

CGE TRAINING MATERIALS- BIENNIAL UPDATE REPORTS

Institutional Arrangements



Acronyms

- **BUR** biennial update report
- **CGE** Consultative Group of Experts on National Communications from Parties
not included in Annex I to the Convention
- **GEF** Global Environment Facility
- **GHG** greenhouse gas
- **INC** initial national communication
- **MOU** memorandum of understanding
- **NAMA** nationally appropriate mitigation action
- **NC** national communication
- **NCSP** National Communications Support Programme
- **NGO** non-governmental organization
- **SNC** second national communication
- **TNC** third national communication



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Target and Objective of the Training Materials

- These training materials are intended for individuals involved in the preparation of BURs and NCs.
- The **objective** of this presentation is to:
 - Consider the overarching institutional arrangements that will allow the effective preparation of BURs, including national inventory reports and NCs, drawing on lessons learned from the NC process and relevant examples;
 - Outline the possible structure of reports on institutional arrangements within BURs;
 - Explore how countries may build on existing institutional arrangements, if they are appropriate.



Target and Objective of the Training Materials (cont.)

- The lessons learned and best practices presented are drawn from the following:
 - Updated CGE training materials and results from past CGE surveys;
 - UNFCCC “Resource guide for preparing the national communications of non-Annex I Parties”;
 - Lessons learned and experiences from the preparation of NCs by the NCSP;
 - Ongoing work to institutionalize climate change activities in countries.
- The focus of these training materials is on the **BUR preparation process**, not on its specific components.



I.1 Introduction: Importance of Institutional Arrangements

- Through **decision 2/CP.17**, Parties adopted the Guidelines for the preparation of biennial update reports from Parties not included in Annex I to the Convention (non-Annex I Parties), which developing countries are to use to prepare their BURs, taking into account their development priorities, objectives, capacities and national circumstances (FCCC/CP/9/Add.1, paragraph 41(b)).
- These guidelines request that Parties not included in Annex I to the Convention (non-Annex I Parties), consistent with their capabilities and level of support for reporting, provide their most recent submitted NC updated in a number of areas, including “information on national circumstances and **institutional arrangements relevant to the preparation of the national communications on a continuous basis**”.
- Effective institutional arrangements are important for the presentation of information in a consistent, transparent, complete and timely manner.



I.1 Introduction: Importance of Institutional Arrangements (cont.)

- Given the increased frequency of reporting implied by BURs, effective institutional arrangements will be even more important for their preparation.
- Institutional arrangements will need to be **adapted to the particular requirements of BURs, as well as to the national circumstances of non-Annex I Parties and their level of support, and should build on existing institutional arrangements**, if appropriate.
- Preparing a BUR every two years will likely require that non-Annex I Parties transition from what have often been temporary institutional arrangements for the preparation of NCs towards a more **continuous, sustained process involving permanent national teams**.
- Funding to prepare BURs, including institutional arrangements, is to be provided by the GEF.



I.2 Introduction: Purpose of Institutional Arrangements

- Institutional arrangements encompass the procedural, legal and institutional set-up necessary to complete national reporting, including BURs and NCs, to the UNFCCC.
- Institutional arrangements can help Parties:
 - Meet reporting requirements;
 - Further build national capacities and ensure sustainability of reporting processes;
 - Inform national and international policymakers at various levels.
- Given the interdisciplinary nature of climate change, the preparation of BURs and NCs can strengthen the overall national climate change policymaking process by:
 - Enhancing coordination;
 - Raising awareness among various private (e.g. labour unions) and public (e.g. interministerial committees) institutions;
 - Facilitating consultations and establishing relationships among stakeholders.



I.3 Introduction: Challenges of Institutional Arrangements

- There are a number of common challenges related to institutional arrangements that developing countries have faced when preparing their NCs. Many of these challenges will likely be similar for the BUR process. They include the following:
 - A need to improve institutional and individual capacity, both technical and financial;
 - Coordination challenges (e.g. unclear lead agency, difficulty involving relevant stakeholders);
 - Insufficient high-level buy-in or leadership for the overall reporting process;
 - Over-reliance on the advice of external experts or consultants;
 - Difficulties in gathering data;
 - Lack of human and financial resources;
 - Difficulty in building sustained national technical teams and retaining capacity and expertise (teams are often small with multiple responsibilities and limited resources);
 - A need for an improved statistical system and input data;
 - Insufficient documentation and archiving of methods and data sources to maintain a stable process and institutional memory.



I.3 Introduction: Potential New Challenges of Institutional Arrangements

- In addition to these existing common challenges, the frequency of BUR preparation may introduce new challenges for developing countries. These may include:
 - Difficulty establishing a permanent team with appropriate expertise;
 - Additional workload for a national coordinating body;
 - A need for training to improve capacity;
 - Shorter timelines producing additional pressure;
 - A need to secure financial resources and expedited access to funding;
 - At the national level, a need for government commitment to comply with the regular reporting process and for the establishment of decision and approval processes;
 - A need to raise awareness, inform and communicate about the BUR process internally;
 - Quality assurance and quality control;
 - Difficulty updating the inventory on a more regular basis.



I.4 Introduction: Potential Opportunities of Institutional Arrangements

- While the increased frequency of reporting demanded by BURs entails new challenges, this new reporting requirement also presents a number of opportunities and may in fact produce benefits, including:
 - The establishment of a single, stable coordinating team;
 - Engagement in internal capacity-building;
 - Enhanced institutional memory;
 - Better archiving processes;
 - Better identification of strengths and weaknesses of reporting systems and the desire to continuously improve them;
 - Potential cost savings through reduced reliance on external consultants and experts.



I.4 Introduction: Potential Opportunities of Institutional Arrangements (cont.)

- In addition, increased frequency of reporting can help to:
 - Improve internal and intersectoral coordination on climate change;
 - Enhance climate change awareness domestically and improve the integration of climate change policies into broader development policies;
 - Enhance awareness internationally of domestic activities, technical and capacity-building needs, and opportunities for investment (e.g. in NAMAs).



II.1 Building Sustainable Institutional Arrangements: Key Stages

- It is crucial that, based on its national circumstances, capabilities and capacities, a country sets up **sustainable institutional arrangements** to allow for the smooth and regular development of BURs on a continuous basis.
- Sustainable institutional arrangements should encompass the following key stages:
 - **Planning:**
 - Appoint teams, identify contributing organizations;
 - Establish coordination mechanisms, agree to an approval process;
 - Determine funding allocation and budget.
 - **Preparation:**
 - Hold the first coordination meetings, consult stakeholders, agree to a timeline and to milestones;
 - Oversee the schedule and milestones, hold check-in meetings;
 - Collect and validate relevant data.



II.1 Building Sustainable Institutional Arrangements: Key Stages (cont.)

- **Reporting:**
 - Compile and finalize information, review drafts;
 - Edit and create a seamless document in preparation for approval and submission.
- **Documentation and archiving:**
 - Establish procedures to ensure regular and systematic documentation and archiving to enhance transparency and ensure sustainability of the process.
- **Evaluation:**
 - Identify lessons learned, strengths and weaknesses, and opportunities for improvement.
- **National consultation process:**
 - Validate the report through consultation with national stakeholders.



II.2 Building Sustainable Institutional Arrangements: National Coordinating Body Responsibilities

- It is recommended that a **single body** be designated as responsible for the overall coordination and management of the BUR (and NC) preparation process.
- The main responsibility of this body is to perform the **overall coordination** for the preparation of BURs, with key tasks being to:
 - Plan and conduct all coordination and consultation activities with governmental and, if appropriate, non-governmental stakeholders;
 - Identify all institutions and teams that will be involved in the preparation of the BUR, and establish any formal working arrangements required;
 - Allocate responsibilities for all components of the BUR, ensuring there is a clear lead for each section, and establish a formal approval process;
 - Develop and monitor a timeline and schedule for BUR preparation, including specific milestones and dates for deliverables.



II.2 Building Sustainable Institutional Arrangements: National Coordinating Body Responsibilities (cont.)

In addition, the national coordinating body is responsible for the following elements:

- Identify constraints and gaps, and related financial, technical and capacity-building needs, including a description of support needed and received;
- Keep any management committees and working groups informed of progress and emerging issues;
- Develop and implement Quality Assurance and Quality Control strategies for the entire BUR;
- Manage the overall budget for the preparation of the BUR;
- Compile and integrate all sections of the BUR into a cohesive document;
- Develop and maintain an archiving system to ensure institutional memory and to fully and systematically document all the activity data and the methods used;
- Collect and maintain statistical records;
- Conduct an evaluation exercise to identify key lessons learned and areas for improvement;
- Consider results of the International Consultation and Analysis (ICA) process.



III.1 Tools for Building Sustainable Institutional Arrangements: Templates

- Countries may consider using a variety of tools to organize and define their institutional arrangements.
- One example of the tools that Parties can use to build sustainable institutional arrangements is a series of predefined **templates**.
- These templates were originally developed by the US EPA and adapted by the CGE to assist national teams in assessing and documenting the strengths and weaknesses of existing institutional arrangements to ensure continuity and integrity, promote institutionalization and facilitate prioritization of future improvements. In particular, the templates:
 - Focus on documenting essential information in a concise format;
 - Standardize tasks;
 - Ensure roles and responsibilities of all stakeholders are clearly defined;
 - Accommodate varying levels of national capacity;
 - Provide an objective and efficient system for identifying priorities for future improvements;
 - Allow for the presentation of information in a consistent, transparent, complete and timely manner;
 - Serve as a starting point for future teams;
 - Create transparency in a Party's institutional arrangements.



III.1 Tools for Building Sustainable Institutional Arrangements: Templates (cont.)

- The CGE has adapted one of the US EPA templates for mitigation assessment and made it available as part of its training materials. It is available here:
http://unfccc.int/files/national_reports/non-annex_i_natcom/training_material/methodological_documents/application/msword/module_g-b_-_institutional_arrangements.doc
- The templates are suitable for GHG inventories and mitigation assessment but can also be applied to BURs as a whole.



Template 1: Institutional Arrangements

- 1: Institutional Arrangements
- 2: Methods and Data Documentation
- 3: Description of QA/QC Procedures
- 4: Description of Archiving System
- 5: Key Category Analysis
- 6: National Inventory Improvement Plan

Country Representative Contact Information

Country:		Postal Address:	
Contact Name:		Phone Number:	
Title:		E-Mail:	
Organization:		URL:	

Source:
<http://www.epa.gov/climatechange/Downloads/EP_Activities/Complete-Template-Workbook.doc>.



III.2 Tools for Building Sustainable Institutional Arrangements: MOU

- It may be helpful to establish an MOU, or other formal agreement or legal act, between the coordinating body and other national institutions involved in the BUR process to define responsibilities, allocate tasks and so forth.
- A possible structure for the MOU, agreement or act is as follows:

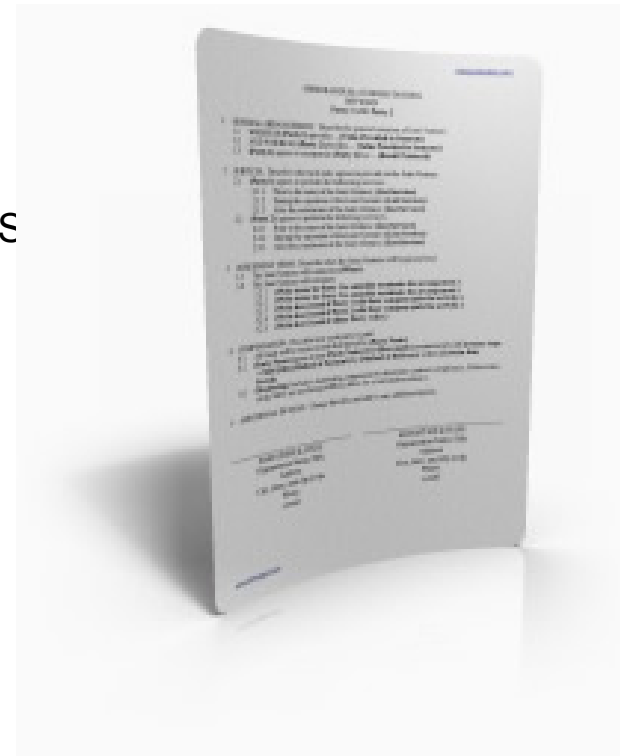
I. OBJECTIVES

II. AUTHORITIES AND RELATED ACTIVITIES

III. PROVISIONS

IV. POINTS OF CONTACT

V. DURATION OF THE AGREEMENT



IV Best Practices and Lessons Learned from the NC Process

- Drawing on documentation and analysis produced by the NCSP, there are five key lessons learned from the preparation of NCs that have important implications for the establishment of institutional arrangements for BURs.
- These lessons learned fall into the following categories:
 - Establishing national legal or formal arrangements;
 - Choosing an appropriate coordinating body;
 - Engaging stakeholders;
 - Building in-country institutional and technical capacity;
 - Maintaining a motivated and stable coordinating body.



IV.1 Best Practices and Lessons Learned from the NC Process: Establishing National Legal or Formal Arrangements

- A legal or formal mandate may enhance the coordination and supervisory role and high-level authority of the appointed institutions by designating the formal coordinating body and other implicated institutions.
- A legal or formal mandate may facilitate the various stages of the approval process.
- A legal or formal mandate can help to facilitate the appointment of the coordinating body, in particular appointing focal points and permanent representatives among concerned stakeholders.
- A legal or formal mandate is, of course, effective only if it is implemented.



IV.2 Best Practices and Lessons Learned from the NC Process: Choosing an Appropriate Coordinating Body

- The **location** of the national coordinating body within the government has been a key factor influencing the effectiveness of institutional arrangements and, in particular, the strength of the body's mandate and its ability to conduct interministerial coordination.
- The location is important because it influences the extent to which the BUR is integrated into broader climate change planning processes.
- The location of the national coordinating body will differ from country to country. The coordinating body has typically been located in the ministry responsible for climate change and/or environmental issues, or within a specific organization or agency responsible for coordinating the climate change policy.



IV.3 Best Practices and Lessons Learned from the NC Process: Engaging Stakeholders

- Engaging a **broad range of stakeholders** is important to the NC and BUR processes.
- Given the increased frequency, BUR preparation can help to establish **greater continuity and institutionalization** of the report development process as well as processes of collaboration and information exchange.
- It is important that **clear roles and responsibilities** are defined throughout a multi-stakeholder process to ensure it produces effective results and provides useful knowledge to those involved.
- Identifying **incentives for continuous participation** of stakeholders is recommended.
- Countries are increasingly engaging NGO groups, including the private sector, which provides access to information and raises awareness of reporting activities.



IV.4 Best Practices and Lessons Learned from the NC Process: Building In-Country Institutional and Technical Capacity

- Developing countries **have often relied on consultants and external experts** to assist in preparing their NCs and this has:
 - Impeded archiving and institutional capacity-building;
 - Resulted in loss to the ministry and Party in question the learning that emerges from the reporting process as well as the information and data gathered and the improvement of specific capacities.
- Developing internal capacity could help avoid this reliance and instead encourage stability of institutions and their staff.
- As BURs and NCs will likely require the establishment, over time, of **permanent coordination teams**, there is now an opportunity to ensure that Parties invest in internal institutional and technical capacity-building and the elaboration of institutional memory.
- Institutional ownership is a key factor for the sustainability of the entire NC and BUR development process.



IV.5 Best Practices and Lessons Learned from the NC Process: Maintaining a Motivated and Stable Coordinating Body

- **Continuity of staff and succession planning** of the national coordinating body is essential to avoid loss of experience, skills, information and institutional memory.
- Although recruiting and maintaining staff for reporting processes proved difficult for NCs, for BURs it may be important to retain dedicated staff given the increased frequency of reporting.
- It is important to ensure there are dedicated and skilled national staff appointed to the coordinating body with clearly assigned roles and responsibilities and sufficient time to coordinate inputs and activities of all stakeholders.



V Reporting on Institutional Arrangements within BURs

- While developing countries are required to describe their institutional arrangements in their BURs and NCs, there is flexibility to determine the level of information to be provided.
- Beyond meeting reporting requirements, describing Parties' institutional arrangements in their BURs and NCs is also **important for sharing information and best practices** in establishing institutional arrangements.
- Parties may consider providing the following information on their institutional arrangements:
 - Overall description, including location, coordination and engagement processes, covering government and non-government stakeholders;
 - Relationship to broader climate change development process and other institutional arrangements related to the Convention;
 - Any lessons learned or recommended practices, including recruiting and maintaining a permanent national coordinating body;
 - A description of adjustments or changes made to existing or new institutional arrangements as a result of BURs;
 - Cost implications;
 - Capacity-building that needs to be undertaken as part of the institutional arrangements;
 - Constraints and gaps, and related financial, technical and capacity-building needs, including a description of support needed and received.



References

- Updated CGE Training Materials on National GHG Inventories – Building Sustainable National GHG Inventory Management Systems, available at http://unfccc.int/national_reports/non-annex_i_natcom/training_material/methodological_documents/items/349.php.
- US EPA “National System Templates: Building Sustainable National Inventory Management Systems”, available at <http://www.epa.gov/climatechange/Downloads/EPAactivities/Complete-Template-Workbook.doc>.
- NCSP/UNDP “Lessons Learned and Experiences from the Preparation of National Communications from non-Annex I Parties to the UNFCCC”, available at <http://ncsp.undp.org/news/lessons-learned-and-experiences-preparation-national-communications-non-annex-i-countries>.



Thank you

