

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

Common Tabular Formats, outlines for reports and training programme for technical expert review teams of the Transparency Framework of the Paris Agreement

Reference: FCCC/PA/CMA/2018/3/Add.2

Introductory Remarks

1. Following the invitation of Decision 18/CMA.1, the AILAC group of countries welcomes the opportunity to provide initial views on the design process for the Common Tabular Formats (herein after CTFs), outlines for reports and the training programme for technical expert review teams under the Transparency Framework (hereinafter TF) established by Article 13 the Paris Agreement.
2. For AILAC, to deliver a robust outcome at the third session of the CMA, the above negotiating process should be aimed at:
 - i. facilitating the understanding, clarity, and comparability of quantitative information on the Parties' GHG emissions, progress in implementing actions and NDCs, provision and reception of support, and Developing Country Parties' needs;
 - ii. enabling the aggregability of the information mentioned above as a central part of the inputs for the global stocktake;
 - iii. designing tools that also facilitate compilation and use of information for decision making process at national level;
 - iv. appropriately reflect the flexibility needed by Developing Country Parties in light of their capacities, in the formats and outlines to be designed, based on the provisions included in the Modalities, Procedures and Guidelines (hereinafter MPGs) of the Transparency Framework;
 - v. contributing to the clarity and transparency of the review process and how the review experts could provide an effective feedback to the Parties in order to facilitate their continuous improvement.
3. During this process, Parties must consider the new context and challenges that the Paris Agreement and its transparency framework entails but, at the same time, must take into account lessons learned, best practices and experiences from the implementation of the current Measuring, Reporting and Verification (MRV) System under the Convention. In this line, elements under the MRV system that could be used as a basis, for the design of the CTF, outlines for reports and training programme for review experts, should be identified¹.
4. In other cases, where there are no guidelines in the current MRV system that could be used as a starting point, the experience of Parties that have been reporting information using the tables that

¹ Bearing in mind similarities between some of the components of the current MRV system and the MPGs adopted at COP 24.

they themselves have designed for this purpose, and/or tools developed outside of the Convention, could inform and serve as a valuable input for the design of the CTF under the TF of the PA.

5. Bearing in mind that the applicability of the concepts exposed above must be reviewed case by case, specific proposals for each of the mandates given by the CMA through decision 18/CMA.1 are presented in the following sections of this submission.

Common Reporting Tables and Common Tabular Formats - CRTs

Common reporting tables for the electronic reporting of the National Inventory Report of anthropogenic emissions by sources and removals by sinks of greenhouse gases

6. Development of Common Reporting Tables for the electronic reporting of the information of the National Inventory Report of GHG emissions and removals, mandated by paragraph 12 of decision 18/CMA.1, must be particularly oriented by the provision of paragraph 20, section II of the MPGs for the TF, in which Parties are requested to use the 2006 IPCC Guidelines, or any subsequent version or refinement of the IPCC guidelines agreed upon by the CMA. In this sense, any basis used for the current design of such formats must be aligned with the 2006 IPCC guidelines.
7. Looking at the tools used for the reporting of National GHG Inventories under the current MRV system, Common Reporting Formats included in Annex II of decision 24/CP.19 represent the best basis for the design of the CRTs.
8. However, these tables must be modified in order to reflect:
 - Flexibility, for Developing Country Parties that need it in light of their capacities, based on provisions included in the chapter II of the MPGs.
 - New elements required in chapter II of the MPGs of the TF (such as reporting on assessment of completeness).
 - A better alignment with the IPCC 2006 guidelines: Although AILAC considers that the CRF tables provide an appropriate basis for the design of the new reporting tables for GHG inventories, the nomenclature and organization of the CRF tables can be improved to make them more consistent with the IPCC 2006 guidelines. In this line, AILAC proposes to make some modifications to the CRF tables coding while their main structure is maintained (*see Annex I of this submission*). Also, merging some of those tables could facilitate the reporting. These suggestions could also be considered in the case that 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories are adopted by the CMA and the design of the new reporting tables consider these new refinements.
 - Particularly, with regards to the report of the agricultural and LULUCF sectors, it is recommended to include categories of biomass burning, as well as the direct or indirect emissions of N₂O for managed soils in the table that summarizes sectoral report of the LULUCF. This could facilitate reporting and reduce the risk of double accounting when estimating this kind of emissions (*see Annex II of this submission*).
 - On the other hand, for AILAC it is important continuing discussions amongst experts of the agriculture and LULUCF sectors on how to improve the reporting of these sectors in a way that can

adequately reflect the dynamics caused by land use changes as well as increases in carbon stocks in lands where agricultural activities take place.

Common tabular formats for information necessary to track progress made in implementing and achieving its nationally determined contribution under Article 4 of the PA

9. Regarding the design of CTF to report this information, in accordance with section III of the MPGs, AILAC has identified that, in some specific cases such as section III.C of the MPGs, provisions should be grouped according to their purpose and, from this, tables that should be designed specifically to capture this information must be identified. Based on that, AILAC proposes Common Tabular Formats for section III of the MPGs as follows:
 - i. ***A table that summarizes or updates information communicated in a Party's NDC (following paragraph 64 of the MPGs):*** This could contribute to the enhancement of clarity and understanding of the mitigation goals set by the Party and facilitate the compilation of this information as part of the essential inputs needed for the global stocktake. In addition, if a Party includes several mitigation goals, objectives or targets in its NDC, a description of each one of these goals should be presented in a separate tabular format.
 - ii. ***A table that contains a brief description of each of the indicators selected to track progress as well as the methodologies used to set targets and indicators (paragraphs 65, 66, 73, 74, 75 and 76 a) of the MPGs),*** This table should contain a description of indicators, including units, as applicable, as well as main factors used to calculate those indicators (i.e. values of total emission and other factors such as GDP or population in case of NDCs based on an intensity target). An explanation of how the indicators selected are related to the NDC should also be included. Description of methodologies and approaches used for setting indicators or constructing baselines should be included in this table or in a documentation box accompanying the CTF. The design of this CTF shall be consistent with Annexes I and II of decision 4/CMA.1.
 - iii. ***A table for information to be reported following paragraphs 71, 72 and 76 b), c) and d) of the MPGs, related to accounting principles and how the Party is complying with these principles.***
 - iv. ***A table for the structured summary (paragraph 77 of the MPGs that summarizes paragraphs 65-76):*** This table should help to understand progress in implementing and achieving a Party's NDC and should include:
 - a. Quantitative information or baselines (as applicable).
 - b. Initial and annual values of indicators selected to track progress as well as annual values of main factors used to calculate those indicators.
 - c. In line with paragraph 77 d):
 - i. Information related to progress in implementing an NDC of a Party that participates in cooperative approaches: annual information of "emissions balance" (emissions +/- ITMOs transferred or acquired) must be reported and should be based on emissions covered by the NDC.
 - ii. At the end of the period of implementation (and based on the information referred above), the Party will be required to report information of

“adjusted emissions” after the application of corresponding adjustments based on the methodology adopted for such purpose in the context of the article 6 negotiations under SBSTA.

- iii. Also, under article 6 negotiations, an additional table or categories of information needed to understand how corresponding adjustments were applied (which must include a description of methodologies and basis used for this purpose), should be developed and should be integrated as an input of the current transparency framework negotiations.
- iv. Information required by paragraph 77 d), item (iv) could be presented in another complementary table.
- v. It also should be noted that, to ensure an appropriate operationalization of the reporting and review cycle of the information related to article 6 of the PA, clear guidance on infrastructure (registries and a centralized database) and guidance on complementary reporting (i.e. to report participation responsibilities) and review (i.e. of the information registered in a centralized database) processes are clearly included in the guidance for cooperative approaches to be adopted at COP 25.

d. The structured summary should also include a conclusion of the Party’s assessment on whether it has achieved the target(s) for its NDC under article 4.

- v. **CTF for the report of mitigation actions, plans and measures:** Bearing in mind that categories of information included in paragraphs 82, 83 and 85 of the MPGs almost coincide with categories for the report of mitigation actions and plans included in the guidelines for the elaboration of Biennial Reports (section B of Annex III of decision 2/CP.17), AILAC suggest considering Table 3 of the annex of decision 19/CP.18 as basis of the designing of CTF for mitigation actions and plans under transparency framework. Some modifications will be needed in order to ensure consistency with MPGs and categories of information included in them.
- vi. **Tables for summary of greenhouse gas emissions and removals (paragraph 91 of the MPGs):** Although CTF tables adopted by decision 19/CP.18 for a similar purpose could be used as a basis, it will be necessary to discuss about the level of detail of the new CTF tables that will be designed for summarizing GHG emissions and removals from Parties that decide to submit a stand-alone National GHG Inventory Document.
- vii. **Tables for information on projections of GHG emissions and removals (paragraphs 94-100 of the MPGs):** AILAC has identified that CTF tables adopted by decision 19/CP.18 for a similar purpose could be used as a basis. We are open to discuss about level of detail of the CTF tables to be designed to report GHG projections as well as how flexibility for Developing Country Parties that need it in light of their capacities could be reflected.

Common tabular formats for information on financial, technology development and transfer and capacity-building support provided and mobilized under Articles 9–11 of the Paris Agreement

- 10. The design process of CTF for reporting of information on support provided and mobilized will require identification of elements in section V of the MPGs that should be a) quantitatively reported,

b) reported using a documentation box that accompanies the CTF, c) qualitatively reported in the body of the BTR. This identification process should be based on examples and experience of reporting of Developed Country Parties under the current MRV system.

11. In this vein, AILAC suggests using the CTFs adopted by decision 9/CP.21 as a basis for the design of the CTF for financial support bearing in mind potential modifications/adjustments that would be needed to ensure consistency with the relevant provisions of the MPGs of the TF.
12. During this process, it could also be necessary to provide further clarifications or improve the level of detail of categories of the information adopted in chapter V of the MPGs for the categorization of elements such as sectors and subsectors reported in order to facilitate comparability and reduce the risk of double counting.
13. The biggest challenge identified is in the designing of the CTF for reporting quantitative financial support mobilized which will require transparent and clear information that allows to understand the magnitude of the public intervention for the mobilization of financial resources.

Common tabular formats for information on financial, technology development and transfer and capacity-building support needed and received under Articles 9–11 of the Paris Agreement

14. Reporting of support received by Developing Country Parties is an instrumental crucial piece to enhance the understanding of global financial flows, including by identifying sectors and activities in which support has been focused and its ultimate impact. This reporting must be complemented with the provision of information on support needed by developing countries. This will be critical to estimate the scale of needs that must be covered to implement all the transformations required to achieve long-term decarbonization and resilience goals. As such, we, developing country parties must make our best effort to identify and report support needs in line with objectives and targets set out in our long-term climate strategies and NDCs so as to meet the Paris Agreement's long – term targets.
15. For this reason, it will be essential to design clear and well-structured formats that facilitate the completion of all the information. These formats must also be coherent with those designed for reporting of support provided and mobilized, even if these formats have different purposes.
16. To fulfil this task, developing countries will face the challenge of installing or strengthening national systems and capacities, a process that will require also international support, specially, from specific financial resources that support transparency-related activities.
17. It must also be considered that up until now, Developing Country Parties have followed different approaches to identify and report information on support needed and received. Therefore, discussions that allow a common understanding on how to report some specific categories as well as how to interpret underlying assumptions, included in section VI of the MPGs, will be crucial to ensure comparability of the information.
18. In addition, common tabular formats to report support needed and received should be seen as useful tools that not only enhance transparency and reduce uncertainty of global financial flows but also inform national planning processes.
19. In addition, regarding specific issues related to reporting of support needed, it must be considered that:

- i. With regards to the “Expected time frame”: This information will depend on the phases of the project (i.e. planning or implementing phases) for which support will be required.
 - ii. With regards to the “Expected financial instrument”: it could be more challenging to report this information at initial stages of the project given that investment or implementation plans would be required to enable the capabilities to produce this information.
20. An additional challenge will be the design of the CTF that will include information on financial support needed and received for the implementation of article 13 given that there is no previous experience in reporting this information. Furthermore, separated tables to report information on support needed and received in relation to transparency will be needed, due to differences in the scope of reporting. In addition, in order to avoid duplications, information on support received by programmatic cooperation with components related to transparency should be highlighted.

Outline of Reports

Outline of the Biennial Transparency Reports

21. Although the basis for the general structure of the outline of the Biennial Transparency Reports can be taken from main sections (II,III, IV, V and VI) and subsections of the MPGs of the enhanced transparency framework, it will be necessary to develop a more detailed outline in some sections that appropriately reflect, for example, reporting of areas of improvement as well as application of flexibility for Developing Country Parties that needed it in light of their capacities. For example, the outline for section III.B of the MPGs (progress in implementing and achieving Parties’ NDCs) will require a rearrangement of the elements included as follows:
 - i. Description of indicators and methodologies.
 - ii. Information on how Parties are fulfilling accounting principles.
 - iii. Information on implementing and achieving Parties’ NDCs.
22. Given that sections of the MPGs related to the BTR have included a subsection of national circumstances and institutional arrangements, this information should be included in a cross-section of the BTR to avoid redundancies and repetitions and that also could facilitate the technical review of experts.

Outline of the National Inventory Document

23. Due to similarities between content of section II of the MPGs and reporting guidelines on annual inventories adopted by decision 24/CP.19, AILAC suggests to take the general structure of the National Inventory Report included in these reporting guidelines as a basis for developing a new outline for the National GHG Inventory (document or section in the BTR) to be reported under the Paris Agreement.
24. Design of this outline should consider new challenges deriving from the adoption of the MPGs such as the reporting of application of flexibility of those developing country Parties that need it in the light of their capacities.
25. In this vein, AILAC proposes as a starting point the following general outline:

- i. Executive Summary.
- ii. Introduction
- iii. National Circumstances and institutional arrangements.
- iv. Summary of planned and implemented improvements (including recalculations).
- v. Summary of application of flexibility (in the case of developing country parties that need it in light of their capacities).
- vi. Trends in greenhouse emissions.
- vii. Energy.
- viii. Industrial processes and product use.
- ix. Agriculture
 - x. Land use, land use change and forestry
 - xi. Waste
 - xii. Indirect CO₂ and nitrous oxide emissions
- xiii. Annexes (including, detailed information on key categories, assessment of uncertainty, methodological descriptions for individual source or sink categories)

26. Sectoral sections shall include specific information on each sector as well as information that will be common to all these sections such as:

- i. Overview of the sector.
- ii. Category description.
- iii. Methodological approaches.
- iv. Description of application of flexibility for those developing country Parties that need it in light of their capacities, if applicable.
- v. Uncertainties and time -series consistency.
- vi. Category-specific QA/QC and verification, if applicable.
- vii. Category-specific recalculations and improvements.
- viii. Category-specific planned improvements, if applicable.
- ix. activity data, emission factors, etc.), including those in response to the review process

27. This outline should be also used by Parties that decide to present their National inventory Reports as part of their BTRs.

Outline of the Technical Expert Review Report

28. Designing of outline of Technical Expert Review Report should follow but also should consider structure of review and technical analysis reports prepared under ICA and IAR process as well as improvements made over time to this kind of reports. Although it will require discussions and more detailed proposals on the structure of this report, AILAC proposes to base the outline of technical expert review reports on the following general structure:

1. Introduction
2. Technical review
 - a. Scope of review

- b. Initial assessment of transparency and completeness
 - c. Description of the review of the reported information.
 - d. Description of the identified areas of improvement and recommendations associated to them.
 - e. Identification of capacity building needs (for developing country Parties)
3. Conclusions

Training programme for technical experts participating in the technical expert review

29. Under the current MRV system, the UNFCCC Secretariat and the CGE have been tasked with developing and implementing training programmes for the experts participating in the current technical expert review under IAR and technical analysis under ICA, respectively. These programs have improved over time and no kind of work has been needed under the subsidiary bodies for the development of specific technical elements or any modification of the training programmes. Bearing in mind what mentioned above, AILAC proposes that the SBSTA requests the Secretariat to develop a proposal of a training program for consideration of the CMA at its second and for adoption third session as per the mandate resulting from Decision 18/CMA.1.
30. In this context, AILAC wishes nonetheless to from highlighting some aspects that the Secretariat could consider at the time of designing and implementing the training program:
- i. The design of the training program should be based on the relevant sections of the MPGs but also must consider other guidance such as those adopted by the Decision 4/CMA.1.
 - ii. The training program should include a specific module for topics such as the review of the information on the implementation of article 6 of the PA (that must consider guidance and modalities, rules and procedures for Article 6 to be developed under SBSTA).
 - iii. The training program must include a specific module to support experts on how they could consider Parties' NDCs, with practical exercises that comprise information of different types of mitigation goals under NDCs.
 - iv. Practical examples for the review of complex issues such as projections and the review of the application of the corresponding adjustments should also be included.
 - v. An additional training module could be designed for new experts who have not been involved in any type of review under the Convention. Work of new reviewers should be monitored to assess their evolution and ability to move to more complex types of review.
 - vi. The secretariat should continue to develop support material that experts can consult during the review process such as the Review Practice Guidance, endorsed by current Lead Reviewers at their meetings, as well as technical background papers on specific challenging issues.
 - vii. The Secretariat should update periodically, and when warranted, training programs based on the recommendations delivered by the lead reviewers and the CGE. It should be ensured that, to the extent possible, all experts have access to and take updating courses.
 - viii. The Secretariat should also provide up-to-date information on the training modules taken by the experts and on the reviews in which they have participated. This information will

be especially useful when Focal Points decide to update list of experts nominated to the Roster under the Convention.

Mode of work

31. As mentioned at the beginning of this submission, Parties could start discussing about technical basis that could be considered as starting point for this negotiating process as well as identifying complex issues that could probably require a major effort to be resolved.
32. AILAC considers that, due to technical specificities and complexity of this negotiating process, technical workshops and additional submissions from Parties could be needed to ensure appropriate progress in achieving Parties task to be finished at COP 26.

ANNEX I. EXAMPLE OF SUGGESTED MODIFICATIONS OF CRF TABLES

(Suggested modifications are written in red)

TABLE S1 **SECTORAL REPORT FOR ENERGY**

Year
Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	CO ₂	CH ₄	N ₂ O	NO _x	CO	NM VOC	SO ₂
	(kt)						
1. Total Energy							
1A. Fuel combustion activities (sectoral approach)							
1A1. Energy industries							
ai. Electricity generation							
aii. Combined heat and power generation (CHP)							
aiii. Heat Plants							
b. Petroleum refining							
ci. Manufacture of solid fuels							
cii. Other Energy Industries							
1A2. Manufacturing industries and construction							
a. Iron and steel							
b. Non-ferrous metals							
c. Chemicals							
d. Pulp, paper and print							
e. Food processing, beverages and tobacco							
f. Non-metallic minerals							
g. Transport Equipment							
h. Machinery							
i. Mining (excluding fuels) and quarrying							
j. Wood and wood products							

k. Construction							
l. Textile and Leather							
m. Non-specified industry							
1A3. Transport							
a. Domestic aviation							
b. Road transportation							
c. Railways							
d. Domestic navigation							
e. Other transportation							
1A4. Other sectors							
a. Commercial/institutional							
b. Residential							
c. Agriculture/forestry/fishing							
1A5. Other (as specified in table 1.A(a) sheet 4)							
a. Stationary							
b. Mobile							
1B. Fugitive emissions from fuels							
1B1. Solid fuels							
ai. Underground mines							
aii. Surface mines							
b. Spontaneous combustion and burning coal dumps							
c. Other (as specified in table 1.B.1)							
1B2. Oil and natural gas and other emissions from energy production							
ai. Venting (Oil)							
aii. Flaring (Oil)							
aiii. All Other (Oil)							
bi. Venting (Natural gas)							
bii. Flaring (Natural gas)							
biii. All Other (Natural Gas)							
1C. CO₂ Transport and storage							

1. Transport of CO2							
2. Injection and storage							
3. Other							
Memo items:⁽¹⁾							
International bunkers							
Aviation							
Navigation							
Multilateral operations							
CO2 emissions from biomass							
CO2 captured							
For domestic storage							
For storage in other countries							

ANNEX II. SUGGESTED MODIFICATIONS FOR CRF TABLE OF SECTORAL REPORT FOR LAND USE, LAND-USE CHANGE AND FORESTRY

(Suggested modifications are written in red)

TABLE 3.2 SECTORAL REPORT FOR LAND USE, LAND-USE CHANGE AND FORESTRY
(Sheet 1 of 1)

Year
 Submission
 Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	Net CO ₂ emissions/removals ⁽¹⁾⁽²⁾	CH ₄ ⁽²⁾	N ₂ O ⁽²⁾	NO _x	CO	NM VOC
	(kt)					
Total LULUCF						
Forest land						
3B1a. Forest land remaining forest land						
3B1b. Land converted to forest land						
3C1a. Biomass Burning						

3C4a. Direct nitrous oxide (N ₂ O) emissions from nitrogen (N) inputs to managed soils						
3C5a. Indirect nitrous oxide (N ₂ O) emissions from managed soils						
Cropland						
3B2a. Cropland remaining cropland						
3B2b. Land converted to cropland						
Grassland						
3B3a. Grassland remaining grassland						
3B3b. Land converted to grassland						
Wetlands⁽³⁾						
3B4a. Wetlands remaining wetlands						
3B4b. Land converted to wetlands						
3C1d Biomass Burning						
3C4di Direct nitrous oxide (N ₂ O) emissions from nitrogen (N) inputs to managed soils						
3C5di Indirect nitrous oxide (N ₂ O) emissions from managed soils						
Settlements						
3B5a. Settlements remaining settlements						
3B5b. Land converted to settlements						
3C1e Biomass Burning						
3C4dii Direct nitrous oxide (N ₂ O) emissions from nitrogen (N) inputs to managed soils						
3C5dii Indirect nitrous oxide (N ₂ O) emissions from managed soils						
Other land⁽⁴⁾						
3B6a. Other land remaining other land						
3B6b. Land converted to other land						
3C1f Biomass Burning						
3C4diii Direct nitrous oxide (N ₂ O) emissions from nitrogen (N) inputs to managed soils						
3C5diii Indirect nitrous oxide (N ₂ O) emissions from managed soils						
3D Harvested wood products⁽⁵⁾						
H. Other (please specify)						

(1) For the purposes of reporting, the signs for removals are always negative (–) and for emissions positive (+).

(2) For each land-use category and subcategory, this table sums the net carbon dioxide (CO₂) emissions and removals shown in tables 3B1 to 3B6, and the CO₂, methane (CH₄) and nitrous oxide (N₂O) emissions shown in tables 3C1, 3C4, 3C5 and 3D.

(3) Parties may decide not to prepare estimates for CH₄ emissions from flooded land contained in Appendix 3 of volume 4 of the 2006 IPCC Guidelines, although they may do so if they wish.

(4) This category includes bare soil, rock, ice, and all land areas that do not fall into any of the other five categories. It allows the total of identified land areas to match the national area.

(5) Non-CO₂ emissions from HWP are covered in the energy sector or waste sector.

Documentation box:

- Parties should provide detailed explanations on the land use, land-use change and forestry sector in chapter 6: Land Use, Land-Use Change and Forestry (CRF sector 3.2) of the national inventory report (NIR). Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.
- If estimates are reported under the category 4.H. Other, use this documentation box to provide information regarding activities covered under this category and to provide a reference to the section in the NIR where background information can be found.