

# Annual review reports of Annex I GHG annual submissions: an introduction

Facilitative Branch of the Compliance Committee.  
4 September 2019



# Annex I annual (GHG) review reports

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- The annual review report (ARR) is the main official product of the review by an expert review team (ERT) of the annual submission of an Annex I Party
- Annual submission = GHG inventory + Kyoto supplementary information
- All review reports are public documents available in the UNFCCC web





United Nations

FCCC/ARR/2018/ [redacted]



Framework Convention on  
Climate Change

Distr.: General  
1 April 2019

English only

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**Report on the individual review of the annual submission of  
[redacted] submitted in 2018\***

**Note by the expert review team**



# Structure of an annual review report

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- Information grouped in tables
- Tables in main body include:
  - Table 2: summary and assessment
  - Table 3: issues identified by previous ERTs
  - Table 5: issues identified by the latest ERT
- Tables in annexes include values (“numbers”) for emissions and removals, accounting information, adjustments (if applicable).



## Table 2

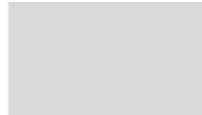
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- Summary of review results and
- General assessment of the annual submission

Table 2  
**Summary of review results and general assessment of the inventory of** [REDACTED]

<i>Assessment</i>	<i>Issue or problem ID#(s) in table 3 and/or 5<sup>a</sup></i>	
<p>Date of submission</p> <p>Original submission: 12 April 2018 (NIR), 11 April 2018, version 1 (CRF tables), 12 April 2018 (SEF CP2-2017), 18 September 2018 (SEF CP1-2017) (SEF tables)</p> <p>Revised submission: 10 May 2018 (NIR), 7 May 2018, version 3 (CRF tables)</p> <p>Unless otherwise specified, the values from the latest submission are used in this report</p>		
<p>Review format</p> <p>In-country</p>		
<p>Application of the requirements of the UNFCCC Annex I inventory reporting guidelines and Wetlands Supplement (if applicable)</p> <p>1. Have any issues been identified in the following areas:</p> <p>(a) Identification of key categories</p> <p>(b) Selection and use of methodologies and assumptions</p> <p>(c) Development and selection of EFs</p>		<p>Yes L.13</p> <p>Yes I.18</p> <p>Yes E.10, E.20, E.21, E.27, E.41, E.45, L.8, L.23, L.25, L.27, KL.2</p>



<p>Application of the requirements of the UNFCCC Annex I inventory reporting guidelines and Wetlands Supplement (if applicable)</p>	<p>1. Have any issues been identified in the following areas:</p>	
	<p>(a) Identification of key categories</p>	<p>Yes L.13</p>
	<p>(b) Selection and use of methodologies and assumptions</p>	<p>Yes I.18</p>
	<p>(c) Development and selection of EFs</p>	<p>Yes E.10, E.45, KL.2</p>
	<p>(d) Collection and selection of AD</p>	<p>Yes E.25, I.40, L.18, W.12, KL.1</p>
	<p>(e) Reporting of recalculations</p>	<p>Yes KL.9</p>
	<p>(f) Reporting of a consistent time series</p>	<p>Yes I.9, I.</p>
	<p>(g) Reporting of uncertainties, including methodologies</p>	<p>Yes G.12.</p>
	<p>(h) QA/QC</p>	<p>QA/QC procedure in the context of the inventory (see para. 2)</p>
	<p>(i) Missing categories/completeness<sup>b</sup></p>	<p>Yes I.7, I. L.17, KL.1</p>
	<p>(j) Application of corrections to the inventory</p>	<p>No</p>



Significance threshold	For categories reported as insignificant, has the Party provided sufficient information showing that the likely level of emissions meets the criteria in paragraph 37(b) of the UNFCCC Annex I inventory reporting guidelines?	Yes	E.44
Description of trends	Did the ERT conclude that the description in the NIR of the trends for the different gases and sectors is reasonable?	No	L.11



2. Have any issues been identified related to the national system:
  - (a) The overall organization of the national system, including the effectiveness and reliability of the institutional, procedural and legal arrangements
  - (b) Performance of the national system functions
3. Have any issues been identified related to the national registry:
  - (a) Overall functioning of the national registry
  - (b) Performance of the functions of the national registry and the technical standards for data exchange
4. Have any issues been identified related to reporting of information on ERUs, CERs, AAUs and RMUs and on discrepancies reported in accordance with decision 15/CMP.1, annex, chapter I.E, in conjunction with decision 3/CMP.11, taking into consideration any findings or recommendations contained in the SIAR?
5. Have any issues been identified in matters related to Article 3, paragraph 14, of the Kyoto Protocol, specifically problems related to the transparency, completeness or timeliness of reporting on the Party's activities related to the priority actions listed in decision 15/CMP.1, annex, paragraph 24, in conjunction with decision 3/CMP.11, including any changes since the previous annual submission?

Supplementary  
information under  
the Kyoto  
Protocol

6. Have any issues been identified related to the reporting of KP-LULUCF activities, as follows:

- (a) Reporting requirements in decision 2/CMP.8, annex II, paragraphs 1–5
- (b) Demonstration of methodological consistency between the reference level and reporting on FM in accordance with decision 2/CMP.7, annex, paragraph 14
- (c) Reporting requirements of decision 6/CMP.9
- (d) Country-specific information to support provisions for ND, in accordance with decision 2/CMP.7, annex, paragraphs 33 and 34

CPR

Was the CPR reported in accordance with the annex to decision 18/CP.7, the annex to decision 11/CMP.1 and decision 1/CMP.8, paragraph 18?

Adjustments

Has the ERT applied an adjustment under Article 5, paragraph 2, of the Kyoto Protocol?

Did the Party submit a revised estimate to replace a previously applied adjustment?



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Response from the Party during the review	Has the Party provided the ERT with responses to the questions raised, including the data and information necessary for the assessment of conformity with the UNFCCC Annex I inventory reporting guidelines and any further guidance adopted by the Conference of the Parties?
Recommendation for an exceptional in-country review	On the basis of the issues identified, does the ERT recommend that the next review be conducted as an in-country review?
Question of implementation	Did the ERT list a question of implementation?

## Table 2 (cont.)

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- Table 2 does not include references to Transparency or Comparability issues  
→ those do not affect total level of emissions and removals

## Table 3

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- Table 3 includes the recommendations in previous review report that were not resolved



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### III. Status of implementation of issues and/or problems raised in the previous review report

8. Table 3 compiles all the recommendations made in previous review reports that were included in the previous review report, published on [REDACTED] 2017.<sup>4</sup> For each issue and/or problem, the ERT specified whether it believes the issue and/or problem has been resolved by the conclusion of the review of the 2018 annual submission and provided the rationale for its determination, which takes into consideration the publication date of the previous review report and national circumstances.

Table 3

Status of implementation of issues and/or problems raised in the previous review report of [REDACTED]

<i>ID#</i>	<i>Issue and/or problem classification<sup>a, b</sup></i>	<i>Recommendation made in previous review report</i>	<i>ERT assessment and rationale</i>
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# Table 3: an example

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<p>E.4 Feedstocks, reductants and other non-energy use of fuels – gaseous fuels – CO<sub>2</sub> (E.8, 2016) (E.8, 2015) (31, 2014) Transparency</p>	<p>Explain the method used to estimate CO<sub>2</sub> emissions resulting from the use of natural gas for hydrogen production in one refinery.</p>	<p>Addressing. [REDACTED] included a new section in the NIR (p.3-152) describing the methodology used to estimate CO<sub>2</sub> emissions from the use of natural gas for hydrogen production in the only refinery producing hydrogen. However, the ERT noted that [REDACTED] still uses “NO” in CRF table 1.A(d) for CO<sub>2</sub> emissions from a number of fuels used for non-energy purposes, such as the use of natural gas in hydrogen production. During the review, [REDACTED] explained that it had estimated fugitive emissions associated with hydrogen production for the first time in its 2018 annual submission. However, this value was mistakenly not included in CRF table 1.A(d). [REDACTED] explained that</p>
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## Table 4

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- Table 4 includes recommendations that are still not resolved and have been raised in at least the last three reviews
- It also includes the number of reviews that each recommendation has not been resolved





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## Issues identified in three successive reviews and not addressed by the Party

9. In accordance with paragraph 83 of the UNFCCC review guidelines, the ERT noted that the issues included in table 4 have been identified in three successive reviews, including the review of the 2018 annual submission of [REDACTED] and have not been addressed by the Party.

Table 4

### Issues identified in three successive reviews and not addressed by [REDACTED]

<i>ID#</i>	<i>Previous recommendation for the issue identified</i>	<i>Number of successive reviews issue not addressed<sup>2</sup></i>
General		
G.1	Report any change(s) in the information provided under Article 3, paragraph 14, of the Kyoto Protocol in accordance with decision 15/CMP.1, annex, chapter I.H, and/or further	3 (2014–2018)

## Table 5

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- Table 5 includes new issues identified by the ERT



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## V. Additional findings made during the individual review of the 2018 annual submission

10. Table 5 contains findings made by the ERT during the individual review of the 2018 annual submission of [REDACTED] that are additional to those identified in table 3.

Table 5  
Additional findings made during the individual review of the 2018 annual submission of [REDACTED]

ID#	Finding classification	Description of the finding with recommendation or encouragement	<i>Is finding an issue and/or a problem?<sup>a</sup> If yes, classify by type</i>
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# Table 5: an example

Table 5  
Additional findings made during the individual review of the 2018 annual submission of

ID#	<i>Finding classification</i>	<i>Description of the finding with recommendation or encouragement</i>	<i>Is finding an issue and/or a problem?<sup>a</sup> If yes, classify by type</i>
A.10	3.G Liming 3.H Urea application – CO <sub>2</sub>	<p>The Party reported in figure 5.4 of the NIR (p.5-4) the overview of the methodology for the agriculture sector. The ERT notes, however, that the figure is not complete since two categories for which [REDACTED] reported emission estimates are missing: (i) CO<sub>2</sub> emissions from liming and (ii) CO<sub>2</sub> emissions from urea application. During the review, the Party acknowledged the missing categories and stated that it would add them to figure 5.4 in the 2019 annual submission.</p> <p>The ERT recommends that the Party revise NIR figure 5.4 to include categories 2.G (liming) and 2.H (urea application).</p>	Yes. Transparency



## **VI. Application of adjustments**

11. The ERT did not identify the need to apply any adjustments to the 2018 annual submission of [REDACTED].

## **VII. Accounting quantities for activities under Article 3, paragraph 3, and, if any, activities under Article 3, paragraph 4, of the Kyoto Protocol**

12. [REDACTED] has elected commitment period accounting and therefore the issuance and cancellation of units for KP-LULUCF activities is not applicable for the 2018 review.

## **VIII. Questions of implementation**

13. No questions of implementation were identified by the ERT during the individual review of the Party's 2018 annual submission.

## Tables 3 and 5: issue types

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FCCC review guidelines (13/CP.20), para.81:

- Transparency, e.g. incomplete information in NIR
- Accuracy, e.g. incorrect emission factor
- Comparability (allocation of emission to categories)
- Consistency (time series)
- Completeness: no estimations or underestimations
- Other issues related to the FCCC reporting guidelines, e.g. Quality assurance

KP (22/CMP.1, para. 69): Other issues related to the KP reporting guidelines (e.g. KP-LULUCF accounting)

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# Questions of implementation



# Questions of Implementation

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KP review guidelines (22/CMP.1, Annex, paras. 7-8):

- Only if an unresolved problem pertaining to language of a mandatory nature in these guidelines influencing the fulfilment of commitments still exists ... shall that problem be listed as a question of implementation in the final review reports.





## Questions of Implementation (2)

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- Raised for issues with the national systems
  - It is assumed that those issues make the overall estimates questionable
- Chronology of a Question of Implementation:
  - Identified by ERT before and during review week
  - If not clarified, listed in the ‘Saturday paper’
  - Party replies within 6 weeks to Saturday paper
  - If still not clarified, the issue is listed as a question of implementation in the review report
  - Compliance Committee considers the question of implementation



## Questions of Implementation (3)

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- Some ERTs do not list issues on the national system that would take more than a year to resolve as Question of Implementation if the Party, in response to the Saturday paper, presents a plan to solve it.
- Assumption is that the next ERT would follow up on that plan and, if problems, raise a question on implementation.



# Non-issues under the Kyoto Protocol

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- LULUCF issues that do not impact KP-LULUCF activities
- KP-LULUCF accounting issues for Parties that chose commitment period accounting
  - Those would be issues in the 2022 review
- Accuracy issues that result in overestimations for years of the commitment period (or underestimations for the base year)
  - no adjustments

# Observations

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In the absence of a Question of Implementation identified in the review report, some issues or problems may point out the emergence of potential problems affecting the capacity of the Party to fulfil its commitments in the future:

- Annual submission submitted late (>15 April) regularly
- The annual review report (ARR) includes:
  - a recommendation for the next review to be in-country
  - Many completeness or accuracy issues
    - How many are “many”?
  - Several issues for the national system
  - A long Table 4 (i.e. many issues are still unresolved after three or more reviews)



# Parties and their Doha targets

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- ARRs do not include information of likelihood for a Party to meet its Doha target
- ‘True-up’ review reports, in 2023, will determine if a Party met its Doha target
- The review reports of third Biennial Reports (FCCC/TRR.3/Party) include some information on progress toward Doha target

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