

Reporting requirements for national GHG inventories under the EU Governance Regulation adapted to the Energy Community



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Source photo: <https://enb.iisd.org/Glasgow-Climate-Change-Conference-COP26-31Oct2021>

European Environment Agency

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European Environment Agency



Legal requirements for national GHG inventories and inventory systems

- Decision of the Ministerial Council of the Energy Community [D/2021/14/MC_EnC] adapted from:
 - Regulation (EU) 2018/1999: Governance of the Energy Union and climate action
 - Implementing Regulation (EU) 2020/1208: Structure, format and submission process
 - Delegated Regulation (EU) 2020/1044: GWP, inventory guidelines and Union inventory system

GHG inventory reporting under article 26(3) of the EU Governance Regulation

- Consistency with international reporting requirements under the Paris Agreement
 - Inventory guidelines: Modalities, procedures and guidelines under the Enhanced Transparency Framework (MPGs, Decision 18/CMA.1)
 - Global warming potentials: IPCC fifth assessment report (AR5)
 - Methodological guidance: 'shall' 2006 IPCC guidelines (Decision 18/CMA.1) and 'may' 2019 refinement (Decision 5/CMA.3)

What you need to report regarding GHG inventories: CRTs (tables) and NID (document)

- Submission deadlines: 15/01/2025 (draft) and 15/03/2025 (final)
- Frequency: Ukraine (annual); Albania, Bosnia and Herzegovina, Kosovo (UNSCR 1244), North Macedonia, Georgia, Moldova, Montenegro, Serbia (biennial)
- Prepare and submit a GHG inventory report (2 components):
 - National inventory document (NID): outline agreed in Glasgow (outline not mandatory, but content is)
 - Common reporting tables (CRTs): agreed at COP26 in Glasgow (tables are mandatory, but with embedded ‘flexibilities’)

[Software to be developed by UNFCCC: [test 06/23 \(crucial\)](#), final 06/24]



What you need to report regarding GHG inventories: Annexes (implementing regulation)

- Annexes facilitate the QA/QC of submissions to the EU and the preparation of the Union inventory
- Three submission types: separate, part of NID and conditional
 - reasons for recalculations (art.9)
 - implementation of review recommendations (art.10)
 - methodological descriptions (art.11)
 - uncertainty analysis (art.12.1)
 - assessment of completeness (art.12.2)
 - reporting on indicators (art.13)
 - consistency with 'EC information' (art.14 on EU ETS, **adapted**)
 - consistency with air pollutants (art.15 **deleted**)
 - consistency with fluorinated gases (art.16)
 - consistency with energy statistics (art.17)
 - changes to national systems and registries (art.18)



Use of the MPGs' flexibility provisions vs. Governance higher standards

- Paris' flexibilities not applicable to developed country Parties
- Guiding principles in the MPGs:
 - The importance of facilitating improved reporting and transparency over time;
 - Promoting transparency, accuracy, completeness, consistency and comparability;
 - Providing flexibility to those developing country Parties that need it in light of their capacities;
- Flexibilities apply to mandatory requirements and are temporary: a 'shall' with flexibility is not a 'should'
- Governance higher standards should lead to faster quality improvements



Overview of the flexibility provisions and 'shall' provisions in the MPGs and the Governance

Reporting elements	'Shall' provision in MPGs	Flexibilities applicable
Key category analysis	95% threshold	85% to 95% threshold
Uncertainty assessment	Quantitative and qualitative for all categories	At least qualitative for key categories
Insignificance threshold	'NE' if lower than 0.05% of NT and 500Kt of CO ₂ e	'NE' if lower than 0.1% of NT and 1000Kt of CO ₂ e
QA/QC	Develop QA/QC Plan	Encouraged to develop
Greenhouse gases	CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ and NF ₃	CO ₂ , CH ₄ , N ₂ O. Other if in NDC or reported before
Time series (can be challenging)	Annually between 1990 and t-2	Reference year for NDC, and annually from 2020 to t-3

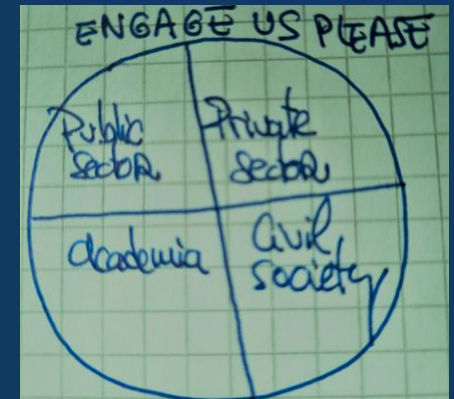


National inventory systems (NIS) under article 37 of the EU Governance Regulation

- Broadly consistent with MPGs but focus on establishment and not reporting
 - By 1/1/2023, establish, operate and continuously improve NIS to estimate emissions and removals to ensure the TACCC of the GHG inventory
 - Ensure that the national competent inventory authorities have access to the necessary information to prepare and report the GHG inventory
 - Ensure sufficient capacity for the timely performance of GHG inventory functions, including data collection and the technical competence of staff involved
- An EC inventory system to ensure the TACCC of the EC GHG inventory shall be established [but focus on individual reporting in the short-term]

Own perspective on key elements of a sustainable national inventory system (i)

- National inventory systems are not only relevant to international reporting but also in the national policy context
- Involve different national stakeholders in the process and seek regional/international cooperation
- Have mechanisms at national level to ensure data sharing between agencies and data access by inventory compilers
- Formalize the roles and responsibilities of the different actors involved in the inventory to provide certainty



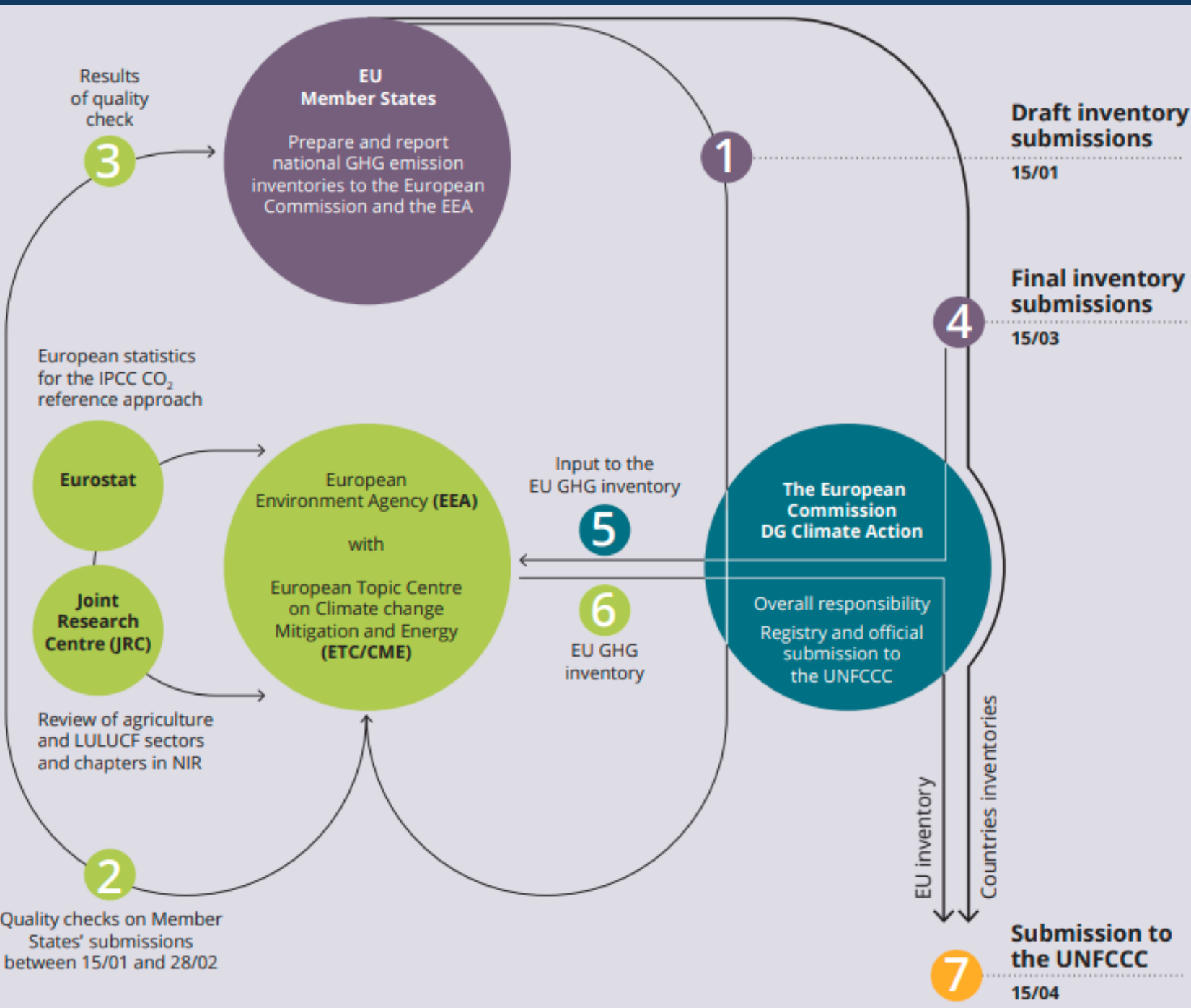
Own perspective on key elements of a sustainable national inventory system (ii)

- Seek closer collaboration at national level (joint working groups)
 - More efficient data collection (EM, AD, EF)
 - Improved quality of emission/removal estimates
 - Better consistency between reporting obligations
- Internalize knowledge and capacitate national experts to sustain quality improvements over time
- Inventories are complex and demanding: motivate your experts and institutions about the added value of what they do



The Union's GHG inventory system

- Three pillars:**
- Legal reporting basis:** EU Governance Regulation
 - Solid institutional basis:** National System & QA/QC programme
 - Very good cooperation:** EU and MS, via WG1 Climate Change Committee



Final reflections on GHG inventory reporting & national systems

- The first EU GHG inventory was very simple. Progress can be slow as long as quality improvements are sustained
- Success factors: EU legislation, defining roles & responsibilities, QA/QC programme, collaboration with MS & experts, and UNFCCC reviews & audits
- Public awareness and increased policy relevance of climate change also contribute to improvements (inventories are the ‘nuts & bolts’ of climate policy)
- People are replaceable if the national system is robust, so prioritize this as the basis for a good inventory that improves over time

Thank you!

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‘never discourage anyone who continually makes progress, no matter how slow’, Plato

