Update on Enhanced Transparency Framework – Reporting systems to support implementation of the ETF

Workshop on Reporting Systems under the ETF 12 October 2022



Support to developing country Parties for reporting, related capacity building and implementing the ETF





- ✓ Enhanced support for implementing the ETF, including guidance to GEF and the role of CGE
- Established a **new agenda item** starting from CMA 4, to consider "provision of financial and technical support to developing country Parties for reporting and related capacity building"
- GEF to provide input to this discussion
- Recognized the need for enhanced support from various sources and channels (inc. the GEF) for implementing the ETF

Comprehensive guidance to the **GEF**:

- Consider increasing its support to ETF under GEF-8
- Consider combining the application process for BTRs and CBIT projects
- Ensure that financing is delivered in a timely manner
- Consider raising the funding ceiling for expedited enabling activities

- Completed the terms of reference of the CGE: Amended the CGE membership by adding 3 additional seats (NAI Parties from the Eastern European region, LDCs and SIDS)
- CGE to provide technical advice to training programme for technical experts participating in TER of BTRs



Background on ETF

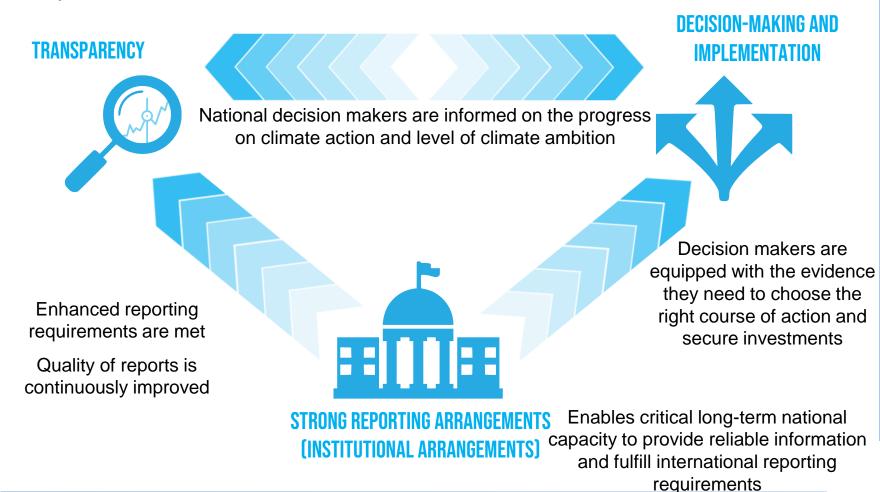
- Transparency of climate action and support, through the ETF, is a key mechanism for:
 - Building mutual trust and confidence;
 - Facilitating implementation and raising ambition of climate action.
- It requires a continuous process of data collection, processing, analysis, compilation and reporting, reviewing and improvement.





Why reporting arrangements matter?

Strong reporting systems (or institutional arrangements) are vital to enabling countries to provide a reliable, consistent and continuous flow of data and information.





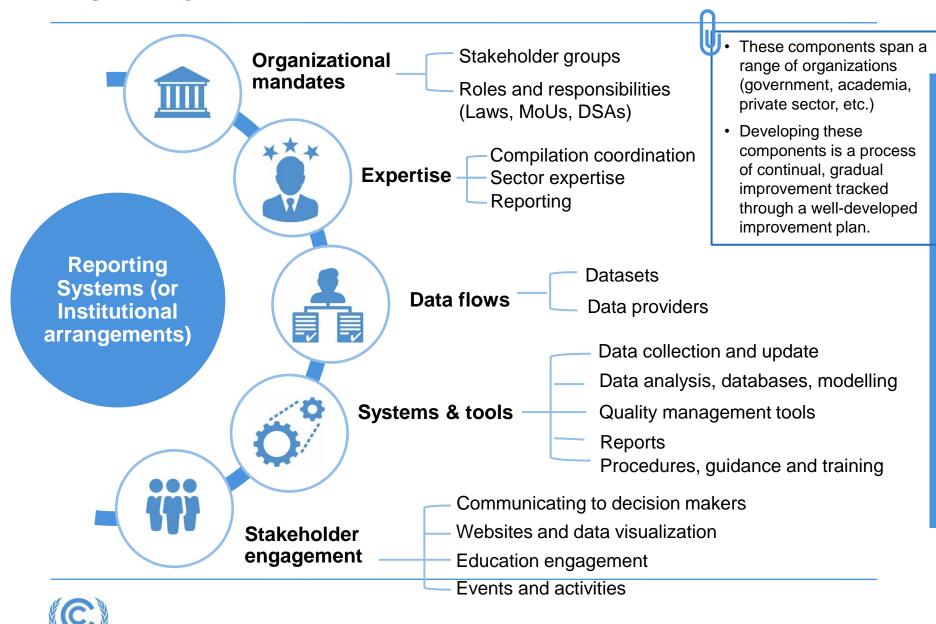
Defining reporting systems

- There is no one-size-fits-all model for reporting systems.
- Need to be designed and tailored to national circumstances.





Key components



Overview of reporting: BTRs

Biennial Transparency Report

- National GHG inventory (all shall)
- · Progress in implementing and achieving NDCs (all shall)
- Support provided / mobilized (developed countries shall) [developing country Parties should, if applicable]
- Support needed / received (developing countries should)
- Climate change impacts and adaptation (all should)

Reporting under the ETF: Biennial Transparency Report (BTR)

ELEMENTS

National inventory report of GHG emissions and removals

Tracking progress of implementation and achievement of NDCs

Financial, technology transfer and capacitybuilding support mobilized and provided Financial, technology transfer and capacity-building support needed and received

Climate change impacts and adaptation



National inventory document and common reporting tables

Structured summary, textual and common tabular format



Textual, common tabular format



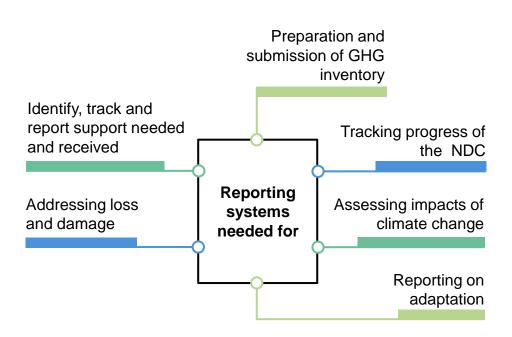
Textual, common tabular format

**Parties to the Convention that are not Parties to the PA will continue the current annual GHG inventory, IAR and ICA processes, as appropriate (see decision 1/CP.24, para. 44).



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Building sustainable reporting systems for ETF



BENEFITS

Inform national decision makers on progress on climate action and the level of climate ambition.

Equip decision makers with the continually improved evidence they need to choose the right course of action and secure investments. Actions must work in harmony with national development strategies and the SDGs.

Provide reliable information to the international community through regular national reporting which, among other functions, shows national achievements in planning and implementing ambitious climate action, contributes to building trust and understanding, and attracts public and private investment.

Fulfill international reporting requirements in a timely manner and on a sustainable basis.

For further reading: <u>Handbook on institutional</u> arrangements to support MRV/transparency of <u>climate action and support, 2020,</u> UNFCCC/CGE



In closing

- All necessary operational details are in place now for implementation of the ETF.
- Use existing MRV arrangements as a starting point/foundation in transition to the ETF (and preparation of BTRs).
- Assess readiness for ETF implementation and enhance national transparency arrangements (data, processes, procedures, tools, training/CB, institutional arrangements).
- Focus on enhancing the institutional arrangements; in doing so, the requirements stemming from the ETF need to kept fully in sight – there are number of success stories to draw inspiration from.
- GEF has already put in place arrangements for the financial resources for BTRs.
- Start accessing funds from the GEF (if needed) as soon as possible.
- ETF goes beyond preparation of reports:
 - ✓ Understanding potential for action, informing policy design
 - ✓ Establishing channels to ensure adequate support,
 - ✓ Platform to learn from each other.

Design the process to bring together all stakeholders and discuss national benefits with a view to facilitate political buy-in and high-level support to the ETF.



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