SUBMISSION BY PERU ON BEHALF OF THE AILAC GROUP OF COUNTRIES COMPOSED BY CHILE, COLOMBIA, COSTA RICA, HONDURAS, GUATEMALA, PANAMA, PARAGUAY AND PERU

Subject: Item 5 Modalities, procedures and guidelines of the Transparency Framework on Action and Support pursuant Article 13 of the PA


Introductory Remarks
1. AILAC welcomes the opportunity to provide views in order to advance the work on the modalities, procedures and guidelines (MPGs) of the Enhanced Transparency Framework (ETF) pursuant Article 13 of the Paris Agreement, on the basis of headings included in the informal note presented by the co-facilitators of APA item 5. This submission should be read in conjunction to prior AILAC submissions particularly the one presented in March of 2017, responding to the mandate by the APA co-chairs as stipulated in document FCCC/APA/2016/L.4 paragraph 15 a-d1 and other submissions such as the one presented on modalities for the accounting of financial resources provided and mobilized through public interventions in accordance with Article 9, paragraph 7, of the Paris Agreement2.

Overarching considerations and guiding principles
2. The Enhanced Transparency Framework should be guided by the principles included in Article 13, Article 4, paragraph 13 of the Paris Agreement (hereinafter the PA) and paragraphs 31, 85, 89, 91, 92 and 94 of Decision 1/CP.21. In addition, for AILAC, the definition of the principles of Transparency, Accuracy, Completeness, Consistency and Comparability shall correspond to those definitions that are already established in the IPCC guidelines.

Flexibility for Developing Country Parties under the ETF
3. In Annex I to this document, AILAC presents a content proposal that includes all the elements that ideally should be reported by all parties to ensure proper implementation of the ETF, as well as the ambition mechanism of the PA. However, for AILAC it is important to highlight that developing countries do not have the same capacities and experience in reporting as developed countries. Therefore, flexibility for developing countries should be ensured through the implementation of a process that facilitates the continuous improvement of the information that they will submit biennially (as appropriate). This continuous improvement will require a transition process to ensure that developing countries have sufficient time to develop capacities and to establish institutional arrangements required to comply with the MPGs of the ETF (see graph below).
4. In this sense, in order to operationalize flexibility3 for developing countries, AILAC proposes the implementation of the following steps (see graph below):

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1 http://www4.unfccc.int/Submissions/Lists/OSPSubmissionUpload/233_323_13132837406197076-170228%20AILAC%20Submission%20Transparency%202017%20vf_P17.pdf
2 http://www4.unfccc.int/Submissions/Lists/OSPSubmissionUpload/233_257_131169672918096898-AILAC%20Submission%20Modalities%20Finance.docx
3 This flexibility would be complementary to the flexibility that should be provided in the implementation of the MPGs that are not subject to technical review.
a. Each Party should strive to submit its first biennial report including information as consistent as possible with the MPG. In the case that the information required to fulfill some MPG is not available -as it may be requested for the first time-, a given Party should indicate which MPG was not addressed in the report, along with a justification of the reasons why a specific MPG was not fulfilled.

b. Based on this identification of gaps -and in the same biennial report-, Parties should prepare and present a plan with actions to address these gaps. This plan must also be accompanied by the capacities and support needs required to implement these actions.

c. Biennial reports will be subject to the technical review in which the experts review team (ERT) will consider both, the existing gaps and the actions to address them. As part of this review, and in consultation with the Party, the reviewers will prioritize recommendations that could be adopted by the Party in its second biennial report or in the longer-term.

d. This process is meant to be continuous -its periodicity defined by the reporting of Biennial Reports by Parties- and aims to prioritize actions to improve transparency. Those actions should be part of an Improvement Plan\(^4\) that Parties should include in their subsequent

\(^4\) The improvement plan may cover all actions that Parties would implement to increase transparency of reporting of all sections of the MPG under the ETF. However, provided that developing country Parties will only receive feedback from the technical expert review about elements reported to fulfill mandates under Article 13.7 a) and b), continuous self-assessment on how to improve the reporting of adaptation and support needed and received should be undertaken by those Parties. The results of this evaluation should be derived in actions to be taken and included in the Improvement Plans.
Biennial Reports under ETF. In this Plan, Parties should also identify appropriate support to be provided to developing countries to ensure the success of this process.

e. If recurrent recommendations by the ERT are not implemented, this may be considered by the Article 15 Committee to Facilitate Implementation and Promote Compliance.

**National inventory report on anthropogenic emissions by sources and removals by sinks of greenhouse gases**

5. National inventories on anthropogenic emissions by sources and removals by sinks of Greenhouse Gases (hereinafter National GHG Inventories) are the most important tools to measure progress on climate change mitigation action. AILAC considers that it is crucial to ensure that information on emissions and removals is complete, comparable, consistent, transparent, and, as far as possible, accurate, taking into account that it will be one of the most important inputs to the Global Stocktake. Therefore, developing country Parties should be provided with sufficient support and may follow a transition and step-wise process in order to ensure that all the requirements set by the ETF for national GHG inventories reporting are met.

**Information necessary to track progress made in implementing and achieving its nationally determined contribution (NDCs) under Article 4 of the PA**

6. Until now, developing countries had not defined formal mitigation goals (as those included in NDCs) and, therefore, do not have experience in reporting progress on this type of goals (only for mitigation actions, as included in the BURs). In consequence, it will be necessary to quickly build capacities and provide technical support to developing countries in order to ensure the provision of complete, transparent and accurate information to track progress in the implementation and achievement of NDCs from developing country Parties. In particular, capacity building and support will be needed to, inter alia:

   a. Establish strong institutional arrangements and information systems;
   b. Systematization of information and methodologies used in the preparation of the NDC;
   c. Generation of indicators to track progress of NDCs;
   d. Monitoring of major mitigation policies and actions;
   e. Preparation of emission projections;
   f. Design and management of registries for Internationally Transferred Mitigation Outcomes (ITMOs).

7. Also, developing countries may not have sufficient experience and capacity to report some elements such as projections of GHG emissions and CO₂ removals. It would therefore be necessary to allow a transition process to ensure that the information on projections is provided in a timely manner and necessary national institutional arrangements and processes are implemented to prepare and report this information appropriately.

**Information related to climate change impacts and adaptation under Article 7 of the PA, as appropriate**

8. AILAC believes implementing adaptation action is a priority. Therefore, Parties should recall the inherent flexibility provided by the Paris Agreement in terms of the integration on adaptation in the ETF and make an effort in simplifying reporting burdens as much as possible.
9. According to Art. 13.5, the purpose of the ETF of action is “to provide a clear understanding of climate change action in the light of the objective of the Convention as set out in article 2 [...] including on adaptation actions under Article 7 as well as good practices, priorities, needs and gaps, to inform the Global Stocktake under Article 14.”

10. Therefore, the ETF should gather and provide the information that will serve as an input to assess the “collective progress towards the global goal on adaptation set out in Art. 7.1.

11. Article 13 establishes that information on adaptation should be provided, as appropriate. AILAC believes this must be developed in a manner that is helpful to adaptation action and that does not duplicate efforts.

12. Parties have historically been using National Communications to report adaptation efforts and vulnerability analysis based on the provisions of the Convention. The Natcoms should continue to be the main instruments to do so. However, if Parties can provide information on a more frequent basis they should do so under biennial reports. Provision of this information should serve as input to four main purposes: to recognize adaptation efforts of developing countries in conformity with Article 7.3 and Article 7.14 (a); to understand progress Parties have made towards the global goal on adaptation as established in Article 7.14 (d), share good practices and lessons learned and understand adequacy of support for adaptation as in Article 7.14 (c).

13. The initial headings introduced by the co-facilitators are already part of other documents (i.e. the National Communication or the adaptation communication). Therefore, AILAC believes repeating information of upcoming priorities, needs and actions creates additional burdens and does not necessarily adds value to the overall adaptation process. Parties must revise carefully in what document and under what frequency each information should be included.

**Information on financial, technology transfer and capacity-building support provided under articles 9–11 of the PA**

14. The development of MPGs of support provided under Article 9.5 shall take into account and be consistent with the development of modalities for the accounting of financial resources provided and mobilized through public interventions in accordance with Article 9.7.

15. At this moment, there is more available information about methodologies used to track climate finance than those needed to track technology transfer and capacity building. For this reason, the ETF could benefit from inputs provided by institutions such as the PCCB and the Technology Mechanism and take advantage of their expertise in order to develop the most appropriate methodologies to track and report the provision of these two components of the means of implementation.

**Information on financial, technology transfer and capacity-building support needed and received under Articles 9–11 of the PA**

16. There has been limited experience in developing countries regarding the monitoring, collection and processing of data related to support received and needed. The approaches explored are generally determined by two perspectives: to create an ad hoc system for this purpose or to use existing systems to identify the relevant information. Both have different limitations and challenges to overcome. Therefore, the development of MPGs for the support needed and received under Articles 9-11 of the Paris Agreement must take into account the relevant component of capacity-building at the national level, including, among others, for the institutional arrangements, human resources and budget allocations. These MPGs should strive to be as clear and specific as possible in
light of their objectives, while allowing for flexibility over time to build the necessary capacities in developing countries.

17. In addition, at the moment, there is more available information about methodologies used to track climate finance than to track technology transfer and capacity building. For this reason, the ETF could benefit from inputs provided by institutions such as the PCCB and the Technology Mechanism and take advantage of their expertise in order to develop the most appropriate methodologies to track and report the provision of these two means of implementation.

Technical expert review and facilitative, multilateral consideration of progress

18. For AILAC, the review process clearly has to serve to improve technical capacities in the country both for transparency purposes as well as for facilitating the implementation of NDCs and it should thus be designed accordingly. Therefore, although the focus of the review should be to determine consistency of the information with the MPGs, it also should include the assistance to identify capacity-building needs through recommendations of the technical experts in charge of the review process, to inter alia regarding consistency of information with MPGs. Likewise, the multilateral consideration of progress should help in building trust and confidence amongst Parties and engaging in a transparent process open to a broader audience.

19. AILAC is also of the view that the design of this process should be based on the lessons learnt from inventory reviews and ICA and IAR processes. CGE inputs, as well as reports from lead reviewers, could feed into this new framework.
ANNEX I. CONTENT PROPOSAL FOR THE MODALITIES, PROCEDURES AND GUIDELINES OF THE MAIN SECTIONS OF THE ENHANCED TRANSPARENCY FRAMEWORK

Overarching considerations and guiding principles

<table>
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<th>Headings</th>
<th>Content proposal</th>
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<tr>
<td><strong>1. Objectives</strong></td>
<td>Modalities, Procedures and Guidelines for the Enhanced Transparency Framework should be guided by the following objectives:</td>
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<td>a) To assist all Parties in meeting their commitments under Article 13.7 a);</td>
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<td>b) To assist Parties in ensuring and/or improving the quality of their GHG inventory submissions.</td>
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<td>c) To assist Parties in meeting the mandate established in Article 13.7b)</td>
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<td>d) To ensure consistency of the report progress made in implementing and achieving Nationally Determined Contributions (NDCs) under Article 4 of the PA with the principles included in the Article 4.13 and Decision 1/CP.21 paragraph 31.</td>
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<td>e) To assist Parties in ensuring and/or improving the quality of report progress made in implementing and achieving NDCs under Article 4 of the PA.</td>
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<td>f) To assist developed countries in meeting the mandate established in Article 13, paragraph 9 related to the report of information on financial, technology transfer and capacity building support provided to developing country Parties.</td>
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<td>g) To encourage and facilitate reporting by developing countries on financial, technology, and capacity-building support needed and received.</td>
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<td>h) To encourage and facilitate reporting by all Parties on climate change impacts and adaptation under Article 7 of the PA.</td>
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<td></td>
<td>i) To facilitate the technical expert review of the information on a) National GHG inventories, b) Information necessary to track progress made in implementing and achieving its nationally determined contribution under Article 4, c) financial, technology transfer and capacity building support provided to developing country Parties.</td>
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<td><strong>2. National circumstances</strong></td>
<td>Information on national circumstances reported by Parties should be as concise as possible, emphasizing the new developments or significant changes from previous reports, in particular change in laws and/or regulatory frameworks related to climate change. Report on national circumstances should include, inter alia, but not limited to:</td>
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<td>i. <strong>Information on how national circumstances affect GHG emissions and removals and the implementation of NDCs</strong></td>
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<td>a) Government structure: roles and responsibilities of different levels of government and interministerial decision-making processes or bodies related to climate change;</td>
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<td>b) Population profile.</td>
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<td>c) Economic profile: gross domestic product (GDP), GDP per capita (expressed in domestic currency and purchasing power parity), t CO2e per GDP, GDP and t CO2e by sector and international trade patterns;</td>
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5 National circumstances related to adaptation should be reported in National Communications.
d) Geographical profile:
e) Climate profile: temperature distribution, annual temperature variation, precipitation distribution, climate variability and extreme events;
f) Energy (by fuel type, where appropriate): for example, energy resource base, production, market structure, prices, taxes, subsidies and trade;
g) Transportation: for example, modes (passenger and freight), travel distances and fleet characteristics;
h) Industry.
i) Waste: for example, waste sources and management practices;
j) Agriculture: structure and management practices;
k) Forest: management practices;
l) Other circumstances that may be useful to understand emissions and absorptions

ii. Information on national circumstances that allows to understand the promotion and provision of financial, technology transfer and capacity building support needed and received

a) Description of enabling policies to promote financial, technology transfer and capacity building support (in the case of developed country Parties)
b) Description of enabling policies to promote tracking of financial, technology transfer and capacity building support needed and received (in the case of developing country Parties)

National inventory report on anthropogenic emissions by sources and removals by sinks of greenhouse gases

Planning, preparation, management and reporting of GHG inventories should include, inter alia, some of the following activities, but not limited to:

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<tr>
<td>1. Institutional process and arrangements</td>
<td>Planning, preparation and management of GHG inventories could include, inter alia, some of the following activities, but not limited to:</td>
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<td></td>
<td><strong>a. Inventory planning</strong></td>
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<td>a) Designation of a single national entity with overall responsibility for the national inventory.</td>
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<td>b) Definition and allocation of specific responsibilities and roles in the inventory development process, which must ensure intersectorial coordination, including with actors responsible of mitigation actions that can contribute to the planning and preparation of the National GHG inventory.</td>
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<td>c) Elaborate an inventory QA/QC plan.</td>
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b. Inventory preparation

a) Preparation of estimates in accordance with the latest IPCC guidelines and reporting guidelines under ETF to be agreed;
b) Collection of AD, process information and estimate EFs, as necessary, to support the methods selected for estimating anthropogenic GHG emissions by sources and removals by sinks;
c) Making quantitative estimates of uncertainty for each category and for the inventory as a whole;
d) Ensure that any recalculations are prepared in accordance with the IPCC and reporting guidelines under ETF to be agreed;
e) Compile the NIR and common tabular formats in accordance with these reporting guidelines;
f) Implement general inventory QC procedures in accordance with its QA/QC plan, following the latest IPCC Guidelines.

c. Inventory management

a) Archive all relevant inventory information for the reported time series, including all disaggregated EFs and AD.
b) Provide technical experts review teams with access to all archived information used by the Party to prepare the inventory through the single national entity and respond, in a timely manner, to requests for clarifying inventory information resulting from the different stages of the technical expert review process.
c) Prepare improvement plans to attend recommendations from the technical expert review process and strengthen system and institutional arrangements for planning preparation, and management of the National GHG Inventory.

2. Methods

a. Methodologies, parameters and data

• GUIDELINES: Latest IPCC Guidelines for National GHG Inventories, and any supplementary methodologies agreed by the CMA and other relevant CMA decisions shall be used to estimate anthropogenic emissions by sources and removals by sinks of GHGs not controlled by the Montreal Protocol.
• TIERS: different methods (tiers) contained in the latest IPCC Guidelines should be used, prioritizing these methods in accordance with these guidelines (i.e. key categories) and their national circumstances. Parties may also use national methodologies, provided that these methodologies are compatible with the latest IPCC guidelines and are well documented and scientifically based.
• METHODS FOR EF AND AD: developing and/or select emission factors (EFs), and collect and select activity data (AD), in accordance with the latest IPCC Guidance. Parties may use default EFs and, in some cases, default AD in the absence of more robust methods and/or data. In other cases, Parties may use their own national EFs and AD, where available, provided that they are developed in a manner consistent with the latest IPCC Guidelines and are considered to be more accurate than the defaults.

b. Key category analysis

• For key category analysis a recommended method should be used in accordance with the latest IPCC Guidelines.
• Key categories for the entire inventory period should be identified at least using approach 1, level and trend assessment, including and excluding LULUCF. Parties could also use approach 2 and to add additional key categories to the result of approach 1.

c. Recalculations

• Time series should be estimated using the same methodologies, and the underlying AD and EFs should be obtained and used in a consistent manner, ensuring that changes in emission trends are not introduced as a result of changes in estimation methods or assumptions over the time series of estimates.
Recalculations should ensure the consistency of the time series and shall be carried out to improve accuracy and/or completeness. Where the methodology or manner in which underlying AD and EFs are gathered has changed, Parties should recalculate their inventories for the entire inventory period. Parties should evaluate the need for recalculations relative to the reasons provided in the latest IPCC Guidelines, in particular for key categories.

Recalculations should be performed in accordance with the latest IPCC Guidelines and the general principles set down in these reporting guidelines.

d. **Uncertainty assessment;**

A quantitative estimation of the uncertainty of the data used for all source and sink categories shall be conducted. The uncertainty of the data used for all source and sink categories should also be qualitatively presented in a transparent manner in the NIR, in particular, for categories that were identified as key categories.

e. **Assessment of completeness;**

Where methodological or data gaps in inventories exist, information on these gaps should be presented in a transparent manner. Parties should clearly indicate the sources and sinks, as well as, geographical area which are not considered in their inventories but which are included in the latest IPCC Guidelines, and explain the reasons for such exclusion.

f. **Quality assurance/quality control;**

Each Party shall elaborate an inventory quality assurance/quality control (QA/QC) plan and implement general inventory QC procedures in accordance with its QA/QC plan following the latest IPCC Guidelines. In addition, Parties should apply category-specific QC procedures for key categories and for those individual categories in which significant methodological changes and/or data revisions have occurred, in accordance with the latest Guidelines.

g. **Metrics**

In order to facilitate comparability amongst Parties, the use of latest Global Warming Potentials (GWPs), as published by the IPCC, should be promoted. Nevertheless, common GWP values should be adopted by COP for estimation of Parties’ anthropogenic GHG emissions and removals.

3. Reporting guidance

a. **Information on methods**

- **Estimation of emissions and removals:** Parties shall report their estimates of emissions and absorptions for all IPCC categories, gases and C pools considered in their National GHG Inventories throughout their inventory period.

- **Key categories:** Parties shall estimate and report the individual and cumulative percentage contributions from key categories to their national total, with respect to both level and trend. The emissions should be expressed in terms of CO2 eq using the methods provided in the latest IPCC Guidelines and the latest GWPs published by the IPCC.

- **Uncertainties:** Parties shall report in the NIR uncertainties estimated as well as methods used and underlying assumptions, for the purpose of prioritizing efforts to improve the accuracy of national GHG inventories in the future and to guide decisions on methodological choice. This information should be presented the latest IPCC Guidelines.

- **Recalculations:** Recalculations of previously submitted estimates of emissions and removals as a result of changes in methodologies, changes in the manner in which EFs and AD are obtained and used, or the inclusion of new sources or sinks which
have existed since the base year but were not previously reported, shall be reported for the base year and all subsequent years of the time series up to the year for which the recalculations are made. Recalculations shall be reported in the NIR, with explanatory information and justifications for recalculations. Information on the procedures used for performing the recalculations, changes in the calculation methods, EFs and AD used, and the inclusion of sources or sinks not previously covered should be reported with an indication of the relevant changes in each source or sink category where these changes have taken place.

- **Quality assurance/quality control:** A report of the QA/QC plan and information on QA/QC procedures already implemented or to be implemented in the future shall be included in the NIR.

- **Higher tiers:** Parties that prepare their estimates of emissions and/or removals using higher-tier (tier 3) methods and/or models shall provide in the National Inventory Report (NIR)- transparent information consistent with the latest IPCC Guidelines, including methods, data and assumptions.

**b. Sectors and gases**

- **Sectors**
  - Sectors of the latest IPCC guidelines. Nevertheless, regardless of the IPCC guidelines, and in order to ensure transparency and as an information item in the NIR, it would be useful to report separately LULUCF and agriculture sectors.

- **Gases**
  - National inventory of anthropogenic emissions by sources and removals by sinks of all GHGs not controlled by the Montreal Protocol should contain information on the following GHGs (as appropriate): CO2, CH4, N2O, PFCs, HFCs, SF6 and NF3.
  - Information on the following precursor gases should be provided: CO, NOX and NMVOCs, as well as Sulphur oxides SOX. Parties may report indirect CO2 from the atmospheric oxidation of CH4, CO and NMVOCs. Indirect N2O emissions from other than the agriculture and LULUCF sources may be reported as a memo item. These estimates of indirect N2O should not be included in national totals. For Parties that decide to report indirect CO2 the national totals shall be presented with and without indirect CO2.
  - GHG emissions and removals should be presented on a gas-by-gas basis in units of mass, with emissions by sources listed separately from removals by sinks, except in cases where it may be technically impossible to separate information on sources and sinks in the area of LULUCF. For HFCs and PFCs, emissions should be reported for each relevant chemical in the category on a disaggregated basis.
  - Aggregate emissions and removals of GHGs, expressed in CO2 equivalent (CO2 eq) should be reported using common GWP values adopted by COP.
  - Actual emissions of HFCs, PFCs, SF6 and NF3, providing disaggregated data by chemical (e.g. HFC-134a) and category in units of mass and in CO2 eq should be reported.
  - Bunkers: In accordance with the latest IPCC Guidelines, international aviation and marine bunker fuel emissions should not be included in national totals but should be reported separately. Parties should make every effort to both apply and report according to the method contained in the latest IPCC Guidelines for separating domestic and international emissions. Parties should also report emissions from international aviation and marine bunker fuels as two separate entries in their inventories.
  - Indication on how feedstocks and non-energy use of fuels have been accounted for in the inventory, under the energy or industrial
processes sector, should be provided in accordance with the latest IPCC Guidelines.

- Emissions and absorptions should be reported at the most disaggregated level of each source/sink category, taking into account that a minimum level of aggregation may be required to protect confidential business and military information.

c. **Time series**
- Preparation and reporting of emission trends (time series) for aggregated GHG emissions (including a gas by gas interpretation) for the period from, at least, the base year of the first NDC of a given Party up to the latest year reported in the NIR. Parties that have been reporting time series from 1990 (or other base years used to report progress on mitigation targets under Kyoto Protocol and the Convention) to the latest year reported in the NIR, shall continue reporting in the same way.

d. **Frequency**
- In the case of developing country Parties, Parties shall submit every two years, a National Inventory Report that should include the inventory for the calendar year no more than two years prior to the date of the submission (and no more than four years in a transitional stage).
- Developed countries shall continue with their annual national GHG inventory submission, including, as a minimum, the inventory for the calendar year no more than two years prior to the date of the submission.

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<th>4. <strong>Constraints and capacity building needs</strong></th>
<th>The NIR should include a description of specific constraints and capacity building needs associated with the inventory planning, preparation, management and report.</th>
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<tr>
<th>5. <strong>Improvement plans</strong></th>
<th>Parties should report and improvement plan that considers the recommendations and capacity building needs identified by the team of experts of the technical expert review, as well as other aspects identified by the Party.</th>
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| 6. **Submission process and reporting formats and tables** | • A GHG inventory submission shall consist of an NIR and the common tabular formats adopted by the CMA. The submission also comprises any information provided by a Party in addition to its submitted NIR and common tabular formats tables during the technical expert review.  
• NIR: Parties shall submit to the COP/CMA, through the secretariat, a NIR containing detailed and complete information on their inventories. This information should cover emissions and absorptions during their inventory period. The NIR should follow the outline and general structure contained in annex I of these guidelines.  
• Common tabular formats: Parties shall submit to the COP/CMA, through the secretariat, the information required in the common tabular formats adopted by the CMA. This information shall be electronically submitted on an annual basis for developing country Parties or an annual basis for developed country Parties in its entirety to the COP/CMA, through the secretariat. |
|---|---|

*Information necessary to track progress made in implementing and achieving its nationally determined contribution under Article 4 of the PA*
Throughout an NDC implementation period, Parties should provide information related to the progress made in implementing and achieving their NDCs, in accordance with the accounting guidance of Parties’ NDCs:

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| 1. Description of a Party’s NDC under Article 4, including updates | • Description of its mitigation target included in its NDC, including any conditions or assumptions that are relevant to facilitate the tracking and understanding of progress made in implementing and achieving its NDC.  
• This description of the mitigation target under Party’s NDC shall include:  
  o Information, related to the estimation of emissions and absorptions in the reference point/level or baseline and the NDC target (should include methods, data and key assumptions).  
  o Sectors, GHG categories of sources and sinks, gases and C pools covered in the NDC  
  o Sufficient information to understand how NDCs' reference point/level or baseline and target was set.  
• In the event that a Party updates or adjust its NDC, it should also report any update of the information described above and any other relevant information that facilitate the clarity, transparency and understanding of the Party's NDC |
| 2. Progress made in implementing and achieving of the Party's NDC under Article 4 for the target year/period | a. Indicators to track progress made in implementing and achieving NDCs under Article 4 (that should be consistent with the last national GHG Inventory reported):  
• Parties with an economy-wide mitigation target, a peaking target with respect to a specified year or timeframe, a level fixed target or a mitigation target based on a BAU deviation, should report information of total GHG emissions and removals that should be consistent with the last National GHG inventory reported.  
• Parties with intensity mitigation targets should report relative indicators such as CO2 emissions per capita, CO2 emissions per unit of GDP, etc.  
• Parties with mitigation targets in strategies, plans and actions for low GHG emission development or adaptation actions that could take the form of mitigation benefits should report activity indicators (i.e.: increase of renewable energies installed capacity (GW)) and, when is possible, information of GHG impacts of the policies implemented.  
b. Information related to Article 5, as applicable: Parties should provide information on how REDD+ activities, REDD+ results-based payments or results from the implementation of joint mitigation and adaptation policy approaches contributes to the implementation of the NDC and the achievement of the NDC target.  
c. Information related to Article 6, as applicable: Parties should provide information related to use and transfer of ITMOs, as well as, information related to use of ITMOs towards achievement of NDCs following the reporting and accounting guidance for ITMOS that should be developed by SBSTA and included in item 7 of this section (see below).  
d. At the end of the implementation period, Parties shall report a quantitative result of the balance/aggregation of information from total emissions/indicators and the use of ITMOS towards the achievement of their NDCs. |
### 3. Mitigation policies and measures, actions, and plans, and other actions with mitigation co-benefits, related to the implementation and achievement of an NDC under Article 4, including effects (historical and expected), barriers and costs

- Report on policies and measures should include those that are being implemented and have the most significant impact on GHG emissions, especially those impacting key categories in the National GHG Inventory. This report could include policies and measures adopted, and/or planned by governments and/or by private sector.
- Organize the reporting on policies and measures by IPCC sectors, indicating which GHGs and categories of sources and sinks are affected by such policies and measures.
- In cases where a policy or measure has been maintained over time and has been included in a Party’s previous BR, reference should be made to it and the Party should only include a brief description of that policy or measure.
- Description of mitigation actions and policies could include, inter alia, but not limited to:
  - Name of policy, measure or action;
  - Objectives;
  - Sector(s) affected;
  - The GHG(s) affected;
  - Sources, sinks and C pools impacted, as relevant;
  - Type of instrument;
  - Status of implementation;
  - Brief description of the policy or measure;
  - Information on methodologies and assumptions;
  - Steps taken or envisaged to achieve that action;
  - Period of implementation;
  - Implementing entity or entities;
  - Costs of policy or measure;
  - non-GHG mitigation benefits.
- Description of each policy or measure should include a quantitative estimate of the impact of individual policies or measures (for the NDC implementation period by year, not cumulative, in t CO2 eq), as appropriate. If such estimation is not possible, Parties should explain why.
- Information on the effect of policies and measures may be presented in aggregate for several complementary measures in a particular sector, gas, source or sink. Also, information on how those policies and measures interact with each other should be included.
- When policies and measures listed in previous biennial reports are no longer in place, Parties may explain why this is so.

### 4. Summary of GHG emissions and removals

- In the case of developed country Parties (which shall submit a stand-alone NIR on an annual basis) they shall provide a summary information from the national GHG Inventory on emissions and emissions trends prepared from the period from 1990 to the latest year in the most recent inventory submission ava.
- In the case of developing country Parties (which include their NIR in the Biennial Report), they shall provide information on total GHG emissions.
5. **Projections of GHG emissions and removals, as applicable**
   - Report a ‘with measures’ projection that includes currently implemented and adopted policies and measures (implemented after the year chosen as the starting point for that projection). Parties could include a report ‘without measures’ and ‘with additional measures’ projections (which includes planned policies and measures).
   - Sensitivity analysis for projections, together with a brief explanation of the methodologies and parameters used.
   - Emission projections shall be presented relative to actual inventory data for the preceding years. For the ‘with measures’ and ‘with additional measures’ projections, the starting point should generally be the most recent inventory year.
   - Projections shall be presented on a sectoral basis.
   - Projections shall be presented on a gas-by-gas basis for the following GHGs, as appropriate: CO2, CH4, N2O, PFCs, HFCs, SF6 and NF3.
   - Also, Projections shall be provided in an aggregated format for each sector as well as for a national total, using GWP values agreed upon by the COP.

6. **Information on Parties’ accounting under Article 4.13 and 4.14**
   - A placeholder for methods to account the progress made in implementing and achieving NDCs (inputs from APA agenda item 3) is expected.

7. **Information related to Article 6, as applicable**
   - A placeholder for reporting formats and methods to account and report use of ITMOs towards the achievement of NDCs (inputs from SBSTA)

8. **Capacity Building needs**
   - The BR should include a description of specific constraints and capacity building needs associated with planning, preparation and tracking of Parties’ NDCs. This description should be included in the MPGs section for information on financial, technology transfer and capacity-building support needed and received under Articles 9–11 of the PA.

9. **Improvement plan**
   - Parties should include in their Biennial Reports an improvement plan based on the recommendations and capacity building needs identified by the team of experts of the technical expert review, as well as other aspects identified by the Party. This plan should include the time and steps that the Party would need to follow to report elements that were not included in the last biennial report submitted and are crucial to understand the progress made in implementing and achieving its NDC. CBIT may use these plans to understand the type and areas of support needed by countries, as appropriate.

10. **Reporting format**
    - Quantitative information of progress made in implementing or achieving NDCs should be included in both Biennial Reports and common reporting tables that should be electronically submitted on a biennial basis.
    - Qualitative information that facilitate the understanding of progress made in implementing and achieving NDC’s Parties should be included in the Biennial Reports.

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*Information related to climate change impacts and adaptation under Article 7 of the PA, as appropriate*
To facilitate understanding of action on adaptation, as set out in Article 13.5, AILAC considers that the main objective for this section of the biennial communication is to provide information on progress on the implementation of adaptation efforts, which would also serve the purpose of recognition of adaptation efforts. Hence, from AILAC’s perspective, there should be an overarching heading that signals this purpose while the other issues should be treated as subheadings. Headings and subheadings\(^6\) included in this table can be considered as the basic guidelines that Parties would consider to report biennially once the Party has the capacity and resources to do so. Parties, who wish to include other headings (including those proposed by co-facilitators), could report them as optional or additional information that Parties may add to their report to be provided on a biennial basis, according to each Party’s interests. All of the proposed headings and subheadings could also be included in full National Communications at discretion of each Party.

<table>
<thead>
<tr>
<th>Overarching Heading:</th>
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<tbody>
<tr>
<td>1. Progress on implementation of adaptation(^7) for recognition of adaptation efforts</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Subheadings</th>
<th>Content proposal</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Implementation of plans, policies, strategies and actions.</td>
<td>Developing country parties should report on the adaptation plans, priorities, needs and actions that those parties have implemented with domestic resources throughout a specific period of time, i.e. the preceding five years as percentage of GDP and/or as absolute figures (x billion USD) or any other nationally appropriate metric. Synthesis of progress on implementation of adaptation (specially implementation of what was reported in adaptation communication) can be provided biennially. Useful details should be provided at National Communications. Parties could provide information on progress on implementation of plans, policies, strategies and actions included in their adaptation communication. This information could include elements such as:</td>
</tr>
<tr>
<td>– Name and brief description of policy, plan, strategy or action;</td>
<td></td>
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<tr>
<td>– Objectives and goals accomplished or pending to be implemented;</td>
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<tr>
<td>– The original expected time frame for the implementation and status of implementation;</td>
<td></td>
</tr>
<tr>
<td>– Description of the progress made in implementing policy, plan, strategy or action;</td>
<td></td>
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</table>

\(^6\) AILAC considers that, in order to comply with the purpose set out in Article 13.5, there should be an overarching heading for “Progress on implementation of adaptation for recognition of adaptation efforts” with subheadings or subcomponents of this heading for: a) “Outcomes of monitoring and evaluation of adaptation actions and processes” and “Adaptation barriers, costs and needs” and b) “Cooperation, good practices, experiences, and lessons learned”. This would also become an input to the reporting for recognition of adaptation efforts.

\(^7\) The progress made on “Adaptation policies, strategies, plans and actions and efforts to mainstream adaptation into national policies and strategies” (heading number 4 included in the co-facilitators note) should be reported in National Communications. If there are significant changes from the last National Communication details can be updated via report on a biennial basis under the heading of “Progress on implementation of adaptation” which would also become an input for the “Recognition of efforts”. |
b. Adaptation barriers, costs and needs

- Parties may want to inform about the barriers faced in implementing plans, priorities, needs and actions that were submitted in the Adaptation Communication and how those barriers are being or could be addressed.
- Developing countries may wish to submit information regarding the costs that they have covered to advance efforts they have communicated in their adaptation communication particularly in light of mitigation ambition and the temperature limit established in Paris Agreement. As part of the recognition of adaptation efforts that developing countries advance, developing countries ideally, could develop information on the quantified costs they have invested in (that be finance or technology transfer and development or capacity-building).
- Developing countries would originally communicate their upcoming adaptation needs via the adaptation communication. These Parties could report on how the communicated financial needs, the technology transfer and development and capacity-building needs are being met or how those needs are not being met. Parties could also report on further needs that were faced during implementation of adaptation efforts. These will be crucial elements to discuss adequacy of support in Global Stocktake.

c. Outcomes of monitoring and evaluation of adaptation actions and processes.

<table>
<thead>
<tr>
<th>Given the burden this may produce, this could only be reported via National Communication. If there are updates on outcomes of MnE systems these details can be updated on a biennial basis including:</th>
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<tbody>
<tr>
<td>- Assessments, including possible indicators of how adaptation actions have increased resilience and reduced adverse impacts.</td>
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<tr>
<td>- Breakthroughs in efforts to integrate adaptation in subnational and national development processes.</td>
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<tr>
<td>- Outcomes of how adaptation actions influence other developments goals i.e. poverty, natural resource management.</td>
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<tr>
<td>- Information on how participation, gender considerations, indigenous-, traditional and local knowledge have been integrated into adaptation policies and actions.</td>
</tr>
</tbody>
</table>

d. Cooperation, good practices, experiences, and lessons learned.

<table>
<thead>
<tr>
<th>Sharing information, good practices, experience and lessons learned could be done on a biennial basis including aspects related to scientific finding, planning, policies and implementation related to adaptation actions including at sectoral or sub-national levels. Parties may provide information related to cooperation, good practices, experiences and lessons learned in many areas including:</th>
</tr>
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<tbody>
<tr>
<td>- Scientific research in the field of vulnerability assessment and adaptation</td>
</tr>
<tr>
<td>- Integrating adaptation in national policies and arrangements.</td>
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<tr>
<td>- Financial mechanisms designed to leverage adaptation action.</td>
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<tr>
<td>- Monitoring and evaluation of adaptation actions and processes</td>
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</tbody>
</table>

2. Reporting formats

- It may be useful to have some guidance on reporting format to facilitate Parties efforts in sharing progress made according to Art.13.8 if this were appropriate to Parties interests.

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*Information on financial, technology transfer and capacity-building support provided under articles 9–11 of the PA*
Developed country Parties shall (and other Parties that provide support to developing country Parties, on a voluntary basis should) report information on financial, technology transfer and capacity-building support provided under articles 9–11 of the PA information including, inter alia, but not limited to:

<table>
<thead>
<tr>
<th>Headings</th>
<th>Content Proposal</th>
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</table>
| 3. Underlying assumptions, definitions, and methodologies for financial, technology transfer and capacity-building support provided to developing countries under Articles 9–11 of the PA | a) Description of the national approach used for tracking of the provision of financial, technological and capacity-building support to developing countries  
   b) Description of underlying assumptions, definitions and methodologies used to produce and report information on finance, technology transfer and capacity building support. |
| 4. Information on financial support provided and mobilized under Article 9 by developed country Parties to developing country Parties. | a) Information on financial support provided under Article 9 by developed country Parties to developing country Parties;  
   • Description on how a developed country Party seeks to ensure that the resources it provides effectively address the needs of NAI Parties with regard to climate change adaptation and mitigation.  
   • Information on the financial support disbursed and committed for the purpose of assisting Developing Country Parties, that shall include:  
     o Allocation channels and annual contributions for the previous two calendar or financial years such as:  
       ▪ the GEF, the LDCF, the SCCF, the Adaptation Fund, the GCF and the UNFCCC Trust Fund for Supplementary Activities;  
       ▪ other multilateral climate change funds;  
       ▪ multilateral financial institutions, including regional development banks;  
       ▪ specialized United Nations bodies;  
       ▪ contributions through bilateral, regional and other channels.  
     o Information on the annual financial support that it has provided for the purpose of assisting Developing Country Parties, including, inter alia, the following:  
       ▪ The amount of financial resources (including the amount in original currency and its equivalent in United States dollars/international currency);  
       ▪ Status of support (committed; disbursed)  
       ▪ The type of support (for mitigation and adaptation activities); |

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8 Taking into account the mandate of decisión 9/CP.21 and results of the work related to modalities for the accounting of financial resources provided and mobilized through public interventions in accordance with Article 9, paragraph 7, of the PA (under SBSTA)
9 This information is extracted from the draft guidelines for the preparation of NCs by Parties included in Annex I to the Convention, Part II UNFCCC reporting guidelines on NCs that is expected to be adopted in COP23 in response to the mandate of Decision 2/CP.17
- The source of funding (i.e. ODA, OOF);
- The financial instrument;
- The sector;
- An indication of what new and additional financial resources it has provided pursuant to Article 4, paragraph 3, of the Convention, including clarification of how it has determined that such resources are new and additional.

### b) Information on financial support mobilized under Article 9 by developed country Parties to developing country Parties

- Information on private financial flows leveraged by bilateral climate finance towards mitigation and adaptation activities in developing country Parties.
- Information on private financial flows leveraged by multilateral climate finance towards mitigation and adaptation activities in developing country Parties.
- Information on policies and measures that promote the scaling up of private investment in mitigation and adaptation activities in developing country Parties.
- Information on methodologies used.

### 5. Information on financial support provided and mobilized under Article 9 by other Parties that provide support to developing country Parties, on a voluntary basis

In order to ensure consistency and the provision of comparable information for the GST, structure and contents of MPGs for reporting of financial support provided and mobilized by other Parties should mirror the structure and contents of MPGs for reporting of financial support provided and mobilized by developed country Parties. However, due to the lack of experience and/or capacities of other countries that are not developed Parties in reporting of financial support, it will be necessary to ensure flexibility. For example, in the level of disaggregation of information and/or coverage.

### 6. Information on technology development and transfer support provided under Article 10 by developed country Parties to developing country Parties

Report on information of measures taken to promote, facilitate and finance the transfer of, access to and the deployment of climate-friendly technologies and development and enhancement of endogenous technologies of developing country Parties. This information should include:
- Description of measures and activities related to technology transfer implemented or planned
- Recipient country
- Targeted area/sector of mitigation and adaptation

### 8. Information on capacity-building support provided under Article 11 by developed country Parties to developing country Parties

Report on information of measures taken to promote, facilitate and finance capacity building of developing country Parties. This information should include:
- Description of measures and activities related to capacity building
- Recipient country
- Targeted area/sector of mitigation and adaptation

### 9. Information on technology

In order to ensure consistency, and the provision of comparable information for the GST, structure and contents of MPGs

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10 The PCCB and the Technology Mechanism should contribute in the development/revision of methodologies to track technology transfer and capacity building support provided.
development and transfer support provided under Article 10 and capacity-building support provided under Article 11 by other Parties that provide support to developing country Parties, on a voluntary basis Parties, on a voluntary basis for reporting of technology development and transfer and capacity building support provided by other Parties should mirror the structure and contents of MPGS for reporting of technology development and transfer and capacity building support provided by developed country Parties.

However, due to lack of experience and/or capacities of other countries that are not developed Parties in reporting of technology development and transfer and capacity building support, it will be necessary to ensure flexibility.

10. Reporting format

Tabular formats should be based on those modified by Decision 9/Cp.21

Information on financial, technology transfer and capacity-building support needed and received under Articles 9–11 of the PA

<table>
<thead>
<tr>
<th>Headings</th>
<th>Proposal for the content of each heading</th>
</tr>
</thead>
</table>
| Underlying assumptions, definitions and methodologies related to tracking and reporting mitigation and adaptation support | a) Description of the national approach used for tracking of the provision of financial, technological and capacity-building support received.  
b) Description of underlying assumptions, definitions and methodologies used to produce and report information on financial support received. |
| 4. Information on financial support needed by developing country Parties under Article 9 | Information on financial support needed could include:  
  • Description of the gap, barrier or constraint that should be overcome  
  • Area/project/sector which need support  
  • Estimation of cost to be covered (when information is available)  

It will be necessary to work in developing and/or adopting methodologies for quantification (estimation of cost) of needs to be covered. |
| 5. Information on financial support received by developing country Parties under Article 9 | This information could include:  
  • The total amount of financial resources (in local currency and its equivalent in USD);  
  • Amount of financial resources received by project, when information is available (in local currency and its equivalent in USD);  
  • Status of support (committed; disbursed)  
  • Area/project/sector which received support  
  • Funding source (bilateral, multilateral financial institutions, including regional development banks); |

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21 This component will rely on the enhancement of the national capacities. It has a strong link with the capacity-building initiative for transparency.

22 This component will rely on the enhancement of the national capacities, including institutional arrangements that are fit for purpose.
6. Information on technology development and transfer support needed by developing country Parties under Article 10

Information on technology development and transfer support needed could include:
- Sector/area of adaptation or mitigation that needs technology
- Project
- Type of technology needed
- Type of support needed associated with the technology

It will be necessary to work in developing and/or adopting methodologies for identifying the needs to be covered in light of the implementation of the NDCs.

7. Information on technology development and transfer support received by developing country Parties under Article 10

This information could include:
- Area/project/sector which received support
- Funding source (bilateral, multilateral financial institutions, including regional development banks);
- The financial instrument used (when information is available)

8. Information on capacity-building support needed by developing country Parties under Article 11

- In these sections, developing country Parties should report a summary of capacity building needs to address some specific issues, such as:
  - Preparation and management of national GHG inventories.
  - Preparation, implementation and tracking of NDCs.
  - Preparation of GHG projections.
  - Preparation, implementation and tracking of mitigation policies and actions.
  - Preparation, implementation and tracking of adaptation actions.

- Information capacity building needs could include, inter alia, but not limited to:
  - Description of the need, gap, barrier or constraint that should be overcome
  - Area/project/sector that need support
  - Type of support needed

- It will be necessary to work in developing and/or adopting methodologies for identifying the needs to be covered in light of the implementation of the NDCs.

9. Information on capacity-building support received by developing country Parties under Article 11

This information could include:
- Description of the need, gap, barrier or constraint covered
- Area/project/sector that need support
- Type of support received.

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23 The Technology Mechanism should contribute in the development/revision of methodologies used to track technology development and transfer support received.
24 The PCCB should contribute in the development/revision of methodologies used to track capacity-building support received.
10. Information on support received by developing country Parties for the implementation of Article 13. This information could include:
- Funding source
- Type of support received (and expressed in local currency and USD in case of financial support)
- Activity implemented thanks to the support received.

11. Information on support received by developing country Parties for the building of transparency-related capacity. This information could include:
- Funding source
- Type of support received (and expressed in local currency and USD in case of financial support)
- Activity implemented thanks to the support received.

Technical expert review and facilitative, multilateral consideration of progress

<table>
<thead>
<tr>
<th>Headings</th>
<th>Content proposal</th>
</tr>
</thead>
</table>
| 3. Objectives, functions and purposes | a) **Objectives and Purposes**. To identify capacity building needs and delivery of recommendations for improvement to each Party subject to the process of technical expert review and multilateral consideration of progress.  
   **b) Functions.**  
   i. Consideration of implementation and achievement of the respective NDC  
   ii. Consideration of information related to support provided and received, as relevant  
   iii. Assessment of transparency, accuracy, consistency, completeness, and comparability of information in relation to the MPGs.  
   iv. Provision of prioritized recommendations by expert review teams to Parties  
   v. Identification of capacities needed to improve quality and level of information reported to track NDCs, including national GHG inventories. |
| 4. Scope | The main result of the technical expert review process shall be the identification of capacity building needs and delivery of prioritized recommendations for improvement not only of reporting but also for institutional arrangements and processes related to the implementation of NDCs and overall transparency.  
Also, the main result of the multilateral process of consideration shall be a report that includes views exchanged and lessons learned during the process. |
| 5. Information to be reviewed | a. National GHG Inventories  
b. Information necessary to track progress made in implementing and achieving its nationally determined contribution under Article 4 of the PA |

25 Strong link with the capacity-building initiative for transparency  
26 Strong link with the capacity-building initiative for transparency
c. Information on financial, technology transfer and capacity-building support provided under Articles 9–11 of the PA

| 6. Format and steps, including those related to specific types of information reported under Article 13, and the role of Parties, and the roles and responsibilities of the technical expert review team and the secretariat | a. **Format**  
- Technical expert review sessions should be centralized and should be organized for Biennial Reports (including national GHG inventories).  
- In Country review could be conducted every four years for developed country Parties and when is requested in the case of developing country Parties.  

b. **Main steps**  
- Submission of Biennial Reports (together with all electronic formats that complement these reports) to the Convention through the Secretariat.  
- Designation and organization of technical expert teams  
- Centralized review of the Biennial Reports.  
- In country reviews (when applicable). |

| c. Composition of the technical expert review team | Technical expert review should be composed by experts nominated to the Roster of Experts of the UNFCCC who should be in continuous training. ERTs should be composed of experts from developed and developing country Parties. |

| d. Frequency and timing | The technical expert review:  
- should be conducted in an annual basis for the National GHG inventory submissions from developed country Parties |

| e. Technical expert review report | a. Overarching issues  
b. Composition of the technical expert review team  
c. General information regarding completeness and transparency of the information provided by parties  
d. Analysis of the information provided by Parties (which includes observations and findings from technical experts)  
e. Capacity Building needs identified and prioritized recommendations to Parties  
f. Conclusions |

| g. Summary report content and format | a. Capacity Building needs identified and prioritized recommendations to Parties  
b. Conclusions |