

MRV

THE ROAD FROM DURBAN TO DOHA

**EXPECTED MILESTONES BY DOHA AND BEYOND
OCTOBER 2012**

**1ST AUTUMN SCHOOL SEMINAR
INTERNATIONAL MITIGATION & MRV PARTNERSHIP**

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OUTLINE

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Why MRV and Accounting is important and a bit of history

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Assessment of Durban Outcome: a review of the system before Durban, the result of COP17 and outstanding issues

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What happened in Bonn

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The roadmap to Doha



WHY MRV MATTERS SO MUCH IN THE NEGOTIATIONS?

- **MRV: A key element of any multilateral regime** – fundamental project management tool for reaching objectives.
- It is about Evidence, Engagement, Evaluation, Enforcement.
- take the most **appropriate action** to mitigate climate change, and ultimately to **achieve the objective of the Convention**.
- MRV is critical for **tracking progress towards our 2 degree goal** - as well as **building trust**
- Progress on the institutional, procedural and architectural aspects of the regime to hold Parties accountable for commitments, is **key to prepare the ground for evolution into a Legally Binding Agreement**

WHY ACCOUNTING MATTERS ?

- Accounting is critical ensure environmental integrity
- By ensuring that 1tonne in China = 1tonne in Australia
- By avoiding double counting
- Aligning sectoral reductions, effect at company level or subnational level with national total.
- This is both a “counting” and a political issue”

IMPACT IF WE DO NOT HAVE ROBUST MRV AND ACCOUNTING RULE?

- Nervousness of the carbon market
- Distrust
- Widening the emission gap
- Race to the bottom
- Undermine the UNFCCC regime

HENCE THE HISTORY OF UNFCCC SHOWS: MRV HAS BEEN AT THE HEART OF THE CONVENTION, ITS PROTOCOL FROM THE VERY BEGINNING?

➤ UNFCCC – Art.4

- ❑ Since 1994, governments have invested significant time and resources in the preparation, collection and validation of data on GHG emissions
- ❑ the COP has made determined efforts to improve the quality and consistency of the data, which are ensured by established guidelines for reporting.
- ❑ Non-Annex I Parties receive financial and technical assistance in preparing their natcoms.

HENCE THE HISTORY OF UNFCCC SHOWS: MRV HAS BEEN AT THE HEART OF THE CONVENTION, ITS PROTOCOL FROM THE VERY BEGINNING?

➤ The Kyoto Protocol (1997) and Marrakesh Accords (2005)

- MRV has been and is still the **back bone of the Kyoto Protocol (Art. 5, 7 , 8)**
- supporting its robust common accounting framework.
- Basis for its compliance mechanism
- key eligibility criteria for the use of flexible mechanisms

HENCE THE HISTORY OF UNFCCC SHOWS: MRV HAS BEEN AT THE HEART OF THE CONVENTION, ITS PROTOCOL FROM THE VERY BEGINNING?

- **The Bali Action Plan** (1bi and 1bii) - where the M, R and V came together to form the MRV concept in the context of mitigation and support
- **Cancun and Durban:**
 - ❑ enhancing the existing transparency framework within the convention and under KP (frequency of reporting, update guidelines, scope, verification regime), global framework
 - ❑ Make the system operational with new sets of guidelines

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WE MADE GOOD PROGRESS IN DURBAN BUT STILL KEY CHALLENGES AHEAD



Where we were Huge Gap between Annex I and non-Annex

Robust KP style framework for Annex I – US

- Annual Inventories + Annual review
- Natcoms every 4 years + Review
- Compliance Committee
- Accounting framework
- Us does reporting and have review like KP parties voluntarily – no compliance

Versus

For Non Annex I

- No frequency Only X no of Natcom in Y years
- Only Natcoms with single year inventories (no time series)
- No review
- No proper guidelines

Where we are now Reduced gap between Annex I and non-Annex I

Robust KP style – (US + Canada ? Japan)

Transitional global regime

All Annex I countries:

- Annual inventories + annual review + common gas/sector coverage, metrics and methodologies.
- Biennial reports + IAR
- Natcoms every 4 years + review
- No compliance
- Full cost support for non-Annex I

Non-Annex I

- Biennial reports + ICA
- Natcoms every 4 years + ICA
- common gas/sector coverage, metrics and methodologies for inventories but different form Annex I
- Discretion for LCDs and SIDs

Where we want to be Post 2020: Common robust framework

Only 1 Global MRV regime

On top of transitional period requirements:

- Same gas, sector, coverage and metrics for All?
- Global Common/yet flexible framework for LULUCF and Use of Offset ?
- Eligibility criteria for flexible mechanism ?
- For Annex I (specific to targets: accounting/trajectories and adjustments ?
- Build from the CBDR- RC approach embedded in the inventory?
- Enhanced information for all parties- minimization of double counting, enhanced trust.

Progress in Durban means that there is likely to be a legally binding international MRV regime post-2020 , But some key decisions will have to be taken at the next COPs to ensure this support a robust common accounting framework

THE DURBAN OUTCOME

AN OPPORTUNITY FOR MORE EFFECTIVE DOMESTIC ACTIONS



Much progress was made in Durban: set of guidelines that support:

- international interest: Help meeting international requirements
- **national** interest: Support delivering domestic requirement...

Developing countries are now scaling up their efforts to close the “MRV” gap.

Yet, scope for more intense and **wider cooperation** to

- **Finalize and strengthen the MRV framework to *promote more effective domestic actions***
- **Demystify accounting**
- **Embrace CBDR-RC**

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PROGRESS IN BONN – SBSTA?

- **Rationalization of Annex I review process:** parties views submitted in September

- **Annex I CRF tables,**
 - ❑ agreed on a set of common reporting format tables to be used in conjunction with the reporting guidelines agreed in Durban.

 - ❑ They also agreed a work programme to finalize this work, which includes submissions from parties on additional tables, compilation and synthesis of parties views by the Secretariat and a workshop in October 2012.

 - ❑ Challenging areas: finance, accounting tables.

- **Domestic MRV guidelines for non-Annex I parties:**
 - ❑ continue considerations in Doha “with a view of agreeing next steps” (timeline and scope for guidance documents).

PROGRESS IN BONN – SBSTA RELATED TO KP ISSUES?

- **Capacity building exercise:** parties reckoned the complexity of the task
- Secretariat asked to prepare a **technical paper** by the 1st September with a comprehensive review of the implications of Durban decisions on Articles 5, 7 and 8 of KP, to prioritize the technical issues that are relevant to implement these decisions in KP II and consider options to address these issues.
- The technical paper will provide the basis for discussions at the **technical workshop** that was held last week.
- Issue of timeliness for completion of the **work of the IPCC regarding guidelines on LULUCF.**

PROGRESS IN BONN - SBI?

- **Testing of the pilot registry – opportunity for enhancing the design before launch in Doha**
- **Agreed on draft texts that will form the basis of the negotiations in Doha** on the mandate of the consultative group of expert (CGE), the modalities and composition of the team of experts for the ICA process.
- On ICA, 3 options on how to run the technical analysis are on the table:
 - *Option 1*, which consists in having CGE members to undertake the technical analysis, and for the CGE to operate like the CDM board.
 - *Option 2* consists in limiting the role of the CGE to capacity building and technical assistance. The nomination of experts undertaking the technical analysis would be through the roster of experts, as per current practice.
 - *Option 3*: have the Secretariat to run the technical analysis with permanent staff.

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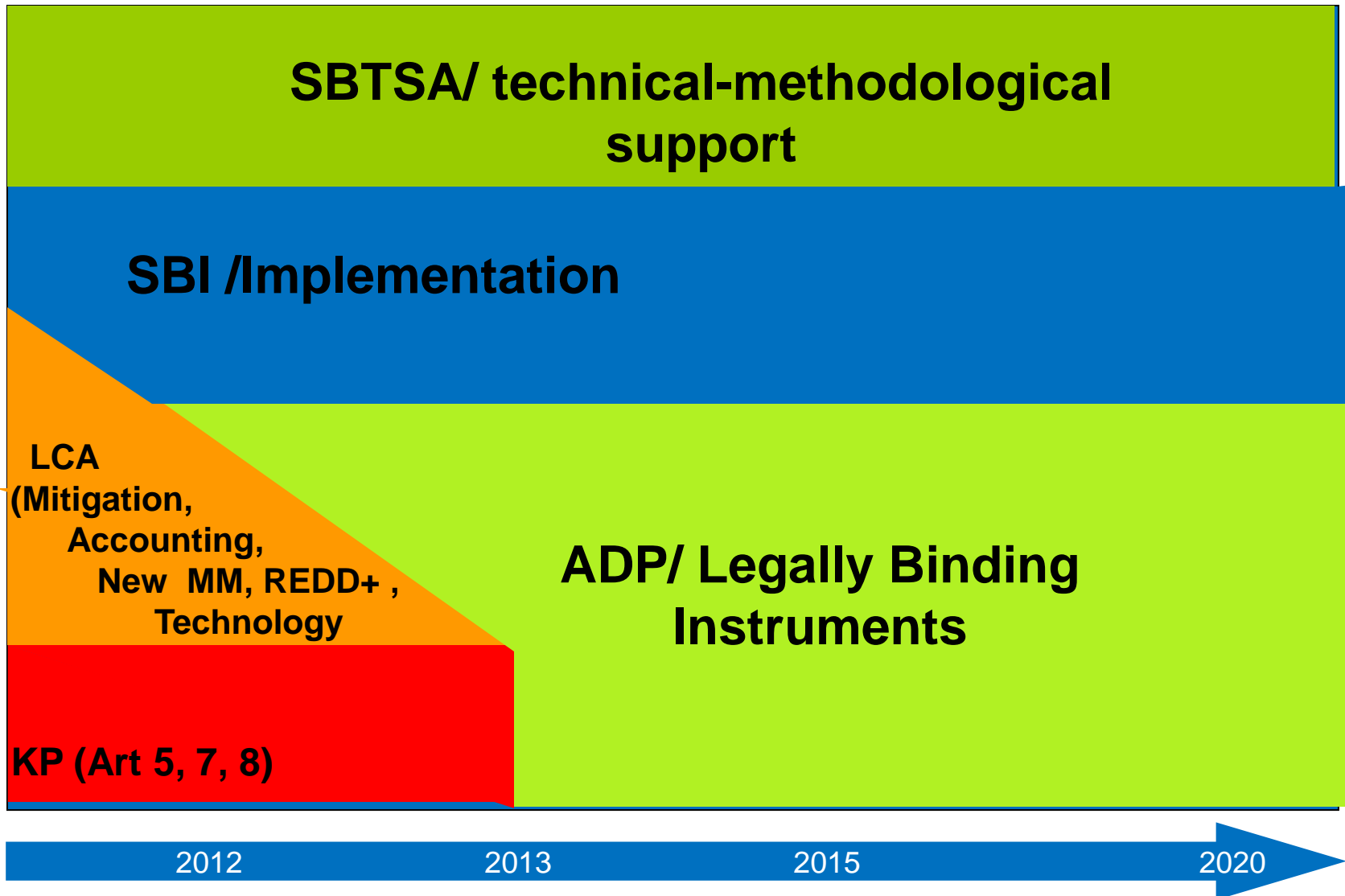
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MRV FEATURES IN ALL TRACKS – ABOUT 12 RELATED ITEMS



MRV IN 2012 AND BEYOND...

Timeline	Timeline	Key deliverables	Key Milestones
Transitional Period – Voluntary/trial period	Period 1: 2012-2013	<ul style="list-style-type: none"> Finalize the reporting and verification modalities. Update and consolidated the MRV framework for KP2 	COP18
	Period 2: 2014-2020	<ul style="list-style-type: none"> First Biennial Reports and enhanced national communications. First International Assessment and Review (IAR – for Annex I) and International Consultation and Analysis (ICA for non-Annex I) Revision of the newly adopted guidelines and potentially a voluntary period to use them. <i>To note - Still 2 MRV systems: KP2 and Convention</i> 	2014 2015-2017 2017-2020
Post 2020/ Legally Binding MRV	Period 3: Post 2020	<ul style="list-style-type: none"> 1 Legally binding, equitable system embedding a global common accounting framework 	2020

DOHA CLIMATE CHANGE CONFERENCE *NOV-DEC 2012*

Tracks on MRV: LCA, KP, SBTSA, SBI... ADP

Objectives/Issues:

- **LCA:** ambition, clarification of pledges, accounting and MRV of support
- **KP/SBTSA:** prioritize progress on the technical elements that are essential to finalize the KP text and enable decisions to be made. Mid-term review process. May need a work programme to deal with the remaining issues (e.g. Marrakesh accords).
- **SBTSA:** rationalization of Annex I review process, Annex I CRF tables, domestic MRV guidelines for non-Annex I parties.
- **SBI:** ICA, launch of the registry, Mandate of the CGE.
- **ADP:** role of MRV, especially the review process, under the pre-Durban



DOHA CLIMATE CHANGE CONFERENCE *NOV-DEC 2012*

MRV in the broader context : The **STAKES** of this COP

- **Closing LCA**: some issues will be resolved – **some will not: what to do with them, how to treat them (ADP/SBs)**
- **KP**: close KP with agreement of KPII: every coma will count...yet so many technical issues to sort out, including eligibility to flexible mechanism, ratification hurdles, **the new mid-term review** process aligned with the periodic 2013-2015 UNFCCC review and the verification (ICA/IAR) regime.
- **Finance** – medium term/longer term finance, transparency and GCF
- **ADP**: equity/CBDR within the ambition game and architectural/legal form debate

AFTER DOHA

Tracks on MRV/Accounting : SBTSA, SBI... ADP

Objectives/Issues:

➤ **SBTSA:**

- Will we have a process like for the Marrakesh accords, to resolve outstanding KP II issues?
- Consolidation of the Review/Verification regime (including rationalization of Annex I review process).
- Adoption of domestic MRV guidelines for non-Annex I parties – no timeline agreed yet .

➤ **SBI:**

- national communications and biennial reports.
- Registry update

- **ADP:** post – 2020 MRV architecture, role of MRV in the pre-2020 ambition debate.



DOMESTIC IMPLICATION

➤ Importance of Institutional arrangements for

- Effective domestic MRV system, including data collection
- Effective NAMAs design
- Country ownership

➤ Wider cooperation on MRV, NAMAs, LEDS

- Partnerships, bilateral cooperation
- Development of guidance documents building on best practices and lessons learnt

➤ Importance of effective support

- Long term finance, GEF
- access

➤ Benefit of timely reporting

- Double book keeping enabling tracking of mitigation, adaptation and finance performances
- Helpful recommendation to enhance both the domestic and international regime, secure environmental integrity



THANK YOU!

DANKER!

NGIYABONGA

**Any
question
or
queries?**

