



Outcome Report

Technical workshop on the Capacity Building Initiative for Transparency 19-20 April 2017 in Copenhagen, Denmark

Overview

The COP decision adopting the Paris Agreement decided to establish “a Capacity-building Initiative for Transparency to build institutional and technical capacity, both pre- and post-2020” that “will support developing country Parties, upon request, in meeting the enhanced transparency requirements as defined in Article 13 of the Agreement in a timely manner.” Upon request by the COP, the GEF has established and operationalized the CBIT, including through voluntary contributions to support developing countries during GEF-6 and future replenishment cycles.

The first set of projects has been approved by the GEF for implementation in Costa Rica, Kenya, South Africa and Uruguay, in addition to funding for a CBIT Global Coordination Platform, which UNDP, UNEP and UNEP DTU have started implementing to share lessons learned and engage with partners to enhance transparency. In particular, the platform will engage donors, countries, the GEF Partner Agencies, and other relevant entities and institutions to enhance partnership of national, multilateral, and bilaterally-supported capacity-building initiatives

In the framework of such initiative and following a coordination meeting held the previous day with donor countries and international organizations, **the Technical Workshop on The Capacity Building Initiative for Transparency** was held at UN City in Copenhagen, Denmark, on April 19th and 20th, co-organized by UNDP, UN Environment and UNEP DTU Partnership, together with the Global Support Programme for National Communications and Biennial Update Reports (GSP) and with the generous financial support by the Global Environment Facility (GEF). The workshop was designed to present the capacity building initiative for transparency (CBIT) to developing countries, to identify gaps and needs for the implementation of enhanced transparency framework and to present initial technical support available, including the launch of the CBIT Global Coordination Platform.

Seventy-six participants attended, including representatives from developing and developed countries, international organizations and other institutions engaged in the enhanced transparency framework. The list of participants is in **Annex A**.

The workshop consisted of ten sessions covering: (i) Opening and workshop objectives (ii) The enhanced transparency/ Monitoring Reporting and Verification framework; (iii) Capacity Building Initiative for Transparency; (iv) National CBIT projects (experiences and challenges) (v) The CBIT Global Coordination Platform; (vi) Developed and developing countries’ experience with enhanced transparency/ MRV Framework; (vii) Gaps and need for enhanced transparency frameworks/ MRV; (viii) Breakout sessions on

gaps and needs; (ix) Support available to developing countries on transparency framework; and (x) Next steps and wrap up. The sessions were carried out through presentations by trainers and national experts, breakout discussions and Q&A segments. The format was designed to encourage a participant-driven process in an interactive and facilitative setting. The agenda and presentations from the workshop can be accessed online at: <http://www.un-gsp.org/event/capacity-building-initiative-transparency-cbit-global-coordination-platform>

Opening and workshop objectives

Mr. Dustin Schinn from GEF, Mr. Steve Gold from UNDP, Ms. Suzanne Lekoyiet from UN Environment and Mr. John Christensen from UNEP DTU Partnership delivered opening remarks. Their remarks laid on the notion that MRV/transparency has been embedded as a core commitment of the Convention from its inception and it was reinforced by Parties' adoption of the Paris Agreement, which established an enhanced transparency framework. They emphasized that the ratification of the Paris Agreement and the submission of NDCs is not the end of the road and that focus must now be on implementing climate plans and in establishing solid measuring, reporting, and verification (MRV) systems to assess the impact of climate change actions and policies and to track the implementation of the Agreement.

As Parties will likely face a number of barriers to ensure enhanced transparency, the establishment of the CBIT Trust Fund in 2016 and its later operationalization by GEF is a key step in providing additional support to developing countries in a very short time. GEF informed that so far donors pledged over 55 million USD to the new CBIT trust fund and that the CBIT will soon become an integral part of GEF 7th replenishment. It is therefore important for GEF to work with countries and agencies to facilitate the submission of high quality project proposals. To support those goals, the global coordination platform should bring these projects together and to enable coordination and maximize learning opportunities.

Session 2-The enhanced transparency/ Monitoring and Verification(MRV) framework

Mr. Jigme, UNFCCC Secretariat, explained the link of MRV with the enhanced transparency framework as it relates to developing countries. He mentioned the transitional process from the initial establishment of the Convention – where reporting is meant to show efforts undertaken or planned to undertake to implement the Convention - to the Bali Action Plan – where MRV is aimed at enhancing national/international action on mitigation of climate change in a measurable, reportable and verifiable manner- and finally to the Paris Agreement, where enhanced transparency has the goal of facilitating a clear understanding of climate change action (NDCs as well as adaptation) and support, as well as informing the global stock take – a process to assess the collective progress towards achieving the purpose of this Agreement and its long-term goals.

Mr. Damiano Borgogno, GSP coordinator, then presented the National Communications (NCs) and Biennial Update Reports (BURs) submission status and their relevance for the enhanced transparency framework. He mentioned that 28 NCs and 17 BURs were submitted in 2016 and that, even though there are high expectations on a greater number of submission for 2017, so far there is no clear indication that NC and BUR submission would increase. Some of the reasons that may explain the relatively low number of submission include low awareness of the potential political and strategic relevance of the Convention reporting, other prioritized climate initiatives, as well as several barriers, such as among institutional coordination, limited use of generated information, limited technical capacities, and disinformation on the NCs and BURs.

A country experience on the BUR elaboration process was presented by Chile, one of the 5 countries to have submitted two BURs. Ms. Jenny Mager mentioned that elaborating the NCs and BURs in continuous manner has permitted Chile to identify relevant information regarding gaps and needs, such as the lack of data and available information and the difficulties to engage the relevant stakeholders, including the private sector.

Several key points emerged during the discussion, including:

- The Importance of creating climate reports that are meaningful to the countries, informative but also accessible to the reader.
- The participants manifested that access to information and the establishment of solid institutional arrangements have been the main challenges for the development of the greenhouse gas inventories.
- Governments often do not identify the domestic value of the NCs/BUR, developing them more for international requirements than for their own interest. Domestic motivations are needed for these documents to become more relevant and more frequent.
- Establishing and developing peer to peer networks, such as the Latin American Network on GHG Inventories, supports south-south cooperation, which in turn facilitates the sustainable development of technical and institutional capacities through exchanges of experience and adoption of best practices.

Session 3-Capacity Building Initiative for Transparency

This session provided an overview on the CBIT implementation, including programming directions and priorities, financial arrangements and access to the CBIT trust fund, also in the context of modalities, procedures and guidelines (MPGs) of APA (ad Hoc Working Group on the Paris Agreement) where a decision by the COP is expected by 2018.

Ms. Milena Gonzalez from GEF highlighted that the Paris decision (paragraph 84) established a Capacity-building Initiative for Transparency to build institutional and technical capacity, both pre- and post-2020. This initiative will support developing country Parties, upon request, in meeting enhanced transparency requirements as defined in Article 13 of the Agreement in a timely manner. As per paragraph 85 the CBIT aims, i) to strengthen national institutions for transparency-related activities in line with national priorities ii) to provide relevant tools, training and assistance for meeting the provisions stipulated in Article 13 of the Agreement; and iii) to assist in the improvement of transparency over time.

In line with the Paris Agreement and its decision, all developing country Parties will have access to CBIT, upon request, and so far, 5 projects have been approved under the CBIT TF for a total of \$5.8 million: Costa Rica, Kenya, South Africa, Uruguay and the CBIT Global Coordination Platform.

Ms. Toby Hedger emphasized the role of the CBIT in the enhanced transparency framework of the Paris Agreement, as a milestone to improved transparency of action and support. She highlighted the core obligations of the Paris Agreement in terms of transparency (Article 13) through three point: reporting, technical expert review and multilateral facilitative consideration. For this, it is key to have strong institutional arrangements, tools and methodologies and data & information.

Several key points emerged during the discussion, including:

- The process of developing NCs and BURs can help countries to identify and assess their needs and gaps. The implementation of CBIT proposals can be instrumental to solve those outstanding transparency issues.
- While so far all approved CBIT proposals have been medium sized projects (less than USD 2 million), countries can also prepare larger proposal to the GEF (deadline for submission of full-size projects to GEF this year is September 2017).
- As CBIT is still new, thus GEF and its implementing agencies continue communicating and sharing the CBIT information to countries through events, workshops, national dialogues, among others.

Session 4-National CBIT projects (experiences and challenges)

The representatives from the Governments of Costa Rica, Kenya, Uruguay and South Africa were invited to share the experiences and challenges they encountered when preparing the CBIT proposals, as well as recommendations and results expected.

Panelists agree that the overarching transparency framework lay on two main objectives: a) monitoring the impacts of climate actions, including NDCs and b) enabling data- driven policymaking. They also highlighted the importance of MRV systems fully institutionalized in the government operating structures, as well as the key role of knowledge management platforms, quality control and assurance on reliable and robust data and development of strategic climate plans.

Some of the challenges in the development of the CBIT proposals stated by the panelist were: i) the absence of guidelines or material that support the process, ii) the interaction with the national MRV projects and other existing initiatives, iii) generating an engagement by key actors.

The panelist highlighted some lessons learned on the development of the first CBIT proposals such as:

- Consider national priorities and circumstances, as they are crucial to secure political support.
- Build on relevant initiatives in the country and on the existing experience on MRV implementation.
- Engage national experts from the beginning to start building national capacities.
- Identify and take advantage of synergies with other initiatives in place.

After the panel, the discussions highlighted the following points:

- All countries present difficulties with data compilation and the development of institutional arrangements for improving the access of data. However, this should not prevent countries from developing data management systems overtime,
- Adopting an enhanced transparency framework will require additional financial resources and technical capacities. As countries initiate the process of developing such a framework, identifying the most important gaps will be critical to tackle those that can make the highest impacts in the efforts to improve transparency.
- Countries may face a “fear of transparency” given potential political concerns. To overcome this fear countries would need to understand and recognize the domestic value of measuring and reporting. For example, measuring can help countries create public policies, save money and contribute to sustainable economies.

Session 5-CBIT Global Coordination Platform

Ms. Miriam Hinostroza, from UNDP DTU Partnership, presented the first approved global CBIT project as a global, cross-cutting coordination platform that will support the CBIT implementation, in close collaboration with the GEF Secretariat. The platform aims to maximize learning opportunities and enable knowledge sharing to facilitate transparency enhancements. Moreover, it will engage countries, the GEF Partner Agencies, and other relevant entities and institutions with related programming activities to enhance partnership of national, multilateral, and bilaterally supported capacity-building initiatives. It will be a web based platform to collect and manage CBIT related information for assessment of transparency gaps, needs, information and knowledge sharing.

The following key points emerged during the discussions:

- The CBIT platform will be a tool to improve the global understanding of gaps and needs. It will be used inter alia to facilitate interaction and sharing among practitioners from developing countries, donors, and agencies.
- The CBIT platform should provide up-to-date knowledge resources and guidance materials accessible to users with visual and interactive material, as possible, relevant for enhancing transparency.
- To engage countries in sharing information about climate actions and the support they are receiving from donors, the platform can bring out success stories in the portal and moderate discussions with experts, among other initiatives.
- To improve the global understanding of gaps and needs and thus facilitate the coordination of donors' supporting efforts, an idea is to have a "marketplace" on the website: developing countries list specific needs and gaps which are instrumental to achieve results.

Session 6-Developed and developing countries' experience with transparency MRV Framework

In this session, selected countries (Japan, FYRO Macedonia and South Africa) presented how they are working in their transparency frameworks. The following are among the key points raised during the panel:

- Japan mentioned that for enhancing capacity of transparency in Asia work between policy/ institutional arrangements and practice/ technical implementation should go hand- in-hand. The panellist also highlighted that adequate understanding and cooperation of the relevant ministries/agencies is quite essential for building national system to support enhance transparency.
- Macedonia highlighted some of the lessons learned as the need to develop MRV mechanisms for tracking progress in mitigation, in adaptation, in research and other key areas and the importance of having appropriate legal regulations that establish on one hand rights to require monitoring and reporting of the policies and actions and on the other obligations of relevant institutions to provide such data and information.

- South Africa discussed the importance of understanding the impact, effectiveness and gaps of climate change actions to better comprehend the context and progress of South Africa's transition towards a lower carbon economy and a climate resilient society.

Several key points emerged during the discussion, including

- The capacity building needs for an enhanced transparency framework should be identified from the beginning so that appropriate measures are taken to address such gaps, taking into account the priorities and the circumstances of each country.
- The ministries in charge of developing the MRV frameworks often suffer staff turnover which implies additional challenges in establishing a transparency framework
- A transparency framework could provide incentives for developing new policies and enhance trust and relationships with the private sector.
- The importance of team work among all the ministries for the development of MRV frameworks and the establishment of efficient communication channels between them.

Session 7- Gaps and need for MRV/ enhanced transparency frameworks

Representatives from Costa Rica, Lebanon, Peru and Canada presented an analysis of the gaps and needs they face in establishing and implementing MRV/ enhanced transparency. The following are among the key points raised during the panel:

- Countries face barriers in national planning due to the lack of technical and institutional capacities to provide GHG reliable emissions projections.
- The development of local emission factors is necessary for main emission sectors such as forestry and energy, to create more consistent reports.
- Some participants voiced the lack of institutional capacity for quantifying and reporting public and private investments for the implementation of the countries' NDCs.
- Most of the countries manifest the absence of institutional arrangements in place to systematize information related to implementation of the adaptation component of the NDCs. In most cases, current adaptation actions are reported partially because they are not categorized as climate-change actions.
- There is much work to be done in collecting and gathering data for generating data base systems which can improve the tracking of climate actions.
- The importance of creating policies that strengthen the ministries or institutional departments in charge of measuring and gathering data. As an example, Canada has a strong mandate to relevant institutions, from the Congress, to collect information: "The more transparent you are, the more resources you receive".

Several key points emerged during the discussion, including:

- The importance of strengthening data gathering capacities and strengthening visibility of the climate reports for the countries own benefit.
- Some agencies may feel threatened by the requirement for an enhanced transparency framework, mainly due to the lack of understanding of the benefits of such a framework.

- As NCs/BURs are a one-off exercise, some countries may perceive these reporting obligations as an ad hoc activity (starting from scratch every 2-4 years). Therefore, it is important to construct trusted relationships with stakeholders and between institutions to develop a sustainable reporting process.
- Transparency is invisible as outcomes are either not immediate or not tangible, nonetheless over time the results can be seen in the development of new policies and in improved planning.

Session 8-Breakout sessions on gaps and needs

Participants were divided in small working groups to discuss in greater detail needs and priorities for CBIT design and implementation. The session objective was for participants to highlight 3 to 5 key points regarding a) **Priorities in setting ETF** (e.g. inventory systems, improved inventories, national institutions, NDC tracking) 2) **Challenges and gaps** that exist in establishing enhanced transparency frameworks 3) Type of **support to be provided by CBIT** (e.g., training on 2006 guidelines, south-south exchange, work with data collectors)

In the group discussion, the following key points emerged:

- In setting ETF, countries indicated that some of their priorities are i) the development of GHG inventories; ii) projections and progress tracking of the NDCs; iii) the strengthening of institutions and the establishment of a proper institutional environment for the development of GHG inventories; and iv) Improving the process of data collection, moving gradually from a top- down to a bottom-up approach.
- The challenges and gaps presented by the countries were among others i) the guidelines are very technical and do not consider properly national circumstances; ii) each multilateral Convention require a large amount of information and sometimes complex of work to present all the data and information while synergies among these conventions are either limited or not realized; iii) CBIT is not very well known yet among practitioners; and iv) very limited information and support in other languages apart from English.
- Among the type of support Countries could expect from CBIT the following were identified i) increased regional cooperation and peer learning for example through south- south exchange, ii) workshops that provide training to strengthen linkages between technical understanding and decision-making process. Iii) improved guidance on format of data to make reporting easier iv) support with IT/data base programmes.

Session 9-Support available to developing countries on transparency framework

This session was a moderated panel discussion on the provision of support (financial, technical and capacity- building) to developing countries, for the existing MRV arrangements under the Convention and the enhanced transparency framework. The organizations invited were: UNDP/ LECB, ICAT, GSP, FAO, Partnership on Transparency, GIZ, the CGE and Conservation International.

Mr. Martial Bernoux presented FAO's work to support countries through several support activities on areas related to: capacities, finance, data, knowledge, policies and coordination. Two new initiatives were

recently launched: an E- learning course on building national greenhouse gas inventory for AFOLU and a learning tool on NAMAs in the AFOLU sector.

Mr. Lucas Bossard, representative of the Initiative for Climate Action Transparency (ICAT), mentioned that the organization was founded to support improved transparency and capacity building under the Paris Agreement by generating methodological framework as a global common good, capacity building and platforms for learning.

The Partnership on Transparency in the Paris Agreement, as presented by Mr. Klaus Wenzel from GIZ - seeks to encourage transparency, communication, networking and trust among countries by providing capacity building and promoting a mutual learning process, and identify and disseminate good practices and lessons learnt. Mr. Wenzel also presented GIZ' work, which has focus on strengthening in-country capacities for enhanced reporting of climate relevant information in BURs and NCs by developing stock-taking of MRV-systems & GHG monitoring, tailored-made capacity building support and peer-to-peer exchange for developing knowledge products.

The Global Support Programme (GSP), represented by Mr. Damiano Borgogno, informed on the two main kinds of support: national focus and sub regional focus. He highlighted that all developing countries can request technical backstopping and the goal is to support countries to have a high-quality BURs/ NC.

Mr. Yamil Bonduki, representing the LECB/ NDC Support Programme, highlighted the central role that data management systems play in the Paris Agreement implementation. Also, he mentioned the importance to support long- term planning for benchmarking, recognizing good practices and attracting international finance.

Mr. Frederick Staun, from UNEP DTU - Global Coordination Platform, explained the importance of having a platform where information can be shared. He highlighted that having a website as mechanism to improve the global understanding of gaps and needs facilitate the coordination of donor's institutions support efforts.

Ms. Orissa Samaroo, from Conservation International, presented her organization's active role in supporting countries accessing CBIT funds, as already happened in the case of Kenya.

Ms. Laurence Ahoussou, a representative from the Consultative Group of Experts on NCs (CGE), mentioned that their work has been focused on training, workshop, and developing guidelines with the purpose of supporting Parties to provide better informative documents.

In the discussion, the following key points emerged:

- Training and remote support provided by global projects can be used to build regional and national capacity and empower local talent to support, customize and implement the projects.
- Participants consider essential to have a platform for sharing ongoing experiences, to show their projects and their needs, as well as a space where they can find guidance to take the correct decisions.
Support should build on existing initiatives that are assisting countries in different areas related to NDC implementation and transparency framework.

Session 10-Next steps and wrap up

As a result of the Paris Agreement, donors are providing additional support to developing countries in advancing their national transparency systems and corresponding capacities. A variety of organizations are already involved in supporting transparency initiatives globally and many more are expected to follow suit after. However, there is limited coordination and knowledge management. To overcome such issues, the CBIT Global Coordination Platform will support coordination efforts through three pillars: (I) the centralization of and easy-access to information through a web-based transparency coordination platform; (II) coordination through events and said platform; and (III) the identification of gaps and needs for enhanced transparency systems

In the final session, participants expressed that the two-day dialogue had provided a useful forum for exchanging country experiences and perspectives on the enhanced transparency/MRV framework. Participants requested to include CBIT in the upcoming GEF constituencies workshop and that CBIT should work more on engaging institutions and creating awareness. Stakeholders showed interest in the web-based platform to create a community of practitioners, a space to find local experts and share the ongoing projects from each country. However, for this initiative to be effective, the interest and commitment of all countries will play an essential role. UNDP, UN Environment and UNEP DTU Partnership reiterated that the platform should be a springboard for continued exchanges among countries, international organizations, and donors to move forward with CBIT planning processes and implementation.