

REVIEW PRACTICE GUIDANCE



**Multiple Mandatory Reporting
Requirements Contained in the
Same Paragraph of the
UNFCCC Biennial Reporting
Guidelines for Developed
Country Parties:
Analysis of the Experience from
the Technical Reviews of the
First and Second Biennial
Reports**

Background paper for the 5th Meeting of Lead Reviewers,
28 February and 1 March 2018, Bonn, Germany

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Acronyms and abbreviations

Annex I Parties	Parties included in Annex I to the Convention
BR	biennial report
CTF	common tabular format
ERT	expert review team
ETS	emissions trading scheme
EU	European Union
F-gases	fluorinated gases
GHG	greenhouse gas
IDR/NC6	report of the technical review of the sixth national communication
LR	lead reviewer
LULUCF	land use, land-use change and forestry
NC	national communication
non-Annex I Parties	Parties not included in Annex I to the Convention
ODA	official development assistance
PaMs	policies and measures
RPG	Review Practice Guidance
TRR	technical review report
TRR.1	report of the technical review of the first biennial report
TRR.2	report of the technical review of the second biennial report
UNFCCC reporting guidelines on BRs	“UNFCCC biennial reporting guidelines for developed country Parties”

I. Background

1. The “Guidelines for the technical review of information reported under the Convention related to greenhouse gas inventories, biennial reports and national communications by Parties included in Annex I to the Convention”¹ request ERTs to: technically assess BRs in accordance with the reporting requirements contained in the UNFCCC reporting guidelines on BRs² and the “Common tabular format for ‘UNFCCC biennial reporting guidelines for developed country Parties’”;³ undertake a detailed technical review of the information provided in the individual sections of the BRs; and identify issues relating to completeness, transparency, timeliness and adherence to the UNFCCC reporting guidelines on BRs.

2. In the conclusions and recommendations from the 2nd and 3rd meetings of LRs held in 2015 and 2016, respectively,⁴ LRs requested the secretariat to facilitate the consistency of reviews of the BRs and NCs of Annex I Parties, particularly consistency related to the assessment of completeness and transparency. In response, the secretariat prepared two background papers for consideration by LRs at their future meetings:

(a) “Analysis of further options to use gradations ‘mostly’ or ‘partially’ in the assessment of completeness and transparency in biennial reports” for consideration at the 3rd meeting of LRs in 2016;⁵

(b) “2017 update of the analysis of the assessment of completeness and transparency of information reported in biennial reports” for consideration at the 4th meeting of LRs in 2017.⁶

3. These papers provided an in-depth analysis of the key challenges for ERTs in assessing the completeness and transparency of the reported information during the technical reviews of the BR1s and BR2s, and they elaborated on proposed approaches, guiding principles and common practice to be applied to address these challenges, all of which are included in RPG 2017.⁷

4. LRs acknowledged that the consistency of the technical reviews of BRs has improved owing to enhanced guidance from LRs and consistent application of RPG, which includes a scoreboard for assessing the completeness and transparency of the information reported. LRs invited ERTs to continue using the scoreboard, as provided in RPG 2017, in future reviews, with the caveat that they should continue applying a qualitative assessment based on their expert judgment to make a final determination of the level of completeness and transparency.

5. In order to further advance the consistency of the assessment of completeness and transparency of information reported in BRs and NCs, LRs requested the secretariat to explore how the multiple mandatory reporting requirements (i.e. ‘shall’ requirements) contained in the same paragraph of the UNFCCC reporting guidelines on BRs were considered in the technical reviews of BR1s and BR2s following the guiding principle that “one missing mandatory requirement should trigger no more than one recommendation”, and to present this analysis as input to the discussions at the 5th meeting of LRs in the context of the RPG 2017 update.

¹ Decision 13/CP.20.

² Decision 2/CP.17, annex I.

³ Decision 19/CP.18.

⁴ Available

http://unfccc.int/national_reports/national_communications_and_biennial_reports/reviews/items/10270.php.

⁵ Available at http://unfccc.int/national_reports/biennial_reports_and_iar/items/9296.php.

⁶ Available at http://unfccc.int/national_reports/biennial_reports_and_iar/items/10059.php.

⁷ Available at http://unfccc.int/national_reports/biennial_reports_and_iar/items/10059.php.

II. Purpose and scope

6. The purpose of this background paper is to provide an analysis of how the multiple mandatory reporting requirements contained in the same paragraph of the UNFCCC reporting guidelines on BRs were considered in the technical reviews of BR1s and BR2s and, based on the conclusions of the analysis, propose recommendations for a consistent approach in reviewing these requirements for consideration by LRs.

7. The analysis in this paper builds on the comprehensive analytical framework and results presented in the 2016 and 2017 background papers (see para. 2 above), which also covered the BR1 and BR2 review cycles, and complements these papers with new specific insights.

8. This paper serves primarily as an analytical input to the 5th meeting of LRs for the review of BRs and NCs to be held on 28 February and 1 March 2018 in Bonn, Germany. It aims to improve the understanding by LRs of the challenges of and solutions for consistency in the assessment of completeness and transparency of information reported in BRs and NCs.

9. The analysis covers five paragraphs of the UNFCCC reporting guidelines on BRs that contain multiple mandatory reporting requirements in a single paragraph, namely:

- (a) Paragraph 6, on mitigation actions and how information on mitigation actions should be organized;
- (b) Paragraph 14, on the national approach for tracking financial, technological and capacity-building support provided and specific attributes of the support to be tracked;
- (c) Paragraph 15, on using, describing and reporting methodologies for financial support;
- (d) Paragraph 17, on information on the financial support provided, committed and/or pledged, and allocation channels and annual contributions;
- (e) Paragraph 22, on measures and activities related to technology transfer and reporting parameters related to those measures and activities.

10. Chapters I and II of this paper have introduced its background, purpose and scope. Chapter III provides the results of the analysis, including a description of the approach to the analysis and findings on current practice in considering multiple mandatory reporting requirements. All recommendations made by ERTs in TRR.1s and TRR.2s relevant to this analysis are provided in the annex, without explicitly mentioning Parties names. Chapter IV outlines the conclusions of the analysis and recommendations for consideration by LRs.

III. Analysis of the multiple mandatory reporting requirements contained in the same paragraph of the UNFCCC reporting guidelines on biennial reports

A. Approach to the analysis

11. Based on the current practice of technical reviews of BRs, ERTs follow one of two approaches for the assessment of completeness and transparency of information required by one or more mandatory reporting requirements contained in the same paragraph of the UNFCCC reporting guidelines on BRs:

- (a) If a Party provides complete and transparent information on one of the mandatory reporting requirements but fails to provide complete and transparent information on others, ERTs make one recommendation to report the missing or not transparent information (this approach is consistent with RPG guidance that “one missing mandatory requirement should trigger no more than one recommendation”);

(b) If a Party fails to provide complete and transparent information on more than one of the mandatory reporting requirements, ERTs either:

- (i) Make one recommendation covering all reporting requirements;
- (ii) Make more than one recommendation, each covering a different reporting requirement.

12. While both approaches will be analysed to acquire a complete picture of the practice that was applied in reviewing the BR1s and BR2s, the focus will be on the approach described in paragraph 11(b) above.

13. The analysis was performed in three steps:

(a) First, each of the five relevant paragraphs from the UNFCCC reporting guidelines on BRs (see para. 9 above) was deconstructed to the reporting parameters contained in each ‘shall’ requirement (designated as first, second or third ‘shall’). This allows a better understanding of the relationship and dependencies between multiple ‘shall’ requirements in the same paragraph;

(b) Second, all ERT recommendations from TRR.1s and TRR.2s relevant to these five paragraphs were extracted from the review reports and grouped by mandatory reporting requirement, that is, relating to the first, second or third ‘shall’ or any combination of these that are relevant for the analysis (see the annex);

(c) Third, based on the findings of the previous steps, some guiding principles were deduced related to the assessment of completeness and transparency of information stipulated by these mandatory reporting requirements and the associated number of recommendations made by ERTs in addressing them.

B. Results of the analysis

1. Multiple mandatory reporting requirements in paragraph 6

14. Paragraph 6 from the UNFCCC reporting guidelines on BRs stipulates that:

“Each Annex I Party **shall** provide information on its mitigation actions, including on the policies and measures it has implemented or plans to implement since its last national communication or biennial report to achieve its economy-wide emission reduction target. To the extent appropriate, Parties **shall** organize the reporting of mitigation actions by sector (energy, industrial processes and product use, agriculture, LULUCF, waste and other sectors) and by gas (carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride).”

15. Paragraph 6 contains two ‘shall’ requirements. The first ‘shall’ defines the main content of the required information; that is, a Party is required to provide information on its **mitigation actions** implemented or planned to achieve its target. Although explicit definition of mitigation actions is not provided in the UNFCCC reporting guidelines on BRs, for the purpose of this analysis these mitigation actions were considered identical to PaMs defined in paragraph 13 of the “Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part II: UNFCCC reporting guidelines on national communications”⁸ and these terms will be used interchangeably hereinafter.

16. A Party shall report on PaMs that are used to achieve its target, which in principle means that reporting other PaMs that are not contributing to the target or that belong to sectors not covered under the target (e.g. LULUCF) should be avoided.

17. Another important element is the scope of the reported PaMs, which in the case of this requirement entails not only PaMs implemented or planned to be implemented since a Party’s last NC or BR, but also PaMs that are in the implementation or planning phases and for which

⁸ Decision 4/CP.5.

the Party had compiled information for up to a certain date before submission of the NC or BR – this date will depend on national institutional and procedural arrangements.

18. The second ‘shall’ refers to how information on mitigation actions should be organized, namely, **by sector and by gas**. This requirement is explicit, although there is a caveat that allows a Party to organize this information by sector and by gas to the extent appropriate. It should be emphasized that the BR CTF table 3 contains headings for sector(s) affected and GHG(s) affected for each mitigation action and therefore information provided in this table should be taken into account while reviewing the BR, particularly because there is no explicit requirement that this information should be provided in both textual and tabular format – a requirement that is found in some other paragraphs of the UNFCCC reporting guidelines on BRs (e.g. paragraphs 17 and 22).

19. Recommendations from TRR.1s and TRR.2s relevant to paragraph 6 are presented in tables 1 and 2 of the annex.

20. TRR.1s and TRR.2s contain 15 cases where missing, incomplete or not transparent information related to the scope of mitigation actions (first ‘shall’) was identified by ERTs and one recommendation was made. The underlying reasons for the recommendation could be grouped as follows:

- (a) Limited scope of mitigation actions was reported;
- (b) One of the groups of mitigation actions, such as implemented, adopted and/or planned, was not reported;
- (c) Only mitigation actions that were implemented since the previous BR were reported;
- (d) Reported mitigation actions did not cover all sectors included under the target;
- (e) One or more sector-specific mitigation actions were not reported;
- (f) Mitigation actions that do not contribute to achievement of the target were reported.

21. TRR.1s and TRR.2s contain 12 cases where information on mitigation actions was not organized by sector and by gas (second ‘shall’) and one recommendation was made. The cases could be grouped as follows:

- (a) Mitigation actions were organized neither by sector nor by gas;
- (b) Mitigation actions were organized by sector but not by gas (vice versa cases were not found).

22. Five cases were identified in TRR.1s and TRR.2s where Parties did not provide complete or transparent information on both mandatory reporting requirements (first and second ‘shall’). ERTs addressed these in the TRRs as follows:

- (a) One recommendation was made in four cases by combining requirements pertaining to the first and second ‘shall’ (e.g. “The ERT recommends that the Party provide information on individual mitigation actions, organized by sector and by gas, to the extent appropriate, in its next BR submission.”);
- (b) Two recommendations were made in one case by separating the requirements into two recommendations (“The ERT recommends that Party report complete and comprehensive information on mitigation actions in its CTF table 3...The ERT also recommends that Party include this information in its next BR organized by sector and gas.”).

23. Arguably, we could assume that in most cases where Parties did not provide information related to both first and second ‘shall’ requirements, ERTs considered these two elements of information as directly linked or interdependent, in which case information related to the second ‘shall’ (organizing mitigation actions by sector and gas) is an attribute of the first ‘shall’ (mitigation actions) and therefore ERTs made one integral recommendation.

24. This approach is potentially acceptable for future reviews, particularly if the structure of CTF table 3 in the BR (see para. 18 above) is considered in which, besides ‘by sector’ and ‘by gas’, there are several other mandatory reporting parameters or attributes pertaining to individual mitigation actions, such as objective, type of instrument, status of implementation, brief description, start year of implementation, implementing entity and mitigation impact.

25. In this regard, a hypothetical case could be drawn in which a Party does not specify any of these parameters for the individual mitigation actions reported, which could in the extreme lead to a number of recommendations equal to the number of reporting parameters. This would not be good review practice.

26. In contrast, making one recommendation for one or for several missing or incomplete reporting parameters contained in the same paragraph could increase inconsistency in ERTs’ overall assessment of completeness and transparency of a particular section of the BR if they depend solely on the completeness and transparency assessment scoreboard from RPG. In this case, ERTs could apply their expert judgment to make a final determination on the level of completeness and transparency of a particular section of the BR.

2. Multiple mandatory reporting requirements in paragraph 14

27. Paragraph 14 from the UNFCCC reporting guidelines on BRs stipulates that:

“Each Annex II Party **shall** provide a description of its national approach for tracking of the provision of financial, technological and capacity-building support to non-Annex I Parties, if appropriate. This description **shall** also include information on indicators and delivery mechanisms used and allocation channels tracked. If this information was already reported in the national communication, the biennial report should only report changes to this information.”

28. Paragraph 14 contains two ‘shall’ requirements. The first ‘shall’ defines the main content of the required information; that is, a Party is required to provide information on its **national approach for tracking** of the provision of financial, technological and capacity-building support to non-Annex I Parties. Although there is no definition provided of what a national approach is, in the BR1s and BR2s national approaches were in most cases described by providing institutional, legal or procedural arrangements established within the country for tracking the provision of the support defined.

29. The second ‘shall’ refers to additional information that should be provided in the context of the description of the national approach for tracking, namely, **indicators** and **delivery mechanisms** used and **allocation channels** tracked.

30. Recommendations from TRR.1s and TRR.2s relevant to paragraph 14 are presented in tables 3 and 4 of the annex.

31. TRR.1s and TRR.2s contain:

(a) Eleven cases where missing or incomplete information related to the description of the national approach for tracking of the provision of financial, technological and capacity-building support (first ‘shall’) were identified by ERTs and one recommendation was made;

(b) Five cases with missing, incomplete or not transparent information on one or more of the required reporting parameters (indicators and delivery mechanisms used and allocation channels tracked) (second ‘shall’) and one recommendation was made.

32. Eleven cases were identified in TRR1.s and TRR.2s where Parties did not provide complete or transparent information on both mandatory reporting requirements. ERTs addressed these in the TRRs as follows:

(a) One recommendation was made in eight cases by combining requirements pertaining to the first and second ‘shall’ (e.g. “The ERT recommends that the Party provide description of its national approach for tracking the provision of financial support to non-

Annex I Parties, including information on indicators and delivery mechanisms used and allocation channels tracked.”);

(b) Two recommendations were made in three cases by separating the requirements into two recommendations (e.g. “The ERT recommends that Party provide a description of its national approach for tracking of the provision of financial, technological and capacity-building support to non-Annex I Parties...The ERT also recommends that this description include information on indicators and delivery mechanisms used and allocation channels tracked.”).

33. Based on these findings, we could assume that in most cases where Parties did not provide information related to both first and second ‘shall’ requirements, ERTs considered these reporting requirements as directly linked or interdependent, in which case the second ‘shall’ (indicators and delivery mechanisms used and allocation channels tracked) is used to further describe the first ‘shall’ (national approach for tracking) and therefore ERTs made one integral recommendation.

34. This approach, similar to the one described for paragraph 6 (see paras. 23–26 above), is potentially acceptable, particularly because this connection is in fact made in paragraph 14, in which the second ‘shall’ starts: “This description (on national approach) shall also include information on indicators and delivery mechanisms used and allocation channels tracked.”

3. Multiple mandatory reporting requirements in paragraph 15

35. Paragraph 15 from the UNFCCC reporting guidelines on BRs stipulates that:

“In reporting information in accordance with paragraphs 17 and 18 below, Annex II Parties **shall** use any methodology to be developed under the Convention, taking into account international experience. Annex II Parties **shall** describe the methodology used in their biennial reports. Annex II Parties **shall** report in a rigorous, robust and transparent manner the underlying assumptions and methodologies used to produce information on finance.”

36. Paragraph 15 contains three ‘shall’ requirements. The first ‘shall’ requires Parties to **use methodology** to be developed under the Convention for reporting information on financial support. The second ‘shall’ requires Parties to **describe the methodology used**, which could be country-specific because the methodology under the first ‘shall’ has not been developed yet. The third ‘shall’ requires Parties to **report underlying assumptions and methodologies** in a rigorous, robust and transparent manner.

37. It is important to note that all three requirements in paragraph 15 are related to information to be reported under two separate paragraphs in the UNFCCC reporting guidelines on BRs, namely, paragraphs 17 and 18, which cover information related to finance only.

38. Recommendations from TRR.1s and TRR.2s relevant to paragraph 15 are presented in tables 5 and 6 of the annex, but also in tables 3 and 4, because in many instances ERTs covered reporting requirements stipulated by paragraphs 14 and 15 together.

39. TRR.1s and TRR.2s contain 14 cases where missing or incomplete information related to the third ‘shall’ (underlying assumptions and methodologies) was identified by ERTs and one recommendation was made. Of these, 12 cases merged the reporting requirements from paragraphs 14 and 15 (e.g. “The BR does not include information required by the UNFCCC reporting guidelines on BRs on its national approach for tracking the provision of financial, technological and capacity-building support to non-Annex I Parties, indicators and allocation channels tracked, and the underlying assumptions and methodologies used to produce information on finance. The ERT recommends that Party provide this information in its next BR.”)

40. No cases were identified in TRR.1s and TRR.2s where Parties did not provide complete or transparent information on the first or second ‘shall’ (use and description of

methodologies), on all three or on a combination of the first, second and/or third ‘shall’ that would be relevant for this analysis, so conclusions on how ERTs would address such cases could not be drawn for paragraph 15.

41. However, it is evident that in 12 cases ERTs merged reporting requirements from two or three paragraphs of the UNFCCC reporting guidelines on BRs, namely, paragraphs 13, 14, 15 and 16, in one recommendation (see examples in tables 3 and 4 of the annex). This is not considered good review practice and should be avoided.

4. Multiple mandatory reporting requirements in paragraph 17

42. Paragraph 17 from the UNFCCC reporting guidelines on BRs stipulates that:

“Each Annex II Party **shall** provide information on the financial support it has provided, committed and/or pledged for the purpose of assisting non-Annex I Parties to mitigate GHG emissions and adapt to the adverse effects of climate change and any economic and social consequences of response measures, and for capacity-building and technology transfer in the areas of mitigation and adaptation, where appropriate. To that end, each Annex II Party **shall** provide summary information in a textual and tabular format on allocation channels and annual contributions for the previous two calendar or financial years without overlapping with the previous reporting periods, including, as appropriate, the following:

- (a) The Global Environment Facility, the Least Developed Countries Fund, the Special Climate Change Fund, the Adaptation Fund, the Green Climate Fund and the Trust Fund for Supplementary Activities;
- (b) Other multilateral climate change funds;
- (c) Multilateral financial institutions, including regional development banks;
- (d) Specialized United Nations bodies;
- (e) Contributions through bilateral, regional and other channels.”

43. Paragraph 17 contains two ‘shall’ requirements. The first ‘shall’ is related to **financial support** a Party has provided, committed and/or pledged for areas such as mitigation, adaptation, economic and social consequences of response measures, capacity-building and technology transfer.

44. The second ‘shall’ refers to summary information on **allocation channels** (multilateral, bilateral, regional and other) and **annual contributions**, which should be provided in textual format and in tabular format in CTF tables 7, 7(a) and 7(b) in the BR.

45. Recommendations from TRR.1s and TRR.2s relevant to paragraph 17 are presented in tables 7 and 8 of the annex.

46. TRR.1s and TRR.2s contain only two cases related to the first ‘shall’ and one case related to the second ‘shall’ where missing or incomplete information was identified by ERTs, and in all cases, one recommendation was made.

47. No cases were identified where Parties did not provide complete or transparent information on both the first and the second ‘shall’, so conclusions on how ERTs would address such cases could not be drawn.

5. Multiple mandatory reporting requirements in paragraph 22

48. Paragraph 22 from the UNFCCC reporting guidelines on BRs stipulates that:

“Each Annex II Party **shall** provide, in textual and tabular formats, information on measures and activities related to technology transfer implemented or planned since its last national communication or biennial report. In reporting such measures and activities, Annex II Parties **shall**, to the extent possible, provide information on the recipient country, the target area of mitigation or adaptation, the sector involved and

the sources of technology transfer from the public or private sectors, and **shall** distinguish between activities undertaken by the public and private sectors.”

49. Paragraph 22 contains three ‘shall’ requirements. The first ‘shall’ is related to the content of the required information; that is, a Party is required to provide information on **measures and activities related to technology transfer** implemented or planned since its last NC or BR.

50. The second ‘shall’ requires a Party to report on various parameters of support provided, such as the recipient country, the target area of mitigation or adaptation, the sector involved and the sources of technology transfer (public or private sector). The third ‘shall’ requires a Party to distinguish between activities undertaken by the public and private sectors. This scope defines the content of CTF table 8 in the BR on the provision of technology development and transfer support.

51. Recommendations from TRR.1s relevant to paragraph 22 are presented in tables 9 and 10 of the annex.

52. There were no relevant cases found by ERTs in TRR.2s. TRR.1s contain only one case related to the first ‘shall’ and one case related to the third ‘shall’ where missing or incomplete information was identified by ERTs, and in both cases, one recommendation was made.

53. Similar to paragraphs 15 (see para. 40 above) and 17 (see para. 47 above), there were no cases for which information was missing, incomplete or not transparent for a combination of more than one ‘shall’ requirement and therefore no conclusions could be made on such cases for this particular paragraph.

IV. Conclusions of the analysis and recommendations for consideration by the lead reviewers

54. This paper provides an analysis of the multiple mandatory reporting requirements contained in the same paragraph of the UNFCCC reporting guidelines on BRs (namely, paragraphs 6, 14, 15, 17 and 22). It looks at how the paragraphs are structured, what their interdependencies are and, most important, how ERTs considered these multiple mandatory reporting requirements in formulating recommendations in the TRR.1s and TRR.2s.

55. The analysis shows that in all cases where Parties provided complete and transparent information on one of the mandatory reporting requirements but did not provide complete and transparent information on the other reporting requirement contained in the same paragraph, ERTs made one relevant recommendation. This approach is consistent with the guiding principle in RPG that “one missing mandatory requirement should trigger no more than one recommendation”.

56. In cases where Parties did not provide complete and transparent information on more than one of the mandatory reporting requirements contained in the same paragraph, ERTs in most cases made one integral recommendation that covered all reporting requirements. However, there were a few cases where ERTs made more than one recommendation; that is, a recommendation was made for each individual reporting requirement.

57. The approach to make an integral recommendation could be justified by the structure of the paragraphs and the interdependencies between the multiple mandatory reporting requirements therein, where one of the following two structures were seen:

(a) The first mandatory requirement refers to the main content of the reporting while subsequent mandatory requirements relate to reporting specific related parameters: mitigation actions and sectors and gases affected by the mitigation actions (paragraph 6); a national approach for tracking support and indicators, delivery mechanisms and allocation channels used to track the support (paragraph 14); financial support provided, committed and/or pledged and allocation channels and annual contributions (paragraph 17); and

measures and activities related to technology transfer and recipient country, target area, sector involved and sources (public or private) (paragraph 22);

(b) There are more than one requirements that request certain actions on the same subject matter, using different terms with largely the same meaning: use, describe and report methodology for the reporting of financial information (paragraph 15).

58. Taking this into account, the approach wherein ERTs made one integral recommendation in cases where Parties did not provide complete and transparent information on more than one of the mandatory reporting requirements contained in the same paragraph is potentially acceptable for paragraphs 6, 14, 15, 17 and 22 of the UNFCCC reporting guidelines on BRs in future technical reviews of BRs.

59. Regarding overall assessment of completeness and transparency of an individual section of the BR, ERTs should continue to use the completeness and transparency assessment scoreboard from RPG. However, ERTs should apply expert judgment to make a final decision on the level of completeness and transparency of relevant sections of the BR, considering the scope of missing, incomplete or not transparent reporting parameters pertaining to paragraphs 6, 14, 15, 17 and 22 in each particular case.

60. There were 13 cases in TRR.1 and TRR.2s where ERTs made one recommendation that merged two or more mandatory reporting requirements contained in different paragraphs of the UNFCCC reporting guidelines on BRs (i.e. 13, 14, 15, 16, 21 and 22). This approach is not consistent with the guiding principle in RPG that “one missing mandatory requirement should trigger no more than one recommendation” and therefore should be avoided.

61. In order to continue the evaluation of the effectiveness of the approaches used, it would be useful to analyse the TRRs of the third BRs and assess how review practice in the assessment of completeness and transparency has evolved since the previous review cycles.

62. Finally, this analysis, together with the analysis presented in the previous background papers (see para. 2 above), demonstrates the importance of preparing well-structured and precise reporting requirements and guidelines for the future transparency framework under the Paris Agreement that minimize ambiguity in their interpretation. Doing so would enhance the consistency of assessment of Parties during the technical reviews and assist in assessing progress and improvements of reporting over time.

Annex

ERT recommendations from the reports of the technical reviews of the first and second biennial reports relevant to multiple mandatory reporting requirements contained in the same paragraph of the UNFCCC reporting guidelines on biennial reports

Table 1

Recommendations from the reports of the technical reviews of the first biennial reports relevant to paragraph 6 of the UNFCCC reporting guidelines on biennial reports

<i>Recommendation from TRR. Is relevant to paragraph 6</i>
First ‘shall’: scope of mitigation actions
<p>The ERT noted that the BR1 contained textual descriptions of a more limited number of PaMs than those included in the NC6. In the BR1, the Party only included the PaMs where the mitigation effect has been quantified, and the Party has undertaken far more mitigation actions than those described in the BR1. The ERT recommends that the Party improve transparency of reporting by providing information in its next BR submission on a <u>wider range of PaMs</u>, even though their mitigation effects are not quantified.</p> <p>The Party has provided in its BR1 well-organized information on its package of mitigation actions introduced to achieve its target. The BR1 provided information on mitigation actions organized by sector and by gas. A detailed review of the reported information is provided in chapter II.B of the IDR/NC6. The ERT encourages the Party to provide further information on the implementing entity and quantified measures for all PaMs as appropriate in its next BR. The ERT also recommends that the Party include <u>PaMs for industrial processes</u>, including F-gases, in its next biennial report and to complete the details on its implementing entity and mitigation impact estimates for all PaMs as far as possible.</p> <p>The ERT noted during the review that no information was provided in CTF table 3 regarding mitigation actions in the LULUCF sector. While the ERT acknowledges the cross-reference to chapter 4 of the NC6, reporting mitigation information for the LULUCF sector is important for the Party, particularly as the Party anticipates using removal activities from the LULUCF sector. To improve consistency across reports and the transparency of its future BR submissions, the ERT recommends that the Party report the same information in CTF table 3 as that reported in the summary table of PaMs in the NC. The ERT recommends that the Party improve the completeness of its reporting by including specific information on <u>mitigation actions in the LULUCF sector</u>.</p> <p>The Party has provided in its BR1 and CTF table 3 limited information on its package of mitigation actions introduced to achieve its target. The BR1 and CTF table 3 provided limited information on mitigation actions for the energy sector only and are not consistent with the information on PaMs provided in the NC6. A detailed review of the reported information is provided in chapter II.B of the IDR/NC6. The ERT recommends that the Party improve the transparency of its reporting by <u>providing information on mitigation actions</u> and their effects at the sector and at the measure level, and are consistently reported so that they are consistent across the text of the BR and in CTF table 3, and also with the information reported on PaMs in the national communication (NC).</p> <p>However, the BR1 does not include all of the mandatory information required by the guidelines. The ERT noted that the Party did not report on the mitigation actions that are planned in order to achieve the conditional target for 2020. The ERT recommends that the Party report on the <u>planned mitigation actions</u> with respect to its conditional target under the Convention, along with the related information required in CTF table 3 in its next BR.</p> <p>The BR1 does not include information required by the UNFCCC reporting guidelines on BRs on <u>PaMs covering F-gases</u>, nor does it explain whether these policies exist or are planned to be implemented in the future. During the review, the Party explained to the ERT that F-gases are regulated directly by EU legislation (e.g. the new regulation 517/2014) and that the Party is committed to implement all related measures accordingly. The ERT recommends that the Party include this information in its next BR to improve the completeness of the report. The ERT encourages the Party to clarify which PaMs have been added since submission of the NC5.</p>
Second ‘shall’: organization of mitigation actions by sector and by gas

Recommendation from TRR. Is relevant to paragraph 6

The Party has provided in its BR1 information on its package of mitigation actions introduced to achieve its target. In its NC6/BR1, the Party did not provide information on mitigation actions organized by sector and by gas; instead, mitigation actions were presented by legislative instrument and programme. During the review, the Party provided a complete list of all of its PaMs, including information from the document entitled “Reporting of Policies and Measures under Article 3(2) of Decision 280/2004/EC Concerning Projections and Assessment of Policies and Measures”, submitted to the European Commission in March 2013. The information allowed the ERT to identify which sectors correlated to each of the mitigation actions and provided additional descriptions of the mitigation actions. In order to improve transparency, the ERT **recommends** that the Party provide information on mitigation actions by sector and by gas in its next BR. A detailed review of the reported information is provided in chapter II.B of the IDR/NC6.

The ERT commends the Party on its complete reporting with regard to PaMs. However, the ERT **recommends** the Party further improve transparency of the reported information by using a clear structure for the PaMs section and covering all mandatory sectors, subdivided by gas.

The Party has provided in its BR1 and CTF table 3 a brief overview of its package of mitigation actions introduced to achieve its target, providing a reference to the sixth national communication (NC6), which includes comprehensive information on implemented and planned PaMs. The BR1 provides information on mitigation actions organized by sector, and mostly subdivided by gas except for cases where several mitigation actions were aggregated together and reported to cover more than one sector or gas. The ERT **recommends** that the Party report, to the extent possible, its mitigation actions individually as indicated in CTF table 3, and organize them by sector, subdivided by gas.

In its BR1 and CTF table 3, the Party has provided information on its package of mitigation actions introduced to achieve its target. The BR1 provides information on mitigation actions organized by sector, and mostly subdivided by gas. The ERT **recommends** that the Party report, to the extent possible, its mitigation actions individually as indicated in CTF table 3, subdivided by gas. A detailed review of the reported information is provided in chapter II.B of the IDR/NC6. The ERT noted that chapter 3 of the BR1 references the Party’s NC6.

In its BR1, the Party provided information on its package of mitigation actions introduced to achieve its target by referencing chapter 4.3 of its NC6, as well as BR1 CTF table 3. The NC6 provided information on mitigation actions organized by sector. However, the ERT noted that the presentation of PaMs by sector is not consistently subdivided by gas, although information about the gases affected by specific PaMs is presented in an overall summary table for the entire PaMs chapter in accordance with example table 1 of the “Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part II: UNFCCC reporting guidelines on national communications”. To improve the transparency of reporting, the ERT **recommends** that the Party organize its PaMs, to the extent appropriate, by sector and by gas to reflect the information reported in the overall PaMs table in its next BR/national communication (NC). A detailed review of the reported information is provided in chapter II.B of the IDR/NC6.

The Party reported in BR CTF table 3 on mitigation actions and their estimated effects in the achievement of its quantified economy-wide emission reduction target, listing several PaMs. However, information on effects is in an aggregated format and certain measures do not reflect each gas separately. The ERT **recommends** that the Party organize the reporting of mitigation actions by sector and by gas.

The ERT **recommends** that the Party improve the transparency of its reporting by providing, in its next biennial report, information on mitigation actions with a clear subdivision by gas for each sector. A detailed review of the reported information is provided in chapter II.B of the IDR/NC6. The information on existing and planned PaMs is consistent with the information provided in the NC6 except for the additional information in relation to Article 3, paragraphs 3 and 4, of the Kyoto Protocol and the exclusion of information reported under Article 2 of the Kyoto Protocol contained in the NC6.

First and second ‘shall’: scope of mitigation actions and organization of mitigation actions by sector and by gas

The information on mitigation actions does not cover all sectors where mitigation actions are in place, and was not organized by sector and by gas as required by the reporting guidelines. The ERT **recommends** that the Party report on its mitigation actions by sector and by gas for all sectors where such actions are in place in its next BR.

Recommendation from TRR.1s relevant to paragraph 6

The Party has provided in its BR1 information on its package of mitigation actions introduced to achieve its target. The ERT noted that the Party did not report any of the required information on mitigation actions and their effects in CTF table 3; therefore, the ERT **recommends** that the Party report complete and comprehensive information in its CTF table 3 in its next BR submission. The ERT also noted that the BR1 did not provide information on mitigation actions organized by sector and by gas, although this information was reported in the sixth national communication (NC6). The ERT **recommends** that the Party include this information in its next BR. A detailed review of the reported information is provided in chapter II.B of the IDR/NC6.

The Party has provided in its BR1 limited information on its package of mitigation actions introduced to achieve its target. A detailed review of the reported information is provided in chapter II.B of the IDR/NC6. The information on mitigation actions provided in the BR1 is not organized by sector and by gas. Instead, the information on PaMs in the BR1 is clumped together under the following three general policies/programmes: projects under the green investment scheme (GIS); the sector energy efficiency and conservation programme; and the state target economic programme for energy efficiency and development of production of energy from renewable energy and sources and alternative fuels. No further disaggregation of these policies has been provided (i.e. no information on the individual PaMs in individual sectors or by gas). The ERT **recommends** that the Party present the PaMs in table 3 of the BR1 and in CTF table 3 at a more disaggregated level (i.e. at the level of each individual policy or measure with quantitative objectives), and provide estimates for each of the policies, or combined estimates of PaMs for each sector, if by policy is not possible.

Table 2

Recommendations from the reports of the technical reviews of the second biennial reports relevant to paragraph 6 of the UNFCCC reporting guidelines on biennial reports

Recommendation from TRR.2s relevant to paragraph 6

First ‘shall’: scope of mitigation actions

In order to ensure transparency, the ERT **recommends** that the Party report all required information on mitigation actions in its next BR and in CTF table 3, including information on the implementation status of mitigation actions (implemented, adopted and planned), the implementation time frame, the year of the reported estimated mitigation impact and, importantly, the effects of individual mitigation actions for 2020 and any other relevant year or relevant explanations as to why these effects have not been estimated. The ERT noted that the transparency of the reporting of the assessment of the effects of individual mitigation actions or groups of actions could benefit from the provision of additional information on the assumptions, methods and data used in the estimation of the mitigation impacts, and the extent to which the mitigation actions have achieved the stated objectives in a given year, with the aim of identifying a possible need for additional actions.

The BR2 and CTF table 3 include information on the policies and measures (PaMs) for the LULUCF sector, but since this sector is not included in the joint EU quantified economy-wide emission reduction target, the ERT considers that for these mitigation actions, there should be a clear indication that their effect does not count towards the achievement of the joint EU target. Therefore, the ERT **recommends**, with a view to enhancing transparency, that for the mitigation actions for the LULUCF sector included in CTF table 3, the Party indicate in a footnote, in its next BR, that the effect of these actions does not count towards the achievement of the joint EU target.

As an EU member State, the Party excludes the use of LULUCF to reach its Convention target for 2020. However, the ERT notes that there are LULUCF actions listed in CTF table 3, which should only reflect information on mitigation actions and their effects related to the Party’s progress in achieving their quantified economy-wide emission reduction target. Therefore, to increase transparency, the ERT **recommends** that the Party clearly indicate, for example in a footnote in CTF table 3, that mitigation actions reported in the LULUCF sector are not part of actions to achieve its target in its next BR.

While the BR2 provides some information on the planned measures required by the UNFCCC reporting guidelines on BRs in the chapter on projections, CTF table 3 does not include the planned measures, such as environmental levies, direct payments for agriculture and others included in the ‘with additional measures’ (WAM) scenario. To improve the transparency of its reporting, the ERT **recommends** that the Party list the planned measures in CTF table 3 alongside the implemented and adopted measures, and include the corresponding descriptions as well as

Recommendation from TRR.2s relevant to paragraph 6

their emission estimates, if available. The ERT also suggests that the Party enhance the transparency of its reporting by providing more consistent information between the PaMs and projections chapters of its next BR.

The ERT reiterates the **recommendation** from the previous review report that the Party enhance the completeness of its next BR through the provision of information on the planned mitigation actions aimed at achieving its economy-wide emission reduction target.

In its BR2 the Party stated that the mitigation actions reported in CTF table 3 include only those important PaMs that are new or changed since its submission of the NC6/BR1. According to the UNFCCC reporting guidelines on BRs, Parties shall provide information on its mitigation actions, including on the PaMs it has implemented or plans to implement since the NC6/BR1. The ERT therefore **recommends** that the Party, in its next BR, provide information on the entire scope of its mitigation actions, that is, those that are in implementation and planned to be implemented, including new PaMs that might be introduced in the period since the submission of the BR2 in order to enhance the completeness of its reporting.

The ERT noted that the Party included in its CTF table 3 mitigation actions in sectors that are outside the scope of the joint EU quantified economy-wide emission reduction target under the Convention (such as LULUCF). To enhance the transparency of its reporting on progress made towards the achievement of its quantified economy-wide emission reduction target, the ERT **recommends** that the Party report those mitigation actions that contribute towards achieving the target. Additional mitigation actions in sectors that are not pertinent to the target could be reported in CTF table 3, but with a clear explanation (e.g. using footnotes) that they are not covered under the target or in textual format in separate sections of the biennial report (BR). Further information on the mitigation actions related to the Party's target is provided in section 3 of the BR2 and in this report (see paras. 29, 32 and 33 below).

The ERT noted that in its BR2, the Party provided detailed information on mitigation actions implemented since BR1. The ERT commends the efforts made by the Party. However, the BR2 and CTF table 3 do not include the information required by the UNFCCC reporting guidelines on BRs on planned PaMs. During the review, the Party clarified that there are no planned PaMs at the moment; accordingly, the BR2 contains information only on implemented PaMs. The ERT **recommends** that the Party improve the transparency of its reporting by including information on planned PaMs, or the absence thereof, in its next biennial report.

In its BR2 and CTF table 3, the Party reported on the mitigation actions implemented, adopted and planned to achieve its target. The reporting of the mitigation actions is organized by sector and by gas. The Party included mitigation actions for the LULUCF sector in CTF table 3, but as this sector is not included in its quantified economy-wide emission reduction target, the ERT considers that the Party should indicate that these mitigation actions do not contribute towards achieving the target. To improve the transparency of reporting, the ERT **recommends** that the Party indicate in a footnote that its mitigation actions in the LULUCF sector do not contribute towards achieving the target.

Second 'shall': organization of mitigation actions by sector and by gas

The ERT noted that the mitigation actions reported in the BR2 are organized by sector, but not by gas. During the review, the Party provided a table with PaMs organized by gas. The ERT **recommends** that the Party, in its next BR organize its mitigation actions also by gas, to the extent appropriate.

In its BR2 and CTF table 3, the Party reported on its progress in the achievement of its target and the mitigation actions implemented and planned since its sixth national communication (NC6) and BR1 to achieve its target. The Party has provided information on mitigation actions introduced to achieve its target. The BR2 includes information on mitigation actions organized by sector and by gas, in the sense that the affected GHGs are reported. However, mitigation actions have not been organized by gas, and the ERT therefore **recommends** that the Party enhance the transparency of its reporting by organizing the reporting of mitigation actions also by gas, for example, by organizing mitigation actions first per sector and then per GHG affected.

In its BR2 and CTF table 3, the Party reported on its progress in the achievement of its target and the mitigation actions implemented and planned since its sixth national communication (NC6) and BR1 to achieve its target. The Party has provided information on mitigation actions organized by sector. However, the Party did not organize its mitigation actions by gas. To increase the transparency of reporting, the ERT **recommends** that the Party, to the extent appropriate, organize its mitigation actions by sector and by gas in its next BR. Further information on the mitigation actions related to the Party's target is provided in section IV of the BR2 and in this report (see para. 22 below).

Recommendation from TRR.2s relevant to paragraph 6

The ERT noted that the BR2 did not provide in textual format the information on mitigation actions organized by gas to reflect information presented in CTF table 3. The ERT **recommends** that the Party improve the transparency of its reporting by organizing, to the appropriate extent, the reporting of its mitigation actions by gas in its next BR, as is currently done in CTF table 3.

In its BR2 and CTF table 3, the Party reported on its progress in the achievement of its target and the mitigation actions implemented and planned since its sixth national communication (NC6) and BR1 to achieve its target. The Party has provided information on mitigation actions introduced to achieve its target. Party's BR2 includes information on mitigation actions and the GHGs they affect, organized by sector. However, the reporting of the mitigation actions has not been organized by gas. The ERT **recommends** that the Party enhance the transparency of its reporting by organizing the reporting of mitigation actions by gas, for example, by organizing mitigation actions first by sector then by GHG affected.

First and second 'shall': scope of mitigation actions and organization of mitigation actions by sector and by gas

As indicated in paragraph 20 above, the Party did not provide, in its BR2, information on its individual mitigation actions, not even on the major mitigation actions to achieve its emission reduction target. Instead, it reported a brief overview of changes made to some of the key cross-sectoral measures (in section 4), describing its progress in achieving its target. Analyses of the total effect of PaMs by sector are provided in the projections section (section 5) of the BR2; however, for information on individual mitigation actions, reference is made to CTF table 3 and the NC6 for a detailed overview. During the review, the Party provided additional information, elaborating on mitigation actions in place that are targeted to the non-ETS sectors. The information included the status and estimated impacts by 2020 for actions planned or adopted prior to 2015 and the effects of actions for the years prior to 2020. Considering that the inclusion of such information in the BR will improve the transparency of the reporting on Party's efforts to meet its target, the ERT **recommends** that the Party provide information on individual mitigation actions, organized by sector and by gas, to the extent appropriate, in its next BR submission.

With regard to the findings identified in paragraphs 20 and 21 above, the ERT **recommends** that the Party increase the transparency of its reporting by including information on its PaMs that contribute to the achievement of the quantified economy-wide emission reduction target, and the mitigation effects of PaMs or, if the estimates are not available, by including the reason. The transparency of the Party's reporting would be enhanced by including this information in textual format in the BR and in tabular format using CTF table 3, including information by sector and by gas affected, the type of instrument, the starting year of implementation, the implementing entity and an estimate of the mitigation impact in 2020.

Table 3

Recommendations from the reports of the technical reviews of the first biennial reports relevant to paragraph 14 of the UNFCCC reporting guidelines on biennial reports

Recommendation from TRR.1s relevant to paragraph 14

First 'shall': national approach for tracking support

The ERT **recommends** that the Party further elaborate on its national approach for tracking the provision of financial, technological and capacity-building support to non-Annex I Parties, describe further how it ensures that the support it provides effectively addresses the needs (see requirements in paragraph 16) of developing countries in accordance with the UNFCCC reporting guidelines on BRs, and provide such information in its next BR.

The ERT **recommends** that the Party include more information in its reports regarding the national approach for tracking the provision of financial support and the methodologies (see requirements in paragraph 15) used in reporting information on financial support, and how resources (effectively) address (see requirements in paragraph 16) the needs of non-Annex I Parties. (This recommendation is also relevant for paragraph 15.)

The Party reported in its NC6 some information regarding its national approach for tracking the provision of financial support by providing the indicators and methodologies/assumptions (see requirements in paragraph 15) used. During the review, the Party provided the ERT with additional information regarding this tracking, including information on objectives, commitments, implementation progress and the country-customized approach regarding

Recommendation from TRR. Is relevant to paragraph 14

international climate financing. The Party has not included this information in the BR1 and the ERT **recommends** that Party include this information in its next BR. *(This recommendation is also relevant for paragraph 15.)*

To assist in the tracking of support provided, the Party's Aid Programme has systems in place to track, measure and record climate change-related assistance provided to developing countries. The Climate Change Operational Policy describes how support for climate change is to be delivered, recorded and quantified. The Environmental and Social Impacts Operational Policy sets out a process for assessing and managing potentially adverse environmental and social impacts associated with Party's Aid Programme activities. During the review, the Party provided additional information elaborating on these policies. The ERT noted that although the Party mentions these policies in its BR1, it does not elaborate on its national approach for tracking the provision of financial, technological and capacity-building support to non-Annex I Parties, nor does it describe the methodology used for reporting information on finance. Therefore, the ERT **recommends** that the Party, in its next BR, include an elaboration on its tracking approach and a description of the methodologies used to increase transparency (see requirements in paragraph 15). *(This recommendation is also relevant for paragraph 15.)*

The ERT **recommends** that the Party provide a description of the approaches used to track the provision of support in its next BR. The ERT **also recommends** that the Party describe the approaches used to ensure that the resources provided effectively address the needs of non-Annex I Parties (see requirements in paragraph 16).

Second 'shall': indicators and delivery mechanisms used and allocation channels tracked

The Party reported in its BR1 a brief overview of its approach for tracking support provided to non-Annex I Parties. However, the Party did not include information on indicators used to allocate and deliver its assistance. The ERT therefore **recommends** that the Party enhance the transparency of its reporting by providing more detailed information on its tracking of support, namely by including information on indicators used to track climate-specific assistance provided (mitigation and adaptation), as well as the delivery mechanisms used.

In its BR1 the Party reported that climate change finance is tracked by the Party's Agency for Development Cooperation, using Party's Aid Statistics. The Party, however, did not provide a detailed description of the tracking methodology, assumptions (see requirements in paragraph 15) or indicators used. The ERT therefore **recommends** that the Party enhance the transparency of its reporting by providing the missing information in its next BR. *(This recommendation is also relevant for paragraph 15.)*

First and second 'shall': national approach for tracking support and indicators and delivery mechanisms used and allocation channels tracked

The Party did not describe its national approach to tracking support in its BR1. The Party mentioned the use of the Organisation for Economic Co-operation and Development - Development Assistance Committee Rio markers, but did not describe how these markers are used to track support. During the review, the Party indicated that a bottom-up approach had been introduced in 2011, wherein the Ministry of Agriculture, Forestry, Environment and Water Management collects and compiles information on financial support on a project-by-project basis. The ERT **recommends** that the Party clearly report in its next BR its national approach used to track the provision of support, including on how it collects relevant data, and, if it forms part of its delivery mechanism for support how it feeds this data into such a mechanism. The ERT **also recommends** that the Party provide more information on methodologies (see requirements in paragraph 15) used to track the provision of financial, technological and capacity-building support to non-Annex I Parties, including detailed information on the indicators used to track support, describing clearly how they are used as well as information on underlying assumptions (see requirements in paragraph 15) used to produce such information. *(This recommendation is also relevant for paragraph 15.)*

The Party does not describe how it measures or assesses the effectiveness of its climate finance. More information on these elements was provided during the review. The ERT **recommends** that the Party provide a description of its national approach for tracking of the provision of financial, technological and capacity-building support to non-Annex I Parties. The ERT **also recommends** that this description include information on indicators and delivery mechanisms used and allocation channels tracked.

The ERT **recommends** that the Party provide in its next BR the description of its national approach for tracking the provision of financial support to non-Annex I Parties, including information on indicators and delivery mechanisms used and allocation channels tracked, how it seeks to ensure that the resources it provides effectively address the needs (see requirements in paragraph 16) of non-Annex I Parties with regard to climate change adaptation and

Recommendation from TRR. Is relevant to paragraph 14

mitigation, and the indication of what “new and additional” financial resources (see requirements in paragraph 13) the Party has provided in CTF table 7.

In its BR1, the Party did not report information on its national approach to tracking its provision of financial, technological and capacity-building support to developing country Parties, including the indicators and allocation channels tracked, and the underlying assumptions and methodologies (see requirements in paragraph 15) used to produce information on finance, as required by the UNFCCC reporting guidelines on BRs. The ERT **recommends** that the Party provide this information in its next biennial report. *(This recommendation is also relevant for paragraph 15.)*

The BR1 does not include the following information required by the UNFCCC reporting guidelines on BRs: how financial resources have been determined to be “new and additional” (see requirements in paragraph 13); a description of the national approach for tracking the provision of financial, technological and capacity-building support, including information on indicators and delivery mechanisms used and allocation channels tracked; a description of the methodology used to report financial support and underlying assumptions (see requirements in paragraph 15); and information on committed and/or pledged financial support it has provided. The ERT **recommends** that the Party provide this information in its next BR. *(This recommendation is also relevant for paragraph 15.)*

The BR1 does not include information required by the UNFCCC reporting guidelines on BRs on its national approach for tracking the provision of financial, technological and capacity-building support to non-Annex I Parties, indicators and allocation channels tracked, and the underlying assumptions and methodologies (see requirements in paragraph 15) used to produce information on finance. The ERT **recommends** that the Party provide this information in its next BR. *(This recommendation is also relevant for paragraph 15.)*

The Party provided in its BR1 information on the methodology used for reporting information on provision of financial support it has provided. The Party does not provide in its BR1 a description of its national approach for tracking the provision of financial, technological and capacity-building support to developing countries, including information on indicators and delivery mechanisms used, and allocation channels tracked. During the review, the Party informed the ERT that the approach used to track the provision of financial support follows the provisions of the Creditor Reporting System of the Organisation for Economic Co-operation and Development. This system established markers to track the ‘Rio markers’, including the climate change related aid that is classified in accordance with the objective of the aid (mitigation or adaptation). The ERT **recommends** that the Party provide details of the tracking system applied to climate change financing in its next BR.

The BR1 does not explicitly include information required by the UNFCCC reporting guidelines on BRs, such as information on the national approach for tracking financial resources, indicators, delivery mechanisms used and allocation channels tracked. A description of the methodology used to report on financial support, including information on underlying assumptions, and the methodologies used to produce information on finance was also not included. However, during the review, the Party pointed out that such information is referenced in the BR1 and included in a separate paper, which was provided to the ERT and was placed on the UNFCCC website in conjunction with the BR1. This paper provides details of several methodologies used for preparing information on international climate finance for the BR1, including for determining which funds are ‘climate specific’ and committed, and on the mobilization of private finance. The ERT took note of the methodological paper. The ERT **recommends** that the information on the national approach for tracking financial resources, indicators, delivery mechanisms used and allocation channels tracked be provided in the Party’s next biennial report to ensure the completeness of the reporting. The ERT **also recommends** that the Party provide a description of the methodology used to report on financial support, including information on underlying assumptions, and the methodologies used (see requirements in paragraph 15) to produce information on finance in its next biennial report. *(This recommendation is also relevant for paragraph 15.)*

Table 4

Recommendations from the reports of the technical reviews of the second biennial reports relevant to paragraph 14 of the UNFCCC reporting guidelines on biennial reports

Recommendation from TRR.2s relevant to paragraph 14

First ‘shall’: national approach for tracking support

During the review, the Party provided a brief description of the Climate Finance Strategy, indicating the channels of the Party’s contribution to international climate finance, such as public sources, mobilized sources of private finance and alternative sources, as well as the criteria and methodology used by the institution in charge of collecting relevant data to report financial support. The Party also indicated that the performance indicators for the Climate Support Programme are usually established and defined at the project level, and that the efficiency and effectiveness of entire programmes are evaluated ex-post. The ERT **reiterates the recommendation** made in the technical review report of the BR1 that the Party improve the transparency of its reporting on climate support provided by elaborating on its national approach for tracking the provision of financial, technological and capacity-building support, including its institutional and operational arrangements and how the efficiency and effectiveness of climate change programmes are evaluated.

During the review, the Party acknowledged the lack of information on the national approach for the tracking of support, and confirmed that it will consider including such information in its next BR submission. In order to improve the completeness of reporting, the ERT **reiterates the recommendation** made in the previous review report that the Party further develop a national approach for the tracking and reporting of technology transfer and capacity-building support and report this information, as requested by the guidelines, in its next BR submission.

During the review, the Party provided additional information on its approach to tracking climate support and methodologies when collecting and reporting information. It provided information on the methodology that it adopted for tracking finance for adaptation and mitigation using the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) methodology on statistical reporting and related environmental/Rio Markers. The ERT **recommends** that the Party include this information in its next BR submission.

The BR2 does not include the information required by the UNFCCC reporting guidelines on BRs on the national approach to tracking of provision of financial, technological and capacity-building support to non-Annex I Parties or changes therein since the BR1/NC6. During the review, in response to a question raised by the ERT, the Party explained that for ODA, the Party uses the same figures as those reported for the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee, for which rules are established to ensure that there is, normally, no double counting. For other official flows (OOF), however, the Party uses a different system for which it did not provide details. The ERT **recommends** that the Party provide information on the national approach to tracking financial, technological and capacity-building support to non-Annex I Parties or changes therein since its previous report in its next BR.

The ERT noted that, in its BR2, the Party provided general information on its national approach for tracking the provision of financial, technological and capacity-building support, without further elaboration on the underlying assumptions, methodologies and indicators, particularly taking into account the potential overestimation of financial support by using Rio Markers (see para. 51 below). The ERT **reiterates the recommendation** made in the technical review report of the BR1 that, to enhance transparency, the Party provide a detailed description of its national approach for tracking the provision of financial, technological and capacity-building support to non-Annex I Parties in its next BR.

The ERT **recommends** that the Party enhance the transparency of its reporting by providing information on its national approach for tracking the provision of technology and capacity-building support to non-Annex I Parties in its next BR.

Second ‘shall’: indicators and delivery mechanisms used and allocation channels tracked

The ERT noted that, although the BR2 includes generic information on Party’s approach to tracking its financial support, it does not provide a description of the underlying assumptions, indicators and delivery mechanisms used for tracking the provision of financial, technological and capacity-building support to non-Annex I Parties. In response to a question raised by the ERT during the review, the Party provided additional information on the tracking of support, including on Party’s internal climate finance database tool, which enables the Party to track the specific results achieved by each individual project. The ERT **reiterates the recommendation** made in the previous

Recommendation from TRR.2s relevant to paragraph 14

review report that, in order to enhance the transparency of its reporting, the Party provide, in its next BR, a transparent description of the assumptions (see requirements in paragraph 15), indicators and delivery mechanisms used for tracking the provision of financial, technological and capacity-building support to non-Annex I Parties. (This recommendation is also relevant for paragraph 15.)

The BR2 and CTF tables 7, 7(a) and 7(b) also do not include the information required by the UNFCCC reporting guidelines on BRs on indicators for tracking the provision of support. The Party did not provide clarification on this in response to the question raised by the ERT during the review. The ERT **recommends** that the Party improve the completeness of its reporting by including information on indicators in its next BR.

The ERT **recommends** that the Party improve the completeness of its reporting in its next BR by including the information on indicators used for tracking the provision of financial, technological or capacity-building support to non-Annex I Parties or by including explanations for the reasons why such information is not reported.

First and second ‘shall’: national approach for tracking support and indicators and delivery mechanisms used and allocation channels tracked

The BR2 includes succinct information on the national approach to tracking the provision of support and allocation channels by referring to the Party’s Aid programme. Through this programme the Party coordinates programming, allocation and monitoring of development cooperation, multilateral and bilateral funding. The Ministry of Economy and the Ministry of Environment and Energy are coordinating institutions for Party’s provision of support to developing country Parties. The ERT noted that transparency of the reporting on the national approach for tracking of the provision of financial, technological and capacity-building support to non-Annex I Parties could benefit from further details of the operation of the Party’s Aid programme. The ERT **recommends** that the Party enhance the transparency of its reporting by including more detailed information on its national approach for tracking of the provision of financial, technological and capacity-building support to non-Annex I Parties, if appropriate, in its next BR submission. In providing information related to the national approach for tracking of provision of financial, technological and capacity-building support, the BR2 of the Party does not include information on the indicators and delivery mechanisms used. In response to the question raised by the ERT during the review, the Party noted that indicators and delivery mechanisms are covered by the tracking, measuring and recording system of the assistance provided to the developing countries under the Party’s Aid programme. The ERT **recommends** that the Party improve the transparency of its reporting by providing information on the indicators and delivery mechanisms used in tracking the support provided to non-Annex I Parties in the next BR submission.

The ERT acknowledges the additional information made available during the review and **recommends** that the Party enhance the transparency of its reporting by providing in its next BR detailed information (i.e. as provided during the review and described in paras. 77–80 above) on the underlying assumptions and methodologies (see requirements in paragraph 15) used to produce information on finance and on the description of its national approach to tracking the provision of financial support to non-Annex I Parties, including more specific information on the indicators and delivery mechanisms used and allocation channels tracked. (This recommendation is also relevant for paragraph 15.)

The Party also clarified that key performance indicators on technological support include how a project is providing technological support and the number of low-carbon technologies (units installed) supported. Key performance indicators on capacity-building include, for example, the level of integration of climate change in national planning as a result of ICF support, the level of institutional knowledge of climate change issues as a result of ICF support and the extent to which ICF intervention is likely to have a transformational impact. Alongside the reporting of results, the Party also conducts annual reviews to track progress against the project milestones. The Party publishes these annual reviews on the Development Tracker website. To improve the transparency of reporting, the ERT **recommends** that the Party provide in its next BR a more specific description of its approach to tracking and reporting on the provision of technological and capacity-building support to non-Annex I Parties, including relevant indicators, assumptions and methodologies used (see requirements in paragraph 15). (This recommendation is also relevant for paragraph 15.)

Table 5

Recommendations from the reports of the technical reviews of the first biennial reports relevant to paragraph 15 of the UNFCCC reporting guidelines on biennial reports

<i>Recommendation from TRR.1s relevant to paragraph 15</i>
First ‘shall’: use of methodology
No recommendations made.
Second ‘shall’: description of methodology
No recommendations made.
Third ‘shall’: reporting of underlying assumptions and methodologies
Methodologies and assumptions used to produce information on finance are partially covered in the BR1. A fuller explanation was provided during the review. The ERT recommends that the Party provide a more complete description of <u>methodologies and assumptions</u> used to produce information on finance in its next BR.
First, second and/or third ‘shall’: use of methodology, description of methodology and/or reporting of underlying assumptions and methodologies
No recommendations made.

Table 6

Recommendations from the reports of the technical reviews of the second biennial reports relevant to paragraph 15 of the UNFCCC reporting guidelines on biennial reports

<i>Recommendation from TRR.1s relevant to paragraph 15</i>
First ‘shall’: use of methodology
No recommendations made.
Second ‘shall’: description of methodology
No recommendations made.
Third ‘shall’: reporting of underlying assumptions and methodologies
Although the Party uses the Rio Markers to produce information on finance, it does not provide a description of the underlying assumptions and methodologies used to produce such information. To enhance transparency, the ERT recommends that the Party report in a rigorous, robust and transparent manner the <u>underlying assumptions and methodologies</u> used to produce information on finance, including a definition of ‘climate-specific’ funds, in its next BR.
First, second and/or third ‘shall’: use of methodology, description of methodology and/or reporting of underlying assumptions and methodologies
No recommendations made.

Table 7

Recommendations from the reports of the technical reviews of the first biennial reports relevant to paragraph 17 of the UNFCCC reporting guidelines on biennial reports

<i>Recommendation from TRR.1s relevant to paragraph 17</i>
First ‘shall’: information on financial support provided, committed and/or pledged
The ERT recommends that the Party follow the UNFCCC reporting guidelines on BRs more closely and provide transparent and accurate textual and tabular information, also in the form of footnotes, on its <u>financial support to developing country Parties</u> , including following the CTF table template in its BR.
Second ‘shall’: summary information in textual and tabular format on allocation channels and annual contributions
No recommendations made.
First and second ‘shall’: information on financial support provided, committed and/or pledged and summary information in textual and tabular format on allocation channels and annual contributions
No recommendations made.

Table 8

Recommendations from the reports of the technical reviews of the second biennial reports relevant to paragraph 17 of the UNFCCC reporting guidelines on biennial reports

<i>Recommendation from TRR.1s relevant to paragraph 17</i>
First ‘shall’: information on financial support provided, committed and/or pledged
The ERT recommends that the Party improve the transparency of its reporting by clearly differentiating among the multilateral and bilateral <u>financial support provided</u> ; and by elaborating on how the financial support provided, committed and/or pledged by the Party assists non-Annex I Parties to adapt to the adverse effects of climate change, and any economic and social consequences of response measures.
Second ‘shall’: summary information in textual and tabular format on allocation channels and annual contributions
The ERT noted that the Party did not provide summary information on allocation channels and annual contributions for 2013 and 2014, in textual format, in its BR2. The ERT also noted that, although the Party reported its contributions through multilateral channels as ‘core/general’ (non-climate-specific channels), it indicated in CTF table 7(a) that the support was attributed to mitigation, adaptation and cross-cutting activities, which seems inconsistent. In 2013 the core/general amounts reported as attributed to cross-cutting and adaptation activities were USD 0.26 million and USD 0.93 million, respectively, and in 2014 the amounts for mitigation and adaptation activities were less than in 2013, namely, USD 0.05 million and USD 0.62 million, respectively. The ERT recommends that the Party enhance the completeness of its reporting in its next BR submission by providing the <u>summary information, in textual format, on allocation channels</u> following the provisions of paragraph 17 of the UNFCCC reporting guidelines on BRs.
First and second ‘shall’: information on financial support provided, committed and/or pledged and summary information in textual and tabular format on allocation channels and annual contributions
No recommendations made.

Table 9

Recommendations from the reports of the technical reviews of the first biennial reports relevant to paragraph 22 of the UNFCCC reporting guidelines on biennial reports

<i>Recommendation from TRR.1s relevant to paragraph 22</i>
First ‘shall’: measures and activities related to technology transfer implemented or planned since last NC or BR
The Party has also not provided the information required in CTF table 8. During the review, the Party explained that this information has not been provided in CTF table 8, as according to the footnotes to CTF table 8, this should be done to the extent possible. Furthermore, CTF table 8 should only include measures and activities that have been developed since the last NC or BR. Since the NC6 was published just a little earlier than the BR1, there were no measures and activities to be reported in the BR other than those reported in the NC6. However, the ERT noted that according to decision 2/CP.17, the BR1 and the NC6 were to be submitted together, and therefore in this case, the BR1 should contain information on developments that have taken place since the NC5. The ERT recommends that the Party either report, to the extent possible, <u>complete information in CTF table 8</u> or clearly explain why it was not possible to provide this information in the next submission.
Second ‘shall’: recipient country, target area of mitigation or adaptation, sector involved and sources of technology transfer (public or private sector)
No recommendations made.
Third ‘shall’: activities undertaken by the public and private sectors
The Party did not provide detailed tabular or textual information about the following reporting elements required by the UNFCCC reporting guidelines on BRs: information on measures taken to promote, facilitate and finance the transfer of, access to and deployment of climate-friendly technologies for the benefit of non-Annex I Parties, and for the support of the development and enhancement of endogenous capacities and technologies of non-Annex I Parties (<i>see requirements in paragraph 21</i>); and a clear distinction between activities on promotion and financing technology transfer undertaken by the <u>public and private sectors</u> . The ERT recommends that the Party report this required information in its next BR.
First, second and/or third ‘shall’: measures and activities related to technology transfer implemented or planned since last NC or BR, recipient country, target area of mitigation or adaptation, sector involved and sources of technology transfer (public or private sector) and/or activities undertaken by the public and private sectors
No recommendations made.

Table 10

Recommendations from the reports of the technical reviews of the second biennial reports relevant to paragraph 22 of the UNFCCC reporting guidelines on biennial reports

<i>Recommendation from TRR/BR2s relevant to paragraph 22</i>
First ‘shall’: measures and activities related to technology transfer implemented or planned since last NC or BR
No recommendations made.
Second ‘shall’: recipient country, target area of mitigation or adaptation, sector involved and sources of technology transfer (public or private sector)
No recommendations made.
Third ‘shall’: activities undertaken by the public and private sectors
No recommendations made.

Recommendation from TRR/BR2s relevant to paragraph 22

First, second and/or third ‘shall’: measures and activities related to technology transfer implemented or planned since last NC or BR, recipient country, target area of mitigation or adaptation, sector involved and sources of technology transfer (public or private sector) and/or activities undertaken by the public and private sectors

No recommendations made.
