouse gas inventories under
Article 5, paragraph 1, of the Kyoto Protocol**

Submissions from Parties

1. The Subsidiary Body for Scientific and Technological Advice, at its nineteenth session, invited Parties to submit to the secretariat, by 30 September 2004, information on national systems under Article 5, paragraph 1, of the Kyoto Protocol for the preparation of national greenhouse gas inventories (FCCC/SBSTA/2003/15, para.14 (g)).
2. The secretariat has received three such submissions. In accordance with the procedure for miscellaneous documents, these submissions are attached and reproduced* in the language in which they were received and without formal editing.

* These submissions have been electronically imported in order to make them available on electronic systems, including the World Wide Web. The secretariat has made every effort to ensure the correct reproduction of the texts as submitted.

FCCC/SBSTA/2005/MISC.8

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* This submission is supported by Romania.

PAPER NO. 1: THE NETHERLANDS (ON BEHALF OF THE EUROPEAN COMMUNITY
AND ITS MEMBER STATES)

**SUBMISSION BY THE NETHERLANDS ON BEHALF OF THE
EUROPEAN COMMUNITY AND ITS MEMBER STATES**

This submission is supported by Romania

The Hague, 30 September 2004

Subject: Information on national systems under Article 5, paragraph 1, of the Kyoto Protocol for the preparation of national greenhouse gas inventories

Introduction

The Netherlands on behalf of the European Community and its Member States welcomes the possibility to exchange with other Parties information on and first experiences with the implementation of national systems and ideas for the UNFCCC workshop on this issue in the first half of 2005.

A national system is defined as 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. The European Community (EC) and its Member States, as Parties to the UNFCCC and the Kyoto Protocol, are each responsible thereunder for reporting and establishing their respective national systems. The legal basis for the compilation of the Community greenhouse gas inventory was established in Decision 280/2004/EC concerning a mechanism for monitoring Community greenhouse gas emissions and for implementing the Kyoto Protocol. The decision establishes a mechanism for:

- monitoring all anthropogenic emissions by sources and removals by sinks of GHG not controlled by the Montreal Protocol on substances that deplete the ozone layer in the Member States;
- evaluating progress towards meeting commitments in respect of these emissions by sources and removals by sinks;
- implementing the UNFCCC and the Kyoto Protocol, as regards national programmes, greenhouse gas inventories, national systems and registries of the Community and its Member States, and the relevant procedures under the Kyoto Protocol; and
- ensuring the timeliness, completeness, accuracy, consistency, comparability and transparency of reporting by the Community and its Member States to the UNFCCC Secretariat;

All Member States including the EC are currently developing their national inventory systems in order to comply with these provisions. Member States have to establish their national systems by 31 December 2005 and the European Community by 30 June 2006. The European Commission in consultation with the Member States is currently establishing the legal, institutional and procedural arrangements for the Community inventory system.

As part of the process an EU workshop on quality assurance/ quality control and the establishment of national inventory systems was conducted this September. The current status on these topics and the main issues discussed at the workshop are described below. At this workshop various Member States (MS) presented their systems. More detailed information may be found in the EU workshop report (will become available on the internet¹) and in the various National Inventory Reports.

¹ The report will become available on:

http://air-climate.eionet.eu.int/docs/meetings/040902_GHG_MM_QAQC_WS/meeting040902.html

Main conclusions from the national inventory reports and from the EU workshop on National Systems and QA/QC

General aspects

All Member States already have legal, institutional and procedural arrangements in place for compiling GHG inventories. However, the majority of systems is being further improved and strengthened in order to fully comply with the requirements for national systems under the Kyoto Protocol. Several Member States have already designated the single national entity with overall responsibility for the national inventory, as required by the guidelines for national systems.

So far, no Member State has adopted special legal arrangements for the establishment of national inventory systems; however, various Member States are preparing new laws to strengthen the legal basis for a national system or are considering to do so. Most Member States use formal agreements and/or contracts for the data supply from outside agencies. Some Member States are developing memoranda of understanding with data suppliers, that define and allocate specific responsibilities and requirements.

A number of Member States have established inter-ministerial working groups or committees for co-ordinating and approving GHG inventories before submission to UNFCCC. In addition, expert panels, task forces and working groups are established at technical level in many Member States for the preparation of (sectoral) GHG emission estimates and for the improvement of methods, emission factors and activity data.

Information on QA/QC as part of the national systems:

Member States and the EC are currently further improving their QA/QC systems. All Member States have a variety of arrangements in place for checking and improving the quality of GHG inventories. However, some of the QA/QC procedures are being further improved to comply with requirements under the Kyoto Protocol. There are differences in approach and in the range of QA/QC activities undertaken.

Several Member States have already designated (sometimes as yet informally) a QA/QC co-ordinator. Various MS have established also quality objectives; however, some of these have difficulty with the definition and practical application of appropriate data quality objectives.

All Member States have, at least to a certain extent, QC and/ or QA procedures in place. Checklists, manual and sometimes partially automated checks are used in various Member States for Tier 1 quality control activities. Tier 2 quality control procedures are at least partially in place. The sectors covered by Tier 2 quality control procedures are mainly energy (in particular CO₂), followed by industrial processes (in particular F-gases). Agriculture and waste are covered to a smaller extent by Tier 2 quality control procedures. In addition, as part of their methodological programmes for improving inventories and national systems, many countries were or are reviewing specific sectors with regard to data and methodologies and are improving the transparency of the descriptions of methods, emission factors, activity data, etc. Used tools in improving the QA include e.g. peer reviews and expert workshops/ panels.

Quality control of outside agencies providing data for the compilation of GHG inventories is seen as a difficult issue in many Member States. A specific problem in this context is that sometimes activity data used for GHG inventory compilation are not consistent with activity data submitted under other international reporting mechanisms. This applies for example to energy data, which are used for the GHG inventory but also provided to international organisations such as Eurostat and IEA. A similar problem was identified for activity data in agriculture. Inconsistency problems may in some cases be a consequence of different institutions providing the data. To overcome problems in the field of energy

activity data, a project led by Eurostat has been organised and has contributed to improve the situation in several Member States.

QA procedures are often less extensive than quality control procedures. However, various Member States are implementing a systematic review program of the inventory. Some Member States have also started to carry out cross-country reviews such as Germany and Finland. In August 2004, German experts visited Finland in order to review the Finish inventory; in November 2004, Finish experts will visit Germany. Cross-country reviews are especially useful where national experts are not available for peer reviews. At least one MS uses a public review of the inventory before submission to the UNFCCC secretariat. Also audits have been carried out, in particular in those countries which have quality management systems (ISO 9000 or EN 45004) in place.

Verification activities have been carried out, to some extent, for parts of the inventory in some countries. They refer mainly to F-gas and energy emissions. The approaches of verification include comparisons with other statistics/ inventories and to a limited extent inverse modelling. Comparisons cover in particular those between top-down and bottom-up approaches. Also EPER (European Pollutant Emission Register) data is compared in some Member States with national GHG emission estimates.

Some MS have QA/QC manuals in place, including e.g. on-line manuals. Quality management systems are in place in various countries at least for part of the process of the GHG inventory compilation. These are based on international standards, usually the ISO 9000 series. One MS has chosen for the EN 45000 series.

The UNFCCC Workshop

The aforementioned EU workshop provided the opportunity for assessing progress on national inventory systems and QA/QC programmes in Member States and for identifying difficulties that may be relatively common to many Parties. These more common issues may also be of relevance for the Secretariat in preparing the UNFCCC workshop that SBSTA 19 requested the Secretariat to organise during the first half of 2005. Important issues for discussion could be:

- Legal basis for the national systems and system flexibility
- Co-operation with outside agencies concerning data availability and QA/QC procedures
- Reviews in the context of QA and their relationship to other reviews
- Documentation, IT, data-archiving, access and retrieval

Such a workshop could consist of two elements:

1. Detailed information and discussion on selected specific elements of a national system (e.g. data archiving). Good practices for individual key issues could be discussed on the basis of presentations by selected Parties. The key issues mentioned under the bullets above could be used as a guidance in selecting issues. Information presented in National Inventory Reports and experience from UNFCCC reviews could be used as a basis for selecting Parties to give a presentation.
2. Experiences by Parties in establishing national systems. The Parties could be invited to give a more comprehensive presentation of their national systems, rather than focussing only on specific elements. These presentations could include descriptions of any steps taken to address the issues listed above and any other specific task that was undertaken to establish a national system compliant with the requirements of the Kyoto Protocol.

PAPER NO. 2: SAUDI ARABIA

SUBMISSION BY SAUDI ARABIA

September 30, 2004

Review of Methodological Work Under The Convention and the Kyoto Protocol

(Information on National Systems under Article 5, Paragraph 1, Of the Kyoto Protocol for the Preparation of National GHG Inventories)

REFERENCE

The Subsidiary Body for Scientific and Technological Advise (SBSTA) invited Parties to submit to the secretariat, by 30 September 2004, information on national systems under Article 5, paragraph 1, of the Kyoto Protocol for the preparation of national GHG inventories. SBSTA also requested the secretariat, subject to availability of resources, to organize a workshop in the first half of 2005 on this topic. It requested the secretariat to compile information on national systems for the preparation of national GHG inventories included in national inventory reports and inventory review reports as an input to this workshop, as part of its consideration of Articles 5, 7 and 8 of the Kyoto Protocol. (Draft conclusions proposed by the Chair, Document FCCC/SBSTA/2003/L.25 Paragraph 7)

INTRODUCTION

Saudi Arabia welcomes the opportunity to submit its views on national systems under Article 5, paragraph 1, of the Kyoto Protocol for the preparation of national GHG inventories.

BACKGROUND

Article 5, paragraph 1, of the Kyoto Protocol requires 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.

The Conference of the Parties (COP), by its decisions 3/CP.5 and 18/CP.8, adopted the “Guidelines for the preparation of national communications by Parties included in Annex-I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories” (UNFCCC reporting guidelines). According to these guidelines, Annex I Parties are requested to use the 1996 IPCC Guidelines to estimate and report on anthropogenic emissions by sources and removals by sinks of GHGs not controlled by the Montreal Protocol.

COMMENTS AND CONCERNS

1. Article 5, paragraph 1, of the Kyoto Protocol requires the establishment of national system for the estimation of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol. It should be clear however that this is a requirement for Parties included in Annex I only. Non-Annex I parties are not required to establish such national systems.
2. Annex I Parties' national systems and reports on emissions should be done on annual basis and it should be in accordance to the Revised 1996 IPCC Guidelines to estimate and report on anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol. Annex I Parties are also required to use the IPCC good practice guidance in order to improve transparency, consistency, comparability, completeness and accuracy of their GHG inventories. Non-annex I Parties are only required to submit greenhouse gas inventories as part of their National Communications, and using the Revised 1996 IPCC guidelines.
3. It should be noted that under the Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories, emissions based upon fuel sold to ships or aircraft engaged in international transport should not be included in national totals.
4. Every effort must be made to ensure the transfer of technology to developing countries to enable them to benefit from any tools used in estimating greenhouse gas inventories.
5. Resources should be allocated for capacity improvement of developing countries with regards to estimating greenhouse gas inventories.
6. Annex I Parties' national systems should include methodologies, to be developed in collaboration with Intergovernmental Organizations such as OPEC, to assess the impacts on developing countries of emissions related policies already implemented by Annex I parties. Emphasis should be given to the potential spillover effects due to response measures taken by Annex I Parties.

FUTURE METHODOLOGICAL WORK

1. Methodologies are needed to guide Annex I countries in implementing win-win policies and measures, that have long been requested by developing countries, and that would meet both the need to reduce emissions and the need to minimize adverse social, environmental and economic impacts on developing country Parties, especially those identified in Article 4, paragraphs 8 and 9 of the Convention. This should be done by SBSTA within the framework of actions taken on policies and measures and should be of high priority since no methodological work is established under Article 4.8 on impacts of response measures.
2. The principle of common but differentiated responsibilities must be considered in developing any future methodologies related to greenhouse gas inventories.
3. It should be noted that the development of new guidelines by IPCC in 2006 should take into consideration the different obligations on both Annex I and non-Annex I Parties in terms of preparation of greenhouse gas inventories under the convention and Kyoto protocol.

PAPER NO. 3: UNITED STATES OF AMERICA

**Submission of the United States
FCCC/SBSTA/2003/ L.25, paragraph 7
Information on National Systems under Article 5.1 of the Kyoto Protocol for
Greenhouse Gas Inventories
(September 22, 2004)**

The United States recognizes the steady and substantial improvement in the quality of national greenhouse gas inventories from Annex I Parties over the last decade. The United States notes that those Annex I Parties which have consistently submitted high quality inventories by the annual April 15 deadline each year have also established an effective national inventory management system. Based on Annex I inventories review reports, it is evident that the Parties experiencing difficulties meeting submission deadlines or submitting incomplete inventories have not yet been able to develop a fully functioning national system. Given the importance of national inventory systems in ensuring inventory quality and timely submissions, the US supports the proposal to hold a technical workshop on national inventory systems in the first half of 2005 to share experiences across Annex I Parties. This workshop will be relevant to all Annex I Parties, regardless of the applicability of Article 5, paragraph 1, of the Kyoto Protocol.
