

# Status of International Negotiations: the ETF in the Katowice Climate Package and outlook towards COP26



## Outline

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- Enhanced transparency framework (ETF) under the Paris Agreement
- Outcome of Katowice on ETF
- Negotiations on tabular formats
- How to deal with flexibility?
- Reporting on inventories: which system fits all countries?
- The 2019 refinement to the 2006 IPCC Guidelines on GHG Emission Inventory



# ETF under the Paris Agreement – the big picture

**Objective**

Strengthen the global response to the threat of CLIMATE CHANGE

- Long-term temperature goal (2°C/1.5°C)
- Ability to adapt, climate resilient and low emissions development
- Financial flows consistent with long-term GHG and climate resilient development

Action (NDCs)	Means of implementation
<ul style="list-style-type: none"><li>* Adaptation</li><li>* Mitigation</li></ul>	<ul style="list-style-type: none"><li>* Finance</li><li>* Technology development &amp; transfer</li><li>* Capacity-building</li></ul>

**Accountability and ambition (individual and aggregate level)**

- \* Transparency of action and support
- \* Global stock-take
- \* Facilitating implementation and compliance



# ETF under the Paris Agreement as a essential element for action and ambition

Ambition mechanism

## Review

- Transparency framework, Compliance and Global stock take

## Plan

- NDCs under Article 4, Adaptation communications and ex-ante communication on finance

*Objective (long-term temperature goal (2°C/1.5°C); climate resilient and low emissions development; financial flows consistent with such development)*

## Implement

- Action (mitigation and adaptation) and Means of implementation



# ETF under the Paris Agreement and its key elements

## Article 13 of the Paris Agreement: transparency of action and support

Reporting	<p><b>All Parties (shall)</b></p> <ul style="list-style-type: none"> <li>National greenhouse gas (GHG) inventory report <a href="#">{Article 13.7(a)}</a></li> <li>Progress made in implementing and achieving nationally determined contribution (NDC) <a href="#">{Article 13.7(b)}</a></li> </ul>	<p><b>Developed country Parties (shall) and other Parties that provided support (should)</b></p> <p>Financial, technology transfer and capacity-building support provided to developing country Parties under Article 9, 10 and 11 <a href="#">{Article 13.9}</a></p>
	<p><b>All Parties (should, as appropriate)</b></p> <ul style="list-style-type: none"> <li>Climate change impacts and adaptation <a href="#">{Article 13.8}</a></li> </ul>	<p><b>Developing country Parties (should)</b></p> <p>Financial, technology transfer and capacity-building support needed and received under Articles 9, 10 and 11 <a href="#">{Article 13.10}</a></p>
Technical expert review	<p><b>All Parties (shall)</b></p> <ul style="list-style-type: none"> <li>Undergo technical expert review of information submitted under Articles 13.7 <a href="#">{Article 13.11}</a></li> </ul>	<p><b>Developed country Parties (shall)</b></p> <ul style="list-style-type: none"> <li>Undergo technical expert review of information submitted under <a href="#">Articles 13.9</a> (other Parties may report and be reviewed on a voluntary basis)</li> </ul>
Facilitative multilateral consideration	<p><b>All Parties (shall)</b></p> <ul style="list-style-type: none"> <li>Facilitative multilateral consideration of progress with respect to efforts under Article 9, and its respective implementation and achievement of its NDCs <a href="#">{Article 13.11}</a></li> </ul>	

\* The transparency framework shall provide flexibility in the implementation of the provisions of this Article to those developing country Parties that need it in the light of their capacities [{Article 13.2}](#);

\* The transparency framework shall recognize the special circumstances of the least developed countries and small island developing States [{Article 13.3}](#).



## Katowice outcome on ETF

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### ❖ **Adopted modalities, procedures and guidelines (MPGs)**

- Reporting (biennial transparency report)
- Technical expert review
- Facilitative, multilateral consideration of progress

### ❖ **Agreed on dates**

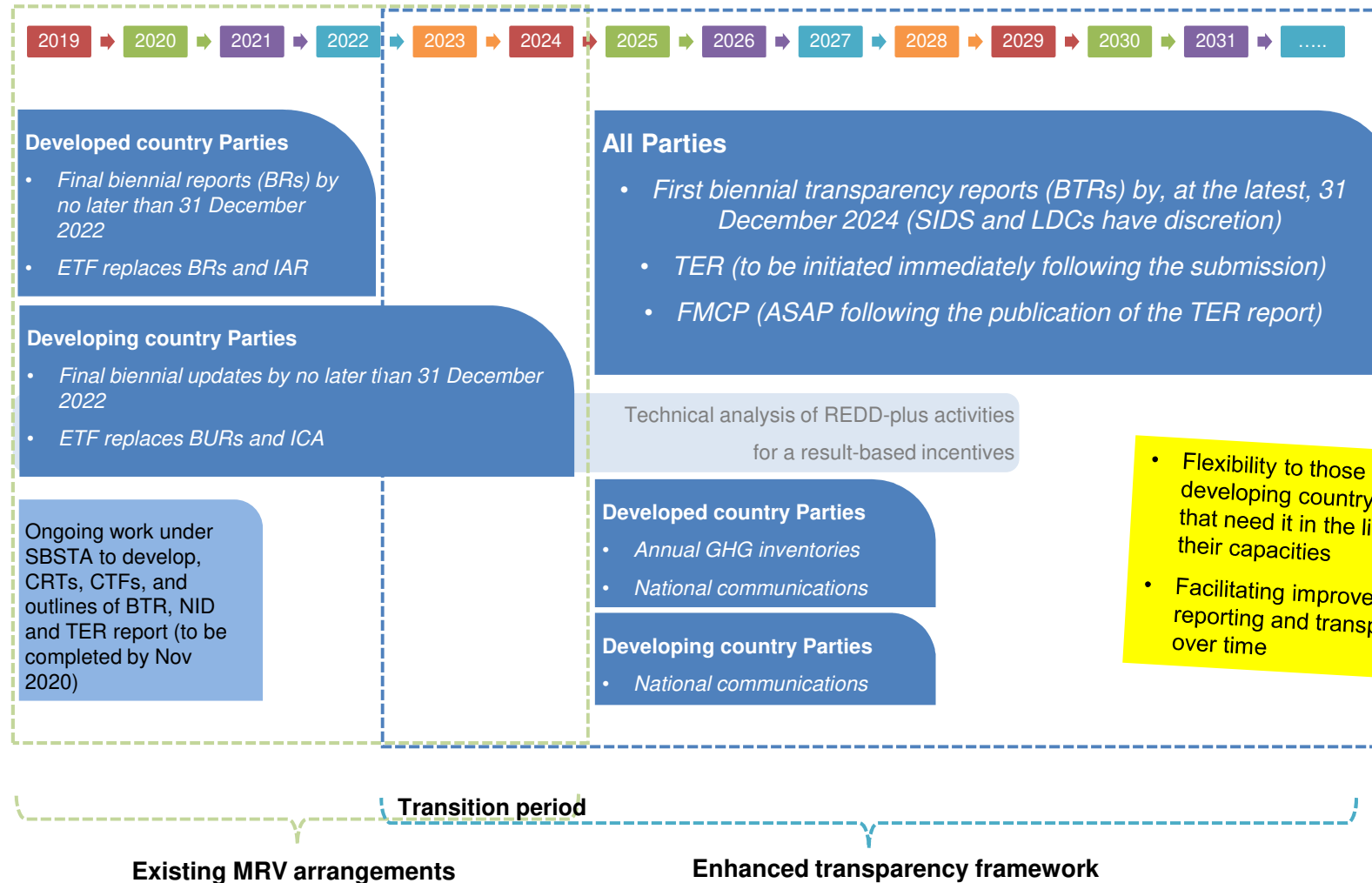
- Submission of first biennial transparency report – by 31 December 2024 (all Parties with discretion to SIDS and LDCs)
- First review and update of the MPGs – no later than 2028 (subsequent reviews as needed)

### ❖ **Addressed support (financial and technical) to developing countries**

- Support to prepare the first and subsequent biennial transparency reports
  - Request to the GEF to consider options for improving the efficiency of the process (addressing the challenges in the application process and better streamlining of the processes)
  - Continue supporting the operation of the CBIT
  - Mandated the Consultative Group of Experts to also serve the Paris Agreement starting from 1 January 2019
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# Katowice outcome on ETF: transition from the arrangements under the Convention to ETF under the Paris Agreement



## Flexibility in ETF: principles and approaches

### Overarching principle

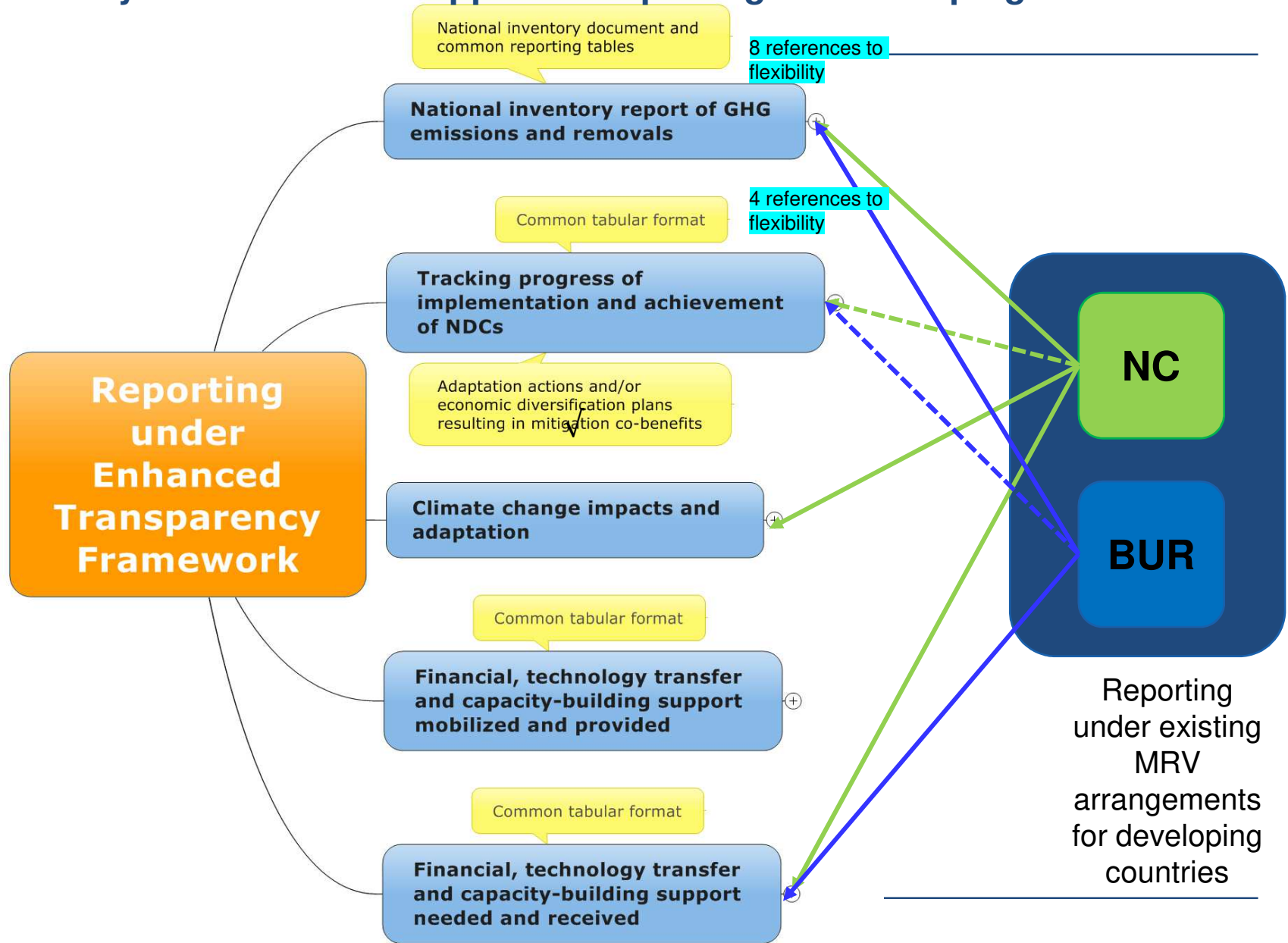
- ▶ Those developing country Parties that need it in the light of their capacities can make use of flexibility
- ▶ Need to balance flexibility with the need for continuous improvements

- Provided at the level of specific provisions
- To be self-determined
- Party to clearly indicate the provision to which flexibility is applied, concisely clarify capacity constraints, and provide self-determined estimated time frames for improvements in relation to the capacity-constraints
- Technical expert review shall not review Party's determination to apply flexibility or whether the Party possesses the capacity to implement the provision without flexibility
- Flexibility for developing countries is distinct from the mandatory (shall) and non mandatory (should, may) requirements of MPGs





# Flexibility in ETF: where it applies in reporting for developing countries



# How to deal with flexibility in ETF: National GHG inventories

## National circumstances and institutional arrangements

## Methods and cross-cutting elements

- **Methodologies, parameters and data**
- **Key categories for starting & latest reporting years** (lower threshold: 85 % instead of 95 %)
- **Recalculations**
- **Uncertainty assessment** (provide at a minimum qualitative assessment of uncertainty for key categories)
- **Completeness** (higher threshold for considering emissions insignificant, namely below 0.1% of national totals)
- **QA/QC plan and procedures** (encouraged to report QA/QC plan and general inventory QC procedures, instead of mandatory plan and procedures )

## Sectors and gases

- **7 gases** (requirement to report at least 3 main gases plus any of the additional four gases (HFCs, PFCs, SF6 and NF3) that are: (i) included in Party's NDC; (ii) covered by Article 6 activity; or (iii) gases covered previously, instead of mandatory reporting of all 7 gases)
- **All IPCC sectors and categories**

## Time series

- Consistent annual time series starting from 1990 to 2 years prior to submission
- Reference year/period for its NDC, and a consistent annual time series from at least 2020 onwards
- Latest reporting year – no more than 3 years prior to submission



## How to deal with flexibility in ETF: Tracking progress of implementation and achievement of NDCs

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National circumstances and institutional arrangements

Description of NDCs (no explicit reference to flexibility as NDCs are nationally determined and ICTU requirements applicable for the second NDC)

Information necessary to track progress made in implementing and achieving NDCs under Article 4 (no explicit reference to flexibility as NDCs are nationally determined and indicators are selfdetermined)

Mitigation policies and measures, actions and plans (**encouraged to report estimates of past&future GHG emissions reductions**)

Summary of GHG emissions and removals

GHG projections (**encouraged to report projections, in some cases in less detailed manner, flexibility to extend projections at least to the end point of NDCs, instead of 15 more years**)



## How to deal with flexibility in ETF: FTC support provided and mobilized, and support needed and received

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### FTC support provided and mobilised (flexibility is not defined as it is not applicable)

- *Other Parties that provide support “should” provide information on FTC support provided and mobilized (new element)*

### Support needed and received (flexibility is not defined, but some Parties raised it under the overarching principle of flexibility)

- Information in textual and common tabular formats that should be provided to the extent possible/and as available
- Issues pertaining the information reported in common tabular format
  - In case when only partial information is reported, how to deal with blank spaces, e.g. possible use of notation keys *Not Available*.



### 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 keys could be used
- Some tables may not be reported, but headings could be kept
- The reporting tool might allow not to show some rows/columns
- Documentation boxes or footnotes could be used
- A summary table could be prepared for a Party to provide an overview of all flexibility provisions that it is applying
- Narrative description/explanation of the flexibility when it is applied to the information reported in various tabular formats.



## Reporting GHG inventory: what system fits all countries

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**National inventory arrangements (NIA)** cover institutional, legal and procedural aspects and provide for **continuous estimation, compilation and timely reporting of GHG information in the national reports**

The **requirements are functional**, depend on the national circumstances, can change over time and include

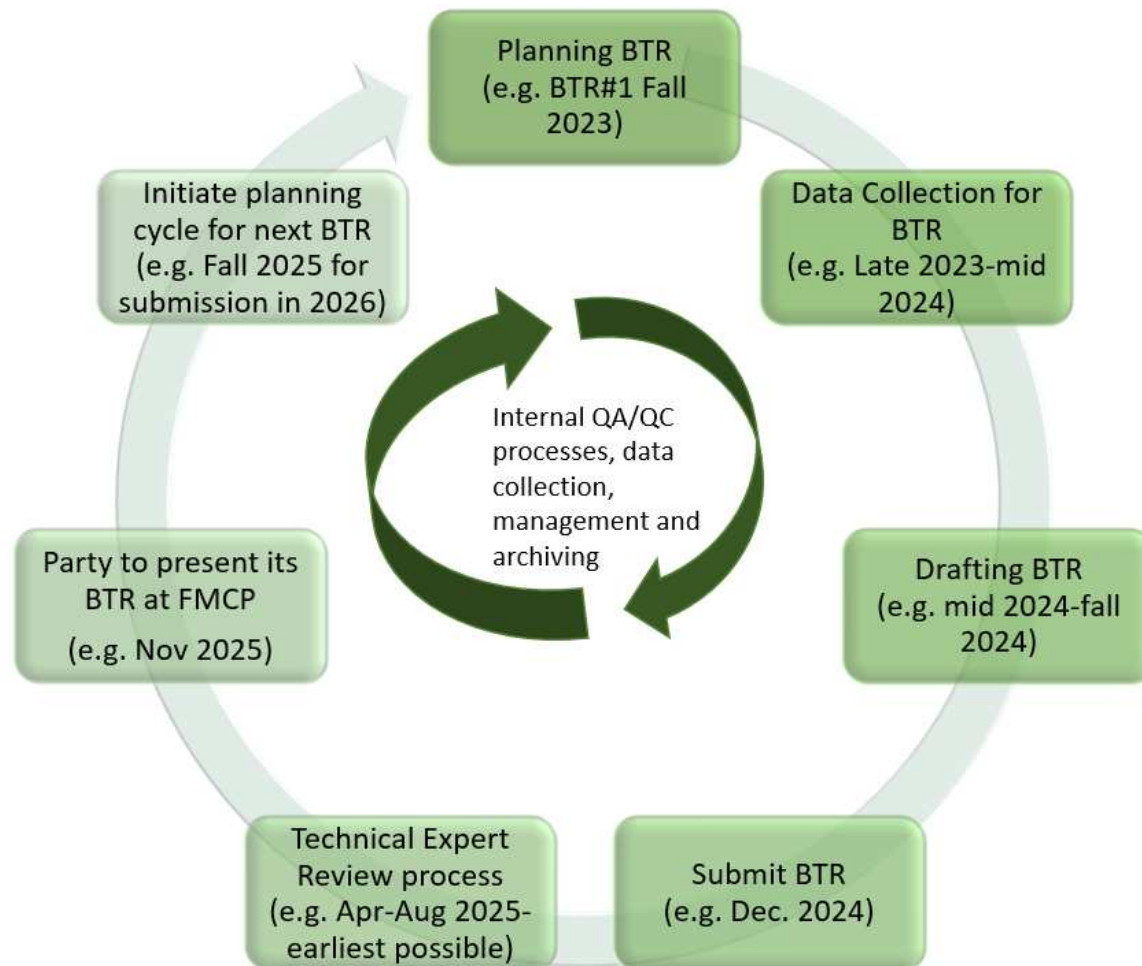
- National entity or focal point with overall responsibility for GHG inventory
- Inventory preparation process, responsibilities for data collection, choice of methods, emissions factors in accordance with IPCC guidelines
- Archiving information for time series, all documentation of data gathering, QA/QC, review results and planned improvements
- Process for official consideration and improvement of inventory

The existing MRV provides a “testing ground” for countries to participate in MRV implementation and transition to the MPGs under the Paris Agreement, including more demanding NIA

- There is now urgent need to establish and enhance the domestic MRV system to collect and analyze data
- A robust domestic MRV system will inform domestic decision making, serving multiple purpose, such as tracking progress in implementing and achieving NDCs and preparing and communicating next NDCs



# Steps in GHG inventory to be covered by the National Inventory Arrangements



## Reporting GHG inventory: the 2019 IPCC refinement to the IPCC 2006 guidelines on GHG inventories

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The refinement was adopted and accepted by the IPCC in May 2019

The transparency MPGs establish that “*Each Party shall use the 2006 IPCC Guidelines, and shall use any subsequent version or refinement of the IPCC guidelines agreed upon by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA). Each Party is encouraged to use the 2013 Supplement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories: Wetlands.*”

The UNFCCC practice is for Parties to gain experience with relevant IPCC guidelines before they are adopted by the COP for national GHG assessment on a mandatory basis.

There are different ways and timing for possible consideration of the refinement.





## Outlook for COP26

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- COP 26 is the key point for assessing how effectively the “ambition momentum” generated by the UN SG Climate Summit and COP 25 translates into new and updated NDCs and low emission long-term strategies leading to zero net emissions by 2050
- COP26 is expected to adopt the entire package of reporting tables, outlines and training programme for review experts under transparency MPGs, but at least draft outlines and draft training programmes could be agreed by COP25

**THANK YOU FOR YOUR ATTENTION**

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