



## Unpacking the Enhanced Transparency Framework:

### **Transition and Challenges for the Eurasian Countries**



Regional Workshop December 14, 2023



### **Enhanced Transparency Framework (ETF)**

# Paris Agreement, Article $13 \rightarrow$ established the enhanced transparency framework for <u>action</u> and <u>support</u>;

- to build mutual trust and confidence
- to promote effective implementation
- with built-in flexibility which takes into account Parties' different capacities and builds upon the collective experience
- recognizes the special circumstances of the LDCs and SIDS

#### **PURPOSE** of transparency for action

To provide a clear understanding of climate action including clarity and tracking of progress towards achieving Parties' **individual NDCs** and adaptation actions, to inform global stocktake.

#### PURPOSE of transparency for support

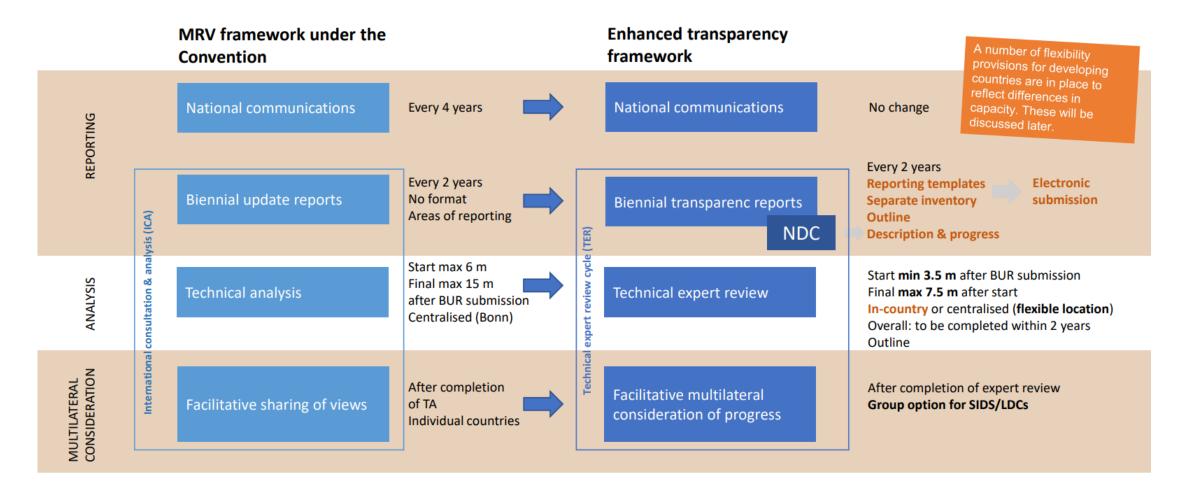
To provide clarity on support provided and received by individual Parties in the context of climate change actions and to provide a full overview of aggregate financial support provided, to inform global stocktake.







### **Changes for developing countries under the ETF**









# ETF compering to existing MRV arrangements: reporting themes

Existing MRV arrangements		Enhanced Transparency Framework
Biennial update reports	National communications	Biennial transparency reports
	National greenhouse gas inventory Programmes containing measures to facilitate adaptation to climate change	National greenhouse gas inventory
National greenhouse gas inventory	Programmes containing measures to mitigate climate change	Progress made in implementing and achieving NDCs
Mitigation actions and their effects	Transfer of technology Research and systematic observation	Climate change impacts and adaptation (as appropriate)
Finance, technology and capacity-building needs	Education, training and public awareness Capacity-building	Financial, technology transfer and capacity-building support needed
	Information and networking Constraints and gaps, and related financial, technical and capacity- building needs	and received           Areas of           improvement
Cancun Agreements (1/CP.16) and Durban Outcomes (2/CP.17)	Article 4.1 and 12.1 of the Convention; decision 17/CP.8	Article 13 of the Paris Agreement; decisions 18/CMA.1, 5/CMA.3



### **Outline of the BTR (Decision 5/CMA.3, Annex IV)**

BTR National GHG inventory\* Progress made in implementing and achieving NDCs\* 111. Climate change impacts IV. and adaptation (as appropriate) V. Financial, technology transfer and capacitybuilding support needed and ►VI. received Additional information when NCs and BTRs submitted VII. jointly Flexibility Improvements in reporting ANNEXES IX. vironment copenhagen

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Overview chapter

- National **inventory** report of anthropogenic emissions by sources and removals by sinks of GHGs (MPGs, para. 17-58)
- Information necessary to **track progress made in implementing and achieving NDCs** under Article 4 of the Paris Agreement (MPGs, para. 59-103)
- I. Information related to **climate change impacts and adaptation** under Article 7 of the Paris Agreement (MPGs, para. 104-117)

Information on financial, technology development and transfer and capacity-building support **provided and mobilized** under Articles 9–11 of the Paris Agreement (MPGs, para. 118-129)

Information on financial, technology development and transfer and capacity-building **support needed and received** under Articles 9–11 of the Paris Agreement (MPGs, para. 130-145)

- . Information to be reported **when NCs and BTRs are submitted joi**ntly every four years (1/CP.24, para. 43) (vulnerability assessment, cc impacts and adaptation measures-if not reported in section III; RSO; education, training and public awareness)
- I. Information on **flexibility** (MPGs, para. 6) (Indication of (1) reporting provisions to which self-determined flexibility is applied, (2) capacity constraints in relation to the application of flexibility and (3) self-determined estimated time frames for improvements in relation to those capacity constraints)
- ➤VIII. Improvements in reporting over time (MPGs, para. 7-8) (areas of improvement, how these will be addressed, which areas are related to flexibility provisions, reporting-related CB support needs)
  - X. Any other information the Party considers relevant to the achievement of the objective of the Paris Agreement, and suitable for inclusion in its BTR

Annexes: (i) Technical annexes for REDD+, as applicable; (ii) CRTs for electronic reporting of NIR; (iii) CTFs for electronic reporting of tracking progress in NDCs, FTC support provided/mobilized and/or needed and received; (iv) Information in relation to the Party's participation in cooperative approaches, as applicable get programme



## **TRANSITION TO THE ETF**

#### **2** TECHNICAL EXPERT REVIEW-TER

#### TRANSITION FROM THE

#### existing MRV arrangements

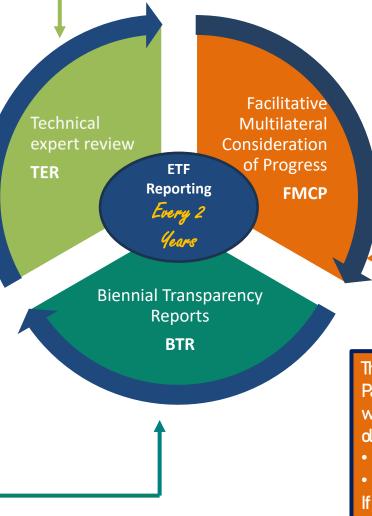
- Final BRs to be submitted by developed country Parties no later than 31 Dec 2022
- Final BURs submitted by developing country Parties no later than 31 Dec 2024
- NC reporting remains the same

#### **1** BIENNIAL TRANSPARENCY REPORTS-BTRs

 First BIRs and NR (if it is stand alone report) submitted at the latest by 31 Dec. 2024

#### BTR include the following information:

- National Inventory Report on GHGs -"shall"
- Information on tracking progress of implementation and achievement of NDCs-"shall"
- Information on CC impact and adaptation-"should"
- Information on support provided- "shell" for developed countries
- Information on support needed and received -"should" for developing countries
- REDD+activities as a technical annex -"may"



A team of technical experts will review the Party's <u>national GHG</u> inventory, information on tracking progress in <u>implementing and</u> <u>achieving the NDC</u>, and information on support provided to developing countries. Information submitted by other Parties that provide support may undergo a TER at the Party's discretion.

The TER is carries out in a facilitative, non-intrusive and non-punitive manner, considering each developing country's national capabilities and circumstances. Following the review, the <u>TER team will publish</u> report.

#### **3** FACILITATIVE MULTILATERAL CONSIDERATION OF PROGRESS- FMCP

The FMCP is undertaken with respect to Party's efforts under Article 9 of the Paris Agreement and the Party's implementation and achievement of NDC. It will consider the BIR the TER and other information provided by the Party. It ollows the publication of TER and is conducted in two phases:

- A written question and answer phase
- A working group session during the sessions of SB
   If the TER report is not available within the 12 months the opportunity to participate in the FMOP will still be arranged by the secretariat.
   The BTR is submitted every two years. During this process there is opportunity for Parties to continue building of capacities, gain support, gather data and improve their reporting and transparenct over time.



Reporting

**Technical** 

expert review

consideration

Facilitative multilateral

### **Overview of the ETF under the Paris Agreement**

All Parties (shall)

- » National greenhouse gas (GHG) inventory report {Article 13.7(a)}
- » Progress made in implementing and achieving nationally determined contribution (NDC) {Article 13.7(b)}

All Parties (should, as appropriate) 
Climate change impacts and adaptation {Article 13.8}

All Parties (shall) » Undergo technical expert review of information submitted under Article 13.7 {Article 13.11}

All Parties (shall) 두

» Facilitative multilateral consideration of progress with respect t implementation and achievement of its NDCs (Article 13.11) Developed country Parties (shall) and other Parties that provided support (chould)

Financial

#### **Requirement of information-LEVELS:**

- Shall: Information that the Party must provide
- **Should**: Information that the party has obligation to provide where possible
- Encouraged: Action or information that enhances quality of report but the Party is not obliged to implement or provide
- May: Information that is optional for the Party to provide







### **ETF building on existing MRV arrangements**

#### Key areas of enhancement

- Establishes common modalities, procedures and guidelines (MPGs) applicable to all Parties with flexibility to those developing countries that need it in the light of their capacities
- Parties need to (to the extent possible) identify, regularly update, and report on areas of improvement > continuous improvement
- Provisions/requirements mostly mandatory ("shall")
- NDCs, reporting, TER and FMCP, and their relationship to the Article 15 Committee (mechanism to facilitate implementation of and promote compliance)







### **Reporting requirement for GHG Inventories**

#### Article 13 of the Paris Agreement

#### National inventory report (NIR) of GHG emissions

7. Each Party shall regularly provide the following information:(a) A **national inventory report** of anthropogenic emissions by sources and removals by sinks of greenhouse gases, prepared using good practice methodologies accepted by the IPCC and agreed upon by the Conference of the Parties serving as the meeting of the Parties to this Agreement;

#### Decision 18/CMA.1, Annex, Chapter II

#### National inventory document (NID) and Common reporting tables (CRT)

38. Pursuant to Article 13, paragraph 7(a), of the Paris Agreement, each Party shall provide a national inventory report of anthropogenic emissions by sources and removals by sinks of GHGs. The national inventory report **consists of a national inventory document** and **the common reporting tables**. Each Party shall report the information referred to in paragraphs 39-46 below, recognizing the associated flexibilities provided for those developing country Parties that need them in the light of their capacities.

#### > Decision 5/CMA.

31. Adopts:(a) The common reporting tables (CRTs) referred to in chapter II of the annex to decision 18/CMA.1 for the electronic reporting of the information in the national inventory reports of anthropogenic emissions by sources and removals by sinks of greenhouse gases, as contained in annex copenhagen cimate centre





#### National inventory document (NID)

- Methods used, descriptions, assumptions, references and sources of information
- Information on the category and gas, methodologies, emission factors and activity data
- Describe the key categories and percentage contributions
- Report recalculations with explanatory information and justifications
- Report the results of the uncertainty analysis, methods used, assumptions, and trends
- Reasons for lack of completeness,
- Report the QA/QC plan and information on QA/QC procedures







### **Reporting information on tracking progress of NDCs**

#### BUR

- Information necessary to track A. National Name and description of the circumstances and progress make in implementing and mitigation action institutional achieving the NDC arrangements Methodologies and assumptions Objectives of the action and steps For purpose of BTR most taken or envisaged to achieve provisions in this section are B. Description of a that action "shall", for specific details -Party's NDC, See 18/CMA.1, annex I para including updates Progress of implementation and 59 -- 103 the underlying steps taken or envisaged, and the results C. Information achieved, such as estimated necessary to track outcomes (metrics depending on progress made in implementing and type of action) and estimated D. Mitigation policies and measures, achieving NDCs actions and plans, including those with emission reductions, to the mitigation co-benefits resulting from extent possible adaptation actions and economic diversification plans, related to International market mechanisms implementing and achieving a NDC **Description of domestic MRV** arrangements E. Summary of greenhouse gas emissions and removals
  - F. Projections of greenhouse gas emissions and removals, as applicable

**G.** Other information



Information consists of:

structured summary

- narrative

- CTFs

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### **Built-in flexibility**

MPGs for ETF specify the flexibility provisions for those developing country parties that need it in the light of their capacities.

Specific flexibility provisions\* are provided in relation to:

- Reporting anthropogenic emissions by sources and removals by sinks of GHG in the national inventory report
- Reporting information to track progress in implementing and achieving the NDC
- Technical expert review
- Facilitative, multilateral consideration of progress

The application of the flexibility provided for in the provisions of the MPGs for those developing country Parties that need it in the light of their capacities is to be **self-determined.** 







### Flexibility provisions promote universal participation:

- The ETF will be implemented based on MPGs that apply to all Parties
- MPGs recognize capacity constraints of the developing Parties and provide flexibilities to those that need in light of their capacities, and special circumstances of LDCs and SIDs
- Flexibility provisions address the **scope**, **frequency and level of details** of reporting and scope of review



• With "built-in flexibilities" MPGs supporting continuous improvement

### When applying flexibilities developing countries need to:

- Clearly state the reporting requirement to which they are choosing to apply flexibility
- Clearly outline their capacity constraints, noting that some constraints may be relevant to several flexibility provisions
- Self-determine and provide estimated time frame for improvements related to their capacity constraints







### **Built-in flexibility**

Flexibility provisions available to those developing country Parties that need it in the light of their capacities in relation to reporting GHG emissions..NIR

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REFERENCE IN THE MPGs	PROVISION IN THE MPGs	FLEXIBILITY PROVISION FOR THOSE DEVELOPING COUNTRY PARTIES THAT NEED IT IN THE LIGHT OF THEIR CAPACITIES
<b>Paragraph 25</b> Identification of key categories of the GHG inventory	Each Party shall <b>identify key categories</b> for the starting year and the latest reporting year for both level and trend assessment, by implementing a key category analysis consistent with the IPCC guidelines	Flexibility to identify key categories using a <b>threshold no lower than 85 per cent</b> in place of the 95 per cent threshold defined in the IPCC guidelines
<b>Paragraph 34</b> Development a formal QA/QC plan	Each Party shall implement and provide information on general <b>inventory QC</b> procedures in accordance with its QA/QC plan and the IPCC guidelines	Instead, developing countries <b>encouraged to implement and provide</b> <b>information on general inventory QC</b> procedures in accordance with its QA/QC, including information on the inventory agency responsible for implementing QA/QC
<b>Paragraph 48</b> Option to report fewer GHGs	Each Party shall <b>report seven gases</b> (CO2, methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF6) and nitrogen trifluoride (NF3))	Flexibility to instead report <b>at least three</b> <b>gases</b> (CO2, CH4 and N2O) as well as any of the additional four gases
<b>Paragraph 57</b> Option to report a shorter time series and	Each Party shall report a consistent annual <b>time series starting from 1990</b> ;	Flexibility to report data covering, at a minimum, <b>the reference year/period for its NDC</b> and, in addition, a consistent annual time series from <b>at least 2020 onward</b>
<b>Paragraph 58</b> <u>⊶</u> an earlier "latest reporting year"	For each Party, the <b>latest reporting</b> year shall be no more than two years prior to the submission of its national inventory report;	Flexibility to instead have their latest reporting year as three years prior to the submission of their national inventory report.

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### **Built-in flexibility**

Flexibility provisions available to those developing country Parties that need it in the light of their capacities in relation to reporting progress in implementing and achieving their NDC

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REFERENCE IN THE MPGS (ANNEX TO DECISION 18/CMA.1)	PROVISION IN THE MPGS	FLEXIBILITY PROVISION FOR THOSE DEVELOPING COUNTRY PARTIES THAT NEED IT IN THE LIGHT OF THEIR CAPACITIES
<b>Paragraph 85</b> Expected and achieved GHG emission reductions for PAMs	Each Party shall provide, to the extent possible, estimates of expected and achieved GHG emission reductions of its PAMs	Instead encouraged to report such information
<b>Paragraph 92</b> GHG emission and removals projections	Each Party shall report projections	Instead encouraged to report such projections
<b>Paragraph 95</b> Projections extension	Projections shall begin from the most recent year in the Party's national inventory report and extend at least 15 years beyond the next year ending in zero or five	May extend their projections at least to the end point of their NDC
<b>Paragraph 102</b> Projections methodology or coverage	See paragraphs 93 through 101 of the annex to decision 18/CMA.1	May report using a less detailed methodology or coverage



### Possible approaches to deal with flexibility

- In case when only partial information is reported, existing notation keys could be used, e.g. Not Available, Alternatively, new notation keya could be used,
- Some tables maz not be reported, b ut headings could be kept,
- The reporting tool might allow not to show some rows/columns,
- Documentation boxes or footnotes could be added,
- A summary table could be prepared for a Party to provide an overview of all flexibility provisions that is applying,
- Narrative description/explanation of flexibility when it is applied to the information reported in various tabular formats.

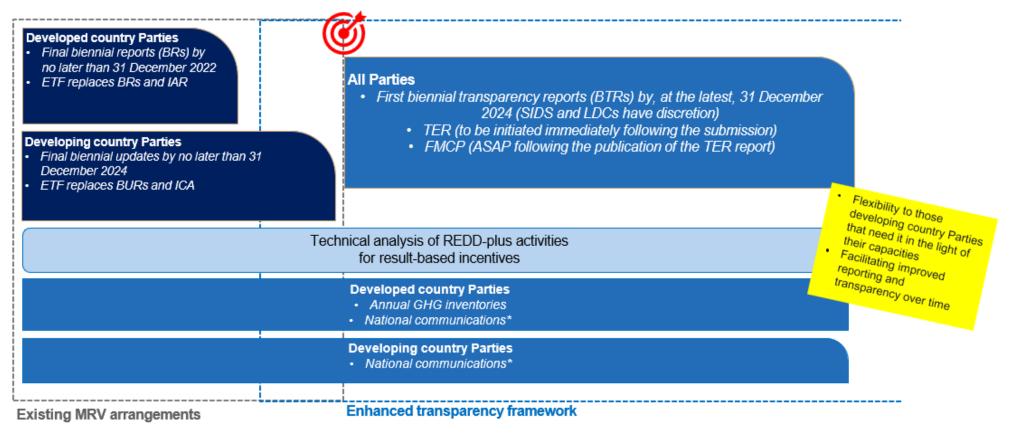






### **Timeline on transitioning from MRV to ETF...**

2022 
2023 
2024 
2025 
2026 
2027 
2028 
2029 
2030 
2031 
....



\*Parties may submit their NC and BTR as a single report

TER: technical expert review; FMCP: Facilitative, multilateral consideration of progress



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### **Reporting tools**

#### **Decision 5/CMA.3**

#### Adopted:

- CRT for the electronic reporting of the info in the national inventory reports of GHG emissions
- CTF for the electronic reporting of the info on tracking progress in achieving NDCs
- CTF for the electronic reporting of the info on FTC support

- A test version of the reporting tools planned to be developed by June 2023
- Final version should be available by June 2024



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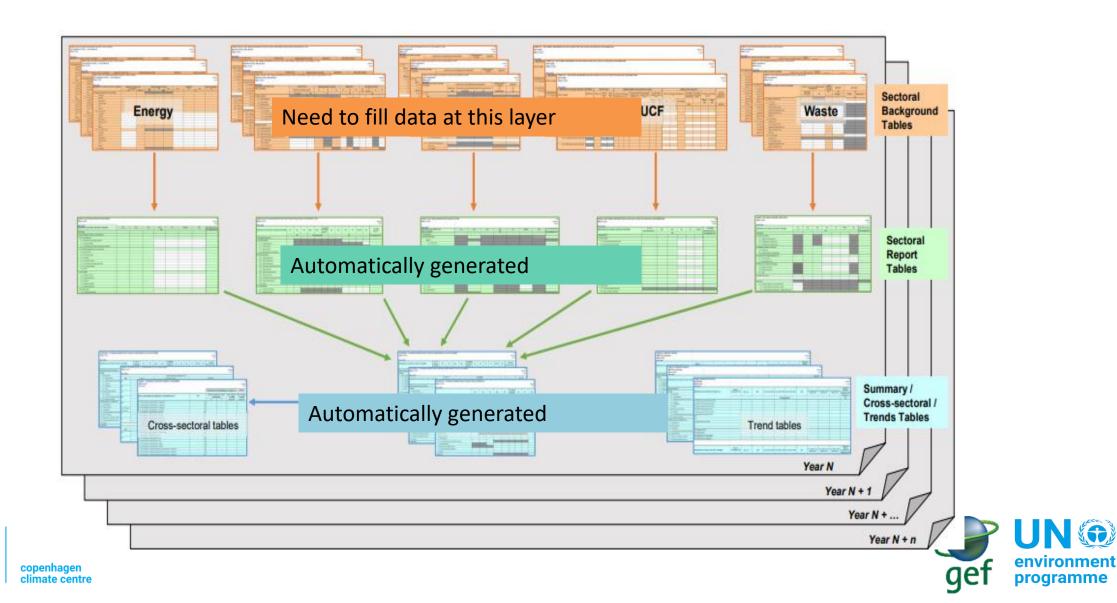


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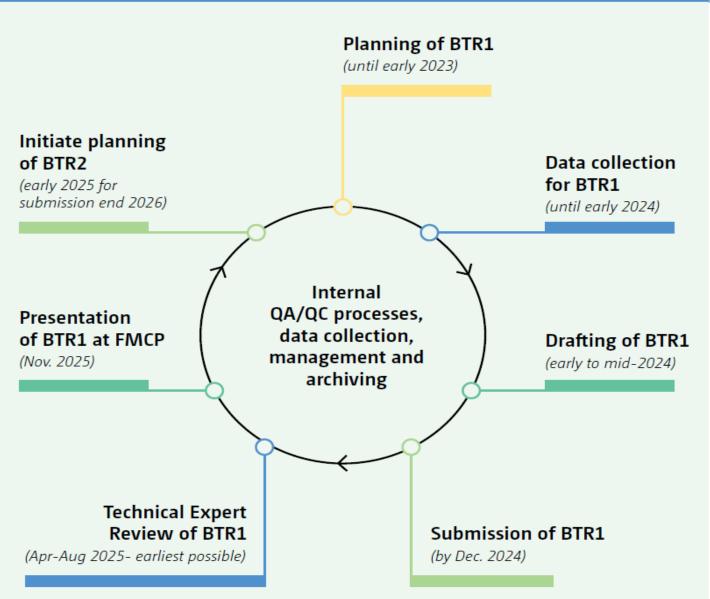
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### **Reporting tools-CRT**





# Possible timeline for the submission of successive biennial transparency reports- example









### For further reading:

Technical handbook for developing country Parties on preparing for implementation of the enhanced transparency framework under the Paris Agreement, 2023, UNFCCC







### Thank you for your attention!

For further information and requests for support, please contact:



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