

Review of the initial report under the Kyoto Protocol: reporting, review and energy data

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Outline

1. Reporting and review framework
2. Initial report and review
3. Energy data
4. Commitment period

Framework - reporting

Reporting

- Modalities for accounting of assigned amount, under Article 7, paragraph 4, of the Kyoto Protocol (decision 13/CMP.1).
- Decision states that “each Party shall facilitate the calculation of its assigned amount pursuant to Article 3, paragraphs 7 and 8, for the commitment period and demonstrate its capacity to account for its emissions and assigned amount”
- In 2006, Parties required to submit its initial report in conjunction with the 2006 submission under the Convention.
 - A submission under the Convention comprises a national inventory report (NIR) and the common reporting format (CRF) tables.
- Consequences of not reporting the initial report: simple, a Party will not have an Article 8 review under the Kyoto Protocol and therefore will not be eligible to participate in the Kyoto trading mechanisms.

Framework – review (Convention)

Review

- The COP/MOP requested (decision 26/CMP.1) “The secretariat to organize, in accordance with corresponding guidelines, the initial review under Article 8 of the Kyoto Protocol, in conjunction with the review of greenhouse gas inventories submitted in 2006, while exercising certain degree of flexibility in applying the agreed timelines, provided that each initial review is completed no later than one year of the date of submission of the initial report...”.
- Focus of the initial report review is the BY for a Party, while the review under the Convention considers all years of the GHG inventory time series.
- Convention review
 - Covers inventory time series of GHG emissions for all sectors, GHGs, years and territories.
 - Transparency, accuracy, completeness, comparability and consistency of the GHG inventory.

Framework – review (initial report review) (1)

- Elements of reporting and review:
 - GHG inventory and BY emissions and if appropriate, recommend adjustment(s).
 - Choice of BY for F-gases and agreement to fulfil Kyoto targets jointly if applicable, (Article 4 agreement).
 - Calculation of assigned amount (allowable level of emissions for the commitment period) and commitment period reserve (cap on Kyoto units that can be used for emission trading). AA and CPR will be revised if an adjustment is realized.
 - National registry for transaction of Kyoto units and national inventory system to assess GHG emissions in accordance with methodologies adopted by CMP.
 - LULUCF definitions and elections (to make use of removal units for compliance purposes).

Framework – review (initial report review) (2)

- Strict international verification of institutions, systems and emissions to ensure the highest possible credibility of the implementation of the Kyoto Protocol: participation of more than 150 experts in the review process.
- Compliance Committee to deal with implementation issues identified by the reviews; so far, no major implementation issues have been identified.
 - Meaning, Parties have met their minimum reporting requirements.
 - To that end, there have been potential adjustments and minor issues concerning either the national system or the national registry identified by ERTs. However, the Party has worked with ERTs to resolve these issues to avoid subsequent compliance processes.

Energy Data - overview

For most Parties the energy sector is the dominant source of GHG emissions.

- Therefore a Party should have an established process in its national system to collect, collate, analyze and report energy statistics for carriage of estimating emissions from the energy sector.
- National system must ensure
 - Provision of secure (reliable), accurate, consistent and transparent energy statistics for all years of the inventory time series, and covering all fuel uses within a Party.
 - Accurate and consistent time series of carbon emission factors.

Energy Data – problems (1)

Parties

- National system cannot always ensure the collection, collation, analysis and reporting of energy statistics for all years of the inventory time series.
- Energy statistics for some Parties are
 - Time series inconsistent.
 - Not complete
 - do not cover all fuel uses
 - missing cross-sectoral considerations (e.g. non-energy use / feedstock (sequestered carbon) with the industrial processes sector; biofuel from landfill; harnessed energy from waste incineration; etc)
 - Not accurate nor reliable (reported ‘reference approach’ comparison with the ‘sectoral approach’; comparison with international energy statistics (IEA)).
 - Not transparent (units, documentation of methodology etc., references, etc.).
- Therefore energy emissions are not always accurate, consistent nor transparent.

Energy Data – problems (2)

UNFCCC

- Expertise for review of the energy sector (training program). Need more experts from non-Annex I Parties !
- Basis for comparison => IEA data – a present need to streamline data exchange between the 2 organizations.
 - Very important input into the review process. Input is two-fold
 - i. energy data (from IEA database) – for the *Synthesis and assessment report – Part I*
 - ii. data comparison used in the Synthesis and assessment report – Part II
 - The IEA provides the UNFCCC both a quantitative and qualitative analysis. These analyses are used by the UNFCCC and also ERTs.
 - Energy data for some Parties not in IEA database.
- Adjustments (initial report review and also true-up period review in ~2014)
 - May be based on IEA data.

What lies ahead....

- The assigned amount is fixed for the commitment period.
- The ITL is now 'live' and eligible Parties are now able to trade.
- Eligibility is set for a Party by the Compliance Committee based on the conclusions of the initial report review.
- During the commitment period, Parties must continue to report annually their national GHG inventory.
 - Annual reporting must also include the standard electronic format (SEF) that provides an annual account of Kyoto units traded.
 - From 2010 Parties must report Article 3.3 and 3.4 LULUCF activities.
- The UNFCCC will continue to work with the IEA on both energy data issues and also data exchange between the 2 organizations.
 - IEA energy data and expertise is very important for the review process.
- Two major reviews ahead: 2010 (LULUCF 3.3 and 3.4) and approx. 2014 for the true-up review.

What lies ahead...energy data

- Energy sector will continue to be the dominant sector in terms of relative contribution to total GHG inventory during the commitment period.
 - Reliable, accurate and consistent energy statistics becomes more important (including carbon emission factors) for a Party in terms of tracking emissions against an agreed quantified emission limitation target (i.e. Kyoto target).
 - A review process can highlight issues on energy statistics, but it is the Party who must improve its national system to ensure statistics are comparable with the reporting guidelines and international statistics.
 - ERTs will make recommendations for improvements in energy emissions, and to a large extent this recommendation is based on a need to improve energy statistics.
 - Reporting of energy statistics needs to be transparent in the CRF (and NIR).
- UNFCCC will continue to work with the IEA on heightening awareness on a need for consistent, comparable and accurate energy statistics.