



Enhanced Transparency Framework and Capacity Building

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From per-2020 MRV to the Paris Agreement's Enhanced Transparency Framework

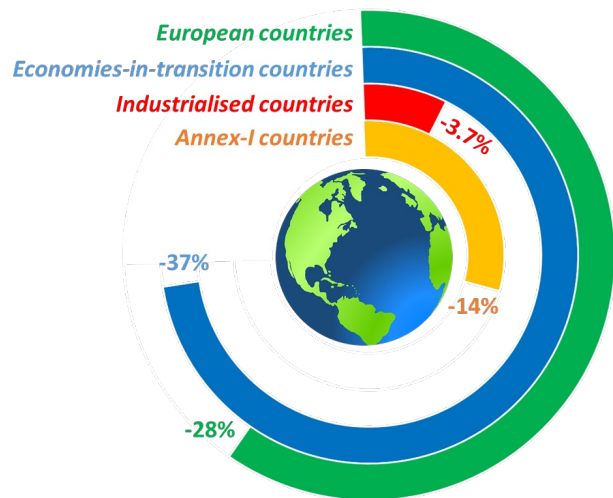
	Pre-2020 climate regime	Post-2020 climate regime	Issues
Transparency	Differentiated	Common (flexibilities)	Flexibilities, Transitions
Capacity Building	Durban forum	Paris Committee on Capacity Building (PCCB)	Concept, Gap assessment, Retention

Key issues:

- Effectiveness: Enhanced Transparency = Enhanced Actions + Trust?
- Capacity: Can developing countries deliver?

Effectiveness of Pre-2020 climate actions - Progress and issues

Percentage change in emissions between 1990 and 2019



Target: 5% Kyoto Protocol (2008-12); 18% Doha Amendment (2013-20)

Countries with increased emissions

Turkey (130%), Cyprus (59%), Australia (29%), Iceland (28%), New Zealand (26%), Canada (21%), US (2%)

Countries with decreased emissions

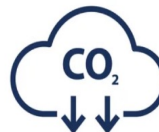
UK (43%), Denmark (37%), Germany (35%), Sweden (29%), Finland (25%)

Key issues



Non-participating countries

Of total base year emissions (20 GtCO₂eq) of developed countries, share of non-participating countries **rose to 68 per cent** for the Doha Amendment compared to **39 per cent** during the Kyoto Protocol



Hot air

Inflated base year emissions of economies of transition led to unearned emissions allowance equivalent to about **28.4 GtCO₂eq**



Deforestation emissions

Inclusion of deforestation emissions to the base year emissions helped Australia gain surplus emission allowance equivalent to about **1.4 GtCO₂eq**

Developing country capacity: Pre 2020 Transparency arrangement

Process	Annex I Parties (Developed Countries)	Non-Annex I Parties (Developing Countries)
Reporting	National Communications* {every four years} National GHG inventories* {annually} Biennial reports {every two years}	National Communications*** {every four years} Biennial Update Reports*** {every two years}
Review	Technical review of Biennial Reports {every two years} In-depth review of National Communications** {every four years} Annual review of national GHG inventories** {annually} Multilateral assessment {every two years}	Technical analysis of Biennial Updates {every two years} Facilitative sharing of views {every two years}
Note	* Annex I Parties that are not Parties to the Kyoto Protocol submit these reports under the Convention only ** These processes are for Annex I Parties that are not Parties to the Kyoto Protocol. They have to submit these reports only under the Convention. *** Non-Annex I Parties submit national GHG inventories as a part of their NATCOMs and BURs	
Convention only		Both Convention and Kyoto Protocol

BUR submissions, as on date, by Non-Annex I Parties:

Submission #	No. of countries
1	80
2	37
3	24
4	10
5	1

Developing country capacity: Pre 2020 Transparency arrangement

- Finalised enhanced transparency guidelines at COP26
 - Accounting loopholes continue
 - Much more granular requirements of developing countries
 - “Flexibilities” to be identified
- Areas of capacity building, in the context of transparency:
 - Granularity in data
 - Institutional arrangement
 - Legal mandate
 - Technical expertise
 - Technological expertise
 - Human resource

Areas of capacity building, in the context of transparency, is evolutionary in nature and needs regular updating to reflect the national priorities (needs)

Collaboration: CEEW and UNFCCC

Build upon The Council's Capacity Building Assessment Matrix, a tool to help quantify capacity building efforts and the gaps therein, with regards to climate transparency.

Consultative Group of Experts (CGE), to provide the technical and knowledge support towards the formulation of the newer tool.

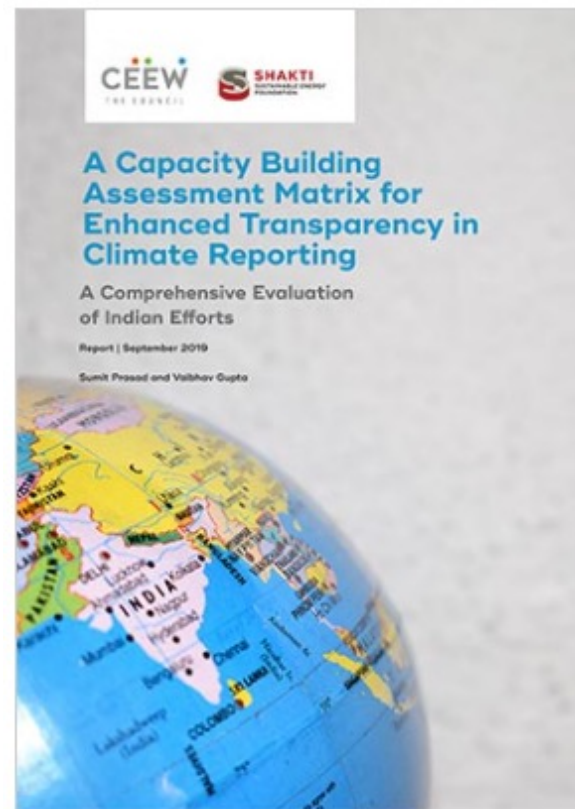
Currently exploring ways to make tool more user friendly; country pilots; research inputs

Capacity
assessment
and need
Identification

Support
identification
and CBIT
proposal

Improvement
plans and
BTR transition

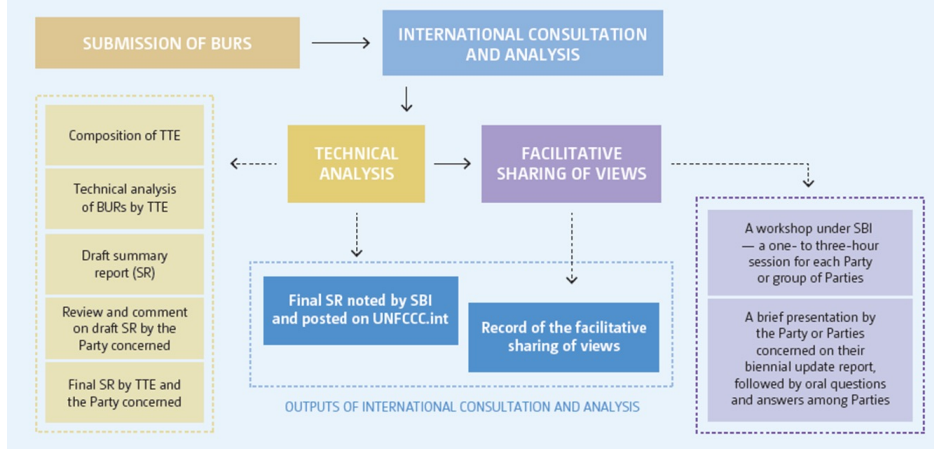
Technical
analysis and
summary
reports



13th Facilitative Sharing of Views

- **Armenia, Ghana, Jordan, Liberia, North Macedonia, Paraguay and Togo Andorra, Morocco, Uzbekistan and Vietnam** presented at the 13th FSV Workshop at COP27 on 11-12 Nov 2022
- Participating signals willingness to share information, engage in ways to improve data collection, disclosure/reporting (possibly to tap into funding)

Key elements of the International Consultation and Analysis process



Next challenge: Reporting requirements & Capacity Building under the Enhanced Transparency Framework of the Paris Agreement (ETF)

- From 2024, all countries shall submit a **Biennial Transparency Report (BTR)** to the UNFCCC
- It is a **big step-up** for developing countries from the Measurement, Reporting & Verification (MRV) Arrangements/International Consultation and Analysis process which calls for the submission of BURs, and participation in TA and FSV processes
- ETF requests or requires each country to **biennially report** progress of actions to achieve their NDC targets – **these should be seen as critical opportunities for countries to review and update their future NDCs: Learning by doing MRV helps in building capacity**
- Urgent need to make progress on enhancing institutions, processes and tools to facilitate the smooth transition to ETF
- **Implications of move to Enhanced Transparency Framework**
 - Detailed national circumstances, NDC details, 2006 IPCC Guidelines, IPCC AR5 GWPs, estimation of emissions values from lack of activity data, 7 gases, time series from 1990, reporting year of **x-2**, support needed/received/ provided/mobilized, Common Reporting Tables (agreed at COP26), Common Tabular Format (agreed at COP26), Article 6 reporting rules (finalized last year at COP26)

Useful Tools (non-exhaustive)

UNFCCC support:

- [Reference Manual for the Enhanced Transparency Framework](#)
- [GHG Data Interface](#)
- [Guidelines and Manuals for the Preparation of non-Annex I National Reports and International Consultation and Analysis](#)
- [Technical and Financial Support](#)
- [Tools and Training Materials](#)
- **Capacity-building Initiative for Transparency (CBIT)**
- **Biennial Transparency Report (BTR) Guidance and Roadmap Tool**, jointly developed by the Partnership on Transparency in the Paris Agreement (PATPA) and the Food and Agriculture Organization of the United Nations (FAO) guides parties in planning the preparation of BTR1 and a roadmap for implementing it. See: <https://transparency-partnership.net/publications-tools/btr-guidance-and-roadmap-tool>
- **Initiative for Climate Action Transparency (ICAT) Country Support:** <https://climateactiontransparency.org/our-work/country-supports/>



Source: Partnership on Transparency in the Paris Agreement (PATPA) & FAO

Latest updates on Transparency Negotiations at COP27

Transparency Agenda Items, Status				
Agenda Item	Description	Progress	Color Coded	
CMA (5a) / SBI 24	Provision of financial and technical support to developing country Parties for reporting and capacity-building	Concluded on Friday	Concluded	
CMA (5b)	Options for conducting reviews on a voluntary basis of the information reported pursuant to chapter IV of the annex to decision 18/CMA.1, and respective training courses needed to facilitate these voluntary reviews	Concluded on Friday	Ongoing	
SBSTA 13 (a)	Methodological issues under the Convention: Training programme for review experts for the technical review of greenhouse gas inventories of Parties included in Annex I to the Convention	Concluded on Wednesday	Deferred	
SBSTA 13 (b)	Methodological issues under the Convention: Training programme for review experts for the technical review of biennial reports and national communications of Parties included in Annex I to the Convention	Concluded on Wednesday		
SBSTA 13 (c)	Methodological issues under the Convention: Revision of the UNFCCC reporting guidelines on annual inventories for Parties included in Annex I to the Convention	Concluded on Friday		
SBSTA 13 (d)	Methodological issues under the Convention: Common metrics to calculate the carbon dioxide equivalence of greenhouse gases	Additional slot scheduled for today Saturday 12th 12:30-13:00pm		
SBSTA 13 (e)	Methodological issues under the Convention: Emissions from fuel used for international aviation and marine transport	Additional slot scheduled for today Saturday 12th 12:00-12:30pm		
SBSTA 14	Matters relating to reporting and review under Article 13 of the Paris Agreement: options for conducting reviews on a voluntary basis of the information reported pursuant to chapter IV of the annex to decision 18/CMA.1, and respective training courses needed to facilitate these voluntary reviews	Concluded on Friday		
SBI 4 (a)	Reporting from Parties not included in Annex I to the Convention: Information contained in National Communication from parties not included in Annex I to the convention	SBI chair for hold discussions, possible deferment		
SBI 4 (b)	Reporting from Parties not included in Annex I to the Convention: Report of the Consultative Group of Experts	Concluded on Friday		
SBI 4 (c)	Reporting from Parties not included in Annex I to the Convention: Provision of financial and technical support	Concluded on Friday		
CMP (4b)	Reporting from and review of Parties included in Annex I to the Convention: Annual compilation and accounting report for the second commitment period for Annex B parties under the Kyoto Protocol (for 2019, 2020, 2021 and 2022)	Deferred to CMP 18		
SBI 57	Thirteenth workshop of the facilitative sharing of views (FSV) (Andorra, Morocco, Uzbekistan and Vietnam)	Ongoing from 10:00am-13:00pm Saturday 12th		

Earth Negotiations Bulletin (IISD), 11 Nov 2022:

Several developed countries cautioned against preempting the outcome of the continued consideration of challenges that developing countries face in implementing the Enhanced Transparency Framework (ETF) at SBI 58 and opposed references to a long-term workplan.

Parties **converged** on specifying this be done with a view to facilitating the development of sustainable institutional capacity of developing countries, particularly least developed countries and small island developing states, to meet their obligations under Paris Agreement Article 13 (on transparency).

Thank you

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