

Updating guidance for Emission Inventory Adjustments:

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1 Introduction

1.1 Overview

In 2022, Parties that are signatories to the amended Gothenburg Protocol will report emission inventories for 2020 that will be compared against emission reduction commitments (rather than emission ceilings) for compliance purposes. The amended protocol and EB Decisions in place that allow Parties the option of drawing on several flexibility mechanisms, including inventory Adjustments¹ if they are in non-compliance with their commitments.

However, the current “Technical Guidance for Parties Making Adjustment Applications and for the Expert Review of Adjustment Applications” (ECE/EB.AIR/130) has been drafted in the context of Parties using inventory Adjustments to demonstrate compliance with the earlier emission ceilings set for 2010 and years thereafter. This is also the case for the reporting templates used by Parties to i. apply for a new inventory Adjustment and ii. report previously approved inventory Adjustments².

It is important to note that an adjustment that relates to an emission reduction commitment requires different technical considerations, different mathematical calculations and the submission of different datasets compared to an inventory adjustment for an emission ceiling.

It is also necessary to establish the relevant “reference version” of the EMEP/EEA Air Pollutant Emissions Inventory Guidebook (which defines the scientific knowledge when the emission reduction commitments were set) for the emission reduction commitments.

Both of these points highlight the need for updated guidance for Parties.

1.2 The issue at hand

Parties are already in the process of compiling their emission inventories for submission by 15th February 2022 and assessing whether they need to apply for flexibility mechanisms to achieve compliance. There is therefore a need to efficiently update the current guidance to accommodate inventory Adjustments that are associated with emission reduction commitments.

It is important to note that a Party wishing to demonstrate compliance against emission reduction commitments will not be able to simply continue reporting previously accepted ceiling emission Adjustments that were previously accepted, because different considerations, calculations and datasets will be required.

¹ EB Decisions 2012/3, 2012/4, 2012/12, 2014/1

² Annex VII to the 2014 Reporting Guidelines (ECE/EB.AIR.125)

1.3 Current guidance material

It is the TFEIP's understanding that, in practice, signatories to the amended Gothenburg Protocol will only need to demonstrate compliance with emission reduction commitments, but Parties that are signatories to the "original" Gothenburg Protocol will need to demonstrate on-going compliance with emission ceilings.

The CLRTAP therefore needs processes which accommodate "ceiling Adjustments" and "ERC Adjustments".

TFEIP co-chairs have discussed the existing guidance material in this context, and are of the general opinion that:

- **EB Decisions:** The text in the EB Decisions is appropriate for both ceiling Adjustments and ERC Adjustments.
- **Adjustment Technical Guidance:** This includes guidance on mathematical accounting of ceiling Adjustments, but not ERC Adjustments. The mathematical accounting for ERC Adjustments is expected to be more complex than that for ceiling Adjustments. An updated guidance document is therefore needed.
- **Adjustment Application/Reporting Templates:** The templates for Adjustment applications and reporting previously approved Adjustments only support ceiling Adjustments. Therefore, updated/new templates are needed.

2 Proposed Next steps

It is proposed that the Executive Body request the TFEIP and/or EMEP Steering Body as appropriate to:

- Undertake a review of material within the CLRTAP that relates to Adjustments (existing EB Decisions, supporting technical guidance material and reporting templates), in the context of Parties reporting ERC Adjustments, and the review of these ERC Adjustments.
- Prepare and make available to Parties updated technical guidance and reporting templates as necessary.

The TFEIP co-chairs suggest that this work is undertaken as soon as is possible, with the aim of publishing updated guidance material and templates through the CEIP website before the end of December. This is so that Parties have enough time ahead of their emissions inventory submission before 15th February 2022 to assess whether they also wish to apply for an Adjustment.