

April 16, 2021

Submission by Norway on methodological issues under the Paris Agreement: Common reporting tables, the structured summary and common tabular formats

Introduction

The adoption of decision 18/CMA.1 with common modalities, procedures and guidelines (MPGs) for the enhanced transparency framework is important for robust reporting under the Paris Agreement. Norway welcomes the SBSTA Chair's encouragement in the message to parties dated 12 March 2021 to make submissions and Norway appreciates the opportunity to present our further views. SBSTA's ongoing work on designing tables, tabular formats, outlines for reports and a training programme will be adopted by CMA 3 in 2021. Timely delivery on this work is key and Norway welcomes the informal technical workshops scheduled for May 10, 11 and 12.

In order for these technical workshops to be effective, we look forward to the SBSTA chair and the UNFCCC secretariat to prepare balanced informal workshop inputs based on the rounds of submissions and discussions during the SBSTA sessions. Similarly, we expect the SBSTA chair and the UNFCCC secretariat to prepare balanced informal outputs from these workshops that can advance our work under SBSTA.

Part 1: Common reporting tables for the information in the national inventory reports

In this part of the submission, we present our view on: 1) what the basis for the common reporting tables should be, 2) what changes we see as needed, irrespective of the flexibility provisions and 3) options for implementation of the flexibility provisions.

Basis for common reporting tables

The modalities, procedures and guidelines (MPGs) in decision 18/CMA.1 have many common elements with the current reporting guidelines for Annex I parties (decision 24/CP.19). The current Common Reporting Format (CRF) tables in use by Annex I parties were developed through a thorough process to enable electronic reporting of GHG data in accordance with the IPCC 2006 Guidelines and with decision 24/CP.19. The current CRF tables therefore provide a very useful starting point for SBSTA's work on common reporting tables. The CRF tables can be downloaded from the UNFCCC website.¹

The set of CRF tables is comprehensive. The sectoral background tables form the core of the reporting, and several of the other tables are generated automatically by the CRF reporter software based on these tables. The sectoral background tables are essential for transparent reporting of an inventory and must be an integrated part of the common reporting tables developed in accordance with the MPGs.

Changes we see as needed irrespective of the flexibility provisions

When developing the common reporting tables there are changes and corrections that are needed in the CRF tables irrespective of the flexibility provisions:

¹ <https://unfccc.int/process/transparency-and-reporting/reporting-and-review-under-the-convention/greenhouse-gas-inventories-annex-i-parties/reporting-requirements/crf-tables-for-sbsta-39>

- The current CRF tables do not give room for transparent reporting of carbon capture and storage of CO₂ from biomass. The 2006 IPCC Guidelines state that: *Negative emissions may arise from the capture and compression system if CO₂ generated by biomass combustion is captured. This is a correct procedure and negative emissions should be reported as such.* Reporting of captured CO₂ therefore needs to be made more transparent with reporting of negative numbers in columns for captured CO₂.
- Adding a column in the sectoral summary tables showing the aggregated GHG emission in CO₂ eq). This will be automatically generated and will add transparency to the reporting.
- IPCCs latest methodological guidance (2019 refinement) provides methodologies for new subcategories under industrial processes and product use (IPPU). Additional subcategories such as hydrogen production should therefore be added to enhance completeness.
- Tables for reporting information under the Kyoto Protocol can be removed (i.e. KP-LULUCF tables) since these will not be needed.

Options for implementation of the flexibility provisions.

The MPGs specify the flexibility that is available to those developing country Parties that need it in the light of their capacities (hereafter just referred to as flexibility). Paragraph 6 of the MPGs requires a developing country to clearly indicate the provision to which flexibility is applied. The MPGs do not specify where this is to be indicated, but a table in the biennial transparency report and/or the national inventory document could be useful. The MPGs also require a developing country to concisely clarify capacity constraints and provide self-determined estimated time frames for improvements in relation to those capacity constraints. This could be reported in or together with the table indicating the provision to which flexibility is applied.

Any use of the flexibility provisions in paragraph 29 (uncertainty), paragraph 34 (QA/QC plan) and paragraph 35 (general inventory QC procedures) will be documented in the National Inventory Document (NID). They are therefore not relevant for the development of common reporting tables.

The remaining flexibility provisions in part II of the MPGs are relevant for the development of common reporting tables. However, it is important that the common reporting tables are indeed common. Below we present our view on how the flexibilities best can be operationalized.

Key category analysis (paragraph 25)

In short, the flexibility is that key categories can be identified using a threshold no lower than 85 per cent instead of 95 per cent. According to the IPCC 2006 GL, it is good practice to clearly document the results of the key category analysis in the inventory report and this will apply to all Parties, regardless of the threshold used. The current CRF table 7 (summary overview for key categories) is filled in automatically based on the IPCC Tier 1 methodology. Such a table will also be useful as part of the common reporting tables that SBSTA currently is working on. It should be possible to specify a chosen threshold within the range 95-85 per cent in the tables.

Notation key NE (not estimated) insignificant emissions (paragraph 32)

The MPGs allow the use of the notation key “NE” (not estimated) when the estimates would be insignificant in terms of level through thresholds for each category and in total. The flexibility is that other specific thresholds can be used. Annex I Parties can today explain the use of the notation key NE for insignificant emissions in their national inventory report and/or in the Common Reporting Format (CRF) table 9 (completeness – information on notation keys). Such a table can be relevant for all Parties that use the notation key NE for insignificant emissions, regardless of whether the flexibility provision has been used or not. SBSTA should therefore develop such a table as part of the common reporting tables and this can be based on CRF table 9. Parties that report NE for

insignificant emissions could in their national inventory document report on the chosen thresholds, the likely level of emissions for the respective insignificant category and how this is in accordance with the various thresholds for insignificance.

Gases (paragraph 48)

This provision is that each Party shall report seven gases. The flexibility is to instead report at least three gases (CO₂, CH₄ and N₂O) as well as any of the additional four gases (HFCs, PFCs, SF₆ and NF₃) in specified cases. If a developing country Party chooses to apply this flexibility, Norway's view is that relevant columns and tables should *not* be deleted as this will not be transparent reporting. The flexibility can be operationalized in the common reporting tables through notation keys and/or explanations in documentation boxes or foot notes:

- the existing notation key NE could be used with an explanation, in documentation box or foot note, that flexibility is applied.
- a new notation key for flexibility could be used.

Starting year of annual time series (paragraph 57)

This provision is that each Party shall report a consistent annual time series starting from 1990. The flexibility is to instead report data covering, at a minimum, the reference year/period for its NDC under Article 4 of the Paris Agreement (and consistent annual time series from at least 2020 onwards). If a developing country Party chooses to apply this flexibility, it could be operationalized by reporting common tabular formats for years that are relevant for their time series. If time series are not reported starting from 1990, this could be explained in the National Inventory Document (NID).

Latest reporting year (paragraph 58)

This provision is that for each Party, the latest reporting year shall be no more than two years prior to the submission of its national inventory report (n-2). The flexibility is to instead have the latest reporting year as three years prior to the submission of their national inventory report (n-3). If a developing country Party chooses to apply this flexibility, it could be operationalized by not reporting common tabular formats for the year n-2. Rather, this could be explained in the NID.

Part 2: Common tabular format tables for tracking progress in implementing and achieving nationally determined contributions.

The MPGs specify various reporting requirements for Parties when tracking progress made in implementing and achieving their NDCs. This submission focuses on the description of the Party's NDC (section III.B in the Annex) and on the information necessary to track progress made in implementing and achieving NDCs (section III.C in the Annex). Paragraph 77 of the MPGs is clear that each Party shall provide the information referred to in paragraphs 65-76 and paragraph 77 (a)-(d) in a structured summary. Further, paragraph 17 of decision 4/CMA.1 decides that Parties shall account for their NDC in their biennial transparency reports, including through a structured summary. The structured summary therefore needs to include the accounting elements specified in Annex II of decision 4/CMA.1.

What type of information a Party will present, and especially its form, will depend on a Party's NDC under Article 4. The structured summary must therefore accommodate presentation of various types of information, quantitative and qualitative. A Party would therefore complete only sections in the tables that are applicable to the NDC it has communicated. The use of custom footnotes can be helpful in order to accommodate all NDCs and to specify when the information is applicable, and documentation boxes can be used if Parties wish to provide complementary qualitative information.

Paragraph 77(d) lists information that Parties that voluntarily choose to use Article 6 will have to provide in their structured summary. Sub-bullet (iii) of paragraph 77(d) requires Parties to report *"Any other information consistent with decisions adopted by the CMA on reporting under Article 6"*. This can be incorporated into the design of the structured summary and there is therefore no need to wait for the Article 6 negotiations to conclude.

Annexed to this submission is an option for the structured summary table through four tables.

Part 3: Common tabular formats on financial, technology development and transfer and capacity-building support

In this section, we have identified key elements that can improve comparability and ensure consistency across specific tables. In designing tables, we should be guided as closely as possible by the MPGs, with relevant paragraphs forming tables, sub-paragraphs forming distinctive reporting categories and where options follow the parenthesis in each of the sub-paragraphs. Translating the MPGs into tables will however also require some pragmatism. As a general consideration, we see a need to clarify the use and purpose of footnotes and notation keys. Footnotes should primarily identify the relevant qualifiers that follow from the MPGs. Additional information could be given through the BTR narrative report. Notation keys are important in order to indicate the level of information that is available.

Below we provide comments to specific paragraphs.

Financial support provided through bilateral, regional and other channels (relevant information consistent with Annex to MPGs, paragraph 123)

- Separate columns for reporting on (i) "recipient region or country" and (ii) "title of the project, programme, activity or other".
- Explore further how to reference technology development and transfer support (TT) and capacity-building support (CB) in the table.
- On type of support (adaptation, mitigation or cross-cutting), Parties should have the opportunity to indicate how much of specific contributions that went towards each type of support. This will allow Parties to share, where available, the split between adaptation and mitigation.
- Facilitate the reporting of standardised sectors by using the sector classification system, with purpose codes and names, in OECD DACs Common Reporting System. It should also be possible to import data reported to the DAC for reporting purposes under the UNFCCC.
- Clarify what is meant by multi-bilateral and how to report it in order to avoid confusion and the risk of double counting of funds.

Financial support provided through multilateral channels (relevant information consistent with Annex to MPGs, paragraph 124)

- Need to clarify inflow/outflow. There is a challenge that country reporting depend on information from multilateral institutions, but parties will nevertheless need to ensure that there is no double counting of funds.
- Need to clarify how "Amount" relates to core/general and climate specific.
- Explore further how to reference TT and CB in the table.

Financial support mobilized through public interventions (relevant information, in textual and/or tabular format, consistent with Annex to MPGs, paragraph 125)

- Explore whether the CTF can facilitate a more convergent classification on how to establish causality, e.g whether there is a "direct mobilisation" or an "indirect mobilisation".
- Explore how to capture total amount of resources used to mobilise the support where multiple actors are involved – in order to clarify that there is no double counting of funds.

Technology development and transfer support provided (relevant information consistent with Annex to MPGs, paragraph 127)

- Need to clarify the link between this table and the table for support.
- The table should aim to provide information that is not captured in the tables for support.
- Clarify whether to have standardised list of options for type of technology.
- Clarify whether to have have a standardised list of measure or activity.

Capacity-building support provided (relevant information consistent with Annex to MPGs, paragraph 129)

- Need to clarify the link between this table and the table for support.
- The table should aim to provide information that is not captured in the tables for support.
- Clarify whether to have a standardised list of measure or activity.

Financial support needed by developing country Parties (relevant information consistent with Annex to MPGs, paragraph 133)

- Explore how to report on sectors and whether a standardised classification would enhance consistency.
- Explore how to capture “Expected use, impact and estimated results” of the activities, e.g link to achieving NDCs and NAPS, climate impact by CO2 tons avoided and number of beneficiaries.

Financial support received by developing country Parties (relevant information consistent with Annex to MPGs, paragraph 134)

- Explore how to report on sectors and whether a standardised classification would enhance consistency.
- Explore how to capture results achieved, e.g through categories such as “underachieved”, “achieved”, or “overachieved” of the estimated results.

Technology development and transfer support needed (relevant information consistent with Annex to MPGs, paragraph 136)

- Need to clarify the link between this table and the table for financial support needed.
- The table should aim to provide information that is not captured in the tables for support needed.

Technology development and transfer support received (relevant information consistent with Annex to MPGs, paragraph 138)

- Need to clarify the link between this table and the table for financial support received.
- The table should aim to provide information that is not captured in the tables for support received.

Capacity-building support needed (relevant information consistent with Annex to MPGs, paragraph 140)

- Need to clarify the link between this table and the table for financial support needed.

- The table should aim to provide information that is not captured in the tables for support needed.

Capacity-building support received (relevant information consistent with Annex to MPGs, paragraph 142)

- Need to clarify the link between this table and the table for financial support received.
- The table should aim to provide information that is not captured in the tables for support received.

Support needed and received for the implementation of Article 13 of the Paris Agreement and transparency-related activities, including transparency-related capacity-building (relevant information consistent with Annex to MPGs, paragraph 144)

- Suggest to have two separate tables to capture (i) support needed and (ii) support received.
- Explore how to capture “use, impact and estimated results” of the activities, e.g link to BTR.
- Need to clarify the link between these tables and other tables on support needed and received.