

PRELIMINARY FINDING

Party concerned: Monaco

In accordance with the “Procedures and mechanisms relating to compliance under the Kyoto Protocol”, contained in the annex to decision 27/CMP.1 (procedures and mechanisms)¹ and adopted under Article 18 of the Kyoto Protocol and the “Rules of procedure of the Compliance Committee of the Kyoto Protocol” (rules of procedure),² the enforcement branch adopts the following preliminary finding.

I. BACKGROUND

1. On 23 March 2018, the secretariat received a question of implementation indicated in the report of the expert review team (ERT) on the individual review of the annual submission of Monaco submitted in 2017 and contained in document CC/ERT/ARR/2018/8 (hereinafter the review report).
2. The bureau of the Compliance Committee allocated the question of implementation to the enforcement branch on 3 April 2018 under paragraph 1 of section VII,³ in accordance with paragraphs 4 to 6 of section V and paragraph 1 of rule 19 of the rules of procedure.
3. On 4 April 2018, the secretariat notified the members and alternate members of the enforcement branch of the question of implementation, in accordance with paragraph 2 of rule 19 of the rules of procedure, and of its allocation to the enforcement branch.
4. The question of implementation relates to 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 decision 3/CMP.11) and 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).⁴
5. In particular, the ERT noted that there were significant delays in the submission of annual inventory reports, with the 2017 national inventory report (NIR) submitted on 20 September 2017 and the 2016 NIR submitted on 12 September 2017.⁵ The ERT also noted that the issue of timely submission of NIRs by Monaco had been identified in reviews prior to 2016 (e.g. FCCC/ARR/2014/MCO, paragraph 7) and had also been considered earlier by the Compliance Committee (CC/EB/25/2014/1, CC/EB/25/2014/3, CC/EB/26/2015/1, CC/EB/26/2015/2 and CC/EB/27/2015/2).⁶ In failing to submit the NIR within six weeks of the submission due date, the ERT considered that Monaco has not met the mandatory requirements stipulated in paragraph 3(a) of decision 15/CMP.1 in conjunction with decision 3/CMP.11.⁷

¹ All section references in this document refer to the procedures and mechanisms.

² All references to the rules of procedure in this document refer to the rules contained in the annex to decision 4/CMP.2 as amended by decisions 4/CMP.4 and 8/CMP.9.

³ Unless otherwise indicated, ‘sections’ referred to in this decision are those of the procedures and mechanisms mentioned in the introductory paragraph above.

⁴ See CC/ERT/ARR/2018/8, paragraph 12 and table 6.

⁵ See CC/ERT/ARR/2018/8, paragraphs 7 and 9 and tables 3 (G.1) and 5 (G.17).

⁶ See CC/ERT/ARR/2018/8, paragraph 9 and table 5 (G.17).

⁷ See CC/ERT/ARR/2018/8, paragraph 9 and table 5 (G.17).

6. Furthermore, the ERT considered that the late submission of NIRs indicates problems with the performance of the national system functions, in particular:

- (a) Insufficient implementation of national institutional arrangements and maintenance of capacity to ensure the timely performance of the functions defined in the guidelines for national systems, as outlined in decision 19/CMP.1, annex, paragraph 10(a), (b) and (d), in conjunction with decision 3/CMP.11.⁸
- (b) Insufficient implementation of inventory preparation and management procedures defined in the guidelines for national systems, as outlined in decision 19/CMP.1, annex, paragraphs 14(g) and 16(a), in conjunction with decision 3/CMP.11.⁹

7. In accordance with the relevant timelines set out in the procedures and mechanisms and the rules of procedure, the question of implementation contained in the 2017 review report¹⁰ and the notification on the decision to proceed,¹¹ which included a reminder about the possibility to request a hearing and the deadline for making the written submission,¹² were forwarded to the diplomatic agent of Monaco with a copy to the national focal point of Monaco.

8. No request for a hearing from Monaco under paragraph 1(c) of section X was received by the branch. However, the designated agent of Monaco communicated to the secretariat that its representatives will make a statement during the meeting of the branch at which the question of implementation is considered.

9. Monaco did not make any written submission in accordance with paragraph 1 of section IX, paragraph 1(b) of section X, and rule 17 of the rules of procedure.

10. From 29 to 30 May 2018, the enforcement branch held its thirty-first meeting in Bonn to consider the question of implementation with respect to Monaco.¹³ A statement and a presentation were made by the representatives of Monaco at that meeting, and the members and alternate members of the branch were able to pose questions to the Party concerned.

11. No competent intergovernmental or non-governmental organization submitted any information under paragraph 4 of section VIII.

II. INFORMATION SUBMITTED, PRESENTED AND CONSIDERED

12. In its deliberations, the enforcement branch considered the NIR, the review report referred in paragraph 1 above, the relevant reports and decisions of the facilitative and enforcement branches of the Compliance Committee that addressed the issue of submissions by Monaco in previous years,¹⁴ the report on the individual review of the 2015 annual submission of Monaco,¹⁵ as well as the presentation made by Monaco during the thirty-first meeting of the enforcement branch.

13. In its presentation, Monaco reaffirmed its commitment to the full implementation of the Kyoto Protocol and its target for the second commitment period. It acknowledged that there were

⁸ See CC/ERT/ARR/2018/8, paragraph 9 and table 5 (G.17).

⁹ See CC/ERT/ARR/2018/8, paragraph 9 and table 5 (G.17).

¹⁰ Section VI, paragraph 2.

¹¹ Section VII, paragraph 4.

¹² Section X, paragraph 1(b) and (c).

¹³ Item 4 of the agenda of the thirty-first meeting of the enforcement branch, contained in document CC/EB/31/2018/1.

¹⁴ CC/FB/8/2010/4, paragraphs 7 and 8, CC/FB/2010/2, CC/FB/9/2010/2, paragraph 6, CC/FB/15/2014/2, paragraphs 13 and 14, CC/FB/16/2014/2, paragraphs 12 and 13, CC/EB/25/2014/3, paragraph 10, CC/EB/26/2015, paragraph 7, and CC/EB/27/2015/2, paragraphs 3, 7 and 8.

¹⁵ FCCC/ARR/2015/MCO.

delays in the preparation and submission of several of its reports, including the greenhouse gas (GHG) inventory submissions for 2015, 2016 and 2017, as well as its fifth and sixth national communications. Monaco referred to the difficulties it experienced with regard to the availability of staff for the preparation of reports, including staff changes and the limited availability of experts. Monaco also referred to the increased workload during the introduction of the mandatory use of the 2006 reporting guidelines of the Intergovernmental Panel on Climate Change (IPCC) on GHG inventories following the adoption of decision 24/CP.19 in 2013.

14. In its presentation, Monaco pointed out that over the past years the Department of the Environment of the Ministry of Public Works, Environment and Urban Development has engaged in important structural and methodological improvements of the national system, including with regard to inventory planning, arrangements for the collection of data, and quality assurance and quality control (QA/QC) procedures. Monaco described its efforts to recruit additional qualified personnel, including the hiring of an additional expert in October 2017, and further plans to engage either additional staff or external consultants. Monaco also pointed out that first results of its efforts are already visible in the timely submission of its 2018 NIR and the common reporting format (CRF) tables.

III. REASONS AND CONCLUSIONS

15. The enforcement branch noted with appreciation the measures taken by Monaco over the past year as well as in the preceding years to improve the functioning of its national system. The branch was encouraged by the willingness and commitment shown by Monaco to address the unresolved problems referred to in paragraphs 5 and 6 above. In particular, the branch welcomed that some of the recent measures with respect to the capacity of the national inventory team appear to have contributed to the timely submission of the 2018 NIR of Monaco. It also noted that Monaco was taking steps to provide for a budgetary allocation needed to increase the expert capacity of the team. The branch further noted that certain measures were being considered by Monaco to improve its inventory planning functions, in particular QA/QC procedures.

16. The enforcement branch took note of the special national circumstances of Monaco, including with respect to the difficulties of identifying and retaining a sufficient number of experts within the small population of the country, and in relation to the application of the reporting guidelines and the methodologies in the 2006 IPCC Guidelines given the geographical location and the size of its territory.

17. However, the enforcement branch noted with concern that the delays in the submission of NIRs or the corresponding CRF tables have been recurring over a number of years and that several of the problems referred to in paragraph 6 above remain unresolved.

18. In this regard, the enforcement branch considers that further effort by Monaco is required to ensure effective and sustainable functioning of its national system.

19. The enforcement branch noted that in the 2015 and 2017 review reports the ERTs recommended that the next review of Monaco be conducted as an in-country review.¹⁶

IV. FINDINGS

20. The enforcement branch determines that Monaco 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 decision 3/CMP.11) in conjunction with the “Guidelines for

¹⁶ CC/ERT/ARR/2018/8, annex III, paragraph 2.

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).

21. These findings shall take effect upon confirmation by a final decision of the branch.

V. CONSEQUENCES

22. In accordance with section XV, the enforcement branch applies the following consequences with respect to the unresolved problems referred to in paragraphs 5 and 6 above:

(a) Monaco is declared to be in non-compliance;

(b) Monaco shall develop a plan referred to in paragraph 1 of section XV, in accordance with the substantive requirements of paragraph 2 of section XV and paragraph 1 of rule 25 bis of the rules of procedure, submit it within three months to the enforcement branch in accordance with paragraph 2 of section XV, and report on the progress of its implementation in accordance with paragraph 3 of section XV.

23. These consequences shall take effect upon confirmation by a final decision of the enforcement branch.

Members and alternate members participating in the consideration and elaboration of the preliminary finding: Ms. Eva ADAMOVA, Ms. Karoliina ANTTONEN, Mr. Joseph AITARO, Mr. Mohammad Sa'dat ALAM, Mr. Gerhard LOIBL, Mr. Leonardo MASSAI, Mr. Yaw OSAFO, Mr. Ahmad RAJABI, and Mr. Milan ZVARA.

Members participating in the adoption of the preliminary finding: Ms. Eva ADAMOVA (alternate member serving as member), Ms. Karoliina ANTTONEN, Mr. Joseph AITARO, Mr. Mohammad Sa'dat ALAM, Mr. Gerhard LOIBL, Mr. Yaw OSAFO, Mr. Ahmad RAJABI, and Mr. Milan ZVARA.

This decision was adopted by consensus in Bonn on 30 May 2018.
