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SUBSIDIARY BODY FOR SCIENTIFIC AND TECHNOLOGICAL ADVICE  
Seventeenth session  
New Delhi, 23–29 October 2002  
Agenda item 4 (b)

**METHODOLOGICAL ISSUES**

**GUIDELINES UNDER ARTICLES 5, 7 AND 8 OF THE KYOTO PROTOCOL**

**Addendum**

**Recommendation of the Subsidiary Body for Scientific and Technological Advice**

The Subsidiary Body for Scientific and Technological Advice, at its seventeenth session, decided to recommend the following draft decision for adoption by the Conference of the Parties at its eighth session:

**Draft decision -/CP.8**

**Additional sections to be incorporated in the guidelines for the preparation of the information required under Article 7, and in the guidelines for the review of information under Article 8, of the Kyoto Protocol<sup>1</sup>**

*The Conference of the Parties,*

*Recalling* its decisions 19/CP.7, 22/CP.7 and 23/CP.7,

*Noting* the relevant provisions of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, in particular its Articles 7 and 8,

1. *Decides* to incorporate:

(a) In the guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol, the section on “Information on emission reduction units, certified emission reductions,

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<sup>1</sup> A consolidated text of draft decisions forwarded to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol for adoption will be issued to include these additional sections in one document.

assigned amount units and removal units”<sup>2</sup> and the section on “National registries”,<sup>3</sup> as contained in annex I to this decision;

(b) In the guidelines for review under Article 8 of the Kyoto Protocol, the section on “Review of information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, emission reduction units, certified emission reductions, assigned amount units and removal units”<sup>4</sup> and the section on “Review of national registries”,<sup>5</sup> as contained in annex II to this decision;

(c) In the guidelines for review under Article 8 of the Kyoto Protocol, the part on “Expedited procedure for the review for the reinstatement of eligibility to use the mechanisms”, as contained in annex III to this decision,<sup>6</sup>

2. *Requests* the secretariat to develop, by 15 March 2004, a proposal for the appropriate data tables for reporting supplementary information on emission reduction units, certified emission reductions, assigned amount units and removal units, for consideration by the Subsidiary Body for Scientific and Technological Advice at its twentieth session;

3. *Invites* Parties to submit, by 30 April 2004, their views on the proposal by the secretariat mentioned in paragraph 2 above;

4. *Requests* the Subsidiary Body for Scientific and Technological Advice, at its twentieth session, to forward a draft decision to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol recommending that it incorporates in the sections of the guidelines under Articles 7 and 8 of the Kyoto Protocol, referred to in paragraph 1 above, any elements needed to reflect decisions of the Conference of the Parties or of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol relating to definitions and modalities for including afforestation and reforestation project activities under Article 12 in the first commitment period.

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<sup>2</sup> This section will be incorporated in section “E. Information on emission reduction units, certified emission reductions, assigned amount units and removal units” (decision, 22/CP.7, annex to the draft CMP decision on guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol, FCCC/CP/2001/13/Add.3).

<sup>3</sup> This section will be incorporated in section “E. National Registries” (decision, 22/CP.7, annex to the draft CMP decision on guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol, FCCC/CP/2001/13/Add.3).

<sup>4</sup> This section will be incorporated in “Part III: Review of information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, emission reduction units, certified emission reductions, assigned amount units and removal units” (decision 23/CP.7, annex to the draft CMP decision on guidelines for review under Article 8 of the Kyoto Protocol, FCCC/CP/2001/13/Add.3).

<sup>5</sup> This section will be incorporated in “Part V: Review of national registries” (decision 23/CP.7, annex to the draft CMP decision on guidelines for review under Article 8 of the Kyoto Protocol, FCCC/CP/2001/13/Add.3).

<sup>6</sup> Paragraph 19bis of annex III to this decision will be incorporated after paragraph 19 of the annex to the draft CMP decision on guidelines for review under Article 8 of the Kyoto Protocol, FCCC/CP/2001/13/Add.3). Part VIII in annex III to this decision will be incorporated as “Part VIII: Expedited procedure for the review for the reinstatement of eligibility to use the mechanisms” (decision 23/CP.7, annex to the draft CMP decision on guidelines for review under Article 8 of the Kyoto Protocol, FCCC/CP/2001/13/Add.3).

Annex I

**I. REPORTING OF SUPPLEMENTARY INFORMATION UNDER  
ARTICLE 7, PARAGRAPH 1**

**Information on emission reduction units, certified emission reductions,  
assigned amount units and removal units**

1. Each Party included in Annex I that is considered to have met the requirements to participate in the mechanisms shall report the supplementary information in this section of the guidelines beginning with information for the first calendar year in which it transferred or acquired emission reduction units (ERUs), certified emission reductions (CERs), assigned amount units (AAUs) and removal units (RMUs)<sup>7</sup> in accordance with decision -/CMP.1 (*Modalities for the accounting of assigned amounts*). This information shall be reported in conjunction with the inventory submission due under the Convention in the following year and until the first inventory submission due under the Protocol.

2. Each Party included in Annex I shall report, in a standard electronic format, the following information on ERUs, CERs, AAUs and RMUs from its national registry for the previous calendar year (based on Universal Time), distinguishing between units valid for different commitment periods:

(a) The quantities of ERUs, CERs, AAUs and RMUs in each account type specified in paragraph 21 (a) and (c) to (f) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and the quantities of ERUs, CERs, AAUs and RMUs in all accounts of the type referred to in paragraph 21 (b) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) at the beginning of the year;

(b) The quantity of AAUs issued on the basis of the assigned amount pursuant to Article 3, paragraphs 7 and 8;

(c) The quantity of ERUs issued on the basis of Article 6 projects and the corresponding quantities of AAUs and RMUs that were converted to ERUs;

(d) The quantity of ERUs issued in accordance with paragraph 24 of the annex to decision -/CMP.1 (*Article 6*) on the basis of Article 6 projects, verified under the supervision of the Article 6 supervisory committee, and the corresponding quantities of AAUs and RMUs that were converted to ERUs;

(e) The quantities of ERUs, CERs, AAUs and RMUs acquired from each transferring registry; the quantity of CERs acquired as a result of afforestation and reforestation activities under Article 12 shall be identified separately from acquisitions of other CERs;<sup>8</sup>

(f) The quantity of RMUs issued on the basis of each activity under Article 3, paragraphs 3 and 4;

(g) The quantities of ERUs, CERs, AAUs and RMUs transferred to each acquiring registry; the quantity of CERs transferred as a result of afforestation and reforestation activities under Article 12 shall be identified separately from transfers of other CERs;<sup>8</sup>

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<sup>7</sup> As defined in paragraphs 1–4 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

<sup>8</sup> The guidance in this subparagraph is adopted without prejudice to paragraph 4 of the COP decision incorporating this annex into the guidelines under Article 7 of the Kyoto Protocol.

- (h) The quantity of ERUs transferred in accordance with paragraph 10 of the annex to decision 18/CP.7;
- (i) The quantities of ERUs, CERs, AAUs and RMUs cancelled under paragraph 32 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) on the basis of each activity under Article 3, paragraphs 3 and 4;
- (j) The quantities of ERUs, CERs, AAUs and RMUs cancelled under paragraph 37 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) following determination by the Compliance Committee that the Party is not in compliance with its commitment under Article 3, paragraph 1;
- (k) The quantities of other ERUs, CERs, AAUs and RMUs cancelled under paragraph 33 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);
- (l) The quantities of ERUs, CERs, AAUs and RMUs retired;
- (m) The quantities of ERUs, CERs and AAUs carried over from the previous commitment period;
- (n) The quantities of ERUs, CERs, AAUs and RMUs in each account type specified in paragraph 21 (a) and (c) to (f) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and the quantities of ERUs, CERs, AAUs and RMUs in all accounts of the type referred to in paragraph 21 (b) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) at the end of the year.
3. Each Party included in Annex I shall report on any discrepancies identified by the transaction log pursuant to paragraph 43 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), specifying whether the relevant transactions were completed or terminated and, in the case where transactions were not terminated, the transaction number(s) and serial numbers and quantities of ERUs, CERs, AAUs and RMUs concerned. The Party may also provide its explanation for not terminating the transaction.
4. Each Party included in Annex I shall report the serial numbers and quantities of ERUs, CERs, AAUs and RMUs held in the national registry at the end of that year that are not valid for use towards compliance with commitments under Article 3, paragraph 1, pursuant to paragraph 43 (b) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).
5. Each Party included in Annex I shall report on any actions and the date of such actions taken to correct any problem that caused a discrepancy to occur, any changes to the national registry to prevent a discrepancy from reoccurring, and the resolution of any previously identified questions of implementation pertaining to transactions.
6. Each Party included in Annex I shall report the calculation of its commitment period reserve in accordance with the annex to decision -18/CP.7.
7. Each Party included in Annex I shall provide access, upon request of expert review teams, to information held in the national registry relating to holding accounts referred to in paragraph 21 (b) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), and other types of accounts and transactions for the previous calendar year, that substantiates the supplementary information reported under paragraphs 2 and 3 above.
8. Each Party included in Annex I shall, for the year of submission of the annual inventory for the last year of the commitment period, report the supplementary information described in this section of the

guidelines that relates to the accounting of assigned amounts for that commitment period in that year and that would otherwise be reported with the annual inventory submission, in conjunction with the report upon expiration of the additional period for fulfilling commitments referred to in paragraph 49 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

## II. REPORTING OF SUPPLEMENTARY INFORMATION UNDER ARTICLE 7, PARAGRAPH 2

### National registries

9. Each Party included in Annex I shall provide a description of how its national registry performs the functions defined in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and complies with the requirements of the technical standards for data exchange between registry systems as adopted by the COP/MOP. The description shall include the following information:

(a) The name and contact information of the registry administrator designated by the Party to maintain the national registry;

(b) The names of the other Parties with which the Party cooperates by maintaining their national registries in a consolidated system;

(c) A description of the database structure and capacity of the national registry;

(d) A description of how the national registry conforms to the technical standards for data exchange between registry systems for the purpose of ensuring the accurate, transparent and efficient exchange of data between national registries, the clean development mechanism registry and the transaction log (decision 19/CP.7, paragraph 1);<sup>9</sup>

(e) A description of the procedures employed in the national registry to minimize discrepancies in the issuance, transfer, acquisition, cancellation and retirement of ERUs, CERs, AAUs and/or RMUs, and of the steps taken to terminate transactions where a discrepancy is notified and to correct problems in the event of a failure to terminate the transactions;

(f) An overview of security measures employed in the national registry to prevent unauthorized manipulations and to prevent operator error and of how these measures are kept up to date;

(g) A list of the information publicly accessible by means of the user interface to the national registry;

(h) The Internet address of the interface to its national registry;

(i) A description of measures taken to safeguard, maintain and recover data in order to ensure the integrity of data storage and the recovery of registry services in the event of a disaster;

(j) The results of any test procedures that might be available or developed with the aim of testing the performance, procedures and security measures of the national registry undertaken pursuant to the provisions of decision 19/CP.7 relating to the technical standards for data exchange between registry systems.

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<sup>9</sup> Note that there may be a CMP.1 decision on technical standards for data exchange between registry systems recommended by COP 8.

Annex II

**PART III: REVIEW OF INFORMATION ON ASSIGNED AMOUNTS PURSUANT TO ARTICLE 3, PARAGRAPHS 7 AND 8, EMISSION REDUCTION UNITS, CERTIFIED EMISSION REDUCTIONS, ASSIGNED AMOUNT UNITS AND REMOVAL UNITS**

**A. Purpose**

1. The purpose of this review is:

(a) To provide an objective, consistent, transparent and comprehensive technical assessment of annual information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, emission reduction units (ERUs), certified emission reductions (CERs), assigned amount units (AAUs) and removal units (RMUs) for conformity with the provisions of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), with the technical standards for data exchange between registry systems and any further guidance adopted by the COP/MOP, and with section I.E of the annex to decision -/CMP.1 (*Article 7*);

(b) To ensure that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP) and the Compliance Committee have reliable information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, ERUs, CERs, AAUs and RMUs of each Party included in Annex I.

**B. General procedures**

2. The review of information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, ERUs, CERs, AAUs and RMUs, shall comprise the following procedures:

(a) A thorough review of the calculation of assigned amounts pursuant to Article 3, paragraphs 7 and 8, as reported in accordance with paragraph 6 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) as part of the initial review of each Party included in Annex I performed in accordance with the procedures contained in part I of these guidelines;

(b) An annual review of the information on ERUs, CERs, AAUs and RMUs and of information on discrepancies reported in accordance with section I.E of the annex to decision -/CMP.1 (*Article 7*) for each Party included in Annex I;

(c) A desk or centralized review of the information of each Party included in Annex I to be reported upon expiration of the additional period for fulfilment of commitments in accordance with paragraph 49 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and of the information referred to in paragraph 8<sup>10</sup> of the annex to decision -/CMP.1 (*Article 7*).

**C. Scope of the review**

3. For each Party:

(a) The initial review shall cover the calculation of its assigned amount pursuant to Article 3, paragraphs 7 and 8 as reported in accordance with paragraph 6 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);

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<sup>10</sup> This paragraph notation refers to paragraph 8 of annex I to this document. The number of this paragraph will change once annex I is incorporated into the guidelines under Article 7 of the Kyoto Protocol.

- (b) The annual review shall cover the:
- (i) Information on ERUs, CERs, AAUs and RMUs reported in accordance with section I.E of the annex to the decision -/CMP.1 (*Article 7*);
  - (ii) Transaction log records, including records of any discrepancies forwarded to the secretariat by the transaction log pursuant to paragraph 43 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), including records of any discrepancies that were forwarded to the secretariat since the start of the previous review and until the start of the review;
  - (iii) Information contained in the national registry that substantiates or clarifies the information reported. For this purpose Parties included in Annex I shall provide the expert review team with effective access to their national registry during the review. The relevant parts of paragraphs 9 and 10 of part I of these guidelines shall also apply to this information;

(c) The review upon expiration of the additional period for fulfilling commitments shall cover the report upon expiration of the additional period for fulfilling commitments in accordance with paragraph 49 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), including the information reported under paragraph 8<sup>11</sup> of the annex to decision CMP.1 (*Article 7*), and shall include oversight of the preparation of the final compilation and accounting report for that Party published by the secretariat.

#### 1. Identification of problems

4. During the initial review the expert review team shall assess whether:

(a) The information is complete and submitted in accordance with the relevant provisions of paragraphs 6, 7 and 8 of the annex to decision -/CMP.1 (*Modalities of accounting for assigned amounts*), section I of the annex to decision -/CMP.1 (*Article 7*), and relevant decisions of the COP/MOP;

(b) The assigned amount pursuant to Article 3, paragraphs 7 and 8, is calculated in accordance with the annex to decision -/CMP.1 (*Modalities of accounting for assigned amounts*), and is consistent with reviewed and adjusted inventory estimates;

(c) The calculation of the required level of the commitment period reserve is in accordance with paragraph 6 of the annex to decision 18/CP.7.

5. During the annual review the expert review team shall assess whether:

(a) The information is complete and submitted in accordance with section I.E of the annex to decision -/CMP.1 (*Article 7*) and relevant decisions of the COP/MOP;

(b) The information relating to issuance, cancellations, retirement, transfers, acquisitions and carry-over is consistent with information contained in the national registry of the Party concerned and with the records of the transactions log;

(c) The information relating to transfers and acquisitions between national registries is consistent with the information contained in the national registry of the Party concerned and with the

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<sup>11</sup> This paragraph notation refers to paragraph 8 of annex I to this document. The number of this paragraph will change once annex I is incorporated into the guidelines under Article 7 of the Kyoto Protocol.

records of the transaction log, and with information reported by the other Parties involved in the transactions;

(d) The information relating to acquisitions of CERs from the CDM registry is consistent with the information contained in the national registry of the Party concerned and with the records of the transaction log, and with the CDM registry;

(e) ERUs, CERs, AAUs and RMUs have been issued, acquired, transferred, cancelled, retired, or carried over to the subsequent or from the previous commitment period in accordance with the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);

(f) The information reported under paragraph 2 (a)<sup>12</sup> of section I.E. in the annex to decision -/CMP.1 (*Article 7*) on the quantities of units in accounts at the beginning of the year is consistent with information submitted for the previous year, taking into account any corrections made to such information, on the quantities of units in accounts at the end of the previous year;

(g) The required level of the commitment period reserve, as reported, is calculated in accordance with paragraph 6 of the annex to decision 18/CP.7;

(h) The assigned amount is calculated to avoid double accounting in accordance with paragraph 9 of the annex to decision -/CMP.1 (*Land use, land-use change and forestry*);

(i) Any discrepancy has been identified by the transaction log relating to transactions initiated by the Party, and if so the expert review team shall:

- (i) Verify that the discrepancy has occurred and been correctly identified by the transaction log;
- (ii) Assess whether the same type of discrepancy has occurred previously for that Party;
- (iii) Assess whether the transaction was completed or terminated;
- (iv) Examine the cause of the discrepancy and whether the Party or Parties has or have corrected the problem that caused the discrepancy;
- (v) Assess whether the problem that caused the discrepancy relates to the capacity of the national registry to ensure the accurate accounting, issuance, holding, transfer, acquisition, cancellation and retirement of ERUs, CERs, AAUs and RMUs and the carry-over of ERUs, CERs and AAUs, and if so, initiate a thorough review of the registry system in accordance with part V of these guidelines.

6. During the review upon expiration of the additional period for fulfilling commitments, the expert review team shall review the information submitted by the Party under Article 7, paragraph 1, to assess whether:

(a) The information is reported in accordance with paragraph 49 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);

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<sup>12</sup> This paragraph notation refers to paragraph 2 (a) of annex I to this document. The number of this paragraph will change once annex I is incorporated into the guidelines under Article 7 of the Kyoto Protocol.



(b) The information is consistent with the information contained in the compilation and accounting database maintained by the secretariat and with the information contained in the Party's registry;

(c) There are any problems or inconsistencies in the information provided by the Party in accordance with paragraph 5 above.

7. During the review upon expiration of the additional period for fulfilling commitments, the expert review team shall review the information submitted in accordance with paragraph 8<sup>13</sup> of the annex to decision -/CMP.1 (*Article 7*) in accordance with paragraph 5 above.

8. Following the completion of the steps set out in paragraph 6 above and, if possible, resolution of any problems relating to the reported information, and taking account of the information contained in the compilation and accounting database maintained by the secretariat, the expert review team shall assess whether aggregate anthropogenic carbon dioxide equivalent emissions for the commitment period exceed the quantities of ERUs, CERs, AAUs, and RMUs in the retirement account of the Party for the commitment period.

#### **D. Timing**

9. The review of the calculation of assigned amount pursuant to Article 3, paragraphs 7 and 8, as part of the initial review shall be concluded within one year of the due date for submission of the report to facilitate the calculation of the assigned amount pursuant to Article 3, paragraphs 7 and 8, referred to in paragraph 6<sup>14</sup> of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and shall follow the time frames and procedures established in paragraph 10 below.

10. The annual review of the information on ERUs, CERs, AAUs and RMUs reported in accordance with section I.E of the annex to decision -/CMP.1 (*Article 7*) shall be concluded within one year of the due date for the submission of the information under Article 7, paragraph 1, and include the following steps:

(a) The expert review team shall list all problems identified, indicating which problems would need corrections to previous accounting of AAUs, ERUs, CERs or RMUs, and send this list to the Party included in Annex I no later than 25 weeks from the due date for submission of the annual inventory, if the information was submitted within six weeks after the submission due date;

(b) The Party included in Annex I shall comment on these questions within six weeks and, where requested by the review team, may provide revisions to the accounting of AAUs, ERUs, CERs or RMUs. The expert review team shall prepare a draft review report within eight weeks of the receipt of the comments on the questions posed and shall send the draft report to the Party concerned for comments;

(c) The Party included in Annex I shall provide its comments on the draft review report within four weeks of receipt of the report. The expert review team shall prepare a final review report within four weeks of the receipt of the comments on the draft report.

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<sup>13</sup> This paragraph notation refers to paragraph 8 of annex I to this document. The number of this paragraph will change once annex I is incorporated into the guidelines under Article 7 of the Kyoto Protocol.

<sup>14</sup> This paragraph notation refers to paragraph 6 of annex I to this document. The number of this paragraph will change once annex I is incorporated into the guidelines under Article 7 of the Kyoto Protocol.

11. The review of the report upon expiration of the additional period for fulfilling commitments and of the information submitted in accordance with paragraph 8<sup>15</sup> of the annex to decision -/CMP.1 (*Article 7*) shall be completed within 14 weeks of the due date for the submission of the information. The expert review team shall prepare a draft report within eight weeks of the due date for submission of the information. The Party concerned may comment on the draft report within four weeks of its receipt. The expert review team shall prepare a final review report within two weeks of receipt of comments on the draft report by the Party.

#### **E. Reporting**

12. The final review reports referred to in paragraphs 10 and 11 above shall include an assessment of the specific problems identified in accordance with paragraphs 4 to 8 above and shall follow the format and outline contained in paragraph 48 of part I of these guidelines, as appropriate.

### **PART V: REVIEW OF NATIONAL REGISTRIES**

#### **A. Purpose**

13. The purpose of the review of national registries is:

(a) To provide a thorough and comprehensive technical assessment of the capacity of a national registry to ensure the accurate accounting of the issuance, holding, transfer, acquisition, cancellation and retirement of ERUs, CERs, AAUs and RMUs and the carry-over of ERUs, CERs and AAUs;

(b) To assess the extent to which the registry requirements contained in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and any decisions by the COP/MOP have been adhered to, and to assist Parties included in Annex I in meeting their commitments;

(c) To assess the extent to which the national registry conforms to the technical standards for data exchange between registry systems adopted by the COP/MOP;

(d) To provide the COP/MOP and the Compliance Committee with reliable information on national registries.

#### **B. General procedures**

14. The review of national registries shall take place in two parts:

(a) A thorough review of the national registry as part of the initial review in accordance with paragraphs 11 to 14 in part I of these guidelines and in conjunction with its periodic review;

(b) A desk or centralized review of any changes of the national registry reported in accordance with section I.G of the annex to decision -/CMP.1 (*Article 7*) in conjunction with the annual review;

15. A thorough review of the national registry shall also be conducted if the final review reports under paragraph 48 in part I of these guidelines recommend a thorough review of the national registry or if findings relating to reported changes in national registries considered by the expert review team lead to the recommendation of a thorough review in the final review report. The expert review team shall use the standard set of electronic tests described in paragraph 18 below for this purpose.

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<sup>15</sup> This paragraph notation refers to paragraph 8 of annex I to this document. The number of this paragraph will change once annex I is incorporated into the guidelines under Article 7 of the Kyoto Protocol.

An in-country visit shall be conducted only if standardized electronic tests are not sufficient to identify the problems.

### **C. Scope of the review**

16. The expert review team shall conduct a thorough and comprehensive review of the national registry of each Party included in Annex I. The review of the national registry should cover the extent to which the registry requirements contained in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and the technical standards for data exchange between registry systems adopted by the COP/MOP have been adhered to.

#### **1. Review of changes in the national registry**

17. The expert review team shall review the information submitted as supplementary information under Article 7, paragraph 1, and shall identify any significant changes in the national registry reported by the Party or any problems identified by the expert review team in the course of the review of ERUs, CERs, AAUs and RMUs and transaction log records that may affect the performance of the functions contained in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and the adherence to the technical standards for data exchange between registry systems in accordance with relevant COP/MOP decisions. This review should take place in conjunction with the annual review in accordance with the relevant procedures in paragraphs 18 to 20 below.

#### **2. Identification of problems**

18. The expert review team shall review the national registry, including the information provided on it, to assess whether:

(a) The information on the national registry is complete and submitted in accordance with section I of the annex to decision -/CMP.1 (*Article 7*), and with relevant decisions of the COP and the COP/MOP;

(b) The registry conforms to the technical standards for data exchange between registry systems for the purpose of ensuring accurate, transparent and efficient exchange of data between national registries, the clean development registry and the independent transaction log;

(c) The transaction procedures, including those relating to the transaction log, are in accordance with the modalities for the accounting of assigned amounts under Article 7, paragraph 4, contained in annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);

(d) There are adequate procedures to minimize discrepancies in the issuance, transfer, acquisition, cancellation and retirement of ERUs, CERs, AAUs and RMUs and to take steps to terminate transactions where a discrepancy is notified, and to correct problems in the event of a failure to terminate the transactions;

(e) There are adequate security measures to prevent and resolve unauthorized manipulations and minimize operator error, and procedures for updating them;

(f) Information is publicly available in accordance with the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);

(g) There are adequate measures to safeguard, maintain and recover data in order to ensure the integrity of data storage and the recovery of registry services in the event of a disaster.

19. During the thorough review, the expert review team shall use a test version of the transaction log and a standard set of electronic tests and sample data to assess the capacity of the registry to perform its

functions, including all types of transactions, referred to in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), and to assess the adherence to the technical standards for data exchange between registry systems adopted by the COP/MOP. The expert review team may draw upon the results of any other testing relevant to the review of the registry.

20. Based on the assessments carried out in accordance with paragraph 18 and 19 above, expert review teams shall identify any potential problems in, and factors influencing, the fulfilment of commitments relating to the performance of the functions of the national registry and the adherence to technical standards for data exchange between registry systems. In addition, the expert review team shall recommend how problems could be addressed.

#### **D. Timing**

21. During the thorough review, the expert review team shall list all the problems identified and shall notify the Party included in Annex I of the problems identified no later than six weeks after the start of the review or after the in-country visit, as appropriate. The Party included in Annex I shall comment on these problems within six weeks of the notification. The expert review team shall prepare a draft review report on the national registry within six weeks of the receipt of the comments on the questions posed. Any corrections, additional information or comments on the draft report received from the Party included in Annex I within four weeks after the report has been sent to that Party shall be subject to review and shall be included in the final inventory review report. The expert review team shall prepare a final report on the review of the national registry within four weeks of the receipt of the comments on the draft report. The review of the national registry shall be concluded within one year of the due date for submission of the information.

22. The review of changes in the national registry shall follow the time frames and procedures for the annual review of the information to be submitted in accordance with section I.E of the annex to decision -/CMP.1 (*Article 7*) established in part III of these guidelines. If either the annual review or the review of changes in the national registry recommends a thorough review of the national registry, and if a country visit is considered necessary, this thorough review should be conducted together with the subsequent in-country visit of either the annual inventory or the periodic national communication, whichever is the earlier.

#### **E. Reporting**

23. The final review reports shall include an evaluation of the overall functioning of the national registry and an assessment of the specific problems identified in accordance with paragraphs 18 to 20 above, and shall follow the format and outline in accordance with paragraph 48 of part I of these guidelines.

Annex III

**GUIDELINES FOR REVIEW UNDER ARTICLE 8 OF THE KYOTO PROTOCOL**

4. Expedited procedure for the review for the reinstatement of eligibility to use the mechanisms

19 bis. Any Party included in Annex I that has been suspended from eligibility to use the mechanisms may, at any time following suspension, submit to the secretariat information on the matter which led to the suspension of eligibility, for review by an expert review team.<sup>16</sup> This information shall be reviewed expeditiously in accordance with the provisions of part VIII of these guidelines.

**PART VIII: EXPEDITED PROCEDURE FOR THE REVIEW FOR THE REINSTATEMENT OF ELIGIBILITY TO USE THE MECHANISMS**

**A. Purpose**

1. The purpose of the review of information related to a request, by a Party included in Annex I, for reinstatement of eligibility to use the mechanisms established under Articles 6, 12 and 17, pursuant to paragraph X.2 of the procedures and mechanisms relating to compliance, is:

(a) To provide an objective, transparent, thorough and comprehensive technical assessment of information provided by a Party on matters relating to Articles 5 and 7 which led to the suspension of its eligibility to use the mechanisms;

(b) To provide for an expedited review procedure for the reinstatement of eligibility to use the mechanisms for a Party included in Annex I to the Convention which is able to demonstrate that it is no longer failing to meet eligibility requirements under Articles 6, 12 and 17;

(c) To ensure that the enforcement branch of the Compliance Committee has reliable information to enable it to consider the request of a Party for the reinstatement of its eligibility to use the mechanisms.

**B. General procedure**

2. The review for the reinstatement of eligibility to use the mechanisms shall be an expedited procedure limited to the review of the matter or matters which led to the suspension of the eligibility. However, the expedited nature of this review procedure shall not compromise the thoroughness of the examination by the expert review team.

3. Any Party included in Annex I that has been suspended from eligibility to use the mechanisms may, at any time following suspension, submit information to the secretariat on the matter or matters which led to the suspension of eligibility. To enable the expert review team to perform its tasks, the information submitted by the Party concerned shall be additional to information previously submitted prior to or during the review that led to the suspension of eligibility. However, information previously submitted by the Party may also be included in the submission, if relevant. The information submitted by the Party shall be reviewed expeditiously in accordance with these guidelines.

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<sup>16</sup> In accordance with paragraph X.2 of the procedures and mechanisms relating to compliance, a Party may submit a request to reinstate its eligibility either through an expert review team or directly to the enforcement branch.

4. The secretariat shall organize the review in the most expeditious way possible following the procedures established in these guidelines and taking into account the planned review activities in the regular review cycle. The secretariat shall convene an expert review team for conducting the expedited review procedures established in these guidelines in accordance with the relevant provisions of section E of Part I of these guidelines and shall forward the information referred to in paragraph 3 above to this expert review team.

5. To ensure objectivity, the expert review team for the reinstatement of eligibility shall not be composed of the same members and lead reviewers who formed part of the expert review team that conducted the review which led to the suspension of eligibility of the Party concerned, and shall be composed of members with the necessary expertise for addressing the matter or matters contained in the Party's submission.

6. Depending on the issue that led to the suspension of the eligibility to participate in the mechanisms, the review shall be performed as a centralized review or an in-country review as provided for in parts II, III, IV and V of these guidelines, as deemed appropriate by the secretariat.<sup>17</sup>

### **C. Scope of the review**

7. The review shall cover the information submitted by the Party. The expert review team may also consider any other information, including information previously submitted by the Party and any information relating to the Party's subsequent inventory, which the expert review team considers necessary in order to complete its task. The expert review team shall assess, consistent with the applicable provisions in parts II, III, IV or V of these guidelines, whether the question or questions of implementation that led to suspension of eligibility have been addressed and resolved.

8. If the expedited review for reinstatement of eligibility relates to the submission of a revised estimate for a part of its inventory to which an adjustment was previously applied, the expert review team shall assess whether the revised estimate is prepared in accordance with the IPCC Guidelines as elaborated by the IPCC good practice guidance or whether the new information substantiates the original emission estimate provided by the Party.

### **D. Timing**

9. A Party included in Annex I that intends to submit information under paragraph 3 to the secretariat on the matter or matters which led to its suspension of eligibility should provide the secretariat with at least six weeks notice of the date on which it intends to submit such information. The secretariat, on receipt of such notice, should undertake the necessary preparations with the aim of ensuring that an expert review team is convened and ready to start consideration of the information within two weeks of the receipt of the submission of information under paragraph 3 from the Party concerned.

10. For the expedited procedure for the review for reinstatement of eligibility, the following time frames shall apply from the date of receipt of the information:

(a) The expert review team shall prepare a draft expedited review report within five weeks of the receipt of information from the Party concerned;

(b) The Party concerned shall be provided with up to three weeks to comment upon the draft expedited review report. If the Party concerned notifies the expert review team, within that period of

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<sup>17</sup> For example, if the failure to have in place a national system for the estimation of anthropogenic emissions led to loss of eligibility and such system has not previously been reviewed, the national system shall be reviewed in accordance with part IV of these guidelines, such review to include an in-country visit.

time, that it does not intend to provide comments, then the draft expedited review report becomes the final expedited review report upon receipt of such notification. If the Party concerned does not provide any comments within that period of time, the draft expedited review report becomes the final expedited review report;

(c) If comments by the Party are received within the time frame indicated above, the expert review team shall prepare a final expedited review report within three weeks of the receipt of comments upon the draft report.

11. The time periods in paragraph 10 (a) to (c) above are considered maximum time periods. The expert review team and the Party should strive to complete the review in the shortest time possible. However, the expert review team may, with the agreement of the Party, extend the time periods in paragraph 10 (a) to (c) above for the expedited review procedure for an additional four weeks.

12. Where the start of the consideration of information by the expert review team is delayed due to the Party giving shorter notice than provided in paragraph 9, the expert review team may extend the time in paragraph 10 (a) up to the difference in time between the period for notification in paragraph 9 and the actual notification given by the Party.

#### **E. Reporting**

13. The expert review team shall, under its collective responsibility, produce a final review report on the reinstatement of eligibility in accordance with the relevant provisions of paragraph 48 of these guidelines and in accordance with the relevant provisions for review reports in parts II, III, IV or V of these guidelines depending on the specific reason for the suspension of eligibility.

14. The expert review team shall include a statement whether the team considered thoroughly all questions of implementation that led to the suspension of the eligibility in the time available for the reinstatement procedure and shall indicate whether there is or is not any longer a question of implementation with respect to the eligibility of the Party concerned to use the mechanisms established under Articles 6, 12 and 17.

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