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Methodological issues under the Convention

Work programme on the revision of the guidelines for the review of biennial reports and national communications, including national inventory reviews, for developed country Parties

Outcome of the 10th meeting of inventory lead reviewers on the options to improve the cost-effectiveness, efficiency and practicality of the review process

Note by the secretariat

Summary

This report provides the conclusions and recommendations of the inventory lead reviewers on options to improve the cost-effectiveness, efficiency and practicality of the review process made during the 10th meeting of the lead reviewers, held in Bonn, Germany, from 18 to 20 March 2013. It is based on discussions held in response to the request by the Subsidiary Body for Scientific and Technological Advice, at its thirty-seventh session, to the lead reviewers to discuss the above-mentioned topic in the context of implementing the work programme on the revision of the guidelines for the review of biennial reports and national communications, including national inventory reviews, for developed country Parties, in accordance with decision 2/CP.17, paragraph 28.

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I. Introduction

A. Mandate

1. At its thirty-seventh session, the Subsidiary Body for Scientific and Technological Advice (SBSTA) agreed on the work programme on the revision of the guidelines for the review of biennial reports and national communications, including national inventory reviews, for developed country Parties, in accordance with decision 2/CP.17, paragraph 28.¹

2. At the same session, the SBSTA agreed that, in their consideration of the activities under the above-mentioned work programme, Parties should take into account the following: (a) experience with the review of information submitted by Parties included in Annex I to the Convention (Annex I Parties) under the Convention, including the submissions from Parties, the synthesis reports on those submissions and the secretariat's experience with coordinating reviews of national communications and annual greenhouse gas (GHG) inventories of Annex I Parties; and (b) the need to have a cost-effective, efficient and practical review process that does not impose an excessive burden on Parties, experts or the secretariat.²

3. The SBSTA also requested the inventory lead reviewers to discuss options to improve the cost-effectiveness, efficiency and practicality of the review process at their meeting in 2013 and requested the secretariat to make the outcome of their discussions available as inputs to discussions at SBSTA 38.³

B. Scope of the note

4. This report covers the discussions by the lead reviewers at their 10th meeting, held in Bonn, Germany, from 18 to 20 March 2013, on the options to improve the cost-effectiveness, efficiency and practicality of the review process.⁴ More specifically, this report covers the proceedings of the lead reviewers' discussions on the options and the conclusions and recommendations of the lead reviewers. The full text of the conclusions of the 10th meeting of inventory lead reviewers is available on the UNFCCC website.⁵

II. Proceedings

5. The lead reviewers discussed options to improve the cost-effectiveness, efficiency and practicality of the review process, focusing on three areas: (a) streamlining the review process through combining different types of review and modifying their format and frequency; (b) professionalization of the review process; and (c) the need to enhance training activities in the light of the newly established international assessment and review

¹ FCCC/SBSTA/2012/5, paragraph 77.

² FCCC/SBSTA/2012/5, paragraph 78.

³ FCCC/SBSTA/2012/5, paragraph 79.

⁴ The overall objective of the inventory lead reviewers' meeting is to discuss, annually, procedural and technical issues relating to the annual review of GHG inventories from Annex I Parties under the Convention and the annual reviews under the Kyoto Protocol in accordance with decisions 12/CP.9, 22/CMP.1 and 24/CMP.1. A total of 47 experts attended the 10th meeting (24 from Parties not included in Annex I to the Convention and 23 from Annex I Parties).

⁵ <http://unfccc.int/files/national_reports/annex_i_ghg_inventories/review_process/application/pdf/10thlrmeeting_conclusionsrecommendations.pdf>.

(IAR) process. These options were developed on the basis of the views expressed by Parties in their submissions prior to SBSTA 37, discussions held by the SBSTA on this issue at that session and the secretariat's experience with coordinating the reviews.⁶ Options discussed during the meeting are summarized in paragraphs 6–8 below.

A. Streamlining the review process

6. In addressing the streamlining of the review process, the lead reviewers discussed the option of combining the reviews of biennial reports and national communications in the years when both reports are submitted, in line with decision 2/CP.17, annex II, paragraph 6, as well as the option of conducting those reviews through a combination of in-country and centralized reviews. The lead reviewers also discussed options to limit the depth of the individual reviews of the GHG inventory submissions of Annex I Parties every second year and to streamline the preparation of the review reports and automate some parts of their preparation. The following options were considered:

(a) **The 'business as usual' option:** the GHG inventory reviews would continue to be conducted on an annual basis for all 44 Annex I Parties (centralized reviews for 34 Parties and in-country reviews for 10 Parties). In addition, 44 individual in-country and in-depth reviews of national communications and biennial reports would be conducted under IAR, on the condition that the reviews of national communications and biennial reports would be conducted in conjunction;⁷

(b) **Streamlined option A:** the GHG inventory review process would include an individual GHG inventory review for each Annex I Party every two years, starting from 2015,⁸ combined with an annual status report consisting of an annual automatic completeness check of each Annex I Party's GHG inventory submission. The GHG inventory review would continue to be conducted through a combination of centralized and in-country reviews (centralized reviews for 34 Parties and in-country reviews for 10 Parties on a biennial basis). The national communication and biennial report reviews would be conducted in conjunction, through a combination of centralized and in-country reviews (in-country reviews for 34 Parties and centralized reviews for 10 Parties on a biennial basis, with the latter group comprising Annex I Parties with small economies that are not included in Annex II to the Convention);⁹

(c) **Streamlined option B:** the GHG inventory review process would include an individual GHG inventory review for each Annex I Party every two years, starting from 2015, combined with an annual status report consisting of an annual automatic completeness check of each Annex I Party's GHG inventory submission. All GHG

⁶ FCCC/SBSTA/2012/MISC.17 and Add.1, FCCC/SBSTA/2012/INF.11 and FCCC/TP/2012/8.

⁷ Although this option is called 'business as usual', it already provides for efficiency gains as it assumes that the national communications and biennial reports are conducted in conjunction starting in 2014. If this is not the case and the reviews are conducted separately, there will be 44 in-country reviews for national communications every four to five years and 44 reviews for biennial reports every two years. Such an approach would require a more than three times increase in resources compared with the requirements of the current reporting and review system for developed country Parties, and would imply reviewing double the amount of information, which is largely overlapping and which may prove unrealistic.

⁸ The 2014 inventories of Annex I Parties will be submitted under existing UNFCCC reporting guidelines; the 2015 annual inventories will be prepared and submitted under the new guidelines adopted by decision 15/CP.17.

⁹ This option is consistent with the approach applied to the reviews of the fifth national communications from Annex I Parties that are also Parties to the Kyoto Protocol in accordance with decision 10/CMP.6.

inventory reviews would be conducted in a centralized manner (with centralized reviews for 22 Parties per year), and in-country reviews would be conducted only at a Party's request or in special, well-defined circumstances. The national communication and biennial report reviews would be conducted in conjunction, through a combination of centralized and in-country reviews, with more emphasis put on centralized reviews compared with streamlined option A (in-country reviews for 22 Parties and centralized reviews for 22 Parties on a biennial basis).

B. Professionalization of the review process

7. The lead reviewers discussed the options for establishing a standing group of experts and introducing a service fee system in order to professionalize the review process:

(a) **Standing group of experts:** with this option, the overall structure of review teams under the Convention would be modified. Instead of separate ad hoc expert review teams to be drawn from the UNFCCC roster of experts for individual reviews, a standing group of review experts would be established by the secretariat to undertake all the review tasks, under the coordination of secretariat staff. At least some of the experts for the standing group of experts would continue to be drawn from the existing UNFCCC roster of experts;

(b) **Service fee system:** a service fee system would be introduced to provide financial incentives to review experts so that they participate in the reviews and dedicate sufficient time to the associated tasks. Under the service fee system, experts participating in the review would receive remuneration for their professional service on a contractual basis, at a rate corresponding to the complexity of the work and in accordance with the relevant United Nations rules.

C. Enhancing training activities

8. The lead reviewers discussed the option of enhancing training activities through expanding the current training curriculum for review experts to cover key elements of the review of national communications and biennial reports. In particular, the training would be expanded to areas such as: the review of progress made towards emission reduction targets, including policies and measures, their mitigation effects, and the use of units from the market-based mechanisms and land use, land-use change and forestry activities; emission projections; and the provision of financial, technological and capacity-building support. This would enhance the competence of experts involved in national communication reviews and bring more clarity to the review process. Consequently, training of experts could improve the quality, timeliness and consistency of reviews. It would also address the experts' needs with regard to the upcoming biennial report reviews given the new rules and procedures of the IAR process, which are unfamiliar to experts, and the new elements to be included in those reports.

III. Conclusions and recommendations of the inventory lead reviewers on options to improve the cost-effectiveness, efficiency and practicality of the review process

9. The lead reviewers noted that the implementation of the existing review process of national communications and national GHG inventories is resource intensive and has resulted in an increase in pressure on Parties, experts and the secretariat in recent years.

They also noted that the newly established IAR process for developed countries, to be launched in early 2014, will significantly increase the volume of work.

10. The lead reviewers agreed on the need to have a cost-effective, efficient and practical review process that does not impose an excessive burden on Parties, experts or the secretariat. They discussed a range of options for addressing that need, including combining different types of review and modifying their format and frequency.

11. On consideration of the issue outlined in decision 2/CP.17, annex II, paragraph 6,¹⁰ the lead reviewers recommend that the reviews of biennial reports should not be conducted in conjunction with the GHG inventory reviews, because of the different timing and content of the reports.

12. The lead reviewers considered the options of professionalizing the review process by introducing a service fee system and establishing a standing group of experts at the secretariat, and concluded that those options should be further explored. They noted that introducing a service fee may increase the availability of experts but would not necessarily improve the quality and timeliness of the reviews. The lead reviewers agreed that the option of supplementing the current expert review teams with a standing group of experts or other hybrid solutions should be further explored.

13. Based on the experiences of the lead reviewers with reviews, they noted that there is value in providing training to experts on the IAR process.

14. The lead reviewers recommended that Parties update and expand the UNFCCC roster of experts in order to meet the particular needs for expertise of the upcoming IAR process.

¹⁰ The paragraph states that “Each developed country Party’s biennial report will be reviewed, where relevant in conjunction with the annual GHG inventory and national communication review processes...”.