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#### **Subsidiary Body for Implementation**

# **Report of the Subsidiary Body for Implementation on its forty-sixth session, held in Bonn from 8 to 18 May 2017**

#### Addendum

### Summary reports on multilateral assessments at the forty-sixth session of the Subsidiary Body for Implementation

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#### Background

1. The Conference of the Parties, by decision 1/CP.16, decided that developed country Parties should enhance the reporting in their national communications and submit biennial reports on their progress in achieving emission reductions. It also established a new process under the Subsidiary Body for Implementation (SBI) – the international assessment and review (IAR) of emissions and removals related to developed country Parties' quantified economy-wide emission reduction targets – that aims to promote the comparability of efforts among all developed country Parties. The second round of the IAR process is to be conducted during the period 2016–2017 (the first round of the IAR process was conducted during the period 2014–2015).

2. According to the modalities and procedures for IAR specified in annex II to decision 2/CP.17, the multilateral assessment (MA), being part of the IAR process, is to be conducted for each developed country Party at a working group session of the SBI, with the participation of all Parties. The aim of the MA is to assess each Party's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target.

3. The second MA working group session of the second round of the IAR process was convened during SBI 46, on 12 and 13 May, under the chairmanship of the SBI Chair, Mr. Tomasz Chruszczow (Poland), and SBI Vice-Chair, Mr. Zhihua Chen (China). The working group session was preceded by a three-month period of questions and answers: in the first month, any Party may submit written questions to the Party being assessed, which may respond to the questions within the remaining two months. A summary report for each of the 17 Parties that were assessed at SBI 46 is presented below. The reports are also available on the UNFCCC website on the individual Party IAR web pages.<sup>1</sup>

4. In closing the MA for each Party, the Chair reminded the Party that it can submit any other observations on its MA process within two months of the working group session, and that they will form part of its Party record for the MA. The SBI Chair thanked all Parties and the secretariat for the successful MA working group session.

<sup>&</sup>lt;sup>1</sup> See <u>www.unfccc.int/10090</u>.

#### Summary report on the multilateral assessment of Canada

1. The second round of MA of Canada took place on 12 May 2017. Canada was represented by Mr. Matt Jones, Environment and Climate Change Canada, Government of Canada.

2. Questions for Canada had been submitted by the following delegations: Australia, Brazil, China, European Union (EU), Japan, Republic of Korea, United Kingdom of Great Britain and Northern Ireland and United States of America. A list of the questions received and the answers provided by Canada, as well as the broadcast of the session, can be found on the IAR web page for Canada.<sup>2</sup>

3. Mr. Jones made an opening presentation, summarizing Canada's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target. Under the Convention, Canada made a commitment to reduce its greenhouse gas (GHG) emissions by 17 per cent below the 2005 level by 2020.

4. Canada's total GHG emissions excluding emissions and removals from land use, land-use change and forestry (LULUCF) increased by 18.1 per cent between 1990 and 2015. The increase in the total GHG emissions can be attributed mainly to the increase in emissions from the energy sector, particularly emissions from fuel combustion in manufacturing industries and transport and fugitive emissions from fuels, driven primarily by economic growth.

5. Mr. Jones presented Canada's key policies and measures (PaMs) for achieving its target, including: carbon pricing for a broad set of emission sources in all jurisdictions; increasing electricity generation by renewable energy sources (RES) and promotion of smart grids and electricity interconnections; promotion of electric vehicles and improvement in fuel efficiency of vehicles; adoption of clean fuel standards to reduce life cycle emissions from buildings, industry and transportation; investment in clean technology and innovation; improvement in the energy efficiency of buildings; and targeted regulations to reduce methane emissions from oil and gas industry and hydrofluorocarbon emissions. Highlighting carbon pricing as the central element of Canada's mitigation strategy, Mr. Jones stated that, by 2018, all jurisdictions will have carbon pricing that will apply to a broad range of emission sources with increasing stringency over time. On its use of units from LULUCF activities, Mr. Jones explained that currently Canada does not account for the contribution of LULUCF towards the achievement of its target owing to the ongoing work on the development of an estimation methodology that would correctly identify anthropogenic emissions and removals from this sector.

6. Canada's total GHG emissions excluding LULUCF in 2020 and 2030 are projected to be nearly 733,000 and 742,000 kilotonnes of carbon dioxide equivalent (kt CO<sub>2</sub> eq), respectively, under the 'with measures' scenario, which is a decrease of 2.1 and 0.9 per cent, respectively, below the 2005 level. To reduce GHG emissions consistent with its target, Canada is planning to put in place a number of additional PaMs, including those envisaged within the Pan-Canadian Framework on Clean Growth and Climate Change. Mr. Jones also presented two 'with additional measures' scenarios encompassing those PaMs. Under the first 'with additional measures' scenario, which includes the PaMs within the Pan-Canadian Framework, emissions in 2020 and 2030 are projected to be lower than those in 2005 by 8.1 and 24.2 per cent, respectively. Under the second 'with additional measures' scenario, which includes PaMs additional to those within the Pan-Canadian Framework, emissions in 2020 and 2030 are projected to be lower than 400 measures' scenario.

<sup>&</sup>lt;sup>2</sup> <u>https://unfccc.int/10092.php</u>.

per cent, respectively. The 'with measures' and 'with additional measures' 2020 projections suggest that Canada will face challenges in achieving its 2020 target.

7. The opening presentation was followed by interventions and questions from the following delegations: Australia, Brazil, China, EU, Germany, India, Luxembourg, New Zealand, Saudi Arabia and Switzerland.

8. The questions were related to: PaMs and their effects (PaMs additional to the Pan-Canadian Framework envisaged for the achievement of the target; success stories, best practices and lessons learned from the implementation and evaluation of PaMs; mitigation potential of carbon markets; and economic instruments and metrics used for carbon pricing); engagement of stakeholders (policy instruments accompanying the Pan-Canadian Framework focused on raising awareness about the low-carbon economy among relevant stakeholders, and how stakeholder engagement is ensured in the development and tracking of PaMs); federal policies aimed at promoting uptake of RES; methodology for estimation of emissions and removals from the LULUCF sector; quantitative assessment of progress towards the 2020 target; how interactions among PaMs have been taken into account in estimating their mitigation impacts and projections of emissions and removals; factors and activities in the transport and agriculture sectors that will continue to influence emissions in the period up to 2020; and difficulties in providing information on the assessment of socioeconomic consequences of response measures in the biennial report, and plans to provide such information in the next biennial report.

9. In response, Canada provided further explanations. In particular, Canada explained that it has developed a number of PaMs at both the national and subnational levels, prioritizing those with the greatest short-term mitigation benefits, to achieve its target for 2020. Those include scaling up energy efficiency programmes and implementing changes to the tax code to support the deployment of RES such as geothermal energy.

#### Summary report on the multilateral assessment of Cyprus

1. The second round of MA of Cyprus took place on 12 May 2017. Cyprus was represented by Mr. Theodoulos Mesimeris, Head of the Climate Action Unit of the Department of Environment of Cyprus.

2. Questions for Cyprus had been submitted by China. A list of the questions received and the answers provided by Cyprus, as well as the broadcast of the session, can be found on the IAR web page for Cyprus.<sup>3</sup>

3. Mr. Mesimeris made an opening presentation, summarizing Cyprus's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target. As an EU member State, Cyprus is committed to contributing to the achievement of the joint EU quantified economy-wide emission reduction target of 20 per cent below the 1990 level by 2020. Cyprus's emission reduction target for sectors covered by the EU effort-sharing decision (i.e. sectors not covered by the EU Emissions Trading System (EU ETS)) is 5 per cent below the 2005 level by 2020.

4. Cyprus's total GHG emissions excluding emissions and removals from LULUCF increased by 47.9 per cent between 1990 and 2014. The emission trends were driven mainly by increases in energy consumption, road transport and industrial processes in Cyprus.

5. Mr. Mesimeris presented Cyprus's key PaMs to achieve its target, including the promotion of the use of natural gas; the further promotion of renewable energy, and energy savings in buildings; the promotion of public transport and low  $CO_2$  emitting vehicles; and a legal framework for the recovery and leak checks of fluorinated gases. Cyprus does not plan to use units from market-based mechanisms under the Convention and other mechanisms units as well as units from LULUCF activities.

6. Given that its emissions from sectors covered by the EU ETS are subject to an EUwide cap, Cyprus presented the projected level of emissions by 2020 from sectors not covered by the EU ETS under the 'with measures' and 'with additional measures' scenarios, which amounts to 39.8 per cent and 54.4 per cent, respectively, below the annual emission allocation for 2020. Cyprus expects to meet its target under the 'with measures' and 'with additional measures' scenarios.

7. The opening presentation was followed by a question from Saudi Arabia. The question was related to the environmental and economic impacts of using alternative fuel sources for power generation. In response, Cyprus provided further explanations on the use of alternative fuel sources, including waste.

<sup>&</sup>lt;sup>3</sup> <u>https://unfccc.int/10093.php</u>.

#### Summary report on the multilateral assessment of France

1. The second round of MA of France took place on 12 May 2017. France was represented by Mr. Laurent Michel, General Director for Energy and Climate, Ministry of Environment, Energy and the Sea of France.

2. Questions for France had been submitted by the following delegations: Australia, Brazil, China, Japan, Republic of Korea, Thailand and the United States. A list of the questions received and the answers provided by France, as well as the broadcast of the session, can be found on the IAR web page for France.<sup>4</sup>

3. Mr. Michel made an opening presentation, summarizing France's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target. As an EU member State, France is committed to contributing to the achievement of the joint EU quantified economy-wide emission reduction target of 20 per cent below the 1990 level by 2020. France's emission reduction target for sectors covered by the EU effort-sharing decision (i.e. sectors not covered by the EU ETS) is 14 per cent below the 2005 level by 2020.

4. France's total GHG emissions excluding emissions and removals from LULUCF decreased by 10.1 per cent between 1990 and 2013. The decrease in the total GHG emissions can be attributed mainly to emission reductions in the energy and industry sectors. Mr. Michel highlighted France's continuous reduction of emissions while its population and economic growth continued, signalling a decoupling of France's emissions from its economic growth. France further showed that green growth leading to a climate neutral future drives economic growth and jobs creation.

5. Mr. Michel presented France's key PaMs to achieve its target, including the national law on energy transition for green growth. The law is a comprehensive action plan covering all sectors to put France on track towards a low-carbon economy. The law sets sub-targets for many sectors, including a reduction target for fossil fuel consumption, a reduction target for energy consumption, a target to diversify electricity production, a target for increasing the share of RES in the energy mix, and a reduction target for waste in landfills.

6. In addition, Mr. Michel reported on France's carbon budget approach, which will set it on track towards its national long-term goal of reducing GHG emissions by 40 and 75 per cent compared with the 1990 level by 2030 and 2050, respectively. The long-term low-carbon strategy has already been submitted to the secretariat.

7. On its use of units from LULUCF activities, Mr. Michel explained that emissions and removals from the LULUCF sector are not included in France's quantified economywide emission reduction target under the Convention. With regard to the use of units from market-based mechanisms under the Convention and other mechanisms, France reported that, currently, it does not intend to use units from any market-based mechanisms.

8. Given that its emissions from sectors covered by the EU ETS are subject to an EUwide cap, France presented the projected level of emissions by 2020 from sectors not covered by the EU ETS under a 'with measures' scenario, which amounts to 3.9 per cent below the annual emission allocation for 2020. France expects to meet its target under the 'with measures' scenario.

9. The opening presentation was followed by interventions and questions from the following delegations: Australia, Brazil, Canada, China, India, Iran (Islamic Republic of), New Zealand and Saudi Arabia. The questions were related to: the priority areas for emission reduction; planned PaMs, in particular for the transport and LULUCF sectors; the

<sup>&</sup>lt;sup>4</sup> <u>https://unfccc.int/10094.php</u>.

national system to collect GHG data; cooperation with non-state actors and regional governments on climate issues; the assessment of response measures; and provision of support to developing countries for the implementation of nationally determined contributions.

10. In response, France provided further explanations, answering all the questions. In particular, France explained how it achieved the decoupling of its emissions from its economic and population growth and how it increased its provision of support for climate action in developing countries. Furthermore, Mr. Michel elaborated in detail on France's planned PaMs to reduce emissions from the transport and LULUCF sectors in order to achieve its targets.

#### Summary report on the multilateral assessment of Greece

1. The second round of MA of Greece took place on 12 May 2017. Greece was represented by Mr. Kyriakos Psychas, Ministry of the Environment of Greece.

2. Questions for Greece had been submitted by the following delegations: Brazil and China. A list of the questions received and the answers provided by Greece, as well as the broadcast of the session, can be found on the IAR web page for Greece.<sup>5</sup>

3. Mr. Psychas made an opening presentation, summarizing Greece's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target. As an EU member State, Greece is committed to contributing to the achievement of the joint EU quantified economy-wide emission reduction target of 20 per cent below the 1990 level by 2020. Greece's emission reduction target for sectors covered by the EU effort-sharing decision (i.e. sectors not covered by the EU ETS (non-ETS sectors)) is 4 per cent below the 2005 level by 2020.

4. Greece's total GHG emissions excluding emissions and removals from LULUCF decreased by 7 per cent between 1990 and 2015. The increasing trend between 1990 and 2005 can be explained mainly by the increase in energy consumption, particularly in the residential and tertiary sectors, and the increase in passenger car ownership and transport activity due to the improvement in the living standards in Greece. For the period 2007–2014, the decrease in emissions can be attributed mainly to the economic and financial crisis but also to changes in the energy supply mix due to the introduction of natural gas and RES.

5. The key PaMs implemented by Greece to achieve its target include: accelerating permitting procedures for RES and offering attractive feed-in tariffs for all RES technologies, aiming to increase the share of RES in final energy consumption by 18–20 per cent by 2020; and energy conservation programmes in industrial units and incentives for the creation of 'green business parks', aiming to promote energy efficiency and to reach primary energy savings of 20 per cent by 2020. Among the PaMs under the EU effort-sharing decision, the most notable is the use of RES in electricity generation. On its use of units from LULUCF activities, Mr. Psychas explained that LULUCF is not included in the 2020 target under the Convention.

6. Given that its emissions from sectors covered by the EU ETS are subject to an EUwide cap, Greece presented the projected level of emissions by 2020 from sectors not covered by the EU ETS under a 'with measures' scenario. Under the 'with measures' scenario, the projected level of emissions is 22 per cent below the annual emission allocation for 2020. Greece expects to meet its target under the 'with measures' scenario.

7. The opening presentation was followed by interventions and questions from the following delegations: Brazil, India, New Zealand and Republic of Korea. The questions were related to: (1) the transparency of the reporting on the effects of PaMs between Greece's first and second biennial reports; (2) environmental integrity in a scenario where, in accordance with the EU effort-sharing decision, emissions from non-ETS sectors in Greece are expected to increase; (3) the effect of the EU ETS and the EU effort-sharing decision on emission reductions; (4) the methodologies used to estimate the impact of PaMs; and (5) the distinction between the impact of the economic crisis and of the mitigation PaMs on the emission reduction trend.

8. In response, Greece provided further explanations. In particular, the Party stated that the information reported in its second biennial report is more up to date than the

<sup>&</sup>lt;sup>5</sup> <u>https://unfccc.int/10095.php</u>.

information in its first biennial report and that it is making efforts to improve its reporting in every submission cycle. Greece also stated that, in addition to the economic crisis, the PaMs contributed to the decrease in emissions, as shown by indicators combining emissions with gross domestic product, and that the mitigation effect is estimated to be 22.4 Mt CO<sub>2</sub> eq by 2015 and 30.0 Mt CO<sub>2</sub> eq by 2020. Greece clarified that the policies with highest mitigation impact are related to the sectors covered by the EU ETS, for example the decommissioning of old and inefficient power plants, the increase of natural gas in the energy mix and the higher share of RES in installations under the EU ETS. On the methodologies used to estimate the impact of mitigation actions, Greece explained that the mitigation effect was estimated by comparing the 'with measures scenario with a hypothetical baseline scenario that does not include the mitigation effects.

#### Summary report on the multilateral assessment of Iceland

1. The second round of MA of Iceland took place on 12 May 2017. Iceland was represented by Ms. Helga Barðadóttir, Head of Division, Department of Oceans, Water and Climate, Ministry for the Environment and Natural Resources of Iceland.

2. Questions for Iceland had been submitted by the following delegations: Brazil, China, EU, Japan and Thailand. A list of the questions received and the answers provided by Iceland, as well as the broadcast of the session, can be found on the IAR web page for Iceland.<sup>6</sup>

3. Ms. Barðadóttir made an opening presentation, summarizing Iceland's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target. Under the Convention, Iceland made a commitment to contribute to the joint emission reduction target of the EU and its member States, in line with Article 4 of the Kyoto Protocol. As Iceland is not an EU member State, the terms and conditions for Iceland's contribution to the joint EU target were agreed between Iceland and the EU bilaterally.

4. In accordance with the agreement, Iceland has joined the EU ETS. Within the EU, emissions from sectors covered by the EU effort-sharing decision are regulated by targets specific to each member State. Iceland is not part of this as such, but its corresponding emissions are subject to a bilateral agreement between itself and the EU. Under the agreement, Iceland has a target to reduce emissions by about 22 per cent below the 2005 level by 2020 for all sectors not covered by the EU ETS, including LULUCF.

5. Iceland's total GHG emissions excluding emissions and removals from LULUCF increased by 26.5 per cent between 1990 and 2014. The increase in the total GHG emissions can be attributed mainly to increasing emissions from the industrial processes sector, due to Iceland's growing aluminium industry, and fuel combustion in the transport sector.

6. Ms. Barðadóttir presented Iceland's key PaMs to achieve its target, focusing her presentation on PaMs aimed at reducing emissions from transport, including a carbon tax charged on the basis of the carbon content of fuel, tax incentives for low-carbon and fuelefficient vehicles, and infrastructure development relating to the electrification of the transport sector. In addition, Ms. Barðadóttir presented PaMs for the land sector, including afforestation and revegetation activities as well as wetland restoration. Ms. Barðadóttir highlighted Iceland's recently started work on a new climate action plan in order to respond to the Paris Agreement, focusing mainly on transport, fisheries and agriculture.

7. On its use of units from LULUCF activities, Iceland includes emissions and removals from the LULUCF sector as part of its target, which are calculated using an activity-based approach. With regard to the use of units from market-based mechanisms under the Convention and other mechanisms, Iceland reported that it will retain the option to use units from market-based mechanisms in addition to its participation in the EU ETS, even though it intends to reach its 2020 target mainly by means of domestic mitigation actions and increasing carbon sequestration.

8. Iceland's total GHG emissions excluding LULUCF in 2020 and 2030 are projected to be 4,337.94 and 4,313.90 kt  $CO_2$  eq, respectively, under the 'with measures' scenario, which represents an increase of 23.6 and 22.9 per cent, respectively, above the 1990 level. The 2020 projections suggest that Iceland may face challenges in achieving its 2020 target under the Convention.

<sup>&</sup>lt;sup>6</sup> <u>https://unfccc.int/10096.php</u>.

9. The opening presentation was followed by interventions and questions from the following delegations: Canada, China and Republic of Korea. The questions were related to additional measures planned in order to reduce emissions from industrial processes, transport and tourism. In response, Iceland explained its recent measures implemented to promote and increase cycling, including improving and providing cycling infrastructure.

#### Summary report on the multilateral assessment of Ireland

1. The second round of MA of Ireland took place on 13 May 2017. Ireland was represented by Mr. Colin O'Hehir, Department of Communications, Climate Action and Environment.

2. Questions for Ireland had been submitted by the following delegations: Brazil, China and Japan. A list of the questions received and the answers provided by Ireland as well as the broadcast of this session can be found on the IAR web page for Ireland.<sup>7</sup>

3. Mr. O'Hehir made an opening presentation, summarizing Ireland's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target. As an EU member State, Ireland is committed to contributing to the achievement of the joint EU quantified economy-wide emission reduction target of 20 per cent below the 1990 level by 2020. Ireland's emission reduction target for sectors covered by the EU effort-sharing decision (i.e. sectors not covered by the EU ETS) is 20 per cent below the 2005 level by 2020.

4. Ireland's total GHG emissions excluding emissions and removals from LULUCF increased by 3.6 per cent between 1990 and 2013. This increase can be attributed mainly to the increase in emissions from fuel combustion in the energy sector. Most subsectors under the energy sector show declining trends of emissions after the peak in the 2000s, except for transport, where the upward emission trend has continued since 1990 (demonstrating an increase of 115.5 per cent between 1990 and 2013).

5. Mr. O'Hehir presented key PaMs to achieve the target, including the Climate Action and Low Carbon Development Act (2015) and the first National Mitigation Plan (NMP) (to be submitted in June 2017). The NMP will be updated at least every five years.

6. Ireland presented the projected level of emissions from sectors covered by the EU effort-sharing decision (non-ETS sectors) as 4–6 per cent by 2020 below the 2005 level based on the implemented and planned PaMs. Based on the comparison of the projections with the target for the non-ETS sectors, Ireland may face challenges in meeting its target under the 'with existing measures' scenario.

7. The opening presentation was followed by interventions and questions from the following delegations: Canada, China, India and New Zealand. The questions were related to: the additional PaMs to address the challenge of meeting the 2020 target; PaMs in the agriculture sector, which has the second highest level of emissions in Ireland; the national position relating to the 2050 target; and the links between national PaMs (i.e. carbon tax scheme) and the EU ETS.

8. Ireland recognizes the need for the various additional measures that are currently under consideration such as the promotion of RES, smart electricity and investments in the transport sector. Since the agriculture sector in Ireland is highly efficient and has the lowest carbon footprint among the EU member States, Ireland considers that the mitigation potential in this sector is low. However, efforts are continuing to identify new mitigation opportunities involving various stakeholders and large farmers, such as addressing the use of fertilizers and livestock feeding. Backed by the new Climate Action and Low Carbon Development Act, Ireland believes that the close engagement between the central and local governments, non-state actors and representatives of emission sources will contribute to meeting the long-term 2050 target.

<sup>&</sup>lt;sup>7</sup> <u>https://unfccc.int/10117.php</u>.

#### Summary report on the multilateral assessment of Japan

1. The second round of MA of Japan took place on 12 May 2017. Japan was represented by Mr. Mikio Mori, Deputy Director-General, Ministry of Foreign Affairs of Japan.

2. Questions for Japan had been submitted by the following delegations: Australia, Brazil, China, EU, France, Republic of Korea, Thailand and United States. A list of the questions received and the answers provided by Japan, as well as the broadcast of the session, can be found on the IAR web page for Japan.<sup>8</sup>

3. Mr. Mori made an opening presentation, summarizing Japan's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target. Under the Convention, Japan made a commitment to reduce its GHG emissions by 3.8 per cent or more below the 2005 level by 2020.

4. Japan's total GHG emissions excluding emissions and removals from LULUCF increased by 7.3 per cent between 1990 and 2014. The increase in the total GHG emissions can be attributed mainly to increased fossil fuel consumption for electricity power generation and the increase in emissions from road transport. In addition, the substitution of the use of nuclear energy for fossil fuels for electricity power generation, due to the impact of the Japanese earthquake and subsequent tsunami in 2011, has augmented the increasing emission trend since then. Until 2013, those factors outweighed the improvements in the efficiency of energy use (e.g. in the transport sector) as well as the emission reductions in the industrial processes, agriculture and waste sectors. However, between 2013 and 2015 Japan's total GHG emissions decreased by 6.0 per cent due to the progress in the implementation of PaMs related to energy-saving activities and the improvement of the emission intensity of electricity production.

5. Mr. Mori presented Japan's plan for global warming countermeasures, which defines a path towards achieving the national long-term goal of an 80 per cent emission reduction by 2050 compared with in 2013. The plan includes key PaMs to achieve the target, including industry action plans, low-carbonization of electricity and houses and buildings, the act on the rational use of energy, the Top Runner Program, energy efficiency of vehicles, the Cool Choice campaign and Japan's Joint Crediting Mechanism. On its use of units from LULUCF activities, Mr. Mori explained that Japan accounts for the contribution of LULUCF to achieving its target using an activity-based approach. With regard to the use of units from market-based mechanisms under the Convention and other mechanisms, Mr. Mori stated that Japans plans to make use of such units to achieve its target.

6. Japan's total GHG emissions excluding LULUCF in 2020 and 2030 are projected to be 1,399,465.40 and 1,079,000.00 kt  $CO_2$  eq, respectively, under the 'with measures' scenario, which is an increase of 0.2 per cent above the 2005 level and a decrease of 22.7 per cent below the 2005 level, respectively. The 2020 projections suggest that Japan may face challenges in achieving its 2020 target under the Convention.

7. The opening presentation was followed by interventions and questions from the following delegations: China, EU, France, India, Luxembourg, New Zealand, Republic of Korea and Switzerland. The questions were related to: climate and energy policy coordination; the national target for the share of renewables in the energy mix; quantification of the effects of PaMs; specific examples of measures in the transport sector

<sup>&</sup>lt;sup>8</sup> <u>https://unfccc.int/10097.php</u>.

and regarding research and development; and the contribution of the Joint Crediting Mechanism to meeting the Party's 2020 target and its role beyond 2020.

8. In response, Japan provided further explanations. In particular, Japan explained that the overarching government coordination mechanism is the Global Warming Prevention Headquarters, presided over by the Prime Minister. Japan has a national target of a 22–24 per cent share of renewable energy in electricity production by 2030. Also, the quantification of the effects of PaMs in the plan for global warming countermeasures is still ongoing and effects will be reported in Japan's third biennial report. Further, a national target exists regarding a 50–70 per cent share of next-generation vehicles in new car sales by 2030. Energy and technology innovation is the centrepiece of Japan's climate policies and has led to a 35 per cent increase in energy efficiency since the early 1980s. On the credits from the Joint Crediting Mechanism that could be used to achieve the 2020 target, Japan stated that the exact amount has not yet been estimated, while the 2030 target is to be achieved using domestic measures.

### Summary report on the multilateral assessment of Kazakhstan

1. The second round of MA of Kazakhstan took place on 12 May 2017. Kazakhstan was represented by Ms. Irina Yesserkepova, Ministry of Energy of Kazakhstan.

2. Questions for Kazakhstan had been submitted by the following delegations: Brazil, China, EU and Thailand. A list of the questions received and the answers provided by Kazakhstan, as well as the broadcast of the session, can be found on the IAR web page for Kazakhstan.<sup>9</sup>

3. Ms. Yesserkepova made an opening presentation summarizing Kazakhstan's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target. Under the Convention, Kazakhstan made a commitment to reduce its GHG emissions by 15.0 per cent below the 1990 level by 2020.

4. Kazakhstan's total GHG emissions excluding emissions and removals from LULUCF decreased by 22.7 per cent between 1990 and 2015. The decrease in the total GHG emissions can be attributed mainly to the economic downturn in the period from 1990 to 1999; however, the decrease was followed by an increased emission trend owing to the country's steady economic recovery and the revival of industrial production activities, which began in 2000.

5. Ms. Yesserkepova presented Kazakhstan's key PaMs for achieving its target, including the overarching strategy "Concept for the Transition of the Republic of Kazakhstan to Green Economy" until 2020, the related implementation programme "Agriculture and Industry Complex Development Program of Kazakhstan" and the annual action plans for implementation of this programme. These documents set out the national targets and climate change related actions for their implementation such as: increasing the share of RES to 3.0 per cent of the total electricity production by 2020; increasing the share of natural gas in electricity production to 20.0 per cent by 2020; and reducing the energy intensity of Kazakhstan's gross domestic product by 25.0 per cent by 2020 compared with the 2008 level. Ms. Yesserkepova noted that while promoting the use of RES, Kazakhstan has implemented a fixed feed-in tariff system and a guaranteed purchase of electricity production from RES. On its use of units from LULUCF activities and market-based mechanisms under the Convention and other mechanisms, according to its second biennial report, Kazakhstan does not intend to use them to achieve its target.

6. Kazakhstan's total GHG emissions excluding LULUCF in 2020 and 2030 are projected to be 343,079.00 and 439,344.00 kt CO<sub>2</sub> eq, respectively, under the 'with measures' scenario, which is a decrease of 11.4 per cent and an increase of 13.5 per cent, respectively, below the 1990 level. Under the 'with additional measures' scenario, emissions in 2020 and 2030, amounting to 321,934.00 and 322,383.00 kt CO<sub>2</sub> eq, respectively, are projected to be lower than those in 1990 by 16.9 and 16.7 per cent, respectively. The 2020 projections suggest that Kazakhstan may face challenges in achieving its 2020 target under the Convention with existing PaMs and will reach the target if the additional PaMs are implemented as indicated in the 'with additional measures' scenario.

7. The opening presentation was followed by interventions and questions from the following delegations: Austria, China, EU, India, New Zealand and Sweden. The questions were related to: mitigation actions to limit the increase in emissions from the energy sector and the non-forestry part of the LULUCF sector (e.g. cultivated land); national

<sup>&</sup>lt;sup>9</sup> <u>https://unfccc.int/10098.php</u>.

arrangements for tracking progress towards the target; additional PaMs needed to achieve the target; national system arrangements for the monitoring of PaMs implementation and GHG emission projections; the status of the national emission trading system; and lessons learned and success stories in the implementation of fixed feed-in tariffs for the promotion of RES.

8. In response, Kazakhstan provided further explanations. In particular, Kazakhstan explained that to limit the increase in emissions from the energy and agriculture sectors, it is making efforts to increase the share of natural gas used for electricity production and to gradually increase the share of cultivated land under zero-tillage. With regard to the additional PaMs needed to achieve the target by 2020, efforts are being made to introduce actions which will further increase energy efficiency on both the supply and the demand side and promote the use of RES. Kazakhstan's National Council on Green Economy, with representatives from relevant ministries, is the principal body for monitoring the implementation of PaMs in Kazakhstan. It was also explained that the national emissions trading system is suspended until 1 January 2018 owing to the observed inconsistencies in some of the relevant regulations and the apparent overallocation of allowances in the first phase. The main lesson learned in the application of the fixed feed-in tariff is the need for periodical adjustments to factor in effects of inflation and exchange rate fluctuations.

## Summary report on the multilateral assessment of Liechtenstein

1. The second round of MA of Liechtenstein took place on 12 May 2017. Liechtenstein was represented by Ms. Heike Summer, the Office of Environment of Liechtenstein.

2. Questions for Liechtenstein had been submitted by the following delegations: China, EU and Thailand. A list of the questions received and the answers provided by Liechtenstein, as well as the broadcast of the session, can be found on the IAR web page for Liechtenstein.<sup>10</sup>

3. Ms. Summer made an opening presentation summarizing Liechtenstein's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target. Under the Convention, Liechtenstein made a commitment to reduce its GHG emissions by 20 per cent below the 1990 level by 2020.

4. Liechtenstein's total GHG emissions excluding emissions and removals from LULUCF decreased by 10.5 per cent between 1990 and 2014. The decrease in the total GHG emissions can be attributed mainly to the decline in fuel consumption, particularly in residential, commercial and institutional subsectors.

5. Ms. Summer presented Liechtenstein's key PaMs for achieving its target, which include regulatory instruments such as the  $CO_2$  Act, the Emissions Trading Act, the Energy Efficiency Act and the  $CO_2$  levy on fossil fuels. In addition, the PaMs also include Liechtenstein's Energy Strategy 2020, which describes 47 specific measures in the buildings, transport, energy production and industrial processes sectors, out of which the highest reduction potential is estimated in the transport sector. On its use of units from LULUCF activities and market-based mechanisms under the Convention and other mechanisms, according to its second biennial report, Liechtenstein intends to use them, as needed, to achieve its target.

6. Liechtenstein's total GHG emissions excluding LULUCF in 2020 and 2030 are projected to be 194 and 177 kt  $CO_2$  eq, respectively, under the 'with measures' scenario, which is a decrease of 15.4 and 22.9 per cent, respectively, below the 1990 level. Under the 'with additional measures' scenario, emissions in 2020 and 2030, amounting to around 161 and 141 kt  $CO_2$  eq, respectively, are projected to be lower than those in 1990 by 29.8 and 38.6 per cent, respectively. The 'with measures' and 'with additional measures' 2020 projections suggest that Liechtenstein may face challenges in achieving its 2020 target under the Convention with domestic measures only.

7. The opening presentation was followed by a question from New Zealand related to domestic institutional arrangements for monitoring progress towards the target. In response, Liechtenstein explained that the Office of Environment is responsible for reporting under the Convention and its Kyoto Protocol, including annual GHG inventory submissions which are used for monitoring progress towards the targets under the Convention and its Kyoto Protocol. The Office of Economic Affairs is responsible for tracking progress on energy savings and renewable energy production and for providing relevant information on mitigation actions to the Office of Environment.

<sup>&</sup>lt;sup>10</sup> <u>https://unfccc.int/10099.php</u>.

## Summary report on the multilateral assessment of Luxembourg

1. The second round of MA of Luxembourg took place on 12 May 2017. Luxembourg was represented by Mr. André Weidenhaupt and Mr. Eric De Brabanter from the Ministry of Sustainable Development and Infrastructure.

2. Questions for Luxembourg had been submitted by the following delegations: China, Japan and Thailand. A list of the questions received and the answers provided by Luxembourg as well as the broadcast of this session can be found on the IAR web page for Luxembourg.<sup>11</sup>

3. Mr. Weidenhaupt and Mr. De Brabanter made an opening presentation, summarizing Luxembourg's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target. As an EU member State, Luxembourg is committed to contributing to the achievement of the joint EU quantified economy-wide emission reduction target of 20 per cent below the 1990 level by 2020. Luxembourg's emission reduction target from sectors covered by the EU effort-sharing decision (i.e. sectors not covered by the EU ETS) is 20 per cent below the 2005 level by 2020. As an EU member State, Luxembourg does not intend to use units from LULUCF activities.

4. Luxembourg's total GHG emissions excluding emissions and removals from LULUCF decreased by 18.9 per cent between 1990 and 2015 with significant fluctuations. The GHG emission trend showed a major decrease of 32.2 per cent between 1990 and 1998, followed by an almost equal increase up to 2005 (to 2.4 per cent above the 1990 level) and finally a decrease up to 2015. The main drivers of this fluctuation in the emission trend are the change from using a blast furnace process to using an electric arc furnace process in the steel plants in Luxembourg in the period 1994–1998, and growing road transportation and a substantial increase in trans-border commuting of the labour force between 1998 and 2005.

5. Mr. Weidenhaupt presented key PaMs to achieve the target, including success stories such as the nearly zero energy standards for new residential buildings, financial support for increasing energy efficiency standards in existing buildings, promoting RES in the residential building sector, the Climate Agreement with Municipalities, the voluntary agreement with the industrial sector and the Kyoto cent and carbon-related passenger car tax. Luxembourg also highlighted a number of PaMs in the transport sector to enable better mobility and address the challenge of the increasing emissions from this sector.

6. Given that its emissions from sectors covered by the EU ETS are subject to an EUwide cap, Luxembourg presented the projected level of emissions by 2020 from sectors not covered by the EU ETS under 'with measures' and 'with additional measures' scenarios, which amounts to 3.7 and 1.2 per cent, respectively, above the annual emission allocations (AEAs) for 2020. Luxembourg expects to meet its target under both scenarios, as it expects to generate a surplus of emission reductions from the non-ETS sectors during 2013–2020 compared with the total AEAs for the same period.

7. The opening presentation was followed by interventions and questions from the following delegations: Canada, India and Republic of Korea. The questions were related to: the estimation of GHG emissions from the transport sector, in particular from cross-border commuting; success factors for the active participation of municipalities in the Climate Agreement with Municipalities; and the reason for the low gasoline price in Luxembourg, which has led to increased emissions from the transport sector. In response, Luxembourg

<sup>&</sup>lt;sup>11</sup> <u>https://unfccc.int/10100.php</u>.

provided further explanations. In particular, it explained that the success of the Climate Agreement with Municipalities lies in the incentive structure built into the agreement, such as subsidies and energy consultancy services provided to municipalities, and the close collaboration between the national government and municipalities.

#### Summary report on the multilateral assessment of Monaco

1. The second round of MA of Monaco took place on 12 May 2017. Monaco was represented by Mr. Patrick Rolland, Deputy Director, Department of Environment of Monaco.

2. Questions for Monaco had been submitted by the following delegations: China and EU. A list of the questions received and the answers provided by Monaco, as well as the broadcast of the session, can be found on the IAR web page for Monaco.<sup>12</sup> The Party can submit any other observations on its MA within two months of the working group session.

3. Mr. Rolland made an opening presentation, summarizing Monaco's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target. Under the Convention, Monaco made a commitment to reduce its GHG emissions by 30 per cent below the 1990 level by 2020.

4. Monaco's total GHG emissions excluding emissions and removals from LULUCF decreased by 14.7 per cent between 1990 and 2012. The decrease in the total GHG emissions can be attributed mainly to the increased use of RES and energy efficiency measures in the buildings sector.

5. Mr. Rolland presented Monaco's key PaMs to achieve its target. The key overarching cross-sectoral policy is Monaco's energy and climate plan, which is focused on housing, territorial planning, energy supply, transport and governance. The plan will be updated in 2017 in response to the Paris Agreement in order to include the 2030 target and to initiate the development of a low-carbon strategy. Mr. Rolland elaborated on Monaco's key PaMs in the energy sector, mainly with regard to its waste-to-energy plant and energy efficiency measures in the housing sector.

6. On the use of units from LULUCF activities, Mr. Rolland explained that emissions and removals from the LULUCF sector are not included in the Party's target. With regard to the use of units from market-based mechanisms under the Convention and other mechanisms, Monaco does not plan, but retains the option, to make use of market-based mechanisms to achieve its target.

7. Monaco's total GHG emissions excluding LULUCF in 2020 under the 'with measures' scenario are projected to be 23.7 per cent below the 1990 level. The 2020 projections suggest that Monaco may face challenges in achieving its 2020 target under the Convention.

8. Mr. Rolland reported on additional measures that are currently being planned and implemented for Monaco to achieve its targets, focusing on the energy sector (waste to energy), energy efficiency measures in the buildings sector, the transport sector (promotion of electric vehicles and cycling) and the waste sector (waste management). Mr. Rolland also reported on institutional measures aimed at enhancing Monaco's capacity for implementing enhanced climate action.

9. There were no further interventions or questions from delegations at the MA session following Mr. Rolland's opening presentation.

<sup>&</sup>lt;sup>12</sup> <u>https://unfccc.int/10101.php</u>.

#### Summary report on the multilateral assessment of Portugal

1. The second round of MA of Portugal took place on 12 May 2017. Portugal was represented by Mr. Eduardo Santos, Portuguese Environmental Agency.

2. Questions for Portugal had been submitted by the following delegations: Brazil, China, Japan and Thailand. A list of the questions received and the answers provided by Portugal, as well as the broadcast of the session, can be found on the IAR web page for Portugal.<sup>13</sup>

3. Mr. Santos made an opening presentation, summarizing Portugal's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target. As an EU member State, Portugal is committed to contributing to the achievement of the joint EU quantified economy-wide emission reduction target of 20 per cent below the 1990 level by 2020. Portugal's target for sectors covered by the EU effort-sharing decision (i.e. sectors not covered by the EU ETS) is to limit its emission growth to 1 per cent above the 2005 level by 2020.

4. Portugal's total GHG emissions excluding emissions and removals from LULUCF increased by 15.6 per cent between 1990 and 2015. There are two notably different phases in the GHG emission trend: the increasing trend (around 3 per cent per year) in 1990–2005 and the decreasing trend in 2006–2015. The first phase reflects the evolution of the Portuguese economy, characterized by strong growth in energy demand and mobility in the 1990s. In contrast, the second phase shows a decrease in GHG emissions, with a sharp decline in  $CO_2$  emissions from energy industries following the economic slowdown in the second half of the 2000s.

5. Portugal's key PaMs to achieve its target include: the improvement of energy efficiency in commercial and residential buildings and in the public administration sector, aiming to reach the national target of a 25 per cent reduction in energy consumption against the projected level for 2020, thus going beyond the 20 per cent target in the context of the EU 2020 climate and energy package; and the Renewable Energy Action Plan, aiming to reach the national target of a 31 per cent share of RES in final energy consumption by 2020.

6. Given that its emissions from sectors covered by the EU ETS are subject to an EUwide cap, Portugal presented the projected level of emissions by 2020 from sectors not covered by the EU ETS under a 'with measures' scenario. The projected emission level is 20.9 per cent below the annual emission allocation for 2020. Portugal expects to meet its target under the 'with measures' scenario.

7. The opening presentation was followed by interventions and questions from the following delegations: Brazil, India and New Zealand. The interventions were related to the impact of the financial crisis and the effect of the EU ETS on GHG emission reduction in Portugal and to the progress made towards meeting the target of 40 per cent renewable energy sources in final energy consumption by 2030.

8. In response, Portugal explained that the financial crisis of 2007–2008 contributed to the decreasing trend in GHG emissions. However, a decrease in emissions has been observed since 2005, which shows the effect of mitigation actions. The projected 'with measures' scenario shows a continuation of the decreasing emission trend, owing mainly to the implementation of PaMs. With regard to the EU ETS, Portugal noted that installations under the EU ETS take into consideration the impact of the EU ETS in their decision-making process, which makes the EU ETS a key success. Finally, Portugal explained that it

<sup>&</sup>lt;sup>13</sup> <u>https://unfccc.int/10102.php</u>.

has successfully introduced wind power generation and that it is considering plans for solar power generation under its strategy aiming to meet the target for RES.

#### Summary report on the multilateral assessment of Romania

1. The second round of MA of Romania took place on 13 May 2017. Romania was represented by Ms. Alina Boldea, Ministry of Environment of Romania.

2. Questions for Romania had been submitted by the following delegations: Brazil, China and Thailand. A list of the questions received and the answers provided by Romania, as well as the broadcast of the session, can be found on the IAR web page for Romania.<sup>14</sup>

3. Ms. Boldea made an opening presentation summarizing Romania's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target. As an EU member State, Romania is committed to contributing to the achievement of the joint EU quantified economy-wide emission reduction target of 20 per cent below the 1990 level by 2020. Romania's emission reduction target for sectors covered by the EU effort-sharing decision (i.e. sectors not covered by the EU ETS) is 19 per cent above the 2005 level by 2020.

4. Romania's total GHG emissions excluding emissions and removals from LULUCF decreased by 52.7 per cent between 1990 and 2015. The decrease in the total GHG emissions excluding emissions and removals from LULUCF can be attributed to the economic contraction stemming from the transition to a market economy in the period 1989–1994 as well as the mitigation actions put in place by the Party, particularly those targeting industrial energy efficiency.

5. Ms. Boldea presented Romania's key PaMs to achieve the target, including the promotion of energy efficiency in buildings; the promotion of public transport and clean road transport vehicles (electric and hybrid vehicles); the increase in the use of RES in heating; the promotion of high efficiency co-generation; and the improvement in waste management. On its use of units from LULUCF activities and from market-based mechanisms under the Convention and other mechanisms, Ms. Boldea explained that Romania does not plan to use them.

6. Given that its emissions from sectors covered by the EU ETS are subject to an EUwide cap, Romania presented the projected level of emissions by 2020 from sectors not covered by the EU ETS under a 'with measures' scenario, which amounts to 9.0 per cent below the annual emission allocation for 2020. Romania expects to exceed its target under the 'with measures' scenario. With a share of RES in gross final energy consumption of 24.8 per cent in 2015, Romania has also already achieved its RES target of 24 per cent under the EU RES target of 20 per cent.

7. The opening presentation was followed by interventions and questions from the following delegations: China and Saudi Arabia. The questions were related to Romania's long-term energy strategy towards 2050 and examples of increased use of RES, particularly biogas and biomass.

8. In response, Romania provided further explanations. In particular, Romania explained that its long-term energy strategy, currently under discussion, aims to promote energy security and reduce the GHG emissions from the energy sector, including by increasing the competitiveness of the energy markets and by enhancing the efficiency of electricity generation and consumption.

<sup>&</sup>lt;sup>14</sup> <u>https://unfccc.int/10103.php</u>.

## Summary report on the multilateral assessment of the Russian Federation

1. The second round of MA of the Russian Federation took place on 13 May 2017. The Russian Federation was represented by Mr. Aleksander Nakhutin from the Institute of Global Climate and Ecology, the Federal Service for Hydrometeorology and Environmental Monitoring of the Russian Federation.

2. Questions for the Russian Federation had been submitted by the following delegations: Brazil, China, EU and Thailand. A list of the questions received and the answers provided by the Russian Federation, as well as the broadcast of the session, can be found on the IAR web page for the Russian Federation.<sup>15</sup>

3. Mr. Nakhutin made an opening presentation summarizing the Russian Federation's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target. Under the Convention, the Russian Federation made a commitment to reduce its GHG emissions by not less than 25 per cent below the 1990 level by 2020.

4. The Russian Federation's total GHG emissions excluding emissions and removals from LULUCF decreased by 29.6 per cent between 1990 and 2015 and by 45.7 per cent including emissions and removals from LULUCF in the same period. The decrease in the total GHG emissions can be attributed mainly to the decrease in GHG emissions from the energy and industrial sectors due to the Russian Federation's economic downturn in the early 1990s.

5. Mr. Nakhutin presented the Russian Federation's key PaMs for achieving its target, including economy-wide policies, such as the Strategy of Ecological Safety (2017) and the Action Plan for the Improvement of the Government Regulation of GHG Emissions and Preparation for the Ratification of the Paris Agreement (2016), and the sectoral plans, such as the Energy Efficiency and Energy Development State Programme and the State Programme for Development of Forestry. Mr. Nakhutin highlighted the successful reduction of emissions from natural gas flaring and improvements in energy efficiency in power generation achieved due to the implementation of mitigation measures in the energy sector. On its use of units from LULUCF activities and from market-based mechanisms under the Convention and other mechanisms, as noted in its second biennial report, the Russian Federation stated that it does not plan to use them to achieve its 2020 target.

6. The Russian Federation presented the projected level of emissions by 2020 and 2030 under a 'with measures' scenario excluding LULUCF, which amounts to 70.2 and 67.1 per cent, respectively, and including LULUCF, which amounts to 57.5 and 56.1 per cent, respectively, below the 1990 level. The 2020 projections suggest that the Russian Federation expects to overachieve its 2020 target under the Convention.

7. The opening presentation was followed by interventions and questions from the following delegations: Brazil, Germany, Luxembourg, New Zealand, EU and Switzerland. The questions were related to: the mitigation effect of PaMs and emission projections in 2020 and beyond; PaMs in the LULUCF sector and their effects; PaMs to promote RES; and methodology to assess the progress towards the target.

8. In response, the Russian Federation provided further explanations. In particular, the Russian Federation explained that the responsible institutions are reporting qualitative and quantitative information to the government periodically on progress in the implementation of PaMs. Currently, the share of RES in electricity production, other than electricity from

<sup>&</sup>lt;sup>15</sup> <u>https://unfccc.int/10104.php</u>.

large hydro plants, is about 1 per cent and under the scenario of accelerated growth of renewables the share can increase by 9–13 times by 2034 compared with the current level. The process for the development of projections has been enhanced and the updated projections will be presented in the third biennial report.

#### Summary report on the multilateral assessment of Slovenia

1. The second round of MA of Slovenia took place on 13 May 2017. Slovenia was represented by Mr. Uros Vajgl, Deputy Director General, Ministry of Environment and Spatial Planning.

2. Questions for Slovenia had been submitted by the following delegations: Brazil, China, Japan and Thailand. A list of the questions received and the answers provided by Slovenia, as well as the broadcast of this session, can be found on the IAR web page for Slovenia.<sup>16</sup>

3. Mr. Vajgl made an opening presentation, summarizing Slovenia's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target. As an EU member State, Slovenia is committed to contributing to the achievement of the joint EU quantified economy-wide emission reduction target of 20 per cent below the 1990 level by 2020. Slovenia's emission reduction target for sectors covered by the EU effort-sharing decision (i.e. sectors not covered by the EU ETS) is 4 per cent above the 2005 level by 2020.

4. Slovenia's total GHG emissions excluding emissions and removals from LULUCF decreased by 3 per cent between 1992 and 2015, while in the same period the gross domestic product grew by 85 per cent, demonstrating decoupling between GHG emissions and economic growth. Total GHG emissions excluding emissions and removals from LULUCF decreased by 9.5 per cent between 1990 and 2015. In Slovenia, the key driver of emission trends is the political and economic transformation associated with Slovenia's independence from the former Yugoslavia and its loss of access to that country's market in the early 1990s. Economic conditions have since improved, but the 2008 global economic crisis led to a stagnation in the Slovenian economy.

5. Mr. Vajgl presented key PaMs to achieve the target, including the operational programme for reducing GHG emissions by 2020. The programme includes measures in all relevant sectors (e.g. transport, agriculture, household and services and waste) and focuses on facilitating green growth, particularly investment in energy efficiency and innovation. Transport, representing about a third of GHG emissions in Slovenia, is considered the most challenging sector for reducing GHG emissions, owing to the increase in transit transport and dispersed settlements. The most important GHG emission reduction measures in the transport sector include promoting sustainable mobility and public transport, and investment in infrastructure.

6. Given that emissions from the EU ETS sectors of Slovenia are subject to an EUwide cap, the projected level of emissions for Slovenia by 2020 from sectors covered by the EU effort-sharing decision under the 'with measures' scenario is 12 per cent below the annual emission allocations allocated for 2020; this suggests that Slovenia expects to meet the EU effort-sharing decision target under the 'with measures' scenario.

7. The opening presentation was followed by interventions and questions from the following delegations: China and Republic of Korea. The questions were related to the rationale for the increase in GHG emissions in the transport sector and the methodologies used to estimate GHG emissions from cross-border transport. In response, Slovenia provided further explanations. In particular, it explained that GHG emissions from the transport sector are estimated based on the amount of fuel sold and hence relative fuel prices of neighbouring countries play a key role in the GHG emissions from transit transport.

<sup>&</sup>lt;sup>16</sup> <u>https://unfccc.int/10105.php</u>.

#### Summary report on the multilateral assessment of Spain

1. The second round of MA of Spain took place on 13 May 2017. Spain was represented by Mr. Ignacio Sanchez, Deputy Director, Spanish Climate Change Office.

2. Questions for Spain had been submitted by the following delegations: Brazil and China. A list of the questions received and the answers provided by Spain, as well as the broadcast of this session, can be found on the IAR web page for Spain.<sup>17</sup>

3. Mr. Sanchez made an opening presentation, summarizing Spain's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target. As an EU member State, Spain is committed to contributing to the achievement of the joint EU quantified economy-wide emission reduction target of 20 per cent below the 1990 level by 2020. Spain's emission reduction target for sectors covered by the EU effort-sharing decision (i.e. sectors not covered by the EU ETS) is 10 per cent below the 2005 level by 2020. Spain is also committed to the long-term vision of the EU, which includes a reduction in GHG emissions of at least 40 per cent by 2030 compared with the 1990 level and a low-carbon society by 2050.

4. Spain's total GHG emissions excluding emissions and removals from LULUCF increased by 15.5 per cent between 1990 and 2015. Population increase and economic growth were the main drivers of this increase in emissions. Mr. Sanchez explained that total GHG emissions in 2015 increased by 3.5 per cent compared with 2014 because 2015 was a very dry year; hydropower could not be generated and fossil fuels like coal and natural gas were used.

5. Mr. Sanchez presented new key PaMs adopted by Spain since its second biennial report to achieve its EU effort-sharing decision target, including: a national action framework on alternative energy sources in transport; a national waste plan for 2016–2022; the 4x1000 initiative for soil improvement; and a national energy efficiency fund. Spain also presented planned PaMs, including the climate change and energy transition law, the 2030 non-ETS roadmap and the 2050 Spanish low carbon and climate resilience strategy.

6. Given that emissions from the EU ETS sectors of Spain are subject to an EU-wide cap, Spain presented the projected level of emissions by 2020 from sectors covered by the EU effort-sharing decision under the 'with measures' scenario, which is 0.1. per cent below the annual emission allocations allocated for 2020. Mr. Lopez stated that Spain expects to meet its target under the "with measures' scenario.

7. The opening presentation was followed by interventions and questions from the following delegations: Canada and Brazil The questions were related to the engagement of subnational authorities and non-state actors and the estimation of the impacts of the PaMs. In response, Spain provided further explanations. It explained that it has established different bodies at the national level for the engagement of subnational authorities and non-state actors, such as the Climate Change Policy Coordination Commission and the National Climate Council. The Party further explained that despite the development of new tools to estimate the impact of the PaMs, quantifying the impact of all PaMs still represents a considerable challenge for Spain.

<sup>&</sup>lt;sup>17</sup> <u>https://unfccc.int/10106.php</u>.

### Summary report on the multilateral assessment of the United States of America

1. The second round of MA of the United States took place on 13 May 2017. The United States was represented by Mr. Trigg Talley, Department of State of the United States of America.

2. Questions for the United States had been submitted by the following delegations: Brazil, China, EU, Japan and the United Kingdom of Great Britain and Northern Ireland. A list of the questions received and the answers provided by the United States, as well as the broadcast of the session, can be found on the IAR web page for the United States.<sup>18</sup>

3. Mr. Talley made an opening presentation summarizing the United States' policy priorities and presented trends and drivers of GHG emissions and of the key economic indicators. He noted that energy-related  $CO_2$  emissions decreased by 14.0 per cent, while the gross domestic product increased by 17.0 per cent from 2005 to 2016. The United States' total GHG emissions excluding emissions and removals from LULUCF decreased by 11.5 per cent between 2005 and 2015. The decrease in the total GHG emissions can be attributed mainly to the decrease in the energy-related carbon intensity, reflecting continuous switching from coal to natural gas and increasing the share of renewable energy, the shift in the structure of the economy from manufacturing to service-based industries and the economic growth in the period after 2009 being slower than in the previous period.

4. According to its second biennial report, under the Convention, the United States made a commitment to reduce its GHG emissions in the range of 17.0 per cent below the 2005 level by 2020.

5. Mr. Talley highlighted from the outset that economic growth, job creation and national security are currently the general policy priorities of the United States. In this context, the government undertakes a review of existing climate change related policies. Owing to these new circumstances, the United States in its presentation did not address PaMs as well as GHG emission projections and progress towards target as reported in its second biennial report. Mr. Talley elaborated on the provisions of the Presidential Executive Order on Promoting Energy Independence and Economic Growth, which lays out the direction for the clean and safe development of all types of domestic energy resources, without what the government views as an unnecessary regulatory burden which constrains economic growth and prevents job creation. This Presidential Executive Order also calls for a number of specific actions in the energy and climate change fields (i.e. directing the Environmental Protection Agency to review the Clean Power Plan, lifting the moratorium on coal leasing on federal land, reverting to 2003 guidance on the monetizing value of changes in GHGs and revoking previous presidential actions and reports on promoting resilience, climate and national security).

6. The opening presentation was followed by interventions and questions from the following delegations: Australia, Brazil, China, EU, India, Japan, Luxembourg, New Zealand, Norway, Sweden and Switzerland. The questions were related to: GHG emission trends (underlying factors for the observed decoupling of economic growth and GHG emission trends); PaMs (good practice in the improvement of energy efficiency, the estimation of the mitigation impacts of PaMs, specifically in the transport sector; analysis of the cost-effectiveness of PaMs and their implications for future economic growth and competitiveness; relations between federal and state-level climate change initiatives and the effects of state-level mitigation actions on the achievement of the national target; the role of the United States Mid-Century Strategy for Deep Decarbonization in directing the policies

<sup>&</sup>lt;sup>18</sup> <u>https://unfccc.int/10108.php</u>.

for achieving the target, as well as its implication on the long-term investment plans of the private sector); GHG projections (changes in methodologies and approaches used for sectoral GHG emission projections); plans for using units from market-based mechanisms for the achievement of the United States' target; stakeholder engagement in climate policy development, implementation and monitoring; and estimating public health and climate benefits arising from the Clean Power Plan. One question related to the contribution of the United States to the Green Climate Fund and was outside the scope of the MA.

7. In response, the United States provided further explanations. In particular, it explained that it is not in position to address the future policy-related questions at this session, owing to the fact that the in-depth review of the climate policies is ongoing. In the course of this review, the United States will analyse the cost-effectiveness of the new regulations with a view to ensuring the objectives of the new general policy priorities. Changes in the methodologies used for the preparation of GHG projections mostly resulted from the improvement and refinement of parameters and their uncertainties, particularly in the LULUCF sector. The effects of mandatory mitigation actions implemented at the state-level are included to a certain extent into the national GHG projections. With regard to the use of market-based mechanisms to meet its target, it was noted that it is highly unlikely that the United States will use them. With regard to stakeholder engagement, the United States noted principles and formal steps in the regulatory process, which should ensure the adequate involvement of stakeholders during the ongoing policy review.