



**United Nations**  
Climate Change Secretariat

**Nations Unies**  
Secrétariat sur les changements climatiques

# REVIEW PRACTICE GUIDANCE 2017

**For Reviews of National  
Communications and Biennial Reports of  
Developed Country Parties**



Transparency

**Draft for consideration at the**  
Fourth lead reviewers meeting, 6-7 March 2017, Bonn, Germany

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## **Acronyms and abbreviations**

Annex I Parties	Parties included in Annex I to the Convention
Article 7 guidelines	Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol
BR	Biennial report
BR1s	First biennial reports
BR2s	Second biennial reports
BR3s	Third biennial reports
CTF	Common tabular format
ERTs	Expert review teams
ESD	Effort-sharing decision
EU	European Union
EU ETS	EU emissions trading system
GHG	Greenhouse gas
ICAO	International Civil Aviation Organization
IDRs	Report of the technical review of the national communication
IMO	International Maritime Organization
INDC	Intended Nationally Determined Contributions
LRs	National communications
LULUCF	Land use, land-use change and forestry
MBMs	Market-based mechanisms
MRV	Monitoring, reporting and verification
MS	member States
NCs	National communications
NC6s	Sixth national communications
NF3	Nitrogen trifluoride
Non-Annex II Parties	Parties not included in Annex II to the Convention
OECD	Organisation for Economic Co-operation and Development
PaMs	Policies and measures
RPG	Review Practice Guidance
TRRs	Report of the technical review of the biennial report
t CO <sub>2</sub> eq	Tonnes of carbon dioxide equivalent
UNFCCC	United Nations framework convention on Climate Change
UNFCCC reporting guidelines on NCs	Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part II: UNFCCC reporting guidelines on national communications

## **I. Purpose and scope of the review practice guidance**

1. The RPG 2016, encompassing review practice and approaches used by the ERTs during the reviews of the BR1s and sixth NCs of developed country Parties was compiled by the secretariat and endorsed by BR/NC LRs at their 3<sup>rd</sup> meeting in March 2016. The RPG 2017 is based on the RPG 2016 and adds the key review challenges faced by the ERTs when reviewing BR2s in 2016. It presents suggested approaches to address the review challenges and reflects collective and cumulative NC and BR review practice gained during the reviews of BR1s/NC6s and BR2s.
2. The RPG 2017 aims to improve consistency among the individual BR and NC reviews during a review cycle and across the review cycles. The RPG 2017 does not aim to cover an exhaustive list of questions or concerns raised by the ERTs during the reviews, but rather focuses on the difficulties encountered in reviews, as observed by the review coordinators and the ERTs, and on the practices most commonly applied in such cases by the ERTs.
3. Review challenges and suggested approaches are divided into four substantive sections, presented in chapters III–VI, namely cross-cutting issues, quantified economy-wide emission reduction target and progress in its achievement, provision of financial and technological support to developing country Parties, and Article 7, paragraph 2, of the Kyoto Protocol. The matters raised or fine-tuned during the BR2 reviews in 2016 are highlighted.
4. Chapters III–V address issues that pertain largely to the reviews of both the BRs and the NCs, while two sections, namely (1) the description of reviewing how PaMs are modifying longer-term trends in anthropogenic GHG emissions and removals (IV.B) and (2) the description of contributions to the Adaptation Fund (IV.D), are largely relevant to the reviews of NCs only. Chapter VI on the topics linked to Article 7, paragraph 2, of the Kyoto Protocol is only relevant to the review of the NCs of Annex I Parties that are also Parties to the Kyoto Protocol.

## **II. Dynamic nature of the review practice guidance**

5. The RPG is meant to be a ‘living’ document supporting continuous improvement of consistency in BR and NC reviews. It will be updated after each BR (and NC) review cycle. The review coordinators will note any new challenges raised by ERTs and LRs during a review cycle. The approaches used to address these challenges will be collected, analysed and reflected in a draft new version of the RPG. The draft new version of the RPG will be presented, commented on and discussed at the relevant NC and BR LRs meeting. The comments made by the LRs will be incorporated into the new version of the RPG and used by the ERTs as a tool to facilitate consistency among the reviews.
6. The RPG is supported by analytical material presented as background papers. These papers are presented as annexes to the RPG. For the preparation of the RPGs 2016 and 2017 the following background papers<sup>1</sup> were prepared:
  - (a) Annex I. Biennial reports and national communications: review challenges and practice, 2016;
  - (b) Annex II. (1) Analysis of further options to use the gradations “mostly” or “partially” in the assessment of completeness and transparency in biennial reports. 2016. (2)

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<sup>1</sup> 2017 background papers are available here:  
[http://unfccc.int/national\\_reports/biennial\\_reports\\_and\\_iar/items/10059.php](http://unfccc.int/national_reports/biennial_reports_and_iar/items/10059.php).

Update of the analysis of the assessment of completeness and transparency of information reported in biennial reports, 2017;

(c) Annex III. Implications of changes in the UNFCCC annex I inventory reporting guidelines on the review of second biennial reports, 2016;

(d) Annex IV. Biennial reports and reporting on domestic arrangements, 2017;

(e) Annex V. Biennial reports and reporting on the use of the market-based mechanisms by the European Union and its member States, 2017;

(f) Annex VI. Assessing progress towards the emission reduction targets by developed country Parties, 2017;

(g) Annex VII. Challenges in reporting and analysing the provision of financial, technological and capacity-building support to developing country Parties, 2017.

### III. Review challenges and suggested approaches in relation to cross-cutting issues

<i>Review challenge</i>	<i>Suggested approach</i>
<b>A. Recommendations, encouragements and other review findings</b>	
1. How to choose between a recommendation and an encouragement	<ul style="list-style-type: none"> <li>• The basis for the recommendations or encouragements presented in the review reports should be the respective reporting guidelines:               <ol style="list-style-type: none"> <li>(a) A “shall” requirement is a mandatory requirement and, in case of problems, needs to be addressed through a recommendation;</li> <li>(b) A “should” requirement is not a mandatory requirement and, in case of problems, needs to be addressed through an encouragement;</li> <li>(c) A “may” requirement is also not a mandatory requirement and leads to an encouragement;</li> <li>(d) A “shall” requirement followed by an expression such as “where feasible” or “to the extent possible” is a mandatory requirement. If the Party has neither reported the information nor provided an explanation for not reporting or only partially reporting it, then this should lead to a recommendation provided by the ERT, which should include the language of the reporting requirement (e.g. “The ERT recommends that..., where feasible”; or “The ERT recommends that..., to the extent possible”).</li> </ol> </li> </ul>
2. How to frame individual recommendations/ encouragements in the review reports	<ul style="list-style-type: none"> <li>• Recommendations and encouragements should closely reflect the language of the reporting guidelines and be concrete, factual and neutral, as well as easily traced back to the respective reporting guidelines. At the same time, they could be adapted to fit a particular finding in the context of the review of a particular Party.</li> </ul>
3. How to compile recommendations in the “Conclusions and recommendations” section of the review reports	<ul style="list-style-type: none"> <li>• The “Conclusions and recommendations” section should include all of the recommendations (referred to as “shall” requirements) that were provided by the ERT in the main body of the report.</li> <li>• The “Conclusions and recommendations” section should not include the encouragements (referred to as “should” and “may” requirements) that were provided by the ERT in the main body of the report.</li> </ul>

<i>Review challenge</i>	<i>Suggested approach</i>
4. How to reflect additional information received from the Party in the recommendations and encouragements	<ul style="list-style-type: none"> <li>Two types of additional information should be reflected in the recommendations and encouragements:               <ol style="list-style-type: none"> <li>Information that refers to future/anticipated developments;</li> <li>Information that is provided by a Party to address gaps in its reporting.</li> </ol> </li> <li>The ERT can take note of future/anticipated developments in the review report and can provide guidance on how information thereon could be included in subsequent submissions, but there should not be any recommendation or encouragement provided in this regard.</li> <li>The ERT should provide a recommendation or an encouragement, as appropriate, for the Party to include in its subsequent NC or BR any additional information provided during the review that addresses reporting gaps or issues identified during the review.</li> </ul>
5. How to reflect findings on reported information that is indirectly linked to the reporting requirements	<ul style="list-style-type: none"> <li>For “shall” requirements, the ERT should provide a recommendation, and for “should” or “may” requirements the ERT should provide an encouragement.</li> <li>For all other findings not linked to a specific requirement of the reporting guidelines, the ERT should use the verbs “note” or “consider”; for example: “The ERT considers that Party X...”; or “The ERT notes that Party Y...”.</li> </ul>
6. When can the ERT commend the Party?	<ul style="list-style-type: none"> <li>The ERTs can commend a Party only for reporting information going beyond the reporting requirements. A clear example of such a case is reporting on support by non-Annex II Parties.</li> <li>To recognize improvements in reporting, the ERTs can note significant improvements compared to the previous round of reporting and thorough implementation of all previous recommendations and encouragements to improve the completeness and transparency of reporting.</li> </ul>
7. Can the ERT recommend the use of notation keys?	<ul style="list-style-type: none"> <li>The use of the notation keys is not prescribed in the reporting guidelines. Therefore, the ERT cannot recommend that the Party use notation keys.               <ul style="list-style-type: none"> <li>Instead, the ERT can use the following phrases:                   <ol style="list-style-type: none"> <li>“The ERT considers that transparency of reporting could be improved by indicating in the table “NA” ...”;</li> <li>“The transparency can be improved, for example, by using the notation key “NA” ...”.</li> </ol> </li> </ul> </li> </ul>

<i>Review challenge</i>	<i>Suggested approach</i>
<b>B. Consistency between TRRs and IDRs when reviewing the BR and NC in conjunction</b>	
How to ensure the consistency of recommendations and encouragements when reviewing the BR and NC in conjunction	<ul style="list-style-type: none"> <li>• Where the reporting requirements are the same for the NCs and the BRs (e.g. the GHG inventory and projections), the TRR should not necessarily repeat all of the information included in the IDR; a short summary could be adequate.</li> <li>• Where the reporting requirements are the same for the NCs and the BRs (e.g. the GHG inventory and projections), the findings presented in the TRR, and in particular in the “Recommendations and conclusions” section, should be fully consistent with those in the IDR, except for cases where the Party has provided inconsistent information in its NC and BR.</li> <li>• Where the reporting requirements for BRs are similar to those for NCs but not the same (e.g. PaMs and financial and technological support), the language used for the recommendations/encouragements could differ as it should be fully aligned with the respective reporting guidelines.</li> </ul>
<b>C. Assessment of completeness and transparency</b>	
1. How to distinguish between completeness and transparency	<ul style="list-style-type: none"> <li>• The ERT should treat completeness issues independently from transparency issues and should therefore always provide separate recommendations/encouragements for completeness and for transparency in relation to each reporting requirement.</li> <li>• If a requirement has not been addressed, this is an issue of completeness and not of transparency (even though missing information might also lead to a lack of transparency).</li> <li>• The ERT should always assess the completeness and transparency of the information provided for a particular requirement in two separate steps:               <ul style="list-style-type: none"> <li>(a) The ERT should assess the completeness of the reported information;</li> <li>(b) The ERT should assess the transparency of the reported information.</li> </ul> </li> <li>• To assess whether information is complete and/or transparent, the ERT may follow these steps:               <ul style="list-style-type: none"> <li>(a) If the information reported by the Party corresponds fully to the particular reporting requirement of the guidelines, then this information should be considered complete;</li> <li>(b) If the information reported by the Party does not give rise to questions and allows the reader to assess its credibility, reliability and relevance, then this information should be considered transparent. Information should also be considered transparent if the elements necessary for its understanding are all provided in an open, clear and factual manner.</li> </ul> </li> </ul>
2. How to assess the completeness and transparency of the BR CTF tables	<ul style="list-style-type: none"> <li>• Providing information in the BR CTF tables is a mandatory reporting requirement.</li> <li>• Gaps identified in the BR CTF tables might not necessarily signify incomplete reporting, provided that they are adequately explained by the Party as being due to national circumstances.</li> </ul>



Review challenge	Suggested approach
How to assess inconsistency between BR textual part and BR CTF tables	<ul style="list-style-type: none"> <li>• When a Party has not reported some information in the CTF tables, the ERT should clarify why the Party did not provide such information and, if relevant, clarify whether any national circumstances prevented the Party from fulfilling the reporting requirement.</li> <li>• When the information provided in this context is relevant, credible and transparent, the ERT can summarize the Party's explanation in the review report, together with a relevant recommendation for addressing the reporting gap in its next NC or BR.</li> <li>• When the reporting guidelines request that information be reported under the mandatory requirement in textual and tabular format, but the information is reported solely in the textual part of the BR and not in the CTF tables, the ERT should make a recommendation on transparency.</li> <li>• When there is inconsistency between the information relating to the same reporting requirement reported in the textual part of the BR and in the CTF tables, the ERT should make a recommendation/encouragement on transparency, as appropriate.</li> </ul>
3. How to assess completeness and transparency as “mostly” and “partially” <sup>2</sup>	<ul style="list-style-type: none"> <li>• The ERT's assessment of completeness and transparency should be based on four gradations: fully; mostly; partially; and not complete or transparent.</li> <li>• The ERT should use the checklist (provided by the review coordinator from the UNFCCC secretariat) to ensure that all mandatory reporting requirements (i.e. “shall” reporting requirements) have been addressed.</li> <li>• The identification of issues and the related assessment of completeness and transparency by the ERT should be based only on the “shall” reporting requirements contained in each section of the NC or BR.</li> <li>• All mandatory (“shall”) reporting requirements should be treated equally by the ERTs and an “expert's weighting factor” should not be applied, which could imply that some “shall” requirements are more important than others.</li> <li>• One “shall” requirement should trigger not more than one recommendation for completeness and/or one recommendation for transparency. This principle should be applied even if the “shall” requirement contains more than one specific reporting element. There is only one exception, in cases where one “shall” requirement contains an additional mandatory reporting requirement, which is the case in the reporting of projections.</li> <li>• To ensure consistency across the TRRs and across the subsequent review cycles, the ERTs are encouraged should to follow the completeness and transparency assessment scoreboard to distinguish between an assessment of “mostly” or “partially”, as presented in the table below.</li> </ul>

<sup>2</sup> The LRs did not reach an agreement on the application of the suggested guiding principles and the approach outlined in the completeness and transparency assessment scoreboard. The LRs acknowledged that the suggested principles and the approach could be used as a reference by the ERTs while reviewing BR2s. The background paper supporting the guiding principles and the approach is available at: [http://unfccc.int/national\\_reports/biennial\\_reports\\_and\\_iar/items/9296.php](http://unfccc.int/national_reports/biennial_reports_and_iar/items/9296.php).

Review challenge	Suggested approach		
	<ul style="list-style-type: none"><li>• In cases where the assessment of completeness and transparency goes beyond the suggested approach, the ERTs should substantiate their findings and rationale for the gradations used, which could in turn be further used to fine-tune the assessment scoreboard.</li><li>• The assessment of the completeness and transparency of the entire BR should continue to be based on expert judgment, taking into account the assessment of each section.</li></ul>		
	Completeness and transparency assessment scoreboard <sup>3</sup>		
BR section	Number of mandatory requirements in the UNFCCC reporting guidelines on BR	Number of missing mandatory requirements found by the ERT1	Assessment of the completeness and transparency of the BR section
GHG emissions and removals	2	1	Mostly complete/transparent
		2	Partially complete/transparent
Assumptions, conditions and methodologies related to the emission reduction target	2	1	Mostly complete/transparent
		2	Partially complete/transparent
Progress in achievement of the emission reduction target including projections	413	1–24	Mostly complete/transparent
		53–134	Partially complete/transparent
Projections (including the UNFCCC reporting guidelines on NCs)	9	1–2	Mostly complete/transparent
		3–9	Partially complete/transparent
Provision of support to developing country Parties	15	1–23	Mostly complete/transparent
		43–15	Partially complete/transparent
<i>Note:</i> In cases where the number of missing mandatory requirements is equal to the number of mandatory requirements from the UNFCCC reporting guidelines on BRs, the ERTs should decide whether to assess the respective section of the BR as partially complete/transparent or not			

<sup>3</sup> The LRs did not reach an agreement on the application of the completeness and transparency assessment scoreboard. The LRs acknowledged that the approach provided in the scoreboard could be used as a reference by the ERTs while reviewing BR2s. The background paper supporting the approach is available at: [http://unfccc.int/national\\_reports/biennial\\_reports\\_and\\_iar/items/9296.php](http://unfccc.int/national_reports/biennial_reports_and_iar/items/9296.php).

Review challenge	Suggested approach
	complete/transparent.
<b>D. Resubmissions</b>	
How to review resubmissions of the BR and BR CTF tables	<ul style="list-style-type: none"> <li>• According to the UNFCCC guidelines for the technical review of biennial reports from Annex I Parties, paragraph 108, Parties can submit additional information two weeks after the review week for the ERT's consideration ("If additional information is requested during the review week, the Annex I Party should make every reasonable effort to provide the information within two weeks after the review week.").</li> <li>• If the resubmission is made later than two weeks after the review week, the ERT notes the resubmission in the TRR, without undertaking any technical examination.</li> <li>• If the resubmission is made within two weeks after the review week, the ERT notes the resubmission in the TRR, examines it and presents the results of the analysis in the technical review report.</li> </ul>
<b>E. GHG inventory data</b>	
What GHG inventory data should be reflected in the TRR?	<ul style="list-style-type: none"> <li>• The ERT should factually reflect historical GHG emission data in the TRR using the latest available GHG inventory submission provided by the Party to the ERT during the review or submitted as an official GHG inventory submission, at the time of the review week. The description of the national inventory arrangements should be reviewed as reported in the BR/NC submission, if not specified otherwise by the Party under review.</li> </ul> <p><b>Example:</b> A Party is reviewed in June 2016. The Party submitted the 2016 GHG inventory in April 2016. The latest inventory data as contained in the 2016 GHG inventory submission should be used in the TRR.</p>

## IV. Review challenges and suggested approaches in relation to quantified economy-wide emission reduction target and progress in its achievement

Review challenge	Suggested approach
<b>A. GHG emission projections</b>	
1. How to review GHG emissions projections for the EU ETS and non-ETS sectors	<ul style="list-style-type: none"> <li>The EU MS mostly present their projections in accordance with the sectoral categories identified in the UNFCCC reporting guidelines on NCs.</li> <li>The ERT can note the usefulness of reporting separately projections for emissions covered by the ETS and ESD sectors, however as per the reporting guidelines, the ERT cannot recommend/encourage that the EU MS report separate projections for emissions covered by the ETS and ESD sectors.</li> </ul> <p><b>Example:</b> the ERT could state in the review report: “Party Z’s reporting on GHG emission projections is complete and transparent. The ERT notes that presenting separate projections for emissions from sectors covered by the ETS and the ESD would further facilitate the assessment of whether Party Z is on track to achieving its target.”</p> <ul style="list-style-type: none"> <li>The ERT should reflect in sections II.C and II.C.3 of the TRR whether the Party provided projections for 2020 and 2030 separately for the ETS and non-ETS sectors.</li> </ul>
2. How to treat a reporting requirement to present on a gas-by-gas basis the ‘with additional measures’ projections	<ul style="list-style-type: none"> <li>According to the NC reporting guidelines, reporting of the ‘with additional measures’ projections is a “<i>may</i>” reporting requirement; however, presenting the projections by gas is a “<i>shall</i>” reporting requirement.</li> <li>In cases when the ‘with additional measures’ projections are reported, these projections have to be presented on a gas-by-gas basis, in addition to the presentation on a sectoral basis.</li> <li>The ERT should first establish whether a Party reported the ‘with additional measures’ projections, and if such projections are not reported, the ERT should formulate an encouragement for the Party to report such information in the next submission. However, if these projections are reported, the ERT should check whether the projections are presented by gas and by sector. If these non-mandatory projections are not presented by gas and by sector, the ERT should formulate a recommendation to the Party.</li> </ul>
3. How to review projections of GHG emissions from international aviation and maritime transport	<ul style="list-style-type: none"> <li>According to the NC reporting guidelines, separate reporting of the GHG emission projections related to fuel sold to ships and aircraft engaged in international transport and not including them in the totals is a “<i>shall</i>” reporting requirement, “<i>to the extent possible</i>”.</li> <li>The ERT should formulate a recommendation for the Party to report the projections separately, to the extent possible. .</li> </ul>

Review challenge	Suggested approach
not being reported separately	
4. How to review consistency between trends, projections and target with regard to inclusion of LULUCF and NF <sub>3</sub>	<ul style="list-style-type: none"> <li>• In accordance with paragraph 34 of the NC reporting guidelines, Parties shall present their projections on a sectoral basis, to the extent possible. In accordance with paragraph 35 of these guidelines, Parties shall present the projections on a gas-by-gas basis. The revised UNFCCC reporting guidelines on annual inventories for Annex I Parties (decision 24/CP.19) introduced the reporting of NF<sub>3</sub>.</li> <li>• There are cases when a Party reports LULUCF and NF<sub>3</sub> in GHG trends and does not include LULUCF and NF<sub>3</sub> in the projections, when LULUCF is not included in its target and does not include NF<sub>3</sub> in the projections when NF<sub>3</sub> is included in its target.</li> <li>• Parties are required to report projections for each sector and gas irrespective of whether a gas or sector is included in the target. The ERT should recommend that the Party include projections for missing gas (e.g. NF<sub>3</sub>) or sector, to the extent possible (e.g. LULUCF).</li> </ul>

## B. Effects of individual mitigation actions

1. How should the ERT formulate its findings when effect of one or more individual mitigation actions is not estimated (NE) or missing (cell is empty) in the CTF table 3?
  - The ERT should reflect in the TRR what the Party reported, as appropriate, and what information is missing.
  - The ERT should include any explanation provided in the BR or during the review, especially information on national circumstances that may have prevented/hindered the Party from reporting on this requirement.
  - The ERT should reflect any challenges in estimating the effects of mitigation actions faced by the Party.
  - On the basis of this information, the ERT should assess whether the gap in reporting is one of transparency (if the gap can be adequately explained by the Party as being due to national circumstances) or of completeness (where the gap in reporting cannot be explained by national circumstances) and recommend that the Party address this gap in its next submission.
 

**Example:** “In its BR1 and CTF table 3, Party X has not reported on the effects of its individual mitigation actions for 2020. However, during the review, Party X explained that the building hosting its highly sophisticated server CPUs used to compute the individual and total effects of its 567 mitigation actions burned down after it was struck by lightning during Hurricane Zwedna. Party X further explained that, as a result, it will not be able to provide estimates before its next BR submission. The ERT therefore recommends that Party X improve the transparency of its reporting by including this explanation in its next BR.”

Review challenge	Suggested approach
2. Is the provision of estimates of the effects of PaMs for particular years (e.g. 2015, 2020 and 2030) sufficient to substantiate how PaMs are modifying longer-term emission trends?	<ul style="list-style-type: none"> <li>• The provision of estimates for the effects of individual or all PaMs for particular years cannot adequately capture the general direction in which national emissions are developing or changing and the ERT should recommend that the Party provide further information in its next NC.</li> <li>• The ERT should consider the reported information complete if the Party complemented the quantitative information on the effects of PaMs with textual information and further explanations based on its national circumstances, overall climate strategy and planned actions. The textual information can, for example, include relevant elements from a Party's 2050 emission reduction or sustainable development strategy, and a discussion of policies that have structural effects, affect common practices and have long-term impacts, such as PaMs that address infrastructure (e.g. energy efficiency in buildings) and PaMs linked to urban planning, including in the waste sector (e.g. recycling versus landfilling) or in the energy sector (e.g. the shift to gas and the elimination of nuclear power plants).</li> <li>• If the NC does not include a specific discussion on longer-term trends as indicated above, the ERT should provide a recommendation to this effect. <p><b>Example:</b> “The ERT noted that, while Party Y did not explicitly state in its NC6 how it believes its PaMs are modifying longer-term trends in GHG emissions, many of the PaMs reported are expected to have lasting effects on such trends, as suggested in the projections for 2050. The ERT recommends that Party Y explain specifically how its PaMs are expected to modify GHG emissions in the longer term in its next NC.”</p> </li> </ul>
3. How to assess significant difference in estimates of mitigation effects of the same PaMs in 2020 reported in BRs compared to the previous BRs/NCs	<ul style="list-style-type: none"> <li>• If the ERT identifies significant differences in information reported on mitigation effects of the same PaMs in two consecutive submissions without explanation in the BR, the ERT should clarify the reasons for such differences, recognizing that the estimates of mitigation effects could be revised and PaMs may evolve over time. The differences could be due to changes in methods, assumptions, national circumstances and other factors influencing estimation of effects of mitigation actions. The ERT may take note of the differences in the TRR.</li> </ul>
4. How to review information under paras 3, 7 and 24 on domestic institutional arrangements	<ul style="list-style-type: none"> <li>• The scope of the requirements to report on institutional arrangements under paragraphs 3, 7 and 24 of the BR reporting guidelines may be interpreted as overlapping.</li> <li>• The ERTs should review whether information addressing each of these paragraphs has been reported, recognizing that information on national inventory arrangements pertains to GHG emissions and trends (para. 3), information on changes in domestic compliance, MRV and evaluation of progress (para. 7) pertains to mitigation actions and evaluation of progress to targets, and information on self-assessment of compliance with emission reduction commitments (para. 24) pertains to information on targets.</li> </ul>

Review challenge

Suggested approach

- The ERT should review the information, recognizing that information on national inventory arrangements (para. 3) should be consistent with the national inventory report of the GHG inventory submission.
- The ERT should review information on arrangements for domestic compliance, MRV and evaluation of progress (para. 7), noting the potential overlap with information on self-assessment of compliance with emission reduction commitments (para. 24) because the technical essence of these two reporting requirements (paras. 7 and 24) is not precisely defined and Parties may report the same or differing information on national legal, institutional and administrative systems set up to address these objectives.
- If the same information is reported under the three reporting requirements or if no information is reported, then the ERT should clarify with the Party how information reported corresponds to the three reporting requirements or why the information was not reported and provide the relevant recommendation or encouragement based on which requirement has not been addressed.
- The table below provides summary information comparing the reporting requirements of paragraphs 3, 7 and 24.

	Paragraph 3	Paragraph 7	Paragraph 24
Type of requirement	Shall	Shall	Encouragement, to the extent possible
Type of information	Summary information + changes	Changes	Detailed information
Scope	Each Annex I Party	Each Annex I Party	Annex I Parties – implies collective responsibility
Topic	National inventory	Mitigation actions and their effects/progress to target	Other (compliance with emission reduction commitments and rules)
Arrangements for	Reporting, archiving information and estimating emissions	Domestic compliance, monitoring, reporting, archiving information, evaluation of progress towards target	Self-assessment of compliance with emission reduction commitments or with reductions required by science, (+ progress made in establishing rules against domestic non-compliance)

5. How to review information only on the new PaMs implemented or

- According to paragraph 6 of the BR reporting guidelines, the Party should report on its mitigation actions implemented or planned since the previous NC/BR to achieve its target. The reporting should be clear, and if the Party reported only on the new PaMs, it should provide reference to the previous NCs/BRs which describe the previously existing mitigation actions.

Review challenge	Suggested approach
planned since the previous NC/BR	<ul style="list-style-type: none"> <li>• The ERT should check and verify the reference to the previous NCs/BRs and ensure that the PaMs are indeed new and complementary to those reported in the previous NC/BR.</li> <li>• If the current submission lacks reference to the previous NC/BR, the ERT should make a recommendation to the Party to improve the completeness of its reporting by providing complete and consistent information on all PaMs that were put in place to achieve the target.</li> </ul>
<b>C. The EU 2020 target</b>	
How should the EU 2020 target be described? If the target is not clearly presented, is it an issue of transparency?	<ul style="list-style-type: none"> <li>• The ERT should reflect in the TRR whether the Party provided a description of how the EU target translates into its national target for emissions not covered by the EU ETS in terms of t CO<sub>2</sub> eq.</li> <li>• If the BR does not include such a description, the ERT could note this in section II.C of the TRR: “The ERT noted that a description by Party X in its next BR of how the EU target translates into its national target for emissions not covered by the EU ETS in terms of t CO<sub>2</sub> eq would increase the transparency of the reporting on the target.”</li> </ul>
<b>D. Revised target definition compared to that reported in the previous BR</b>	
How to compare the target definitions reported in the current and previous BR	<ul style="list-style-type: none"> <li>• During the review:               <ul style="list-style-type: none"> <li>(a) The ERT should compare the information reported in the BR with that reported in the previous BR submission (BR1);</li> <li>(b) If the ERT observes any discrepancies or has any questions, it should consult and clarify these with the Party.</li> </ul> </li> <li>• In the TRR, the ERT should:               <ul style="list-style-type: none"> <li>(a) Clearly highlight any changes to the target definition;</li> <li>(b) Include any clarifications provided by the Party during the review or in the BR;</li> <li>(c) Provide a factual assessment of the effects of the changing target definition.</li> </ul> </li> </ul>
<b>E. External target-related information sources</b>	
Should the ERTs assess information	<ul style="list-style-type: none"> <li>• The ERT should only assess the information on the 2020 quantified economy-wide emission reduction target included by each Party in the BR;</li> </ul>



<i>Review challenge</i>	<i>Suggested approach</i>
from the INDC submissions and compare it to the information reported in the BR?	<ul style="list-style-type: none"> <li>• The ERT should not refer to the INDC target or the progress made thereon unless the BR explicitly refers to the INDC target;</li> <li>• If a Party does include information in the BR on its INDC target, then the ERT can take note of this information in the context of the 2020 target without including any “encouragements” or “recommendations” with regard to the “INDC” target.</li> </ul>

#### **F. Contribution of LULUCF towards achieving the target**

How to review the contribution of LULUCF units towards achieving its target	<ul style="list-style-type: none"> <li>• If inconsistent information is provided on the contribution of LULUCF units towards achieving the target, or if a Party erroneously reports in CTF table 4 the contribution from LULUCF (e.g. the Party does not account for LULUCF units in its target, or the Party presented Kyoto Protocol specific data, such as assigned amount units, instead of Convention data), it is essential for the ERT to clarify this with the Party during the review and reflect the correct information in the TRR and in the table of the TRR on progress. The ERT should: <ul style="list-style-type: none"> <li>(a) Note in the review report the reported information;</li> <li>(b) Assess what the correct information should be;</li> <li>(c) Provide a recommendation for the Party to enhance the transparency of its reporting by providing the correct information in its next submission. <b>For example, the Party may add a footnote in CTF table 4(a)II explaining that LULUCF is not covered by the target.</b></li> </ul> </li> <li>• For all Parties that include LULUCF in their target under the Convention, the ERT should include the information reported (either in the BR CTF tables or during the review) on “LULUCF emissions/removals” in the table of the TRR on progress. “Emissions including LULUCF” should be the sum of “Emissions excluding LULUCF” and “LULUCF emissions/removals”.</li> <li>• For all Parties that do not include LULUCF in their target under the Convention, the ERT should use the notation key “NA” (not applicable) for “LULUCF emissions/removals” and “Emissions including LULUCF” in the table of the TRR on progress (this applies to all EU MS).</li> </ul>
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#### **G. Contribution of units from MBMs towards achieving the target**

How to review the contribution of units from MBMs towards achieving its target	<ul style="list-style-type: none"> <li>• <b>If a Party does not report</b> or reports inconsistent or incorrect information on the use of units from MBMs in CTF table 4 (i.e. the reported information does not correspond to the units that the Party acquired and intends to use to achieve the target), it is essential for the ERT to clarify this with the Party during the review and reflect the correct information in the TRR and in the table of the TRR on progress. The ERT should: <ul style="list-style-type: none"> <li>(a) Note in the review report the reported information;</li> </ul> </li> </ul>
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Review challenge	Suggested approach
	<p>(b) Clarify with the Party what the actual intended use of units for achieving the target is;</p> <p>(c) Provide a recommendation for the Party to enhance the transparency of its reporting by providing the correct information in its next submission and a recommendation to enhance the completeness of its reporting, in case such information has not been provided.</p> <ul style="list-style-type: none"> <li>The ERT should use in the table on progress in the TRR: the value reported by the Party (given in the CTF tables or provided during the review) if the Party makes use of units from MBMs; the notation key “NA” when a Party does not plan to use units from MBMs; and the value “0” when the Party intends to use units from MBMs but does not use units in a given year. In all cases, the source of the value of the units from MBMs to be used towards achieving its target included in the table on progress should be explained in a footnote.</li> <li>The EU MS have not reported information in the BR2s on the use of MBM units because this information is provided in a centralized manner by the European Commission and it was not available at the time of preparation of the BR2s. This explanation has been reflected in many BR2 reports. More detailed information on this point is provided in annex V.</li> </ul> <p><b>For BRs of the EU:</b></p> <ul style="list-style-type: none"> <li>The ERT should assess whether the information reported by the EU covers all the units from MBMs used under the EU ETS as well as the sum of units from MBMs used by the MS under the ESD.</li> <li>If the data reported by the EU is not consistent with the information provided by the MS, the ERT should provide in the TRR a recommendation on transparency.</li> </ul> <p><b>For BRs of the EU MS:</b></p> <ul style="list-style-type: none"> <li>The ERT should check whether the EU MS clearly stated whether it plans to make use of MBM units or not.</li> <li>If the EU MS did not provide information on whether it plans to make use of MBM units, the ERT should provide a recommendation on completeness.</li> </ul>

Review challenge

Suggested approach

EU and EU member States:

Expected availability of data on the use of MBMs under the ESD and the EU ETS

BR submission date	ESD	EU ETS
BR3: 1 January 2018	2013–2015 <sup>a</sup>	2013–2014
BR4: 1 January 2020	2013–2017 <sup>a</sup>	2013–2016
BR5: 1 January 2022	2013–2019 <sup>a</sup>	2013–2018
BR6: 1 January 2024	2013–2021 <sup>a</sup>	2013–2020

<sup>a</sup> Assuming no delay in the internal EU compliance process.

- If a Party provides data on MBM units but not for all the years stipulated in the table above, the ERT should:
  - Check whether the Party presents an adequate explanation for the missing data in the BR.
  - If no explanation for the missing data is provided, the ERT should:
    - Clarify during the review why the required information is not reported, and include in the TRR the clarification received during the review.
    - Provide a recommendation for transparency that the Party provide the missing information in its next BR, and in case this is not feasible, that the Party provide the relevant explanations for any missing data.
  - If an adequate explanation for the missing data is provided, the ERT should include it in the TRR, and provide a recommendation for completeness.
- If a Party does not provide data on MBM units used, the ERT should:
  - Clarify during the review why the required information is not reported.
- Provide in the TRR a recommendation for completeness.

## V. Review challenges and suggested approaches in relation to the provision of financial and technological support to developing country Parties

<i>Review challenge</i>	<i>Suggested approach</i>
<b>A. Information on the provision of financial support by non-Annex II Parties</b>	
How to review information on financial support provided by non-Annex II Parties	<ul style="list-style-type: none"> <li>• The ERT cannot provide a recommendation or an encouragement as there is no requirement for non-Annex II Parties to report on the financial support that they have provided to developing countries.</li> <li>• The ERT can commend non-Annex II Party for reporting this information and suggest that the Party continue including it in its subsequent submissions.</li> <li>• If a non-Annex II Party submits blank CTF tables 8 and 9, the ERT may suggest that the Party use the notation key 'NA' and/or include a footnote in both tables to indicate that it is a non-Annex II Party and has no obligations to report on support.</li> </ul>
<b>B. External information sources to fill in gaps in reporting on provision of financial support</b>	
Can external sources be used to fill in the gaps in reporting of financial information? How to review amount of financial resources not provided in domestic currency or in USD	<p><b>General:</b></p> <ul style="list-style-type: none"> <li>• If a Party failed to report all of the financial information required in the CTF tables, the ERT should: <ul style="list-style-type: none"> <li>(a) Request that the Party explain the reasons for not including this mandatory information (if these explanations are not provided in the BR);</li> <li>(b) Include in the TRR an explanation for any missing financial information, if provided by the Party;</li> <li>(c) Recommend that the Party provide complete financial information or a duly substantiated explanation for the gaps in the next BR/CTF tables.</li> </ul> </li> </ul> <p><b>Data in other currencies:</b></p> <ul style="list-style-type: none"> <li>• According to the BR reporting guidelines (para. 18(a)), the amount of financial resources includes the amount in original currency and its equivalent in United States dollars/<b>international currency</b>. Further, CTF tables 7, 7(a) and 7(b) require the amounts to be in domestic currency and USD.</li> <li>• If a Party does not provide financial information in its domestic currency or in USD (even if the Party has reported in an international currency), as required in the reporting guidelines CTF tables, the ERT should, during the review: <ul style="list-style-type: none"> <li>(a) Clarify why the Party did not provide that information in the CTF tables;</li> <li>(b) Make the Party aware of publicly available exchange rates (e.g. from the OECD);</li> </ul> </li> </ul>

Review challenge	Suggested approach
	<ul style="list-style-type: none"> <li>(c) Explain to the Party the importance of comparable financial information across Parties;</li> <li>(d) Request that the Party provide updated information in its domestic currency or in USD during the review.</li> <li>• In the TRR, the ERT should, as applicable: <ul style="list-style-type: none"> <li>(a) Reflect the financial information in the currency reported by the Party;</li> <li>(b) Note that the Party failed to provide financial information in its domestic currency or in USD as requested during the review;</li> <li>(c) Include any explanations provided by the Party with regard to the currency used for reporting financial information;</li> <li>(d) “Recommend” that the Party provide the requested information in its domestic currency or in USD (whichever is not reported) or a duly substantiated explanation for the gaps/inconsistencies in the next BR/CTF tables.</li> </ul> </li> <li>• If a Party provided financial information in its domestic currency or in USD, the ERT should reflect that in the TRR.</li> </ul>

### C. Information on provision of financial support

How to assess the reporting on information on financial support provided for mitigation, adaptation and response measures, when it is not reported in a disaggregated manner

- According to the BR reporting guidelines (para. 17), providing information on the financial support provided for mitigation, adaptation and response measures is a “shall” reporting requirement, “where appropriate”. This provides discretion to the Party to report on all or any components of the reporting requirement (support for mitigation, support for adaptation or support for response measures) depending on how its financial support is structured.
- Lack of reporting on any of the three elements (finance for mitigation, adaptation or response measures) does not necessarily lead to a recommendation by the ERT, as it is the reporting Party that deems what is appropriate.
- If a Party does not substantiate in its report the non-provision of an element under this reporting requirement, the ERT should raise questions to clarify the issue during the review and reflect the answers provided in the TRR.

### D. Contributions provided to the Adaptation Fund (NC reporting)

How should the ERT formulate its findings if a Party does not report on its contribution to the Adaptation Fund?

- The Adaptation Fund is sourced by a share of proceeds from the certified emission reductions under the clean development mechanism.
- In addition, Parties to the Kyoto Protocol can contribute to the Adaptation Fund on a voluntary basis.

<i>Review challenge</i>	<i>Suggested approach</i>
	<ul style="list-style-type: none"> <li>• If a Party to the Kyoto Protocol has made a contribution to the Adaptation Fund, it shall report thereon in its NC (decision 15/CMP.1, para. 43). If a Party did not report information on such a contribution, the ERT should reflect this in the review report and provide a relevant recommendation.</li> <li>• If a Party to the Kyoto Protocol has not made any contribution to the Adaptation Fund on a voluntary basis, it cannot be expected to report on it. The ERT should therefore not provide a recommendation on this issue.</li> </ul>

**E. Information on how the resources provided effectively address the needs of developing countries**

How to assess effectiveness of the provision of resources	<ul style="list-style-type: none"> <li>• The requirement to report on how the resources that Parties provide address the needs of developing countries is a mandatory requirement. As the exact requirement is “shall, to the extent possible”, the Party has two options to address this mandatory requirement: either to report the required information or, if it cannot provide this information or can report only partial information, to clearly and concretely explain why this was not “feasible” or “possible”.</li> <li>• If the Party has neither reported the information nor provided explanations for not reporting or only partially reporting the information, then this should lead to a recommendation by the ERT that reflects the language of the reporting requirement (e.g. “The ERT recommends that ..., to the extent possible”).</li> <li>• The ERTs should continue to focus their assessment on how Annex II Parties seek to ensure that the needs of non-Annex I Parties are addressed through the resources they provide.</li> <li>• The ERTs can continue to exercise flexibility with regard to the notion of “effectiveness” encompassed in the reporting requirement as there is no agreed definition thereon.</li> <li>• The ERTs can continue to highlight any information provided by the Parties which showcases, in a meaningful way, the effectiveness of the resources provided in addressing developing countries’ needs.</li> </ul>
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**F. Information on how the capacity-building support provided responds to the capacity-building needs of developing countries**

How to review the correspondence of capacity-building needs to the support provided	<ul style="list-style-type: none"> <li>• The requirement to report on how the capacity-building support that Parties provide addresses the capacity-building needs of developing countries is a mandatory requirement. As the exact requirement is “shall, to the extent possible”, the Party has two options to address this mandatory requirement: either to report the required information or, if it cannot provide this information or can report only partial information, to clearly and concretely explain why this was not “feasible” or “possible”.</li> <li>• If the Party has neither reported the information nor provided explanations for not reporting or only partially reporting the information, then this should lead to a recommendation by the ERT that reflects the language of the reporting requirement (e.g. “The ERT recommends that..., to the extent possible”).</li> </ul>
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<i>Review challenge</i>	<i>Suggested approach</i>
<b>G. Information on indicators, delivery mechanisms used and allocation channels tracked</b>	
How to review indicators, delivery mechanisms and allocation channels tracked	<p><b>Indicators</b></p> <ul style="list-style-type: none"> <li>• The ERTs can continue to accept Parties' varied definitions of indicators.</li> <li>• The ERTs should reflect in the TRRs the type(s) and/or goals of the indicators reported by each Party and include some indicative examples.</li> </ul> <p><b>Allocation channels/delivery mechanisms</b></p> <ul style="list-style-type: none"> <li>• If a Party has not provided textual information but has only filled in the relevant tables (i.e. CTF tables 7, 7(a) and 7(b)), the ERT should acknowledge this and recommend that the Party provide a textual description as well.</li> <li>• The ERTs can continue to be flexible when Parties do not differentiate between allocation channels and delivery mechanisms.</li> </ul>
<b>H. Information on success and failure stories on the provision of technology transfer</b>	
How to review success and failure stories with regard to technology transfer in cases where table 6 of the UNFCCC reporting guidelines on NCs is not provided	<ul style="list-style-type: none"> <li>• The ERT should consider that this requirement has been fulfilled when the Party has clearly highlighted in the text and in the relevant tables the success/failure story(ies) related to at least one project.</li> <li>• In the IDR: if a Party provided substantive information in textual format, but not in table 6 of its NC, the ERT should recommend that the Party improve the transparency of its reporting by filling in table 6 in its next NC.</li> <li>• In the TRR: if a Party did not report on success and failure stories in its BR, the ERT should encourage the Party to report this information in its next BR.</li> </ul>
<b>I. Information on the provision of public financial support through bilateral, regional and other channels</b>	
How to review information on public financial support provided in BR CTF table 7(b)	<ul style="list-style-type: none"> <li>• BR CTF table 7(b) should only include non-Annex I Parties as recipients of public financial support contributed through bilateral, regional and other channels (as per paragraph 13 of the BR reporting guidelines). However, some Parties have submitted BR CTF table 7(b) with Annex I Parties listed as recipient countries.</li> <li>• The ERT should review table 7(b) and determine whether Annex I Parties are included. If so, the ERT should note that the Party included Annex I Parties (as a matter of transparency) in the TRR as a recipient of support; however, no encouragement or recommendation should be given by the ERT.</li> </ul>

## VI. Review challenges and suggested approaches in relation to information reported under Article 7, paragraph 2, of the Kyoto Protocol

<i>Review challenge</i>	<i>Suggested approach</i>
<b>A. Supplementarity</b>	
How to reflect the finding that a Party did not report on supplementarity with regard to the use of MBMs	<ul style="list-style-type: none"> <li>• The ERT should assess whether the Party reported on how its use of the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol is supplemental to domestic action.</li> <li>• When this information is not explicitly or clearly provided in the NC, the ERT should request the Party under review to provide, either before or during the review, clear information on supplementarity in accordance with the Article 7 guidelines.</li> <li>• The ERT should assess whether the Party does not intend to use units from the Kyoto Protocol mechanisms to achieve its commitment under the Kyoto Protocol and whether this information is clearly stated in its NC.</li> <li>• If the Party clearly indicates that it does not plan to make use of units from the Kyoto Protocol mechanisms to achieve its commitment under the Kyoto Protocol, but does not specifically elaborate on supplementarity, then the ERT should consider this information to be complete and can conclude that domestic action accounts for the overall effort made to meet the Party's commitments under the Kyoto Protocol, and hence the use of mechanisms is supplemental to domestic action.</li> <li>• In all other cases, the ERT should assess whether the Party: <ul style="list-style-type: none"> <li>(a) Provided information that quantifies the amount of units from the Kyoto Protocol mechanisms that it plans to use to achieve its commitment;</li> <li>(b) Compared this amount with its domestic emission reductions and clearly explained/demonstrated how the domestic emission reductions are more significant than the amount of units from the Kyoto Protocol mechanisms used.</li> </ul> </li> <li>• In all cases where information on supplementarity was not provided in the NC, the ERT should include a recommendation on the provision of the information required by the Article 7 guidelines.</li> <li>• The ERT should use the standard language available in the review report template and provide a factual statement on whether the Party reported on how its use of the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol is supplemental to domestic action and on whether or not it elaborated on supplementarity.</li> </ul>



*Review challenge*

• *Suggested approach*

## **B. Policies and measures in accordance with Article 2 of the Kyoto Protocol: steps taken to implement the decisions of ICAO and IMO**

How to review steps taken to implement the decisions of ICAO and IMO

- The ERTs should assess whether Parties reported in their NCs on the steps that they have taken to implement any relevant decisions made by ICAO and IMO and/or how Parties helped to shape some of those decisions.
- In this context, the following could be of relevance to the reviews: any references to studies that Annex I Parties undertook to support the deliberations; meetings in which they participated; and proposals that they submitted to ICAO and IMO. Also relevant could be any reports produced by Annex I Parties on measures that they have taken following the IMO and ICAO decisions; for example: information on voluntary agreements between ship owners, ship operators, the shipbuilding industry and relevant ministries concerning the reduction of GHG emissions by the maritime sector; or the adoption of measures, such as the simplification and optimization of the airspace and procedures for its use, performance-based navigation road maps and aeronautical information management road maps.
- If relevant information on the steps taken to implement any relevant decisions made by ICAO and IMO was not provided by a Party in its NC, the ERT should request this information before or during the review. In all cases, the ERT should assess the information, reflect its findings in the review report and include a recommendation on the provision of the information required by the Article 7 guidelines if this information was not included in the NC.

## **C. Domestic and regional programmes and/or legislative arrangements and enforcement and administrative procedures**

How to review domestic and regional programmes and/or legislative arrangements and enforcement and administrative procedures

- The ERT should assess:
  - (a) Legislative arrangements and enforcement and administrative procedures to ensure that Parties' commitments under the Kyoto Protocol will be met, along with information on how these arrangements and procedures are made publicly accessible, and legal procedures for addressing cases of non-compliance;
  - (b) Institutional arrangements and decision-making procedures for the coordination of activities to participate in the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol;
  - (c) Legislative arrangements and administrative procedures to ensure that the implementation of activities under Article 3, paragraphs 3 and 4, of the Kyoto Protocol contributes to the conservation of biodiversity and the sustainable use of natural resources.
- If this information was not provided in the NC, the ERT should request it before or during the review. The ERT should provide its assessment of the information in the review report and include a recommendation on the provision of the information required by the Article 7 guidelines if this information was not included in the NC.