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Report of the technical review of the first biennial report of the Czech Republic

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 the Czech Republic 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 the Czech Republic, the Convention entered into force on 21 March 1994. Under the Convention, the Czech Republic made a commitment to contribute to the European Union (EU) joint economy-wide emission reduction target of 20 per cent below the 1990 level by 2020.
2. This report covers the in-country technical review of the first biennial report (BR1)¹ of the Czech Republic, 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 7 to 12 April 2014 in Prague, the Czech Republic, and was conducted by the following team of nominated experts from the UNFCCC roster of experts: Mr. Ture Hammar (Denmark), Mr. Bernard Hyde (Ireland), Ms. Carmen Meneses Lopez (Bolivarian Republic of Venezuela) and Mr. Bhawan Singh (Trinidad and Tobago). Mr. Hammar and Mr. Singh were the lead reviewers. The review was coordinated by Mr. Daniel Hooper (secretariat).
4. During the review, the expert review team (ERT) examined 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 the Czech Republic, 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 the information reported in the BR1 of the Czech Republic 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, the Czech Republic provided further relevant information regarding:
 - (a) Its contribution to the EU joint quantified economy-wide emission reduction target under the Convention;
 - (b) Progress made in achieving the EU joint quantified economy-wide emission reduction target under the Convention;
 - (c) Emission projections in an aggregated format for each sector;
 - (d) Estimates of the cumulative and individual effects of its policies and measures (PaMs);
 - (e) Information on the Second National Energy Efficiency Action Plan (2nd NEEAP).

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.

1. Completeness and transparency of reporting

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

2. Timeliness

9. The BR1 was submitted on 31 January 2014, after the deadline of 1 January 2014 mandated by decision 2/CP.17. The common tabular format (CTF) tables were submitted on 31 January 2014. The Czech Republic informed the secretariat about its difficulties with the timeliness of its BR1 and CTF tables on 16 December 2013 in accordance with decision 23/CP.19, paragraph 65. The ERT noted the delay in the submission of the BR1.

3. Adherence to the reporting guidelines

10. The information reported by the Czech Republic 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 Czech Republic^a

| <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 | Complete | Mostly transparent | 21 |
| Projections | Complete | Transparent | |
| Provision of support to developing country Parties ^b | NA | NA | |

Abbreviation: NA = not applicable.

^a A list of recommendations pertaining to the completeness and transparency issues identified in this table is included in the chapter on conclusions and recommendations.

^b The Czech Republic is not a Party included in Annex II to the Convention and is therefore not obliged to adopt measures and fulfil obligations as defined in Article 4, paragraphs 3, 4 and 5, of the Convention.

II. Technical review of the reported information

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

11. The Czech Republic has provided a summary of information on greenhouse gas (GHG) emission trends for the period 1990–2011 in its BR1 and CTF table 1. The information is not fully consistent with the latest 2013 national GHG inventory submission, as the Czech Republic resubmitted its 2013 annual inventory data on 23 October 2013 (version 2.1). To reflect the most recently available data, version 2.1 of the 2013 annual inventory data has been used as the basis for discussion in this report.

12. Total GHG emissions² excluding emissions and removals from land use, land-use change and forestry (LULUCF) decreased by 31.5 per cent between 1990 and 2011, whereas total GHG emissions including net emissions or removals from LULUCF decreased by 34.4 per cent over the same period. The decrease in total GHG emissions can be attributed mainly to carbon dioxide (CO₂) emissions, which decreased by 30.7 per cent (excluding LULUCF) from 1990 to 2011. Over the same period, emissions of methane (CH₄) decreased by 42.6 per cent, while emissions of nitrous oxide (N₂O) decreased by 41.8 per cent. The decreases were mainly owing to: (a) the transition to a market-driven economy that resulted in the winding down and restructuring of certain industrial sectors as well as the implementation of new industrial technologies (CO₂); (b) decreases in coal mining and livestock numbers (CH₄); and (c) a reduction in the use of mineral fertilizer in agriculture and a decrease in livestock numbers, compounded by the use of new technologies for removing N₂O emissions during the production of nitric acid (N₂O).

13. Further information on the review of emissions and emission trends is provided in chapter II.A of the report of the in-depth review of the sixth national communication (IDR/NC6).

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, the Czech Republic reported a description of its quantified economy-wide emission reduction target, referred to henceforth as the target, including associated conditions and assumptions. Under the Convention, the Czech Republic participates in the EU joint economy-wide emission reduction target to achieve a 20 per cent reduction in emissions by 2020 compared with the 1990 (base year) level. The target for the EU and its member States is formalized in the European Union's 2020 climate and energy package. This includes the European Union Emissions Trading System (EU ETS) and the effort-sharing decision (ESD). This legislative package regulates emissions of CO₂, CH₄, N₂O, hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆) using global warming potential (GWP) values from the Fourth Assessment Report (AR4)³ of the Intergovernmental Panel on Climate Change (IPCC) to aggregate EU GHG emissions up to 2020.

15. The regulation of the emissions covered by the EU ETS entered into force on 1 January 2005, and the new period started in 2013 based on a yearly reduction equal to 1.74 per cent of the average allocation in the period 2008–2012, extrapolated starting in 2010, leading to a 21 per cent GHG emissions reduction by 2020 compared with the 2005 level. As of 2013, emissions of sectors not covered by the EU ETS are regulated by targets specific to each member State, based on average emissions from 2008 to 2010 and on gross domestic product (GDP), which leads to a collective reduction by all the member States of 10 per cent by 2020 compared with 2005 at the EU level.

16. Under the ESD, the Czech Republic has a target to limit emissions growth to 9 per cent above the 2005 level by 2020 (+9 per cent) from sectors covered by the ESD. The ESD also includes binding renewable energy goals and non-binding energy efficiency goals for

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

³ The quantified economy-wide emission reduction target by the Czech Republic is expressed using the GWP values from the AR4, while emission levels are assessed using the values from the IPCC Second Assessment Report as per the “Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual greenhouse gas inventories”.

each member State. In line with the EU approach to its target, the Czech Republic does not include emissions or removals from the LULUCF sector in defining its quantified economy-wide target. The Czech Republic does not plan to use market-based mechanisms under the Convention to achieve the target.

17. In its NC6/BR1, the Czech Republic did not include information regarding its emission reduction target for the non-ETS sectors (to limit emissions growth to 9 per cent above the 2005 level by 2020) and its non-binding target to a 9 per cent savings in final energy consumption in 2016 (20,309 GWh) compared with the average final energy consumption in the years 2002–2006 under the Convention. The Party's target to achieve a 13 per cent share of renewable energy sources (RES) in the final consumption of energy by 2020 was mentioned in the NC6, but not transparently linked to the overall EU 2020 target or to the associated PaMs implemented to achieve the target. During the review, the Party provided information regarding its country-specific targets and how they relate to the overall 2020 target under the Convention for the EU. It also further elaborated on the PaMs implemented to achieve the target, including PaMs identified in its 2nd NEEAP. In order to increase transparency, the Czech Republic may consider including such information in its next biennial report (BR).

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

18. In its BR1 and CTF tables 3 and 4, the Czech Republic reported information on its mitigation actions implemented and planned since its fifth national communication (NC5) to achieve its target. The Party also reported that it does not plan to use market-based mechanisms under the Convention to achieve the target.

19. The overall emission projections provided by the Czech Republic indicate that emissions in 2020 will be 122,696.80 kt CO₂ eq under the 'with measures' scenario (37.5 per cent below the 1990 level) and 120,843.80 kt CO₂ eq under the 'with additional measures' scenario (38.4 per cent below the 1990 level). In addition, the projections show that emissions in 2030 will be 109,646.30 kt CO₂ eq under the 'with measures' scenario (44.1 per cent below the 1990 level) and 106,800.80 kt CO₂ eq under the 'with additional measures' scenario (45.6 per cent below the 1990 level). The emission projections provided in the NC6/BR1 do not differentiate between the ETS and non-ETS sectors. In order to facilitate the assessment of the progress of the Party towards achieving its target for the non-ETS sectors (to limit emissions growth to 9 per cent above the 2005 level by 2020), the ERT encourages the Czech Republic to provide emission projections for the ETS and non-ETS sectors separately in its next BR.

20. The ERT reviewed the reported information and provided its assessment of the progress made towards achieving the target. The ERT noted significant progress made by the Czech Republic. Across the EU, it is expected that the market mechanism of the EU ETS will guarantee that emissions from sectors under this scheme (mainly large point sources such as power plants and industrial facilities) will achieve the 2020 target of 21 per cent below the 2005 level. Under the EU ESD, the Czech Republic has a target to limit emissions growth to 9 per cent above the 2005 level by 2020 for sectors not covered under the EU ETS. Total GHG emissions excluding emissions and removals from LULUCF decreased by 31.5 per cent between 1990 and 2011, whereas total GHG emissions including net emissions or removals from LULUCF decreased by 34.4 per cent over the same period. According to the reported projections discussed in paragraph 19 above, as well as the GHG emission reductions achieved between 1990 and 2011, the Czech Republic is expected to achieve its 2020 targets.

1. Mitigation actions and their effects

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

22. Since 2000, the Czech Republic has been creating an integrated system of climate policy frameworks and cross-sectoral mitigation actions to address its international climate change commitments as well as EU policies and legislation. One of the most prominent policies is the Climate Protection Policy, which is currently being drafted. The Climate Protection Policy will include the implementation of the EU climate and energy package, adopted in 2009. As such, the Climate Protection Policy of the Czech Republic will include the adoption of the new reduction targets for 2020 under the Convention and its Kyoto Protocol, as well as medium- and long-term targets for 2030 and 2050. In addition, the overarching cross-sectoral mitigation actions within the climate and energy package include the EU ETS and ESD. In operation since 2005, the EU ETS is a cap-and-trade system that covers all significant energy-intensive installations, which produce 40–45 per cent of the GHG emissions of the EU. The EU ETS is aimed at decreasing GHG emissions from the ETS sectors by 21 per cent below the 2005 level by 2020. In the Czech Republic, approximately 350 facilities participated in the EU ETS in 2013, representing approximately 60 per cent of the Party’s total GHG emissions in 2011.

23. The ESD became operational in 2013 and covers the non-ETS sectors, including transport (excluding aviation and international maritime transport), residential and commercial buildings, agriculture, waste and other sectors, together accounting for 55–60 per cent of the GHG emissions of the EU. The ESD is aimed at decreasing GHG emissions from the non-ETS sectors by 10 per cent below the 2005 level by 2020 and includes annual binding targets at the member State level for 2013–2020, which are underpinned by the national policies and actions of the member States. Additional mitigation actions undertaken by the Czech Republic include the update of the State Energy Policy, preferential feed-in tariffs for electricity produced by RES, integrated pollution prevention and control and its Waste Management Plan. Table 2 below provides a concise summary of the key mitigation actions implemented by the Czech Republic to achieve its target.

24. The ERT assessed the Party’s existing and planned PaMs and their estimated impact. The assessment was done on the basis of CTF table 3, assisted by the text of the NC6/BR1. The estimated impact of the PaMs in 2020 is approximately 20,939 kt CO₂ eq, or 10.7 per cent of the 1990 emission level. According to that information and the projections discussed in chapter II.C above, the existing and planned PaMs and their estimated impact are sufficient for the Party to achieve its target for 2020.

Table 2
Summary of information on mitigation actions reported by the Czech Republic

| <i>Sectors affected</i> | <i>List of key policies and measures</i> | <i>Estimate of mitigation impact (kt CO₂ eq)</i> |
|--|--|---|
| <i>Policy framework and cross-sectoral measures</i> | | |
| | The National Programme to Abate the Climate Change Impacts in the Czech Republic | NA |
| | Climate Protection Policy | NA |
| | European Union Emissions Trading System | 3 230.00 |
| | State Environmental Policy 2012–2020 | NA |
| | National Emission Reduction Programme | NA |
| | Strategy on Adaptation to Climate Change in the Czech Republic | NA |
| <i>Energy</i> | Act No. 406/2000 Coll. on Energy Management | NA |
| Energy supply | Update of the State Energy Policy | NA |
| Renewable energy | Preferential feed-in tariffs for electricity produced from renewable energy sources | 2 872.50 |
| | National Renewable Energy Action Plan | NA |
| Energy efficiency | State Programme to Promote Energy Savings and the Use of Renewable Sources of Energy | 115.00 |
| | Energy labelling of household electrical appliances | 952.00 |
| | Second National Energy Efficiency Action Plan (2 nd NEEAP) | NA |
| Residential and commercial sectors | Green Investment Scheme | 860.00 |
| | Directive on energy performance of buildings | 538.00 |
| <i>Transport</i> | Operational Programme Transport | NA |
| <i>Industrial sectors</i> | Integrated pollution prevention and control | 2 600.00 |
| <i>Agriculture</i> | Action Plan for Development of Organic Farming | 250.00 |
| | Rural Development Programme | 325.00 |
| <i>Forestry</i> | The Forest Act | NA |
| | National Forest Programme II | NA |
| <i>Waste management</i> | Waste Management Plan | 536.00 |

Note: The greenhouse gas reduction estimates are reductions in carbon dioxide equivalent (CO₂ eq) for 2020.

Abbreviation: NA = not available.

25. In its BR1, the Czech Republic 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 towards its target. The Ministry of the Environment is responsible for implementation and compliance with the UNFCCC and the Kyoto Protocol in the Czech Republic. It is also the supreme state administration body regarding environmental protection. Climate change issues are addressed primarily within the Department of Energy and Climate Protection, which also includes the national focal

point for the UNFCCC and the Kyoto Protocol. Owing to the cross-sectoral nature of climate change issues, the Ministry of the Environment is responsible primarily for the drafting of national policies in the areas of mitigation and adaptation. Individual state departments (ministries), such as the Ministry of the Environment, the Ministry of Industry and Trade, the Ministry of Transport, the Ministry of Agriculture and the Ministry of Regional Development, are then responsible for the drafting and implementation of sector-specific policies aiming to reduce GHG emissions and adapt to climate change impacts, as appropriate.

26. The implementation of the Kyoto Protocol is underpinned by the National Programme to Abate the Climate Change Impacts in the Czech Republic (hereinafter referred to as the National Programme), which is an update of the Strategy of Protection of the Climate System of the Earth in the Czech Republic. The National Programme coordinates sectoral and cross-sectoral policies at the national level and acknowledges the requirements defined in the European Climate Change Programme (ECCP), which became a binding document for the Czech Republic upon its accession to the EU in 2004. Individual ministries implement the National Programme according to their competences.

27. In its original NC6/BR1 submission, the Czech Republic did not include information regarding the assessment of the economic and social consequences of its response measures. During the review, the Czech Republic stated that such information is contained in chapter 15 of its 2013 national inventory report as well as in chapter 4.10 of the BR1 of the EU. In the revised NC6/BR1 submitted by the Czech Republic, those two information sources were cited regarding the assessment of the economic and social consequences of its response measures.

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

28. The Czech Republic reported in its BR1 and CTF table 4 on its plans to use market-based mechanisms under the Convention and other mechanisms and on the contribution from LULUCF. The Czech Republic reported in its BR1 that it is not planning to use market-based mechanisms under the Convention to achieve its target. The Party reported on the contribution from LULUCF to achieve its target in its BR1 and CTF table 4. Table 3 illustrates how the Czech Republic 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 the 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 the Czech Republic

| <i>Year</i> | <i>Emissions excluding LULUCF (kt CO₂ eq)</i> | <i>LULUCF emissions/removals^a (kt CO₂ eq)</i> | <i>Emissions including LULUCF (kt CO₂ eq)</i> | <i>Use of units from the market-based mechanisms (kt CO₂ eq)^b</i> |
|-------------------|--|---|--|---|
| Base year | 196 039.02 | NA | NA | NA |
| 1990 ^c | | | | |
| 2010 | 137 422.56 | NA | NA | 0 |
| 2011 | 133 495.50 | NA | NA | 0 |
| 2012 | 130 660.67 | NA | NA | 0 |

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

^a In common tabular format (CTF) table 4, the Czech Republic reported a contribution from the LULUCF sector of –5,488.45 kt carbon dioxide equivalent (CO₂ eq) in 2010, –7,959.22 kt CO₂ eq in 2011 and –7,251.97 kt CO₂ eq in 2012 as part of its information on progress towards the target. The expert review team did not include these values in the table above as the Czech Republic is a member State of the European Union, which has an unconditional commitment to reduce greenhouse gas emissions by 20 per cent by 2020 compared with 1990 that does not include emissions/removals from LULUCF.

^b In CTF table 4, the Czech Republic reported the use of units from market-based mechanisms as 789,859.03 kt CO₂ eq in 2010, 780,200.23 kt CO₂ eq in 2011, and 765,302.00 kt CO₂ eq in 2012. The reported units correspond to the total quantities of Kyoto Protocol units, including assigned amount units (AAUs), at the end of each reported year.

^c Emissions and removals for 1990 shall be reported if a base year other than 1990 is used.

3. Projections

29. The Czech Republic has provided in its BR1 and CTF tables 5 and 6 comprehensive information on its updated projections for 2020 and 2030. A detailed review of the reported information is provided in chapter II.C of the IDR/NC6. The Party has provided complete information on the key variables and assumptions used in the emission projection analysis in CTF table 5. The information includes projected population statistics, number of households, growth in GDP and international fuel prices. In CTF table 6(a) and (c) the Czech Republic provided detailed trends by gas and by sector for both a ‘with measures’ and ‘with additional measures’ scenario. The ERT noted that small differences exist between the totals presented in table 5.1 of the NC6 and those provided in CTF table 6(a) and (c). The ERT encourages the Czech Republic to make every effort to report consistent information in its next BR.

30. The Czech Republic provided information on the changes since its previous national communication in the methodologies used for the preparation of the projections, namely the inclusion of additional historical activity data. The methodology employed for the NC6 is identical to that used for the preparation of the emission projections for the NC5. During the review, the Party stated that it is in the process of implementing new institutional arrangements for the preparation of emission projections and the analysis of PaMs in line with the EU monitoring mechanism regulation (regulation 525/2013/EU). In order to increase transparency, the ERT encourages the Czech Republic to include this information in its next BR.

31. The ERT noted the information reported by the Czech Republic on projected emission trends for 2020. According to the reported information, emissions are projected to be 37.5 per cent below the 1990 level by 2020 and 44.1 per cent below the 1990 level by 2030 under the ‘with measures’ scenario. Emissions are projected to be 38.4 per cent below the 1990 level by 2020 and 45.6 per cent below the 1990 level by 2030 under the ‘with additional measures’ scenario. The projected emission levels are significantly below the Party’s emission reduction target for the non-ETS sectors (to limit emissions growth to 9 per cent above the 2005 level by 2020) and below the EU joint quantified economy-wide emission reduction target of a 20 per cent emission reduction by 2020 compared with the 1990 level.

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

32. The Czech Republic is not a Party included in Annex II to the Convention and is therefore not obliged to adopt measures and fulfil obligations as defined in Article 4, paragraphs 3, 4 and 5, of the Convention. However, as reported in its NC6/BR1, the Party

implemented bilateral and multilateral projects in developing countries in 2011 and 2012 through foreign development cooperation. The Czech Republic provided detailed information on the assistance that it has made available to developing country Parties that are particularly vulnerable to the adverse effects of climate change to help them to meet the costs of climate change impacts. It also provided information on the financial support provided to developing countries in 2011 and 2012 in CTF table 7. Table 4 includes some of the information reported by the Czech Republic on its provision of financial support.

33. The ERT commends the Czech Republic for reporting information regarding the provision of financial resources to developing country Parties and encourages it to continue to do so in its next BR.

Table 4

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

(United States dollars)

| <i>Allocation channel of public financial support</i> | <i>Years of disbursement</i> | |
|---|------------------------------|-------------|
| | <i>2011</i> | <i>2012</i> |
| Contributions through multilateral channels, including: | | |
| Contributions through multilateral financial institutions, including regional development banks | 21 241 000 | 22 720 000 |
| Contributions to the Global Environment Facility | 1 413 000 | 868 000 |
| Contributions through bilateral and regional channels | 76 873 000 | 66 260 000 |
| Contributions through United Nations bodies | 616 000 | 600 000 |

III. Conclusions

34. The ERT conducted a technical review of the information reported in the BR1 and CTF tables of the Czech Republic in accordance with the UNFCCC reporting guidelines on BRs. The ERT concludes that the BR1 and CTF tables provide a good overview of information on: emissions and removals related to the Party's quantified economy-wide emission reduction target and a description of the target; progress made by the Czech Republic in achieving its target; and the provision of support to developing country Parties. During the review, the Czech Republic provided additional information on: its contribution to the EU joint quantified economy-wide emission reduction target under the Convention; the progress made in achieving the EU joint quantified economy-wide emission reduction target under the Convention; projections in an aggregated format for each sector; estimates of the cumulative and individual effects of its PaMs; and the 2nd NEEAP.

35. The Czech Republic's emissions and removals related to its reduction target for 2011 were estimated to be 31.5 per cent below the 1990 level excluding LULUCF and 34.4 per cent below including LULUCF. The decrease in total GHG emissions can be attributed mainly to CO₂ emissions, which decreased by 30.7 per cent (excluding LULUCF) from 1990 to 2011. Over the same period, emissions of CH₄ decreased by 42.6 per cent, while emissions of N₂O decreased by 41.8 per cent. The decreases were mainly owing to: (a) the transition to a market-driven economy that resulted in the winding down and restructuring of certain industrial sectors as well as the implementation of new industrial technologies (CO₂); (b) decreases in coal mining and livestock numbers (CH₄); and (c) a reduction in the use of mineral fertilizer in agriculture and a decrease in livestock numbers, compounded by the use of new technologies for removing N₂O emissions during the production of nitric acid (N₂O).

36. The Czech Republic is committed to achieving the EU joint quantified economy-wide target to achieve a 20 per cent reduction in emissions by 2020 compared with the 1990 (base year) level. The target for the EU and its member States will be achieved through the EU 2020 climate and energy package. Among the key PaMs in this package are the EU ETS and the EU ESD. Efforts to meet the target for the EU-28 will be divided among member States in both the ETS and non-ETS sectors as follows: (a) a 21 per cent GHG emission reduction by 2020 compared with the 2005 level in the ETS sectors; and (b) a 10 per cent emission reduction by 2020 compared with the 2005 level under the ESD for the non-ETS sectors. Under the ESD, the Czech Republic has a target to limit emissions growth to 9 per cent above the 2005 level by 2020 (+9 per cent) for sectors covered by the ESD. The ESD also includes binding renewable energy goals and non-binding energy efficiency goals for each member State. In line with the EU approach to its target, the Czech Republic does not include emissions or removals from the LULUCF sector in defining its quantified economy-wide target. The Czech Republic does not plan to use market-based mechanisms under the Convention to achieve the target.

37. According to the reported information, emissions are projected to be 37.5 per cent below the 1990 level by 2020 and 44.1 per cent below the 1990 level by 2030 under the 'with measures' scenario. Emissions are projected to be 38.4 per cent below the 1990 level by 2020 and 45.6 per cent below the 1990 level by 2030 under the 'with additional measures' scenario. The projected emission levels are significantly below the Party's emission reduction target for the non-ETS sectors and below the EU joint quantified economy-wide emission reduction target of 20 per cent below the 1990 level by 2020.

38. The Czech Republic is not a Party included in Annex II to the Convention and is therefore not obliged to adopt measures and fulfil obligations as defined in Article 4, paragraphs 3, 4 and 5, of the Convention. However, as reported in its NC6/BR1, the Czech Republic implemented bilateral and multilateral projects in developing countries in 2011 and 2012 through foreign development cooperation. The Party provided detailed information on the assistance that it has made available to developing country Parties that are particularly vulnerable to the adverse effects of climate change to help them to meet the costs of climate change impacts.

39. In the course of the review, the ERT formulated recommendations relating to the completeness and transparency of the Czech Republic's reporting under the Convention. The key recommendation is that the Czech Republic improve the transparency of its reporting by including more detailed information on mitigation actions by sector and by gas in its next 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>.

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2013 GHG inventory submission of the Czech Republic. Available at <http://unfccc.int/national_reports/annex_i_ghg_inventories/national_inventories_submissions/items/7383.php>.

2014 GHG inventory submission of the Czech Republic. 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 Ms. Jana Paluchova (Ministry of the Environment), including additional material on updated policies and measures, greenhouse gas projections, the national registry and recent climate policy developments in Czech Republic. The following documents¹ were also provided by the Czech Republic:

ENVIROS, s.r.o. 2012. *Energy Efficiency Policies and Measures in Czech Republic*.

¹ Reproduced as received from the Party.

Ministry of Industry and Trade. 2013. *Report on the Progress Achieved Towards National Energy Efficiency Targets in the Czech Republic.*

Ministry of the Environment. 2011. *2nd National Energy Efficiency Action Plan of the Czech Republic.*

Ministry of Industry and Trade. 2013. *Political measures implemented for the purpose of achieving end-use energy savings in the Czech Republic*
