



The links between reporting requirements under the UNFCCC and EU governance of 2030 targets

Policy Brief for the European Climate Foundation

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1 Introduction

Both at the international level and in the European Union (EU), governments currently negotiate future approaches to mitigating global climate change. In October 2014, the EU has agreed on three climate and energy targets to be reached by 2030: a reduction of greenhouse gas (GHG) emissions by least at 40 %, an increase of the renewable energy share in final energy consumption to at least 27 % and an improvement of energy efficiency by at least 27 % with the option of increasing this target to 30 %. In a second step, the EU is now debating **how to govern the implementation of these targets**. A particular focus of this debate is on the role that planning and reporting requirements can play in ensuring that all Member States adequately contribute to the 2030 energy targets given that they will not be broken down to national level. The expectation on the future governance approach is for it to ensure compliance with the EU-level targets, while at the same time leaving Member States the flexibility to determine appropriate national measures.

For the international climate negotiations under the **United Nations Framework Convention on Climate Change (UNFCCC)**, the year 2015 is even more crucial. In December, the parties to the UNFCCC will convene in Paris with the aim of adopting a climate regime for the period after 2020. The new agreement is supposed to succeed the **Kyoto Protocol (KP)** when the KP's second commitment period ends in 2020. However, while only a limited number of parties have taken on concrete commitments under the KP, the new agreement is intended to be applicable to all parties.

This policy briefs **explores linkages between these two processes with respect to the governance arrangements** for the post-2020 period. Specifically, the brief aims to identify to what extent existing and likely future measurement, reporting and verification (MRV) rules under the international regime could or should shape the EU decisions on post-2020 planning and reporting requirements.

To this end, the brief provides an overview of the relationship between the international regime and the EU. It outlines existing MRV requirements at international level and sketches out how they may change after 2020 (section 2 and Annex). Subsequently, it explores the implications of these international developments for the ongoing debate about an effective EU 2030 governance regime (section 3).

2 Governance under the UNFCCC and KP

2.1 Overview: The international climate regime and the EU

The **UNFCCC** is based on differentiated obligations for developed and developing countries. It contains fairly general obligations for *all* parties to develop and periodically update national inventories of GHG emissions and removals, and to formulate and implement programmes containing measures to mitigate climate change. In addition, it contains more stringent but still general obligations for developed country parties listed in Annex I to adopt national mitigation policies and take measures to limit emissions. Annex II contains a smaller set of developed countries which have obligations to provide financial and other support to developing countries. The annual Conference of the Parties (COP) adopts decisions by consensus which provide details, modalities and guidelines on the implementation of the Convention.

The **KP** is an institutionally connected but legally distinct treaty under the UNFCCC with separate and additional obligations for KP parties. Most notably, it contains quantified and economy-wide emission reductions targets for the parties in Annex B, as well as corresponding enhanced rules on accounting and reporting and a procedure for monitoring compliance. The US is a party to the UNFCCC but not to the KP. Canada withdrew from the KP in 2011 and is also not a party to it anymore.

The KP allows several parties to fulfil their obligations jointly: In a group of parties fulfilling jointly, some parties are allowed to fall short of fulfilling their individual obligations as long as the group as a whole fulfils its aggregate target. The group has to submit, at the time of ratification, a joint fulfilment agreement setting out the respective emission level allocated to each of the parties. If the group fails to fulfil its aggregate target, **each party remains individually responsible for fulfilling its individual target** as enshrined in Annex B of the KP. The EU and its Member States decided to jointly fulfil their commitments under the KP and also intend to do so under the new agreement post 2020. For the EU internally, this means that under EU law, Member States individually and collectively have the obligation to take all appropriate measures to ensure fulfilment of the international obligations and to abstain from any measure that could jeopardise its attainment.¹

The first commitment period under the KP ended in 2012. The COP in Doha adopted an amendment to the KP which contains quantified mitigation commitments for 38 parties for a **second commitment period** covering 2013 to 2020. In order to enter into force, the 2012 Doha KP amendment has to be ratified by at least 144 KP parties. As of 2 September 2015, 43 countries have ratified and the amendment has therefore not yet entered into force.² The EU, its Member States and Iceland intend to simultaneously deposit their respective instruments of acceptance before the Paris COP in December 2015. Only EU Member States, other European countries and Australia have commitments under the amended KP for the period 2013-2020. The US, Russia, Canada, Japan and developing countries do not. In view of the prospective new post-2020 climate regime to be adopted at COP 21 in Paris in 2015, it is expected that there will be no further commitment period under the KP after 2020.

The UNFCCC and KP contain obligations regarding **measurement, reporting and verification (MRV)**. Annex-I countries have to submit an annual inventory of their GHG emissions, including data for their base year and all the years since. They also have to report regularly on their climate change policies and measures every four years through National Communications and every two years through Biennial Reports (see Annex for details). The reporting requirements for developing countries are more general, less frequent and contingent on funding for the preparation of the reports. The KP contains additional reporting and reviewing requirements for developed countries that have ratified it. The KP also has a more rigorous review process and a compliance mechanism which has the mandate to provide advice and assistance to parties in order to promote compliance, as well as to determine consequences for parties not meeting their commitments.

¹ Council Decision of 12 June 2015 on the conclusion, on behalf of the European Union, of the Doha Amendment to the Kyoto Protocol to the United Nations Framework Convention on Climate Change and the joint fulfilment of commitments thereunder, 10400/5/14 REV 5, recital 8.

² For the status of the amendment see http://unfccc.int/kyoto_protocol/doha_amendment/items/7362.php.

It is important to distinguish between material obligations “to do something” and obligations to report something, i.e. the required content of the reports. For instance, Article 4.1(a) UNFCCC is an obligation for all parties to *develop* and periodically *update* national inventories of greenhouse gases. Article 12.1(a) UNFCCC contains the corresponding obligation for all parties to *report* their inventories. Under the UNFCCC the obligations are quite general regarding what parties have to do on mitigation. The EU Member States have a general obligation to implement measures to mitigate climate change, but the UNFCCC does not set out specific actions that parties have to implement. At the same time, the requirements for the contents of the report can be quite specific. The reporting obligations under the UNFCCC request parties to describe the way in which progress on mitigation is monitored and evaluated over time, including institutional arrangements for monitoring of GHG mitigation policy. However, a requirement to *report* whether and which monitoring arrangements are in place does not by itself mean that there is an obligation to actually *have* a specific monitoring arrangement.

2.2 The prospective post-2020 climate regime

Currently, a **prospective new climate regime** is under negotiation: In 2011, the parties to the UNFCCC agreed to negotiate and adopt, by the end of 2015, “a protocol, another legal instrument or an agreed outcome with legal force under the Convention” applicable to all parties, which should come into effect and be implemented from 2020.

The governance structure of the new climate regime is likely to be based on the concept of **intended nationally determined contributions (INDCs)**. INDCs are a new concept describing what a party officially presents as its intended climate actions for a future period under the post-2020 climate regime. Parties are supposed to present their first INDCs during 2015 in the run-up to Paris in order to discuss these contributions and include them in the agreement in Paris. At COP20 in Lima, the EU tried to establish requirements for the format and content of the first INDCs in order to enable a discussion before Paris on individual ambition, adequacy and comparability of efforts as well as aggregate effect towards the 2 degree limit. However, decision 1/CP.20 contains virtually no requirements in this regard and also no process for discussing these issues before Paris.

In terms of **content**, the INDCs are supposed to go beyond pledges that countries made before the 2014 COP in Lima.³ Apart from this, the Lima decision merely states that the INDCs “may” include certain information, namely “inter alia, quantifiable information on the reference point (including, as appropriate, a base year), time frames and/or periods for implementation, scope and coverage, planning processes, assumptions and methodological approaches including those for estimating and accounting for anthropogenic GHG emissions and, as appropriate, removals, and how the Party considers that its intended nationally determined contribution is fair and ambitious, in light of its national circumstances, and how it contributes towards achieving the objective of the Convention as set out in its Article 2”.⁴

³ The COP “[A]grees that each Party’s [INDC...] will represent a progression beyond the current undertaking of that Party”, Decision 1/CP.20, para 10.

⁴ Decision 1/CP.20, para 14.

As for **process**, the Secretariat is merely requested to publish the INDCs on the UNFCCC website⁵ and to prepare by 1 November 2015 a synthesis report on the aggregate effect of the INDCs received by 1 October.⁶

Apart from the first INDCs to be included in the Paris agreement, the negotiations envisage periodic ‘cycles’ in which the INDCs are regularly updated, e.g. every five or ten years. Yet the almost complete discretion parties currently have regarding format and content of their INDCs would make it difficult to understand and assess them as well as to ensure transparency of their implementation.

2.3 Likely future reporting under the new climate regime post 2020

The Paris outcome on the post-2020 climate regime is likely to be general and lack detail and depth. On the other hand, detail and depth are needed in order to understand and assess the broad range of different INDCs. As parties have almost unlimited flexibility in defining and presenting their INDCs, it is very difficult to understand what each party actually promises to do, and whether it has fulfilled its pledge.

- ▶ **The INDCs do not fit into the existing MRV system.** The existing MRV rules were not made with INDCs in mind and are not necessarily suitable for fulfilling this function. Conversely, the decisions that were adopted specifically for INDCs provide virtually no requirements for the first INDCs.
- ▶ In addition, the weak Lima decision on the required content for the first INDCs might have prejudicial effect on the rules or mandates that the Paris outcome might define regarding reporting on the first and subsequent INDCs.

It is likely that the Paris outcome will take the existing reporting structure of the UNFCCC as its model, and **merely establish mandates for further work** to elaborate more details on a future MRV and transparency system for INDCs. As a new agreement will be technically separate from the UNFCCC, the existing reporting system under the UNFCCC will remain in place unless parties decide to change it. With respect to this existing system, COP17 decided to revise the partly outdated 1999 reporting guidelines for National Communications (NCs) in order to update them and to align them with the more recent reporting guidelines for the Biennial Reports (BRs). So far there has been slow progress and no adopted outcome (as of September 2015).

It is more **difficult to anticipate** or envision **to what extent the Paris outcome might already establish key principles** or components that will guide the subsequent work on details. For instance, COP 16 in Cancun had decided in 2010 that developed countries “should” develop low-carbon development strategies and plans.⁷ There was little follow-up in subsequent COPs apart from a slight change in terminology and an invitation to report on progress (see Annex for details).⁸ One explanation could be that the negotiations for the post-2020 regime and the INDCs concept simply took priority. It

⁵ See: <http://www4.unfccc.int/submissions/indc/Submission%20Pages/submissions.aspx>.

⁶ As of 4 October 2015, 119 INDCs were submitted to the UNFCCC, including the EU’s INDC on behalf of the EU and 28 Member States.

⁷ Decision 1/CP.16, para 45.

⁸ Decision 2/CP.17, para 11; Decision 1/CP.18, para 10, referring to „low-emission development strategies“.

remains to be seen if and to what extent the concept of low-emission development strategies will be part of the post 2020 regime.

3 Relevance of the developments at international level for EU discussion on governance of 2030 targets

Although the international climate regime and EU climate governance are separate and distinct governance systems, they are linked: The EU is as such, in addition to each individual Member State, a party to the UNFCCC and to the KP. The EU and each individual Member States are therefore required by international law to implement its obligations under the UNFCCC and KP. Where the international climate regime does not prescribe specific actions, the EU is free to choose *how* it implements its international obligations. In addition, the EU is also free to do *more* than what is required internationally. The EU has in the past influenced the international regime by providing examples and models for climate governance and action. The EU showed “what can be done” and introduced its concepts into the international rules and negotiations for the post-2020 regime.

The analysis of the MRV system under the UNFCCC can be relevant to the current discussion about the EU 2030 framework in a number of ways, to which the following key messages correspond.

3.1 The EU's international obligations

The EU is under a continuous obligation to comply with UNFCCC requirements:

- ▶ MRV requirements agreed at international level for the pre- and post-2020 period have to be implemented at EU and Member State level in order to ensure compliance. The EU is under a continuous obligation to fulfil its international obligations. Thus, any changes to the existing planning and reporting requirements at EU level will have to be in accordance with international rules.
- ▶ There is an existing MRV system under the UNFCCC and KP, based on detailed rules for accounting, reporting and review. But it is as yet not clear to what extent the existing international MRV system will be transferred or apply to the post-2020 climate regime. Judging from the current pre-Paris state of negotiations, the existing MRV system is unlikely to fit the structure of post-2020 commitments. To date, **the EU has not been successful in its push for increasing transparency, comparability and accountability of INDCs** and their implementation. Based on the current state of play, there is no official mechanism for comparing and aggregating the commitments proposed for inclusion in the Paris agreement and it is unclear to what extent their implementation will be reviewed. While this can still change in Paris or during follow-up negotiations on implementing rules, **the international MRV regime for the period after 2020 is unlikely to become a driver for a more robust governance system in the EU.**
- ▶ If the international MRV system is weak, then **implementation at EU level could also be weak if the EU confines its own MRV system exclusively to implementing the minimum** of what it is required to do. However, there is no need for going back on what the EU has already achieved.

The EU could set examples for “what can work” that could be taken up at the international level:

- ▶ **The EU is free to go above and beyond mere compliance with existing international rules.** A future agreement at international level does not prevent the EU from devising its own robust and transparent instrument that allows it to strategically plan its GHG reduction trajectory and regularly review progress. This could have benefits for the EU internally as well as internationally.
- ▶ The EU could devise and implement a transparent and consistent planning and reporting regime that ensures that national governments and the Commission are fully accountable to stakeholders with respect to implementing their targets and share of the common burden.
- ▶ As in the past, the EU might consider that it is in its political interest to show international partners examples and models that are feasible, and to try to anchor this at the international level. As it has done under the UNFCCC and other international agreements in the past, **the EU could set an example for other countries to follow.** As with the EU ETS and the German Renewable Energy Act, governance models can have a strong influence on other countries.
- ▶ By doing so, **the EU would live up the vision it has itself formulated** (and is still formulating) **for the future set-up of the INDC compliance process.** More broadly, an ambitious climate and energy governance in the EU could also support the EU’s ambition to continue to be an **international leader in climate policy.**

3.2 Can we learn lessons from the international level for EU governance?

Apart from the actual requirements, **the international regime can provide lessons for the EU on how to ensure compliance – but only to a limited extent.**

- ▶ The regulatory levels, **governance structure and instruments at EU and international level are fundamentally different.** The climate regime under international law is essentially a horizontal legal order amongst peers. In contrast, the EU is a supra-national system of multi-level governance with a partial transfer of sovereign powers to institutionalised actors such as the Council, the European Commission and the European Parliament. The governance framework, set of instruments, and practice are completely different from what the UNFCCC has at its disposal. In particular, the EU can follow-up its rule-setting with an elaborate compliance and enforcement system that has no equivalent at the international level.
- ▶ As the UNFCCC is moving towards a less strict **pledging structure** for the post-2020 regime, structural problems emerge regarding its effectiveness and accountability: The less requirements there are for the nature, format and content of individual contributions, the more an MRV system is needed that can provide transparency and accountability. The EU should be aware of these **risks** when considering a similar pledging process for the EU 2030 targets, in particular for the renewable energy target.

- ▶ The EU's **joint fulfilment under the KP** could provide an **analogy for the EU 2030 renewable energy target**. It can work and provide some flexibility for under- and overachievers. However, the precondition for joint fulfilment under the KP is that **Member States are still responsible for a pre-fixed share of the collective target**. This is necessary in order to prevent free-riding. More flexibility does not (have to) mean less accountability.

3.3 Implications of the ongoing international negotiations for the design of the EU 2030 governance

Arguments in favour of “light touch” governance at EU level that refer to lower stringency of the UNFCCC system should be refuted, because they misinterpret the relationship between the two governance levels.

- ▶ There is merit in avoiding duplication in the reporting obligations that Member States have to fulfil toward the UNFCCC and to the EU. Therefore, the EU has streamlined and aligned the rules and timing of how to fulfil the reporting obligations to some extent, so that data collection and reporting by Member States can be used for both purposes.
- ▶ There is a **political risk that the streamlining rationale is used to argue that the EU's reporting requirements should be weakened** for the period 2020-2030 and not go beyond the minimum of what is required for reporting to the UNFCCC.
- ▶ However, aligning the rules does not necessarily mean that how and what to report to the UNFCCC is identical to how and what to report to the EU. The EU is free to report to the UNFCCC in more detail than required. In addition, **the rules at the international level do not prevent the EU from devising its own robust and transparent instrument** that allows it to strategically plan its GHG reduction trajectory and regularly review progress. Therefore, arguments in favour of “light touch” governance at EU level that refer to lower stringency of the UNFCCC system should be refuted, because they misinterpret the relationship between the two governance levels.

The international governance level has virtually no role in the strategic assessment of which legal instrument or instruments to use at EU level for implementing a streamlined planning and reporting regime for the 2030 climate and energy targets.

- ▶ Currently, reporting by Member States on the EU's renewables and energy efficiency targets is separate from GHG reporting. The legal basis, planning and reporting cycle and the compliance process are different. The Commission as well as several researchers have introduced the idea **to merge these separate planning and reporting requirements for GHG, renewables and energy efficiency under the roof of a revised Monitoring Mechanism Regulation (MMR)**. Already today, the MMR integrates international-level reporting requirements based on UNFCCC decisions and EU requirements under the Effort Sharing Decision.
- ▶ There is **concern that the proposed merging provides an opportunity to weaken the planning and reporting requirements** compared to the status quo. Member States in favour of “light touch” governance could argue that streamlining means that the requirements should be limited to the minimum of what is required under the UNFCCC.

- ▶ However, **this risk exists independently of the proposed merging of rules**: The core EU planning and reporting requirements have to be agreed upon for the period 2020-2030 in any event, because the current EU rules do not apply beyond 2020.
- ▶ It is difficult to assess whether the political risk (that the requirements are weakened) is higher if the new rules for 2020-2030 are agreed through (i) revising the MMR to merge currently separate requirements, or (ii) a new overarching instrument, or (iii) revising the existing separate legal instruments. But in any event, **the international governance level has virtually no role in this strategic assessment.**

4 Annex: Details of UNFCCC reporting requirements

4.1 Overview

The current MRV system under the UNFCCC and the KP is based on **several reporting obligations** by individual parties regarding several issues. It sets out which information parties have to report to the Secretariat, the underlying methodologies, and what happens with the reported information. The UNFCCC contains basic reporting obligations regarding GHG inventories and information related to implementation,⁹ to be reported in national communications. The KP contains additional accounting and reporting requirements for its parties with mitigation targets in Annex B.¹⁰ Parties are required to report this additional information in their annual GHG inventory reports and National Communications submitted under the UNFCCC.¹¹ Subsequent COP and CMP decisions set out details on content, frequency and follow-up process as well as additional reporting requirements.

The EU is a party to the UNFCCC and the KP, separate and in addition to the individual Member States. While the UNFCCC in principle allows for reports to be made jointly by groups of parties, the reports have to include information on how each party fulfils its individual obligation under the Convention. The EU has so far submitted reports separately and in addition to those of its Member States.

The current MRV system for Annex-I countries under the UNFCCC comprises three regular reports: **(1) national GHG Inventories**, **(2) National Communications (NCs)** and **(3) Biennial Reports (BRs)**¹² (see overview in Table 1).

Table 1: Existing reporting requirements for Annex-I countries (simplified overview)

GHG Inventories	Report <ul style="list-style-type: none"> - annual - data of two years back - methodology and national system to collect the data Review annual by international expert review team (ERT) Discussion / follow-up in SBI and COP
National Communications (NCs)	Report <ul style="list-style-type: none"> - every 4 years; latest NC6 due on 1 January 2014 - implementation; summary of GHG inventory, climate finance Review by international expert review team Discussion / follow-up in SBI and COP
Biennial Reports (BRs) agreed in Cancun in 2010	Report = „Biennial Report“ <ul style="list-style-type: none"> - every two years from 1. January 2014 - mitigation measures - support provided (tabular format) Review by technical team of experts Discussion / follow-up: „Multilateral Assessment“ in SBI and COP

⁹ Articles 4.1 (a), (j); 4.2 (b)-(c); 12 UNFCCC.

¹⁰ Article 3.3, 3.4, 5, 7, 8, 10 (b)(ii), (f).

¹¹ For details see UNFCCC doc. FCCC/TP/2012/8, para 28-30.

¹² The Biennial Reports are available at:

http://unfccc.int/national_reports/biennial_reports_and_iar/submitted_biennial_reports/items/7550.php.

Basically the system has **three stages**: (1) preparation and submission of the report, (2) technical review of each individual report and (3) follow-up process with (political) assessment or consideration.¹³ For instance, after a party submits its NC, an international expert review team reviews the NC. The Secretariat regularly prepares compilation and synthesis reports which are on the agenda for discussion at the UNFCCC Subsidiary Bodies and COP. The COP has adopted COP decisions with guidelines for each stage.

Although the basic reporting requirements under the UNFCCC apply to both developed and developing countries, the guidelines and subsequent practice established **different requirements for Annex-I and non-Annex-I parties** regarding content, timeline, depth of review etc. While this is a major issue in the international negotiations for the Paris agreement and post-2020 regime, it is not the focus of this policy brief. The same goes for the reporting requirements regarding financial support provided by Annex-II countries.

4.2 National Communications (NCs)

The UNFCCC itself sets out specific requirements for what developed countries have to include in their NCs:¹⁴

- ▶ A detailed description of the **policies and measures (PAMs)** that the party has adopted to implement its obligation to
 - Update and make available its GHG inventories;
 - Formulate, implement, publish and regularly update national and, where appropriate, regional programmes containing mitigation measures.
- ▶ A specific estimate of the effects that the PAMs will have on anthropogenic emissions by its sources and removals by its sinks.
- ▶ Details of measures taken to provide financial and other support to developing countries.

These general requirements in the Convention are elaborated through several subsequent COP decisions which specify reporting content and process. For NCs the applicable reporting guidelines date back to 1999¹⁵ and set out the following relevant reporting obligations. Note that there are different degrees of prescriptiveness indicated by “may”, “should”, “shall” etc.

General requirements (para 8, 5¹⁶)

- ▶ Parties shall provide a description of national circumstances, how national circumstances affect GHG emissions and removals, and how national circumstances and changes in national circumstances affect GHG emissions and removals over time.

¹³ Cf UNFCCC doc. FCCC/TP/2012/8 p. 22.

¹⁴ Article 12.2 UNFCCC.

¹⁵ Decision 4/CP.5 and UN Doc FCCC/CP/1999/7: Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part II: UNFCCC reporting guidelines on national communications.

¹⁶ The paragraph numbers refer to the guidelines in UN Doc FCCC/CP/1999/7 (p. 80ff.).

- ▶ If a party cannot report mandatory elements for any reason, it has to explain the omission or the reason for partial reporting in the section relating to that element.

Mitigation policies and measures (para 13-16)

- ▶ Parties shall communicate information on policies and measures adopted to implement commitments under Article 4.2(a) and (b) UNFCCC.
- ▶ The policies and measures reported need not have the limitation and reduction of GHG emissions and removals as a primary objective. On the other hand, the NC does not have to report every policy and measure which affects GHG emissions.
- ▶ Parties may report on adopted policies and measures and those in the planning stage. “Planned policies and measures” are defined as “options under discussion and having a realistic chance of being adopted and implemented in future”.
- ▶ Parties should clearly distinguish both of these from policies and measures that have been implemented throughout.
- ▶ Parties should include PAMs at national, state, provincial, regional and local level; and may also include those adopted in the context of regional or international efforts.
- ▶ Parties should report on action taken to review policies that incentivise higher emissions, and provide the rationale for such actions.

Policy-making process (para 20-21)

- ▶ Parties should describe overall policy context, including any national targets for GHG mitigation. Strategies for sustainable development or other relevant policy objectives may also be covered.
- ▶ Parties should describe of the way in which progress with policies and measures to mitigate GHG emissions is monitored and evaluated over time, including institutional arrangements for monitoring of GHG mitigation policy.

Policies and measures and their effects (para 22-25)

For each PAM, information relevant for future effects and planning should include, inter alia:

- ▶ Objectives (in quantitative terms to the extent possible), type, status of implementation.
- ▶ As appropriate, a quantitative estimate of the impacts of individual policies and measures or collections of policies and measures, for a particular year, including estimated changes in activity levels and/or emissions and removals due to adopted and implemented policies and measures reported and a brief description of estimation methods.

Projections and the total effect of policies and measures (para 27–48)

- ▶ Requirements regarding purpose, projections, presentation relative to actual inventory data, coverage, assessment of aggregate effects, methodology, including:
- ▶ In order to to give an indication of (i) future trends in GHG emissions and removals, on the basis of implemented and adopted policies and measures, and (ii) the path of emissions and removals without such policies and measures.

- ▶ **Mandatory:** a “with measures” projection; optional: “without measures” and “with additional measures”, which includes planned PAMs. If projections include planned PAMs, then the starting point should generally be the latest year for which inventory data are available.
- ▶ Projections shall be presented on a sectoral basis, to the extent possible, using the same sectoral categories used in the policies and measures section.
- ▶ Parties should include projections on a quantitative basis for the years 2005, 2010, 2015 and 2020. The guidelines have so far not been revised to go beyond 2020 (see likely future reporting).
- ▶ The estimated and expected total effect of implemented and adopted policies and measures (mandatory) and of planned policies and measures (optional).
- ▶ Parties may use any models and/or approaches they choose, but should provide sufficient information to understand them (the guidelines list such information).
- ▶ Parties should report the main differences in the assumptions, methods employed, and results between projections in the current NC and those in earlier NCs.
- ▶ To provide the reader with an understanding of emission trends in the years 1990 to 2020 parties shall present relevant information on factors and activities for each sector.

4.3 Biennial Reports (BRs)

The requirement for biennial reports for AI countries was introduced at COP 10 in Cancun in 2010.¹⁷ The COP adopted reporting guidelines for BRs in 2011¹⁸ and a tabular format in 2013¹⁹. While the scope of biennial reports is largely similar to that of National Communications, the reporting requirements, in particular on policies and measures and GHG projections, contained in the reporting guidelines on BRs are less comprehensive.²⁰ This section lists selected requirements with forward-looking elements. Note that as with NCs, there are different degrees of prescriptiveness indicated by “may”, “should”, “shall” etc.:

GHG emissions and trends (para 2-3), including

- ▶ summary GHG inventory information from 1990 to most recent inventory;
- ▶ summary information on their national inventory arrangements and any changes.

Quantified economy-wide emission reduction target which shall be described with details on assumptions.

Progress in achieving quantified economy-wide **emission reduction targets** (para 6-10) which

¹⁷ Decision 1/CP.16, para 40.

¹⁸ Decision 2/CP.17: “UNFCCC biennial reporting guidelines for developed country Parties”. The paragraph numbers in the text refer to this decision.

¹⁹ Decision 19/CP.18: “Common tabular format for ‘UNFCCC biennial reporting guidelines for developed country Parties’”.

²⁰ UNFCCC Doc. FCCC/TP/2014/5 para 15 and 17.

- ▶ shall provide information on its mitigation actions, including on the policies and measures it has implemented or plans to implement since its last NC or BR; to the extent possible by sector and gas, and,
- ▶ shall provide information on changes in its relevant domestic institutional arrangements, including institutional, legal, administrative and procedural arrangements,
- ▶ shall include estimates of emission reductions and removals and the use of units from the market-based mechanisms and land use, land-use change and forestry activities.

Projections (para 11-12): Parties shall report the updated projections for 2020 and 2030 consistent with NC guidelines and report on changes since its most recent NC in the model or methodologies used for the preparation of projections and should provide supporting documentation.

Finally, Annex-I parties are encouraged to report, to the extent possible, on the domestic arrangements established for the process of the self-assessment of compliance with emission reductions in comparison with emission reduction commitments or the level of emission reduction that is required by science.

4.4 Low-emission development strategies (LEDS)

COP 16 in Cancun had decided in 2010 that developed countries “should” develop low-carbon development strategies and plans.²¹ Terminology appears to have changed as in subsequent decisions of 2011 and 2012 parties were invited to submit information related to progress towards the formulation of their *low-emission* development strategies.²² Apart from this invitation, there was little follow-up in subsequent COPs. One explanation could be that the negotiations for the post-2020 regime took priority and focused on establishing and anchoring the concept of INDCs. The current negotiating text contains an invitation to (all) parties to formulate and communicate longer-term low-emission development strategies. It remains to be seen if and to what extent the concept of low-emission development strategies will be part of the post 2020 regime.

²¹ Decision 1/CP.16, para 45.

²² Decision 2/CP.17, para 11; Decision 1/CP.18, para 10.