Reporting and Review
under the Climate Change Convention (UNFCCC) and the Kyoto Protocol

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This presentation will address:

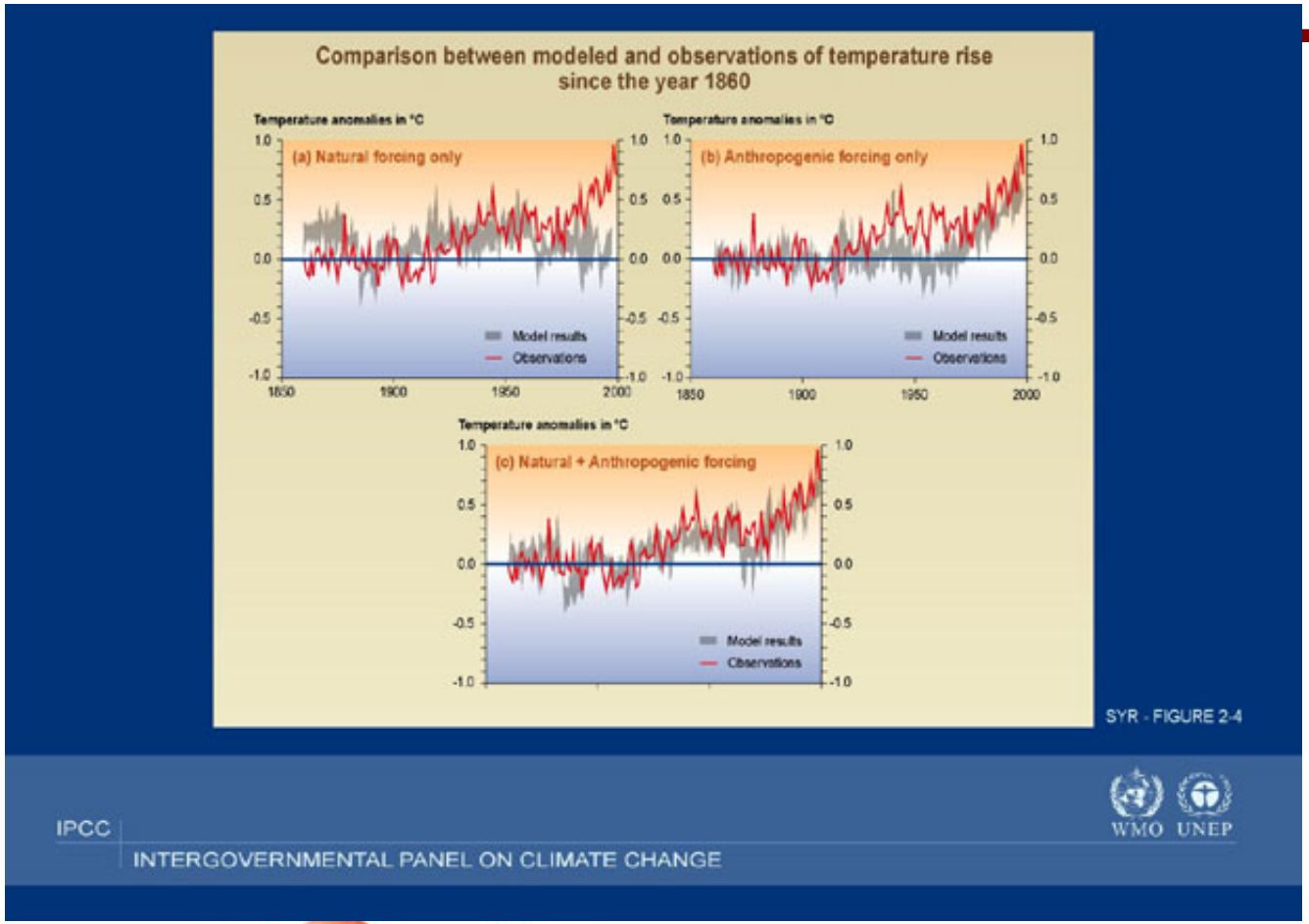
1. International response to the climate change problem:
   - Scientific basis
   - Climate Change Convention (UNFCCC)
   - the Kyoto Protocol
2. Key reporting & review requirements for countries – Parties to the UNFCCC and Kyoto Protocol:
   - what countries need to report
   - how this information is reviewed
3. Examples – how does the review system work?
4. Lessons learned and upcoming challenges for the reporting and review process

1 – 4 = Overview of how the international climate change regime works and how actions are reported / reviewed / monitored

1. International response to climate change: *Scientific basis*

- Concern of governments => need for advice on climate change
  => Intergovernmental Panel on Climate Change - IPCC (1988)
- 1st IPCC Report – FAR (1990):
  - threat of global warming identified
- 2nd IPCC Report – IPCC SAR (1995):
  - "discernible human influence on global climate" indicated
- 3rd IPCC Report – IPCC TAR (2001):
  - "new and stronger evidence" of human influence
  - enhanced projections for concentrations, temperatures, impacts
  - better understanding of remaining uncertainties
  - need for adaptation and lack of relevant knowledge emphasized
- 4th IPCC Report – expected in 2007

1. International response to climate change:
Scientific basis



IPCC TAR (2001):

Indication of anthropogenic impact on climate change

1. International response to climate change: *Climate Change Convention (UNFCCC)*

- Climate Change Convention = United Nations Framework Convention on Climate Change (UNFCCC):
  - adopted in 1992, in force since 1994
  - ultimate objective: to stabilize concentrations of GHGs to prevent "dangerous anthropogenic interference with the climate system"
  - now 189 members – Parties to Convention (by 1 October 2005)
- Two key groups of countries:
  - Annex I Parties (≈developed countries) – 41 Parties (40 countries + EC)
  - non-Annex I Parties (≈developing countries) – 148 countries
- Commitments / "common but differentiated responsibilities":
  - different for Annex I and non-Annex I Parties; Annex I "taking the lead"
  - national actions on climate change, cooperation, reporting&review, etc.
  - no legally-binding limits on national GHG emissions

1. International response to climate change: *The Kyoto Protocol*

- The Kyoto Protocol = 1st Protocol under the Convention
  - adopted in 1997; Marrakesh Accords (2001) => road to ratification
  - in force since 16 February 2005; 156 Parties now (1 October 2005)
  - additional commitments (different for Annex I and non-Annex I)
  - large countries not participating: Australia, USA
- Binding limits on annual greenhouse gas (GHG) emissions for Annex I Parties (developed countries) by 2008-2012:
  - limits (= targets):–8% to +10% compared to 1990 (EC: –28% to +27%)
  - on average at least by 5% to 1990 level for the total of Annex I Parties
- Market-based international "flexibility mechanisms":
  - Emissions Trading – ET
  - Joint Implementation – JI
  - Clean Development Mechanism – CDM

2. Reporting & review under the Climate Change Convention and the Kyoto Protocol

- What the countries need to report
- How this information is reviewed / monitored

Reporting/review is slightly different for the Convention and the Kyoto Protocol

Convention = basic reporting elements

Kyoto Protocol = Convention reporting + additional elements

2. Reporting & review:
What the countries need to report - Convention

- Information on how the Convention is being implemented by the country = national communications:
  - Annex I Parties: periodically (once in ~5 years) for Annex I Parties
  - non-Annex I Parties: periodically for non-Annex I Parties (timing depends on financial support from Annex II – "highly industrialized countries")
- Data on greenhouse gas (GHG) emissions = national GHG inventories:
  - Annex I Parties: annually, in high detail, electronic submissions
  - non-Annex I Parties: periodically (in a national communication), in less detail
- Reporting guidelines: different for Annex I and non-Annex I
- No "sanctions" for non-reporting (facilitative, cooperative approach)

2. Reporting & review:
What the countries need to report - Protocol

- Detailed calculation of the national "assigned amount" = allowance for national GHG emissions (= basis for compliance, = basis for trading)
  - Annex I only and only once (an "initial report" by 1 January 2007)
  - percentage of reduction defined in KP, absolute number to be calculated
- Info on market-based mechanisms (issuance/trading of emissions units)
  - Annex I only, annually for the commitment period
  - units = currencies used in market-based mechanisms (ET, JI, CDM)
- Information on Protocol implementation = national communications
  - single communication for both Convention and the Protocol
  - for Protocol, some additions in content (different for AI and NAI)
- Report on "demonstrable progress" (Annex I only, by 1 January 2006)
- Quality of reporting <=> eligibility for market-based mechanisms

2. Reporting & review:
Review process in some detail…

a) GHG inventories of Annex I Parties
   - reporting timeline
   - review under Convention/Protocol

b) National communications from Annex I Parties
   - reporting timeline
   - review under Convention/Protocol

c) National communications from non-AI Parties

2. Reporting & review:
a) GHG inventories of Annex I Parties

- GHG inventories of Annex I Parties are particularly important:
  - Annex I Parties are responsible for the major part of world GHG emissions
  - Annex I Parties are to “take the lead” in addressing climate change (Convention)
  - Annex I Parties have binding emission limits (Protocol)
  - Annex I Parties can trade emissions (Protocol)

=> An elaborate process has been put in place to ensure the quality of national emissions data…

2. Reporting & review:
a) GHG inventories of Annex I Parties

- National GHG data submitted by 15 April every year (to UNFCCC secretariat for preliminary checks and archiving)
- Data are checked for completeness and general consistency (in the secretariat) => feedback to the Parties (through relevant reports)
- Each individual GHG inventory is reviewed by an expert group
  - Experts are nominated by governments
  - Three types of review: desk, centralized, in-country (every 4 years)
  - Review results in a report of the expert group with recommendations etc; report is publicly available at <unfccc.int>
  - Review/recommendations – in a facilitative, cooperative manner
  - Recommendations are followed up in the next year review
- Data for all AI Parties are regularly published and reviewed at annual Convention/Protocol meetings (in a negotiation group if needed)

2. Reporting & review:
a) GHG inventories of Annex I Parties

Additional elements under the Kyoto Protocol:

- An in-country review will be conducted for all Annex I countries in order to check the calculation of the "assigned amount" (emission allowance for the 1st commitment period 2008-2012)
- The expert review team can "adjust" the country data if the team finds it necessary:
  - if some emissions are not included ("forgotten")
  - if the methods used are not consistent with the requirements
- The adjustments are introduced in a "conservative" manner
- The "adjustments" can be introduced even if the country disagrees
- If the country disagrees, the issue goes "up" (to the Compliance Committee, which takes decision)

2. Reporting & review:
b) National communications of Annex I Parties

- National communications describe country's actions to implement the Convention/Protocol
- Communications are based on agreed guidelines
- Submissions of NCs – once in ~5 years; latest submissions (NC3) mostly in 2001-2003; next submissions (NC4) by 1 January 2006
- Communications cover the following issues:
  - GHG inventory data and GHG projections
  - Climate-related policies and measures
  - Climate change vulnerability and adaptation
  - Funding and technology transfer to non-Annex I countries
  - Description of climate observation systems
  - Education, training and public awareness on climate change

2. Reporting & review:
b) National communications of Annex I Parties

Reviews for communications slightly differ from reviews for inventories:

- As a rule, the review of a communication involves a country visit
- Each national communication is reviewed by an expert group
- Experts are nominated by governments; the group is "balanced"
- Review results in a report of the expert group with, if relevant, suggestions for improvement; report is available at <unfccc.int>
- Review/suggestions – in a facilitative, cooperative manner
- Suggestions for improvement are followed up in the next year review
- Summary ("compilation and synthesis") reports on AI communications:
  - published by UNFCCC secretariat upon the completion of most reviews
  - available publicly at <unfccc.int>
  - are reviewed/discussed at annual Convention/Protocol meetings (in a negotiation group if needed)

2. Reporting & review:
c) Nat. communications of non-Annex I Parties

- National communications describe country's actions to implement the Convention/Protocol (same as for Annex I Parties)
- Communications are based on agreed guidelines; the guidelines for non-Annex I countries are different from those for Annex I countries (<= "common but differentiated responsibilities")
- Submissions of NCs from non-Annex I Parties:
  - Initial communication – after the ratification of the Convention but dependent on the availability of financial support (within 3 years from entering into force or from availability of support)
  - Least-developed countries – no deadline for submission
  - By now (1 October 2005), **126** initial communications available
  - Rules for the second communications to be adopted soon
  - **3** non-Annex I Parties already submitted NC2

2. Reporting & review:
c) Nat. communications of non-Annex I Parties

- There is no formal process for reviewing individual national communications or GHG data from non-Annex I Parties – but:
  - Summary reports on the submitted non-Annex I communications ("compilation and synthesis" reports) are published by UNFCCC secretariat annually; these reports are reviewed at annual Convention/Protocol meetings (in a negotiation group if needed)
  - Issues important for the implementation of the Convention by non-Annex I Parties (e.g., capacity building) are discussed individually at annual Convention/Protocol meetings (in a negotiation group if needed)

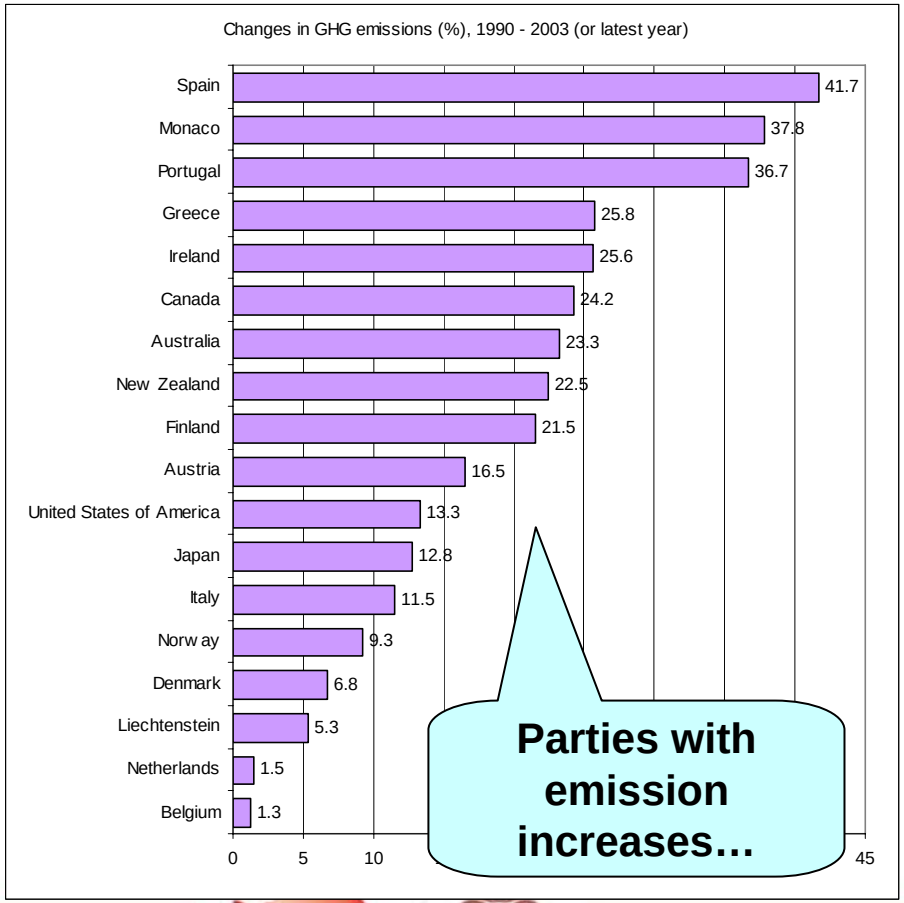
=> Implementation of the Convention by non-Annex I Parties is discussed as necessary

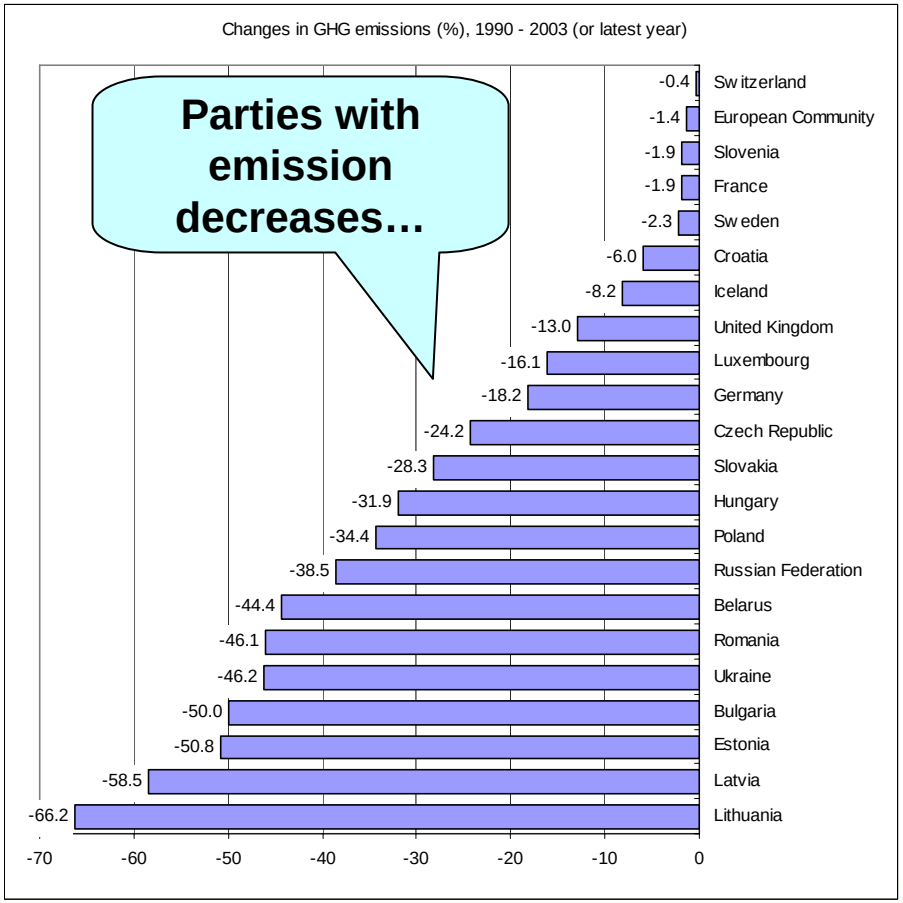
3. Examples from experience – how does the review system work?

- Example 1: reporting & review of national data on GHG emission trends
- Example 2: preparing for Kyoto Protocol monitoring
- Example 3: review of overall emission trends at annual meetings

To conclude: does the review system work?

Example 1:
National data on GHG emission trends





Ref: UNFCCC data from national submissions. GHG emissions are without LULUCF.

Example 2:
Preparing for Kyoto Protocol monitoring

Party	Total GHG emissions without LULUCF (Tg CO_2 equivalent) 1990	2003	Change 1990-2003 (%)	National emission reductions target under the Kyoto Protocol[a, b] (%)
Austria	78.57	91.57	16.5	-8 (-13)
Belgium	145.66	147.55	1.3	-8 (-7.5)
Bulgaria	138.38	69.17	-50.0	-8
Canada	595.86	740.21	24.2	-6
Czech Republic	191.96	145.43	-24.2	-8
Denmark	70.70	75.48	6.8	-8 (-21)
Estonia	43.49	21.39	-50.8	-8
European Community	4237.98	4179.61	-1.4	-8
Finland	70.42	85.56	21.5	-8 (0)
France	567.98	557.17	-1.9	-8 (0)
Germany	1243.69	1017.51	-18.2	-8 (-21)
Greece	109.42	137.64	25.8	-8 (+25)
Hungary	122.22	83.22	-31.9	-6
Iceland	3.28	3.01	-8.2	10
Ireland	53.80	67.55	25.6	-8 (+13)
Italy	511.21	569.76	11.5	-8 (-6.5)
Japan	1187.25	1339.13	12.8	-6
Latvia	25.35	10.53	-58.5	-8
Liechtenstein	0.25	0.26	5.3	-8
Lithuania	50.93	17.20	-66.2	-8
Luxembourg	13.44	11.28	-16.1	-8 (-28)
Netherlands	211.70	214.82	1.5	-8 (-6)
New Zealand	61.52	75.34	22.5	0
Norway	50.13	54.78	9.3	1
Poland	564.41	370.24	-34.4	-6
Portugal	59.37	81.16	36.7	-8 (+27)
Romania	265.12	142.90	-46.1	-8
Russian Federation	3046.56	1872.78	-38.5	0
Slovakia	72.09	51.71	-28.3	-8
Slovenia	20.19	19.80	-1.9	-8
Spain	283.86	402.29	41.7	-8 (+15)
Sweden	72.21	70.55	-2.3	-8 (+4)
Switzerland	52.45	52.24	-0.4	-8
Ukraine	978.90	527.06	-46.2	0
United Kingdom of Great Britain and Northern Ireland	747.98	651.09	-13.0	-8 (-12.5)

Such comparisons show how countries move towards their Kyoto Protocol targets

ons. GHG emissions are without LULUCF.

Example 3:
Review of emission trends at annual meetings

- Ninth session of the Conference of the Parties (COP 9), 1 - 12 December 2003; Milan, Italy
- Decision 1/CP.9 on "National communications from Parties included in Annex I to the Convention"

The Conference of the Parties, …

Emphasizing *that national communications and annual greenhouse gas inventories submitted by Annex I Parties are the main sources of information for reviewing the implementation of the Convention by these Parties, and that reports on in-depth reviews of these national communications provide important additional information for this purpose, …*

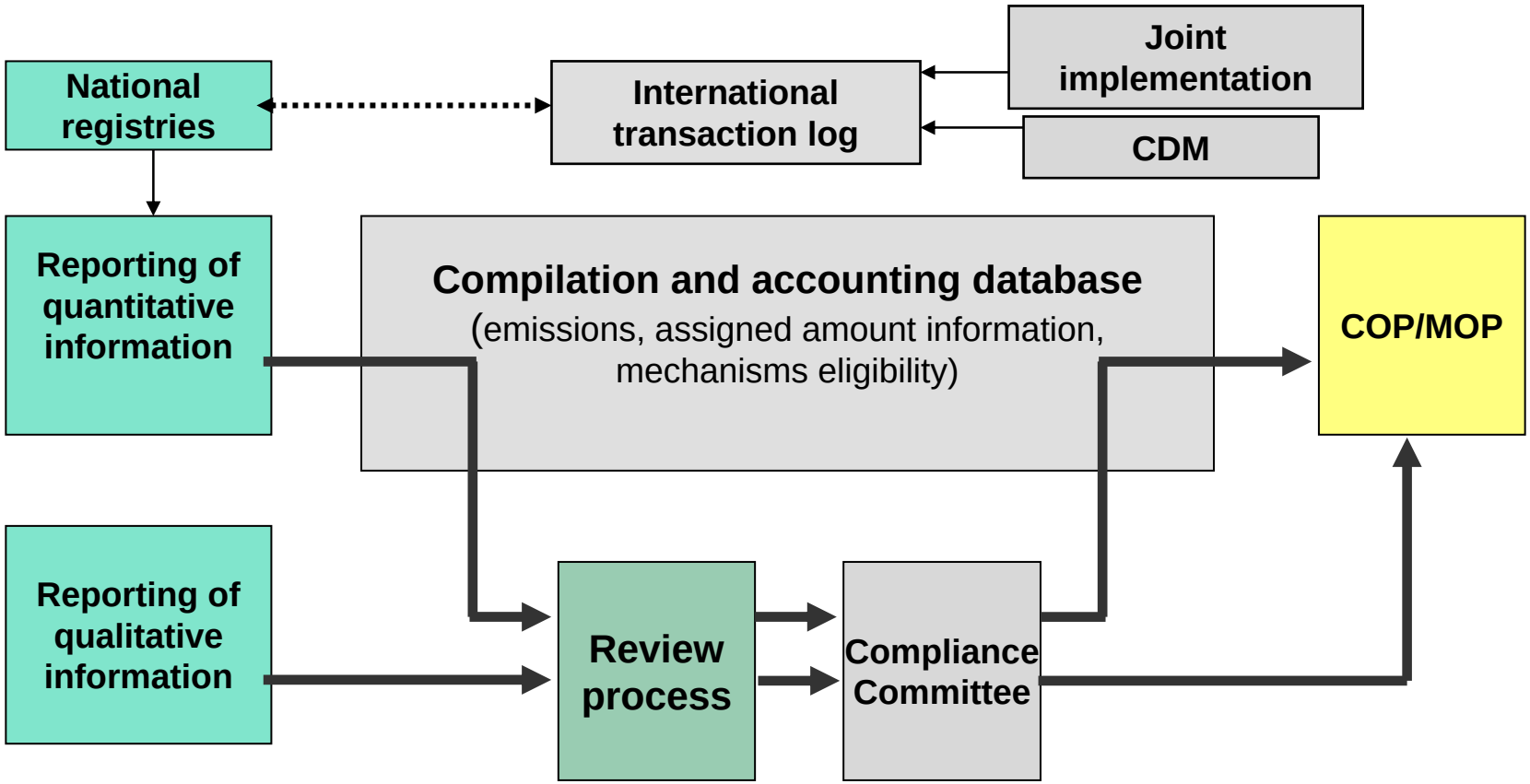
Recognizing *that data now available on greenhouse gas emissions and other information submitted by Annex I Parties provide a basis for reviewing the implementation of the Convention by these Parties in the period 1990–2000, as well as indicators of progress towards implementing the Kyoto Protocol by Parties that intend to do so, …*

Concludes *that further action is needed by Annex I Parties to implement policies and measures that will contribute to modifying longer-term trends in anthropogenic emissions, consistent with the objective of the Convention and the commitments of these Parties, and strongly urges these Parties to intensify efforts to that end;…*

4. Lessons learned and upcoming challenges…

- "Usual" GHG inventories (Annex I) 2006-2007 (=> review in 2006-2007)
- Next round of the submission and review of national communications of developed (Annex I) countries (Convention + KP additions)
  - communications by 1 January 2006 (=> review in 2006-2007)
- Operational start of the Kyoto Protocol:
  - establishment of "assigned amounts" of emissions (= preparation of national "initial reports", their review and "approval", possibly with "adjustments"
  - "initial reports" to be submitted by 1 January 2007 (=> review in 2007)
  - operation of the "flexibility" mechanisms – ET, JI, CDM (approval of methodologies, registration/validation of projects, issuance of emission reduction units, setup and functioning of registries) (=> adds to reviews)
- Review of "demonstrable progress" under Kyoto Protocol
  - "demonstrable progress" by 2005 mandated in the Protocol (Article 3.2)
  - reports to present progress by 1 January 2006 (=> review in 2006-2007)

Reporting, review and compliance procedures under Kyoto Protocol



Reporting & review:
Some statistics (Annex I reviews)

GHG inventories (2005):

- **39 submissions** of national inventory data for 1990-2003 (of 41 Annex I countries)
- **9 in-country reviews** of GHG inventory data
- **5 centralized reviews** of GHG inventory data (29 countries)
- More than **100 government-nominated experts** participated

National communications (2001-2005):

- **38 submissions** of third national communications (of 41 Annex I Parties)
- **35 in-country reviews** of national communications
- More than **100 government-nominated experts** participated

Conclusions:

- Reporting & review system = established part of the international climate change regime
- Key elements defined and operationalized under the Convention (since 1994)
- Additional strengthening – under the Kyoto Protocol (agreed in 2001, entered into force in 2005)
- But the operational start of the Kyoto Protocol (2006-2008) is a serious challenge

1) The reporting and review system works!

2) No reason for complacency – work continues and increases

3) Review process is resource-/time-intensive

=> possible improvements/streamlining?