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CONFERENCE OF THE PARTIES  
Seventh session  
Marrakesh, 29 October - 9 November 2001  
Agenda item 3 (b) (i)

**IMPLEMENTATION OF THE BUENOS AIRES PLAN OF ACTION: ADOPTION OF  
THE DECISIONS GIVING EFFECT TO THE BONN AGREEMENTS**

**DRAFT DECISIONS FORWARDED FOR ELABORATION, COMPLETION  
AND ADOPTION**

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

**Proposal by the President**

**Draft decision -/CP.7**

**Guidelines for review under Article 8 of the Kyoto Protocol**

*The Conference of the Parties,*

*Recalling* its decisions 1/CP.3, 1/CP.4, 8/CP.4, 6/CP.5 and 5/CP.6,

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

*Recalling* its decisions 6/CP.3 and 11/CP.4 and the usefulness of past compilations and syntheses of national communications,

*Having considered* the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice,<sup>1</sup>

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<sup>1</sup> FCCC/SBSTA/2000/14.

1. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt the attached draft decision;
2. *Requests* the Subsidiary Body for Scientific and Technological Advice (SBSTA), at its seventeenth session to elaborate the characteristics of the relevant training, the subsequent assessment after completion of the training, and/or any other means needed to ensure the necessary competence of experts for participation in expert review teams, and to forward any draft decision on this issue to the Conference of the Parties at its eighth session, with a view to recommending it for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session after the entry into force of the Kyoto Protocol;
3. *Invites* Parties to submit their views to the secretariat on the issues mentioned in paragraph 2 above, by 15 September 2002, and requests the secretariat to compile these views in a miscellaneous document for consideration by the SBSTA at its seventeenth session;
4. *Requests* the SBSTA, at its seventeenth session, to elaborate terms of service for the lead reviewers of expert review teams and to forward any draft decision on this subject to the Conference of the Parties at its eighth session, with a view to recommending it for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session after the entry into force of the Kyoto Protocol;
5. *Invites* Parties to submit their views to the secretariat on the issues referred to in paragraph 4 above, by 1 July 2002, and requests the secretariat to compile these views in a miscellaneous document for consideration by the SBSTA at its seventeenth session.
6. *Requests* the secretariat to prepare a document containing different options for the terms of service for lead reviewers of expert review teams, including financial implications and working arrangements, for consideration by the SBSTA at its seventeenth session;
7. *Requests*, the SBSTA at its seventeenth session, to consider options for the treatment of confidential data during the review activities under Article 8 of the Kyoto Protocol, with a view to recommending to the Conference of the Parties, at its eighth session, a decision on this matter for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session after the entry into force of the Kyoto Protocol;
8. *Requests* the secretariat to prepare a document containing an analysis of the practices of other international treaty bodies and organizations on the treatment of confidential information, for consideration by the SBSTA at its sixteenth session;
9. *Invites* Parties to submit their views on the question of confidentiality referred to in paragraph 7 above, by 1 August 2002;
10. *Decides* that there shall be an expedited procedure for the review for reinstatement of eligibility of a Party included in Annex I to use the mechanisms established under Articles 6, 12 and 17 of the Kyoto Protocol;
11. *Recognizes* the elements of the expedited procedure for the review for reinstatement of eligibility to use the mechanisms included in the appendix II to this decision;

12. *Invites* Parties to submit their views to the secretariat on the issues mentioned in paragraph 10 above, by 15 March 2002;

13. *Requests* the SBSTA, at its sixteenth session, to elaborate further part III (Review of information on assigned amounts) and part V (Review of national registries) of the guidelines for review under Article 8 of the Kyoto Protocol, as contained in appendix I to this decision, and any additional issues decided upon by the SBSTA. It also requests the SBSTA, at its sixteenth session, to elaborate the procedures, timing and reporting for the review under Article 8 of information for the reinstatement of eligibility to use the mechanisms under Articles 6, 12 and 17, as contained in appendix II to this decision. In so doing, the SBSTA should take into account the decision of the Conference of the Parties on modalities for the accounting of assigned amounts under Article 7, paragraph 4 (decision -/CP.7). The SBSTA should elaborate the above-mentioned sections with a view to recommending to the Conference of the Parties, at its eighth session, a decision incorporating those sections into the guidelines for review under Article 8 of the Kyoto Protocol (decision -/CP.7) for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session after the entry into force of the Kyoto Protocol.

#### Appendix I

### **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 to ensure that the COP/MOP and the Compliance Committee have adequate information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, ERUs, CERs, AAUs and RMUs.

#### **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 take place in conjunction with the annual inventory review.

3. The expert review team shall review the information as a centralized desk exercise.

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

4. The review of information on assigned amounts shall cover the calculation by each Party included in Annex I of its assigned amount pursuant to Article 3, paragraphs 7 and 8, and the information reported in accordance with section I.E, "A. Information on emission reduction units, certified emission reductions, assigned amount units and removal units", of the guidelines for the preparation of information under Article 7.

### 1. Identification of problems

5. The expert review team shall:

(a) Check whether information is complete and submitted in accordance with section I of the guidelines for the preparation of information required under Article 7, and relevant decisions of the COP and the COP/MOP;

(b) Check that the assigned amount pursuant to Article 3, paragraphs 7 and 8, is calculated in accordance with the modalities for the accounting of assigned amounts under Article 7, paragraph 4, is consistent with reviewed and adjusted inventory estimates, is consistent with information submitted in previous years and is issued into the national registry in conformity with the modalities for the accounting of assigned amounts under Article 7, paragraph 4;

(c) Check that ERUs, CERs, AAUs and RMUs are issued and cancelled in accordance with the modalities for the accounting of assigned amounts under Article 7, paragraph 4, and are consistent with reviewed and adjusted inventory estimates;

(d) Cross-check the information on transfers and acquisitions, including for the purposes of cancelling and retiring, as well as on carry-overs to the subsequent commitment period, and highlight any discrepancies;

(e) Check that the required level of the commitment period reserve, as reported, is calculated in accordance with decision -/CP.7 (Article 17);

(f) Check that the required level of the commitment period reserve has not been infringed upon at any time.

### **D. Timing**

6. During the review, the expert review team shall identify problems and notify the Party of them. The Party included in Annex I may correct the problems or provide additional information within the time frame set out in these guidelines (see paragraphs 72 to 78).

### **E. Reporting**

7. The following specific elements shall be included in the reports referred to in paragraph 46 (a) and (b):

(a) Identification of problems according to the categories listed in paragraph 5;

(b) For each problem, a quantitative indication of the magnitude of the part of the assigned amount affected by the problem expressed as a percentage of the assigned amount pursuant to Article 3, paragraphs 7 and 8.]

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

### **A. Purpose**

8. 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;
  - (b) To assess the extent to which the registry requirements contained in the modalities for the accounting of assigned amounts under Article 7, paragraph 4, have been adhered to and to assist Parties included in Annex I in meeting their commitments;
  - (c) To provide the COP/MOP and the Compliance Committee with reliable information on national registries.

### **B. General procedures**

9. The review of national registries shall take place in two parts:
- (a) A thorough review of the national registry, as part of the review prior to the commitment period and its in-country visit;
  - (b) A desk or centralized review of any reported changes in the national registry reported since the first thorough review, conducted in conjunction with the annual inventory review.

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

#### **1. In-country review**

10. 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 modalities for the accounting of assigned amounts under to Article 7, paragraph 4, and the technical standards for the purpose of ensuring the accurate, transparent and efficient exchange of data between national registries, the clean development mechanism registry and the independent transaction log, have been adhered to.

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

11. Any significant changes in the national registry reported by Parties included in Annex I or identified by the expert review team during the in-country visit that may affect the performance of the registry should be reviewed annually in conjunction with the annual inventory review.

### 3. Identification of problems

12. The expert review team shall, *inter alia*:

(a) Check whether information on national registries is complete and submitted in accordance with section I of the guidelines for the preparation of information required under Article 7, and with relevant decisions of the COP and the COP/MOP;

(b) Check whether the registry conforms to the technical standards 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) Check whether the issuance and cancellation of units is in accordance with the modalities for the accounting of assigned amounts under to Article 7, paragraph 4;

(d) Check whether 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;

(e) Check the procedures to prevent discrepancies in the issuance, transfer, acquisition, cancellation and retirement of ERUs, CERs, AAUs and RMUs;

(f) Check the security measures to deter unauthorized manipulations and minimize operator error;

(g) Check whether information is publicly available in accordance with the modalities for the accounting of assigned amounts under Article 7, paragraph 4;

#### **D. Timing**

13. During the process of the in-country visit, the expert review team shall list all the problems identified and shall notify the Party included in Annex I no later than six weeks after the visit of the problems identified. 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 of a 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 date of submission of the information.

14. The review of changes in the national registry shall follow the timetable for the review of annual inventories defined in part II of these guidelines. If either the annual inventory review or the review of changes in the national registry recommends an in-depth review of the national registry, the inventory review of national registries should be conducted together with the subsequent in-country review of either the annual inventory or the periodic national communication, whichever is earlier.

### **E. Reporting**

15. The following specific elements shall be included in the reports referred to in paragraph 46 (a) and (b):

- (a) Identification of problems according to the categories listed in paragraph 12;
- (b) An evaluation of the overall functioning of the national registry.]

### **Appendix II**

#### **[4. Review for reinstatement of eligibility to use mechanisms<sup>2</sup>**

19bis. The purpose of the review for reinstatement of eligibility of a Party included in Annex I to the Convention to use the mechanism established under Articles 6,12 and 17 is:

(c) To provide for an expedited procedure for the reinstatement of 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;

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

(e) To ensure that the enforcement branch has reliable information to consider the eligibility of Parties to use the mechanisms.

19ter. Any Annex I Party that has been suspended from eligibility to use the mechanisms may, at any time following suspension, submit information on the matter which led to the suspension of eligibility. This information shall be reviewed expeditiously in accordance with the relevant provisions of parts II, III, IV and/or V of these guidelines.

19quat. For the purposes of this review for reinstatement, the following time frames shall apply:

(a) The expert review team shall prepare an expedited draft review report within [x] weeks of the receipt of information from the Party in question;

(b) The Party shall be provided with [y] weeks to comment upon the expedited draft review report;

(c) The expert review team shall prepare an expedited final review report within [z] weeks of the receipt of comments upon the draft report;

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<sup>2</sup> It was proposed that section 4 and paragraphs 19 bis to 19 quat would be included in section D. of part I of the draft guidelines for review under Article 8 of the Kyoto Protocol contained in the annex to the attached draft CMP decision.

(d) The review shall be completed as soon as practicable, with the aim of completion no more than 10 weeks after the expert review team has been formed and starts the consideration of the information from the Party.]

### **Draft decision -/CMP.1**

#### **Guidelines for review under Article 8 of the Kyoto Protocol**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Recalling* Article 8 of the Kyoto Protocol to the United Nations Framework Convention on Climate Change,

*Having considered* decision -/CP.7, adopted by the Conference of the Parties at its seventh session,

*Recognizing* the importance of the review process under Article 8 for the implementation of other provisions of the Kyoto Protocol,

1. *Adopts* the guidelines for review under Article 8 of the Kyoto Protocol as contained in the annex to this decision;
2. *Decides* that for each Party included in Annex I the review prior to the first commitment period shall be initiated upon receipt of the report as mentioned in paragraph 2 of the annex to the decision on modalities for the accounting of assigned amounts under Article 7, paragraph 4, of the Kyoto Protocol. The review prior to the commitment period for each Party, including the procedures for adjustments under Article 5, paragraph 2, between the expert review team and the Party, shall be completed within 12 months of the initiation of the review and a report shall be forwarded expeditiously to the COP/MOP and the Compliance Committee. Further expertise and resources shall be provided to ensure the quality of the review in the case where review has to take place for several Parties at the same time;
3. *Decides* to start the periodic review for each Party included in Annex I when it submits its first national communication under the Kyoto Protocol;
4. *Decides* to start the annual review for each Party included in Annex I in the year that the Party commences reporting under Article 7, paragraph 1;
5. *Decides* to start the annual review in the year following the submission of the report referred to in paragraph 6 of the annex to decision -/CP.7 (*modalities for the accounting of assigned amounts under Article 7, paragraph 4, of the Kyoto Protocol*) for those Parties included in Annex I that started reporting information under Article 7, paragraph 1, on a voluntary basis earlier than required under Article 7, paragraph 3.



6. Invites Parties that opt to submit information for review before January 2007 to notify the secretariat at their earliest convenience in order to facilitate the timely establishment of the expert review teams.

## ANNEX

### Draft guidelines for review under Article 8 of the Kyoto Protocol<sup>3</sup>

#### **PART I: GENERAL APPROACH TO REVIEW**

##### **A. Applicability**

1. Each Party included in Annex I which is also a Party to the Protocol will be subject to review of information submitted under Article 7 in accordance with the provisions of these guidelines. For these Parties, the review process established under these guidelines shall encompass any existing review under the Convention.

##### **B. Objectives**

2. The objectives for review under Article 8 of the Kyoto Protocol are:

(a) To establish a process for a thorough, objective and comprehensive technical assessment of all aspects of the implementation of the Kyoto Protocol by Parties included in Annex I;

(b) To promote consistency and transparency in the review of information submitted by Parties included in Annex I under Article 7 of the Kyoto Protocol;

(c) To assist Parties included in Annex I in improving their reporting of information under Article 7 and the implementation of their commitments under the Protocol;

(d) To provide the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP) and the Compliance Committee with a technical assessment of the implementation of the Kyoto Protocol by Parties included in Annex I.

##### **C. General approach**

3. The provisions of these guidelines shall apply to the review of information submitted by Parties included in Annex I under Article 7, relevant decisions of the COP/MOP and relevant decisions of the Conference of the Parties (COP) specific to Parties included in Annex I.

4. The expert review team shall provide a thorough and comprehensive technical assessment of all aspects of the implementation by a Party of the Kyoto Protocol and identify any potential problems in, and factors influencing, the fulfilment of commitments. The expert review team shall conduct technical reviews to provide information expeditiously to the COP/MOP and the Compliance Committee in accordance with the procedures in these guidelines.

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<sup>3</sup> “Article” in these guidelines refers to an article of the Kyoto Protocol, unless otherwise specified.

5. At any stage in the review process, expert review teams may put questions to, or request additional or clarifying information from, the Parties included in Annex I regarding a potential problem identified by the team. The expert review team should offer advice to Parties included in Annex I on how to correct problems that they identify, taking into account the national circumstances of the Party. The expert review team shall also provide technical advice to the COP/MOP or the Compliance Committee, upon its request.

6. Parties included in Annex I should provide the expert review team with access to information necessary to substantiate and clarify the implementation of their commitments under the Kyoto Protocol, in accordance with relevant guidelines adopted by the COP and/or the COP/MOP and, during the in-country visits, should also provide appropriate working facilities. Parties included in Annex I should make every reasonable effort to respond to all questions and requests from the expert review team for additional clarifying information relating to identified problems and correct such problems within the time limits set out in these guidelines.

### 1. Questions of implementation

7. If the expert review team identifies potential problems during the review, it shall put questions to the Party included in Annex I regarding these potential problems and offer advice to the Party on how to correct them. The Party may correct the problems or provide additional information within the time-frame set out in these guidelines. Subsequently, a draft of each review report shall be forwarded to the Party subject to review for comment.

8. Only if an unresolved problem pertaining to language of a mandatory nature in these guidelines influencing the fulfilment of commitments still exists after the Party included in Annex I has been provided with opportunities to correct the problem within the time-frames established under the relevant review procedures, shall that problem be listed as a question of implementation in the final review reports. An unresolved problem pertaining to language of a non-mandatory nature in these guidelines shall be noted in the final review report, but shall not be listed as a question of implementation.

### 2. Confidentiality

9. Pursuant to a request from the expert review team for additional data or information or access to data used in the preparation of the inventory, a Party included in Annex I may indicate whether such information and data are confidential. In such a case, the Party should provide the basis for protecting such information, including any domestic law, and upon receipt of assurance that the data will be maintained as confidential by the expert review team, shall submit the confidential data in accordance with domestic law and in a manner that allows the expert review team access to sufficient information and data for the assessment of conformity with the IPCC Guidelines as elaborated by the IPCC good practice guidance and any good practice guidance adopted by the COP/MOP. Any confidential information and data submitted by a Party in accordance with this paragraph shall be maintained as confidential by the expert review team, in accordance with any decisions on this matter adopted by the COP/MOP.

10. An expert review team member's obligation not to disclose confidential information shall continue after termination of his or her service on the expert review team.

## **D. Timing and procedures**

### **1. Initial review**

11. Each Party included in Annex I shall be subject to review prior to the first commitment period or within one year after the entry into force of the Kyoto Protocol for that Party, whichever is later.

12. The expert review team shall review the following information contained or referenced in the report referred to in paragraph 6 of the annex to the decision on modalities for the accounting of assigned amounts under Article 7, paragraph 4, for each Party included in Annex I:

(a) Complete inventories of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol for all years from 1990, or other approved base year or period under Article 3, paragraph 5, to the most recent year available with an emphasis on the base year or period, including the selected base year for HFCs, PFCs and SF<sub>6</sub> in accordance with Article 3, paragraph 8, and the most recent year, for conformity with Article 5, paragraph 2, in accordance with the procedures contained in part II of these guidelines;

(b) The calculation of the assigned amount pursuant to Article 3, paragraphs 7 and 8, and the commitment period reserve, for conformity with the modalities for the accounting of assigned amounts under Article 7, paragraph 4, in accordance with the procedures contained in part III of these guidelines;

(c) The national system pursuant to Article 5, paragraph 1, in accordance with the procedures contained in part IV of these guidelines;

(d) The national registry pursuant to Article 7, paragraph 4, in accordance with the procedures contained in part V of these guidelines.

13. The first national communication due under the Convention after the Protocol has entered into force for that Party will be reviewed prior to the first commitment period in accordance with the provisions of paragraph 19 below.<sup>4</sup>

14. For each Party included in Annex I, the elements specified in paragraph 12 (a) to (d) above, shall be reviewed in conjunction. An in-country visit shall be conducted as part of this review.

### **2. Annual review**

15. Each Party included in Annex I shall be subject to an annual review of:

(a) The annual inventory, including the national inventory report and the common reporting format (CRF) for conformity with Article 5, paragraph 2, in accordance with the procedures contained in part II of these guidelines;

(b) The following supplementary information, in accordance with the guidelines for the preparation of the information required under Article 7, section I:

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<sup>4</sup> This will be the case if this national communication is submitted prior to the first commitment period.

- (i) Information provided during the commitment period for land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4, for conformity with the requirements of relevant decisions of the COP/MOP, in accordance with the procedures contained in part II of these guidelines;
- (ii) Information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, emission reduction units, certified emission reductions, assigned amount units and removal units, in accordance with the procedures contained in part III of these guidelines;
- (iii) Changes in national systems in accordance with the procedures contained in part IV of these guidelines;
- (iv) Changes in national registries in accordance with the procedures contained in part V of these guidelines;
- (v) Information provided on matters related to Article 3, paragraph 14, and supplementary information in accordance with the procedures contained in part VI of these guidelines.

16. The annual review, including adjustment procedures as part of the review of the annual or base year inventory, shall be concluded within one year of the due date for submission of the information to be reported under Article 7, paragraph 1.

17. The elements specified in paragraph 15 (b) (iii) and (iv) above, shall be subject to review as part of the annual review only if problems or significant changes have been identified by an expert review team or if the Party included in Annex I reports significant changes in its inventory report as defined in paragraphs 89 and 11<sup>5</sup> of these guidelines.

18. The elements described in paragraph 15 above shall be reviewed together for each Party included in Annex I by a single expert review team.

### 3. Periodic review

19. Each national communication submitted under the Kyoto Protocol by a Party included in Annex I shall be subject to a scheduled in-country review in accordance with part VII of these guidelines.<sup>6</sup>

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<sup>5</sup> Paragraph 11 is located in appendix I to decision -/CP.7 (guidelines for review under article 8 of the Kyoto Protocol). The number of this paragraph will change accordingly once the corresponding part of the appendix is incorporated in these guidelines.

<sup>6</sup> It is likely that the fourth national communication will be the first national communication under the Kyoto Protocol and that such review will occur prior to the first commitment period: Article 7, paragraph 3, states that each Party included in Annex I shall submit the information required under Article 7, paragraph 2, as part of the first national communication due under the Convention after the Protocol has entered into force for it and after adoption of guidelines for the preparation of information under Article 7. This article also states that the COP/MOP shall determine the frequency of submission of national communications, taking into account any timetable for submission of national communications decided upon by the COP. Decision 11/CP.4 requests Parties included in Annex I to submit a third national communication by 30 November 2001 and subsequent national communications on a regular

## **E. Expert review teams and institutional arrangements**

### **1. Expert review teams**

20. Each submission under Article 7 shall be assigned to a single expert review team that shall be responsible for performing the review in accordance with the procedures and time frames established in these guidelines. A submission by a Party included in Annex I shall not be reviewed in two successive review years by expert review teams with identical composition.

21. Each expert review team shall provide a thorough and comprehensive technical assessment of information submitted under Article 7 and shall, under its collective responsibility, prepare a review report, assessing the implementation of the commitments of the Party included in Annex I and identifying any potential problems in, and factors influencing, the fulfilment of commitments. The expert review teams shall refrain from making any political judgement. If needed, the expert review teams shall calculate adjustments in accordance with any guidance under Article 5, paragraph 2, adopted by the COP/MOP, in consultation with the Party concerned.

22. Expert review teams shall be coordinated by the secretariat and shall be composed of experts selected on an ad hoc basis from the UNFCCC roster of experts and will include lead reviewers. Expert review teams formed for the tasks carried out under the provisions of these guidelines may vary in size and composition, taking into account the national circumstances of the Party under review and the different expertise needs of each review task.

23. Participating experts shall serve in their personal capacity.

24. Participating experts shall have recognized competence in the areas to be reviewed according to these guidelines. The training to be provided to experts, and the subsequent assessment after the completion of the training<sup>7</sup> and/or any other means needed to ensure the necessary competence of experts for participation in expert review teams shall be designed and operationalized in accordance with relevant decisions of the COP and the COP/MOP.

25. Experts selected for a specific review activity shall neither be nationals of the Party under review, nor be nominated or funded by that Party.

26. Experts shall be nominated by Parties to the Convention to the roster of experts and, as appropriate, by intergovernmental organizations, in accordance with guidance provided for this purpose by the COP.

27. Participating experts from Parties not included in Annex I and Parties included in Annex I with economies in transition shall be funded according to the existing procedures for

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basis, at intervals of three to five years, to be decided at a future session, and requires that each of those national communications should be subject to an in-depth review coordinated by the secretariat.

<sup>7</sup> Those experts that opt not to participate in the training have to undergo a similar assessment successfully in order to enable them to qualify for participation in expert review teams.

participation in UNFCCC activities. Experts from other Parties included in Annex I shall be funded by their governments.

28. In the conduct of the review, expert review teams shall adhere to these guidelines and work on the basis of established and published procedures agreed upon by the SBSTA, including quality assurance and control and confidentiality provisions.

## 2. Competences

29. Competences required to be members of the expert review teams for the review of annual information submitted under Article 7, paragraph 1 are:

(a) GHG inventories in general and/or specific sectors (Energy, Industrial Processes, Solvents and Other Products Use, Agriculture, Land Use, Land-Use Change and Forestry, and Waste);

(b) National systems, national registries, information on assigned amounts as referred to in these guidelines and information related to Article 3, paragraph 14, as referred to in the guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol.

30. Competences required to be members of the expert review teams for the review of national communications and the supplementary information under Article 7, paragraph 2, are on those areas referred to in paragraph 112 (b) and (c) of these guidelines.

## 3. Composition of the expert review teams:

31. The secretariat shall select the members of the review teams to review the annual information submitted under Article 7, paragraph 1, and to review national communications and the supplementary information under Article 7, paragraph 2 in a way that the collective skills of the team address the areas mentioned in paragraph 29 and 30 above, respectively.

32. The secretariat shall select the members of the expert review teams with a view to achieving a balance between experts from Annex I and non-Annex I Parties in the overall composition of the expert review teams, without compromising the selection criteria referred in the paragraph 31 above. The secretariat shall make every effort to ensure geographical balance among those experts selected from non-Annex I Parties and among those experts selected from Annex I Parties.

33. The secretariat shall ensure that in any expert review team one co-lead reviewer shall be from a Party included in Annex I and one from a Party not included in Annex I.

34. Without compromising the selection criteria stated in paragraphs 31, 32 and 33 above, the formation of expert review teams should ensure, to the extent possible, include at least one member fluent in the language of the Party under review.

35. The secretariat shall prepare an annual report to the SBSTA on the composition, including the selection of experts for the review teams and the lead reviewers, and the actions taken to ensure the application of selection criteria expressed in paragraphs 31 and 32 above.

#### 4. Lead reviewers

36. Lead reviewers shall act as co-lead reviewers for the expert review teams under these guidelines.

37. Lead reviewers should ensure that the reviews in which they participate are performed according to the review guidelines and are performed consistently across Parties by each expert review team. They also should ensure the quality and the objectivity of the thorough and comprehensive technical assessments in the reviews and to provide for continuity, comparability and timeliness of the review.

38. Lead reviewers may be offered additional training to that referred to in paragraph 24 above to enhance their skills.

39. With the administrative support of the secretariat, lead reviewers shall, for each review activity:

- (a) Prepare a brief work plan for the review activity;
- (b) Verify that the reviewers have all the necessary information provided by the secretariat prior to the review activity;
- (c) Monitor the progress of the review activity;
- (d) Coordinate queries of the expert review team to the Party and coordinate the inclusion of the answers in the review reports;
- (e) Provide technical advice to the ad hoc experts, if needed;
- (f) Ensure that the review is performed and the review report is prepared in accordance with the relevant guidelines; and
- (g) For inventory reviews, verify that the review team gives priority to individual source categories for review in accordance with the guidelines;

40. Lead reviewers collectively shall also:

- (a) Prepare an annual report to the SBSTA with suggestions on how to improve the review process in the light of paragraph 2 of these guidelines; and
- (b) Advise on the standardized data comparisons of inventory information referred to in paragraph 67.

41. Lead reviewers shall comprise experts from Parties to the Convention nominated to the UNFCCC roster by Parties and their collective skills shall address the areas mentioned in paragraph 29 above. During the period where national communications and the supplementary information under Article 7, paragraph 2, are reviewed, additional experts from Parties to the Convention nominated to the UNFCCC roster by Parties will act as lead reviewers whose collective skills relate to the areas referred to in paragraph 30 above.



42. Lead reviewers shall be assigned for a minimum period of two years and a maximum period of three years to ensure the continuity and consistency of the review process. Half of the lead reviewers shall be assigned initially for a term of two years and the other half for a term of three years. The terms of service of lead reviewers for a given period of service shall be designed and operationalized in accordance with relevant decisions of the COP and the COP/MOP.

#### 5. Ad hoc review experts

43. Ad hoc review experts shall be selected from those nominated by Parties or, exceptionally and only when the required expertise for the task is not available among them, from the relevant intergovernmental organizations belonging to the UNFCCC roster of experts for specific annual or periodic reviews by the secretariat. They shall perform individual review tasks in accordance with the duties set out in their nomination.

44. Ad hoc review experts shall, as necessary, perform desk review tasks in their home countries and participate in in-country visits, centralized reviews and in review meetings.

#### 6. Guidance by the SBSTA

45. The SBSTA shall provide general guidance to the secretariat on the selection of experts and coordination of the expert review teams and to the expert review teams on the expert review process. The reports mentioned in paragraphs 35 and 40 (a) above are intended to provide the SBSTA with inputs for elaborating such guidance.

### **F. Reporting and publication**

46. The expert review team shall, under its collective responsibility, produce the following review reports for each Party included in Annex I:

(a) For the initial review, a report on the review of the elements described in paragraph 12 (a) to (d) above in accordance with parts II, III, IV and V of these guidelines;

(b) For the annual review, a status report after the initial check of the annual inventory and a final report on the annual review of the elements in paragraph 15 in accordance with parts II, III, IV, V and VI of these guidelines;

(c) For the periodic review, a report on the review of the national communication in accordance with part VII of these guidelines.

47. Review reports for each Party included in Annex I shall follow a format and outline comparable to that set out in paragraph 48 below and shall include the specific elements described in parts II to VII of these guidelines.

48. All final review reports prepared by the expert review team, except for status reports, shall include the following elements:

(a) An introduction and summary;

(b) A description of the technical assessment of each of the elements reviewed according to the relevant sections on the scope of the review in parts II to VII of these guidelines, including:

- (i) A description of any potential problems in, and factors influencing the fulfilment of, commitments identified during the review;
- (ii) Any recommendations provided by the expert review team to solve the potential problems;
- (iii) An assessment of any efforts by the Party included in Annex I to address any potential problems identified by the expert review team during the current review or during previous reviews that have not been corrected;
- (iv) Any questions of implementation of the commitments under the Kyoto Protocol;

(c) Possible recommendations by the expert review team on the conduct of the review in subsequent years, including which parts may need to be considered in more depth;

(d) Information on any other issue of concern deemed relevant by the expert review team;

(e) The sources of information used in the formulation of the final report.

49. Following their completion, all final review reports, including status reports on initial checks on annual inventories, shall be published and forwarded by the secretariat, together with any written comments on the final review report by the Party which is subject of the report, to the COP/MOP, the Compliance Committee and the Party concerned.

## **PART II: REVIEW OF ANNUAL INVENTORIES**

### **A. Purpose**

50. The purpose of the review of annual inventories of Parties included in Annex I is:

(a) To provide an objective, consistent, transparent, thorough and comprehensive technical assessment of annual inventories of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol for conformity with the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories*<sup>8</sup> as elaborated by the Intergovernmental Panel on Climate Change (IPCC) report entitled *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories*<sup>9</sup> and any good practice

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<sup>8</sup> In these guidelines the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories* are referred to as the IPCC Guidelines.

<sup>9</sup> In these guidelines the IPCC report entitled *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories* is referred to as the IPCC good practice guidance.

guidance adopted by the COP/MOP, and with section I of the guidelines for the preparation of the information required under Article 7;

(b) To assess if adjustments under Article 5, paragraph 2, may be needed and, if so, to calculate adjustments in accordance with relevant decisions of the COP/MOP relating to Article 5, paragraph 2, of the Kyoto Protocol;

(c) To ensure that the COP/MOP and the Compliance Committee have reliable information on the annual inventories of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol of each Party included in Annex I.

## **B. General procedures**

51. The review should cover:

(a) The annual inventory, including the national inventory report and the common reporting format (CRF);

(b) Supplementary information under Article 7, paragraph 1, incorporated in the Party's national inventory according to section I.D, greenhouse gas inventory information, of the guidelines for the preparation of the information required under Article 7.

52. The annual inventory review shall consist of two elements:

(a) Initial check by the expert review team, with the assistance of the secretariat;

(b) Individual inventory review by the expert review team.

53. The individual inventory review shall occur in conjunction with the review of assigned amount, changes in national systems and changes in national registries as set out in part I of these guidelines.

54. The base year inventory shall be reviewed only once prior to the commitment period and adjusted if appropriate.

55. The annual inventory review should be conducted as a desk or centralized review. In addition, each Party included in Annex I shall be subject to at least one in-country visit by an expert review team during the commitment period as part of its annual review.

56. In-country visits should be scheduled, planned and take place with the consent of the Party included in Annex I subject to review.

57. In years when an in-country visit is not scheduled, an expert review team can request an in-country visit if it believes, based on the findings of the desk or centralized review, that such a visit is necessary to allow for fuller investigation of a potential problem that the team has identified, subject to the consent of the Party included in Annex I. The expert review team shall provide a rationale for the additional country visit and shall compile a list of questions and issues to be addressed during the country visit to be sent to the Party included in Annex I in advance of

the visit. If such an in-country visit occurs, the expert review team may recommend that a pending scheduled in-country visit is not necessary.

58. If a Party included in Annex I fails to provide to the expert review team the data and information necessary for the assessment of conformity with the IPCC Guidelines as elaborated by the IPCC good practice guidance and any good practice guidance adopted by the COP/MOP, the expert review team shall assume that the estimate was not prepared in accordance with the IPCC Guidelines as elaborated by the IPCC good practice guidance and any good practice guidance adopted by the COP/MOP.

### **C. Initial checks of annual inventories**

#### **1. Scope of the review**

59. The expert review team shall conduct an initial check as a desk or centralized review to examine that each Party included in Annex I has submitted a consistent, complete and timely annual inventory, including the national inventory report and the common reporting format and that data contained in the CRF are complete by means of computerized analysis and checks and in the correct format to enable subsequent review stages to occur.

60. The initial check shall identify whether:

(a) The submission is complete and information has been provided in the correct format in accordance with reporting guidelines on annual inventories;

(b) All sources, sinks and gases included in the IPCC Guidelines and any good practice adopted by the COP/MOP are reported;

(c) Any gaps are explained by use of notation keys, such as NE (not estimated) and NA (not applicable), in the CRF and whether there is frequent use of these notation keys;

(d) Methodologies are documented with notations in the CRF;

(e) Estimates for carbon dioxide (CO<sub>2</sub>) emissions from fossil fuel combustion are reported using the IPCC reference approach, in addition to estimates derived using national methods;

(f) Estimates for hydrofluorocarbon, perfluorocarbon and sulphur hexafluoride emissions are reported by individual chemical species;

(g) A Party included in Annex I has failed to submit an annual inventory or the national inventory report or the common reporting format by the due date, or within six weeks of the due date;

(h) A Party included in Annex I has failed to include an estimate for a source category (as defined in chapter 7 of the IPCC good practice guidance) that individually accounted for 7 per cent or more of the Party's aggregate emissions, defined as aggregate submitted emissions of the gases and from the sources listed in Annex A to the Kyoto Protocol, in the most recent of the Party's reviewed inventories in which the source was estimated.

(i) A Party included in Annex I has failed to provide the supplementary information in accordance with paragraphs 5 to 9 of annex I to the draft decision –/CMP.1 (*Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol*).

## 2. Timing<sup>10</sup>

61. The initial check for each Party included in Annex I shall be performed and a draft status report shall be completed within four weeks after the submission date of the annual inventory and sent to the Party for comment. A delay in the preparation of the draft status report shall not shorten the time available for the Party concerned to comment on the draft status report. The secretariat shall immediately notify the Party concerned of any omissions or technical format problems identified in the initial check.

62. Any information, corrections, additional information or comments on the draft status report received from the Party included in Annex I within six weeks of the submission due date shall be subject to an initial check and shall be covered in the final status report. A delay in the submission of the annual inventory shortens the time available for the Party concerned to comment on the draft status report.

63. The status report on the initial check for each Party included in Annex I shall be finalized within ten weeks from the submission due date to be used in the individual inventory review.

## 3. Reporting

64. The status report shall include:

- (a) The date of receipt of the inventory submission by the secretariat;
- (b) An indication whether the annual inventory, including the national inventory report and the CRF, has been submitted;
- (c) An indication whether any source category or gas of a source category is missing and, if so, an indication of the magnitude of the likely emissions of that source category or gas, if possible relative to the last inventory for which the review has been completed;
- (d) Identification of any inventory problems according to the categories listed in paragraph 60 (g) to (i).

### **D. Individual inventory reviews**

#### 1. Scope of the review

65. The expert review team shall, *inter alia*:

- (a) Examine application of the requirements of the IPCC Guidelines as elaborated by any IPCC good practice guidance adopted by the COP/MOP and the reporting guidelines on annual inventories and relevant decisions of the COP/MOP, and identify any departure from these requirements;

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<sup>10</sup> For the initial review, the time frames for the initial check may serve as an indication.

(b) Examine application of the reporting requirements of the section I.D of the guidelines for the preparation of information required under Article 7;

(c) Examine whether the IPCC good practice guidance and any other good practice guidance adopted by the COP/MOP was applied and documented, in particular noting the identification of key source categories, selection and use of methodologies and assumptions, development and selection of emission factors, collection and selection of activity data, reporting of consistent time-series, reporting of uncertainties related to inventory estimates and methodologies used for estimating those uncertainties and identify any inconsistencies;

(d) Compare emission or removal estimates, activity data, implied emission factors and any recalculations with data from previous submissions of the Party included in Annex I to identify any irregularities or inconsistencies;

(e) Compare the activity data of the Party included in Annex I with relevant external authoritative sources, if feasible, and identify sources where there are significant differences;

(f) Assess the consistency of information in the common reporting format with that in the national inventory report;

(g) Assess the extent to which issues and questions raised by expert review teams in previous reports have been addressed and resolved;

(h) Recommend possible ways for improving the estimation and the reporting of inventory information.

66. The expert review team may use relevant technical information in the review process, such as information from international organizations.

67. The secretariat shall, under the direction of the expert review team, conduct a standardized set of data comparisons to be performed on the electronic common reporting format submissions to be used in the review process.

## 2. Identification of problems

68. The individual inventory review shall identify any problems for which adjustments under Article 5, paragraph 2, would be appropriate and initiate procedures for calculation of adjustments.

69. Problems should be identified as a failure to follow agreed guidelines under Article 5, paragraph 2, in preparing greenhouse gas inventories, as a failure to follow section I of the guidelines for the preparation of the information required under Article 7, and as a failure to follow agreed methodologies for estimating and reporting activities under Article 3, paragraphs 3 and 4, as adopted by the COP/MOP. These may be further subdivided as problems of:

(a) Transparency, as defined in the UNFCCC reporting guidelines on annual inventories,<sup>11</sup> including:

- (i) Inadequate documentation and description of methodologies, assumptions and recalculations;
- (ii) Failure to disaggregate national activity data, emission factors and other factors used in national methods at the required level unless an issue of confidentiality exists;
- (iii) Failure to provide justifications for recalculations, references and information sources for key factors and data;

(b) Consistency, as defined in the UNFCCC reporting guidelines on annual inventories, including failure to provide consistent time-series in accordance with the IPCC good practice guidance;

(c) Comparability, as defined in the UNFCCC reporting guidelines on annual inventories, including failure to use agreed reporting formats;

(d) Completeness, as defined in the UNFCCC reporting guidelines on annual inventories, including:

- (i) Gaps in the inventory estimates for source categories or gases;
- (ii) Inventory data that do not provide full geographic coverage of sources and sinks of a Party included in Annex I;
- (iii) Failure to provide full coverage of sources in a source category;

(e) Accuracy, as defined in the UNFCCC reporting guidelines on annual inventories, including failure to provide estimates of uncertainty and address uncertainty through the application of the good practice.

70. The expert review team shall calculate:

(a) The percentage by which the aggregate adjusted greenhouse gas emissions for a Party included in Annex I exceed the aggregate submitted emissions, defined as aggregate submitted emissions of the gases and from the sources listed in Annex A to the Kyoto Protocol, for any single year;

(b) The sum of the numerical values of the percentages calculated in subparagraph (a) above for all years of the commitment period for which the review has been conducted.

71. The expert review team shall identify whether the same key source category as defined in chapter 7 of the IPCC good practice guidance was adjusted in previous reviews and, if so, the

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<sup>11</sup> Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories (document FCCC/CP/1999/7) or any subsequent revision of these guidelines by the COP.

team shall indicate the number of reviews that identified and adjusted the problem previously and the percentage that the key source category contributes to the aggregate submitted emissions, defined as aggregate submitted emissions of the gases and from the sources listed in Annex A to the Kyoto Protocol.

### 3. Timing

72. The individual inventory review, including adjustment procedures, shall be concluded within one year of the due date of submission of the information to be reported under Article 7, paragraph 1.

73. The expert review team shall list all problems identified, indicating which would need an adjustment, and send this list to the Party included in Annex I no later than fifteen weeks from the submission due date of the annual inventory, if the inventory was submitted at least six weeks after the submission due date.

74. The Party included in Annex I shall comment on these questions within six weeks and, where requested by the review team, may provide revised estimates.

75. The expert review team shall prepare a draft individual inventory review report, which includes, where appropriate, adjusted estimates calculated according to guidance under Article 5, paragraph 2, within eight weeks of the receipt of the comments on the questions posed and shall send the draft report to the Party concerned.

76. The Party included in Annex I shall be provided with four weeks to comment on the draft individual inventory review report and, where appropriate, on whether it accepts or rejects the adjustment.

77. The expert review team shall prepare a final individual inventory review report within four weeks of the receipt of the comments on the draft report.

78. If a Party included in Annex I during the above steps is able to comment earlier than in the above given time-frames, the Party concerned may use the time saved to comment on the revised final report. A total of four additional weeks to comment may be granted to Parties included in Annex I whose national language is not one of the United Nations official languages.

### 4. Procedures for adjustments under Article 5, paragraph 2

79. Adjustments referred to in Article 5, paragraph 2, of the Kyoto Protocol shall be applied only when inventory data submitted by Parties included in Annex I are found to be incomplete and/or are prepared in a way that is not consistent with the IPCC Guidelines as elaborated by the IPCC good practice guidance and any good practice guidance adopted by the COP/MOP.

80. The procedure for the calculation of adjustments shall be as follows:

(a) During the individual inventory review, the expert review team shall identify problems to which the criteria in the guidance for adjustments under Article 5, paragraph 2, apply. The expert review team shall officially notify the Party included in Annex I of the reason



why an adjustment is considered necessary and provide advice on how the problem could be corrected;

(b) The adjustment procedure should only commence after the Party included in Annex I has had opportunities to correct a problem and if the expert review team finds that the Party included in Annex I has not adequately corrected the problem through the provision of an acceptable revised estimate, in accordance with the time-frames set out in paragraphs 73 to 78 above;

(c) The expert review team shall calculate adjustments in accordance with any guidance under Article 5, paragraph 2, adopted by the COP/MOP, in consultation with the Party concerned and within the time-frame set out in these guidelines;<sup>12</sup>

(d) The expert review team shall officially notify the Party concerned of the calculated adjustment(s) within the time-frame set out in these guidelines. This notification shall describe the assumptions, data and methodologies used to calculate the adjustment(s), as well as the value of the adjustment(s);

(e) Within the time-frame set out in these guidelines, the Party concerned shall notify the secretariat of its intention to accept or reject the adjustment(s), with its rationale. Failure to respond by this date shall be considered as acceptance of the adjustment(s), as follows:

- (i) If the Party concerned accepts the adjustment(s), the adjustment(s) shall be applied for the purpose of compilation and accounting of emissions inventories and assigned amounts;
- (ii) If the Party concerned disagrees with the proposed adjustment(s), it should send a notification to the expert review team, including its rationale, and the expert review team should send the notification along with its recommendation in its final report to the COP/MOP and the Compliance Committee, which will resolve the disagreement in accordance with the procedures and mechanisms on compliance.

81. A Party included in Annex I may submit a revised estimate for a part of its inventory for a year of the commitment period to which an adjustment was previously applied, provided that the revised estimate is submitted, at the latest, in conjunction with the inventory for the year 2012.

82. Subject to a review under Article 8 and the acceptance of the revised estimate by the expert review team, the revised estimate shall replace the adjusted estimate. In the event of a disagreement between the Party included in Annex I and the expert review team regarding the revised estimate, the procedure set out in paragraph 79 (e) (ii) above shall be followed. The option for a Party included in Annex I to submit a revised estimate for a part of its inventory to which an adjustment was previously applied should not prevent Parties included in Annex I from making best efforts to correct the problem at the time it was initially identified and in accordance with the time-frame set forth in the guidelines for review under Article 8.

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<sup>12</sup> Special arrangements in the composition of the expert review teams may be needed for the case where an adjustment needs to be calculated.

## 5. Reporting

83. The following specific elements shall be included in the reports referred to in paragraph 46 (a) and (b):

- (a) A summary of the results of the inventory review, including a description of emission trends, key sources and methodologies and a general assessment of the inventory;
- (b) Identification of any inventory problems according to the categories listed in paragraph 69 and a description of factors influencing the fulfilment of the inventory-related obligations of the Party included in Annex I ;
- (c) Information on adjustments, if applicable, including, *inter alia*,
  - (i) The original estimate, if applicable;
  - (ii) The underlying problem;
  - (iii) The adjusted estimate;
  - (iv) The rationale for the adjustment;
  - (v) The assumptions, data and methodology used to calculate the adjustment;
  - (vi) A description of how the adjustment is conservative;
  - (vii) The expert review team's identification of possible ways for the Party included in Annex I to address the underlying problem;
  - (viii) The magnitude of the numerical values related to an adjusted problem as identified under paragraph 70 above;
  - (ix) Recurrence of adjustments as identified under paragraph 71 above;
  - (x) An indication whether the adjustment was agreed upon by the Party included in Annex I and the expert review team.

### **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**

#### **PART IV: REVIEW OF NATIONAL SYSTEMS**

##### **A. Purpose**

84. The purpose of the review of national systems is:

- (a) To provide a thorough and comprehensive technical assessment of the capacity of a national system and the adequacy of its institutional, legal and procedural arrangements to produce an inventory of anthropogenic emissions by sources and removals by sinks in conformity with Article 5, paragraph 2;

(b) To assess the extent to which the guidelines for national systems under Article 5, paragraph 1, have been adhered to, and to assist Parties included in Annex I in meeting their commitments under Article 5, paragraph 1;

(c) To provide the COP/MOP and the Compliance Committee with reliable information on national systems established under Article 5, paragraph 1;

## **B. General procedures**

85. The review of national systems shall take place in two parts:

(a) A thorough review of the national system, as part of the review prior to the commitment period and its in-country visit;

(b) A desk or centralized review of any reported changes in the national system reported since the first thorough review, conducted in conjunction with the annual inventory review.

86. The review of national systems shall be conducted, as appropriate, through interviews with personnel involved in inventory planning, preparation and management, and through examination of relevant records and documentation, including use of the inventory CRF and preparation of the national inventory report.

87. Based on any findings during the individual inventory review and on findings related to reported changes in national systems considered by the expert review team to be potentially significant in relation to an identified problem in the inventory of the Party included in Annex I, the expert review team may request an additional country visit to review the relevant components of the national system in conjunction with an in-country inventory review.

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

### **1. In-country review**

88. The expert review team shall conduct a thorough and comprehensive review of the national system of each Party included in Annex I. The review of national systems should cover:

(a) Activities undertaken by the Party included in Annex I to implement, and performance of, the general functions described in paragraph 10 of the guidelines for national systems,<sup>13</sup> and the specific functions related to inventory planning, preparation and management in accordance with paragraphs 12 to 17 of those guidelines;

(b) Reported and archived information on national systems in accordance with guidelines under Article 5, paragraph 1, and Article 7, including plans and internal documentation related to the functions mentioned in subparagraph (a) above.

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<sup>13</sup> The guidelines for national systems for the estimation of anthropogenic greenhouse gas emissions by sources and removals by sinks under Article 5, paragraph 1, of the Kyoto Protocol are referred to as “guidelines for national systems” in this document. The full text of those guidelines can be found in document FCCC/CP/2001/L.18.

## 2. Review of changes in national systems

89. Any significant changes in the functions of the national systems reported by Parties included in Annex I or identified by the expert review team during the in-country visit that may affect the preparation of greenhouse gas inventories in conformity with Article 5, paragraph 2, and the guidelines for national systems should be reviewed annually in conjunction with the annual inventory review. The scope of such a review shall follow the scope set out for the in-country review according to paragraph 88 above.

## 3. Identification of problems

90. The expert review team shall assess whether the Party included in Annex I has established and maintained the specific inventory planning components covered in paragraph 12 of the guidelines for national systems, on the basis of a review of the information provided on the national system under Article 7 and any additional information gathered.

91. The expert review team shall assess whether the Party included in Annex I has completed the inventory preparation components covered in paragraph 14 (a) and (d) of the guidelines for national systems, on the basis of the review of the information provided on the national system under Article 7 and any additional information gathered.

92. The expert review team shall assess whether the inventory preparation components covered in paragraph 14 (c), (e) and (g) of the guidelines for national systems are functioning adequately, on the basis of an assessment of the most recent annual inventory, its consistency with good practice, and any additional information gathered.

93. The expert review team shall assess whether the Party included in Annex I has archived inventory information according to the provisions of paragraphs 16 and 17 of the guidelines for national systems as part of its inventory management. The expert review team shall assess whether the archiving is functioning adequately on the basis of an assessment of:

(a) The completeness of archived information for a sample of source categories as chosen by the expert review teams, including key source categories, as defined in accordance with IPCC good practice guidelines;

(b) The ability of the Party included in Annex I to respond in a timely manner to requests for clarifying inventory information resulting from the different stages of the review process of the most recent inventory.

94. Based on the assessment carried out in accordance with paragraphs 90 to 93 above, expert review teams shall identify any potential problems in, and factors influencing, the fulfilment of commitments related to the functions of national systems according to paragraphs 10, 12, 14 and 16 of the guidelines for national systems. In addition, the expert review teams shall recommend how deficiencies of functions described in paragraphs 13, 15 and 17 of the guidelines for national systems could be improved. These provisions shall apply to both in-country reviews and reviews of changes in national systems.

#### **D. Timing**

95. During the process of in-country visit, the expert review team shall list all problems identified, and notify the Party included in Annex I no later than six weeks after the country visit on the problems identified. The Party included in Annex I shall comment on these problems not later than within six weeks. The expert review team shall prepare a draft of a review report on the national system, 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 the Party included in Annex I 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 system within four weeks of the receipt of the comments on the draft report. The review of national systems shall be concluded within one year of the date of submission of the information.

96. The process of review of changes in national systems shall follow the timetable for the review of annual inventories defined in part II of these guidelines. If either the annual inventory review or the review of changes in national systems recommend an in-depth review of national systems, the process of inventory review of national systems should be conducted together with the following in-country review either of the annual inventory or of the periodic national communication whichever is earlier.

#### **E. Reporting**

97. The following specific elements shall be included in the reports referred to in paragraph 46 (a) and (b):

(a) An evaluation of the overall organization of the national system, including a discussion of the effectiveness and reliability of the institutional, procedural and legal arrangements for estimating greenhouse gas emissions;

(b) A technical assessment of the performance of each of the national system functions defined in paragraphs 10 to 17 of the guidelines for national systems, including an assessment of the system's strengths and weaknesses;

(c) Any recommendations by the review team for further improvement of the national system of the Party included in Annex I.

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

#### **PART VI: REVIEW OF INFORMATION ON THE MINIMIZATION OF ADVERSE IMPACTS IN ACCORDANCE WITH ARTICLE 3, PARAGRAPH 14**

##### **A. Purpose**

98. The purpose of the review of information of each Party included in Annex I in relation to Article 3, paragraph 14, is:

(a) To provide a thorough objective and comprehensive technical assessment of the information submitted relating to how the Party included in Annex I is striving to implement its commitments under Article 3, paragraph 14;

(b) To assess trends and the extent to which action the Party included in Annex I is striving to implement to minimize adverse impacts on developing countries in accordance to Article 3, paragraph 14, and taking into account any relevant decisions by the COP and COP/MOP;

(c) To assist Parties included in Annex I to improve their reporting of information under Article 3, paragraph 14;

(d) To ensure that the COP/MOP and the Compliance Committee have reliable information on the review of minimization of adverse impacts in accordance with Article 3, paragraph 14.

## **B. General procedures**

99. The review of the information on the minimization of adverse impacts in accordance with Article 13, paragraph 14 shall take place in two parts:

(a) An annual desk or centralized review of additional information submitted by Parties included in Annex I, conducted in conjunction with the annual inventory review;

(b) A thorough and comprehensive review through in-country visits, conducted in conjunction with the review of national communications.

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

### **1. Annual Review**

100. The expert review team shall, *inter alia*:

(a) Check whether the Party included in Annex I submitted the supplementary information in accordance with paragraphs 13 and 14 of annex I to decision -/CMP.1 (*Guidelines for the preparation of the information under Article 7*), on action relating to the minimization of adverse effects under Article 3, paragraph 14;

(b) For the first year that the Party included in Annex I provides the information mentioned in paragraph (a) above, conduct a desk or centralized review to assess whether each Party included in Annex I has submitted consistent, complete and timely information. For subsequent years, conduct a desk or centralized review to assess whether Parties included in Annex I have submitted information on any changes that have occurred, compared with the information reported in its last submission;

(c) Notify the Party concerned of any questions the team has regarding information on actions relating to minimization of adverse effects under Article 3, paragraph 14 and relevant decisions of the COP and COP/MOP;

(d) Assess the extent to which issues and questions raised by previous reports have been addressed and resolved;

(e) Recommend possible ways to improve the reporting of information, including possible recommendations to the workshop on reporting methodologies mentioned in decision -/CP.7 (*Matters related to Article 3, paragraph 14*).

## 2. In-country visit

101. Each Party included in Annex I shall be subject to at least one in-country visit by an expert review team during the commitment period in conjunction with the review of the national communication.

102. The in-country review shall provide a detailed examination of supplementary information incorporated in the annual inventory, in accordance with paragraphs 13 and 14 of annex I to decision -/CMP.1 (*Guidelines for the preparation of the information under Article 7*) compiled by the secretariat and reviewed in paragraph 101 above for all years since the initial review.

103. Based on the assessment carried out in accordance with paragraphs 100 and 101 above, expert review teams shall identify any potential problems in, and factors influencing, the fulfilment of commitments under Article 3, paragraph 14, and relevant decisions of the COP and COP/MOP.

## 3. Identification of problems

104. The problems identified during the assessment related to the supplementary information reported in accordance with paragraphs 13 and 14 of annex I to decision -/CMP.1 (*Guidelines for the preparation of the information under Article 7*) shall be identified as relating to:

- (a) Transparency;
- (b) Completeness;
- (c) Timeliness.

105. Failure to submit supplementary information reported in accordance with paragraphs 13 and 14 of annex I to decision -/CMP.1 (*Guidelines for the preparation of the information under Article 7*) shall be considered as a potential problem.

## **D. Timing**

106. The process of the in-country review shall follow the timetable for the review of the national communication of the Party included in Annex I defined in part VII of these guidelines. The annual review process shall follow the timetable for the review of annual inventories defined in part II of these guidelines. The preparation of the reports should also follow these respective timetables.

### **E. Reporting**

107. The following specific elements shall be included in the report referred to in paragraph 46 (a) and (b):

- (a) A technical assessment of the elements specified in paragraph 100 and 102 above;
- (b) An identification of problems in accordance with paragraphs 104 and 105;
- (c) Any recommendations by the review team for further improvement of reporting by a Party included in Annex I.

## **PART VII: REVIEW OF NATIONAL COMMUNICATIONS AND INFORMATION ON OTHER COMMITMENTS UNDER THE KYOTO PROTOCOL**

### **A. Purpose**

108. The purpose of the guidelines on the review of national communications of Parties included in Annex I, including information reported under Article 7, paragraph 2, is:

- (a) To provide a thorough and comprehensive technical assessment of national communications and information reported under Article 7, paragraph 2 of the Kyoto Protocol;
- (b) To examine in an objective and transparent manner whether quantitative and qualitative information was submitted by Parties included in Annex I in accordance with section II of the guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol;
- (c) To promote consistency in the review of the information contained in the national communications of Parties included in Annex I, including information reported under Article 7, paragraph 2;
- (d) To assist Parties included in Annex I to improve reporting of information under Article 7, paragraph 2 and the implementation of their commitments under the Protocol;
- (e) To ensure that the COP/MOP and the Compliance Committee have reliable information on the implementation of commitments under the Kyoto Protocol by each Party included in Annex I.

### **B. General procedures**

109. Supplementary information under Article 7, paragraph 2, shall be incorporated into the national communications and shall be reviewed as part of the review of the communications. Each national communication submitted under the Kyoto Protocol by a Party included in Annex I shall be subject to a scheduled in-country periodic review.

110. Prior to the in-country visit, the expert review team shall conduct a desk or centralized review of the national communication of the Party included in Annex I. The review team shall



notify the Party concerned of any questions the team has regarding the national communication and of any focal areas for the in-country visit.

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

111. The review of the national communication shall also cover supplementary information reported under Article 7, paragraph 2.

112. The individual review shall:

(a) Provide an assessment of the completeness of the national communication, including supplementary information reported under Article 7, paragraph 2, in accordance with the reporting requirements under Article 7, paragraph 2, and an indication of whether it was submitted on time;

(b) Provide a detailed examination of each part of the national communication, as well as procedures and methodologies used in the preparation of the information, such as:<sup>14</sup>

- (i) National circumstances relevant to greenhouse gas emissions and removals;
- (ii) Policies and measures;
- (iii) Projections and the total effect of policies and measures;
- (iv) Vulnerability assessment, climate change impacts and adaptation measures;
- (v) Financial resources;
- (vi) Transfer of technology;
- (vii) Research and systematic observation;<sup>15</sup>
- (viii) Education, training and public awareness;

(c) Provide a detailed examination of supplementary information provided under Article 7, paragraph 2:

- (i) Supplemnetarity relating to the mechanisms pursuant to Articles 6, 12 and 17;
- (ii) Policies and measures in accordance with Article 2;
- (iii) Domestic and regional programmes and/or legislative arrangements and enforcement and administrative procedures;

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<sup>14</sup> Headings of the national communication according to the UNFCCC reporting guidelines on national communications with the exception of “greenhouse gas inventory information” (see document FCCC/CP/1999/7).

<sup>15</sup> Information provided under this heading includes a summary of the information provided on global climate observation systems.

(iv) Information under Article 10;

(v) Financial resources;

(d) Identify any potential problems in and factors influencing, the fulfilment of commitments related to each part of the national communication and to the reporting of supplementary information under Article 7, paragraph 2.

113. All common elements in paragraph 112 (b) and (c) above are to be reviewed in conjunction.

#### Identification of problems

114. The problems identified during the assessment related to individual sections of the national communication, including supplementary information reported under Article 7, paragraph 2, shall be identified as relating to:

(a) Transparency;

(b) Completeness;

(c) Timeliness.

115. Failure to submit any section of the national communication shall be considered as a potential problem.

#### **D. Timing**

116. If a Party included in Annex I expects difficulties with the timeliness of its national communication submission, it should inform the secretariat before the due date of the submission. If the national communication is not submitted within six weeks after the due date, the delay shall be brought to the attention of the COP/MOP and the Compliance Committee and made public.

117. The expert review teams shall make every effort to complete the individual review of national communications within two years of the national communication submission for each Party included in Annex I.

118. If additional information is requested during the in-country visit, it should be provided by the Party included in Annex I within six weeks after the visit.

119. The expert review team for each Party included in Annex I shall, under its collective responsibility, produce a draft of the national communication review report following the format below to be finalized within eight weeks after the in-country visit.

120. The draft of each national communication review report will be sent to the Party included in Annex I subject to review for comment. The Party concerned shall be provided with four weeks of receipt of the draft report to provide comments on it.

121. The expert review team shall produce the finalized national communication review report taking into account the comments of the Party included in Annex I within four weeks of receipt of the comments.

**E. Reporting**

122. The following specific elements shall be included in the report referred to in paragraph 46 (c):

- (a) A technical assessment of the elements specified in paragraph 112 (b) and (c);
- (b) An identification of problems in accordance with paragraphs 114 and 115.

123. The secretariat shall produce a report on the compilation and synthesis of national communications for all Parties included in Annex I in accordance with the decisions of the COP/MOP.

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