The Enhanced Transparency Framework: Overview of Key Elements

GFOI Plenary: Forest and Transparency under the Paris Agreement

10 May 2023

Jenny Wong
UNFCCC Secretariat, AFOLU Unit





# Journey to the ETF

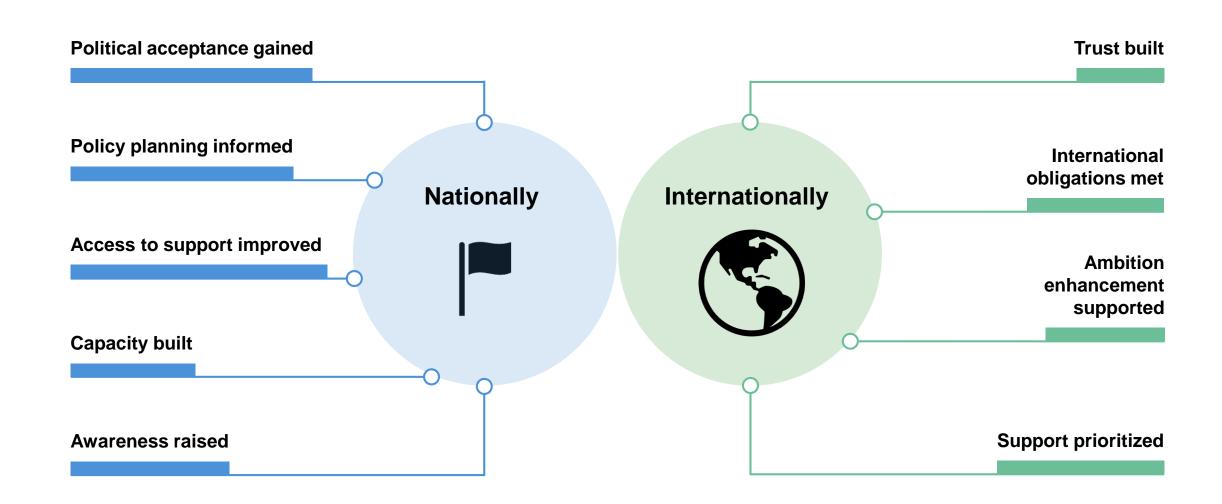
- Importance of transparency
- New elements in the ETF
- Reporting and review
- Institutional arrangements





### **Benefits of Transparency**





# **Paris Agreement: the Basics**





**Step 4:** Global Stocktake

**Step 3:** Review and Facilitative Multilateral Consideration of Progress (FMCP)

**Step 2**: Submit Biennial Transparency Report (BTR) to track progress

**Step 1:** Communicate Nationally Determined Contribution (NDC)

#### **New Elements in the ETF**



## What is "new" for any given country, depends on one's starting point today.

#### Selected "new" elements:

- Frequency of reporting
- Reporting institutional arrangements
- GHG inventories
  - Use of the 2006 IPCC GL
  - Gases for reporting
  - Latest reporting year
  - Time series of reported data
- Projections
- Tracking Progress towards NDCs
- Reporting on finance, technology transfer and development and capacity building needed and received.

# Selected success factors from country experience:

- Communicate development benefits of information collection
- Establish a GHG management system, document steps
- Create a legal instrument or other formal arrangements
- Coordination among key ministries
- Engage more national experts in data generation and management

### Reporting under the Enhanced Transparency Framework



The Biennial Transparency Report (BTR) is a **key component** under the ETF. Builds on the existing reporting and review processes under the Convention.

#### Two main functions:

- 1. To facilitate transparency. For the Party to transparently communicate information on its participation in and contribution to national, regional and global efforts to mitigate and adapt to climate change;
- 2. To track progress in implementing and achieving the NDC. The BTR contains the Party's most recent information on progress in implementing its NDC. The accounting approaches applied by the Party to track progress are also reported in the BTR.



## Reporting under the Enhanced Transparency Framework



#### Elements to be provided/reported in BTR

- Provide a national GHG inventory report covering all anthropogenic sources and sinks in the country (mandatory for all Parties)
- ii. Provide information necessary to track progress in implementing and achieving its NDC (mandatory for all Parties);
- iii. (Should) Provide information on climate change impacts and adaptation (Article 7) (all Parties);
- iv. (Shall) Provide information on support provided and mobilized (mandatory for developed country Parties);
- v. (Should) Provide information on financial, technology transfer and capacity-building support needed and received (by developing country Parties)



### **Importance of Institutional Arrangements**



- Institutional arrangements depends on national circumstances, priorities and demands to enable action and reporting.
- Could either be <u>a single organizational structure</u> responsible for all matters relating to the ETF and MRV or responsibilities may be divided among <u>different independent national organizations</u>.
- Institutional arrangements organized around **five** separate components:
  - 1. Organizational mandates;
  - 2. Expertise;
  - 3. Data flows (relating to data sets and providers of such data);
  - 4. Systems and tools;
  - 5. Stakeholder engagement.
- These components span a range of organizations, from government ministries and agencies, to academic and research institutions, to private entities and consultants.



#### **Importance of Institutional Arrangements**



- A <u>strong team of national experts</u> to generate technical outputs on a regular basis to inform decision-making and wider audiences as well as demonstrating country's progress on its climate ambition.
- Reliable, regular data flows are essential for wellfunctioning institutional arrangements and the delivery of a national transparency framework.
- Data flows need to be <u>available and accessible</u> for understanding and addressing challenges (e.g. reducing GHG emissions or climate-related risks and vulnerabilities) and to clearly demonstrate progress and climate ambition.
- Developing these components is a process of continual, gradual improvement



#### **Importance of Institutional Arrangements**

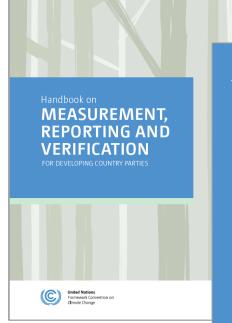


- Reporting on institutional arrangements a key part of ETF
- A robust, sustainable system allows you to meet requirements under the Paris Agreement and effectively mitigate and adapt to climate change consistent with national goals.
  - Handbook on Institutional Arrangements (English)
  - Also available in Arabic, Chinese, French, Russian and Spanish
- MRV systems are evolving; Parties at different starting points.
- Should be country-driven; may be informed by experience in other countries.
  - Sharing lessons learned: <a href="https://unfccc.int/CGE/IA">https://unfccc.int/CGE/IA</a>
  - Experiences in fostering coordination, ensuring data quality, management and institutionalization, legal and policy frameworks
- Best preparation for the future is taking action today.



#### **Further Resources**





Technical handbook for developing country Parties on

Preparing for implementation of the enhanced transparency framework under the Paris Agreement



For additional details on the CGE,





CGE TECHNICAL PAPER 2020

ISTILLED

UPDATED TECHNICAL PAPER ON PROBLEMS, CONSTRAINTS, LESSONS LEARNED AND CAPACITY-BUILDING NEEDS IN PREPARING NATIONAL COMMUNICATIONS AND BIENNIAL UPDATE REPORTS 2020



Reference Manual for the Enhanced Transparency Framework under the Paris Agreement

nderstanding the enhanced transparency framework and

#### **Key messages**



- The ETF is a foundation of the Paris Agreement
- Forests play a key role in all aspects of the Agreement
- Robust institutional arrangements, including an NFMS, are fundamental to achieving multiple national goals
- Building your skill set now through training opportunities facilitates your contribution to the ETF



# **THANK YOU**



