



United Nations

FCCC/APA/2016/INF.3



Framework Convention on
Climate Change

Distr.: General
7 October 2016

English/French only

Ad Hoc Working Group on the Paris Agreement

Second part of the first session

Marrakech, 7–14 November 2016

Agenda item 5

Modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement

Parties' views regarding modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement

Information document by the secretariat

1. The Ad Hoc Working Group on the Paris Agreement (APA), at its first session, invited Parties to submit, by 30 September 2016, their views on agenda item 5, in order to focus the work of the APA.¹
2. The APA requested the secretariat to compile, by 7 October 2016, the submissions of Parties' views referred to in paragraph 1 above into information documents, with views on each item of the APA agenda to be compiled in a separate information document.
3. The secretariat has received 13 such submissions as at 5 October 2016. In accordance with established practice, these submissions are attached and reproduced* in the languages in which they were received and without formal editing.²

¹ FCCC/APA/2016/2, paragraph 22.

* These submissions have been electronically imported in order to make them available on electronic systems, including the World Wide Web. The secretariat has made every effort to ensure the correct reproduction of the texts as submitted.

² Also available at <<http://unfccc.int/5900>>.

GE.16-17421(E)



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Paper no. 1: Canada

[English and French]

Canada's submission on APA Item 5 Modalities, Procedures and Guidelines for Transparency

Canada is pleased to submit its views on the **modalities, procedures and guidelines (MPGs) for the transparency framework for action and support referred to in Article 13 of the Paris Agreement**. The MPGs will form the backbone of the future Transparency Framework. They will shape the credibility of the information reported by Parties and the collective understanding of the global scale and results of climate action.

As agreed in Paris, the MPGs will be common to all Parties and will provide adequate flexibility to developing country Parties that need it based on capacity. These complementary features are critical to ensure that the transparency framework is dynamic and sustainable in the long-term.

To operationalize these features, the design of flexibility within the MPGs must reflect and accommodate the wide range of Parties' starting points in terms of reporting experience and capacities. MPGs must also reflect different national circumstances. MPGs can facilitate improved reporting over time by providing a sense of direction for Parties' improvement efforts and by ensuring that the technical review process can offer positive input for Parties' improvement and capacity building plans.

An effective way to achieve this outcome would be to develop the MPGs as core reporting and review requirements that are common to all, with flexibility articulated as one or more alternative approaches to meet the requirements, as appropriate. The MPGs should also provide sufficiently detailed guidance to effectively allow Parties to understand and meet the requirements and take advantage of flexibility as appropriate.

The Transparency Framework must be able to advance Parties' domestic objectives as appropriate. For example, where appropriate, MPGs should provide latitude to report information in a manner that also responds to domestic communication, planning and decision-making needs. MPGs should also facilitate Parties in presenting the efforts of Non-State Actors, as appropriate, to capture the full magnitude and spectrum of climate action.

For each Party, enhancing the transparency of its climate action and support will be an individual and incremental process. Priorities and pace of improvement will vary. Dedicated support through the Capacity Building Initiative for Transparency (CBIT), for which Canada announced a \$5 million contribution, and other existing arrangements will help developing country Parties address the institutional challenges and gaps that impact their reporting according to their individual priorities.

In light of the above, this submission will provide Canada's views on the contents of guidelines for reporting and technical review of greenhouse gas (GHG) inventories and biennial reporting.

1. GUIDELINES FOR INVENTORIES OF GHG EMISSIONS AND REMOVALS

Transparent, accurate, comparable, complete and consistent data on GHG emissions and removals is the cornerstone of understanding Parties' mitigation efforts and results.

GHG inventory guidelines should include the topics below. Considering the capacity challenges faced by many Parties in preparing GHG inventories and inventory reports, Canada proposes areas where flexibility can be built in the guidelines and looks forward to further discussions on the appropriate scope and nature of flexibility.

Submission format

GHG inventory submissions should consist of a standalone report, including:

- a national inventory report of anthropogenic emissions and removals for the complete time series, providing an energy balance, uncertainty estimates, and key category analysis as well as additional information. Where capacity constraints exist, inventory reports should describe trends, summarize methodologies used and highlight any recalculations. Options for providing flexibility with respect to base year could also be considered in the development of MPGs.
- a common set of reporting tables. Where capacity constraints exist, Parties should at least report information using the data and tables generated from the IPCC software and incorporated into the Common Reporting Format (CRF) tables to the extent possible.

Completeness

Parties should report information for all sources and sinks and all GHGs. Where capacity constraints exist, Parties should at least include the most important/significant sources and GHGs and document and explain instances where emissions have not been estimated.

Estimation methodologies

Inventories must be developed for all key categories, using the 2006 IPCC guidelines and additional guidance issued thereafter by the IPCC and adopted by Parties. Where capacity constraints exist, Parties should use the 2006 IPCC software, which requires very limited country-specific input, to quantify emissions and removals.

Additional considerations

In addition to GHG emissions, interested Parties may use their inventory submission to report emissions of substances that are not GHGs, but are recognized to have an impact on climate (e.g. black carbon).

2. GUIDELINES FOR BIENNIAL REPORTING ON MITIGATION, ADAPTATION AND SUPPORT

Guidelines for biennial reporting should provide guidance to help Parties provide a comprehensive picture of their climate action.

Progress on Nationally Determined Contributions (NDCs) under Article 4

The following list identifies the information that should be included in biennial reporting and areas where flexibility can be built in the guidelines.

- A description of the Party's mitigation contribution and underlying assumptions, to help contextualize the progress reported and demonstrate methodological consistency;
- Quantified GHG emissions from the most recent GHG inventory report;
- Information on the Party's progress toward meeting their commitment. While guidelines should list information requirements for different mitigation contribution types, the level of detail provided could vary depending on a Party's capacities;
- Quantified information on the use of Internationally Transferred Mitigation Outcomes (ITMOs) and accounting approach, including how Parties are avoiding double-counting. MPGs should encourage Parties to indicate how their accounting approach incorporates recent and accepted accounting guidance for ITMOs, in step with the on-going discussions on ITMOs.
- Quantified information on emissions and removals from the land sector and a description of the accounting approaches used.
- A description of mitigation policies and measures implemented and their quantified impacts where feasible.
- Emission trends, assumptions and methodologies. The level of detail and coverage of the projections could vary according to Parties' capacities.

Reporting information related to climate change impacts and adaptation under Article 7

Reporting on adaptation can help raise the profile of adaptation action, facilitate the sharing of good practices and strengthen the understanding of progress and challenges, including as an input for the global stocktake. The guidelines could encourage Parties to report on adaptation at a certain frequency (e.g. every four years).

Biennial reporting could serve to highlight implemented activities and progress against priorities communicated in complementary tools, such as National Adaptation Plans and Adaptation Communications. The guidelines could encourage Parties to report, as appropriate:

- their climate change impacts, vulnerabilities and adaptation priorities;
- their progress in identifying impacts and vulnerabilities; planning adaptation responses; and mainstreaming adaptation into relevant plans, policies and programs;
- the actions implemented, actors involved, outcomes and co-benefits, and lessons learned.

Support provided and mobilized

Current reporting requirements for biennial reports have yielded valuable and granular information on support provided, which can be compared over time and between countries. These requirements could serve as the basis for developing guidelines for reporting support provided and mobilized, with some enhancements:

- systematizing approaches to capture finance mobilized, e.g. through common reporting tables (taking into account SBSTA discussions on accounting of finance provided and mobilized through public intervention);

- encouraging Parties to provide a clear picture of results achieved through the provision and mobilization of climate finance. This will help disseminate insights on how to make climate finance more effective and help better meet the priorities expressed by developing countries;

Support received

The development of guidelines should take into account the following considerations:

- to facilitate Parties' efforts, guidelines should provide clear guidance as well as tools to standardize reporting of support received, such as common reporting tables.
- guidelines should encourage Parties to identify results achieved in relation to national climate priorities where possible, in order to help enhance the effectiveness of climate finance
- Parties should be strongly encouraged to report on the difficulties encountered in accessing and mobilizing financial resources and technical assistance
- Parties should be encouraged to report progress and lessons learned in establishing conditions that facilitate the mobilization of climate finance and technical support.

Support needed

Guidelines should encourage Parties to report their need for support in the context of their established climate action priorities.

3. GUIDELINES FOR TECHNICAL REVIEWS

In order to be sustainable, the review process must be able to handle regular reporting from all Parties without unreasonably burdening Parties and the Secretariat.

Technical review of GHG inventories

The technical review of GHG inventories is a major opportunity for any Party to discuss its approaches with technical experts, plan and prioritize future improvements and identify capacity needs. The review should focus on assessing the consistency of the report with the guidelines, including the timeliness of the submission and the transparency, accuracy, consistency, completeness and comparability of the GHG data reported.

Considering the expected number of reviews that will take place, options should be explored to ensure the review process is both credible and sustainable, takes into account Parties' capacities and truly facilitates capacity building and improvement over time. Such options could include:

- Considering different frequencies for the review of inventories based on Parties' emissions;
- Developing a peer review system for groups of Parties facing similar capacity constraints;
- Incorporating accredited third parties to manage and oversee the technical review process in a way that upholds the Parties' trust and the facilitative, non-intrusive, non-punitive nature of the transparency framework;
- Broadening the pool of technical experts, including through the use of professional experts.

Technical review of biennial reporting on mitigation and support provided

The sustainability of the review process for biennial reporting of mitigation and support provided relies on balancing the collective need to understand the information reported; individual Parties' capacity constraints; and the resources that can be mobilized for this review process. The following considerations could guide Parties' thinking:

- Models within and outside the UNFCCC can inspire the design of the review guidelines. For example, some approaches rely on a board (e.g. CDM Executive Board), whereas others base the frequency of review for each Party on specific thresholds (e.g. WTO trade policy reviews).
- Peer-review mechanisms could also be created to complement or support the technical review process.
- Parties, including regional economic integration organizations and their member states, that submit joint nationally determined contributions could have the option of reporting mitigation progress jointly, and be reviewed jointly.

Consideration of reporting on adaptation

Interested Parties should have the opportunity to engage in discussion with peers or experts over their reporting of adaptation. This could take place on a voluntary basis and be anchored in existing adaptation processes or institutions under the UNFCCC, separately from the technical review for mitigation and support.

Canada looks forward to engaging with other Parties on these and other ideas, with a view to develop robust modalities, procedures and guidelines, starting at COP22.

Mémoire du Canada sur le point 5 de l'Accord de Paris Modalités, procédures et lignes directrices relatives à la transparence

Le Canada se réjouit de présenter son point de vue sur les **modalités, procédures et lignes directrices relatives au cadre de transparence des mesures et de l'appui prévu à l'article 13 de l'Accord de Paris**. Les modalités, procédures et lignes directrices constitueront la base du futur cadre de transparence. Elles permettront d'assurer la crédibilité de l'information fournie par les Parties ainsi qu'une meilleure compréhension commune des résultats et de la portée mondiale des mesures contre les changements climatiques.

Comme convenu à Paris, les modalités, procédures et lignes directrices seront communes à l'ensemble des Parties et elles fourniront aux pays en développement Parties la flexibilité dont ils ont besoin compte tenu de leurs capacités. Ces caractéristiques complémentaires sont essentielles pour faire en sorte que le cadre de transparence demeure dynamique et viable à long terme.

Pour mettre ces caractéristiques en oeuvre, la flexibilité des modalités, procédures et lignes directrices doit refléter et prendre en compte la grande diversité des capacités et des expériences de production de rapports entre les Parties. Les modalités, procédures et lignes directrices doivent également refléter les différents contextes nationaux. Elles peuvent contribuer à améliorer la production de rapports au fil du temps en fournissant une orientation générale pour les efforts d'amélioration des Parties et en veillant à ce que la rétroaction lors du processus d'examen technique fournisse de l'information utile pour les plans de renforcement des capacités et d'amélioration des Parties.

Une approche efficace pour obtenir ce résultat consisterait à définir les modalités, procédures et lignes directrices comme des exigences de base pour toutes les Parties, et la flexibilité comme une ou plusieurs alternatives pour satisfaire ces exigences, le cas échéant. Les modalités, procédures et lignes directrices doivent également fournir des orientations de façon suffisamment détaillée pour permettre aux Parties de comprendre et de respecter les exigences et de tirer profit de la flexibilité, au besoin.

Le cadre de transparence doit être en mesure d'aider les Parties à faire progresser leurs priorités nationales, le cas échéant. Par exemple, lorsque c'est approprié, les modalités, procédures et lignes directrices devraient offrir la flexibilité de rapporter l'information d'une manière qui répond aussi aux besoins nationaux en matière de communication, de planification et de prise de décisions. Les modalités, procédures et lignes directrices devraient également permettre aux Parties de présenter les efforts d'acteurs non étatiques, si c'est approprié, afin de rendre compte de toute l'ampleur et de la diversité des mesures prises pour lutter contre les changements climatiques.

Le renforcement de la transparence du soutien et de l'action climatiques sera un processus individuel et progressif pour chaque Partie. Les priorités et le rythme des améliorations varieront. Le soutien fourni à travers l'Initiative de renforcement des capacités pour la transparence (CBIT), pour laquelle le Canada a annoncé une contribution de cinq millions de dollars, et à travers d'autres initiatives existantes aideront les pays en développement Parties à combler les lacunes et à surmonter les obstacles institutionnels qui ont des répercussions sur la production de rapports, et ce, conformément à leurs priorités individuelles.

À la lumière de ce qui précède, le présent mémoire fait état des vues du gouvernement du Canada sur le contenu des lignes directrices relatives à la production de rapports et à l'examen technique des inventaires de gaz à effet de serre (GES) ainsi que du rapport biennal.

1. LIGNES DIRECTRICES RELATIVES AUX INVENTAIRES D'ÉMISSIONS ET D'ABSORPTIONS DE GAZ À EFFET DE SERRE

La production de données transparentes, exactes, comparables, exhaustives et cohérentes sur les émissions et les absorptions de GES est fondamentale pour comprendre les efforts d'atténuation et les résultats des Parties.

Les lignes directrices sur les inventaires de GES devraient couvrir les sujets énumérés ci-dessous. Compte tenu des défis auxquels font face bon nombre de Parties en matière de capacités pour préparer des inventaires de GES et des rapports sur les inventaires, le gouvernement du Canada propose certains aspects pour lesquels les lignes directrices pourraient fournir de la flexibilité. Le gouvernement du Canada souhaite poursuivre ces discussions en vue de déterminer quelles devraient être la portée et la nature de cette flexibilité.

Format des présentations

Les présentations des inventaires de GES devraient consister en un rapport autonome comprenant notamment ce qui suit :

- Un rapport de l'inventaire national des émissions et des absorptions anthropiques de GES pour la série chronologique complète présentant un bilan énergétique, des estimations du degré d'incertitude, des analyses des principales catégories ainsi que des renseignements supplémentaires. Lorsque la capacité est limitée, les rapports sur les inventaires devraient décrire les tendances observées, résumer les méthodes utilisées et indiquer tout recalcul. On pourrait également envisager différentes options pour créer de la flexibilité en ce qui a trait au choix de l'année de référence lors de l'élaboration des modalités, procédures et lignes directrices.
- Un ensemble commun de tableaux. Lorsque la capacité est limitée, les Parties devraient à tout le moins rapporter de l'information en utilisant les données et les tableaux générés par le logiciel du Groupe d'experts intergouvernementaux sur l'évolution du climat (GIEC) et les intégrer dans les tableaux du Cadre uniformisé de présentation de rapports dans la mesure du possible.

Exhaustivité

Les Parties devraient fournir de l'information sur l'ensemble des sources et des puits de GES ainsi que sur tous les GES. Lorsque la capacité est limitée, les Parties devraient à tout le moins inclure les plus importantes sources de GES et fournir des renseignements supplémentaires et des explications sur les cas où les émissions n'ont pas été estimées.

Méthodes d'estimation

Des inventaires doivent être créés pour toutes les catégories clés conformément aux lignes directrices de 2006 du GIEC et aux directives supplémentaires émises ultérieurement par le GIEC qui auront été adoptées par les Parties. Lorsque leur capacité est limitée, les Parties devraient utiliser le logiciel du GIEC de 2006, puisque ce dernier permet de quantifier les émissions et les absorptions même si les données du pays sont très limitées.

Autres considérations

En plus des émissions de GES, les Parties intéressées peuvent déclarer dans leur rapport d'inventaire les émissions de substances qui ne sont pas des GES, mais dont l'incidence sur les changements climatiques a été reconnue (p. ex. le carbone noir).

2. LIGNES DIRECTRICES SUR LA PRODUCTION DE RAPPORTS BIENNAUX SUR L'ATTÉNUATION, L'ADAPTATION ET LE SOUTIEN

Les lignes directrices sur la production de rapports biennaux devraient fournir une orientation qui aidera les Parties à dresser un portrait exhaustif des mesures prises pour lutter contre les changements climatiques.

Progrès réalisés par rapport aux contributions déterminées au niveau national en vertu de l'article 4

La liste suivante fait état des renseignements qui devraient être inclus dans les rapports biennaux ainsi que des aspects pour lesquels de la flexibilité pourrait être accordée dans les lignes directrices.

- Une description des contributions en matière d'atténuation de la Partie et des hypothèses qui les sous-tendent, pour mettre en contexte les progrès rapportés et démontrer la cohérence de la méthodologie.
- Les émissions de GES quantifiées selon le plus récent rapport d'inventaire des GES.
- Des renseignements sur les progrès réalisés par la Partie en ce qui a trait à la réalisation de ses engagements. Bien que les lignes directrices doivent préciser les renseignements exigés pour les différents types de contribution en matière d'atténuation, le niveau de détail fourni pourrait varier en fonction des capacités de la Partie.
- De l'information quantifiée sur l'utilisation des résultats d'atténuation transférés au niveau international et sur la méthode de comptabilisation, notamment l'approche utilisée par les Parties pour éviter le double-comptage. Les modalités, procédures et lignes directrices devraient encourager les Parties à indiquer en quoi leur méthode de comptabilisation tient compte des plus récentes directives acceptées en matière de comptabilisation des résultats d'atténuation transférés au niveau international ainsi que des discussions en cours sur les résultats d'atténuation transférés au niveau international.
- De l'information quantifiée sur les émissions et les absorptions du secteur des terres et une description des méthodes de comptabilisation utilisées.
- Une description des politiques d'atténuation et des mesures mises en oeuvre ainsi qu'une quantification de leurs répercussions, lorsque c'est possible.
- Des tendances, des hypothèses et des méthodes relatives aux émissions. Le niveau de détail et la portée des prévisions pourraient varier en fonction des capacités des Parties.

Déclaration de renseignements sur les répercussions des changements climatiques et l'adaptation en vertu de l'article 7

Les rapports sur l'adaptation peuvent accroître la visibilité des mesures d'adaptation, faciliter l'échange de pratiques exemplaires et améliorer la compréhension des progrès et des défis. Ils pourront également servir d'intrants pour le bilan mondial. Les lignes directrices devraient encourager les Parties à produire des rapports sur l'adaptation à une certaine fréquence (p. ex. tous les quatre ans).

Les rapports biennaux pourraient servir à rendre compte des activités mises en oeuvre et des progrès réalisés par rapport aux priorités communiquées dans des outils complémentaires, comme les plans nationaux d'adaptation et les communications relatives à l'adaptation. Les lignes directrices pourraient encourager les Parties à produire des rapports sur les sujets suivants, lorsque c'est approprié:

- les effets des changements climatiques, les vulnérabilités des Parties et leurs priorités en matière d'adaptation;
- les progrès réalisés par rapport à la détermination des répercussions et des vulnérabilités, la planification des mesures d'adaptation, l'intégration de l'approche d'adaptation dans les plans, les politiques et les programmes pertinents;
- les mesures mises en oeuvre, les intervenants concernés, les résultats et les co-bénéfices ainsi que les leçons apprises.

Appui fourni et mobilisé

Les exigences en vigueur par rapport à la production des rapports biennaux ont permis de produire des données granulaires sur l'appui fourni, lesquelles peuvent être comparées au fil du temps et entre les pays. Ces exigences pourraient servir de base pour l'élaboration des lignes directrices relatives à la production de rapports sur l'appui fourni et mobilisé, avec quelques améliorations :

- systématiser les approches pour rendre compte des fonds mobilisés, p. ex. au moyen de tableaux de déclaration normalisés (en tenant compte des discussions sur la comptabilisation des fonds fournis et mobilisés lors d'interventions publiques de l'Organe subsidiaire chargé de fournir des avis scientifiques, techniques et technologiques)
- encourager les Parties à fournir un portrait clair des résultats obtenus grâce au versement et à la mobilisation de fonds pour lutter contre les changements climatiques. Ceci aidera à diffuser les idées sur la façon d'optimiser les fonds consacrés à la lutte contre les changements climatiques et de mieux respecter les priorités exprimées par les pays en développement.

Appui reçu

Lors de l'élaboration des lignes directrices, l'on devrait tenir compte des facteurs suivants :

- pour faciliter les efforts des Parties, les lignes directrices devraient fournir une orientation claire de même que des outils pour standardiser la production de rapports sur l'appui reçu, comme des tableaux de communs;
- les lignes directrices devraient encourager les Parties à indiquer les résultats atteints par rapport aux priorités nationales sur le climat, lorsque c'est possible, de manière à faciliter l'optimisation des fonds mobilisés pour lutter contre les changements climatiques;
- les Parties devraient être fortement encouragées à déclarer les difficultés rencontrées pour accéder aux ressources financières et à l'appui technique;
- les Parties devraient être encouragées à déclarer les progrès réalisés et les leçons apprises en ce qui a trait à l'établissement de conditions facilitant la mobilisation de soutien technique et de fonds pour lutter contre les changements climatiques.

Appui requis

Les lignes directrices devraient encourager les Parties à produire des rapports sur leurs besoins en matière d'appui dans le contexte des priorités qu'elles ont établies par rapport aux mesures de lutte contre les changements climatiques.

3. LIGNES DIRECTRICES RELATIVES AUX EXAMENS TECHNIQUES

Pour être viable, le processus d'examen doit être en mesure de gérer les rapports soumis régulièrement par l'ensemble des Parties sans imposer un fardeau déraisonnable aux Parties et au secrétariat.

Examen technique des inventaires de GES

L'examen technique des inventaires de GES constitue une importante occasion pour chaque Partie de discuter de ses méthodes avec des spécialistes techniques, de planifier et prioriser les futures améliorations, et de déterminer les besoins en matière de capacités. L'examen technique devrait consister principalement à déterminer si le rapport est conforme aux lignes directrices, s'il a été présenté en temps opportun et si les données sur les GES rapportées sont transparentes, exactes, cohérentes, exhaustives et comparables.

Compte tenu du nombre d'examens techniques prévus, l'on devrait étudier certaines options pour faire en sorte que le processus d'examen soit crédible et viable, qu'il tienne compte des capacités des Parties et qu'il facilite réellement le renforcement des capacités et l'amélioration au fil du temps. Voici quelques exemples.

- Envisager de réaliser des examens des inventaires des émissions des Parties à différentes fréquences.
- Mettre sur pied un système d'évaluation par les pairs pour les groupes de Parties faisant face à des contraintes similaires en matière de capacité.
- Faire en sorte que des tiers accrédités participent à la gestion et à la supervision du processus d'examen technique pour préserver la confiance des Parties ainsi que la nature facilitante, non intrusive et non punitive du cadre de transparence.
- Élargir le bassin de spécialistes techniques, y compris en retenant les services de professionnels.

Examen technique des rapports biennaux sur les mesures d'atténuation et le soutien fourni

La viabilité du processus d'examen des rapports biennaux sur les mesures d'atténuation et le soutien fourni repose sur l'atteinte de l'équilibre entre le besoin collectif de comprendre l'information déclarée, les contraintes des différentes Parties en matière de capacité et les ressources qui peuvent être mobilisées pour ce processus d'examen. Les considérations suivantes pourraient orienter la réflexion des Parties.

- Les modèles utilisés à l'intérieur et à l'extérieur de la Convention peuvent servir d'inspiration lors de la conception des lignes directrices relatives aux examens. Par exemple, certaines approches s'appuient sur un conseil (p. ex. le Conseil exécutif du Mécanisme pour un développement propre), tandis que d'autres déterminent la fréquence des examens de chaque partie en fonction de seuils particuliers (p. ex. les examens des politiques commerciales de l'Organisation mondiale du commerce).
- L'on pourrait également créer des mécanismes d'examen par les pairs afin de compléter ou de soutenir le processus d'examen technique.

- Les Parties, y compris les organisations régionales d'intégration économique et leurs États membres, qui soumettent conjointement des contributions déterminées au niveau national pourraient avoir l'option de rendre compte de l'avancement de leurs mesures d'atténuation et d'être examinées conjointement.

Considération relative à la production de rapports sur les mesures d'adaptation

Les Parties intéressées devraient avoir l'occasion de discuter de leur approche de production de rapports sur les mesures d'adaptation avec leurs pairs ou des spécialistes. Ceci pourrait se faire de manière volontaire et par le biais de processus d'adaptation existants ou d'institutions de la CCNUCC, indépendamment de l'examen technique sur les mesures d'atténuation et le soutien.

Le gouvernement du Canada est impatient de discuter de ces questions et d'autres idées avec les autres Parties en vue d'élaborer des modalités, des procédures et des lignes directrices robustes dès la COP22.

China's Submission on Modalities, Procedures and Guidelines for the Transparency Framework under the Paris Agreement

In accordance with paragraph 22(c) of the conclusion of the Ad Hoc Working Group on the Paris Agreement on the first session (FCCC/APA/2016/2), China would like to submit views on “modalities, procedures and guidelines for transparency framework for action and support referred to in Article 13 of the Paris Agreement”:

1. The purpose of the transparency framework is to provide clarity of information and understanding on mitigation and adaptation action and support in the light of the objective as set out in its Article 2 of the Convention, and to track progress towards achieving Parties' nationally determined contributions under Article 4, 7, 9, 10 and 11 of the Paris Agreement. The transparency framework could also provide opportunities to share best practices and to further promote international cooperation.
2. The scope of modalities, procedures and guidelines of the transparency framework shall cover both action and support, including mitigation, adaptation, finance, technology and capacity building.
3. Recognizing differentiated obligations of developed countries Parties and developing countries Parties in the Paris Agreement, and their differentiated information requirements, e.g. as outlined in Article 13.9 and Article 13.10 of the Paris Agreement, the modalities, procedures and guidelines of the transparency framework should reflect such differentiations accordingly.
4. The transparency framework shall build upon existing transparency arrangements under the Convention, including national communications, biennial reports and biennial update reports,

international assessment and review and international consultation and analysis, etc..

5. Flexibility should be provided to developing countries in a comprehensive manner, including but not limited to reporting and review.
6. Support should be provided to developing countries for both implementing Article 13 of the Paris Agreement and transparency-related provisions in Decision 1/CP.21 and building transparency-related capacity continuously.
7. The transparency framework should be implemented in a facilitative, non-intrusive, non-punitive manner, respectful of national sovereignty and avoid placing undue burden on Parties.
8. Cross-cutting issues, such as the linkages between transparency framework and nationally determined contributions, global stocktake, the committee to facilitate implementation and promote compliance, adaptation, finance, need to be further explored.
9. Capacity building is essential for developing country Parties to strengthen the transparency of actions. As a concrete arrangement to support developing countries to fulfill their obligation regarding to MRV under the Convention, the Capacity-building Initiative for Transparency (CBIT) established by decision 1/CP.21 should:
 - 1) Follow the country-driven approach, in line with national circumstances and specific needs of developing countries;
 - 2) Develop a comprehensive arrangement for training and facilitating dialogues between international experts and domestic experts from developing countries;
 - 3) Support developing countries to implement transparency provisions, which will help developing countries identify their capacity-building needs; and

- 4) Encourage CGE to provide its expertise on MRV of developing countries, and the CGE could assist the CBIT to design the relevant capacity-building initiatives; and
- 5) Should be supported through additional funds by the GEF. In this regard, developed countries shall provide additional financial resources into the GEF to support the operation of the CBIT; and
- 6) Guided by the PCCB and CGE. The PCCB and CGE should provide guidance and/or consultancy to the GEF on the CBIT, including the active presence and participation of members from the PCCB and CGE in the relevant decision-making process of the CBIT. The PCCB and CGE should also periodically evaluate the progress of CBIT.
- 7) Recognizing the importance and complicated nature of transparency framework of the Paris Agreement, as well as predictable huge workload ahead, the negotiation process should follow the principle of constructiveness, inclusiveness and pragmatism. COP22 could start with identifying key issues and making future work plans through candid and thorough exchange of views.

Paper no. 3: Congo on behalf of the Central African Forests Commission*

SOUMISSION APA – BASSIN DU CONGO

L'APA a invité les Parties à soumettre, au plus tard le 30 Septembre 2016, leurs vues sur les points précis de son ordre du jour.

Les pays membres de la COMIFAC (République du Burundi, République du Gabon, République du Cameroun, République du Congo, République de Guinée Equatoriale, République Centrafricaine, République Démocratique du Congo, République Démocratique de Sao Tomé et Príncipe, République du Tchad et République du Rwanda) qui abritent le deuxième massif forestier tropical du monde, remercient les coprésidents de l'APA pour la démarche d'ouverture et de transparence qui augure du climat de confiance qui devra animer les travaux sous ce nouvel organe de la Convention.

Ces pays témoignent, par la présente, leur volonté de collaborer avec les coprésidents pour accompagner l'entrée en vigueur et la mise en œuvre de l'Accord de Paris.

Ils rappellent par ailleurs le principe de responsabilité commune mais différenciée dans le cadre de l'effort global de réduction/stabilisation de la concentration des gaz à effet de serre dans l'atmosphère, sans préjudice à l'article 3, paragraphe 2 de la Convention.

Les vues ci-après sont exprimées:

Point 5, "les modalités, procédures et lignes directrices pour le cadre de la transparence pour l'action et de soutien visés à l'article 13 de l'Accord de Paris";

1. La prise en compte des mesures, des besoins et des appuis dans la transparence ;

* Sections of this submission relating to item 3 of the agenda of the APA are contained in document FCCC/APA/2016/INF.1, sections relating to item 4 in document FCCC/APA/2016/INF.2, and sections relating to item 6 in document FCCC/APA/2016/INF.4

2. La flexibilité en matière de communication pour les Pays en voie de Développement, particulièrement ceux de l'Afrique centrale ;
3. L'appropriation en matière des mesures à travers les communications nationales, les moyens financiers qui tiennent compte des circonstances et des contextes nationaux ;
4. La création d'un Registre qui prend en compte d'un côté les besoins des pays en voie de développement, en termes des mesures, des financements et des renforcements de capacité et d'appui technologique et de l'autre côté les appuis fournis par les pays développés.

[Translation as submitted]

APA SUBMISSION-CONGO BASIN

The Ad Hoc Working Group on the Paris Agreement (APA) invited Parties to submit their views on specific items on the agenda.

Republic of Congo on representing the views of the member countries of the Central African Forestry Commission COMIFAC (**Republic of Burundi, Republic of Gabon, Republic of Equatorial Guinea, Central African Republic, Democratic Republic of Congo, Republic of Congo, Republic of Cameroon, Republic of Sao Tome and Principe, Republic of Chad, and Republic of Rwanda**) which constitutes the second largest tropical forest in the world welcome the opportunity. We are happy to present our views on the rules, modalities and procedures of the mechanism of Article 6, paragraph 4 of the Paris Agreement as stated below: We thank the APA co-chairs for their openness and transparent approach in building a climate of confidence which will lead the work under this new body of the Convention.

We therefore express our willingness to work with the co-chairs to accompany the entry into force and implementation of the Paris Agreement.

However, it is important to remind everyone of the principles of common but differentiated responsibility in the context of the overall efforts to reduce and stabilize the concentration of greenhouse gas in the atmosphere without prejudice on Article 3, paragraph 2 of the Convention.

The following views are expressed:

Item 3: Additional guidance in relation to the mitigation section of decision 1 / CP.21 on:

(A) The characteristics of Nationally Determined Contributions as stated in paragraph 26;

1. It suffices to:
 - a. Identify mitigation sectors to be considered by the NDC;
 - b. Submit sectorial objectives to be considered for mitigation by NDC based on recommended standards;
 - c. Invite developed countries and emerging economies to implement their NDC based on their progressive emission trends;
 - d. Encourage developing countries, including the most vulnerable states and those with lower or no emissions (such as countries of the Congo Basin) to provide information depending on the technical and financial support they receive;
 - e. Build on the existing legal and institutional framework at the country level;
 - f. Integrate gender which is indispensable in the fight against climate change.

(B) Information to facilitate clarity, transparency and understanding of the Nationally Determined Contribution

- 1- NDC must contain actions to be taken in the context of achieving the ultimate objective of the Convention, including mitigation and adaptation.
- 2- NDC must be based on a country's emission profile, taking into account the flexibility for developing countries, especially the countries of the Congo Basin.
- 3- National communications and the BURs deserves to be used as the preferred way to report on the progress in the different sectors of the NDC.
- 4- Substantial financial resources should be made available to developing nations, especially those of the central African forestry commission – COMIFAC, to enable them to prepare national communications and BURs as well as capacity building.
- 5- The emission sectors concerned should take into account reference year, the reference level and emissions reduction target.
- 6- Lastly it is important to develop a simplified guide to facilitate the understanding of NDC.

(C) Accounting for National Determined Contribution of Parties as indicated in paragraph 31

- 1- For the purpose of coherence, it is necessary to maintain the accounting rule under the Convention, building on existing guidelines and methodology of the IPCC
- 2- An appeal may be filed to SBSTA if need arises.

Item 4: "Additional guidance in relation to adaptation communication, including amongst others, as part of the Nationally Determined Contribution referred to in Article 7, paragraphs 10 and 11 of the Agreement";

- 1- Countries of the Congo Basin consider adaptation as a priority to strike a balance for their participation in the global efforts to fight against the negative effects of climate change;
- 2- The creation of a public register referred to in article 7.12 should contribute towards better communication about the actions and support for adaptation;
- 3- Countries of the Congo Basin recommend that a section be created on adaptation in BURs subject to regular review. This section on adaptation could include priorities, short, medium and long term planning, needs, supports and difficulties encountered.

Item 5: "the modalities, procedures and guidelines for the scope of the transparency of action and support referred to in Article 13 of the Paris Agreement";

- 1- The consideration of measures, needs and support in transparency;
- 2- Flexibility in communication with regards to developing countries, particularly those of the Central African region.

- 3- The appropriation of actions through national communications, financial means that take into account national contexts and realities
- 4- The creation of a registry that takes into account the needs of developing countries in terms of measures, financing, capacity building and technological support and on the other hand the support provided by developed countries.

Item 6: "Questions relating to global stocktake referred to in Article 14 of the Paris Agreement"

- 1- Measures relating to mitigation, adaptation and means of implementation, particular financing should be taken into account.
- 2- The global stocktake should take into account scientific realities released by the IPCC periodic reports.

Compliance Framework (Article 15 of the Agreement)

- a. Ensure that modalities and procedures proposed in the CMA should be flexible and take into account national realities of developing countries
- b. Take into account the engagement and commitment of parties of all stake holders on the modalities and procedures and publish the reports of the expert committee on a regular basis.

Paper no. 4: Costa Rica on behalf of the Independent Association for Latin America and the Caribbean

SUBMISSION BY COSTA RICA ON BEHALF OF THE AILAC GROUP OF COUNTRIES COMPOSED BY CHILE, COLOMBIA, COSTA RICA, HONDURAS, GUATEMALA, PANAMA, PARAGUAY AND PERU

Subject: Item 5 Modalities, procedures and guidelines of the Transparency Framework on Action and Support pursuant Article 13 of the Paris Agreement

Reference: FCCC/APA/2016/L. paragraph 8 c).

Introductory Remarks

1. AILAC welcomes the opportunity to submit its views on item 5 of the APA agenda in order to advance the work on the modalities, procedures and guidelines (MPG) of the Transparency Framework on Action and Support pursuant Article 13 of the Paris Agreement.
2. AILAC is of the view that the implementation of the transparency framework should enhance existing provisions of measuring, reporting and verification under the Convention in order to reduce uncertainty, increase the quality of information, support strengthening institutional arrangements, ensure the sustained provision of information over time and strengthen review and consideration processes. In particular, AILAC considers that this framework should facilitate that developing country Parties continually, and over time, improve the provision of more detailed information, high quality data and the usage of the most up to date methodologies and guidelines.
3. Thus, AILAC suggests the following considerations for the modalities, procedures and guidelines of the enhanced transparency framework:

Reporting provisions

- i. National Communications*
4. AILAC considers that national communications will continue to play an important role in reporting information on climate action, given that the Paris Agreement stipulates that its transparency framework will be built on and enhance the current transparency arrangements under the UNFCCC, including experiences gained through the elaboration of national communications.
5. Also, Parties need to ensure that national communications and the enhanced transparency framework complement and strengthen each other and it will be equally important to avoid duplications and undue burdens on Parties. Thus, AILAC contemplates that, while the development of the MPG for Article 13 is a priority, given that work has to be completed in 2018, at some point there will be a need for

Parties to assess how to ensure coherence and complementarity between the enhanced

transparency framework and national communications. This could be achieved for example, by agreeing on adjustments to the guidelines for national communications.

ii. Biennial Communications

6. For AILAC the common guidelines for biennial communications should draw upon current reporting guidelines for developed countries and reporting guidelines for developing countries and serve the purpose of tracking progress of the NDCs and, in particular, progress on implementation of mitigation goals and support provided and received.
7. Development of common guidelines for biennial communications shall not represent a decrease in the level and quality of information provided by all Parties in their current reports. At the same time, these guidelines should include flexibility provisions that allow developing countries to prepare transparent biennial communications according to their national circumstances and capabilities but without losing sight of the importance of improving the level and quality of information over time. Whenever possible and appropriate, tabular formats should be developed to facilitate reporting and access to information.
8. An initial consideration of the scope of the guidelines for preparing biennial communications indicates that they should contain the following sections:
 - a. National Inventory of anthropogenic GHG emissions by sources and removals by sinks
 - Information on the related institutional arrangements
 - b. Information necessary to track progress made in implementing and achieving NDCs pursuant Article 4 of the Paris Agreement, including:
 - Information on the achievement of the NDC
 - Information on mitigation policies and actions
 - Changes and updates of the up---front information reported in the NDC,
 - c. Information related to the implementation of Article 5 of the Paris Agreement
 - d. Information related to the implementation of Article 6 of the Paris Agreement
 - e. Information on adaptation
 - f. Information to ensure methodological consistency
 - Methodological changes and updates in the elaboration of national inventories
 - Methodological changes and updates related to the preparation of NDCs
 - Methodological changes and updates for reporting progress made towards achieving the respective NDC
 - g. Information on financial, technology transfer and capacity- building support
 - Support provided

- Support needed and received
 - h. Information on capacity needs and capacity developments for transparency
9. AILAC is aware that detailed discussions regarding the information of some elements that should be included in the biennial communications are required. For instances, it is necessary to have clear guidelines for elaboration of National Inventory Reports bearing in mind that it will be important to avoid additional burdens for Parties and the Secretariat. In addition, it will be crucial to identify information needed to track progress made in implementing NDCs and, specifically, information required to track different types of NDCs in order to include requirements related to this information in the guidelines of biennial communications.
 10. As for information on adaptation and as expressed in further detail below, AILAC wants to remind that the biennial report of this information will require for the actual and increasing implementation of adaptation actions in order to ensure the availability of information, increasing support provided, in specific in terms of capacity building and finance to put in place monitoring, evaluation and reporting national, amongst other details. Also, when elaborating guidelines that could facilitate the provision of adaptation in biennial communications, Parties have to bear in mind that due to the specificities of adaptation actions, information relevant to be reported may take more than two years to be collected and submitted.

iii. National GHG inventories and Mitigation: Methodological Issues

11. AILAC is of the view that all Parties should aim to use the latest IPCC guidance, (currently the 2006 IPCC Guidelines and the 2013 Wetlands Supplement) and higher tiers for the preparation of national inventories, especially for key categories. However, flexibility should prevail in the continued use of lower tiers for developing country Parties, for example for non-key categories. This issue in particular will show improvements with continuous capacity building in developing countries. By any means the quality and consistency of information and data utilized by each Party for the preparation of national inventories should be less than what has been used for previous processes.
12. Accurate national GHG inventories should constitute the main instrument to track progress of NDCs. Therefore, it is necessary to strengthen capacities in order to estimate and improve national emission factors and activity data, and reduce the uncertainty of national estimates of emissions and removals, in the development of consistent time series.
13. Biennial Communications should include updated National GHG Inventories and even when national communications submissions coincide with the submissions of biennial communications, the latter should be presented as stand-alone reports. Developed country Parties will continue to present National GHG Inventories annually.
14. As progress is made on the mandates established for the implementation of Article 6 of the Paris Agreement, it is necessary to ensure coherence with the enhanced

transparency framework and to its reporting instruments. For the market and non-market components of Article 6, it is especially important to achieve coherence with the enhanced transparency framework when these are used to make progress towards achieving the NDCs, particularly, the holdings and transactions under article 6.2 and 6.4 and how double-counting is avoided and environmental integrity guaranteed.

iv. Means of Implementation

15. For AILAC, one important aim for the transparency framework has to be to improve the comparability and reduce uncertainty of data and information regarding climate finance, technology development and transfer and capacity building. It must generate useful and credible data on the provision and mobilization of support, including all three components of the means of implementation for the Paris Agreement.
16. The enhanced transparency framework must build upon and take into account the work already done and under way in different bodies under the Convention, such as the development of the modalities for the accounting of financial resources provided and mobilized through public interventions in accordance with Article 9, paragraph 7 of the Paris Agreement and the experiences of the Biennial Assessments and Overview of Financial Flows done by the Standing Committee on Finance.
17. It would be essential to agree general guidelines and methodologies if possible, to frame the way Parties report and create a dynamic system that continuously triggers the effective provision and mobilization of all means of implementation.
18. It is very relevant for the framework for transparency of support that Parties report on support provided and received. The reports of support provided should serve to improve its effectiveness in the light of needs and priorities of developing countries and identify gaps on how developed countries are providing support.
19. As stated in paragraph 94 of decision 1/CP.21, reporting on support received by developing countries should be enhanced, including its use, impact and estimated results, especially in the context of NDCs. However, the provision of information related to support received by developing country Parties represents a challenge since it has not been systematically done and generally data has not been collected before..
20. The new reporting responsibilities for developing countries will require new and enhanced technical capabilities and the development and consolidation of domestic systems to improve the coordination among different stakeholders. From a technical standpoint it must be noted that reporting on support received will be more feasible if there are clear guidelines and definitions related to what constitutes provided support, as well as for mobilized support and if there is more transparency on methodological approaches and underlying assumptions used by developed countries.

v. Adaptation

21. Having clarity and tracking progress of Parties adaptation actions under Article 7, as well as of the support provided and received for the adaptation actions, are embedded to the purpose of the Enhanced Transparency Framework, as stated in Article 13 paragraph 5 and 6, respectively.
22. Transparency of adaptation action should be oriented as a way to share priorities and lessons learned between Parties in the spirit of cooperation and enhancing action and support as established in Article 13.
23. Despite its importance, the Enhanced Transparency Framework must not make reporting on adaptation action for transparency purposes an additional burden to Parties. The inherent flexibility of the Enhanced Transparency Framework for adaptation must be guaranteed, through the use of a variety of vehicles, while avoiding confusion about the number of reports required from Parties under the Convention. Currently reporting of adaptation efforts is carried out through the national communications, which essentially provide. “backwards looking” information on adaptation efforts conducted within countries. Additionally, any guidance that is developed should take into account the specificities of adaptation action and give due consideration to the required longer time frames and to the challenges there are in developing and obtaining outcomes (quantitative or qualitative) and of the monitoring and evaluation of adaptation action. This guidance should take into account the following issues:
 - a. In implementing the Paris Agreement as Parties submit their adaptation communications, their capacities grow and their actions are being implemented there will be further progress of action to be reported through their national communications. Parties should update their communication on adaptation on the same period they will communicate their mitigation actions (5 year period). This will facilitate the follow up on adaptation efforts and support under the global stocktake and the enhanced transparency framework. In due time, there will also be more information available, as well as greater respective capacities, to be reported via the biennial communications.
 - b. Although submitting information on a biennial period as stated in paragraph 90 of Decision 1/CP.21 could be possible and desirable in the future, many Parties would need to first improve their now limited capacities, enhance the implementation of adaptation action and increase information available for this purpose. As stated in AILAC’s Submission on Item 4, there should be a periodic review of the guidance and specifically of the categories of information that the adaptation communication should include. National Communications should continue to be the vehicle to report on the implementation of adaptation actions while national capacities are improved through enhanced support for a more frequent reporting.
 - c. Guidance on any biennial reporting of adaptation under the enhanced transparency framework, should consider the developing country Parties capacity, the availability of information to report on and the development of internal monitoring and evaluation systems.

24. The critical component of the enhanced transparency framework regarding support provided and received for adaptation action will also be developed by all Parties and is further detail is given in the context of means of implementation of this submission.

Technical Review

25. As established in the Paris Agreement, common MPG should be developed for the technical review of information that will be communicated biennially.
26. For AILAC, the review process clearly has to serve to improve technical capacities in the country both for transparency purposes as well as for facilitating the implementation of NDCs and it should thus be designed accordingly. Therefore, although the focus of the review should be to determine consistency of the information with the MPGs, it also should include the assistance to identify capacity-building needs through recommendations of the technical experts in charge of the review process to inter alia regarding consistency of information with MPGs.
27. It is desirable that the development of the review guidelines is informed by current guidelines for Review of National Communications, National Inventories, International Assessment and Review and the International Consultation and Analysis. Flexibility provisions should be considered for developing countries according to the progressive enhancement of their capacities, for example, by allowing a more flexible timeframe for implementing any recommendations by the technical experts and by identifying those recommendations that may be implemented only if sufficient financial support and capacity building is of the view that these common guidelines for review should not represent a decrease in the current level of scrutiny for developed country Parties..
28. The technical review process, should be conducted through desk and centralized, and regular in-depth reviews of the information reported in biennial communications. The aim to avoid additional burdens for the Parties and the Secretariat of the Convention also has to be considered when developing MPG in this context.
29. In addition, AILAC considers that this process should take advantage of the experience gained by the teams of technical experts and Lead Reviewers, in the assessment of Biennial Reports, Biennial Update Reports, Annex I annual national inventory reports (including national GHG inventories), KP assigned amounts and accounting (including activities under paragraph 3.3. and 3.4. of the KP), REDD+ reference levels and REDD+ technical annexes. The technical review should be conducted by experts nominated by Parties for being included in the roster of experts of the UNFCCC.
30. The main output of this technical review should be a report that includes:
 - a. Consideration of implementation and achievement of the respective NDC
 - b. Information related to support provided and received, as relevant
 - c. An assessment of transparency, accuracy, consistency, completeness, and comparability of information in relation to the MPG.

- d. Recommendations by expert review teams to Parties
 - e. Identification of capacities needed to improve quality and level of information reported to track NDCs, including national GHG inventories.
31. For AILAC, it is important to remark that recommendations provided by technical experts should be aimed to improve national capacities for monitoring and reporting and by any means should be intrusive or result in an assessment of the adequacy of policies and measures taken by a Party.
32. Technical review reports should be made publicly available although special consideration may apply to confidential information

Facilitative Multilateral Consideration of Progress

33. AILAC stresses the importance of the multilateral consideration of progress for building trust and confidence amongst Parties. This process should follow the technical review process and be based on the biennial communications.
34. For AILAC, modalities and procedures for this process should expand upon M&P of multilateral assessment under IAR and the facilitative sharing of views under ICA. Therefore, for AILAC, the general process of multilateral consideration of progress may include the following steps:
- a. Preparation of session: Parties would have the possibility to pose questions to enhance clarity and understanding regarding elements included in the Biennial Communication of the Party under consideration. Parties under consideration should respond that questions before the session of multilateral consideration.
 - b. Consideration session: The Party under consideration should make a brief presentation of the main elements included in its biennial communication and other Parties can ask questions about it and later receive responses by the Party under consideration.
 - c. Post-session: Compilation of a summary report that includes the main results of the multilateral consideration process.

Inputs of the Enhanced Transparency framework to the Global Stocktake

35. AILAC considers that the reporting guidelines for biennial communications for all Parties should guarantee that information provided for tracking progress of NDCs can be easily and transparently aggregated.
36. In the context of the Global Stocktake as established under article 14 of the Paris Agreement, the enhanced transparency framework should provide valuable inputs to assess the collective progress towards achieving the purpose of the Agreement and its long-term goals. In order to fulfil this task, the Secretariat and other relevant bodies should be requested to elaborate the following reports on the basis of biennial communications, technical expert reviews and facilitative multilateral consideration:
- a. Regular summaries of GHG emissions and emissions trends: AILAC considers

that Summaries of GHG emissions would allow understanding the progress made towards the global goal and a summary of global emissions trends, which would be necessary to visualize the emissions path that all Parties will follow towards the global goal.

- b. Synthesis reports on the aggregate effect of NDCs implemented and achieved by parties: this could help identify the additional efforts that would be needed to achieve the global long-term goals.
- c. Synthesis reports of needs for mitigation and adaptation actions that should be covered in order to increase the ambition and to ensure the achievement of the global long-term goals.
- d. Aggregate information on support provided and received. This information should be aggregated to show a picture to support provided for mitigation and adaptation and if possible also by sectors. The SCF would play an important role in aggregating this information.

Facilitating the implementation of the Enhanced Transparency Framework

37. The effective implementation of the enhanced transparency framework requires that, when appropriate, all Parties enhance their institutional arrangements and capacities with regards to tracking of progress of NDCs and the corresponding reporting instruments. In this context for developing country Parties, receiving continuous support from CBIT will be fundamental to ensure an appropriate implementation of Article 13 and to strengthen national capacities that bring long---lasting positive effects.
38. AILAC countries are committed to enhance their own national transparency systems and in this process, they have identified areas where capacity building would be required in order to improve measuring, reporting and verification of information related to national and sectorial GHG emissions, as well as for mitigation actions and goals, and for quantifying support received and evaluating adaptation actions. The identified areas include but are not limited to the following:
 - a. Enhancement of monitoring and evaluation of adaptation actions and their impacts, through appropriate methodologies and development of national indicators
 - b. Strengthening of technical and institutional capacities to gather and process sectorial information needed for the elaboration of national GHG inventories and for tracking mitigation actions, in particular for the use of higher tiers for key categories of for sectors or categories where key mitigation actions are being implemented in the context of the NDCs
 - c. Strengthening of sectoral information systems in order to ensure continuous and systematic provision of information needed for the elaboration of National GHG inventories
 - d. Accessing sufficient financial resources to maintain and continuously train technical teams responsible for updating national GHG inventories, and for developing and improving biennial communications
 - e. Estimation and improvement of national GHG emission factors and activity data, while maintaining methodological consistency in time.
 - f. Design and implementation of robust MRV systems for tracking of mitigation actions and policies, as well as climate finance, technology transfer and capacity

- building
 - g. Provision of technical information related to support received, its use, impact and estimated results
 - h. Assessment of mitigation and adaptation needs
39. In the same vein, AILAC would like to emphasise that procedures to access financial and technical resources from the CBIT should be practical, streamlined and as simple as possible in order to avoid lengthy processes of approval that could constitute an additional obstacle for the biennial provision of information. The CBIT should take into account that country proposals that seek to enhance institutional capacity may take time to be developed. Therefore, it will be important to ensure timely and optimum support for the elaboration of these proposals.
40. Finally, AILAC would like to underline the importance that the CBIT has sufficient and sustained financial resources for its proper functioning.

Paper no. 5: India

INDIA'S SUBMISSION ON APA AGENDA ITEM 5 – MODALITIES, PROCEDURES AND GUIDELINES FOR THE TRANSPARENCY FRAMEWORK FOR ACTION AND SUPPORT REFERRED TO IN ARTICLE 13 OF THE PARIS AGREEMENT

India welcomes the outcome of the Paris Agreement relating to the transparency framework for action and support contained in Article 13 and believes that with a “bottom up” system in place for countries to nationally determine their contributions to the global response for climate change under the Paris Agreement and in the context of our efforts to achieve the purpose of the Agreement i.e. enhancing the implementation of the Convention to strengthen our global response to the threat of climate change in a manner that reflects equity and Common but differentiated responsibilities and respective capabilities, the transparency framework must be founded on the existing arrangements under the Convention and ensure differentiation.

Transparency is one of the main bulwarks of the Paris Agreement and an enhanced transparency framework will strengthen the implementation of the Paris Agreement.

The objectives of the transparency arrangement is to build mutual trust and promote effective implementation taking into account the flexibilities to be given to the developing countries based on common but differentiated responsibilities and respective capabilities.

Existing MRV arrangements under the Convention have shown that a common but differentiated transparency framework on action and support can be developed and implemented effectively. Doing so preserves and reflects equity and CBDR consistent with the Convention, which increases developing countries' acceptance of and willingness to be part of such MRV regime.

The existing transparency arrangements under the Convention can be found in the transparency and reporting modalities and guidance contained in decisions 1/CP.16, 2/CP.17, and 1/CP.18, which created a transparency regime for both action and support differentiated between developed (Annex I for mitigation and Annex II for support) and developing (non-

Annex I) country Parties. This differentiated transparency regime under the Convention requires that Annex I Parties' implementation be made comparable with each other, with greater amounts and detail of information and more frequent periodicity, and more stringent verification processes; while developing countries would have greater flexibility and less stringency in terms of what to submit, when to submit, and how the information would be verified.

The Paris Agreement need not reinvent the wheel. It should work out additional modalities, procedures and guidelines for transparency of action and support only when there are identified loopholes. The scope of work lies in article 13 and relevant decisions but it has a close linkage with issues under Articles 3, 4, 5, 7, 9, 10 and 11 and some Agendas being discussed under SBI/SBSTA.

Transparency is a cross cutting issue covering action like reporting of national GHG inventories, progress of mitigation & adaptation actions contained in our NDCs, and support provided by developed countries to developing countries in terms of finance, technology transfer and capacity building. Therefore, India would emphasize that there should be a balance in the guidelines for both transparency of action as well as transparency of support. The progress on action should have clear correlation with the promised support. There must also be clear linkages with other relevant issues under the APA and SBs to have coherence and eliminate mismatch with other agendas.

It is important to realize that developing countries have huge variations in their capacities and they have differing capacity needs. The objective of transparency of support should be to ensure provision of necessary financial resources, technology needs and capacity building to developing countries so as to enable them to raise their ambitions on mitigation and adaptation in order to contribute to the achievement of the purpose of the Agreement as defined in its Article 2.

As per article 13.13, the Conference of the Parties serving as the meeting of the Parties to this Agreement (CMA), building on experience from the arrangements related to transparency under the convention, and elaborating on the provisions in this article, adopt common modalities, procedures and guidelines, as appropriate, for the transparency of action

and support. The “as appropriate” clearly provides a basis for differentiation of MPG for action and support for developed and developing countries.

One of the most important issues is to ensure the continuance of the provision for ‘flexibility’ to developing countries. It is necessary that we build on the experiences drawn from the existing transparency arrangements under the Convention and ensure continuity of differentiation while developing modalities, procedures and guidelines for enhanced transparency framework under the Paris Agreement. Article 13.3, 13.4, and 13.13 of the Paris Agreement explicitly premise the Paris Agreement’s transparency framework for action and support on the existing transparency arrangements under the Convention. Article 13.1 and 13.2 clearly indicate that flexibility shall be provided to developing countries in the implementation of the transparency framework under the Paris Agreement. We would like to see that these flexibilities are reflected in terms of scope of reporting, frequency and level and detail of reporting. The flexibility to be provided to developing countries must be systemic in nature, meaning that it is systemically integrated into the entire transparency regime.

Additionally, Article 13.9 and 13.10 of the Paris Agreement together create a differentiated regime between developed and developing countries when it comes to providing information relating to the support provided to and received by developing countries. Article 13.9 reflects developed countries’ obligation under Article 4.3 of the Convention to provide financial support to developing countries with an “agreed full cost” basis for all reporting functions under the Convention, while Article 13.10 only creates an expectation but does not make it mandatory (by the use of the word “should”) for developing countries to provide information on the support that they received.

For developing countries in particular, the transparency framework must be facilitative, non-punitive, and non-intrusive. Reporting requirements under the enhanced transparency framework should not create additional undue burden on the developing countries. The transparency framework must recognize and reflect the nationally-determined nature of NDCs, such as the transparency framework should not result in the creation of a top-down regime for the establishment of subsequent NDCs or of creating de facto limitations on the extent to which Parties, particularly developing countries, may exercise national determination in shaping and communicating their NDCs.

Capacity Building for transparency related activities in developing countries is one of the crucial elements for compliance of the transparency arrangements. India welcomes the establishment of the Capacity Building Initiative on Transparency (CBIT) under the Paris Agreement. The Global Environment Facility (GEF) should work in consultation with the recipient countries and developing countries should be fully involved in decision making process for operationalisation of the CBIT. India is willing and looking forward to cooperate in this initiative.

India reserves the right to make additional submissions and present further views on the relevant issues connected with Transparency of Action and Support in Paris Agreement.

Paper no. 6: Iran (Islamic Republic of) on behalf of the Like-minded Developing Countries

**Submission of the Like-Minded Developing Countries (LMDC)
On the Work of the Ad-Hoc Working Group on the Paris Agreement (APA) under APA Agenda
Item 5**

The Like-Minded Developing Countries (LMDC) Group in the UNFCCC makes this submission¹ containing the Group's initial views in relation to APA Agenda Item 5, pursuant to paragraph 8 of the conclusions of the APA at its first session in Bonn in May 2016.²

ITEM 5, "MODALITIES, PROCEDURES AND GUIDELINES FOR THE TRANSPARENCY FRAMEWORK FOR ACTION AND SUPPORT REFERRED TO IN ARTICLE 13 OF THE PARIS AGREEMENT"

A. Differentiation between Developed and Developing Country Parties in the Enhanced Transparency Framework

1. The Paris Agreement establishes an "enhanced" transparency framework for the post-2020 period, rather than a "common" or "unified" framework. Hence, the transparency framework under the Paris Agreement shall be based on differentiated obligations and recognize the different capabilities and capacities of developed and developing country Parties. Such differentiation forms the fundamental modalities of the transparency framework of action and support under the Paris Agreement, which is crucial to ensure the flexibility to developing country Parties to increase their acceptance of and willingness to be subject to such measurement, reporting and verification (MRV) system. Otherwise the framework cannot be put into effective operation.

2. The transparency framework under the Paris Agreement should be built on and enhance the existing arrangements under the Convention and seek to operationalize differentiation in its modalities, procedures and guidelines.

3. Article 13.9 and 13.10 of the Paris Agreement together create a differentiated arrangement between developed and developing countries when it comes to providing information relating to the support provided to and received by developing countries. Article 13.9 in particular is a direct reflection of developed country Parties' obligation under Article 4.3 of the Convention to provide financial support to developing country Parties on an "agreed full cost" basis for all reporting functions under the Convention. This is why Article 13.9 mandatorily requires (by the use of the word "shall") developed country Parties to provide information on the financial, technology development and transfer and capacity-building support that they have provided to developing country Parties, while Article 13.10 creates an expectation but does not make it mandatory (by the use of the word "should") for developing countries to provide information on the support that they received.

¹ This submission is without prejudice to additional submissions that the Group, or individual Party members of the Group, may make; and may also be further revised or supplemented

² See FCCC/APA/2016/L.3, at <http://unfccc.int/resource/docs/2016/apa/eng/103.pdf>

4. The modalities, principles and guidelines covering transparency of support shall be treated separately from those of transparency of action. While transparency of action covers actions of all Parties, transparency of support will cover the provision of financial resources, technology development and transfer and capacity-building from developed country Parties to developing country Parties. Voluntary provision of support among developing country Parties, in particular the south-south cooperation, is not to be subject to this transparency framework.

B. Consistent with the Nationally Determined Nature of Parties' Contributions

5. The transparency framework should recognize and reflect the nationally-determined nature and comprehensive scope of NDCs. The framework should not result in establishing a top-down regime for the subsequent NDCs or creating *de facto* limitations on the extent to which Parties, particularly developing countries, may exercise national determination in contributing to address climate change.

6. Furthermore, the transparency framework should be facilitative, non-punitive and non-intrusive, especially for developing country Parties that are lack of relevant capacities.

C. Built on and Enhancing the Existing Arrangements under the Convention

7. The existing transparency arrangements under the Convention have established a transparency framework for both action and support which reflects differentiation between developed and developing country Parties. This differentiated transparency arrangements under the Convention requires that developed country Parties' implementation be made comparable with each other, with greater amounts and detail of information and more frequent periodicity, and more stringent verification processes; while developing countries would have greater flexibility and less stringency in terms of what to submit, when to submit, and how the information would be verified. This has also been our experience under the Convention, to formulate guidelines for developed and developing country Parties separately, in order to facilitate the implementation.

8. The transparency framework under the Paris Agreement should be based on existing transparency arrangements under the Convention. This means that these existing modalities, procedures, guidelines and processes should continue to play a fundamental and significant role in the transparency framework for the Paris Agreement. There exists no compelling reason to abandon the existing transparency arrangements under the Convention, including in particular the relevant modalities, procedures and guidelines related to the national communications and GHG inventories, as they can be applied *mutatis mutandis* in the transparency framework under the Paris Agreement, particularly considering that the Paris Agreement is a related legal instrument under the Convention.

9. However, the LMDC notes there is a necessity to enhance the transparency on both developed country Parties and developing country Parties. The current experience shows Parties have implemented relatively well-developed MRV system for mitigation actions, but we fall much behind on the

transparency of adaptation actions and transparency of support. Necessary improvement should be made by revising and improving the current guidelines on reporting, review, international assessment and review (IAR) and international consultation and analysis (ICA) included in, *inter alia*, decisions 1/CP.16, 2/CP.17 and 1/CP.18. Such improvement and enhancement to the existing differentiated transparency arrangements should be a fundamental part of the work on elaborating the modalities, procedures and guidelines of the transparency framework under the Paris Agreement. The improvement and enhancement should be based on a prior assessment of gaps and challenges that may have been identified.

D. Flexibility to Developing Country Parties

10. Article 13.1 and 13.2 of the Paris Agreement clearly indicate that flexibility shall be provided to developing countries in the implementation of the transparency framework under the Paris Agreement. All developing country Parties need such flexibility due to their insufficient capacities in areas of statistics, institutional arrangements, necessary resources and etc.

11. As set out in paragraph 89 of decision 1/CP.21, the flexibility to be provided to developing countries shall include, but is not limited to, the scope, frequency and level of detail of reporting, and in the scope and approach of review (optional for in-country review). Therefore, such flexibility to be provided to developing countries must be systemic in nature, meaning that it is systemically applied to the entire transparency arrangement in addition to the flexibility being reflected and integrated in the operational modalities, procedures and guidelines for reporting, technical review and multilateral consideration processes that may be established to implement the transparency provisions of the Paris Agreement.

12. The LMDC believes that choosing different categories of information for reporting the progress of NDCs does not constitute the flexibility referred to under Article 13 of the Paris Agreement, because Parties have the right to determine their own NDCs, and the information to be provided for tracking progress is accordingly decided by the Parties concerned.

13. Also, choosing different tiers of IPCC inventory methodology shall not be regarded as the flexibility under Article 13 of the Paris Agreement either, because this is an embedded component of IPCC methodology and applies differently to different sources of information, depending upon the availability and mode of aggregation and analysis of data, and specific methodologies, in respective countries.

14. In addition, whether or not to provide information regarding adaptation, provision of support by Parties other than developed country Parties, and the receiving of support for developing country Parties shall not be regarded as the flexibility under Article 13 of the Paris Agreement, because these are obligations of developed and developing country Parties respectively defined by the Convention and Paris Agreement, and therefore should not be construed as providing flexibility for transparency framework.

E. Key Elements of Transparency of Support

15. The LMDCs recognize that more improvement on transparency of support is needed, compared with the well-developed arrangements on transparency of action that has already been established under the Convention. The improvement on transparency of support is key to build mutual trust and confidence and to promote effective implementation. Therefore, it should be addressed as the prior and urgent task in the APA work on transparency.

(a) Basic Principles, Guidelines and Objective of Transparency of Support

16. A transparency framework for support in the Paris Agreement should aim at ensuring that the provision of the necessary finance, technology development and transfer and capacity-building support from developed country Parties to developing country Parties shall allow these Parties to raise their ambitions on their climate actions, including both adaptation and mitigation, so as “to contribute to the achievement of the purpose of the Agreement as defined in its Article 2” (Decision 1/CP.21, paragraph 52).

17. As stated in Article 13.6 of the Paris Agreement, “the purpose of the framework for transparency of support is to provide clarity on support provided and received by relevant individual Parties in the context of climate change actions under Articles 4, 7, 9, and 10, and 11, and to the extent possible to provide a full overview of aggregate financial support provided, to inform the global stocktake under Article 14.” This is separate from the purpose of the framework for transparency of action laid out in Article 13.5 of the Paris Agreement.

18. Article 13.9 and 13.10 of the Paris Agreement likewise differentiate between the provision of information on financial, technology development and transfer and capacity-building support from developed country Parties on their obligations (“shall provide information..”) and other Parties that do so voluntarily (“should provide information...”) provided to developing country Parties under Articles 9, 10, and 11. Only information provided under Article 13.9 shall undergo a technical expert review (Article 13.11).

19. Modalities and guidelines for the transparency of support from developed country Parties to developing country Parties (Article 9.1) must be as rigorous as those for transparency of actions in the transparency framework.

(b) Modalities for a transparency framework of support

20. Article 13.13 of the Paris Agreement should be followed strictly. There is a significant amount of work on “arrangements related to transparency under the Convention”, in particular in the work of the Standing Committee on Finance.

21. Sources of information on support include relevant reporting documents under the Convention, such as the national communications and the in-depth review processes for national communications of developed country Parties.

22. In addition, there are biennial submissions from developed country Parties under the long-term finance COP decisions on updated strategies and approaches for scaling up climate finance from 2014 to 2020, the methodological issues for reporting of financial information by developed country Parties in the SBSTA (Decision 9/CP.21), the work of the Global Environment Facility on a Capacity-Building Initiative for Transparency “as a priority reporting-related need” (Decision 1/CP.21, paragraph 86), the guidance to the Green Climate Fund related to the provision of support for access to environmentally-sound technologies in developing country Parties and for undertaking collaborative research and development for enabling developing country Parties to enhance their mitigation and adaptation action” (Decision 7/CP.21, paragraph 22, and also Decision 13/CP.21, paragraph 10).

23. It should be also kept in mind that all reporting-related activities of developing country Parties are subject to agreed full cost financing, consistent with Article 4.3 of the Convention. This must be taken into account in the light Article 13.14 of the Paris Agreement, which states that “support shall be provided to developing countries for the implementation of this Article.”

24. The work of the Standing Committee on Finance on biennial assessments (BA) leading to MRV of support as one of its main functions is of particular importance, as provided for in paragraph 94 (e) of Decision 1/CP.21. The BA contains methodological issues relating to MRV of Climate Finance that should be taken fully into account in the work of the APA.

25. Specific mechanisms for the verification and measurement of support provided to developing country Parties should be specified in the work of the APA, taking into account the ongoing work in the SCF.

26. An arrangement for the identification of needs for support of developing country Parties based on their INDCs/NDCs should be put in place as an important modality for transparency of support. This should include the information to be provided by them as contained in Article 13.10 of the Agreement. This arrangement would also inform the technical expert review as laid out in Article 13.12.

F. Questions to be Further Discussed under the APA in Marrakech

27. The following questions on transparency framework should be discussed under the APA in Marrakech as priorities:

- (a) How should Parties understand the word “enhanced” in the transparency framework under the Paris Agreement? What should be enhanced in the transparency framework? How it should be enhanced?
- (b) What are the existing arrangements under the Convention that the transparency framework under the Paris Agreement should build on? What is the experience that it should draw from?
- (c) How Parties should deal with the synergies and linkages between the existing arrangements under the Convention and transparency framework under the Paris Agreement, with a view to ensuring a smooth transition from the pre-2020 period to the post-2020 period?
- (d) Which modes or approaches will be appropriate and effective to operationalize the differentiation and flexibility to developing country Parties in the transparency framework under the Paris Agreement?
- (e) What should be basic principles and elements of the modalities, procedures and guidelines of the enhanced transparency framework under the Paris Agreement?
- (f) How could the capacity-building support be provided to developing country Parties in an effective and durable manner both in the pre-2020 period and post-2020 period? How could the Capacity-building Initiatives for Transparency (CBIT) be further improved and closely linked with other mechanisms under the Convention and Paris Agreement?
- (g) In Marrakech, how should Parties plan the work on transparency under the APA for the following years, with a view to ensuring its completion in a timely manner?

Paper no. 7: Japan

Submission on agenda item 5 of APA by Japan¹**“Modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement”**

(8 September, 2016)

1. General views on modalities, procedures and guidelines for the transparency framework for action and support to be developed

- ✓ In order to build mutual trust and confidence and to promote effective implementation of the Paris Agreement, it is important to develop common modalities, procedures and guidelines for an enhanced transparency framework for action and support with built-in flexibility. These common modalities, procedures and guidelines to be developed would consist of 1) guidelines for reporting, 2) guidelines for the technical expert review, and 3) modalities and procedures for facilitative, multilateral consideration. These guidelines need to be developed by 2018, and a clear guidance for the work plan on them is required as soon as possible.

<Basic concepts>

- ✓ An enhanced framework with built-in flexibility: The transparency framework needs to enhance the transparency arrangements under the Convention. At the same time, it provides built-in flexibility. The new modalities, procedures and guidelines should provide clear ways for all Parties to make continuous improvement of transparency, and flexibility to those developing country Parties that need it in light of their capacities. With regard to reporting, each Party should cover the common reporting categories, while each developing country Party that needs flexibility in light of its capacities can cover the appropriate details of reporting information. In either case, all Parties should maintain the frequency and quality compared to their current reporting.
- ✓ Make use of the experiences and lessons learned: The framework should be evolved based on the experiences and lessons learned from the existing MRV arrangements under the Convention including GHG inventories, NC, BR, BUR, IAR and ICA. While there are the varieties of contents in terms of details, accuracy and transparency in these reports by Parties, we recognize some of the BURs already submitted represent their high-quality of reporting.

¹ In addition to this, Japan also made a submission on agenda item 4 of APA that aims “at sharing Japan’s current views on adaptation-related matters, namely ‘further guidance in relation to the adaptation communication, including, inter alia, as a component of nationally determined contributions, referred to in Article 7, paragraphs 10 and 11, of the Paris Agreement (APA agenda: item 4)’ as well as adaptation-related aspects of the transparency framework and the global stocktake, without prejudice to Japan’s future position on further negotiation. Please note that overall views on transparency (APA agenda: item 5) and global stocktake (APA agenda: item 6) will also be submitted in separated submission(s) later.” For details, please see document FCCC/APA/2016/INF.2.

- ✓ Capacity-building for post 2020 transparency: Sharing good practices and promoting capacity-building will enhance the framework. From our experiences of supporting development of inventories and MRV implementation in developing countries, we recognize the importance of institutional support such as enhancing capacities of domestic reporting organizations, and providing opportunities for experts' mutual learning among different countries.
- ✓ Relations between reporting arrangements under the Convention and the Paris Agreement: When and how BR and BUR would be superseded by the Paris Agreement reporting need to be considered. At the same time, we need to consider how the new reporting under the Paris Agreement and NC or inventories under the Convention would be related to.

<Overview of the new modalities, procedures and guidelines>

- ✓ The new modalities, procedures and guidelines should include the following;

1) Reporting

Reporting elements- The reporting guidelines should provide common reporting categories of information but can accommodate flexibility in the details of reporting information, such as the year of reporting information, coverage and actions of sub sectors etc., to those developing country Parties that need flexibility in light of institutional and technical capacities.

Reporting quality- The reporting guidelines can prescribe the ideal and complete reporting contents, including details and accuracy of information. All parties need to satisfy the minimum requirements of covering reporting categories, and should aim toward providing the ideal and complete contents over time.

Reporting format- The common information format should be used so that the reported information can be aggregated and analyzed as an input to the global stocktake under the Article 14 of the Paris Agreement.

Frequency of reporting- Parties submit information no less frequently than on a biennial basis. Periodical reporting would contribute to maintaining each Party's institutional arrangement for reporting.

2) Review

Review elements and quality- Information submitted by all Parties is to be reviewed under the Paris Agreement. The scope of the review needs to include not only the consistency with reporting guidelines, but also the areas of improvement. The review can contribute to each Party's subsequent reporting and communication of subsequent NDCs, through identifying the areas of improvement for the Party.

Review format- Flexibilities can be provided in the format of review, taking into account the differing capacities of developing country Parties. For instance, Parties with less capacities could have a simpler format compared to in-country review. In addition to existing types of review (in-country, centralized and desk reviews), there could be different formats of review such as a simplified, checklist type of review that can be applied to Parties with least capacities.

Frequency of review- There can be flexibility in the frequency of review, taking into account the limited numbers of reviewers and the need for the efficient organization of expert review teams by the secretariat. For instance, the Parties with less GHG emissions could be reviewed less frequently than major emitters.

3) Facilitative, multilateral consideration

Modalities for facilitative, multilateral consideration needs to contribute to mutual understanding among Parties on each other's actions and support, following reporting and review process, and thus to the enhancement of the transparency framework.

<Possible outcomes at COP22>

Outcomes at COP22 could include the following documents;

-Time schedule or work plan towards conclusion of the work on development of the modalities, procedures and guidelines of the transparency framework in 2018

-Possible ideas of basic structure of the modalities, procedures and guidelines of the transparency framework to be developed

2. Possible elements in new reporting guideline

Reporting guideline would be the first step for developing the modalities, procedures and guidelines under Article 13 of the Paris Agreement. Therefore, this section focuses on reporting aspects.

The following are possible elements to be included in the new reporting guideline.

The contents of the reporting need to be improved in terms of quality over time.

2.1 Scope and objective of the reporting guideline

Frequency of reporting: Basically every two years, discretion to LDCs and SIDS

Objectives:

- To enable an enhanced transparency framework applicable to all Parties
- To ensure that the reports provide a clear understanding of climate change actions in light of the objective of the Convention as set out in its Article 2, including clarity and tracking of progress towards achieving Parties' individual NDCs under Article 4, and Parties' adaptation actions under Article 7, including good practices, priorities, needs and gaps, to inform the global stocktake under Article 14
- To ensure that the reports provide clarity on support provided and received by relevant individual Parties in the context of climate change actions under Articles 4, 7, 9, 10 and 11, and, to the extent possible, to provide a full overview of aggregate financial support provided, to inform the global stocktake under Article 14
- To facilitate the technical expert review and facilitative, multilateral consideration of progress

Scope:

- National inventory of GHG emissions and removals, including a national inventory report
- Progress made in implementing and achieving the NDCs
- Mitigation actions and their effects
- Climate change impacts and adaptation
- Support

2.2 Greenhouse gas national inventory report

Principles: Transparent, Accurate, Consistent, Comparable and Complete

Possible methodological approaches and assumptions in reporting, to the extent possible, are the following;

Methodology: 2006 IPCC Guidelines and its further elaborations agreed under the COP/ CMA
(Placeholder: need to consider discussion on guidance for accounting)

Year: From 1990 to the inventory year no more than two (or four) years prior to the submission due date

Gas:

- CO₂, CH₄, N₂O
- HFCs, PFCs, SF₆, NF₃

Metrics: The latest 100yr GWP to the extent possible (Placeholder: need to consider discussion on guidance for accounting)

Possible information to be reported by all Parties, to the extent possible, is the following;

- Summary of national emissions/removals and trends
- Summary of national emissions/removals and trends, by sector and by gas
- Methodologies and metrics
- Key category identification

Reporting format: Common information format with flexibilities

2.3 Information necessary to track progress made in implementing and achieving NDC under the Article 4 of the Paris Agreement

Possible information to be reported by all Parties, to the extent possible, is the following;

National circumstances and Institutional arrangements

Summary information on the NDC:

- Information to facilitate clarity, transparency and understanding of the NDC, including the up-front information

Progress made in implementing and achieving the NDC

Progress evaluation:

- Quantifiable information on progress made towards the achievement of the NDC, where appropriate
- Total GHG emissions including/excluding the LULUCF sector
- Information on emission intensity, where appropriate
- BAU emissions (if updated), where appropriate
- Emissions and/or removals from the LULUCF sector based on the accounting approach
- Issuance, acquisition and transfer, and use of internationally transferred mitigation outcomes (including emission reductions resulting from the mechanism referred to in Article 6, paragraph 4)
- Progress of policies and measures
- Any other key indicators necessary for tracking progress towards achieving the NDC
- Methodologies for reporting on progress made towards achieving the NDC

Mitigation actions:

- Information on mitigation actions by sector and by gas

Projections

Reporting format: Common information format with flexibilities

2.4 Information on climate change impact and adaptation

Possible information to be reported is the following, considering Article 7, paragraph 9;

- Assessment of climate change impacts and vulnerability
- Process to formulate and implement national adaptation plans
- Implementation of adaptation actions, undertakings and/or efforts
- Outcome of monitoring and evaluating and learning from adaptation plans, policies, programmes and actions
- Outcome of building the resilience of socioeconomic and ecological systems

Parties can also refer to example information which is included in the existing reporting guideline (and revision of the guidelines) for national communications, taking into national circumstances.

The frequency of reporting could be considered taking into account the nature of the adaptation related information.

2.5 Information on support

Possible information to be reported by all Parties, to the extent possible, is the following;

Provision of finance:

- Underlying assumptions and methodologies

- Information on how each Party seeks to ensure that the resources it provides effectively address the needs of developing country Parties
- Information on mobilization of public and private financial support through multilateral, bilateral, regional and other channels

Provision of technology development and transfer:

- Information on measures taken to promote and facilitate enhanced actions on development and transfer of climate-friendly technologies for the benefit of developing country Parties
- Information on measures and activities related to technology transfer

Provision of capacity-building:

- Information on capacity-building support provided

Support received:

- Information on public and private financial support received through multilateral, bilateral, regional and other channels, with underlying assumptions and methodologies
- Information on technology transfer support received
- Information on capacity-building support received

Support needs:

- Information on constraints and gaps, and related financial, technical and capacity-building needs; especially, information on capacity-building needs on difficulties or challenges that Parties had in reporting

Reporting format: Common information format with flexibilities is necessary for both support provided and received. For support needs, a common information format should be developed as well, taking into account the developing country Parties' different capacities.

Paper no. 8: Maldives on behalf of the Alliance of Small Island States

**Submission by the Republic of the Maldives on
behalf of the *Alliance of Small Island
States***

**APA Agenda Item 5 – Enhanced Transparency Framework for Action
and Support**

30 September 2016

On behalf of the Alliance of Small Island States (AOSIS), the Republic of the Maldives welcomes this opportunity to provide its views in response to the call for submissions regarding APA agenda item 5, “Modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement.” This submission builds on AOSIS’ previous interventions on APA agenda item 5.

Purpose and elements of the transparency framework

We believe that it is important to note at the outset that this new Enhanced Transparency Framework (ETF) covers both transparency of action and transparency of support, as outlined in Arts. 13.5 and 13.6 respectively. The development of the ETF, therefore, must proceed with equal weight given to these two components.

The ETF “builds upon collective experience” (Art 13.1) and will “build on and enhance” (Art 13.3) the existing arrangements under the Convention, with the aim of providing a more accurate picture than we have had in the past of progress in delivering the ultimate objective of the Convention, through climate change action and through support provided and received. The ETF must be more than a simple replication of the Convention arrangements.

The enhanced transparency framework must deliver the information needed to track progress towards implementation of nationally determined contributions, and to provide a clear understanding of climate change action in the light of the objective of the Convention as set out in its Article 2. It should, as well, provide confidence that developing countries are receiving the necessary financial, technical, and capacity building support.

In doing so, the ETF should be implemented in a “facilitative, non-intrusive, non-punitive manner, respectful of national sovereignty, and avoid placing undue burden on Parties.” To avoid placing an undue burden on parties, the ETF should be developed to ensure that domestic institutional arrangements, lessons learnt, and best practices amassed over the years remain relevant under the ETF, and hence facilitate continuous improvement in reporting over time.

In adopting the PA and decision 1/CP.21, the Parties have already agreed on many of the design elements and guiding principles for the ETF. These should be operationalised through the common

modalities, procedures and guidelines (MPGs), and not be revisited or reinterpreted.

Development of Common MPGs

The development of the MPGs should be treated as a matter of urgency. The APA has been requested to develop recommendations for these MPGs with a view to their adoption at the first meeting of the Parties to the Paris Agreement, which may be as early as this year. Additionally, it should be recalled that Parties have already agreed that adopted MPGs will supersede the MRV system established under the Convention, immediately following the submission of the final biennial reports and biennial update reports.

The ultimate goal of the MPGs will be to:

- Provide clarity in Parties' reporting on the progress of their individual efforts and deliver the aggregated information required for the global stocktake under Article 14 of the PA; and
- Generate sufficiently detailed information to track Parties' progress in implementing and achieving their individual NDCs.

Recognising the different starting points of each Party in terms of their capacity for reporting, the MPGs should facilitate improved reporting and transparency over time.

Flexibility for Developing Countries

An essential element in moving the development of these MPGs forward will be the identification of appropriate flexibilities for developing countries with respect to the scope, frequency and level of detail of reporting. It should recognise that developing countries are at different starting points in terms of their capacity for reporting. This capacity also varies across various aspects of reporting. The flexibility accorded under the ETF should reflect this reality.

However, this flexibility is not an excuse for backsliding on reporting. All Parties should at least maintain their existing reporting practices and aim to improve on them progressively. The ETF should thus allow for continuous improvement in reporting over time.

The MPGs should have built-in flexibility to address the specific challenges and resource constraints faced by SIDS, which include their negligible emissions, human resources constraints, financial constraints and lack of sufficient/robust data. Providing this built-in flexibility is critical to enable improved technical and institutional capacity over time to meet the transparency requirements of the new framework.

Capacity Building Initiative on Transparency (CBIT)

The Capacity Building Initiative on Transparency (CBIT) aims to assist in building this technical and institutional capacity through the provision of support to developing country Parties, upon request. For AOSIS countries, the CBIT is critically important and needs to be operationalised as soon as possible, in a manner that is reflective of and responsive to national needs and circumstances of respective AOSIS

countries. Its early operationalization will help to put in place the domestic institutional arrangements and processes needed to meet the reporting obligations before the ETF comes into force.

Paper no. 9: Mali on behalf of the African Group

SUBMISSION BY MALI ON BEHALF OF THE AFRICAN GROUP

**Submission by the Republic of Mali on behalf of the African Group of Negotiators
on
Modalities, Procedures and Guidelines, as appropriate, for the Transparency of
Action and Support
30 September 2016**

Background

Article 13 of the Paris Agreement established the Transparency Framework for action and support. Building on experience from the arrangements related to transparency under the Convention, and elaborating on the provisions in Article 13 of the Paris Agreement, the first session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA 1) is to adopt modalities, procedures and guidelines (MPGs), as appropriate, for the transparency of action and support.

The Conference of the Parties (COP) requested the Ad hoc Working Group on the Paris Agreement (APA) to develop recommendations for MPGs in accordance with Article 13, paragraph 13, of the Paris Agreement, and to define the year of their first and subsequent review and update, as appropriate, at regular intervals, for consideration at COP 24 (2018), with a view to forwarding them to CMA 1 for consideration and adoption. The COP also requested the APA to report on the progress of work on these MPGs to future sessions of the COP, and that this work be concluded no later than 2018.

Through this submission, the African Group of Negotiators (AGN) is responding to the APA invitation¹ to Parties to submit, by 30 September 2016, its views on APA agenda item 5, “Modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement”.

Context

The African Group is of the view that the development of the MPGs for the Transparency Framework must be guided by the principles and provisions of the UNFCCC.

The design of the Transparency Framework must respect national circumstances, must take into account the need to balance the political will and technical efforts to improve the quality of

¹ www.unfccc.int/resource/docs/2016/apa/eng/103.pdf

reporting over time and the existing capacities together with challenges of developing these capacities over time.

It is also important that the development of MPGs does not lead to increased reporting burden for developing countries while maintaining a status quo for developed countries.

Article 13 of the Paris Agreement

Key building blocks

The development of the MPGs for the Transparency Framework must elaborate and be based on the guidelines and modalities of the existing transparency arrangements under the Convention, namely the Biennial Reports (BR) and IAR (International Analysis and Review) for developed countries and Biennial Update Report (BUR) and ICA (International Consultation and Analysis) for developing countries, as mentioned in Article 13.3 of the Paris Agreement.

The African Group is also of the view that the flexibility provision as indicated under the Transparency Framework contained in Article 13.2 of the Paris Agreement is applicable only to the developing country Parties. In terms of scope, the flexibility provision in Article 13 is applicable to the information that will be reported, the technical review and the facilitative, multilateral consideration.

We are of the view that the BUR, BR, IAR and ICA processes are the main pillars of the Transparency Framework, from the reporting to the analysis (Multilateral Assessment and Facilitative Sharing of Views). Recent experience has shown that these steps are being well conducted and are producing commendable results. The Group is of the view that these processes need more time to clearly show their efficiency and to also determine which components need to be enhanced in light of the Paris Agreement and decision 1.CP./21.

Consistent with the purpose of the Transparency Framework, Articles 13.5 and 13.6, the development of the MPGs need to be undertaken with the view to inform the global stocktake.

The African Group welcomes the assurance of provision of support to implement this Article (Article 13.14).

Transparency of Adaptation (ToA)

The Intended Nationally Determined Contributions (INDCs) of all African countries included an adaptation component. This makes periodic provision of adaptation information an essential component of our countries' reporting of climate actions taking place in our countries. As a result, the Group places particular importance in the scope of the Transparency Framework, especially the reporting of adaptation information. The development of MPGs for adaptation should focus on providing clear guidance on how to report the essential set of adaptation information. The essential components of adaptation information are those that will contribute in achieving the purpose of the transparency of action, as indicated in Article 13.5, in particular, to inform the global stocktake under Article 14.

To this end, the African Group view is that the development of adaptation MPGs could start by placing emphasis on describing guidance for reporting good practices, priorities, needs and gaps.

In the development of adaptation MPGs, the African Group anticipates inputs from other on-going relevant processes under the Convention, including the Adaptation Committee, National Adaptation Plans, the Nairobi Work Programme, etc.

Furthermore, in the process of developing the MPGs, the African Group calls for a balanced treatment of all the components of the scope of Article 13.

Capacity-Building Initiative for Transparency (CBIT)

COP 21 established a Capacity-Building Initiative for Transparency (CBIT) and provided guidance relating to the transparency of action and support under the Paris Agreement. The African Group welcomes the progress made by the GEF in establishing and operationalizing the CBIT.

Paper no. 10: New Zealand

NEW ZEALAND

Submission to the APA on Transparency 26 September 2016

Context

The conclusions of the first session of the Ad Hoc Working Group on the Paris Agreement (APA) invite Parties to submit views, inter alia, on modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement. We note that the purpose of the submissions sought by the APA is to focus its work.

2 Decision 1/CP.21 provides valuable context for development of the modalities, procedures and guidelines needed for an effective transparency system under the Paris agreement. Paragraphs 91 to 98 of decision 1/CP.21 are particularly important in guiding and providing focus for our work.

3 In New Zealand's view, the transparency framework is central to the integrity of the Paris Agreement, and therefore it needs some rigour. All Parties will need to participate, material emissions and removals should be the focus, and all Parties commit to continuous improvement through time. We are now charged with developing a common system applicable to all Parties, and acknowledging the lessons learnt from the existing MRV system, we will need to take a pragmatic approach and design an efficient system otherwise we risk creating something that will collapse under its own weight.

4 To get to a workable post-2020 transparency system by 2018, it is imperative that we work on its design swiftly and efficiently. Progress at APA1.2/COP22 in Marrakech will be important for ensuring we get off to a good start.

Components of the modalities, procedures and guidelines

5 The purpose of the transparency work programme is to develop the common modalities, procedures and guidelines for transparency of action and support, and the specific information requirements for support provided or received, required by Article 13 of the Agreement. Fundamentally, the output of this work programme should enable Parties to provide others clarity about what they are doing to meet their obligations under the Paris Agreement. This understanding will also inform the global stocktake and how we are collectively progressing toward the goals of the Agreement.

6 New Zealand previously provided its vision for the transparency system in a graphic that formed part of a submission to the ADP in August 2015 (http://unfccc.int/files/bodies/application/pdf/adp2-10_ws1_nz_31aug2015_ip.pdf, page 13 refers). While this was drafted prior to the Paris Agreement being finalised, we think that the fundamental approach illustrated in this graphic is still relevant to the development of the common modalities, procedures and guidelines for transparency of action and support required to operationalise Article 13 of the Paris Agreement. In summary, the graphic sets out common provisions for reporting, review and multilateral consideration including possible ways flexibility can be built in to address, in light of their capacities, the specific needs of countries for flexibility.

7 Article 13 of the Paris Agreement addresses reporting, review and multilateral consideration. Modalities, procedures and guidelines will be required for all three elements. Work will need to be sequenced. We suggest that the APA starts with reporting, and on completion, commences review and multilateral consideration. Review and multilateral consideration can be done in parallel, but we can't design a review process until we know how the reporting element will function.

8 The modalities, procedures and guidelines will need to reflect both mandatory and non-mandatory aspects of Article 13 with appropriate wording for each. The modalities, procedures and guidelines will also need to reflect the flexibility agreed i.e. flexibility in the implementation of the provisions of Article 13 is to be provided to those developing countries that need it in light of their capacities. Paragraph 89 of Decision 1/CP.21 provides further guidance that this flexibility may be required by some countries in respect of the scope, frequency and level of detail of reporting, and in the scope of the review. The challenge will be how we reflect this capacity-based flexibility in the modalities, procedures and guidelines. The success of the Paris Agreement depends in large part upon full and effective participation in the transparency system. We need to develop a common framework that recognises the different starting points (i.e. capacities) of Parties, and that recognises the importance of facilitating improved reporting and transparency over time. A foundation principle of continuous improvement through time would serve us well.

Other work streams

9 In developing the modalities, procedures and guidelines for the transparency system we need to be conscious of, and deliberate in making, linkages with other work-streams where there is overlap with the need to report information, and/or the use of that information. Of particular relevance are:

- Clarity and tracking of progress towards achieving NDCs (Article 4) (where we will need to determine which information constitutes accounting, and which is reporting)
- Adaptation actions (Article 7) (where we need to clarify which information is conveyed in voluntary Adaptation Communications and which is reported under the transparency framework)
- Clarity on support provided and received (in the context of climate change actions under Articles 4, 7, 9, 10 and 11), and information on progress toward the goal set out in Article 2(1)(c) on making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development
- SBSTA work on modalities for accounting of financial resources provided and in accordance with Article 9.7 (where we would expect information reported under the transparency framework to apply those modalities)
- Informing the global stocktake (Article 14) (where finalisation of modalities and inputs may impact what needs to be reported under the transparency framework)
- The compliance mechanism (Article 15) (where the interface between the transparency reporting and review processes and the engagement of the Compliance Committee has yet to be discussed)

10 We would also note that the COP22 session is significant in that we will have both Multilateral Assessment under International Assessment and Review (IAR) and Facilitative Sharing of Views under International Consultation and Analysis (ICA). This is the first time we have had both processes running during the same SBI session and this offers an opportunity for Parties to participate and gain some of the good shared experience that is necessary to reflect and build on as we develop the common modalities, procedures and guidelines for transparency of action and support required for the Paris Agreement.

Mode of work

11 Given the large amount of technical work involved in the development of the modalities, procedures and guidelines for reporting, review and multilateral consideration (being the component parts of the transparency system), progress could be accelerated by holding from technical expert workshops between sessions of the APA. Our collective experience with the current MRV system shows that this type of approach has been successfully used to advance the development of greenhouse gas inventory and national communication reporting guidelines under the UNFCCC. Such technical expert workshops, which we suggest would be organised by the Secretariat under the authority of the APA Co-Chairs, should be built into our work programme.

12 In New Zealand's view, given the amount of work to be done to develop the modalities, procedures and guidelines for reporting, review and multilateral consideration, we should be prepared to "roll up our sleeves" and get down to work on specific aspects. Therefore, the first technical workshop should focus on development of the reporting guidelines and should be preceded by an invitation for submissions from Parties on the content of the reporting guidelines, with the Secretariat requested to produce a synthesis document to form the basis for discussion at the workshop.

13 Given the large number of linkages with other work streams (see paragraph 9 above) we also suggest that options should be explored to ensure due consideration of issues that cut across more than one work stream. Such options could include the Co-Chairs and Chairs of the respective subsidiary bodies deliberately keeping each other informed about these cross-cutting issues, as well as the possibility to have joint sessions of contact groups/informals as appropriate to guard against "things falling between the cracks" and avoiding duplication of work.

Conclusions

14 New Zealand looks forward to discussions on this issue at the next meeting of the APA, leading to a successful launch of the Article 13 work programme as soon as possible. In summary New Zealand suggests that we:

- take a pragmatic approach and design a practical system
- are deliberate in making linkages with other work-streams where there is need to report information or use reported information
- sequence the work and start with reporting guidelines
- use intersessional workshops to advance the work.

Paper no. 11: Papua New Guinea*

The APA invited Parties to submit, by **30 September 2016**, their views on the following items on the APA agenda, in order to focus the work of the APA:

Papua New Guinea (PNG) wishes to thank the ADP co-chairs for their hard work during Bonn; and the open invitation allowing parties to provide views on Agenda Items 3-6. As such PNG, has collated and put forward the following initial views below;

Item 5, “Modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement”;

PNG would propose that discussions on this agenda item should reflect on the elements mentioned in paragraph 4 of Article 13. Then an arranged process or mode of work shall be considered whereby PNG is suggesting the following for considerations;

Step One : Use of Existing Reporting Tools

Utilising existing National Communications; BRs and BURs. Within these existing reporting tools; necessary modifications to their reporting features should be considered so it is in alignment with any features agreed to in agenda item 3 (a) above as well as those in alignment with requirements of the Adaptation Communication as well including information on support

Additional information beyond what is already existing should be considered from those prescribed within paragraphs 7-9 fo Article 13 bearing in mind the importance of taking into account paragraph 2 of the same Article. The most critical part is having to establish a transparency framework for action

Step 2: Technical Assessment and Reviews

As prescribed in paragraph 4; the existing technical assessment and reviews should inform a global review and assessment process. This process should take into account paragraph 11 and what should be regarded as actions in fulfilment of paragraph 2 as different from support

As such a Transparency framework should constitute two important broad requirements; the Reporting aspect and the assessment and review aspect. But in order to see a more logical and practical outcome; PNG would propose that the discussions agenda items 3 and 4 above; must first of all progress sufficiently to provide clarity on how reporting will look like moving forward into the future with the implementation of actions. PNG believes that the quality of the assessment and review component of this exercise will largely reflect on the reporting process as well

* Sections of this submission relating to APA agenda item 3 are contained in document FCCC/APA/2016/INF.1, sections relating to item 4 in document FCCC/APA/2016/INF.2, and sections relating to item 6 in document FCCC/APA/2016/INF.4

Paper no. 12: Saint Lucia on behalf of the Caribbean Community

Submission - CARICOM

APA Agenda Item 5 – “Modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement”

Saint Lucia is pleased to support the submission from AOSIS on APA Agenda Item 5 and has the honour to provide further inputs on behalf of the Caribbean Community (CARICOM), comprised of Antigua and Barbuda, the Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, St Kitts and Nevis, Saint Lucia, St Vincent and Grenadines, Suriname, and Trinidad and Tobago.

The submission responds to the invitation from the APA for Parties to submit by 30 September 2016 their views on Item 5 of the APA Agenda “*Modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement*”. The work of the APA under Agenda Items 3¹ and 7² and the work of the Subsidiary Body for Scientific and Technological Advice (SBSTA) under its Agenda Item 12³, is closely related, and will become components of the broader transparency framework.

Mandate for development and adoption of the MPGs

The APA is requested to develop recommendations for the MPGs in accordance with Article 13.13 of the PA, and to define the year of their first and subsequent review and update, as appropriate, at regular intervals, for consideration in 2018 at COP 24, with a view to the COP forwarding them to the CMA for consideration and adoption at its first session (CMA1).⁴

Decision 1/CP.21⁵ lays out a detailed list of needs and design elements that the APA is requested to take into account and consider in developing recommendations for the MPGs. **These elements, adopted by all Parties in Paris, should at all times frame and guide the work of the APA. The APA’s task is to elaborate these elements in the MPGs and not to ignore, re-open or re-interpret what has been agreed.**

This submission sets out the initial views of CARICOM member states on several process and substantive elements associated with the APA’s development of recommendations for the MPGs, including:

1. Urgency of the work
2. Progressing the work programme for the MPGs in Marrakech
3. Building on experience of existing MRV regime
4. Purposes of enhanced transparency framework and “guidelines” for developing the MPGs
5. Form of the MPGs and common elements

¹ “Further guidance in relation to the mitigation section of decision 1/CP.21 on: (a) features of nationally determined contributions, as specified in paragraph 26; (b) information to facilitate clarity, transparency and understanding of nationally determined contributions, as specified in paragraph 28; and (c) **accounting for Parties’ nationally determined contributions, as specified in paragraph 31**” [emphasis added]

² “Modalities and procedures for the effective operation of the committee to facilitate implementation and promote compliance referred to in Article 15, paragraph 2, of the Paris Agreement.”

³ “Modalities for the accounting of financial resources provided and mobilised through public interventions in accordance with Article 9, paragraph 7, of the Paris Agreement”

⁴ Decision 1/CP.21, paragraph 91

⁵ Decision 1/CP.21, paragraphs 84-98 and in particular paragraphs 92-95

6. Elements particular to transparency of action
7. Elements particular to transparency of support
8. Flexibility under the transparency framework for action and support.

1. Urgency of the work

The work under Agenda item 5 is urgent given the likelihood of entry into force of the Paris Agreement in 2016 and the central role of the enhanced transparency framework in its implementation.

Given that most NDCs only contain end-dates (2025, 2030) but not start dates, and that implementation will commence upon entry into force of the PA and ratification, there is a strong incentive for the MPGs to be adopted and operating as soon as possible, to inform reporting and associated processes under the PA.

The MPGs need to be in place in time to guide reporting from Parties that will provide information inputs for the first global stocktake process concluding in 2023, noting that inputs to the first global stocktake could be needed as early as 2021.

It should also be recalled that there is agreement that the adopted MPGs will supersede the MRV system established under the Convention, immediately following the submission of the final biennial reports and biennial update reports. Consideration will need to be given to how this transition will be mapped out and operationalised.

In the immediate term, the critical issue for Marrakech COP22 will be to identify the key elements of the MPGs and to map this in an agreed time bound work-plan.

2. Progressing the work programme for the MPGs in Marrakech

In the above context, an imperative for Marrakech is to reach decisions on process next steps and modalities for the development of the MPGs, including:

1. as a minimum, an agreed timetable and workplan for development of the MPGs (including the sequencing of different elements of the MPGs – e.g. one option would be to develop reporting guidelines first)
2. identification of the key elements of the MPGs and outputs (e.g. reporting guidelines; guidelines and modalities for technical expert review; modalities and procedures for multi-lateral consideration of progress)
3. identification of the linkages with other mandates (e.g. accounting of NDCs, modalities for accounting of financial resources, global stocktake, compliance) and a timeline and sequencing of work that takes these linkages into account
4. agreed modalities for progressing the work, including whether the development of MPGs as they relate to transparency of action and transparency of support should be progressed in one forum or separately in parallel (e.g. in a single or separate contact group/s), and
5. modalities for progressing the technical work, including as appropriate, preparation of technical papers and convening of expert groups/workshops.

While having clear modalities for the work will be essential, the tight deadline for the APA to develop recommendations for the MPGs (COP24 in November 2018) also means there is no time for protracted negotiations on process that delay the start of substantive work. Practical and time efficient approaches to the work that can be supported by all Parties are therefore needed.

Possible timeline	
<p>Nov 2016 COP 22</p>	<ul style="list-style-type: none"> Identify elements of transparency MPGs and map into agreed time-bound work plan for 2017 and 2018 Identify sequencing of work alongside NDCs guidance and modalities for accounting of financial resources (MAFR) to provide for single completion date
<p><i>2017 work plan</i></p>	<ul style="list-style-type: none"> Inter-sessional technical work on transparency MPGs (e.g. technical papers, workshops, expert groups) Assessment of progress at APA/SBs in May 2017
<p>Nov 2017 COP 23</p>	<ul style="list-style-type: none"> APA and SBSTA to report on and assess progress of work, and decisions on any adjustments required to 2018 work plan
<p><i>2018 work plan</i></p>	<ul style="list-style-type: none"> Completion of technical work; APA preparation of draft decision with annexes containing recommended transparency MPGs Completion of technical work; APA/SBSTA preparation of draft decisions for NDCs guidance and MAFR
<p>Nov 2018 COP 24</p>	<p>COP to consider and CMA to consider and adopt:</p> <ul style="list-style-type: none"> recommendations for transparency MPGs developed by APA MAFR developed by SBSTA <p>CMA to consider and adopt NDCs guidance on features etc.</p>

3. Building on experience of existing MRV regime

It has been agreed that the transparency framework must build on and enhance the transparency arrangements under the Convention, and take into account other ongoing relevant processes under the Convention.⁶ The PA also explicitly recognises that the transparency framework “*shall build upon and eventually supersede the measurement, reporting and verification system*” established under the Convention. The MPGs must consequently do more than simply replicate the existing measurement, reporting and verification (MRV) regime.

The MPGs must be designed so that reporting of information by Parties produces a more accurate picture than we have had in the past of aggregate and individual Party progress of climate change action and of support provided and received.

In order to achieve this, the APA should map out ways that the existing MRV regime can be improved based on experience under the Convention: for example, synchronising relevant reporting cycles under the PA, redundancy of some existing reporting tools, technical (e.g. data collection) and methodological (e.g. private finance accounting) challenges. In conjunction with this, the APA should consider what revised or additional MPGs are needed in order to adequately elaborate the new MRV elements under the PA transparency framework: for example, guidance for accounting for and reporting on different types of NDCs, how to measure other finance including private finance

⁶ Articles 13.3 and 13.13 of the PA; Decision 1/CP.21, paragraph 93

mobilised through public interventions. Valuable lessons should also be drawn from experience under the Kyoto Protocol and other international agreements with MRV regimes.

In developing the MPGs, a clear picture is therefore needed of:

- what currently exists under the current MRV regime? (e.g. what information needs to be reported? frequency of reporting? who needs to report? what is the nature of expert reviews and IAR/ICA processes? etc.)
- what are the “new” elements under the Paris Agreement that the MPGs need to address? (e.g. different types of NDCs; information to be provided by all Parties on progress towards implementation and achievement of NDCs; national inventory reports and information on progress towards NDCs shall be reported at least biennially, subject to discretion accorded to SIDS and LDCs)
- to whom do the new elements apply and where are their additional obligations?
- what additional elements are needed under the MPGs to address these new elements and to improve upon existing elements?

The establishment of expert groups with clear terms of reference and modalities (e.g. joint sessions), convening of technical workshops and the preparation of technical papers may provide appropriate modalities to assist in this mapping exercise and to provide the necessary technical focus for the work.

In particular, it is suggested that the APA should request the Secretariat to produce a technical paper that provides a systematic objective assessment of the existing MRV regime under the Convention. This should identify limitations of the existing regime and additional elements under the PA transparency framework that need to be addressed. It should cover the three main elements of reporting, technical expert review and multilateral consideration of progress. The paper would serve as a valuable baseline to assist in developing the MPGs.

4. Purposes of enhanced transparency framework and “guidelines” for developing the MPGs

It is important to recall that Article 13⁷ of the PA specifies clear purposes of the transparency framework. In developing recommendations for the MPGs, the APA should be guided by these purposes and their links to the goals and other elements of the PA. CARICOM proposes that this will require an assessment through their development, and during their implementation, of whether the MPGs:

- enable the tracking of collective progress towards achieving the 1.5°C long-term temperature and other goals under the PA
- facilitate a transparent understanding of individual progress in implementation and achievement of nationally determined contributions (NDCs), impacts and adaptation actions, and the provision and receipt of support (finance, technology and capacity building)
- facilitate the aggregation of information reported by Parties, required for the 5-yearly global stocktake
- facilitate the reporting of information required to hold Parties to account for their actions on climate change under the PA, and

⁷ Articles 13.1, 13.5 and 13.6

- ensure that information being reported is of sufficient transparency, accuracy, completeness, consistency and comparability to enable carbon markets and land-use activities to contribute towards mitigation efforts, while ensuring environmental integrity and the avoidance of double counting.

In these respects, the transparency framework is the “glue” that will hold together the implementation of the PA. Designing and adopting appropriately robust MPGs for the transparency framework that will facilitate delivery against its purposes will therefore be critical to the PA’s successful implementation. **The MPGs must build mutual trust and accountability, which in turn must help deliver the greater ambition in action and support needed to achieve the 1.5°C and other goals under the PA.**

This will be particularly important in the PA world of “bottom-up” nationally determined contributions (NDCs) and multiple sources/types of financial flows, where having clear, consistent and comparable information that can be understood and aggregated will be all the more challenging but necessary.

5. Form of the MPGs and common elements

Form of the MPGs

The MPGs must address the three main elements of the enhanced transparency framework established in the PA: reporting, technical expert review (TER) and multilateral consideration of progress (MCP).⁸ They must cover mandatory and non-mandatory elements relevant to transparency of action and to transparency of support, as are outlined in the PA⁹:

Transparency of action	Reporting	National inventory reports	Mandatory for each Party (“shall”)
		Information necessary to track progress made in implementation and achievement of NDCs	Mandatory for each Party (“shall”)
		Information related to climate change impacts and adaptation	Non-mandatory for each Party (“should”)
	TER	Review of national inventory reports and reports on tracking progress made in implementation and achievement of NDCs	Mandatory for each Party (“shall”)
	MCP	Progress with respect to implementation and achievement of NDCs	Mandatory for each Party (“shall”)
Transparency of support	Reporting	Information on financial, technology transfer and capacity-building support provided to developing country Parties	Mandatory for developed country Parties (“shall”) Non-mandatory for other Parties that provide support (“should”)

⁸ Articles 13.7, 13.8, 13.9, 13.10, 13.11, 13.12

⁹ As above

		Information on financial, technology transfer and capacity-building support needed and received	Non-mandatory for developing country Parties (“should”)
	TER	Review of reports on support provided (financial, technology transfer and capacity-building), as relevant	Mandatory for Parties providing information on support provided (“shall”)
	MCP	Progress with respect to efforts relating to provision of financial resources (Article 9)	Mandatory for each Party (“shall”)

The form of the MPGs should be guided by the underlying philosophy of having a common transparency framework, which is to acknowledge that some developing countries and all SIDS/LDCs will need flexibility in light of their capacity constraints, but to encourage continuous improvement in their reporting and progressively fuller participation under the transparency framework as capacities develop.¹⁰

In this context:

- The reporting element will be best delivered by a comprehensive single set of reporting guidelines that provides a “one-stop-shop”, covering circumstances of all Parties (different NDC types, adaptation actions and involvement in provision and/or receipt of climate finance) and providing a complete road-map for full participation under the transparency framework.
- The TER element will require procedures and modalities, and must facilitate the identification of areas of improvement and a review of the consistency of the information reported with the MPGs¹¹. The identification and review of these areas would be assisted if the TER process were able to provide recommendations to Parties, while respecting the facilitative nature of the transparency framework.
- The MCP element will require procedures and modalities that facilitate processes which deliver exchanges of experiences, help build capacity for future reporting and provide outputs relating to action and support that can be fed into the global stocktake.

Common MPGs

The current MRV regime, which is bifurcated between developed and developing countries, has made it difficult to aggregate global emissions. It has resulted in parallel negotiations on updates, which has often been inefficient and created resource challenges for smaller delegations. It has also not delivered the consistent and comparable information that is now needed to track progress towards goals under the PA.

The enhanced transparency framework under the PA departs from this bifurcated approach by establishing a single framework applicable to all Parties, with flexibility built in based on capacity constraints and the special circumstances of SIDS and LDCs.

Additionally, there is agreement to adopt **common** MPGs, as appropriate, for the transparency of

¹⁰ See for example, Decision 1/CP.21, paragraph 92(a)---(b)

¹¹ Article 13.12: “... *The review shall also identify areas of improvement for the Party, and include a review of the consistency of the information with the [MPGs]...*”

action and support.¹² As noted above, this would be best delivered by a single set of MPGs (i.e. a single transparency framework rule-book), formatted and designed to require common information from all Parties (e.g. common tabular formats for reporting).

Based on the experience of the current MRV regime, the lessons to take forward in developing common MPGs include that:

- **common reporting guidelines and formats** are needed across all Parties for transparency, consistency and comparability; to aggregate emissions; and to track progress toward individual and collective goals
- **use of common IPCC guidelines and common metrics** (e.g. GWPs, GHG sources) are needed for all Parties; where groups of Parties are using different guidelines and metrics under the current regime, aggregation is simply impossible.
- **common sectoral definitions** are needed to assess collective progress in different sectors.

6. Elements particular to transparency of action

The reporting guidelines will need to cover all different NDC types and be comprehensive. They should ask for reporting of information from developing country Parties on how and when they intend to transition over time towards economy-wide emission reduction or limitation targets.¹³

The NDC types that the MPGs will need to cover include:

- economy-wide absolute emission reduction targets
- economy-wide emission reduction targets relative to BAU
- economy-wide emission reduction target per unit of GDP or per capita
- sectoral emission reduction targets
- goals to peak emissions in a given year
- goals expressed using non-GHG indicators (e.g. renewable energy targets), and
- qualitative mitigation actions.

Guidance will also need to be provided for reporting on progress made in implementing and achieving an NDC, and on emissions projections. This will need to be tailored for different NDC types and include guidance on reporting against quantitative goals and qualitative mitigation measures.

As outlined above, the MPGs will also need to include modalities and procedures for the TEC and MCP processes.

It will be important that the MPGs include details of how flexibility/discretion to SIDS and LDCs can be invoked under each of these elements (e.g. additional time to participate in reviews or prepare for multilateral consideration; link to support provided under CBIT).

¹² Article 13.13

¹³ Consistent with Article 4.4 of the PA

7. Elements particular to transparency of support

Limited modalities currently exist for reporting financial information under the Convention. The MPGs as they relate to transparency of support will therefore need to fill the definitional and methodological gaps in order to facilitate consistent and comparable reporting of climate finance pledged, provided, needed and received.

There is a close relationship between the development of these elements by the APA and the development of the modalities for accounting of financial resources by SBSTA. The two tracks of work are linked by the need for the modalities for accounting of financial resources to be an important element of the transparency framework of support.

The completion of the SBSTA mandate should therefore be timed in a manner that is aligned with the timeline for the finalisation of the transparency framework MPGs. An assessment also needs to be made of what elements are needed under the accounting modalities and the transparency MPGs, including elements that are common to both and elements that complement each other. For example, there is no present scope of work under SBSTA to address finance received. This may therefore be an area where the transparency MPGs track can make progress.

Ultimately, it may be that the modalities for accounting of financial resources are included within the transparency reporting guidelines.

Issues that will need to be addressed in developing the MPGs under the APA (and the associated modalities for accounting of financial resources under SBSTA¹⁴) include:

- Agreement on common definitions and methodologies
 - There is currently no common definition of climate finance and no common methodology or clear understanding of what counts as climate finance (different countries count different sources).
 - There are particular challenges in agreeing on common definitions and methodologies for private finance mobilised through public interventions; and in assessing causality between public interventions and provision of private finance.
 - Additional guidance should be provided to assist in distinguishing between provision of public climate finance v private finance leveraged through public interventions.
 - Additional guidance should be provided to assist in assessing what is “new and additional” finance¹⁵ (as required under Article 4.3 of the Convention).
- Avoidance of double counting
 - For example, financial resources provided for other non-climate related development purposes should not also be counted as climate finance
 - Consideration will need to be given to how the MPGs will address this issue, and to what extent it is addressed under related processes such as the development of modalities for accounting of financial resources under SBSTA.
- Public climate finance provided
 - Reporting to the Secretariat on climate finance provided is not consistent across countries.
 - A key issue that will need to be addressed is the disaggregation of financial flows for mitigation and adaptation.
- Private finance mobilised through public interventions
 - This will need to include, for example, guidance on how to determine the proportion of private finance leveraged.

¹⁴ SBSTA Agenda item 12, and referenced in Decision 1/CP.21, paragraph 94(d)

¹⁵ As required under Article 4.3 of the Convention

- Climate finance needed and received¹⁶
 - In developing the MPGs, the APA is requested to consider enhancing the reporting by developing country Parties on support received, including on the “*use, impact and estimated results*”¹⁷
 - Developing country Parties are likely to require additional guidance (to that in existing BUR guidelines) regarding how to report this information.
 - The MPGs will need to facilitate the provision of information that confirms the flow of climate finance provided – e.g. pledged, disbursed, provided; whether used to fund activities in country.
- The provision of climate finance projections
- Review and consideration of information provided
 - Consideration will need to be given to how existing guidance could be strengthened.
 - It is noted that Article 13.11 of the PA does not include provision for review of support received or of climate finance mobilised through public intervention
- Consistent with a pathway towards low GHG emissions and climate resilient development¹⁸
 - Consideration will need to be given to what extent and how the MPGs will include guidance on whether the climate finance provided is consistent with this goal.
 - Different accounting modalities will be needed for assessing consistency with low--GHG emission pathways and for assessing progress against the \$100 billion commitment.

For the technical review process, separate modalities may be needed for the transparency of support component of a review (e.g. expertise of review teams).

8. Flexibility under the transparency framework for action and support

The MPGs serving the transparency framework under the PA will apply to all Parties. It should be recalled that the agreed areas and boundaries of flexibility are then outlined in the PA and Decision 1/CP.21:

- Flexibility for developing countries in the application of the MPGs is defined in the context of those individual developing countries “*that need it in the light of their capacities*”¹⁹. There should be no blanket flexibility for developing countries, except with respect to the discretion provided to SIDS and LDCs (see below). The MPGs will need to build in this flexibility based on capacity, while ensuring that Parties do not backslide on the frequency and quality of reporting under their existing Convention obligations.²⁰ The built-in flexibility for those countries that need it could be largely covered by tiered reporting within reporting guidelines, which enables Parties to improve the detail of reporting over time as capacity increases.
- Decision 1/CP.21 provides further definition to this in its decision that “*developing country Parties shall be provided flexibility in the implementation of the provisions of [Article 13], including in the scope, frequency and level of detail of reporting, and in the scope of review, and that the scope of review could provide for in-country reviews to be optional, while such flexibilities shall be reflected in the development of the [MPGs] ...*”²¹
Consideration will need to be given to how this flexibility is operationalised in the MPGs (e.g. tiered reporting), mindful of the need for a dynamic system that delivers continuous improvement and provides a clear roadmap for full participation by all Parties.

¹⁶ Article 13.10

¹⁷ Decision 1/CP.21, paragraph 94(d)

¹⁸ Article 2.1(c)

¹⁹ Article 13.2 PA, Decision 1/CP.21, paragraph 92(b)

²⁰ Decision 1/CP.21, paragraph 92(e)

²¹ Decision 1/CP.21, paragraph 89

- The PA explicitly recognises the special circumstances of the LDCs and SIDS in the context of the transparency framework.²² To operationalise this, a separate carve-out is provided for SIDS and LDCs²³ from the obligation on Parties to submit “*no less frequently than on a biennial basis*” national inventory reports and information necessary to track progress made in implementing and achieving its NDC, on climate change impacts and adaptation, on financial, technology transfer and capacity building support, and on support needed and received). SIDS and LDCs may submit this information at their discretion²⁴.

The provisions in the PA and Decision 1/CP.21 providing discretion to SIDS and LDCs are inextricably linked to their particular circumstances and capacity constraints, which include negligible emissions, human resources and other constraints, and lack of sufficient/robust data. Consideration should be given to whether the MPGs need to contain distinct modalities that provide flexibility to SIDS and LDCs for each different element of the transparency framework – reporting, TER and MCP. For example:

- reporting thresholds (based on population or emissions)
- de minimis thresholds for sectors and/or different greenhouse gases (in tonnes)
- scope of reviews (e.g. centralised desk-reviews rather than in-country reviews, although in-country reviews may be preferred given their capacity-building benefits)
- availability of joint reporting and/or joint reviews
- different processes for the MCP (e.g. building on existing flexible elements involving multilateral assessment, international consultations/facilitative sharing of views).

In framing any flexibility modalities, careful consideration should be given to the availability of flexibility where reporting of specific information will be needed. For example, if a developing country wants to participate in carbon markets, good information will need to be reported and reviewed given the requirements for a “corresponding adjustment”²⁵. Flexibility may need to be framed to provide for an “opt--- out” in such circumstances.

Importantly, flexibility provided to SIDS and LDCs under the transparency framework should not unduly disadvantage SIDS and LDCs from accessing available finance, technical support or capacity building needed to enhance participation in the transparency arrangements. Indeed, this is a continuous loop. SIDS and LDCs have an incentive to improve their reporting capacities under the transparency framework as reporting information should in itself assist in providing the evidence needed to secure the provision of finance and other support in-country.

In this context, the Capacity Building Initiative on Transparency (CBIT) is a critically important element of the transparency framework for CARICOM member states. It needs to be operationalised as soon as possible, and in a manner that is reflective of and responsive to their national needs and circumstances.

²² Article 13.3

²³ Decision 1/CP.21, paragraph 90

²⁴ Under Articles 13.7, 13.8, 13.9 and 13.10

²⁵ Decision 1/CP.21, paragraph 36

Paper no. 13: United States of America

United States' Submission on Common Modalities, Procedures and Guidelines for the Enhanced Transparency Framework

- The United States is pleased to provide views on the common modalities, procedures and guidelines (MPGs) for the enhanced transparency framework for action and support established in Article 13 of the Paris Agreement.
- This submission addresses the following elements: (1) benefits of transparency of action and support; (2) lessons learned from existing transparency arrangements; (3) key elements to consider when developing the common MPGs, including flexibility; and (4) organization of work and COP-22 outcomes.

Benefits of transparency of action and support

- The Paris Agreement establishes the purpose for the enhanced framework for transparency of action and support. In short, the purpose of the framework for transparency of action is to provide a clear understanding of climate change action to inform the global stocktake, while the purpose of the framework for transparency of support is to provide clarity on support provided and received and, to the extent possible, to provide a full overview of aggregate financial support provided to inform the global stocktake.
- In addition, transparency of action and support has numerous benefits for countries. These include: (1) building confidence amongst countries that their ambitious actions are being met by those of their partners; (2) driving ambition and promoting effective implementation of our respective mitigation targets; (3) helping countries identify, plan, and implement climate change policies; (4) communicating to domestic audiences the importance of action on mitigation and adaptation; (5) providing an overview of aggregate financial support; and (6) identifying areas for further capacity-building.
- The common MPGs should be designed to continue to facilitate these benefits.

Lessons learned from existing transparency arrangements

- The many lessons learned from implementing current transparency

arrangements should inform the development of the common MPGs for the transparency of action and support.

- First, engaging in the reporting and review process itself helps to build in-country technical and institutional capacity over time. Regular reporting facilitates institutionalization and continuity of the transparency process for domestic purposes, encouraging senior government officials to pay attention to the product and helping to build whole-of-government involvement, coordination, and buy-in. Feedback via technical analysis and expert review facilitates continuous improvement and also supports informed capacity-building investments.
- Second, transparency can have a positive role in informing domestic policy planning processes and identifying mitigation, adaptation and support opportunities that advance national priorities.
- Third, all countries improve their reporting over time, particularly compared to the first reports they submit. A well-documented, transparent report serves as the foundation and starting point for future reporting and updating. For example, in 1994 many Annex 1 Parties at various levels of development did not have sufficient capacity in place to produce high-quality greenhouse gas inventories, but all have benefitted from regular, facilitative review and have built capacity, expertise, and arrangements over time to put forward transparent, well-documented reports.
- Fourth, streamlining reporting requirements and review processes can reduce the burden on Parties, technical expert reviewers, and the Secretariat without lowering the quality of information provided to meet the objectives of Article 13.
- Fifth, all countries have a different starting point. Article 13 recognizes this by building in flexibility for those developing countries that need it in the light of their capacities, including a technical review process that assists such countries in identifying capacity-building needs.
- Sixth, a facilitative rather than a punitive review system is essential for promoting country buy-in and facilitating a frank discussion on capacity-building needs. This is a core component of the Paris Agreement.
- Seventh, clarity and specificity in the guidelines is important. During the first Facilitative Sharing of Views we heard many countries express frustration in applying certain aspects of the Biennial Update Reporting Guidelines that are vague or unclear, leading to uncertainty about whether countries are meeting the requirements. The common MPGs under Article 13 should be as clear and specific as possible. It would be useful to hear from Parties about other

aspects of existing guidelines that have either hindered or helped countries in reporting.

- Finally, capacity-building support is key and increasing. There are numerous capacity-building support opportunities post-Paris that aim to build technical and institutional capacity. One example, of course, is the Capacity-building Initiative for Transparency (CBIT). The United States has pledged \$15 million to CBIT and is encouraged by other donors' pledges and the Global Environment Facility's timely response to this request. We urge countries to develop proposals, in particular those countries that have undergone or are going through International Consultation and Analysis (ICA), since ICA includes the identification of capacity-building needs, which could inform a countries' CBIT proposal. Of course, this capacity-building support complements GEF's support for the agreed full costs of reporting, which is \$352,000 for a Biennial Update Report and \$500,000 for a National Communication.

Key elements to consider when developing the common MPGs, including flexibility

- 1/CP.21, paragraph 92 requests the Ad Hoc Working Group on the Paris Agreement (APA) to take into account a number of features when developing the common MPGs. These include, for example, the importance of facilitating improved reporting and transparency over time; the need to promote transparency, accuracy, completeness, consistency, and comparability; and the need to provide flexibility to those developing country Parties that need it in the light of their capacities. Future submissions will address each of these elements in detail, but this submission focuses on flexibility.
- In Bonn, there was significant interest in unpacking the Paris Agreement's references to flexibility. As we unpack flexibility, a few things become clear.
- First, flexibility is for those developing countries that need it in the light of their capacities. The transparency framework was not divided into "developed" and "developing" countries, but focuses on capacity to carry out the specific transparency MPGs.
- Second, flexibility should enable countries of different capabilities to prioritize aspects of the common MPGs and devote different levels of resources without undermining the core requirements (or floors) contained in Article 13 of the Paris Agreement.
- Third, flexibility can be applied in a number of different ways across the

guidelines, but provisions that are not linked to capacity will not need flexibility.

- For example, if a Party is reporting on its national circumstances there is no need for flexibility because the provision states that a country is simply putting forward this information. On the other hand, developing projections to track progress towards nationally determined contributions (NDC) under Article 4 (i.e. mitigation targets) requires capacity and therefore flexibility to account for capacity development over time makes more sense.
- Flexibility may also already be embedded within other guidelines that we draw upon, and therefore the common MPGs may not need to provide additional flexibility for those developing countries that need it in the light of their capacities on top of what already exists. For example, the IPCC Guidelines already provide flexibility for countries on preparing greenhouse gas inventories, for example through the use of tiers.
- Flexibility in reporting on progress towards NDCs can also emanate from a country's choice of NDC. For example, countries that include the land sector in their NDC should specify their accounting method.
- Finally, flexibility should recognize but not cement expectations, and should recognize that capacities will improve over time as they relate to the specific expectations of the transparency MPGs. Capacity-building is an iterative process that facilitates improvement over time, and the enhanced framework recognizes the importance of using transparency as a learning-by-doing process. The evolution of the system to date strongly suggests that as countries gain experience in the transparency system we can achieve a scenario where most countries have sufficient capacity to fully implement the common MPGs. The MPGs should be drafted so as to enable this outcome to become a reality. Obviously, capacity-building, supported by the technical expert reviews and facilitative, multilateral consideration of progress, will be very important in this context.

Organization of work and COP-22 outcomes

- The APA is tasked with elaborating common MPGs by COP-24 in 2018.
- The Paris Agreement has not mandated specific outcomes on the common MPGs at COP-22 in Marrakesh, but elaborating common MPGs will take significant time. Therefore, Parties need to make progress in Marrakesh on elaborating the details of the enhanced framework.

- To facilitate progress, we suggest organizing work in a manner that:
 - Takes up reporting guidelines first, before modalities and procedures for technical expert review and facilitative, multilateral consideration of progress.
 - Allows elements on mitigation, adaptation, and support to move forward at a similar pace, while recognizing the unique characteristics of each. These discussions could happen in parallel rooms so as to make more progress.
 - Recognizes that Article 13 relates to other post-Paris work programs, and that this work will need to feed in at the appropriate time. These other work programs include, inter alia, NDC accounting guidance, markets guidance, finance accounting modalities, and others.
 - Recognizes that elaborating common MPGs is a technical process. To that end, we support intersessional workshops and submissions that address specific issues.
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