Main messages of the
Annual Partnership Retreat 2018

"Enhanced Transparency – Learning from implementation, facilitating negotiations"

Seoul, Republic of Korea 12 to 17 October 2018

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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.

Transparency drives ambition

If we have information on other people's / country's intentions, we are more likely to act towards the common interest (PA goals), rather than towards self interest which is likely to be prioritized when there is little or no information.

Transparency converts the prisoner's dilemma into an assurance game: removes distrust allowing for enhanced cooperation.

The PA contains all elements of a typical information system:
- Periodic reporting (BTR)
- Promotion of adherence to reporting requirements (Technical review + multilateral discussion)
- Evaluation of effectiveness (GST to assess collective progress)

The role of non-state actors in collecting and making information salient needs consideration as some initiatives are gaining robustness across the world.

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Status of Negotiations – expectations for Katowice

Bangkok advanced readiness for Katowice.

ETF

- *is to be based on experience with current framework*
- *is to provide information to the GST*

Adoption of a rule book in Katowice is feasible with some *follow up technical work.*

Key transparency issues for COP24:

- Tracking progress under Art. 4
- Information on adaptation (ensure streamlining between Articles 7 and 13)
- Information on support provided and mobilized, as well as support needed and received
- Operationalization of flexibility and capacity building for transparency
- The ETF eventually superseding the Cancún MRV System

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Flexibility

Flexibility is a route to enhanced transparency, by focusing developing countries reporting capacity on what is feasible, and accelerating capacity-building, with the provision of adequate support.

Four key questions on flexibility:

- To whom should flexibility be given?
- Which issues should flexibility be provided for?
- What flexibility is to be provided?
- How to ensure flexibility promotes capacity building (including the provision of support) and enhanced transparency by developing countries?

Four statements on flexibility:

- Is not a blanket, but can be a pillow
- Is linked to capacity,
- Is self-determined,
- Should facilitate improvement

Flexibility, applicability and discretion are different concepts that concurrently promote reporting in accordance with national circumstances and capacities

Paris Agreement systematic approach to capacity building enhances transparency: as capacity increases flexibility required decreases.

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Partnership on Transparency
in the Paris Agreement

Transparency of Adaptation

Experience from countries:

Progress on M&E of adaptation, including institutional set-up, can be seen in countries all over the world.

Policy and technical complexity of adaptation issues coupled with lack of guidance create great challenges on M&E to all parties. In particular, the most vulnerable ones that have greater need to report on adaptation are faced with the least capacity to do so.

Most countries, in particular LDCs, submitted NDCs with strong adaptation component.

Way ahead / Stimuli:

Relationship between adaptation communication and BTR still unclear. Pros and cons regarding one single or two documents approach were highlighted.

Relationship between adaptation communication and reporting in BTRs still unclear. Many countries see adaptation communications and adaptation reporting as having different purposes. Key questions are: one set of guidelines or two? And reporting/communicating in one place or two (or more)?

Periodicity (how often) and backward and forward looking nature of information key criteria for choice of approach. There is a need to report some information more frequently than other information.

It's important for developing countries, especially vulnerable countries, to report on adaptation in a way which does not impose undue burdens. At the same time, unbounded flexibility also creates challenges for the reporting Party and for the system as a whole - we need the right information for the GST. Detailed, facilitative guidance with appropriate flexibility on vehicle and timing would accomplish this.

A single set of guidelines on communicating and reporting adaptation information would not necessarily preclude reporting/communicating information in more than one document.

Methodological guidance (including indicators) could be important, but very unlikely it will be produced. No universal adaptation metric is expected.

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Transparency of Support

Experience from countries:

- **Little experience with tracking support provided and support received (in developed and developing countries)**
- Hard to provide specific monetary value for CB and TT (components of) projects
- Granularity (detailed information on individual projects) seems to be valued
- **Good experience with marker systems (e.g. Rio markers, budget codes)**
- Difficult for Parties to identify needs and gaps
- Difficult to match support provided with support received

Way ahead / Stimuli:

Emerging convergence on the need for transparent reporting, including on status, channels, areas of support, e.g. adaptation, mitigation, cross-cutting and [loss and damage], sectors and subsectors, support for capacity building and technology, finance mobilized, amounts disbursed to each beneficiary country

Tracking finance mobilized by public interventions poses great challenge: Recipient countries might be better able to track mobilized finance than providers.

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GHG Inventories

Experience from countries:

70% of BURs include emissions estimates using 2006 guidelines to some extent. Some countries are in the transition process. Many recognize 2006 guidelines are more complete and user friendly for compilers. Time and capacity building are required for such transition.

Improvement of inventory is a potentially never ending story. International reporting requirements and guidelines, frequent and regular reporting as well as feedback from reviewers are an important driver for improving GHG inventories over time.

Way ahead / stimuli:

Guidelines should

- ensure that expectation regarding improvements take into account each Party's capacity to do so.
- recognize that time and capacity building are required for improvements.

Submission of most recent information is of utmost importance for GST: the guidelines should require the submission of inventories for the year x-2 (mandatory for developed countries), with flexibility, for up to x-4 for developing countries that need it taking into account their respective capacity.

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Tracking of progress

Experience from countries:

Developed countries have experience from KP, developing countries very limited experience in the scope of the Cancun Pledges

Projections more useful for planning rather than for tracking progress.

Way ahead / stimuli:

Clarity on what each Party is/will be tracking (updates, clarification of ICTU provided with NDC (first BTR of NDC cycle?).

Information required to track progress is dependant on the type of target Party chose. However, information on GHG emissions/removals (time series from base to target year/period), information on ITMOs (when used), information on LULUCF (when relevant) seem to be common to most types of targets

Information on methodological aspects and data sources crucial for transparency of tracking of progress

Provision of information on policies and measures also common to all types of targets

Nice to have: in order to preserve self-determination, a non-prescriptive list of indicators

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Technical Expert Review

Experience from countries:

Technical analysis very useful (e.g. for enhancing reports, increasing political buy-in, capacity building), but potential for improvement – more concrete, technical identification of CB needs (recommendations in the context of IAR)

Experience shows non-intrusiveness, although clearer guidelines could facilitate work of TTE and relationship with Party (e.g. differentiated treatment of shall/should/may/ requirements)

Procedures for interaction with the Party (video call, virtual team) have proven very useful for both the team and the Party

Consistency among reviews needs to be promoted/assured

FSV and MA proved to be very important tools to build trust among Parties. Modalities may need to be enhanced to extract full potential of the exercise

Way ahead / stimuli:

Some noticeable convergence on key topics, namely format of reviews – experience from current framework has been valuable

BTR should include information on actions planned or taken, including support needs, to address capacity building needs identified by the team

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Cross cutting issues

Reporting guidelines need to be clear and detailed, in order to facilitate implementation, identification of capacity needs and gaps and the work of the review team (also reduces potential conflict with Party). Robustness and flexibility are compatible. Robust guidelines empower report compilers in the relationship with other stakeholders, namely data owners.

The less detailed the reporting guidelines, the more detailed, the more prescriptive the review guidelines need to be.

Role of article 15 very unclear: some convergence that it could have a role in facilitating implementation, but not clear what value it could add in relation to the review process (KP does not offer valuable experience in this case – except that enforcement created an incentive for Parties to solve issues that remained unsolved for several years).

Identification of capacity gaps and needs, and the improvement of capacities is best achieved by going through the actual process of compiling data and preparing reports. System needs to get countries started.

Improvement over time is expected of all Parties.

Reporting on improvements, including on actions to build capacity and their results could be an important contribution to maintaining capacity.

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Sikgu – The APR Family