



Annual report of the Compliance Committee to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol

Note by the secretariat

1. Under section XII(b) of the “Procedures and mechanisms relating to compliance under the Kyoto Protocol” (annex to decision 27/CMP.1), the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol is to consider the reports of the plenary of the Compliance Committee on the progress of its work.
2. The attached draft is presented to the plenary for its consideration. The plenary will note that some paragraphs may be added or modified based on discussions at its twenty-third meeting.



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**Conference of the Parties serving as the meeting
of the Parties to the Kyoto Protocol**

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Item **x(x)** of the provisional agenda

Title of agenda item

[Title of agenda sub-item]

**Annual report of the Compliance Committee to the
Conference of the Parties serving as the meeting of the
Parties to the Kyoto Protocol**

Summary

The sixteenth annual report of the Compliance Committee to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol covers activities undertaken from 13 November 2020 to 9 September 2021. The report provides a summary of the consideration by the enforcement branch of the questions of implementation with regard to the compliance of Monaco and Kazakhstan, the continued consideration by the facilitative branch of its role in providing advice and facilitation in implementing the Kyoto Protocol and the discussions in the plenary of the Compliance Committee.

Abbreviations and acronyms

[Do not remove this page - the acronyms and abbreviations list will be inserted here once the document text is final]

I. Introduction

A. Mandate

1. In accordance with section III, paragraph 2(a), of the procedures and mechanisms,¹ the plenary of the Compliance Committee is to report on the activities of the Committee at each ordinary session of the CMP.

B. Scope of the report

2. The sixteenth annual report of the Committee covers the period from 13 November 2020 to 9 September 2021. It includes reports on its meetings held in 2021 and summaries of the work of and matters addressed by the Committee during the reporting period.

C. Vision and role of the Compliance Committee

3. The Committee welcomed the entry into force of the Doha Amendment on 31 December 2020 and continues its operations under decisions 27/CMP.1 and 8/CMP.9. The enforcement branch considered and decided on several questions of implementation arising from the implementation of the Kyoto Protocol in the second commitment period. The branch, in particular, noted with regard to the legal effect of various provisions that the questions of implementation under its consideration arose from unresolved problems pertaining to language of a mandatory nature in the provisions of the Protocol, which continue to be in force, such as those under Articles 7 and 8 of the Kyoto Protocol.² The Committee will continue its mandated work with respect to the implementation in the second commitment period, which underpins the pre-2020 mitigation action under the Kyoto Protocol and supports global efforts to combat climate change.

4. The successful achievement by Parties included in Annex I of the mitigation targets set out for the second commitment period of the Kyoto Protocol is of crucial importance to ambition and will help maximize pre-2020 ambition under the climate change regime. The final Annual Reports containing the inventory for the last year of the second commitment period will be submitted in 2022 and will be reviewed towards the end of 2022 and the beginning of 2023. All Annex I Parties will be reviewed in this cycle. At its last meeting the Committee requested the CMP to set a date for the completion of the expert review process under Article 8 of the Kyoto Protocol for the last year of the second commitment period. The Committee also sought guidance from the CMP on the continued operation of the compliance mechanism of the Kyoto Protocol, including on its modalities and procedures, in the second commitment period and the parameters of the true-up period, particularly with respect to the consideration of questions of implementation arising from the review of the reports to be submitted to the secretariat by each Annex B Party upon expiration of the true-up period. The Committee will continue its work in accordance with the guidance provided by the CMP. In the event that the Committee receives guidance from the CMP on the eligibility of Countries that have undertaken a target for the second commitment period but not ratified the Doha Amendment, the Committee will act in accordance with such further guidance received from the CMP.

¹ Decision 27/CMP.1, annex.

² Compliance Committee document, Final Decision, CC-2020-1-4/Kazakhstan/EB, paragraph 26.

D. Possible action by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol

5. According to section XII of the procedures and mechanisms, the CMP is to consider the annual report of the Committee. This report will be formally considered by the CMP at its sixteenth session in November 2021 along with the 2020 annual report as the CMP exceptionally did not meet in 2020 due to the postponement of COP26/CMP16/CMA3 resulting from the COVID-19 pandemic.

6. [The Committee invites the CMP to consider and adopt the proposed amendments to the Rules of procedure of the Kyoto Protocol Compliance Committee³ as contained in Annex XX to this report.]

7. The Committee seeks guidance from the CMP on the continued operation of the compliance mechanism of the Kyoto Protocol, including on its modalities and procedures, in the second commitment period subsequent to the entry into force of the Doha Amendment to the Kyoto Protocol (hereinafter “Doha Amendment”, particularly with respect to the consideration of questions of implementation arising from the review of the reports to be submitted to the secretariat by each Annex B Party upon expiration of the true-up period, noting the implications of the entry into force of the Doha Amendment on the work of the Committee.⁴

8. The CMP may also wish to:

(a) Invite the President of the CMP to undertake consultations on the nomination of members and alternate members of the Committee to the currently vacant seats;

(b) Invite Parties, when considering the budget for the 2022–2023 biennium, to ensure that adequate resources are provided for the work of the Committee and its functions relating to the completion of work in the second commitment period of the Kyoto Protocol.

II. Organizational matters

9. During the reporting period, the Compliance Committee held the following meetings:

(a) The 36th meeting of the enforcement branch, on 7 September 2021;

(b) The 24th meeting of the facilitative branch, on 8 September 2021;

(c) The 23rd meeting of the plenary, on 9 September 2021.

10. All of the meetings were held virtually owing to the circumstances related to the COVID-19 pandemic. Meetings held virtually are deemed to have been held at the seat of the secretariat in Bonn.

11. The agenda and annotations, documentation supporting agenda items and report for each meeting of the plenary and the facilitative and enforcement branches are available on the UNFCCC website.⁵

A. Membership of the Compliance Committee

16. In accordance with rule 3, paragraph 1, of the rules of procedure of the Committee, the term of office of each member and alternate member of the Committee starts on 1 January of the calendar year immediately following his or her election and ends on 31 December four years thereafter.

17. The Committee welcomes the nominations of new members and alternate members and notes the importance of filling all vacant seats for the upcoming term during the upcoming elections in Glasgow.

³ Decision 4/CMP.2, annex as amended by decision 4/CMP.4.

⁴ As per decision 13/CMP.1, para. 3, and annex, para. 49.

⁵ <https://unfccc.int/Compliance-Committee-CC>.

18. The Committee wishes to draw the attention of the CMP to three vacancies in the membership of the Committee (facilitative branch) that have remained unfilled since 2019 owing to the absence of nominations of a member from the small island developing States, an alternate member from Parties not included in Annex I and an alternate member from Parties included in Annex I, and to the importance of nominating and electing a member and alternate members to fill these vacancies and serve the remainder of the term, until 31 December 2023.

19. The Committee expresses its hope that Parties will keep in mind the goal of gender balance when submitting nominations for membership of the Committee.

B. Transparency, communication and information

20. In accordance with rule 9, paragraph 1, of the rules of procedure, meetings of the plenary and of the facilitative and enforcement branches held in the reporting period were recorded and broadcast on the UNFCCC website, with the exception of the parts of those meetings that were held in private in accordance with the same rule.

21. In accordance with rule 12, paragraph 2, of the rules of procedure, all documents of the plenary and the enforcement and facilitative branches have been made available on the UNFCCC website.⁶

22. In view of the current shortfall in funding for the Committee, decisions are no longer made available in all United Nations languages. The Committee wishes to inform the CMP that rule 13, paragraph 3, of the rules of procedure, which relates to this matter, was not followed during the reporting period.

C. Use of electronic means in decision-making

23. Pursuant to rule 11, paragraph 2, of the rules of procedure, the Committee may elaborate and take decisions using electronic means. During the reporting period, the enforcement branch used electronic means to take the final decision with respect to Kazakhstan, and to take the decision on the resolution of the question of implementation with respect to Monaco.

III. Work undertaken in the reporting period

A. Activities of the plenary

1. Consideration of the reports of expert review teams under Article 8 of the Kyoto Protocol

24. In accordance with section VI, paragraph 3, of the procedures and mechanisms, and decision 22/CMP.1, annex, paragraph 49, the members and alternate members of the facilitative branch of the Committee [received and considered] the following reports:

(a) The 2020 ARRs of Australia, Austria, Croatia, Cyprus, Denmark, Estonia, Finland, Germany, Hungary, Ireland, Japan, Latvia, Norway, Poland, Portugal, Romania, Russian Federation, Slovenia and Sweden.

(b) The 2021 ASRs of Australia, Austria, Belarus, Belgium, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, European Union, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Kazakhstan, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Monaco, the Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, Ukraine and the United Kingdom of Great Britain and Northern Ireland.

⁶ Documents relating to the plenary, facilitative branch and enforcement branch are available at <http://unfccc.int/3788.php>, <http://unfccc.int/3786.php> and <http://unfccc.int/3785.php>, respectively.

1. Entry into force of the Doha Amendment to the Kyoto Protocol

25. The plenary welcomed the entry into force of the Doha Amendment, which was adopted through decision 1/CMP.8., on 31 December 2020.

26. The plenary noted that, subsequent to the entry into force of the Doha Amendment, it would continue its work in response to the mandates under decisions 27/CMP.1 and 8/CMP.8 as well as Articles 7–8 of the Kyoto Protocol with respect to the implementation of the second commitment period, and that it would consider questions of implementation arising from the review of the true-up period reports in accordance with the parameters of the true-up period set out by the CMP.

27. The plenary seeks guidance from the CMP on the continued operation of the compliance mechanism of the Kyoto Protocol, including on its modalities and procedures, in the second commitment period and the parameters of the true-up period, particularly with respect to the consideration of questions of implementation arising from the review of the true-up period reports.

2. Amendment to the rules of procedure of the Kyoto Protocol Compliance Committee

28. [The plenary agreed to amend the rules of procedure of the Kyoto Protocol Compliance Committee to enable members and alternate members to remain in office until their successor has been elected and to allow for the intersessional replacement of members and alternate members. The plenary invites the CMP to adopt this amendment as contained in Annex XX to this report.]

B. Activities of the enforcement branch

29. In this reporting period, the enforcement branch did not receive any new questions of implementation and continued to consider the ongoing question of implementation with respect to Monaco⁷ and Kazakhstan from the previous reporting period.⁸ The branch also welcomed the entry into force of the Doha Amendment and considered an amendment to the rules of procedure of the Kyoto Protocol Compliance Committee to enable members and alternate members to remain in office until their successor has been elected and to allow for the intersessional replacement of members and alternate members.

30. In accordance with section III, paragraph 2(a), of the procedures and mechanisms, the progress report submitted by Kazakhstan during the reporting period is listed in the annex.

1. Question of implementation with respect to Monaco

31. Monaco, in accordance with section XV, paragraph 3, of the procedures and mechanisms, submitted its seventh progress report⁹ on its compliance plan¹⁰ on 14 January 2021. In its seventh progress report, Monaco provided updated information on the entry into force of the legal provisions for data collection, as requested by the branch at its 35th meeting.

32. The enforcement branch reviewed this progress report and concluded that on the basis of the information submitted, presented and considered, it could determine that the questions of implementation with respect to Monaco had been resolved. The branch noted that all the measures described in Monaco's compliance plan had been implemented.

33. In accordance with section X, paragraph 2 of the procedures and mechanisms, the branch adopted a decision by electronic means on 8 February 2021 on the resolution of the question of implementation with respect to Monaco (CC-2018/1/14/Monaco/EB).

⁷ All documents relating to the question of implementation for Monaco are available at <https://unfccc.int/process-and-meetings/the-kyoto-protocol/compliance-under-the-kyoto-protocol/questions-of-implementation-monaco>.

⁸ All documents relating to the 2019 questions of implementation for Kazakhstan are available at <https://unfccc.int/process-and-meetings/the-kyoto-protocol/compliance-under-the-kyoto-protocol/questions-of-implementation-kazakhstan>.

⁹ Compliance Committee documents CC-2018-1-13/Monaco/EB.

¹⁰ Compliance Committee document CC-2018-1-5/Monaco/EB.

2. Questions of implementation with respect to Kazakhstan

34. On 10 November 2020, during its 35th meeting, the enforcement branch adopted by consensus a preliminary finding (CC-2020-1-2/Kazakhstan/EB) that Kazakhstan is not in compliance with the “Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol” (annex to decision 15/CMP.1 in conjunction with decisions 3/CMP.11 and 2/CMP.8), the “Guidelines for national systems for the estimation of anthropogenic greenhouse gas emissions by sources and removals by sinks under Article 5, paragraph 1, of the Kyoto Protocol” (annex to decision 19/CMP.1 in conjunction with decision 3/CMP.11), the methodological and reporting requirements contained in decisions 2/CMP.8, 3/CMP.11 and 15/CMP.1, or the national registry requirements contained in decision 13/CMP.1, annex, chapter II, in conjunction with decision 3/CMP.11. 30) The enforcement branch did not receive any further submissions from Kazakhstan.

35. On 13 January 2021, the enforcement branch adopted the final decision with respect to Kazakhstan (CC-2020-1-2/Kazakhstan/EB) by electronic means, confirming the preliminary finding.

36. In accordance with paragraph 6 of the final decision and paragraph 29 of the preliminary finding, the first progress report was to be submitted by Kazakhstan in accordance with paragraph 3 of section XV and the decision on the review and assessment of the plan (CC-2019-1-12/Kazakhstan/EB) no later than 31 January 2021 and subsequent progress reports would need to be submitted thereafter on a periodic basis, at least once every six months, to address the questions of implementation raised in the 2019 ARR, in addition to the questions of implementation raised in the 2017 ARR and IRR and the recommendations of the branch contained in decision CC-2019-1-12/Kazakhstan/EB.

37. Kazakhstan submitted its first progress report (CC-2020-1-5/Kazakhstan/EB) on 22 February 2021. [Kazakhstan’s second progress report was submitted on XX].

38. [To be completed after conclusion of the 36th meeting of the enforcement branch.]

C. Activities of the facilitative branch

39. Following the deliberations its 23rd meeting, the facilitative branch agreed to continue the reviews of the reports as per the practical working arrangements decided at its 22nd meeting, with improvements to the working modalities of the groups to enhance their efficiency and coordination, including improvements to the “General Analysis and Overview” guiding tool developed in 2019 to review the reports.

40. The branch, at its 23rd meeting also considered developing a consolidated document on lessons learned and best practices, building on the experience of the branch in fulfilling its mandate to provide advice and facilitation to Parties more broadly.

41. In this reporting period, the secretariat distributed the review reports to the members and alternate members of the facilitative branch for their consideration, in accordance with section VI, paragraph 3, of the procedures and mechanisms. The secretariat also continued to maintain an electronic platform, which the working groups used to share their analyses and suggestions with one another. However, the Committee could not conduct any reviews during this reporting period due to the challenges associated with meeting virtually as a result of the COVID 19 pandemic. The Committee agreed to continue the review of these reports in the subsequent reporting period.

42. The branch also agreed to further develop an outline for the draft compendium on lessons learned and best practices during the subsequent reporting period with a view to develop it further in advance of the next meeting of the Committee.

43. Recognizing the four-year term allocated to its members and alternate members, the branch noted the importance of assisting new members and alternate members build their experience through an induction early in the year following their election.

44. The branch welcomed the entry into force of the Doha Amendment and considered an amendment to the rules of procedure of the Kyoto Protocol Compliance Committee to enable

members and alternate members to remain in office until their successor has been elected and to allow for the intersessional replacement of members and alternate members.

45. The branch shared its views on meeting virtually for the first time and expressed a strong preference for in-person meetings, noting their importance for new members and alternate members in particular. However, the branch also noted the shortfall for compliance in the budget for the biennium and the cost implications of in-person meetings. The branch discussed alternatives, such as alternating between in-person and virtual meetings. The branch noted that, despite the preference for in-person meetings, the evolving global situation resulting from the COVID-19 pandemic may require the branch to meet virtually or hold hybrid meetings with members attending in person and alternates attending virtually.

D. Budget for the work of the Compliance Committee

46. For the biennium 2020–2021, the Committee notes that, as part of the overall core budget of the Legal Affairs division, funds have been foreseen for only one (in-person) meeting of the Committee per year.¹¹

47. Owing to the virtual format of meetings of the Committee in 2020 and 2021 as a result of the COVID-19 pandemic, an estimated EUR 100,000 was saved in meeting and travel costs of the branches and plenary.

48. [Further text to be added after discussions in plenary]

¹¹ See decision 17/CP.25, table 1, and document FCCC/SBI/2019/4/Add.1, table 19.

Annex**Documents of the enforcement branch of the Compliance Committee during the reporting period****Monaco**

<i>Title</i>	<i>Compliance Committee document number</i>	<i>Date</i>
Seventh progress report	CC-2018-1-13/Monaco/EB	14 January 2021
Decision on resolution of Question of Implementation	CC-2018-1-14/Monaco/EB	8 February 2021

Kazakhstan

<i>Title</i>	<i>Compliance Committee document number</i>	<i>Date</i>
Final decision	CC-2020-1-4/Kazakhstan/EB	13 January 2021
First progress report	CC-2020-1-5/Kazakhstan/EB	22 February 2021