Guidelines on the application of the methodological framework Number 2

On technical corrections to GHG emissions and removals reported in the reference period

Version 1

November 2018

Guideline on the application of the Methodological Framework Number 2

On technical corrections to GHG emissions and removals reported in the reference period

In line with the UNFCCC guidance, methodological consistency between the methods and data used to estimate GHG emissions and removals in the reference period and the GHG emissions and removals in the reporting period is necessary to ensure that the difference between the two is attributable to changes in practice, as opposed to changes in methodology. CFPs recognize that limited improvements to measurement and monitoring systems can be made, and that doing so will require technical corrections to ensure consistency.

With respect to Criteria 7 and 8 of the Methodological Framework, the Carbon Fund Participants clarify the following:

1. Technical corrections to the methods and data used to establish Reference Levels are allowed after ERPA signature and before the first verification[1]. These changes are limited to the technical corrections listed in paragraph 3 below;
2. Allowable technical corrections shall not relate to any change to policy and design decisions affecting the Reference Level, including, selected carbon pools and gases, selected GHG sources, selected reference period, forest definition, selected REDD+ activities, selected Accounting Areas, identified forest types and definitions, definitions of REDD+ activities (deforestation, degradation).
3. Allowed technical corrections may be one or a combination of the following positive list:

   a. Replacement of emission or removal factors used in the construction of the reference level by others that have improved accuracy (e.g. are more representative of the ER program accounting area such as those derived from NFI or other field measurements) or a higher precision (i.e. confidence intervals of estimates are narrower) than those previously used. Methods to estimate emission or removal factors have to be consistent with the MF and the IPCC guidance and guidelines and other good practice guidance (e.g. GFOI MGD) as assessed during verification. The updated emissions and removal factors and related estimation methods must be assessed by recognized independent technical experts (e.g. assessed by an independent panel of UNFCCC ROE experts or GFOI experts, authors of relevant IPCC chapters or relevant chapters of the GFOI MGD, national academies) before they are proposed for use in the ER-Program accounting;

   b. Corrections to historical activity data resulting from improvements of the sampling design for estimation of activity data to 1) increase the sampling intensity while maintaining the same sampling methodology as originally proposed; 2) using or improving stratification (i.e. use of poststratification, employ methods to reduce the variance/improve precision of post-stratification estimates, or improve the accuracy of the stratification map through more accurate processing methods (e.g. using dense time series of satellite data, using satellite data with a higher spatial resolution, using more performing classification algorithms, using multiple sensors); and/or 3) using more robust statistical estimator. Methods to estimate activity data have to be consistent with the MF and the IPCC guidance and guidelines and other good practice guidance (e.g. GFOI MGD)

[1] As defined in the General Conditions Applicable to ERPAs for FCPF Emission Reductions Programs

as assessed during verification. The latter two options must use methodologies and related estimation methods be assessed by recognized independent technical experts (e.g. assessed by an independent panel of UNFCCC ROE experts or GFOI experts, authors of relevant IPCC chapters or relevant chapters of the GFOI MGD, national academies) before they are proposed for use in the ER-Program accounting.

c. Corrections to historical activity data resulting from the use of reference data that is of higher spatial and temporal resolution (e.g. very high-resolution imagery or satellite data) than the one used for the was not available at the time of submission of the draft ER-PD (i.e. a country may not have been aware of it, could not afford to use it, or did not have the capacity to use it;

d. Corrections to historical activity data resulting from improvements to quality assurance/quality control procedures (e.g. resampling of visual interpretations, use of an increased number of repeated interpreters);

4. Technical corrections are only allowed if this does not compromise the consistency of GHG emissions and removals estimates between the Reference Period and monitoring periods (Indicator 14.1 of the Methodological Framework[2]), i.e. time series consistency will be ensured for the reference period and all monitoring periods[3].

5. Technical corrections shall be transparently requested, presented and assessed in accordance with the following steps:

a. REDD Country Participant notifies to FMT (who informs the CFPs) no later than the date of the ERPA signature[4] if they plan to apply one or more of the technical corrections listed in paragraph 3 above to the reference level for the ER-Program, and provide a summary of the planned corrections consistent with the guidance provided[5];

b. REDD Country Participant provides to FMT (who informs the CFPs), no later than 3 months prior to the end of the first Reporting Period, a complete description of technical corrections that will be applied to the reference level for the ER-Program;

c. REDD Country Participant applies technical corrections and presents the corrected Reference level and the associated uncertainty as an annex to the first Monitoring Report;

d. Independent reviewer responsible for verification assesses the technical correction together with the estimates of the reporting period against the FCPF Methodological Framework, the positive list contained in paragraph 3 of this note and the guidance provided by the CFPs and reports the assessment as part of the verification report;

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[2] Indicator 14.1 stipulates that ER Program monitors emissions by sources and removals by sinks included in the ER Program's scope (Indicator 3.1) using the same methods or demonstrably equivalent methods to those used to set the Reference Level.

[3] As defined in the General Conditions Applicable to ERPAs for FCPF Emission Reductions Programs

[4] Countries that have already signed an ERPA by the time of the approval of this guidance, will be given a 3-month grace period since the approval of the guidance for notifying its intention to apply technical corrections.

[5] The notification and the summary will provide a brief explanation of the general improvements to the NFMS and MRV that are being conducted as part of the national process in the coming years. In the basis of this, the country will indicate if any of the four options 3a to 3d are expected to be considered in the future without having to detail the specifics of the approaches that will be undertaken as part of the technical correction, e.g. the country might note that the sampling design of the activity data will be improved, without providing details on the improved methodology that will be applied.

e. If the Independent Reviewer finds no technical issues with applied technical correction, and the correction is consistent with the guidance provided in this note and the FCPF Methodological Framework, the Independent Reviewer will inform the FMT (who informs the CFPs) that the reference level corrections have been made consistent with the stipulated guidance.

f. The Independent Reviewer will verify the emission reductions for the first monitoring period and the associated uncertainty against the reference level, considering the technical correction;

g. If the Independent Reviewer finds technical issues with the technical correction, or the correction is not consistent with the guidance provided in this note and the FCPF Methodological Framework, these will be reported back to the CFPs and discussed either virtually or during a subsequent Carbon Fund meeting. The verification of results will only be concluded once the issues have been closed out to the satisfaction of the CFPs and the corrected reference level accepted for use in the ER-Program. In case the corrected reference level is not accepted by CFPs, the REDD Country Participant will not be allowed to apply the technical correction.

6. CFPs request the FMT to update the processing guidelines and ER Monitoring Template to reflect these changes.

Document history

Version	Date	Notes
Version 1	November, 2018	Initial version approved by Carbon Fund Participants during a three-week non-objection period.