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Report of the technical review of the first biennial report of Austria

Developed country Parties are requested, in accordance with decision 2/CP.17, to submit their first biennial report to the secretariat by 1 January 2014. This report presents the results of the technical review of the first biennial report of Austria conducted by an expert review team in accordance with 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”.

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I. Introduction and summary

A. Introduction

1. For Austria, the Convention entered into force on 29 May 1994. Under the Convention, Austria made a commitment to contribute to the joint European Union (EU) economy-wide emission reduction target of 20 per cent of greenhouse gas (GHG) emissions by 2020 below the 1990 level.
2. This report covers the in-country technical review of the first biennial report (BR1)¹ of Austria, coordinated by the secretariat, in accordance with 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” (decision 23/CP.19).
3. The review took place from 31 March to 5 April 2014 in Vienna, Austria, and was conducted by the following team of nominated experts from the UNFCCC roster of experts: Mr. Matjaž Česen (Slovenia), Mr. Ross Alexander Hunter (United Kingdom of Great Britain and Northern Ireland), Ms. Duduzile Nhlengethwa-Masina (Swaziland) and Ms. Sirinthornthep Towprayoon (Thailand). Mr. Česen and Ms. Towprayoon were the lead reviewers. The review was coordinated by Ms. Inkar Kadyrzhanova (secretariat).
4. During the review, the expert review team (ERT) reviewed each section of the BR1.
5. In accordance with decision 23/CP.19, a draft version of this report was communicated to the Government of Austria, which provided comments that were considered and incorporated, as appropriate, into this final version of the report.

B. Summary

6. The ERT conducted a technical review of information reported in the BR1 of Austria according to the “UNFCCC biennial reporting guidelines for developed country Parties” (hereinafter referred to as the UNFCCC reporting guidelines on BRs).
7. During the review, Austria provided further relevant information such as the report on GHG projections and including the assessment of policies and measures, and information on fast-start finance.

1. Completeness and transparency of reporting

8. Gaps and issues related to the reported information identified by the ERT are presented in table 1 below.

2. Timeliness

9. The BR1 was submitted on 27 February 2014, after the deadline of 1 January 2014 mandated by decision 2/CP.17. The common tabular format (CTF) tables were submitted on 27 February 2014 as well. Austria informed the secretariat about its difficulties with the timeliness of its BR1 and CTF tables on 3 December 2014 in accordance with decision

¹ The biennial report submission comprises the text of the report and the common tabular format (CTF) tables. Both the text and the CTF tables have been subject to the technical review.

23/CP.19, annex, paragraph 65. The ERT noted with concern the delay in the submission of the BR1 and CTF tables.

3. Adherence to the reporting guidelines

10. The information reported by Austria in its BR1 is mostly in adherence to the UNFCCC reporting guidelines on BRs as per decision 2/CP.17 (see table 1).

Table 1

Summary of completeness and transparency issues of reported information in the first biennial report of Austria

<i>Sections of the biennial report</i>	<i>Completeness</i>	<i>Transparency</i>	<i>Reference to paragraphs</i>
Greenhouse gas emissions and trends	Complete	Transparent	
Assumptions, conditions and methodologies related to the attainment of the quantified economy-wide emission reduction target	Complete	Transparent	
Progress in achievement of targets	Mostly complete	Mostly transparent	19, 23, 26
Projections	Complete	Transparent	
Provision of support to developing country Parties	Partially complete	Mostly transparent	35, 36, 38, 39

Note: A list of recommendations pertaining to the completeness and transparency issues identified in this table is included in chapter III below (conclusions).

II. Technical review of the reported information

A. All greenhouse gas emissions and removals related to the quantified economy-wide emission reduction target

11. Austria has provided a summary of information on GHG emission trends for the period 1990–2011 in its BR1 and CTF table 1. This information is consistent with the 2013 national GHG inventory submission. During the review, the ERT took note of the 2014 annual submission, the relevant information of which is included in this report.

12. Total GHG emissions² excluding emissions and removals from land use, land-use change and forestry (LULUCF) increased by 2.5 per cent between the base year (1990) and 2012. Emissions trends were driven by economic growth and population increase during the reporting period. The growth in emissions was offset by the increasing share of renewable energy sources in energy mix, and energy savings gained through energy efficiency improvements. Further information on the review of emission and emission trends is provided in chapter II.A of the report of the technical review of the sixth national communication (IDR/NC6).

13. During the review, Austria provided additional information, elaborating on the separation of total GHG emissions to emissions from sources included in the EU Emissions Trading System (EU ETS) and sources not included in the EU ETS (non-ETS). In 2012, emissions covered by the EU ETS represented 37.8 per cent of total emissions (30,239.36 kt carbon dioxide equivalent (CO₂ eq)) and non-ETS represented 62.2 per cent

² In this report, the term “total GHG emissions” refers to the aggregated national GHG emissions expressed in terms of carbon dioxide equivalent excluding land use, land-use change and forestry, unless otherwise specified.

(49,820.00 kt CO₂ eq). The EU ETS covers heavy energy-using installations in power generation and manufacturing industries, while non-ETS sectors cover from sectors such as transport (with the exception of aviation and international maritime shipping), buildings, agriculture and waste. In Austria, transport was by far the largest non-ETS sector, with a 42.6 per cent share of non-ETS emissions in 2012. The ERT took note of this information.

B. Assumptions, conditions and methodologies related to the attainment of the quantified economy-wide emission reduction target

14. In its BR1 and CTF table 2, Austria reported a description of its target, including associated conditions and assumptions. Austria is a member State of the EU, which has a quantified economy-wide emission reduction target of a 20 per cent emission reduction by 2020 compared with the 1990 level. This target will be fulfilled jointly by the 28 member States of the EU. The quantified economy-wide emission reduction target covers CO₂, methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆). Global warming potential (GWP) values used are those based on the Second Assessment Report (2AR) of the Intergovernmental Panel on Climate Change. The target covers emissions from energy, transport, industrial processes, agriculture, waste and aviation, while the LULUCF sector is excluded.

15. The EU's commitment is underlined by the fact that it is already written into EU legislation, and is already being implemented by the EU and its member States. At the heart of this legislation is the EU 2020 climate and energy package. Under EU decision 406/2009/EC of the European Parliament and Council, EU member States are obligated to meet this target via the EU 2020 climate and energy package. This package includes the EU ETS and the EU effort-sharing decision (ESD). The ESD sets annual national emission targets for all member States for the period 2013–2020 for those sectors not covered by the EU ETS. By 2020, those national targets for each member State will collectively deliver a reduction of about 10 per cent of total EU emissions from the sectors not covered by the EU ETS compared with 2005 level. Austria's target is enshrined in the Austrian Climate Change Act and defined as a linear path from average emissions in the period 2008–2010 to a 16 per cent emission reduction in 2020 compared with 2005. During the review, Austria provided additional information, elaborating on its target for emissions from sources not included in the EU ETS and its PaMs to reach this target.

16. The BR1 includes all information on the quantified economy-wide emission reduction target required by the UNFCCC reporting guidelines on BRs. However, to increase the transparency of reporting on the target, the ERT suggests that Austria include a description of how the EU quantified economy-wide emission reduction target translates into a national target for emissions not covered by the EU ETS in its next BR.

17. In its BR1, Austria reported on its measures taken to ensure compliance with Austria's emission reduction targets for the non-ETS sectors, including on taking action against domestic non-compliance. The Austrian Climate Change Act forms the legal basis for this. Each year a report on progress made towards meeting non-ETS sectoral emission reduction targets is presented to the Austrian Parliament and the National Climate Change Committee. If sectoral targets are not met, negotiations on additional measures are initiated.

C. Progress made towards the achievement of the quantified economy-wide emission reduction target

18. In its BR1 and CTF tables 3 and 4, Austria reported information on its mitigation actions implemented and planned since its fifth national communication to achieve its

target. In the BR1, Austria reported that it does not plan to use units from the Kyoto Protocol mechanisms to reach its domestic target by 2020, while use of LULUCF is excluded from the quantified economy-wide emission reduction target.

19. The BR1 does not include all information required by the UNFCCC reporting guidelines on BRs on mitigation actions, including on the policies and measures (PaMs) that Austria has implemented or plans to implement to achieve its economy-wide emission reduction target. In particular, in its BR1 Austria reported only adopted and implemented PaMs, while it did not report the additional measures that are necessary for reaching its non-ETS target, according to the projections provided during the review. During the review, Austria provided additional information, elaborating on additional measures in a complete and transparent manner. The ERT recommends that Austria include a description of all the measures that are envisaged for reaching its targets in its next biennial report (BR).

20. The ERT reviewed the reported information and noted that on the basis of the BR1 it is difficult to assess the progress made towards achieving the EU-wide target. Therefore, the ERT suggests that Austria provide information on emissions from non-ETS sources and assessment of progress towards its national target in its next BR (see para. 52 of the IDR/NC6). During the review, Austria explained that non-ETS emissions in 2012 amounted to 49,820.00 kt CO₂ eq, while the annual target for 2013 according to the ESD and EU implementation acts is 51,571.14 kt CO₂ eq. The ERT noted that Austria's emissions in 2012 are lower than the non-ETS target for 2013. The ERT reviewed the reported information and noted the progress made towards achieving the target for non-ETS sectors.

21. Based on experience and comparison with sectoral targets and past trends, the greatest challenge for Austria in meeting its target lies in the transport sector. The emission trend from this sector is volatile because of the high share of fuel export in sectoral emissions, which is driven by the difference in fuel price between Austria and its neighbouring countries. Austria has many PaMs in place to address emissions from domestic transport like the National Action Programme for Mobility Management (so called klima:aktiv mobil), enhanced fuel efficiency of vehicles (NoVa taxation scheme), and an increased share of biofuels.

1. Mitigation actions and their effects

22. Austria has provided in its BR1 comprehensive and 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. CTF table 3 largely reflects the information provided in table 4.3 of the NC6 along with the expanded description of PaMs in chapter 4 of the NC6. The ERT noted that in CTF table 3 Austria reported mitigation impacts in Mt CO₂ eq rather than kt CO₂ eq as required by the UNFCCC reporting guidelines on BRs. A detailed review of the reported information is provided in chapter II.B of the IDR/NC6.

23. Various institutional arrangements, processes and programmes are in place to support the delivery of Austria's target, alongside the implementation of the EU ETS in Austria. However, neither the NC6 nor the BR1 include PaMs that are 'additional' and the projections show that Austria's domestic target can only be met if additional measures are implemented. The UNFCCC reporting guidelines on BRs require Austria to provide information on its mitigation actions, including the PaMs it has implemented or plans to implement since its previous national communication (NC) or BR to achieve its economy-wide emission reduction target. The ERT therefore recommends that Austria include a

description of PaMs included in the ‘with additional measures’ scenario, or at least those PaMs that are required to meet its economy-wide emissions reduction target, in its next BR.

24. A wide range of PaMs is included across all sectors and these are implemented at the federal, state and municipal levels. A number of cross-cutting PaMs are also outlined, including the EU ETS, through which high-emitting installations are granted GHG emissions allowances and/or are able to purchase allowances. However, due to the nature of such a market-based mechanism, while an EU-wide GHG emission reduction is guaranteed, it is not possible to allocate country-specific targets.

25. Some key PaMs, such as the domestic environmental support scheme, are applicable to more than one sector; however, double counting the effects of such measures is avoided because individual PaMs are quantified rather than their effects in the sectors. A number of PaMs are, however, not quantified. Table 2 provides a concise summary of the key mitigation actions implemented by Austria to achieve its target.

Table 2

Summary of information on mitigation actions reported by Austria

<i>Sectors affected</i>	<i>List of key mitigation actions</i>	<i>Estimate of mitigation impact (kt CO₂ eq)</i>
<i>Policy framework and cross-sectoral measures</i>	Climate Change Act, climate and energy strategies (federal and state)	NA
	Environmental Support Act	
	Domestic environmental support scheme	400 (2010) 300 (2015) 250 (2020)
	Austrian Climate and Energy Fund	NE
	European Union Emissions Trading System	NE
	Joint implementation/clean development mechanism programme	14 000 (2010) NE (2015, 2020)
<i>Energy</i>		
Renewable energy	Green Electricity Act	NE (2010) 400 (2015, 2020)
Energy efficiency, including residential and commercial buildings sectors	Domestic and federal environmental support schemes, National Plan on Building Standards, Renovation Cheque programme	500 (2010) 1 000 (2015) 1 200 (2020)
<i>Transport</i>	Fuel consumption-based tax for new cars	NE (2010, 2015) 100 (2020)
	European Union biofuels directive (2003/30/EC)	1 700 (2010) NE (2015) 2 100 (2020)
	National Action Programme for Mobility Management (klima:aktiv mobil)	250 (2010) 500 (2015) NE (2020)
	Electric mobility	NE (2010, 2015) 400 (2020)
<i>Industrial sectors</i>	Domestic environmental support scheme	NE
	European Union fluorinated gas regulations	NE
<i>Agriculture</i>	European Union Common Agricultural Policy, Austrian Programme of Environmentally Sound Farming	NE

<i>Sectors affected</i>	<i>List of key mitigation actions</i>	<i>Estimate of mitigation impact (kt CO₂ eq)</i>
	Agricultural raw materials for biofuels, European Union biofuel and renewable energy targets	NA
Forestry	Maintenance and extension of forests	1 300 (2010) NE (2015, 2020)
Waste management	Ban on deposition of untreated biodegradable waste and capture of methane emissions from existing landfill sites	NE
	Remediation of historic landfill sites	NE

Abbreviations: NA = not applicable, NE = not estimated.

26. In its BR1, Austria provided information on changes in its domestic institutional arrangements, including institutional, legal, administrative and procedural arrangements used for domestic compliance, monitoring, reporting, archiving of information and evaluation of the progress made towards its target. However, this information was provided via an overarching reference to chapter 4 of the NC6, rather than any information actually being contained in the BR1.

27. Austria reported information on the domestic governance arrangements in place for developing and implementing climate change PaMs. During the review, Austria provided a ‘mapped’ overview of these PaMs. The ERT noted that detailed monitoring and evaluation is in place for several PaMs individually, such as, for example, for the domestic environmental support scheme and the National Action Programme for Mobility Management (klima:aktiv mobil). A more detailed review of these arrangements is provided in chapter II.B of the IDR/NC6. The ERT recommends that Austria provide information on the governance and procedural arrangements used for developing, implementing, monitoring and evaluating PaMs, both individually and as an overall system, including the progress made towards the targets, and to provide an update on changes made in its next BR and improve the transparency of its reporting.

28. Upon adoption of the Climate Change Act in 2011, the National Climate Change Committee and the National Climate Change Council were established. These two bodies have taken over the functions of the previous Inter-ministerial Committee to Coordinate Measures to Protect the Global Climate and the Kyoto Forum for progressing action on climate change in Austria. The ERT noted this as a key development in institutional arrangements since the previous NC.

29. Austria provided, to the extent possible, detailed information on the assessment of the economic and social consequences of response measures. The Party outlines that it is minimizing adverse effects by implementing various Kyoto Protocol features, such as: not limiting action to a single gas or sector; including flexibility measures; promoting sustainable development through, among other activities, the clean development mechanism and; specifically providing support for least developed countries. Considerations of such impacts have been incorporated into the process for undertaking impact assessments of all policies developed in Austria from 2013. The ERT encourages Austria to provide further information on how it minimizes adverse effects, including the adverse effects on international trade and social, environmental and economic impacts on other Parties, particularly developing country Parties, in this impact assessment process in its next BR.

2. Estimates of emission reductions and removals and the use of units from the market-based mechanisms and land use, land-use change and forestry

30. Austria reported in its BR1 and CTF table 4 that it is not planning to use market-based mechanisms under the Convention and other mechanisms to achieve its target. Austria reported that LULUCF emissions and removals are not included in the EU target for 2020; however it reported in CTF table 4(a)II on the contribution of LULUCF activities under the Kyoto Protocol for the period 2008–2011. Table 3 illustrates how Austria reported on the use of units from market-based mechanisms and LULUCF to achieve its target.

Table 3

Summary information on the use of units from market-based mechanisms and land use, land-use change and forestry as part of the reporting on the progress made towards achievement of the target by Austria

Year	<i>Emissions excluding</i>	<i>LULUCF</i>	<i>Emissions including</i>	<i>Use of units from the</i>
	<i>LULUCF</i>	<i>emissions/removals</i>	<i>LULUCF</i>	<i>market-based</i>
	<i>(kt CO₂ eq)</i>	<i>(kt CO₂ eq)</i>	<i>(kt CO₂ eq)</i>	<i>mechanisms</i>
				<i>(kt CO₂ eq)</i>
Base year (1990)	78 086.35	NA	NA	NA
2010	84 807.85	NA	NA	14 520
2011	82 760.84	NA	NA	12 780
2012	80 059.36	NA	NA	12 270

Source: (1) Greenhouse gas (GHG) emissions data: Austria's 2014 GHG inventory submission; (2) Use of units: Information provided by Austria during the review.

Note: The European Union's unconditional commitment to reduce GHG emissions by 20 per cent by 2020 compared with 1990 does not include emissions/removals from LULUCF. Austria, in common tabular format table 4(a)II, reported a contribution from afforestation and reforestation activities in the amount of 2,620.86 kt CO₂ eq in 2010 and 2,633.46 kt CO₂ eq in 2011 of removals, and from deforestation activities in the amount of 1,365.13 kt CO₂ eq in 2010 and 1,349.59 kt CO₂ eq in 2011 of emissions as part of information on progress made towards the target. The ERT did not include these values in the table above as Austria is a member State of the European Union, which has an unconditional commitment to reduce GHG emissions by 20 per cent by 2020 compared with 1990 that does not include emissions/removals from LULUCF.

Abbreviations: LULUCF = land use, land-use change and forestry, NA = not applicable.

3. Projections

31. Austria has provided in its BR1 and CTF tables 5 and 6 information on its projections for 2020 and 2030, which are identical to the projections reported in the NC6. The 'with measures' and 'with additional measures' projections by sector and by gas are provided. A detailed review of the reported information is provided in chapter II.C of the IDR/NC6.

32. In its BR1, Austria provided information on the changes since the previous NC in the methodologies used for the preparation of projections. Austria reported that a new macroeconomic model was used, as well as new models for electricity demand and supply and for energy demand by households, but the Party could not provide further information on the changes. The ERT encourages Austria to include the effect or possible effect of the projections methodology change and the reasoning behind the change in its next BR.

33. The ERT noted information reported by Austria on projected emission trends by 2020. According to the reported information, the projected emission trends are 4.5 per cent above the 1990 level under the ‘with measures’ scenario and 0.7 per cent below the 1990 level under the ‘with additional measures’ scenario. During the review, additional information was provided on the projections for the non-ETS sectors. Austria’s national emission reduction target of a 16 per cent emission reduction by 2020 below the 2005 level for non-ETS sectors corresponds to the level of 47,869.00 kt CO₂ eq. The ERT noted that under the ‘with measures’ scenario in 2020 Austria’s emissions from non-ETS sectors are expected to be 51,299.46 kt CO₂ eq, which is 9.6 per cent below the 2005 level or 7.2 per cent above the target level of emissions, while under the ‘with additional measures’ scenario, its emissions are expected to reach the level of 47,791.48 kt CO₂ eq, which is slightly below the target level of emissions (by 0.2 per cent below). Thus, for Austria to reach its non-ETS target by 2020 it will be essential to ensure that additional measures are adopted and implemented on time.

D. Provision of financial, technological and capacity-building support to developing country Parties

1. Provision of financial support to developing country Parties

34. In its BR1 and CTF table 5, Austria reported information on the provision of financial, technological and capacity-building support required under the Convention. Austria reported information in CTF tables 7, 7(a) and 7(b), with minimal use of textual reporting, simply referencing the relevant chapter in the NC6. This led to incompleteness of the BR1 as the requirements of the UNFCCC reporting guidelines on BRs do not completely overlap with those of NCs (see paras. 37–40 below). With regards to the CTF tables, the ERT noted that Austria could report the actual currency exchange rates used for reporting information provided in CTF tables 7, 7(a) and 7(b) to improve the transparency of its reporting. This information could be provided in the documentation box under CTF table 7.

35. During the review, Austria indicated that it reported in the BR1, in particular in CTF tables 7, 7(a) and 7(b), only what it considers as fast-start finance. This excludes loans and funds provided to the Intergovernmental Panel on Climate Change) and the UNFCCC supplemental fund. During the review, Austria also clarified that it did not report disbursements or pledges, but only reported commitments so as to avoid double counting. The ERT recommends that Austria describe transparently the extent of its reporting, clearly indicating any exclusion and explaining the methodology used in reporting on financial resources, in its next BR and providing consistent information on the financial support reported in the NC and the BR and CTF tables.

36. In the BR1, Austria assumed the same definition for what “new and additional” financial resources imply as in the NC6; that is, all climate change finance resources that underpin a gradual and substantial scaling up of climate finance over the years since the Convention and its Kyoto Protocol entered into force. Austria reported in the CTF tables its resources allocated to address the adaptation and mitigation needs of Parties not included in Annex I to the Convention (non-Annex I Parties) without specifying priority focus areas or recipient countries. Austria did not provide a clear description of how the provided resources address the adaptation and mitigation needs of non-Annex I Parties. The ERT recommends that Austria improve the completeness of its reporting by giving a textual description of how the adaptation and mitigation needs of non-Annex I Parties are being effectively addressed. In so doing, Austria may make use of the Synthesis Report on technology needs identified by non-Annex I Parties, which also includes sectors prioritized

for adaptation and mitigation. Table 4 includes some of the information reported by Austria on its provision of financial support.

Table 4

Summary of information on provision of financial support in 2011–2012

(Millions of United States dollars)

<i>Allocation channel of public financial support</i>	<i>Years of disbursement^a</i>	
	<i>2011</i>	<i>2012</i>
Official development assistance	1 226.50	1 088.71
Climate-specific contributions through multilateral channels, including regional development banks ^b	17.82	15.92
Climate-specific contributions through bilateral, regional and other channels ^b	28.74	42.03
Fast-start finance ^c	47.58	58.79

Sources: All figures, except those for official development assistance, are taken from Austria's first biennial report. Those for official development assistance are from the Query wizard for international development statistics of the Organisation of Economic Co-operation and Development. Available at <<http://stats.oecd.org/qwids>>.

^a Austria reported commitments, not disbursements.

^b During the review, Austria clarified that it reported as bilateral only the funding that is not provided through multilateral channels. Bilateral funding implemented through multilateral channels is reported as multilateral, whereas purely multilateral funding is not reported, as Austria does not have information on what proportion of multilateral funding goes to climate-related programmes and projects.

^c Fast-start finance is defined as all climate finance excluding that provided to the secretariat and the Intergovernmental Panel on Climate Change. In the case of the Global Environment Facility replenishment, only that which is additional to replenishment commitments is considered as fast-start finance.

37. In its NC6, Austria reported on the Austrian Development Agency Business Partnership, through which it leveraged private financial flows. During the review, Austria indicated that funds reported in tables in section 7.4.5 of the NC6 are those provided by the Austrian Development Agency. To complement these funds and increase funding provided by private sources, some public funds are already matched by the private sector. Austria further explained that these leveraged funds constitute a very small proportion of support provided by the private sector. The Party also noted that it had recently developed the Climate Finance Strategy, which, among other functions, addresses the question of which PaMs need to be put in place to leverage private financial flows.

2. Approach used to track support provided

38. Austria did not describe its national approach to tracking support in its BR1. Austria 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, Austria 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 Austria 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 Austria provide more information on methodologies 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 used to produce such information.

39. The ERT noted some inconsistency between the figures reported in the BR1 and those reported in the NC6, wherein the BR1 was more conservative overall. During the review, Austria indicated that this was the result of a change in the methodology implemented by Austria in order to improve the quality of the information reported. In this regard, Austria is moving to a bottom-up or project-based approach followed by the Ministry of Agriculture, Forestry, Environment and Water Management. However, since it only started collecting the necessary data in 2011, to avoid internal inconsistency in the NC6 Austria continued to report figures collected through the top-down approach followed by the Ministry of Finance. For example, contributions through multilateral channels reported in the NC6, the BR1 and the BR CTF tables for 2011 and 2012 are different in terms of total amounts reported and amounts reported for each individual multilateral financial institution. Austria assured the ERT that its next NC will be consistent with the relevant BR. The ERT commends Austria for the new approach and recommends that Austria indeed ensure consistency between subsequent NCs and BRs.

40. The ERT also noted some inconsistency between the NC6 and BR1 with regard to funds disbursed through multilateral channels. Austria indicated that funds channelled through the Asian Development Bank had been inadvertently reported as being channelled through the African Development Bank in the BR1. Furthermore, some projects and programmes were funded through the Asian Development Bank and the European Bank for Reconstruction and Development in cooperation and these projects were allocated differently in the NC6 and the BR1. To improve the transparency of its reporting, the ERT noted that Austria could introduce a quality control procedure for its reports to avoid misallocations of funds and other inconsistencies.

41. Furthermore, the Party explained that there were some inconsistencies between information reported in the CTF tables and tables annexed to the BR1, wherein the tables annexed to the BR1 reported more financial resources than the official CTF tables. Austria indicated that there had been challenges in using the software platform provided by the secretariat to transfer data to the database that generated the Excel tables. There were also inconsistencies in documentation presented during the review, wherein funds disbursed through 'other channels' were omitted in both CTF submissions. The ERT further noted that Austria could improve its reporting by exercising quality control of reported information (see para. 40 above).

42. With regard to the most recent financial contributions to enhance the implementation of the Convention by developing countries, Austria has committed itself to provide EUR 120 million as fast-start finance during 2010–2012. Austria has since committed EUR 120.46 million in this regard, of which EUR 79.96 million was committed during the reporting period 2011–2012 (see para. 127 of the IDR/NC6).

3. Technology development and transfer

43. In its BR1 and CTF table 8, Austria has provided information on activities related to the transfer of technology to developing countries, including information on the public and private sectors. The technology support mostly targeted mitigation in the energy sector, and to a lesser extent industry, with most of the recipients being in Africa.

44. About 74 per cent of the reported programmes was funded and implemented through collaboration between the private and public sectors, and the rest purely by the public sector. During the review, Austria informed the ERT that more support was provided through the private sector but could not be reported as the private sector has no obligation

to report in this regard. Austria may wish to make an effort to collect and report this information.

45. In the CTF tables, the status of all the reported programmes is 'implemented', which Austria during the review clarified as meaning 'under implementation'. The ERT noted that Austria could make use of custom footnotes in CTF tables to explain the status in its next BR.

46. Austria reported that relevant ministries and the Federal Economic Chamber have engaged in a joint environmental technologies export initiative that supports technology transfer. Austria also participates in international networks and forums such as the Climate Technology Initiative and the Renewable Energy and Energy Efficiency Partnership (a private-public partnership for scaling up clean energy business models in developing countries). Success stories have been reported in the form of factors that led to project success, including a case where a business enterprise from Austria faced insolvency before the end of the project, but the project managed to continue as capacity had already been built with the recipient. The ERT encourages Austria to report this information textually, making reference to the applicable tables, in its next BR.

4. Capacity-building

47. In its BR1 and CTF table 9, Austria has provided information on how it has provided capacity-building support for mitigation, adaptation and technology. Of the nine capacity-building programmes and projects reported in CTF table 9, three target mitigation, three adaptation and three multiple areas, some of which go beyond mitigation and adaptation, as clarified during the review, to include, for example, job creation and economic diversification. Most of these programmes and projects are related to the forestry sector. During the review, Austria indicated that most of the supported projects had a capacity-building element while addressing other priorities as well. The ERT noted that some aspects of capacity-building were built into the education and awareness initiatives reported in chapter 9 of the NC6. Austria may wish to make appropriate reference to these activities in the capacity-building section of its next BR.

III. Conclusions

48. The ERT conducted a technical review of the information reported in the BR1 and CTF tables of Austria in accordance with the UNFCCC reporting guidelines on BRs. The ERT concludes that the BR1 and CTF tables provide a general overview of information on: emissions and removals related to the quantified economy-wide emission reduction target, a description of the target, progress made by Austria towards achieving its target, and provision of support to developing country Parties. During the review, Austria provided additional information on GHG projections, assessment of PaMs and fast-start finance.

49. Austria's emissions and removals for 2012 were estimated to be 2.5 per cent above its 1990 level excluding LULUCF and 11.7 per cent above including LULUCF. Its emissions reached maximum levels in 2005 and since then, they have declined. Emissions trends were driven by economic growth (42.1 per cent increase in gross domestic product per capita during 1990–2011) and population growth (9.6 per cent increase during the same period). The growth in emissions was offset by an emission decrease due to the increasing share of renewable energy sources in energy mix, energy savings gained through energy efficiency improvements, and fluctuations in fuel export in transport.

50. As a member State of the EU, Austria is obliged to contribute to the fulfilment of the joint EU target to reduce emissions by 20 per cent by 2020 compared with the 1990 level. Under the EU effort-sharing decision, the quantified economy-wide emission reduction

target covers CO₂, CH₄, N₂O, HFCs, PFCs and SF₆. GWP values used are those based on the AR2. The target covers emissions from energy, transport, industrial processes, agriculture, waste and aviation, while the land use, LULUCF sector is excluded.

51. Austria's emission reduction target by 2020 in sectors not covered by the EU ETS is a 16 per cent reduction below the 2005 level. The EU's commitment is underlined by the fact that it is already written into EU legislation, and is already being implemented by the EU and its member States. At the heart of this legislation is the EU 2020 climate and energy package. In its BR1, Austria reported on its measures taken to ensure compliance with Austria's national emission reduction target for the non-ETS sectors, including on taking action against domestic non-compliance. The Austrian Climate Change Act forms the legal basis for this. Each year a report on progress reaching non-ETS sectoral emission reduction targets is presented to the Austrian Parliament and the National Climate Change Committee. If targets are not met, negotiations on additional measures are initiated.

52. A number of PaMs are included in the BR1. Of these, the key ones relate to the implementation of the EU ETS in Austria, cross-cutting financial support schemes and sector-specific measures. Among the significant PaMs are the domestic environmental support scheme (economic incentives for climate change, energy efficiency and environmental protection projects), the Renovation Cheque programme (federal subsidies for the thermal renovation of buildings) and the financial support scheme for construction and renovation (state subsidies for thermal renovation, energy efficiency construction and use of renewable energy sources in the housing sector), and obligatory shares for biofuel use in the transport sector.

53. According to the reported information, the projected emission trend by 2020 in the 'with measures' scenario is 4.5 per cent above the 1990 level and in the 'with additional measures' scenario 0.7 per cent below the 1990 level for total emissions excluding LULUCF. Austria's emission reduction target of 16 per cent emission reduction by 2020 below the 2005 level for non-ETS sectors corresponds to the level of 47,869 kt CO₂ eq. The ERT noted that under the 'with measures' scenario in 2020 Austria's emissions from non-ETS sectors are expected to be 51,299 kt CO₂ eq, which is 9.6 per cent below the 2005 level or 7.2 per cent above the target level of emissions, while under the 'with additional measures' scenario, its emissions are expected to reach the level of 47,791 kt CO₂ eq, which is slightly below the target level of emissions (by 0.2 per cent below). Thus, for Austria to reach its non-ETS target by 2020, it will be essential to ensure that additional measures are adopted and implemented on time.

54. In its NC6, Austria provided information on provision of support required under the Convention and its Kyoto Protocol. In this regard, Austria reported that it considers as "new and additional" all climate change financial resources that underpin a gradual and substantial scaling up of climate finance over the years since the Convention and its Kyoto Protocol entered into force. Austria reported that it exceeded its fast-start finance pledge of EUR 120 million for 2010–2012.

55. In the course of the review, the ERT formulated several recommendations relating to the completeness and transparency of Austria's reporting under the Convention. The key recommendations³ are that Austria:

(a) Improve the completeness of reporting by including in the next BR the following information:

(i) A description of all PaMs that are envisaged for reaching its quantified economy-wide emissions reduction target (implemented, adopted and/or planned), and in particular PaMs included in the 'with additional measures' scenario;

³ The recommendations are given in full in the relevant sections of this report.

- (ii) The national approach used to track the provision of support, including 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;
 - (iii) Methodologies 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 used to produce such information;
 - (iv) Explanation of how support effectively addresses the adaptation and mitigation needs of non-Annex I Parties;
- (b) Improve the transparency of reporting by including in the next BR the following information:
- (i) Governance and procedural arrangements used for developing, implementing, monitoring and evaluating PaMs, both individually and as an overall system, including the progress made towards the target, and an update on changes made;
 - (ii) Description of the extent of its reporting on financial support, clearly indicating any exclusion and explaining methodology used and providing consistent information on the financial support reported in the NC and the BR.

Annex

Documents and information used during the review

A. Reference documents

“UNFCCC biennial reporting guidelines for developed country Parties”. Annex to decision 2/CP.17. Available at

<<http://unfccc.int/resource/docs/2011/cop17/eng/09a01.pdf#page=4>>.

“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”. Annex to decision 23/CP.19. Available at

<<http://unfccc.int/resource/docs/2013/cop19/eng/10a02.pdf#page=20>>.

FCCC/ARR/2012/AUT. Report of the individual review of the annual submission of Austria submitted in 2012. Available at <<http://unfccc.int/resource/docs/2013/arr/aut.pdf>>.

FCCC/ARR/2013/AUT. Report of the individual review of the annual submission of Austria submitted in 2013. Available at <<http://unfccc.int/resource/docs/2014/arr/aut.pdf>>.

FCCC/IDR.5/AUT. Report of the in-depth review of the fifth national communication of Austria. Available at <<http://unfccc.int/resource/docs/2011/idr/aut05.pdf>>.

Sixth national communication of Austria. Available at

<http://unfccc.int/files/national_reports/annex_i_natcom/submitted_natcom/application/pdf/aut_nc6.pdf>.

First biennial report of Austria. Available at

<http://unfccc.int/files/national_reports/biennial_reports_and_iar/submitted_biennial_reports/application/pdf/at_br1.pdf>.

Common tabular format tables of Austria. Available at

<http://unfccc.int/files/national_reports/biennial_reports_and_iar/submitted_biennial_reports/application/pdf/aut_2014_v1.0_formatted.pdf>.

2013 GHG inventory submission of Austria. Available at

<http://unfccc.int/national_reports/annex_i_ghg_inventories/national_inventories_submissions/items/7383.php>.

2014 GHG inventory submission of Austria. Available at

<http://unfccc.int/national_reports/annex_i_ghg_inventories/national_inventories_submissions/items/8108.php>.

B. Additional information provided by the Party

Responses to questions during the review were received from Mr. Martin Kriech (Federal Ministry of Agriculture, Forestry, Environment and Water Management of Austria), including additional material on updated policies and measures, greenhouse gas

projections, the national registry and recent climate policy developments in Austria. The following document¹ was also provided by Austria:

Environment Agency Austria. 2013. *GHG Projections and Assessment of Policies and Measures in Austria*. Reporting under Decision 280/2004/EC, 15 March 2013. Report REP-0412. Vienna: Environment Agency Austria. Vienna 2013. Available at <<http://www.umweltbundesamt.at/fileadmin/site/publikationen/REP0412.pdf>>.

Annex 2: Fast Start Climate Finance Monitoring table. Austria. Figures for 2012. Available at <http://ec.europa.eu/europeaid/what/development-policies/financing_for_development/documents/accountability-report-2013/2013_annex_3_fsf_monitoring_at_en.pdf>.

Contributions to the Global Environment Facility, GEF/A.4/7, “Summary of negotiations: Fifth replenishment of the GEF Trust Fund” (Attachment 1). Available at <https://www.thegef.org/gef/sites/thegef.org/files/documents/GEF-A.4-7%20Summary%20of%20Negotiations%20of%20the%20Fifth%20Replenishment%20of%20the%20GEF_0.pdf>.

¹ Reproduced as received from the Party.