

**“MEASURABLE, REPORTABLE, AND VERIFIABLE”:
USING THE UNFCCC’S EXISTING MRV MECHANISMS
IN THE CONTEXT OF THE
AD HOC WORKING GROUP ON LONG TERM
COOPERATIVE ACTION UNDER THE CONVENTION**

SYNOPSIS

This South Centre Analytical Note suggests that the modalities for the “measurable, reportable, and verifiable” (MRV) conditions under operative paragraph 1(b)(i) and (ii) of the Bali Action Plan should be the existing MRV modalities with respect to mitigation commitments, financing, technology transfer, and capacity-building under the Convention. There is no need to reinvent the MRV wheel in the context of the intergovernmental processes under the Ad hoc Working Group on Long Term Cooperative Action under the Convention (AWG-LCA). Such MRV modalities already exist under the Convention and the Kyoto Protocol and the focus should therefore be on using and further strengthening such modalities.

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Executive Summary

Introduction

This Analytical Note looks at existing MRV modalities under the Convention and the Kyoto Protocol with respect to the measurement, reporting, and verification of the implementation of commitments to undertake mitigation measures and to provide financing, technology transfer, and capacity building to developing country Parties.

The phrase “measurable, reportable and verifiable” (or MRV) which appears in subparagraphs (i) and (ii) of paragraph 1(b) of the Bali Action Plan provides the parameters under which the mitigation actions by Parties should be undertaken. This means that, in accordance with the principle of common but differentiated responsibilities, and keeping in mind the balance of differentiated responsibilities as contained in Art. 4.7, the phrase MRV refers to:

- (i) nationally-appropriate mitigation commitments or actions by all developed country Parties; and
- (ii) the provision of technology, financing and capacity-building which enable and support nationally appropriate mitigation actions of developing country Parties in the context of sustainable development.

The MRV requirement is already present and embedded in the legal framework of obligations established under the Convention and the KP. There is no need for Parties to reinvent the MRV wheel in the context of the AWG-LCA processes when it would be far simpler and easier to simply use already existing MRV modalities, and to strengthen and to modify them further as may be necessary

On MRV for mitigation commitments

Under the Convention, Art. 4.1(a) in relation to Art. 7.2(d) with respect to the development of comparable methodologies, the decisions taken by the COP with respect to such methodologies, all already provide the AWG-LCA with an existing mechanism under which mitigation commitments and actions of developed country Parties that may be agreed upon under the AWG-LCA can be made “measurable.” The “reportable” criteria is covered by Art. 4.1(j) of the Convention which requires all Parties to “communicate to the Conference of the Parties information related to implementation, in accordance with Article 12” forms the basis for the commitments by Parties to submit their national communications (NCCs) under Article 12. The “verifiable” criteria is covered by Art. 4.2(b), under which the COP is required to review the detailed information to provided by Annex I Parties with respect to their policies and measures on the mitigation of climate change taken under Art. 4.2(a) and the resulting projected anthropogenic emissions by sources and removals by sinks of greenhouse gases. The COP review of such detailed information is to take place in accordance with Article 7.

Under the Kyoto Protocol, for Annex I Parties which are Parties to the Kyoto Protocol, KP Arts. 5 and 7 (and the CMP decisions thereunder) address national systems and methodologies for the preparation of greenhouse gas inventories and the reporting of information by Annex I Parties under the Protocol. KP Art. 7 requires Annex I Parties to submit regular full national communications on the action they are taking to implement the Protocol. These will be merged with national communications submitted under the Convention. KP Art. 8.1 and 2 puts in place modalities for the review of the information

submitted by Annex I Parties under KP Art. 7 by expert review teams “pursuant to the relevant decisions of the COP and in accordance with guidelines adopted for the purpose by the CMP”, thereby ensuring consistency of the manner in which MRV under the Convention is reflected in the KP. Furthermore, under KP Art. 8.3, such review process by the expert review teams “shall provide a thorough and comprehensive technical assessment of all aspects of the implementation by a Party of this Protocol”, which would assess “the implementation of the commitments of the Party” and identify “any potential problems in, and factors influencing, the fulfillment of commitments.”

On overall review of adequacy of mitigation actions

Art. 4.2(d) provides the COP with the mandate to conduct periodic reviews and the scientific, technical and economic verification of the extent to which – i.e. the adequacy of – the mitigation actions of Annex I Parties are meeting the objective of the Convention.

On MRV for financing, technology transfer, and capacity building

Under Art. 12.3, developed country Parties (under both Annex I and II) are required to “incorporate [in their national communications] details of measures taken in accordance with” Art. 4.3 (provision of new and additional financial resources), 4.4 (assistance to meet the costs of adaptation), and 4.5 (promotion, facilitation and financing of the transfer of, or access to, environmentally sound technologies and know-how).

On financing, Art. 11.4 requires the COP to undertake a review of the financial mechanism every four years. Reviews of the financial mechanism (including the operations of its operating entity or entities) are undertaken on the basis of guidelines adopted by the COP. These include the initial guidelines laid out in the Annex to Decision 3/CP.4 and additional guidelines indicated in paragraph 6 of Decision 2/CP.12 and in Decision 6/CP.13.

On technology transfer, previous sessions of the COP have discussed the issue of the implementation of Art. 4.5, with various decisions coming out that laid down specific actions to be undertaken by Parties, the secretariat, and the subsidiary bodies. Of particular importance is Decision 4/CP.7 which established a framework for “meaningful and effective actions to enhance the implementation” of Art. 4.5 of the UNFCCC “by increasing and improving the transfer of and access to environmentally sound technologies (ESTs) and know-how.” The decision’s annex identified five themes around which such “meaningful and effective actions” would be undertaken. These are on:

- Technology needs and needs assessments;
- Technology information;
- Enabling environments;
- Capacity building; and
- Mechanisms for technology transfer

Decision 13/CP.3 provided for a division of labour between the SBI and the SBSTA. With respect to issues relating to the development and transfer of technology, paragraph 3(c) and (d) of Decision 13/CP.3 provide as follows:

“(c) The Subsidiary Body for Implementation will, with inputs from the Subsidiary Body for Scientific and Technological Advice as appropriate, have responsibilities for assisting the Conference of the Parties **in the assessment and review of the effective implementation**

of the Convention with respect to the development and transfer of technology.” (emphasis added)

“(d) As stipulated in the Convention, and as decided by the Conference of the Parties in decision 6/CP.1, the Subsidiary Body for Scientific and Technological Advice will have responsibility for providing advice on all scientific, technological and methodological aspects of the development and transfer of technology.”

In short, while the SBSTA provides advice to the COP with respect to measuring the extent to which technology transfer under the Convention is occurring, the SBI assists the COP in assessing and reviewing the extent to which developed Parties have put or are putting in place concrete actions and policy approaches that effectively and meaningfully implement Art. 4.5 of the Convention with respect to technology transfer.

Capacity building to assist Parties, especially developing countries, to respond to climate change is embedded in the Convention, especially with respect to technology transfer, national communications and funding. It is the SBI that is charged with providing advice on “ways and means of supporting endogenous capacity building in developing countries.” Through Decisions 10/CP.5 and 11/CP.5, the COP launched a process to address capacity building in an integrated manner. This process resulted in the Capacity Building Frameworks for developing countries and countries with economies in transition (EITs) reflected in Decisions 2/CP.7 and 3/CP.7 respectively. These frameworks were intended to serve as a guide for the climate change capacity building activities of the GEF and other funding bodies.

To measure and review the implementation of the capacity-building frameworks, Decision 2/CP.7 requested the secretariat to collect, process, compile and disseminate the information needed by the COP or its subsidiary bodies to review the progress made in implementation of the capacity-building framework, drawing on information contained in national communications of developing country Parties as well as Annex II Parties, and reports from the GEF and other agencies. The first comprehensive review has been concluded by the COP, with the results given in Decisions 2/CP.10 and 3/CP.10. In its Decision 2/CP.10, the COP decided on a time frame and process for a second comprehensive review of the implementation of the capacity building framework in developing countries. The review would be initiated at SBI 28 (June 2008) with a view to completing it at COP 15 (November-December 2009). In its Decision 3/CP.10, the COP decided to review 3/CP.7 CB framework for EITs at SBI 27 (2007) in preparation of the first commitment period of the KP. In this decision, the COP requested the secretariat to compile and synthesize information from EITs and Annex II Parties for this review by SBI 27, including information from the GEF and its implementing agencies.

On comparability of actions

In order to ensure comparability of mitigation actions, the COP should conduct the MRV of those mitigation commitments as implemented under the Convention, with those mitigation commitments as implemented under the Protocol, and compare them, to determine the extent to which the developed country Parties are meeting their commitments under the Convention, and how these could be further enhanced through the decision on the agreed outcome to be taken under the Bali Action Plan. For these, the mechanisms of the Convention, further elaborated under the Protocol could serve as the bases for the COP consideration under the Bali Action Plan.

Implementation mechanisms for MRV

The COP is legally mandated under Art. 4.2(d) and Art. 7 to serve as the MRV operational body for the Convention. Additionally, Art. 10.2 mandates the Subsidiary Body for Implementation (SBI), “under the guidance” of the COP, to assist the COP in undertaking MRV activities. With respect to the Kyoto Protocol, it is the COP/MOP which serves as the MRV operational body.

Conclusion

There is no need to reinvent the MRV wheel. When it comes to agreeing on the MRV modalities in relation to Paragraph 1(b)(i) and (ii) of the Bali Action Plan, the existing MRV modalities under both the Convention and the Protocol with respect to mitigation, financing, technology transfer, and capacity building, should be used

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I. Introduction

1. The Bali Action Plan (Decision 1/CP.13) states, in its operative paragraph 1(b), that “enhanced national/international action on mitigation of climate change” would include consideration of, inter alia:

For developed country Parties:

“(i) **Measurable, reportable and verifiable** nationally appropriate mitigation commitments or actions, including quantified emission limitation and reduction objectives, by all developed country Parties, **while ensuring the comparability of efforts among them**, taking into account differences in their national circumstances; (emphasis added)

For developing country Parties:

“(ii) Nationally appropriate mitigation actions by developing country Parties in the context of sustainable development, supported and enabled by technology, financing and capacity-building, in a **measurable, reportable and verifiable** manner;” (emphasis added)

2. The phrase “measurable, reportable and verifiable” (or MRV) which appears in subparagraphs (i) and (ii) of paragraph 1(b) of the Bali Action Plan provides the parameters under which the mitigation actions by Parties should be undertaken. This means that, in accordance with the principle of common but differentiated responsibilities, and keeping in mind the balance of differentiated responsibilities as contained in Art. 4.7, *the phrase MRV refers to:*
 - i. *nationally-appropriate mitigation commitments or actions by all developed country Parties; and*
 - ii. *the provision of technology, financing and capacity-building which enable and support nationally appropriate mitigation actions of developing country Parties in the context of sustainable development.*
3. It may likewise be kept in mind that, under the Convention and its principles, developing country Parties do not have any commitments to mitigate (Article 4.1 of the Convention). What they do have, in common with developed country Parties, and “taking into account their common but differentiated responsibilities and their specific national and regional development priorities, objectives and circumstances”, are commitments to, inter alia:
 - i. **“promote and cooperate** in the development, application and diffusion, including transfer, of technologies, practices and processes that control, reduce or prevent anthropogenic emissions of greenhouse gases not controlled by the Montreal Protocol in all relevant sectors, including the energy, transport,

industry, agriculture, forestry and waste management sectors (Art. 4.1(c); emphasis supplied); and

- ii. “promote sustainable management, and **promote and cooperate** in the conservation and enhancement, as appropriate, of sinks and reservoirs of all greenhouse gases not controlled by the Montreal Protocol, including biomass, forests and oceans, as well as other terrestrial, coastal and marine ecosystems.”(Art. 4.1(d); emphasis supplied).

4. Together, **Art. 4.1(c) and (d), to be undertaken through promotion and cooperation with all Parties, determine the manner in which measures and actions leading to mitigation of developing country Parties’ greenhouse gas emissions shall be implemented.** The implementation of such measures and actions in compliance with Art. 4.1(c) and (d) are, moreover, subject to Art. 4.3, which states that developed country Parties “shall also provide such (“new and additional”) financial resources, including for the transfer of technology, needed by the developing country Parties to meet the agreed full incremental costs of implementing measures that are covered by paragraph 1 of this Article...” That is, developing country Parties’ mitigation measures under Art. 4.1(c) and (d) are premised on the provision by developed country Parties of new and additional financial resources to meet the agreed full incremental costs of such measures under Art. 4.3.

5. Developed country Parties, on the other hand, have specific mitigation commitments under Art. 4.2(a) as follows:

2. The developed country Parties and other Parties included in Annex I **commit themselves specifically** as provided for in the following:

- (a) **Each of these Parties shall adopt national¹ policies and take corresponding measures on the mitigation of climate change, by limiting its anthropogenic emissions of greenhouse gases and protecting and enhancing its greenhouse gas sinks and reservoirs.** These policies and measures will **demonstrate that developed countries are taking the lead in modifying longer-term trends in anthropogenic emissions** consistent with the objective of the Convention, recognizing that the return by the end of the present decade to earlier levels of anthropogenic emissions of carbon dioxide and other greenhouse gases not controlled by the Montreal Protocol would contribute to such modification, and taking into account the differences in these Parties’ starting points and approaches, economic structures and resource bases, the need to maintain strong and sustainable economic growth, available technologies and other individual circumstances, as well as the need for equitable and appropriate contributions by each of these Parties to the global effort regarding that objective. These Parties may implement such policies and measures jointly with other Parties and may assist other Parties in contributing to the achievement of the objective of the Convention and, in particular, that of this subparagraph; (emphasis added)

¹ This includes policies and measures adopted by regional economic integration organizations.

6. Art. 4.2(a) and also Art. 4.2(b) on the communication of “detailed information on its policies and measures referred to in paragraph (a)” **determine the objective of the MRV to be conducted** on mitigation commitments or actions by developed country Parties.

7. This note identifies existing provisions and mechanisms with the UN Framework Convention on Climate Change (UNFCCC) and, correspondingly, the Kyoto Protocol (KP) that can and should form the basis for making the MRV requirement operational in the context of the AWG-LCA discussions, in accordance with the differentiated responsibilities as shown above.
8. **The MRV requirement is already present and embedded in the legal framework of obligations established under the Convention and the KP. There is no need for Parties to reinvent the MRV wheel in the context of the AWG-LCA processes when it would be far simpler and easier to simply use already existing MRV modalities, and to strengthen and to modify them further as may be necessary.**

II. MRV of Mitigation Commitments Under the Convention

A. Measurement under the Convention

9. Under the Convention, all Parties, “taking into account their common but differentiated responsibilities and their specific national and regional development priorities, objectives, and circumstances,”¹ are committed to, among other things, provide “national inventories of their anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, using comparable methodologies to be agreed upon by the Conference of the Parties” (underlining added).² Under Art. 7.2(d), the COP is mandated to promote and guide the development and period refinement of such comparable methodologies “for preparing inventories of greenhouse gas emissions by sources and removals by sinks, and for evaluating the effectiveness of measures to limit the emissions and enhance the removals of these gases.” Such methodologies would have to be agreed upon by the COP.
10. Such methodologies, which are in effect methodologies that enable the Parties to: (i) measure their greenhouse gas emissions and reductions, and (ii) evaluate their effectiveness, can therefore serve as the basis for measuring the impact of mitigation actions that might be agreed upon under the AWG-LCA.
11. **In short, Art. 4.1(a) in relation to Art. 7.2(d) with respect to the development of comparable methodologies, the decisions taken by the COP with respect to such methodologies, all already provide the AWG-LCA with an existing mechanism under which mitigation commitments and actions of developed country Parties that may be agreed upon under the AWG-LCA can be made “measurable.”**

B. Reporting Under the Convention

12. Article 4.1(j) of the Convention requires all Parties to “communicate to the Conference of the Parties information related to implementation, in accordance with Article 12.” This common commitment – to report to the COP the extent of implementation by a Party of its other commitments under the Convention – forms the basis for the commitments by Parties to submit their national communications (NCCs) under Article 12.

¹ Art. 4:1.

² Art. 4:1(a).

13. All Parties are, under Art. 12.1, required to communicate – i.e. to report – to the COP information on: (i) their national inventory of greenhouse gas emissions and removals, (ii) a general description of steps taken or envisaged to implement the Convention, and (iii) any other information that the Party considers to be relevant to the achievement of the objective of the Convention and suitable for inclusion in its communication. Consistent with this, under KP Art. 10(f), all Parties (both developed and developing) are required to “include in their national communications information on programmes and activities undertaken pursuant to” KP Art. 10.³
14. Under Art. 12.2, Annex I Parties are required to communicate – i.e. to report: (i) a “detailed description of the policies and measures” that they have individually adopted to implement their mitigation commitments Art. 4.2(a) and (b); and (ii) a “specific estimate of the effects” that their mitigation policies and measures “will have on anthropogenic emissions by its sources and removals by its sinks of greenhouse gases.”
15. Art.12.5 sets out a differentiated timetable for the submission of national communications by Parties under Art. 12.1 and 12.2.

1. Annex I National Communications

16. The national communications of Annex I Parties should conform to the revised reporting guidelines for the preparation of national communications.⁴ Additionally, a number of decisions and conclusions should be taken into account by Annex I Parties when preparing national communications, including the following:⁵

1. Relevant COP decisions and conclusions of the subsidiary bodies

A. National communications

- **Decision 1/CP.9** - National communications from Parties included in Annex I to the Convention
- **Decision 4/CP.8** - National communications from Parties included in Annex I to the Convention
- **Decision 4/CP.5** - Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part II: UNFCCC reporting guidelines on national communications (pages 80-100)

B. Projections and the total effect of policies and measures

- **SBSTA 21 Conclusions** - "Emissions projections of Parties included in Annex I to the Convention "

C. Capacity-building

³ This article of the Protocol contains common commitments by all Parties under the KP.

⁴ See UNFCCC, Review of the implementation of commitments and other provisions of the Convention: UNFCCC guidelines on reporting and review (FCCC/CP/1999/7, 16 February 2000), at <http://unfccc.int/resource/docs/cop5/07.pdf>.

⁵See:

http://unfccc.int/national_reports/annex_i_national_communications/fourth_national_communications/items/3360.php.

- **Decision 2/CP.10** - Capacity-building for developing countries (non-Annex I Parties)
- **Decision 3/CP.10** - Capacity-building for countries with economies in transition
- **Decision 2/CP.7** (paragraph 12) - Capacity-building in developing countries (non-Annex I Parties)
- **Decision 3/CP.7** (paragraph 5) - Capacity-building in countries with economies in transition

D. Research and systematic observation

- **Decision 5/CP.5** (paragraph 8) - Research and systematic observation

E. Education, training and public awareness

- **Decision 7/CP.10** (paragraph 10) - Status of, and ways to enhance, implementation of the New Delhi work programme on Article 6 of the Convention
- **Decision 11/CP.8** (paragraph 3) - New Delhi work programme on Article 6 of the Convention

F. Adaptation and response measures

- **Decision 1/CP.10** (paragraphs 12 and 18) - Buenos Aires programme of work on adaptation and response measures
- **Decision 5/CP.7** (paragraphs 4 and 21) - Implementation of Article 4, paragraph 8 and 9, of the Convention (decision 3/CP.3 and Article 2, paragraph 3, and Article 3, paragraph 14, of the Kyoto Protocol)

2. Additional reporting requirements for Annex I Parties that are also Parties to the Kyoto Protocol

A. Reporting on progress in achieving the Kyoto Protocol commitments (Art. 3.2)

- **Decision 25/CP.8** - Demonstrable progress under Article 3, paragraph 2, of the Kyoto Protocol

B. Reporting of supplementary information (Art. 7.2)

- **Decision 22/CP.7** - Guidance for the preparation of the information required under Article 7 of the Kyoto Protocol

C. Calculation of assigned amount (Art. 7.4)

- **Decision 19/CP.7** - Modalities for accounting of assigned amounts under Article 7, paragraph 4, of the Kyoto Protocol

2. Non-Annex I National Communications

17. Each non-Annex I Party are to submit its initial communication within three years of the entry into force of the Convention for that Party, or of the availability of financial resources (except for the least developed countries, who may do so at their discretion). Guidelines for the preparation of initial national communications from

non-Annex I Parties were adopted at COP 2 in Geneva in 1996. COP 5 (Bonn, 1999) established a Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention (CGE) in order to improve the process of preparation of national communications by non-Annex I Parties. At COP 8 (New Delhi, 2002) Parties adopted Decision 17/CP.8 providing for the revised guidelines for the preparation of national communications from non-Annex I Parties and decided to continue the mandate of the CGE.⁶

18. COP 11 took a decision on the submission of second, and where appropriate, third national communications from non-Annex I Parties.⁷ The preparation of second and, where appropriate third and initial national communications will be based on the revised guidelines for national communications by non-Annex I Parties.
19. The Global Environment Facility (GEF), as an operating entity of the financial mechanism of the Convention, is supposed to provide “new and additional financial resources to meet the agreed full costs incurred by developing country Parties in complying with their obligations under Article 12, paragraph 1”⁸ Consistent with Art. 11.1, the financial mechanism shall function under the guidance of the Conference of the Parties. The COP therefore adopted decisions providing guidance to the GEF, as an operating entity of the financial mechanism, for the provision of these financial resources to non-Annex I Parties. The GEF, for this purpose, acts through its implementing agencies (UNDP, UNEP and the World Bank). Some bilateral and regional UN agencies also provide financial and technical assistance to many non-Annex I Parties in preparing their national communications, mainly in the form of capacity-building activities.
20. The GEF has adopted operational procedures for the expedited financing of national communications from non-Annex I Parties to assist eligible countries to formulate and submit proposals based on COP 8 guidelines.⁹ Under these operational procedures, up to US\$405,000 is made available to each non-Annex I Party for the preparation of its national communication. The GEF also provides an additional US\$15,000 per country for stocktaking exercise and stakeholder consultations in preparation of the project proposals. That such amounts should be determined by the GEF alone is contrary to the obligation to provide “agreed full cost” funding for the preparation of national communications. This has been one of the most contentious issues under continued negotiations on the matter of non-Annex I communications under the Convention.
21. To date, 132 out of 148 non-Annex I Parties have submitted their initial national communications. These are compiled and synthesized by the secretariat but are not subject to in-depth review (unlike Annex I national communications). The secretariat has prepared compilation and synthesis reports annually since 1999, to take account of new initial communications submitted by Parties.¹⁰ Also, the secretariat

⁶ See <http://unfccc.int/resource/docs/cop8/07a02.pdf#page=2> for the text of Decision 17/CP.8. The secretariat has produced a user manual to facilitate the usage of the new guidelines, available in 3 UN languages (English - http://unfccc.int/resource/userman_nc.pdf, French - http://unfccc.int/resource/userman_nc_fr.pdf, and Spanish - http://unfccc.int/resource/userman_nc_es.pdf).

⁷ See Decision 8/CP.11.

⁸ Art. 4.3.

⁹ See http://www.gefweb.org/Documents/enabling_activity_projects/documents/GEF-C22-Inf16.pdf for the text of these procedures.

¹⁰ For these reports, see the UNFCCC website at http://unfccc.int/national_reports/non-annex_i_natcom/compilation_and_synthesis_reports/items/2709.php.

regularly provides a detailed table on the status of the preparation of non-Annex I national communications¹¹ and compiles a list of mitigation projects¹² included in non-Annex I national communications pursuant to Art. 12.4.

C. Review and Verification under the Convention

22. Verification and review modalities to assess compliance by Annex I Parties with their mitigation commitments already exist under the Convention.
23. Under Art. 4.2(b), the COP is required to review the detailed information to provided by Annex I Parties with respect to their policies and measures on the mitigation of climate change taken under Art. 4.2(a)¹³ and the resulting projected anthropogenic emissions by sources and removals by sinks of greenhouse gases. The COP review of such detailed information is to take place in accordance with Article 7.
24. Art. 7.2 requires the COP to conduct a “regular review” of “the implementation of the Convention and any related legal instruments¹⁴” that the COP may adopt so that it can make “the decisions necessary to promote the effective implementation of the Convention.” Among other things, such regular review should include assessing, “on the basis of all information made available to it in accordance with the provisions of the Convention” (which would include the detailed information under Art. 4.2(b) from Annex I Parties) “the implementation of the Convention by the Parties, the overall effects of the measures taken pursuant to the Convention, in particular environmental, economic and social effects as well as their cumulative impacts and the extent to which progress towards the objective of the Convention is being achieved.”¹⁵
25. This means, in short, that such information from Annex I Parties under Art. 4.2(b) should be used by the COP as among the basis to review and verify: (i) the extent to which such Parties are complying with their mitigation commitments under Art. 4.2(a), (ii) the effects and impacts of such compliance measures, and (iii) whether these measures are resulting in progress in achieving the Convention’s objective. This, in effect, is a clearly existing verification mechanism under the Convention that could be used in the context of the MRV discussions under the AWG-LCA.
26. To implement the Convention provisions above, Decisions 2/CP.1, 9/CP.2, 6/CP.3 and 33/CP.7 require that each Annex I Party national communication is subject to an “in-depth” review that would be undertaken by an international team of experts, coordinated by the UNFCCC secretariat. The review is described as follows:

The review of each national communication typically involves a desk-based study and an in-country visit, and aims to provide a comprehensive, technical assessment of a Party's implementation of its commitments. The in-depth review results in an in-depth review report, which typically expands on and updates the national communication. The in-depth review

¹¹ See the latest report (2005) at <http://unfccc.int/resource/docs/2005/sbi/eng/inf03.pdf>.

¹² See <http://unfccc.int/resource/docs/2005/sbi/eng/inf08.pdf>.

¹³ These are those referred to in Art. 4:2(a), i.e. “national policies and ... corresponding measures on the mitigation of climate change.”

¹⁴ This would hence include the Kyoto Protocol within the scope of such mandated regular review by the COP of the implementation of the Convention.

¹⁵ Art. 7:2(e).

reports aim to facilitate the work of the COP in assessing the implementation of commitments by Annex I Parties. The reports also allow easier comparison of information between the national communications of Parties, although no common indicators are employed.¹⁶

27. Additionally, the UNFCCC secretariat also:

- prepares a compilation and synthesis (C&S) report that summarizes the most important information provided in individual communications;¹⁷
- compiles the latest emissions data submitted by Parties in their annual inventories on a regular basis and makes them available on the secretariat web site. These compilations of annual inventory data submitted by Annex I Parties are annually considered by the SBI, which has often expressed concern over the increase in emissions in many Annex I Parties indicated by the data and reaffirmed the need for further action to reverse this trend.¹⁸

28. According to Decisions 3/CP.5, 6/CP.5, and 18/CP.8, “the technical review of GHG inventories involves an initial check and a synthesis and assessment of all Annex I Party annual inventories, along with a review of individual inventories on a voluntary basis” (with an individual review becoming mandatory in 2003 for all Annex I Parties).¹⁹

29. COP Decision 7/CP.11 entitled “Review processes during the period 2006–2007 for Parties included in Annex I to the Convention”, recognized that the review procedures during the period 2006–2007 needed to be streamlined in order to ensure the effective use of resources needed to meet additional review requirements for Annex I Parties that are also Parties to the Kyoto Protocol. It requested the secretariat to organize a centralized review of fourth national communications, and an in-country, in-depth review of the fourth national communication for those Parties that request one. It also requested the secretariat to prepare the compilation and synthesis report on fourth national communications. The CMP, by its Decision 26/CMP.1, requested the secretariat to prepare the compilation and synthesis of supplementary information included in fourth national communications, in accordance with KP Art. 7.2, submitted by Annex I Parties to the Convention that are also Parties to the Kyoto Protocol.²⁰

III. MRV of Mitigation Commitments Under the Kyoto Protocol

A. Measurement under the Kyoto Protocol

30. For Annex I Parties which are Parties to the Kyoto Protocol, KP Arts. 5 and 7 address reporting of information by Annex I Parties under the Protocol, as well as national

¹⁶ See http://unfccc.int/national_reports/annex_i_natcom/items/3076.php.

¹⁷ For the latest C&S report of Annex I communications, see FCCC/SBI/2003/7 and FCCC/SBI/2003/7/Add.1-2-3-4)

¹⁸ A compilation of the latest inventory data for the period of 1990-2002 was prepared for COP 10 in Buenos Aires, December 2004, see [FCCC/CP/2004/5](http://unfccc.int/CP/2004/5), [FCCC/WEB/2004/3](http://unfccc.int/WEB/2004/3).

¹⁹ The results of the various stages of the technical reviews so far completed have been published on the secretariat's web site: initial check of annual inventories (2000, 2001, 2002, 2003, 2004); synthesis and assessment of GHG inventories (2000, 2001, 2002, 2003, 2004); and reviews of individual GHG inventories (2000, 2001, 2002, 2003, 2004)

²⁰ See “Recent developments”, at http://unfccc.int/national_reports/annex_i_natcom/items/1095.php.

systems and methodologies for the preparation of greenhouse gas inventories. KP Art. 5.1 commits Annex I Parties to have in place, no later than 2007, national systems for the estimation of greenhouse gas emissions by sources and removals by sinks. KP Art. 5.2 states that, where agreed methodologies²¹ are not used to estimate emissions and removals, appropriate “adjustments” should be applied. KP Art. 7 provides for additional information to be reported, including: (i) supplementary information to be incorporated in their annual national inventory²² of anthropogenic emissions and removals to ensure compliance with their mitigation commitments under KP Art. 3; and (ii) supplementary information to be incorporated in their national communications under Art. 12.1 and 12.2 of the Convention “to demonstrate compliance” with their commitments under the Protocol. In addition, KP Art. 7 states that the Conference of the Parties serving as the meeting of the Parties to the Protocol (CMP) shall decide upon modalities for the accounting of assigned amounts prior to the first commitment period. Furthermore, the last sentence of KP Art. 3.3 also requires them to also report the net changes in their greenhouse gas emissions by sources and removals by sinks resulting from direct human-induced land-use change and forestry activities (limited to afforestation, reforestation and deforestation).

31. The Marrakesh Accords required each Annex I Party to have in place a national system to estimate its greenhouse gas emissions and removals, along with a national registry to account for, record, and monitor transactions by Annex I Parties in assigned amount units (AAUs), certified emission reductions (CERs) and emission reduction units (ERUs), and removal units (RMUs) generated by LULUCF activities. Prior to the start of the KP’s first commitment period (2008-2012), each Annex I Party was required submit a report to the secretariat describing its national system and registry, and providing the emissions data necessary to formally establish its assigned amount. The assigned amount of each Annex I Party is then recorded in a compilation and accounting database held with the secretariat. This database records the annual emissions of Parties (as reported in their annual inventories), along with their total annual transactions in AAUs, CERs, ERUs and RMUs. As an added monitoring tool, the secretariat will manage an independent transaction log, which will automatically check the validity of transactions under the flexibility mechanisms and LULUCF activities. Every year, the secretariat will publish a compilation and accounting report for each Annex I Party, based on the information contained in its database. The final secretariat report published at the end of the commitment period will form the basis for assessing whether Annex I Parties have complied with their emission targets.²³

32. The CMP 1 adopted the following decisions relating to KP Arts. 5 and 7:

- **Decision 13/CMP.1** - Modalities for the accounting of assigned amounts under KP Art. 7.4;
- **Decision 14/CMP.1** - Standard electronic format for reporting Kyoto Protocol units;
- **Decision 19/CMP.1** - Guidelines for national systems under KP Art. 5.1;
- **Decision 20/CMP.1** - Good practice guidance and adjustments under KP Art. 5.2;
- **Decision 21/CMP.1** - Issues relating to adjustments under KP Art. 5.2.

²¹ These agreed methodologies are, under Decision 2/CP.2, the revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories.

²² This is the national inventory requirement under Art. 12:1 of the Convention.

²³ For more information on this, see:

http://unfccc.int/national_reports/accounting_reporting_and_review_under_the_kyoto_protocol/items/1029.php

33. **In short, KP Art. 5 and 7 and the CMP decisions thereunder, also already provide the AWG-LCA with an existing mechanism under which mitigation actions that may be agreed upon under the AWG-LCA can be made “measurable.”**

B. Reporting under the Kyoto Protocol

34. Under KP Art. 7, Annex I Parties must submit regular full national communications on the action they are taking to implement the Protocol. These will be merged with national communications submitted under the Convention. At its first session, in Decision 15/CMP.1, the COP/MOP adopted guidelines for the preparation of the information required under KP Art. 7.

C. Review and Verification under the Kyoto Protocol

35. For Annex I Parties which are also Parties to the Kyoto Protocol, KP Art. 8.1 and 2 puts in place modalities for the review of the information submitted by Annex I Parties under KP Art. 7 by expert review teams “pursuant to the relevant decisions of the COP and in accordance with guidelines adopted for the purpose by the CMP”, thereby ensuring consistency of the manner in which MRV under the Convention is reflected in the KP. Furthermore, under KP Art. 8.3, such review process by the expert review teams “shall provide a thorough and comprehensive technical assessment of all aspects of the implementation by a Party of this Protocol”, which would assess “the implementation of the commitments of the Party” and identify “any potential problems in, and factors influencing, the fulfillment of commitments.” In short, KP Art. 8.3 contemplates a technical verification process for the information submitted by Annex I Parties in relation to their implementation of their mitigation commitments under the Convention and the KP.

36. The verification procedure by these expert review teams is described by the secretariat as follows:²⁴

Expert review teams will check annual inventories, to make sure they are complete, accurate and conform to the guidelines. The annual inventory review will generally be conducted as a desk or centralized review. However, each Annex I Party will be subject to at least one in-country visit during the commitment period. If any problems are found, the expert review team may recommend adjusting the data to make sure that emissions during any year of the commitment period are not underestimated. If there is disagreement between a Party and the expert review team about the adjustment that should be made, the Compliance Committee will intervene. Aside from recommending data adjustments, the expert review team has the mandate to raise any apparent implementation problems with the Compliance Committee. Once the compliance procedures have been finalized, the compilation and accounting database will be updated with a record of the Party’s emissions for that year.

Expert review teams for both annual inventories and national communications will be coordinated by the secretariat. Consisting of some

²⁴ See “Reporting and Review”, at: http://unfccc.int/national_reports/accounting_reporting_and_review_under_the_kyoto_protocol/items/113.php.

four to twelve people, they will be composed of experts selected from a roster of individuals nominated by Parties, and will be led by two lead reviewers, one each from an Annex I and a non-Annex I Party. Expert reviewers will have to undergo training, to ensure that they possess the necessary competence to carry out reviews.

37. The following decisions of the COP/MOP provide the parameters for the expert review process under the KP:

- **Decision 22/CMP.1** - Guidelines for review under KP Art. 8;
- **Decision 23/CMP.1** - Terms of service for lead reviewers;
- **Decision 24/CMP.1** - Issues relating to the implementation of KP Art. 8 – 1 (Training programme for members of expert review teams);
- **Decision 25/CMP.1** - Issues relating to the implementation of KP Art. 8 – 2 (Confidential information)

IV. Overall Review of the Adequacy of Mitigation Actions and Provision of Information by Annex I Parties

38. Finally, Art.4.2(d)'s last sentence also provides for a periodic review by the COP of "the adequacy of subparagraphs (a) and (b)" of Art. 4.2 – i.e. subparagraph (a) referring to the mitigation commitment to adopt national policies and take corresponding measures on the mitigation of climate change by Annex I Parties, and subparagraph (b) referring to these Parties commitment to provide detailed information on such policies and measures.

39. This means that the COP should periodically review whether or not the actions undertaken and information provided by Annex I Parties in compliance with Art. 4.2(a) and (b) are adequate for meeting the objective of the Convention.²⁵ Such review is to be carried out, in the words of Art. 4.2(d), "in the light of the best available scientific information and assessment on climate change and its impacts, as well as relevant technical, scientific and economic information." In short, **Art. 4.2(d) provides the COP with the mandate to conduct periodic reviews and the scientific, technical and economic verification of the extent to which – i.e. the adequacy of – the mitigation actions of Annex I Parties are meeting the objective of the Convention.** Unfortunately, after the first review took place in 1995 in Berlin, no subsequent review has taken place.

V. MRV of the Provision of Financing, Technology and Capacity-Building to Support and Enable Nationally Appropriate Mitigation Actions of Developing Country Parties

A. Reporting through Annex I National Communications

40. Under Art. 12.3, developed country Parties (under both Annex I and II) are required to "incorporate [in their national communications] details of measures taken in

²⁵ Art. 2 of the Convention provides that its ultimate objective is "to achieve, ... stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system. Such a level should be achieved within a timeframe sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner."

accordance with” Art. 4.3 (provision of new and additional financial resources), 4.4 (assistance to meet the costs of adaptation), and 4.5 (promotion, facilitation and financing of the transfer of, or access to, environmentally sound technologies and know-how).

B. Financing – Measurement, Reporting, and Verification

41. On financing, Art. 11.4 requires the COP to undertake a review of the financial mechanism every four years. Reviews of the financial mechanism (including the operations of its operating entity or entities) are undertaken on the basis of guidelines adopted by the COP.²⁶ These include the initial guidelines laid out in the Annex to Decision 3/CP.4 and additional guidelines indicated in paragraph 6 of Decision 2/CP.12 and in Decision 6/CP.13.
42. The review guidelines as laid down by the COP give full scope for the COP during the fourth review of the financial mechanism to consider, inter alia:
 - an assessment of the funding necessary to assist developing countries, in accordance with the guidance provided by the Conference of the Parties, in meeting their commitments under the Convention;
 - options for scaling up the international financial response to climate change, based on national experiences and on available relevant documents;
 - the effectiveness of the financial mechanism in providing resources to developing country Parties to support and enable them to undertake nationally appropriate mitigation actions
 - looking at other possible institutional arrangements that may be done under the financial mechanism to make it more effective in the delivery of the required financing to developing country Parties
43. Key decisions with respect to the conduct of the reviews of the financial mechanism are listed below:²⁷
 - **Decision 6/CP.13:** Review of the financial mechanism
 - **Decision 2/CP.12 :** Review of the financial mechanism
 - **Decision 9/CP.10:** Assessment of funding to assist developing countries in fulfilling their commitments under the Convention
 - **Decision 5/CP.8:** Review of the financial mechanism
 - **Decision 3/CP.4:** Review of the financial mechanism
 - **Decision 12/CP.3:** Annex to the Memorandum of Understanding on the determination of funding necessary and available for the implementation of the Convention
 - **Decision 11/CP.3:** Review of the financial mechanism
 - **Decision 13/CP.2:** Memorandum of Understanding between the Conference of the Parties and the Council of the Global Environment Facility: annex on the determination of funding necessary and available for the implementation of the Convention
 - **Decision 12/CP.2:** Memorandum of Understanding between the Conference of the Parties and the Council of the Global Environment Facility

²⁶ See Decision 3/CP.4, Annex.

²⁷ See http://unfccc.int/cooperation_and_support/financial_mechanism/items/3658.php.

- **Decision 9/CP.1:** Maintenance of the interim arrangements referred to in Article 21, paragraph 3, of the Convention

C. Technology Transfer – Measurement, Reporting, and Verification

44. On technology transfer, previous sessions of the COP have discussed the issue of the implementation of Art. 4.5, with various decisions coming out that laid down specific actions to be undertaken by Parties, the secretariat, and the subsidiary bodies. Of particular importance is Decision 4/CP.7²⁸ which established a framework for “meaningful and effective actions to enhance the implementation” of Art. 4.5 of the UNFCCC “by increasing and improving the transfer of and access to environmentally sound technologies (ESTs) and know-how.” The decision’s annex identified five themes around which such “meaningful and effective actions” would be undertaken. These are on:

- Technology needs and needs assessments;
- Technology information;
- Enabling environments;
- Capacity building; and
- Mechanisms for technology transfer

45. Decision 13/CP.3²⁹ provided for a division of labour between the SBI and the SBSTA. With respect to issues relating to the development and transfer of technology, paragraph 3(c) and (d) of Decision 13/CP.3 provide as follows:

“(c) The Subsidiary Body for Implementation will, with inputs from the Subsidiary Body for Scientific and Technological Advice as appropriate, have responsibilities for assisting the Conference of the Parties **in the assessment and review of the effective implementation of the Convention with respect to the development and transfer of technology.**” (emphasis added)

“(d) As stipulated in the Convention, and as decided by the Conference of the Parties in decision 6/CP.1, the Subsidiary Body for Scientific and Technological Advice will have responsibility for providing advice on all scientific, technological and methodological aspects of the development and transfer of technology.”

46. In short, while the SBSTA provides advice to the COP with respect to measuring the extent to which technology transfer under the Convention is occurring, the SBI assists the COP in assessing and reviewing the extent to which developed Parties have put or are putting in place concrete actions and policy approaches that effectively and meaningfully implement Art. 4.5 of the UNFCCC.

47. Paragraph 7 of Decision 4/CP.13 on the development and transfer of technologies under the SBI³⁰ “[r]equests Parties to submit to the secretariat, by 15 February 2008, for synthesis and compilation, their views on elements for the terms of reference for the review and assessment of the effectiveness of the implementation of Article 4, paragraph 5, and Article 4, paragraph 1 (c), in accordance with decision 13/CP.3.” The themes coming from Decision 4/CP.7 could be among the elements for the terms

²⁸ See <http://unfccc.int/resource/docs/cop7/13a01.pdf#page=22> for the text of this decision.

²⁹ For the text of decision 13/CP.3, please see <http://unfccc.int/resource/docs/cop3/07a01.pdf#page=44>

³⁰ For the text of the decision, please see <http://unfccc.int/resource/docs/2007/cop13/eng/102.pdf>

of reference of the work of the SBI with respect to the development and transfer of technology under decision 4/CP.13 to review and assess the effectiveness of the implementation of Art. 4.5 of the UNFCCC.

48. In addition to establishing measurable review and assessment parameters with respect to the elements drawn from decision 4/CP.7, the SBI should consider the information required to be provided by developed Parties under Art. 12.3 (national communications) with respect to “details of measures taken in accordance with Article 4, paragraphs ... 5.” The work of the expert review teams reviewing Annex I national communications is crucial for this purpose, and should be taken into account in the review and assessment of the effectiveness of the implementation of Article 4.5 of the Convention.

49. Furthermore, the SBI could also draw upon the conclusions and recommendations of the Expert Group on Technology Transfer (EGTT), in particular with respect to its finding that discussions relating to technology transfer need to be complemented by concrete, practical, results-oriented actions in specific sectors and programs. In this context, the work of the SBI in reviewing and assessing the implementation of Art. 4.5 could also include looking at the extent to which, inter alia:

- current mechanisms and policy approaches, including financing mechanisms, are actually effective in terms of promoting and supporting actual, on-the-ground, development and transfers of technology in implementation of Art. 4.5;
- technologies that are developed and/or transferred in implementation of Art. 4.5 are adapted or appropriate to the national environmental, social, and economic contexts of the recipient Party. This could include an identification of the opportunities for and barriers to (including market and policy conditions) such development and transfer of nationally- or locally-appropriate technologies;
- the specific needs and concerns of developing country Parties listed in Art. 4.8 arising from the adverse effects of climate change and/or the impact of the implementation of response measures, and those of least-developed countries were given full consideration (with respect to Art. 4.8) and taken fully into account, with respect to Art. 4.9.

50. Some key decisions of the COP with respect to technology transfer which should serve as the basis for any MRV modalities are as follows:³¹

- **Decision 6/CP.11** - Development and transfer of technologies
- **Decision 10/CP.8** - Development and transfer of technologies
- **Decision 4/CP.7** - Development and transfer of technologies (includes the Framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention)
- **Decision 1/CP.6** - Implementation of the Buenos Aires Plan of Action
- **Decision 9/CP.5** - Development and transfer of technologies: Status of the consultative process
- **Decision 4/CP.4** - Development and transfer of technologies (includes the establishment of a consultative process on technology transfer)
- **Decision 9/CP.3** - Development and transfer of technologies
- **Decision 7/CP.2** - Development and transfer of technologies
- **Decision 13/CP.1** - Transfer of technology

³¹ See http://unfccc.int/cooperation_and_support/technology/items/3035.php.

D. Capacity-Building – Measurement, Reporting, and Verification

51. Capacity building to assist Parties, especially developing countries, to respond to climate change is embedded in the Convention, especially with respect to technology transfer, national communications and funding. It is the SBI that is charged with providing advice on “ways and means of supporting endogenous capacity building in developing countries.”³² The Kyoto Protocol commits Parties to cooperating in, and promoting, “...the strengthening of national capacity building...”³³
52. Through Decisions 10/CP.5 and 11/CP.5, the COP launched a process to address capacity building in an integrated manner. This process resulted in the Capacity Building Frameworks for developing countries and countries with economies in transition (EITs) reflected in Decisions 2/CP.7 and 3/CP.7 respectively. These frameworks were intended to serve as a guide for the climate change capacity building activities of the GEF and other funding bodies. In the words of the UNFCCC secretariat:
- The frameworks include a set of guiding principles and approaches - for example, that capacity building should be country-driven, involve learning by doing, and build on existing activities - and provide an initial list of priority areas for both sets of countries, including the specific needs of least developed countries (LDCs) and Small Island Developing States (SIDS). The frameworks call on developing countries and EIT countries to continue to provide information on their specific needs and priorities, while promoting cooperation among themselves and stakeholder participation. Annex II Parties, for their part, should provide additional financial and technical assistance for implementing capacity-building activities through the GEF and other channels, while all Parties should improve the coordination and effectiveness of existing activities.³⁴
53. To measure and review the implementation of the capacity-building frameworks, Decision 2/CP.7 requested the secretariat to collect, process, compile and disseminate the information needed by the COP or its subsidiary bodies to review the progress made in implementation of the capacity-building framework, drawing on information contained in national communications of developing country Parties as well as Annex II Parties, and reports from the GEF and other agencies.
54. Through Decision 4/CP.9, the COP decided that the GEF should take into account, in its work relating to the development of capacity building performance indicators for the climate change focal area, the capacity building framework in decision 2/CP.7, and to undertake this work in consultation with the Convention secretariat.
55. A timeframe and process for review of the capacity building framework was established through Decision 9/CP.9. In this decision, the COP decided to complete a first comprehensive review of the capacity building framework for developing countries by its tenth session, and to conduct further comprehensive reviews every five years thereafter.
56. The results of the first comprehensive review of the capacity building frameworks are given in Decisions 2/CP.10 and 3/CP.10. While acknowledging some progress in a

³² Art. 9.

³³ KP Art. 10(e).

³⁴ See http://unfccc.int/cooperation_and_support/capacity_building/items/3664.php.

range of priority areas identified in the frameworks, the COP noted significant gaps that still remained to be filled and that access to financial resources remained an issue to be addressed. The COP re-affirmed the frameworks contained in decisions 2/CP.7 and 3/CP.7 as still relevant, and identified key factors that should be taken into account to assist in further implementation of these decisions in paragraph 1 of decision 2/CP.10. The GEF, as an operating entity of the financial mechanism, was requested to take into account these key factors when supporting capacity building activities in developing countries in accordance with decisions 2/CP.1 and 4/CP.9 and as defined in the Strategic Approach to Enhance Capacity Building and to include in its annual report to the COP, information on how it is responding to these requests.³⁵

57. In its Decision 2/CP.10, the COP decided on a time frame and process for a second comprehensive review of the implementation of the capacity building framework in developing countries. The review would be initiated at SBI 28 (June 2008) with a view to completing it at COP 15 (November-December 2009). In its Decision 3/CP.10, the COP decided to review 3/CP.7 CB framework for EITs at SBI 27 (2007) in preparation of the first commitment period of the KP. In this decision, the COP requested the secretariat to compile and synthesize information from EITs and Annex II Parties for this review by SBI 27, including information from the GEF & its IAs.

58. Following are the key decisions and conclusions with respect to capacity building:³⁶

- **Decision 6/CMP.2** - Capacity-building under the Kyoto Protocol
- **Decision 4/CP.12** - Capacity-building under the Convention
- **Decision 30/CMP.1** - Capacity-building relating to the implementation of the Kyoto Protocol in Parties with economies in transition
- **Decision 29/CMP.1** - Capacity-building relating to the implementation of the Kyoto Protocol in developing countries
- **Decision 7/CMP.1** - Further guidance relating to the clean development mechanism.
- **Decision 3/CP.10** - Capacity-building for countries with economies in transition
- **Decision 2/CP.10** - Capacity-building for developing countries
- **Decision 9/CP.9** - Capacity-Building (see [FCCC/CP/2003/6/Add.1](#), Part II)
- **Decision 4/CP.9** - Additional guidance to an operating entity of the financial mechanism
- **Decision 2/CP.7** - Capacity building in developing countries (non-Annex I Parties) (see [FCCC/CP/2001/13/Add.1](#), section II)
- **Decision 3/CP.7** - Capacity building in countries with economies in transition (see [FCCC/CP/2001/13/Add.1](#), section II)

VI. Institutional Mechanism for Implementing MRV under the Convention and the KP

59. There is also no need to create a new body under the Convention for purposes of making MRV operational. The COP is legally mandated under Art. 4.2(d) and Art. 7 to serve as the MRV operational body for the Convention. Additionally, Art. 10.2 mandates the Subsidiary Body for Implementation (SBI), “under the guidance” of the COP, to undertake both measurement and verification functions with respect to:

³⁵ Id.

³⁶ See http://unfccc.int/cooperation_and_support/capacity_building/items/3022.php

- Assessing “the overall aggregated effect of the steps taken by the Parties in the light of the latest scientific assessments concerning climate change” in light of the information provided by all Parties under Art. 12.1 – i.e. information on their national inventory of greenhouse gas emissions and removals, a general description of steps taken or envisaged to implement the Convention, and any other information that the Party considers relevant;
- Assisting the COP in carrying out the reviews required under Art. 4.2(d) to assess the adequacy of the level, extent, effects, and impacts of implementation by Annex I Parties of their mitigation commitments under Art. 4.2(a) and (b) to meet the objective of the Convention, on the basis of information provided by Annex I Parties under Art. 12.2 – i.e. information with respect to their implementation of Art. 4.2(a) and (b) and their estimate of the effects of their implementation measures on anthropogenic emissions and removals.

60. Likewise, under KP Art. 8.5, it is the COP/MOP that serves as the operational MRV mechanism for the KP. This provision mandates the COP/MOP to consider, among other things, “the information submitted by Parties under Art. 7 and the reports of the expert reviews thereon...”

VII. Ensuring Comparability of Efforts of Developed Country Parties’ Mitigation Commitments or Actions

61. Operative Paragraph 1(b)(ii) of the Bali Action Plan also indicates that the “measurable, reportable and verifiable nationally appropriate mitigation commitments or actions, including quantified emission limitation and reduction objectives, by all developed country Parties...” must ensure the “comparability of efforts” among the developed country Parties. The reference is to the difference between the implementation of commitments of those developed country Parties that are Parties to the Convention alone, and those that are Parties to both the Convention and the Protocol (see Box 1).

Box 1:

Mitigation Commitments of Developed Country Parties Under the Convention and the Protocol

Developed Country Party	Mitigation Commitment Under the Convention	Mitigation Commitment Under the Protocol
Only to the Convention	“returning individually or jointly to their 1990 levels these anthropogenic emissions of carbon dioxide and other greenhouse gases not controlled by the Montréal Protocol” (Art. 4.2(a))	None
To both the Convention and the Protocol	“returning individually or jointly to their 1990 levels these anthropogenic	The Parties included in Annex I shall, individually or jointly, ensure that their aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A do not exceed their assigned amounts,

	<p>emissions of carbon dioxide and other greenhouse gases not controlled by the Montréal Protocol” (Art. 4.2(a))</p>	<p>calculated pursuant to their quantified emission limitation and reduction commitments inscribed in Annex B and in accordance with the provisions of this Article, with a view to reducing their overall emissions of such gases by at least 5 per cent below 1990 levels in the commitment period 2008 to 2012. (KP Art. 3.1)</p> <p>Each Party included in Annex I shall, by 2005, have made demonstrable progress in achieving its commitments under this Protocol. (KP Art. 3.2)</p> <p>Each Party included in Annex I shall strive to implement the commitments mentioned in paragraph 1 above in such a way as to minimize adverse social, environmental and economic impacts on developing country Parties, particularly those identified in Article 4, paragraphs 8 and 9, of the Convention. In line with relevant decisions of the Conference of the Parties on the implementation of those paragraphs, the Conference of the Parties serving as the meeting of the Parties to this Protocol shall, at its first session, consider what actions are necessary to minimize the adverse effects of climate change and/or the impacts of response measures on Parties referred to in those paragraphs. Among the issues to be considered shall be the establishment of funding, insurance and transfer of technology. (KP Art. 3.14)</p>
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62. As previously mentioned, those developed country Parties to the Convention alone have commitments to mitigation under Art. 4.2(a) and have the obligation as well to communicate information on its implementation under Art. 4.2 (b), “with the aim of returning individually or jointly to their 1990 levels these anthropogenic emissions of carbon dioxide and other greenhouse gases not controlled by the Montréal Protocol.” Art. 4.2 (b) further states that “this information will be reviewed by the COP at its first session and periodically thereafter, in accordance with Article 7.”
63. The Kyoto Protocol was negotiated by the COP, “having concluded that these subparagraphs are not adequate”, and therefore that the COP agreed to take “appropriate action for the period beyond 2000, including the strengthening of the commitments of the Parties included in Annex I to the Convention (Annex I Parties) in Article 4, paragraph 2 (a) and (b), through the adoption of a protocol or another legal instrument.”³⁷ As a result, the Kyoto Protocol specified the quantified emission limitation or reduction commitments (and not objectives, as stated in the Bali Action Plan) for Annex I countries for the first commitment period, from 2008 to 2012 (KP Art. 3.7), with commitments for subsequent commitment periods to be adopted in accordance with the provisions of KP Art. 21.7 (see KP Art. 3.9).
64. In order to ensure comparability of actions therefore, the COP should conduct the MRV of those mitigation commitments as implemented under the Convention, with those mitigation commitments as implemented under the Protocol, and compare them, to determine the extent to which the developed country Parties are meeting their commitments under the Convention, and how these could be further enhanced through the decision on the agreed outcome to be taken under the Bali Action Plan.

³⁷ Decision 1/CP.1, the Berlin Mandate, second preambular paragraph, and the chapeau of the operative paragraphs

For these, the mechanisms of the Convention, further elaborated under the Protocol could serve as the bases for the COP consideration under the Bali Action Plan.

VIII. Conclusion

65. **There is no need to reinvent the MRV wheel. When it comes to agreeing on the MRV modalities in relation to Paragraph 1(b)(i) and (ii) of the Bali Action Plan, the existing MRV modalities under both the Convention and the Protocol with respect to mitigation, financing, technology transfer, and capacity building, should be used.**
66. Much time, effort, and discussion have already been invested by the COP and the COP/MOP into designing those modalities. They could therefore be adapted or directly used, if appropriate, in the AWG-LCA context.
67. Designing and agreeing on new MRV modalities in the context of the AWG-LCA could be counterproductive in terms of further enhancing the Convention's implementation because it could re-open the entire debate on how to measure, report, and verify the differentiated contributions of developed and developing country Parties towards meeting the objective of the Convention. Existing MRV modalities reflect the existing balance of commitments, based on equity and the principle of common but differentiated responsibilities and respective capabilities, which is contained in the Convention.

READERSHIP SURVEY QUESTIONNAIRE
 South Centre Analytical Note

**“MEASURABLE, REPORTABLE, AND VERIFIABLE”:
 USING THE UNFCCC’S EXISTING MRV MECHANISMS
 IN THE CONTEXT OF THE AWG-LCA**

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