

Requirements for national inventory reports as part of the biennial transparency report under the enhanced transparency framework of Paris Agreement.

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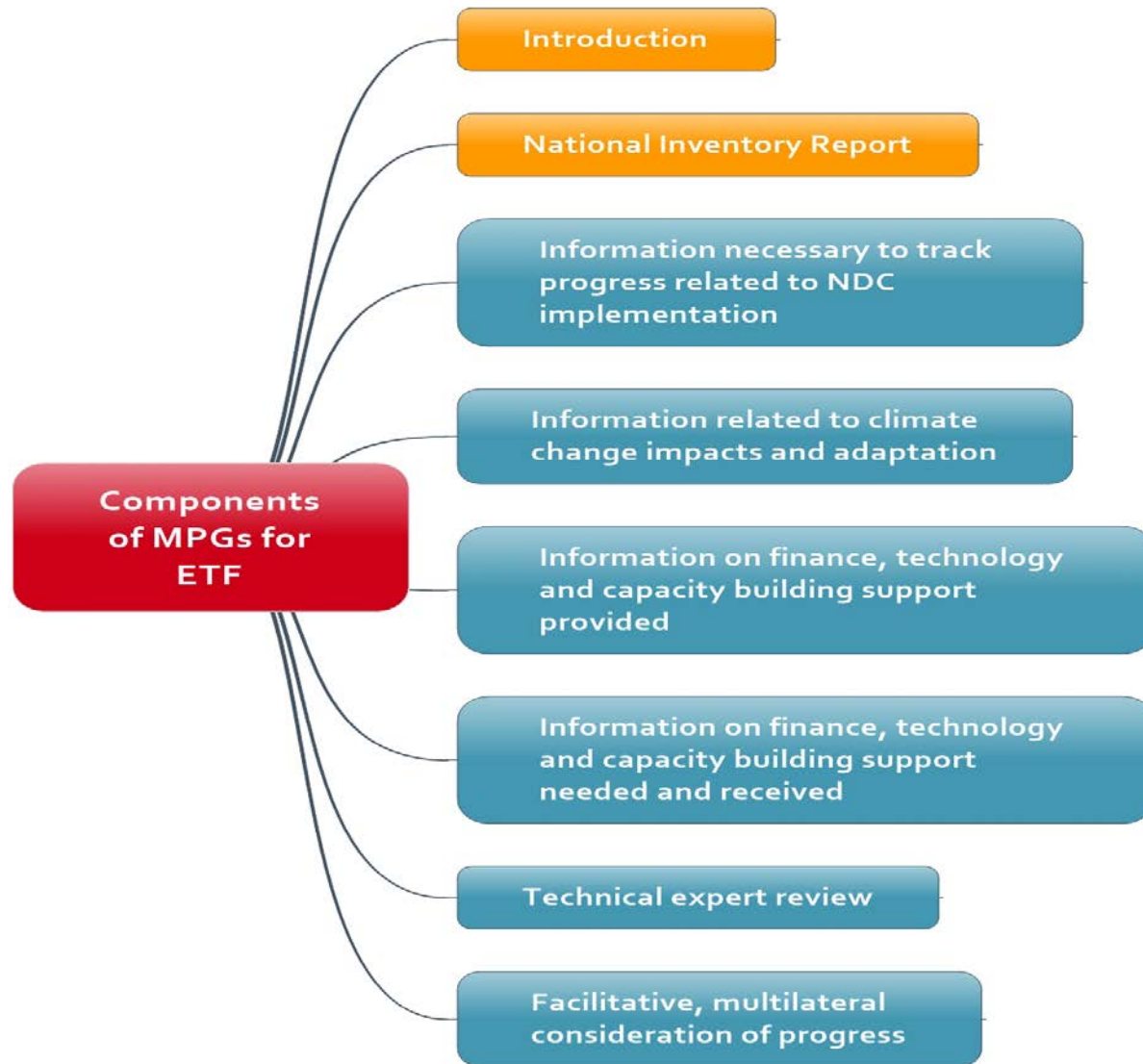


Modalities Procedures and Guidelines for the ETF – Decision 18/CMA1

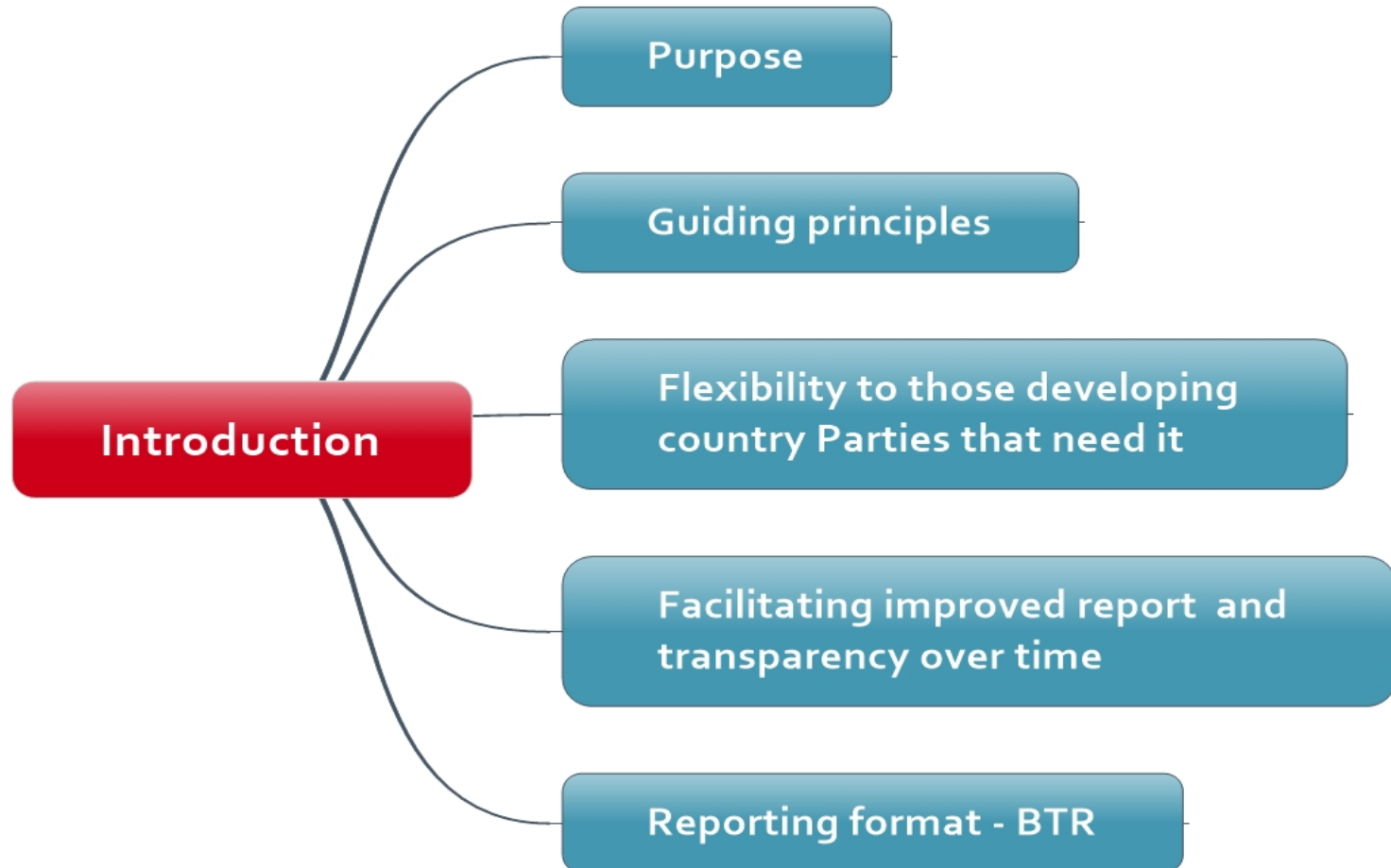
- ❑ Decision 18/CMA.1 adopted a common modalities, procedures and guidelines for the transparency framework for action and support applicable to all Parties, but with some flexibilities



The architecture of the MPG for ETF (Article 13) under Paris Agreement



Introduction of the MPGs



Purpose

Twofold purposes:

Provide a clear understanding of climate change action in the light of the objective of the Convention as set out in its Article 2, including clarity and tracking of progress towards achieving Parties' individual nationally determined contributions, to inform the global stocktake

Provide clarity on support provided and received by relevant individual Parties in the context of climate change actions, all to provide a full overview of aggregate financial support provided, to inform the global stocktake



Guiding principles

- ❖ **Building on and enhancing the transparency arrangements under the Convention**, recognizing the special circumstances of the LDCs and SIDS, and implementing the transparency framework in a **facilitative, non-intrusive, non-punitive manner, respecting national sovereignty and avoiding placing undue burden on Parties**;
- ❖ Promoting **transparency, accuracy, completeness, consistency and comparability (TACCC)**;
- ❖ **Avoiding duplication of work and undue burden** on Parties and the secretariat;
- ❖ Ensuring that Parties **maintain at least the frequency and quality of reporting** in accordance with their respective obligations under the Convention
- ❖ Ensuring that **double counting is avoided**
- ❖ Ensuring **environmental integrity**



Flexibility

- ❑ The ETF shall provide flexibility in the implementation of the provisions of Article 13 to those developing country Parties that need it in the light of their capacities, and these MPGs shall reflect such flexibility
- ❑ These MPGs specify the flexibility in the **scope, frequency and level of detail of reporting, and in the scope of the review.**
- ❑ The application of flexibility provided for in the provisions of these MPGs for those developing country Parties that need it in the light of their capacities is to be **self-determined**. The developing country Party shall **clearly indicate the provision to which flexibility is applied, concisely clarify capacity constraints**, noting that some constraints may be relevant to several provisions, and provide self-determined estimated time frames for improvements in relation to those capacity constraints. **When a developing country Party applies flexibility provided for in these MPGs, the technical expert review teams shall not review the Party's determination to apply such flexibility or whether the Party possesses the capacity to implement that specific provision without flexibility.**



Facilitating improved reporting and transparency over time (1)

- ❑ To facilitate continuous improvement, each Party should, to the extent possible, identify, regularly update and include as part of its BTR **information on areas of improvement** in relation to its reporting, including as applicable:
 - a) Areas of improvement identified by the Party and the technical expert review team in relation to the Party's implementation of Article 13 of the Paris Agreement;
 - b) How the Party is addressing or intends to address areas of improvement as referred to in paragraph 7(a) above, as appropriate;
 - c) Those developing country Parties that need flexibility in the light of their capacities are encouraged to highlight the areas of improvement that are related to the flexibility provisions used;
 - d) Identification of reporting-related capacity-building support needs, including those referred to in paragraph 6 above, and any progress made, including those previously identified as part of the technical expert review referred to in chapter VII below.



Facilitating improved reporting and transparency over time (2)

- ❑ **Parties' domestic plans and priorities** with regard to improved reporting reported **are not subject to a technical expert review**, but the information may inform discussions on areas of improvement and identification of capacity-building needs between the technical expert review team and the Party concerned.
- ❑ In accordance with Article 13, paragraphs 14 and 15, of the Paris Agreement, **support shall be provided to developing country Parties for the implementation of Article 13 of the Paris Agreement and for building the transparency-related capacity of developing country Parties on a continuous basis.**



Reporting format for BTR

❑ In the biennial transparency report:

- a) Each Party **shall** provide a **NIR** of anthropogenic emissions by sources and removals by sinks of greenhouse gases;
- b) Each Party **shall** provide the **information necessary to track progress in implementing and achieving its NDC**
- c) Each Party **should** provide **information on climate change impacts and adaptation;**
- d) Developed country Parties **shall** provide the **information pursuant to Article 13, paragraph 9**. Other Parties that provide **support should** provide such information
- e) Developing country Parties **should** provide **information on financial, technology transfer and capacity-building support needed and received** under Articles 9, 10 and 11 of the Paris Agreement.

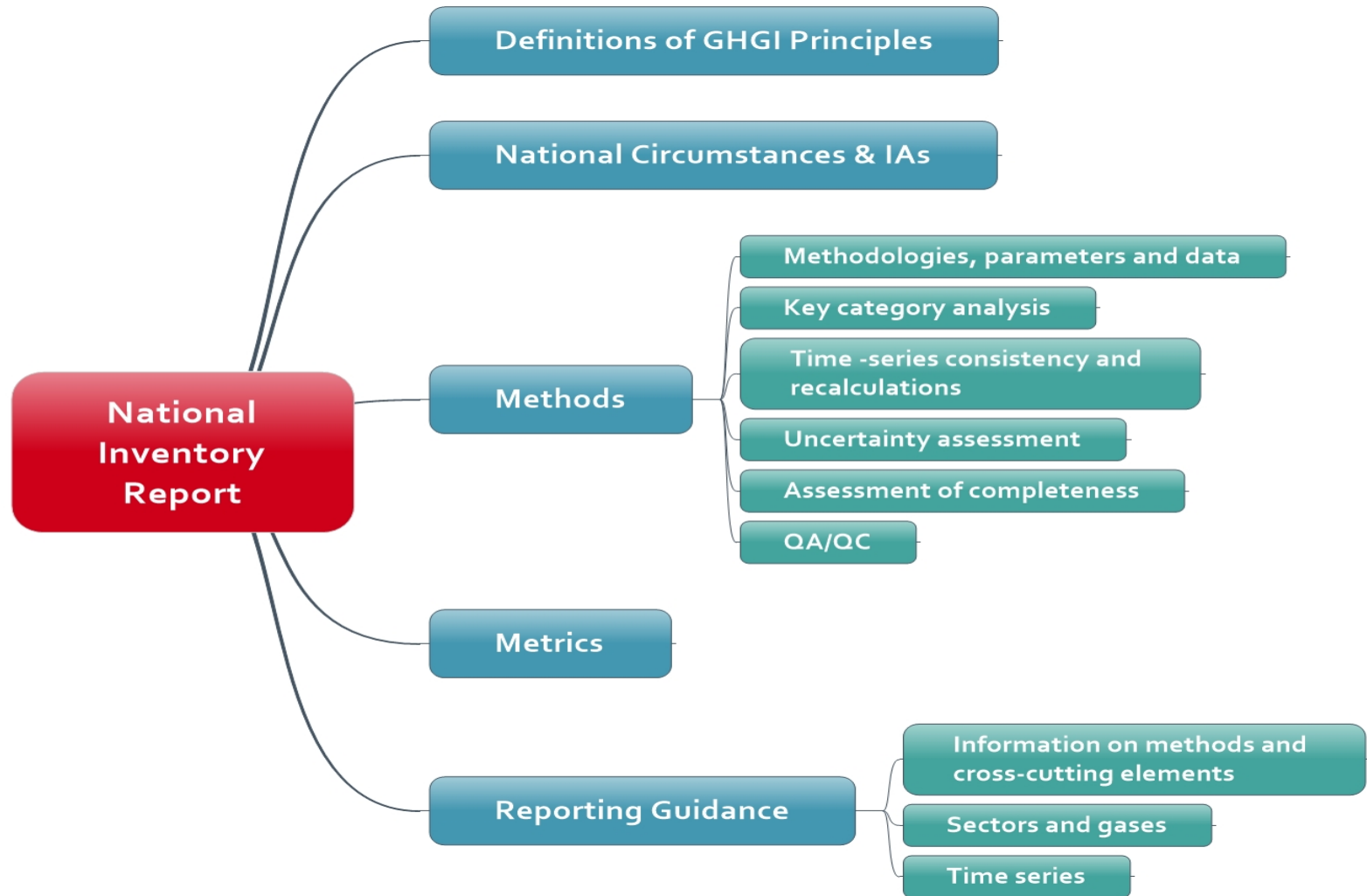


Reporting format for BTR – Important Caveats

1. The **LDCs and SIDS** may submit these information at their discretion.
2. The **national inventory report may be submitted as a stand-alone report or as a component of a biennial transparency report.**
3. If a Party submits an adaptation communication as a component of or in conjunction with a BTR, it should clearly identify which part of the report is the adaptation communication.
4. When reporting information related to climate change impacts and adaptation under Article 7 of the Paris Agreement, a Party may cross-reference previously reported information and focus its reporting on updates to previously reported information.
5. Each Party **shall transmit** its biennial transparency report, and national inventory report, if submitted as a stand-alone report, **via an online portal** maintained by the secretariat. The secretariat shall post the reports on the UNFCCC website.
6. Each Party shall submit the reports in one of the official languages of the United Nations.



MPGs for ETF - National Inventory Report C



Definitions of GHG Inventory Principles

- The definitions of the GHG inventory principles used shall be as provided in the Intergovernmental Panel on Climate Change (IPCC) *2006 IPCC Guidelines for National Greenhouse Gas Inventories* (hereinafter referred to as the 2006 IPCC Guidelines), volume 1, chapter 1, section 1.4. – **TACCC principles**.



National circumstances and institutional arrangements

- ❑ Each Party **should** implement and maintain **national inventory arrangements**, including **institutional, legal and procedural arrangements** for the continued estimation, compilation and timely reporting of national inventory reports
- ❑ Each Party **shall** report on the following functions related to inventory planning, preparation and management:
 - **Its national entity or national focal point with overall responsibility for the national inventory;**
 - **Its inventory preparation process, including division of specific responsibilities of institutions participating in the inventory preparation** to ensure that sufficient activity data collection, choice and development of methods, emission factors and other parameters are in accordance with the IPCC guideline;
 - **Its archiving of all information for the reported time series, including all disaggregated emission factors and activity data, all documentation about generating and aggregating data, including QA/QC, review results and planned inventory improvements;**
 - **Its processes for the official consideration and approval of the inventory.**



Methods (1)

□ Methodologies, parameters and data (1)

- **Each Party shall use the 2006 IPCC Guidelines**, and **shall use any subsequent version or refinement of the IPCC guidelines agreed upon by the CMA**. Each Party is **encouraged to use the 2013 Supplement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories: Wetlands**.
- Each **Party shall use methods from the 2006 IPCC guidelines**. Each Party **should** make every effort to use a **recommended method (tier level) for key categories** in accordance with those IPCC guidelines.
- Each Party **may use nationally appropriate methodologies** if they **better reflect its national circumstances and are consistent with the IPCC guidelines**. In these cases, each Party **shall transparently explain** national methods, data and/or parameters selected.



Methods

□ Methodologies, parameters and data (2)

- A Party may be unable to adopt a higher tier method for a particular key category owing to lack of resources. In such cases, the Party may use a tier 1 approach, and shall clearly document why the methodological choice was not in line with the corresponding decision tree of the IPCC guidelines. The Party *should prioritize* for future improvement any **key categories for which the good practice method elaborated in the IPCC guidelines cannot be used.**
- Each Party **is encouraged** to use country-specific and regional emission factors and activity data, where available, or to propose plans to develop them, in accordance with the good practice elaborated in the IPCC guidelines.



Key category analysis

- ❑ Each Party **shall identify key categories** for the starting year and the latest reporting year referred, including and excluding land use, land-use change and forestry (LULUCF) categories, **using approach 1, for both level and trend assessment**, by implementing the key category analysis consistent with the IPCC guidelines; those developing country Parties that need flexibility in the light of their capacities with respect to this provision have the flexibility to instead identify key categories using **a threshold no lower than 85 per cent**, in place of the 95 per cent threshold defined in the IPCC guidelines, allowing a focus on improving fewer categories and prioritizing resources.



Time-series consistency and recalculations

- ❑ To ensure time-series consistency, each Party **should use the same methods and a consistent approach to underlying activity data and emission factors for each reported year.**
- ❑ Each Party **should use surrogate data**, extrapolation, interpolation and other methods consistent with splicing techniques contained in the IPCC guidelines to estimate missing emission values resulting from lack of activity data, emission factors or other parameters in order to ensure a consistent time series.
- ❑ Each Party **shall perform recalculations in accordance with the IPCC guidelines**, ensuring that changes in emission trends are not introduced as a result of changes in **methods or assumptions across the time series.**



Uncertainty assessment

- ❑ Each Party **shall quantitatively estimate and qualitatively discuss the uncertainty of the emission and removal estimates for all source and sink categories**, including inventory totals, for at least the starting year and the latest reporting year of the inventory time series.
- ❑ Each Party shall also estimate the trend uncertainty of emission and removal estimates for all source and sink categories, including totals, between the starting year and the latest reporting year of the inventory time series, using at least approach 1, as provided in the IPCC guidelines;
- ❑ Those developing country Parties that **need flexibility** in the light of their capacities with respect to this provision have the flexibility to instead provide, **at a minimum, a qualitative discussion of uncertainty for key categories**, using the IPCC guidelines, where quantitative input data are unavailable to quantitatively estimate uncertainties, **and are encouraged to provide a quantitative estimate of uncertainty for all source and sink categories of the GHG inventory.**



Assessment of completeness

- ❑ Each Party **should** indicate the sources and sinks (categories, pools and gases) that are not considered in the national inventory report but for which estimation methods are included in the IPCC guidelines and explain the reasons for such exclusion.
- ❑ Each Party **shall use notation keys** where numerical data are not available when completing common reporting tables, indicating the reasons why emissions from sources and removals by sinks and associated data for specific sectors, categories and subcategories or gases are not reported.



Assessment of completeness

- These notation keys include:
- **“NO” (not occurring)** for categories or processes, including recovery, under a particular source or sink category that do not occur within a Party;
- **“NE” (not estimated)** for activity data and/or emissions by sources and removals by sinks of GHGs that have not been estimated but for which a corresponding activity may occur within a Party;
- **“NA” (not applicable)** for activities under a given source/sink category that do occur within the Party but do not result in emissions or removals of a specific gas;
- **“IE” (included elsewhere)** for emissions by sources and removals by sinks of GHGs estimated but included elsewhere in the inventory instead of under the expected source/sink category;
- **“C” (confidential)** for emissions by sources and removals by sinks of GHGs where the reporting would involve the disclosure of confidential information.



Assessment of completeness

- Each Party may use the notation key “NE” (not estimated) when the estimates would be insignificant in terms of level according to the following considerations: emissions from a category should only be considered insignificant if the likely level of emissions is below 0.05 per cent of the national total GHG emissions, excluding LULUCF and 500 kilotonnes of carbon dioxide equivalent (kt CO₂ eq), whichever is lower.
- The total national aggregate of estimated emissions for all gases from categories considered insignificant shall remain below 0.1 per cent of the national total GHG emissions, excluding LULUCF.
- Parties should use approximated activity data and default IPCC emission factors to derive a likely level of emissions for the respective category.



Assessment of completeness

- Those developing country Parties that need flexibility in the light of their capacities with respect to this provision have the flexibility to instead consider emissions insignificant if the likely level of emissions is below 0.1 per cent of the national total GHG emissions, excluding LULUCF, and 1,000 kt CO₂ eq, whichever is lower.
- The total national aggregate of estimated emissions for all gases from categories considered insignificant, in this case, shall remain below 0.2 per cent of the national total GHG emissions, excluding LULUCF.
- Once emissions or removals have been estimated for a category and if they continue to occur, each Party shall report them in subsequent submissions.



Quality assurance/quality control (1)

- Each Party **shall elaborate an inventory quality assurance/quality control (QA/QC) plan** in accordance with the IPCC guidelines, including information on the inventory agency responsible for implementing QA/QC;
- Those developing country Parties that need flexibility in the light of their capacities with respect to this provision are instead **encouraged to elaborate an inventory QA/QC plan** in accordance with the IPCC guidelines, including information on the inventory agency responsible for implementing QA/QC.
- Each Party **shall implement and provide information on general inventory QC procedures** in accordance with its QA/QC plan and the IPCC guidelines



Quality assurance/quality control (2)

- ❑ Those developing country Parties that need flexibility in the light of their capacities with respect to this provision are instead encouraged to implement and provide information on general inventory QC procedures in accordance with its QA/QC plan and the IPCC guidelines.
- ❑ **In addition, Parties should apply category-specific QC procedures in accordance with the IPCC guidelines for key categories and for those individual categories in which significant methodological changes and/or data revisions have occurred.**
- ❑ In addition, Parties **should** implement QA procedures by conducting a basic expert peer review of their inventories, in accordance with the IPCC guidelines
- ❑ Each Party **should** compare the national estimates of CO₂ emissions from fuel combustion with those obtained using the reference approach, as contained in the IPCC guidelines, and report the results of this comparison in its national inventory report.



Metrics

- ❑ Each Party shall use the 100-year time-horizon global warming potential (GWP) values from the IPCC Fifth Assessment Report, or 100-year time-horizon GWP values from a subsequent IPCC assessment report as agreed upon by the CMA, to report aggregate emissions and removals of GHGs, expressed in CO₂ eq.
- ❑ Each Party may in addition also use other metrics (e.g. global temperature potential) to report supplemental information on aggregate emissions and removals of GHGs, expressed in CO₂ eq.
- ❑ In such cases, the Party shall provide in the national inventory document information on the values of the metrics used and the IPCC assessment report they were sourced from.



Reporting guidance

Each Party shall provide a **NIR** of anthropogenic emissions by sources and removals by sinks of GHGs.

The NIR consists of a NID and the CRTs.

Information on methods and cross-cutting elements

Sectors and gases

Time series

A shall requirement with in-built flexibilities for developing country Parties that need them.



Information on methods and cross-cutting elements (1)

- ❑ Each Party **shall report methods used**, including the rationale for the choice of methods, in accordance with good practice elaborated in the IPCC guidelines, and the **descriptions, assumptions, references and sources of information used for the emission factors and activity data used to compile the GHG inventory.**
- ❑ Each Party **shall provide information on the category and gas, and the methodologies, emission factors and activity data used at the most disaggregated level**, to the extent possible, according to the IPCC guidelines, including related data references for reported emission and removal estimates for any country-specific category and gas that is not included in the IPCC guidelines.
- ❑ **Each Party shall describe the key categories**, including information on the approach used for their identification, and information on the level of disaggregation used.



Information on methods and cross-cutting elements (2)

- ❑ Each Party **shall report the individual and cumulative percentage contributions from key categories**, for **both level and trend**, consistent with the IPCC guidelines.
 - ❑ Each Party **shall report recalculations for the starting year and all subsequent years of the inventory time series**, together with **explanatory information and justifications for recalculations with an indication of relevant changes and their impact on the emission trends**.
 - ❑ Each Party **shall report the results of the uncertainty analysis as well as methods used, underlying assumptions**, as applicable, **and trends, at least for the starting year and the latest reporting year of the inventory time series**.
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Information on methods and cross-cutting elements (3)

- ❑ Each Party **shall report information on the reasons for lack of completeness**, including information on any methodological or data gaps.

- ❑ Each Party **shall report the QA/QC plan and information on QA/QC procedures** already implemented or to be implemented in the future.



Sectors and gases (1)

- Each Party **shall** report estimates of emissions and removals for all categories, gases and carbon pools considered in the GHG inventory throughout the reported period on a gas-by-gas basis in units of mass at the most disaggregated level, in accordance with the IPCC guidelines, using the common reporting tables, including a descriptive summary and figures underlying emission trends, with emissions by sources listed separately from removals by sinks, except in cases where it may be technically impossible to separate information on emissions and removals in the LULUCF sector, and noting that a minimum level of aggregation is needed to protect confidential business and military information.
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Sectors and gases (2)

- ❑ Each Party shall report seven gases (carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃)); those developing country Parties that need flexibility in the light of their capacities with respect to this provision have the flexibility to instead report at least three gases (CO₂, CH₄ and N₂O) as well as any of the additional four gases (HFCs, PFCs, SF₆ and NF₃) that are included in the Party's NDC under Article 4 of the Paris Agreement, are covered by an activity under Article 6 of the Paris Agreement, or have been previously reported.
- ❑ Each Party reporting HFCs, PFCs, SF₆ and NF₃ shall report actual emissions of the gases, providing disaggregated data by chemical (e.g. HFC-134a) and category in units of mass and in CO₂ eq.



Sectors and gases (3)

- Each **Party shall report the following sectors: energy, industrial processes and product use, agriculture, LULUCF and waste**, according to the 2006 IPCC guidelines.
 - Each Party **should provide information on the following precursor gases: carbon monoxide (CO), nitrogen oxides and non-methane volatile organic compounds (NMVOCs), as well as sulphur oxides.**
 - Each Party **may report indirect CO₂ from the atmospheric oxidation of CH₄, CO and NMVOCs.** For Parties that decide to report indirect CO₂, the national totals shall be presented with and without indirect CO₂. Each Party **should** report **indirect N₂O emissions from sources other than those in the agriculture and LULUCF sectors as a memo item.** Those estimates of indirect N₂O shall not be included in national totals. Parties may provide information on other substances that have an impact on climate.
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Sectors and gases (4)

- ❑ Each Party **should** report international aviation and marine bunker fuel emissions as two separate entries and should not include such emissions in national totals but report them distinctly, if disaggregated data are available, making every effort to both apply and report according to the method contained in the 2006 IPCC guidelines for separating domestic and international emissions.
- ❑ Each Party **should** clearly indicate how feedstocks and non-energy use of fuels have been accounted for in the inventory, under the energy or industrial processes sector, in accordance with the 2006 IPCC guidelines.



Sectors and gases

- ❑ In the case of a Party addressing the emissions and subsequent removals from **natural disturbance** on managed lands in its national GHG inventory, that Party **shall** report information on the approach taken, and how it is consistent with IPCC guidance, as appropriate, and **shall** indicate if the estimates are indicated in national totals.
- ❑ In the case of a Party using an approach to reporting emissions and removals from **harvested wood products** in accordance with IPCC guidance other than the production approach, that Party **shall** also provide supplementary information on emissions and removals from harvested wood products estimated using the production approach.



Time series

- ❑ Each Party **shall report a consistent annual time series starting from 1990**; those developing country Parties that need flexibility in the light of their capacities with respect to this provision have the **flexibility to instead report data covering, at a minimum, the reference year/period for its NDC under Article 4 of the Paris Agreement and, in addition, a consistent annual time series from at least 2020 onwards.**
- ❑ For each Party, the latest reporting year **shall be no more than two years prior to the submission of its national inventory report**; those developing country Parties that need flexibility in the light of their capacities with respect to this provision have the flexibility to instead have their latest reporting year as three years prior to the submission of their national inventory report.



Thank you



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