



# Main messages of the **Annual Partnership Retreat 2017**

## **“The Enhanced Transparency Framework, Ambition and National Implementation”**

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The *main messages* included in this document have been conveyed by different speakers in different roles (key note speakers, country speakers, rapporteurs from group work and in question and answer and in facilitated discussion sessions).

These messages do not convey a common sense or understanding of the topics and have not been discussed or agreed as a common message. The messages proposed by groups in writeshops have been considered.



# Leadership

A new type of leadership? **Leadership by action**, by delivering on commitments.

- All countries in a position to lead, in accordance with national circumstances!

Different types of leadership:

- In the negotiations:
  - Moral leadership
  - Ambitious long term visions
  - Bridge makers / pacifiers
- In domestic policy: delivering upon International commitments and beyond
- On different aspects: mitigation and adaptation (as a whole or in specific sectors), support, transparency
- By sub-national and non-state actors

The GST is the perfect stage for showcasing leadership and ambition:

*“Part of leadership is showing what you are doing.”*





# Ambition, pathways and gaps

Current ambition not enough for 2°C goal, even with full implementation of all NDCs submitted

New pathways for 1,5°C show more stringent and urgent emissions reductions than previously estimated

Peaking needs to happen as soon as 2020 and much before 2030, in order to maintain necessary emissions reductions at lowest costs possible

Urgent ramping up of short term ambition is required

- 2018 Facilitative Dialogue and 2023 GST crucial in this regards
- Enhanced cooperation among countries

Countries need to take into account potential temperature overshoot in the mid-century in their policy planning (namely on adaptation). Deadlines for carbon neutrality and net negative emissions need to be carefully considered to reduce risks.



# Leadership & ambition

**Transparency is a critical driver for a global climate leadership, to raise ambition and reduce emissions gap for the Paris global long term goal.**





# GST and ETF

GST requires data that can be aggregated. ETF should be able to provide it. Although a challenge anyway, aggregation is clearer for mitigation than for adaptation TACCC GHG inventory and accounting rules are key for the aggregation required by GST

Unclear how to assess adaptation goal and how to aggregate data for that:

- Best practices?
- Trends?

Aim at having the MPGs applied by Parties ahead of the 1st GST, although it is likely that it will not have a complete information set

ETF should evolve taking into account experience and lessons learnt with GST

*“The way we design the MPGs will determine how useful the ETF will be for GST. We have a window of opportunity now.”*



# NDCs: Features, I-CTU and accounting (i)

Questions regarding the concepts and the boundaries of features and information for CTU remain, while work on further guidance progresses

Guidance is important, but should not pose an additional burden or reduce flexibility

Need to develop guidance particularly challenging for non-economy wide, absolute emissions reductions targets, due to less experience on such other targets





# NDCs: Features, I-CTU and accounting (ii)

I-CTU and accounting are essential to better understand NDCs and to facilitate aggregation for the GST, while avoiding any double counting

Concept of applicability is very important in relation to features, I-CTU and accounting: guidance only applies when relevant /when applicable.





# Domestic MRV systems

Regular reporting is key to improvement of national systems, including institutional capacity

Many existing / planned MRV systems do not yet capture what is being demanded by national policies

Integrated systems are a good practice:

- Answering to different needs, both at domestic and international levels
- Covering emissions, mitigation and adaptation action, support provided and/or received

Engagement of wide range of stakeholders in the MRV system both a need and a benefit

Reporting should become more accessible and useful for different stakeholders



# Flexibility and Capacity (i)

Flexibility to be determined in relation to specific provisions of the MPGs and not at a general level -> not a blanket

Flexibility should not hinder aggregation/comparability and should not constitute a disincentive for improvement. Flexibility provisions should not be considered a floor for transparency, but be applied only by those country with specific relevant capacity constraints.

The **flexibility zone**: Developing countries, according to their capacities



## Flexibility and Capacity (ii)

Flexibility is linked to capacity; and therefore should be provided only when the ability to report on a given requirement is affected by it

Level of capacity is self-determined; some explanation on this might be necessary

As capacity improves, the level of flexibility a country needs should be proportionally reduced





# MPGs for GHG inventory

Transition to full use of 2006 guidelines for developing countries needs time, as this is a matter of capacity

Guidelines on institutional arrangements should be broad and at the level of principles

For developing countries, completeness should not be more important than other principles. Need for flexibility in prioritizing specific sectors and gases, namely in line with the NDC.

LDCs and SIDS could be encouraged to report at every five years, for the purpose of informing the GST. Other developing countries with capacity to do so, could have the opportunity to submit annually.



# MPGs for tracking progress under Article 4 (i)

There should be common information Parties will need to report regardless of NDC type, PLUS information specific to NDC type

Applicability: MPGs to require information that Parties only report if it's applicable to its NDC and Party's also need to critically decide which information to report: MPGs cannot necessarily foresee every possible situation.

There is more to tracking progress than accounting.





# MPGs for tracking progress under Article 4 (ii)

Capturing quantified information on progress in a tabular format could enhance clarity – a single table should do the job - but a narrative is also fundamental.

GHG emissions projections key to evaluation of progress towards NDC and allow countries to control narrative on progress towards targets. Very important at domestic level.





# MPGs for tracking progress under Article 4 (iii)

Reporting on progress towards conditional components of NDC required. Need to address issues related to report on support received for the conditional components of the NDC, namely whether it becomes subject to TER.

Clarification needed if MPGs for tracking progress under article 4 includes adaptation

Ultimately everyone will need to understand if an NDC has been achieved, regardless of the type of NDC-



# Adaptation communication (i)

Information needs by the GST are key for the determination of the adaptation MPGs

Different timescales for reporting on adaptation and mitigation -> need to streamline reporting cycles without creating undue burden

Adaptation communication = a report or a concept? Contents of adaptation communication may be scattered in different vehicles (e.g. NDCs, BURs, NC, NAPs)

Not one common methodological approach applicable to all sectors and to all countries (contrary to mitigation)



# Adaptation communication (ii)

A key difference between M&E and MRV is the role of international verification -> but: labels not that important, content matters

Adaptation transparency purposes may differ from those of mitigation and therefore adaptation transparency MPG need not necessarily mirror those for mitigation

Strong domestic need for M&E: Matching vulnerabilities with adaptation actions

Most systems currently report on process not on outcomes -> needed for GST



# MPGs for adaptation action

Provision of information on adaptation is not strictly mandatory

ETF guidelines needs to capture what makes sense on a biennial basis and provide the information the GST requires

ETF may include backward and forward looking elements (same way as the adaptation communication may)

Heading and sub-headings included in the Informal note seem to cover all key elements, however several aspects may be streamlined, with some headings being merged and/or demoted to sub-headings

Loss & Damage may be an optional element



# MPGs for Support (i)

Streamlined guidelines and tabular formats can facilitate reporting and reduce potential for double counting – one single table to report on financial, CB and technology support

Provision of disaggregated data fundamental for transparency and trust building

Several different approaches to tracking climate finance. No wrong or right, but choosing one or the other can result in differences amounting to tens of billions of dollars

Matching between support provided and received virtually impossible

Report by Parties only, most likely unable to provide full picture. Role of MDBs to be carefully considered.







# MPGs for Support (ii)

Attribution and reporting on private finance mobilized by public finance and/or interventions poses big challenges. Very little experience globally. Extreme confidentiality concerns.

Clarity on approaches to estimating and reporting support needs important to build trust



# MPGs for Verification (i)

Not reinventing the wheel. Experience with review and analysis, MA and FSV provide almost all that is required. Challenges mostly related to potential overload.

TER and MFPC as important elements of the capacity building efforts towards continuous improvement of transparency. Not a punishment, not an exam, an opportunity. Exactly how it fits in the CB bigger picture needs careful consideration.

Modalities and procedures to be applied in order to:

- Focus resources on Parties which can profit more from them in terms of CB
- Manage efficiently the scarce resources, in particular the limited amount of experts available

Pros and Cons of a dynamic approach to the application of the modalities need to be considered, as well as innovative ways to increase the availability of experts.

Splitting review in two also an option to address scarcity of experts: year 1 review of GHG, year 2 review of other information.



## MPGs for Verification (ii)

Can provision of flexibility in the review be self determined as in reporting?

In session FMCP key for trust building; online platform with high potential to overcome bottlenecks.

Links to Article 15 mechanism with a view to facilitating implementation and promoting compliance, rather than enforcing compliance in a backward approach. Self triggering of Article 15 important for promoting compliance.



# Cross cutting issues

Reporting is not only an international obligation, but an opportunity for developing national arrangements

The transition between current arrangements and the ETF is not clear-cut

The continuation of current arrangements for those Parties which are not a Party to the Paris Agreement needs to be considered

One set of guidelines for all Parties, with flexibility provisions for developing countries that need it in light of their capacities being defined for specific requirements, with recognition of the special circumstances of the SIDS and LDCs at a general level

The improvement plan should be closely related to the explanation of the flexibility needed and should include measures to build capacity and relevant support needed

ETF information needs to be compiled in an easily searchable database. No more paper licking!



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