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Agenda item 5

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

Workshop on the development of modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement

**Report by the Co-Chairs of the Ad Hoc Working Group on the Paris
Agreement**


Summary

The Co-Chairs of the Ad Hoc Working Group on the Paris Agreement, with the assistance of the secretariat, organized an intersessional workshop on the modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement. The workshop was held in Bonn, Germany, from 16 to 18 March 2017 and was attended by 95 experts from 84 Parties and 11 regional groups. The workshop focused on themes covered in Parties' submissions, starting with discussions on reporting and recognizing that it is closely linked with technical expert review and facilitative, multilateral consideration of progress. The workshop served as a platform for experts to engage in open, constructive and comprehensive consideration of the relevant technical issues. This report outlines the proceedings of the workshop and includes a summary of the discussions in each of the technical sessions.

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Contents

	<i>Paragraphes</i>	<i>Page</i>
I. Introduction	1–4	3
A. Background and mandate.....	1–3	3
B. Possible action by the Ad Hoc Working Group on the Paris Agreement	4	3
II. Proceedings	5–11	4
III. Summaries of discussions	12–103	5
A. Technical session on national inventory reports on anthropogenic emissions by sources and removals by sinks of greenhouse gases	17–31	5
B. Technical session on information necessary to track progress made in implementing and achieving nationally determined contributions under Article 4 of the Paris Agreement	32–45	10
C. Technical session on information related to climate change impacts and adaptation under Article 7 of the Paris Agreement	46–59	16
D. Technical session on information on financial, technology transfer and capacity-building support provided, needed and received under Articles 9–11 of the Paris Agreement	60–70	21
E. Technical session on the technical expert review	71–82	26
F. Technical session on facilitative, multilateral consideration of progress.....	83–95	30
G. Technical session on other elements to be considered in the development of the modalities, procedures and guidelines, including, inter alia, those identified in decision 1/CP.21, paragraphs 92–96	96–103	33
IV. Closing of the session.....	104	36

Annex

Agenda of the APA intersessional workshop on agenda item 5: modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement	37
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I. Introduction

A. Background and mandate

1. The Conference of the Parties (COP), at its twenty-first session, requested the Ad Hoc Working Group on the Paris Agreement (APA) to develop recommendations for modalities, procedures and guidelines (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, with a view to forwarding them to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) for consideration and adoption at its first session.¹

2. The resumed first session of the APA, held in conjunction with the forty-fifth sessions of the subsidiary bodies in Marrakech, Morocco, from 7 to 14 November 2016, invited Parties to submit, by 15 February 2017, their views on the following guiding questions:²

(a) What should be the specific components of the MPGs for the transparency of action and support under Article 13, paragraphs 7, 8, 9, 10, 11, and 12?³

(b) How should the transparency framework build on and enhance the transparency arrangements under the Convention, recognizing that the transparency arrangements under the Convention shall form part of the experience drawn upon for the development of the MPGs?

(c) With respect to the MPGs, how should flexibility for those developing countries that need it in the light of their capacities be operationalized?

(d) What other elements should be considered in the development of the MPGs, including, *inter alia*, those identified in decision 1/CP.21, paragraph 92?

3. APA 1.2 requested the secretariat to organize, under the guidance of the APA Co-Chairs, an intersessional workshop before APA 1.3 (hereinafter referred to as the workshop). The APA also requested its Co-Chairs to prepare, with the support of the secretariat, a workshop report for consideration at APA 1.3.⁴

B. Possible action by the Ad Hoc Working Group on the Paris Agreement

4. The APA may wish to take into consideration this workshop report, together with the views submitted by Parties mentioned in paragraph 2 above, in its continued deliberation on the development of recommendations for MPGs in accordance with Article 13, paragraph 13.

¹ Decision 1/CP.21, paragraph 91.

² FCCC/APA/2016/4, paragraph 23.

³ Unless otherwise indicated, any reference to an "Article" pertains to the Paris Agreement.

⁴ FCCC/APA/2016/4, paragraph 24.

II. Proceedings

5. The workshop was held at the Ameron Hotel Königshof in Bonn, Germany, from 16 to 18 March 2017. A total of 95 experts from 84 Parties and 11 regional groups⁵ participated in the three-day workshop, which was chaired by the APA Co-Chairs.

6. The Co-Chairs encouraged the workshop participants to make best use of a space away from the formal negotiation sessions and engage in an exchange of views and ideas, and explore options rather than restating known national and group positions. They underscored the importance of shifting the focus of the discussions from concepts and principles to the specifics of the MPGs.

7. The Co-Chairs further encouraged the participants to take the opportunity to brainstorm how to advance the broad ideas coming out of the submissions. They suggested that participants could also consider the following questions:

- (a) What are the broad options emerging in different areas of the MPGs?
- (b) What do the options being described look like?
- (c) How would they work in practice?

8. Following the guidance from APA 1.2,⁶ the workshop, spanning six technical sessions over the three days, focused on themes covered in Parties' submissions, starting with discussions on reporting, which were spread over the first four technical sessions. Recognizing that reporting is closely linked with the technical expert review (TER) process and facilitative, multilateral consideration of progress (FMCP), the workshop included a technical session on each of these issues. The final technical session of the workshop addressed other elements to be considered in the development of the MPGs, including, *inter alia*, those identified in decision 1/CP.21, paragraphs 92–96. The workshop agenda is contained in annex I.

9. The technical sessions of the workshop were co-facilitated by Mr. Xiang Gao (China) and Mr. Andrew Rakestraw (United States of America). For each of the technical sessions, a variety of facilitative tools were used, such as issue-framing opening statements by the co-facilitators, the guiding questions for the submission of views referred to in paragraph 2 above, ice-breaking interventions from one expert each from developed and developing country Parties, focused small group, round-table technical exercises, and plenary discussions.

10. The APA Co-Chairs expressed their understanding of the challenges posed to some Parties by the limitation on the number of experts that each Party could nominate to participate in the workshop. This being the first workshop to be organized under the APA, the Co-Chairs emphasized that relevant lessons would be taken on board in the organization of such workshops in the future. They assured Parties, through the workshop participants, of their commitment to addressing such constraints, to the fullest extent possible, in the future and thanked the workshop participants for their flexibility and cooperation.

11. To that end, the Co-Chairs invited the participants to provide feedback to them, including their reflections on what worked and what did not, reaffirming their open-door policy.

⁵ The list of workshop participants will be made available in document FCCC/APA/2017/INF.2/Add.1.

⁶ FCCC/APA/2016/4, paragraph 2.

III. Summaries of discussions

12. This chapter provides summaries of the discussions resulting from an informal exchange of views among the workshop participants over the course of the six technical sessions. The summaries outlined here, prepared under the authority of the APA Co-Chairs, represent neither "agreed views, ideas or text" nor an attempt to draw any conclusions on possible areas of convergence and/or divergence. As such, this chapter should be read as a reflection of ideas and views resulting from exchanges of views among workshop participants, and readers should make no assumptions about the extent to which views captured in this report are shared among Parties.

13. The views and ideas from the participants addressed the following: specific components of the MPGs; how to provide flexibility to those developing countries that need it in the light of their capacities; and how the transparency framework should build on and enhance the transparency arrangements under the Convention.

14. The structure of the presentation of the summaries of discussions in this workshop report does not prejudice Parties' views on these issues in any way.

15. Further, views were expressed about the need to proceed consistent with the work plan contained in the informal note by the co-facilitators from APA 1.2, in particular, recognizing that all work should proceed in a balanced, holistic and logical manner. The particular relationship between action and support being mutually supportive was also noted.

16. The Co-Chairs encouraged Parties to view these summaries as a useful technical tool for Parties when they convene at APA 1.3 and beyond to conclude work on the development of MPGs.

A. Technical session on national inventory reports on anthropogenic emissions by sources and removals by sinks of greenhouse gases

17. A co-facilitator, Mr. Gao, opened the technical session and provided information on the mandate, an overview of the existing arrangements⁷ and ongoing negotiations relating to national greenhouse gas (GHG) inventory reports, key messages from the submissions received from Parties,⁸ the organization of work and approach to the session.

18. The discussions, including ice-breaking interventions from two experts, a focused technical exercise and plenary discussions, responded to the guiding questions referred to in paragraph 2 above as they relate to the MPGs for national GHG inventory reports, namely:

(a) What should be the specific components of the MPGs for the transparency of action and support under Article 13, paragraphs 7, 8, 9, 10, 11 and 12?

(b) How should the transparency framework build on and enhance the transparency arrangements under the Convention, recognizing that the transparency arrangements under the Convention shall form part of the experience drawn upon for the development of the MPGs?

⁷ Decision 4/CP.5, annexes I and III to decision 2/CP.17, annex I to decision 24/CP.19, and annex to decision 15/CMP.1, in conjunction with the annex to decision 17/CP.8 and decision 3/CMP.11.

⁸ <http://www4.unfccc.int/submissions/SitePages/sessions.aspx?showOnlyCurrentCalls=1&populateData=1&expectedsubmissionfrom=Parties&focalBodies=APA>.

(c) With respect to the MPGs, how should flexibility for those developing country Parties that need it in the light of their capacities be operationalized?

19. The discussion during this session exposed a range of views on each of the above-mentioned questions as they relate to information to be reported in national GHG inventory reports, which are summarized below.

1. Specific components of reporting

20. In the discussion on the specific components of the MPGs as they relate to national GHG inventory reports, the participants raised the following specific components for discussion:

- (a) Objectives and principles;
- (b) Definition of terms;
- (c) Methodologies and metrics;
- (d) Documentation and reporting;
- (e) Sectors and gases;
- (f) Frequency;
- (g) Time series;
- (h) Institutional and national inventory arrangements;
- (i) Improvement planning, constraints and capacity-building needs.

(a) Objectives and principles

21. With regard to the objectives and principles of the MPGs, the views expressed included the following:

- (a) The MPGs should start by clearly presenting the objectives and principles;
- (b) The MPGs should enable the effective participation of all Parties in reporting their national GHG inventory reports;
- (c) The MPGs should facilitate continuous improvement over time in relation to the quality of reported information, coverage, scope and level of detail, and should prevent backsliding by Parties in submitting their GHG inventory reports;
- (d) The MPGs should promote the principles of transparency, accuracy completeness, consistency and comparability, recognizing that the principle of transparency is key, and that Parties' accuracy, completeness, consistency and comparability will improve over time;
- (e) Information presented in national GHG inventory reports should fill information gaps, feed into the global stocktake and be used for tracking global trends in GHG emissions; and will facilitate the tracking of progress made in implementing and achieving nationally determined contributions (NDCs) in accordance with Article 4;
- (f) Information contained in national GHG inventory reports will undergo a TER in accordance with Article 13.

(b) Definition of terms

22. With regard to the definition of terms to be used in the MPGs, participants were of the view that specific terminology related to national GHG inventory reports should be defined in the MPGs.

(c) Methodologies and metrics

23. With regard to the methodologies and metrics, the views expressed included the following:

(a) The development of the MPGs must include consideration of how to apply the Intergovernmental Panel on Climate Change (IPCC) methodologies, including in relation to methodological tiers, parameters, level of aggregation, emission factors, key category analysis, and quality control and quality assurance, while recognizing that flexibility for those developing country Parties that need it in the light of their capacities is an important consideration in this analysis;

(b) The MPGs should encourage all Parties to use the *2006 Intergovernmental Panel on Climate Change Guidelines for National Greenhouse Gas Inventories* (2006 IPCC Guidelines) and provide for developed country Parties to use the latest available guidance from the IPCC;

(c) All Parties should use the most recent IPCC guidelines adopted by the CMA, recognizing that the IPCC Guidelines provide Parties with discretion to apply different tiers;

(d) The MPGs should permit those developing country Parties that need it in the light of their capacities to use earlier versions of the IPCC Guidelines (i.e. the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories*, the *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories* (2000), and the *Good Practice Guidance for Land Use, Land Use Change and Forestry* (2003)).

(d) Documentation and reporting

24. With regard to documentation and reporting, the view was expressed that the MPGs should include detailed guidance on what information must be reported, including in relation to common tables/common tabular format, tools, minimum content, time series, recalculations and an uncertainty analysis.

(e) Sectors and gases:

25. With regard to sectors and gases, the views expressed included the following:

(a) National GHG inventory reports should be organized according to the sectors and categories defined by the IPCC;

(b) Sectors and gases to be reported depend on the IPCC guidelines/guidance selected.

(f) Frequency

26. With regard to frequency, the views were expressed that there should be biennial reporting on national GHG inventory reports for developing countries, while developed countries should continue to report annually.

(g) Time series

27. With regard to time series, the views expressed included the following:

(a) The time series of national GHG inventory is important;

(b) All Parties should report a consistent time series from the base year of their NDCs under Article 4 to a recent year;

(c) The national GHG inventory report should, at a minimum, cover the calendar year no more than two years prior to the date of submission for developed country Parties and no more than four years prior to the date of submission for developing country Parties.

(h) Institutional and national greenhouse gas inventory arrangements

28. With regard to the institutional and national GHG inventory arrangements, the views expressed included the following:

(a) The MPGs should encourage Parties in setting up national systems consistent with national circumstances, aiming to ensure their robustness and continuity, and appropriate expertise, while enhancing the transparency and predictability of reporting;

(b) The MPGs should require Parties to be transparent about their national GHG inventory reporting arrangements. However, the MPGs should not contain guidance on how Parties actually set up these systems;

(c) The MPGs should provide guidance on possible minimum requirements for the national system, including in relation to its structure, data availability, continuity of work, expertise, resources, time frames, capacity-building and improvement over time;

(d) The MPGs should include guidance on quality assurance/quality control plans.

(i) Improvement planning, constraints and capacity-building needs

29. With regard to improvement planning, constraints and capacity-building needs, the view was expressed that the MPGs should encourage Parties to report on improvement planning, constraints and difficulties in reporting, and capacity-building needs so as to enable a better understanding by reviewers and policymakers.

2. Building on and enhancing the transparency arrangements under the Convention

30. In the discussion on how the transparency framework should build on the existing arrangements under the Convention for national GHG inventory reports, the views expressed included the following:

(a) The MPGs should build on the current system and elaborate additional components agreed under the Paris Agreement;

(b) The MPGs should build and expand on the existing transparency arrangements under the Convention for preparing and reporting national GHG inventory reports, including the common reporting format for developed countries and guidelines for national reporting for developing countries;

(c) The experience gained and improvements made in the reporting of national GHG inventory reports over the past years should be utilized;

(d) Considering that currently, developed and developing countries use different guidelines, the challenge would be to agree on a common set of MPGs with built-in flexibility;

(e) An analysis of the components of the current measurement, reporting and verification (MRV) arrangements is necessary to establish the new system, including the identification of any additional components needed compared with the existing guidelines;

(f) Parties should take into consideration the need for clarity and user-friendliness in the MPGs and reporting tools when developing the MPGs;

(g) Some elements from the existing reporting guidelines for developed country Parties could form the basis of reporting requirements for the national GHG inventories of all Parties, in particular for key categories, with flexibility for those developing countries that need it in the light of their capacities.

3. Operationalization of flexibility

31. With regard to flexibility for those developing countries that need it in the light of their capacities, the views expressed included the following:

(a) It is very important to recognize that developed and developing country Parties are starting from different points in relation to the implementation of national GHG inventory reporting requirements;

(b) Flexibility for those developing country Parties that need it in the light of their capacities should enable Parties to report according to their capacities; encourage effective participation by all Parties; and facilitate continuous improvement over time;

(c) The MPGs should provide clarity on how flexibility can be applied to ensure comparability and consistency;

(d) There should be common guidelines for preparing and reporting the national GHG inventory reports for all Parties, with flexibility for those developing country Parties that need it in the light of their capacities;

(e) The MPGs should have different components related to national GHG inventory reports for developing and developed country Parties, with minimum requirements set for developing country Parties based on the existing arrangements;

(f) Flexibility could be operationalized with respect to detailed requirements in the MPGs, including the scope, frequency and level of detail, including gases, the most recent year of reporting, time series, key categories, IPCC guidelines/guidance, principles of transparency, accuracy completeness, consistency and comparability, level of aggregation of reporting and minimum requirements, such as the following:

(i) Developing country Parties that need it in the light of their capacities could have flexibility on the most recent year being reported in their national GHG inventory (e.g. year X-2, year X-3), depending on data availability;

(ii) Flexibility can be operationalized in relation to the cells that Parties complete within the common tabular format tables of the national GHG inventory reports;

(iii) It could be built around the different tiers of methodological rigour available in the IPCC guidelines;

(iv) Flexibility can be operationalized by creating a higher threshold for what is considered a key category, resulting in fewer key categories;

(g) Developing country Parties should be given flexibility to prioritize different areas of improvement;

(h) Discussion and experience sharing among Parties with similar national circumstances and feedback from reviews/technical analysis could build capacity in developing country Parties for continuous national GHG inventory development. Targeted capacity-building activities as well as learning from other countries' good practices are very important;

(i) The discussion on the MPGs should take place in the context of the provision of adequate support.

B. Technical session on information necessary to track progress made in implementing and achieving nationally determined contributions under Article 4 of the Paris Agreement

32. A co-facilitator, Mr. Rakestraw, introduced the session by providing an overview of the relevant elements of the current arrangements,⁹ a snapshot of information communicated in submitted intended nationally determined contributions and NDCs,¹⁰ an update on ongoing relevant work¹¹ and a summary of the key messages from Parties' submissions.¹²

33. The discussions, including ice-breaking interventions from two experts, a focused technical exercise, and plenary discussions, responded to the guiding questions referred to in paragraph 2 above, as they relate to information necessary to track progress made in implementing and achieving NDCs under Article 4, namely:

(a) What should be the specific components of the MPGs for the transparency of action and support under Article 13, paragraphs 7, 8, 9, 10, 11, and 12?

(b) How should the transparency framework build on and enhance the transparency arrangements under the Convention, recognizing that the transparency arrangements under the Convention shall form part of the experience drawn upon for the development of the MPGs?

(c) With respect to the MPGs, how should flexibility for those developing countries that need it in the light of their capacities be operationalized?

1. Specific components of the modalities, procedures and guidelines

34. In the discussion on the specific components of the MPGs as they relate to information necessary to track progress made in implementing and achieving NDCs under Article 4, the participants raised the following specific components:

(a) National circumstances and institutional arrangements;

(b) Parties' NDCs under Article 4;

(c) NDC-specific information to track progress made in implementation and achievement;

(d) Mitigation actions related to the implementation and achievement of an NDC under Article 4;

(e) Greenhouse gas projections;

(f) Information on Parties' accounting under Article 4, paragraph 13;

(g) Other information, where applicable;

(h) Information related to Article 6.

⁹ Annexes I and III to decision 2/CP.17.

¹⁰ FCCC/CP/2016/2.

¹¹ APA agenda item 3 (contained in document FCCC/APA/2017/1) and SBSTA agenda item 10 (contained in document FCCC/SBSTA/2017/1).

¹² As footnote 8 above.

(a) National circumstances and institutional arrangements

35. With regard to national circumstances and institutional arrangements, the views expressed included the following:

- (a) Information should be provided on national circumstances and institutional arrangements relevant for tracking progress, as well as general information and plans for continuous improvement;
- (b) MPGs should request information on domestic institutional arrangements and allow for sharing of best practices.

(b) Parties' nationally determined contributions under Article 4

36. With regard to Parties' NDCs under Article 4, the views expressed included the following:

- (a) Information should be provided describing the NDC under Article 4, such as:
 - (i) Information consistent with Article 4, paragraph 8;
 - (ii) The reference level/year/period, if part of the NDC is under Article 4;
 - (iii) Any adjustments in accordance with Article 4, paragraph 11;
 - (iv) Any changes or additional decisions taken on NDCs since communication;
- (b) The indicators used to describe an NDC are the same indicators that should be used when tracking progress in the implementation and achievement of an NDC. Reporting would be on what has changed over time, demonstrating whether the Party is on track to achieve the actions outlined in its NDC.

(c) Nationally determined contribution specific information to track progress made in implementation and achievement

37. With regard to NDC specific information to track progress made in implementation and achievement, the views expressed included the following:

- (a) National determination is a key characteristic of the NDC and on this basis, information reported in each NDC is different. Tracking progress will therefore depend on the design of each NDC;
- (b) The information necessary to track progress in implementing an NDC under Article 4 depends on the type of NDC, but may include:
 - (i) Absolute emission reduction targets relative to the base year/period: GHG emissions/removals from GHG inventories; base-year emissions; indication of which inventory is to be used for base-year emissions; information related to methodological consistency between base-year inventory and inventory in the implementation period (decision 1/CP.21, para. 31(b));
 - (ii) Relative targets for reducing emissions below the 'business as usual' level: GHG emissions/removals from GHG inventories; quantified 'business as usual' level and information related to methodological consistency between the 'business as usual' scenario and GHG inventory (decision 1/CP.21, para. 31(b));
 - (iii) Intensity targets with reductions in GHG emissions per unit of gross domestic product (GDP) or per capita: GHG emissions/removals from GHG inventories; information on the intensity indicator chosen; GDP source and definition used (e.g. purchasing power parity or currency exchange rates); current prices or constant prices referring to a historic year and information related to methodological

consistency between base-year inventory and inventory in the implementation period (decision 1/CP.21, para. 31(b));

(iv) Targets which specify the time frame for peaking emissions: GHG emissions/removals from GHG inventories. This can only be assessed retrospectively after the peaking year/period and continues to be an element of tracking progress after the peaking year/period;

(v) Achievement of carbon/emissions neutrality: GHG emissions/removals from GHG inventories and additional information dependent on how carbon neutrality is defined;

(vi) Quantified mitigation actions: information related to any quantified indicators chosen by the Party as part of the NDC (e.g. share of renewables in electricity generation, forest area, reforestation area and GHG inventories relevant to track aggregate effects of actions);

(vii) Non-quantified mitigation actions: information on progress with implementation of actions and GHG inventories relevant to track aggregate effects of actions;

(viii) NDCs that include an adaptation component and economic diversification plans: information linked to mitigation co-benefits and the social and economic consequences of response measures taken by developed countries;

(c) There is some common information needed to track progress towards the various NDCs, in particular GHG inventory information;

(d) Parties do not have a common understanding of the scope of NDCs;

(e) The design of the modalities should be generic and should prescribe requirements rather than a specific output. This would enable the MPGs to accommodate all NDCs, including the adaptation and means of implementation components.

(d) Mitigation actions related to the implementation and achievement of a nationally determined contribution under Article 4 of the Paris Agreement

38. With regard to mitigation actions related to the implementation and achievement of an NDC under Article 4 of the Paris Agreement, the views expressed included the following:

(a) Information on domestic mitigation policies, measures and progress with their implementation (Article 4, para. 2) as well as on the sharing of best practices and co-benefits (economy-wide and sectoral) could be included;

(b) A tabular format is useful.

(e) Greenhouse gas projections

39. With regard to GHG projections, the views expressed included the following:

(a) Information on historical trends and projections of GHG emissions and removals should be provided;

(b) The reporting of projections would only apply to some Parties, depending on the type of NDC.

(f) Information on Parties' accounting under Article 4, paragraph 13

40. With regard to information related to Parties' accounting under Article 4, paragraph 13, the views expressed included the following:

(a) For some NDCs, accounting that is currently under consideration under APA agenda item 3 could apply in tracking progress towards their implementation and achievement;

(b) The information to be reported, where applicable, could include:

- (i) Information relating to the use of the land-use sector in achieving an NDC;
- (ii) A description of approaches used for accounting under Article 4, paragraph 13;
- (iii) Other additional reporting requirements resulting from accounting guidance developed under Article 4, paragraph 13.

(g) Other information, where applicable

41. With regards to other information, the views expressed included the following:

(a) Other information to be provided, where applicable, could include:

- (i) Information on conditional components of NDCs;
- (ii) Information on mitigation co-benefits resulting from Parties' adaptation actions and/or economic diversification plans (Article 4, para. 7);
- (iii) Information on steps countries are taking towards an economy-wide target;

(b) Developed country Parties should report more specific and detailed information on:

- (i) Their economy-wide emission reduction targets and other relevant actions;
- (ii) The assessment of the economic and social consequences of their response measures on developing countries;
- (iii) Ensuring methodological consistency between the communication of NDCs and information on implementation;
- (iv) Reporting on the adaptation component of their NDCs;

(c) The requirement to provide information that would demonstrate and communicate progress should not discourage Parties from including information on actions that they can report but that they are unable to provide information to track progress.

(h) Information related to Article 6

42. With regard to information related to Article 6 of the Paris Agreement, the views expressed included the following:

(a) It is important for APA agenda item 5 to have a clear understanding of the end products that the Subsidiary Body for Scientific and Technological Advice (SBSTA) discussions on guidance relating to internationally transferred mitigation outcomes will deliver so as to avoid duplication of work;

(b) Reporting on the use of Article 6 should apply only to those Parties who use this Article;

(c) The nature of the mechanism established under Article 6, paragraph 4, and its processes that could impact or cause adjustments to NDCs and national GHG inventories would need to be closely monitored in order to ensure environmental integrity and avoid double counting;

(d) Regarding information on Article 6, paragraph 2, separate guidance for tracking units should be developed under the SBSTA and should be linked to tracking progress in the implementation and achievement of NDCs under Article 4;

(e) In developing the MPGs, it would be easier to cross-reference the Article 6 guidance currently under negotiation by the SBSTA rather than inserting a placeholder in the draft text to be replaced by the relevant guidance after the SBSTA has concluded its work on the matter;

(f) The information to be reported on Article 6, paragraph 8, depends on the SBSTA discussions, as the relationship between this information and tracking of progress is unclear.

2. Building on and enhancing the transparency arrangements under the Convention

43. In the discussion on how the transparency framework should build on and enhance the existing arrangements under the Convention, the views expressed included the following:

(a) The most important measure is to prioritize the ability of all Parties, particularly developing country Parties, to use these guidelines;

(b) The critical factor in designing the guidelines is the huge difference in starting points of Parties, based on the existing arrangements, as well as the level of experience of Parties in terms of information submitted;

(c) The current collective experience of Parties is differentiated both in terms of the actions, requirements and the information submitted;

(d) There are many existing reporting guidelines that the APA can build on when designing the MPGs (GHG inventory reports, biennial reports (BRs), biennial update reports (BURs) and national communications (NCs));

(e) The tabular format for quantitative information is a helpful vehicle to report information and to get a full picture of policy;

(f) The use of an accounting balance to track the progress of different elements that contribute to achieving targets is important, such as removals from the land sector, emissions trading and carbon credits;

(g) GHG projections and detailed elements for GHG reference levels provide an important context for designing the MPGs;

(h) Other approaches on land use and REDD-plus¹³ and various mechanisms under the Kyoto Protocol, including those that fall under cooperative approaches/market mechanisms, etc., are useful in designing the MPGs;

(i) Experience with reporting on the social and economic impacts of response measures will be built upon and show how Parties are facing challenges and demonstrating political will;

(j) Experiences from international assessment and review and international consultation and analysis are important in designing the MPGs.

¹³ In decision 1/CP.16, paragraph 70, the COP encouraged developing country Parties to contribute to mitigation actions in the forest sector by undertaking the following activities: reducing emissions from deforestation; reducing emissions from forest degradation; conservation of forest carbon stocks; sustainable management of forests; and enhancement of forest carbon stocks.

3. Operationalization of flexibility

44. In the discussion on how flexibility can be operationalized for those developing countries that need it in the light of their capacities, the views expressed included the following:

- (a) Due to the nationally determined character of NDCs, flexibility is largely embedded in a country's NDC, and is therefore less relevant to this section of the MPGs;
- (b) Flexibility should not lock in capacities of countries but should instead promote continuous improvement. In this context, capacity-building is important;
- (c) Flexibility under the existing MRV arrangements should apply to the transparency framework;
- (d) Flexibility to be applied to the transparency framework and its MPGs should take into account the content and type of NDC, national circumstances, capacity and level of detail;
- (e) Flexibility should provide assurance and encouragement to developing country Parties to participate fully under the common MPGs;
- (f) Use of flexibility should decrease over time;
- (g) A Party should be able to demonstrate that it is experiencing a challenge to deliver what was outlined in its NDC;
- (h) In the context of information to be reported, including on tracking the progress of the implementation of NDCs, the MPGs should clearly distinguish between "applicability" and "flexibility";
- (i) Flexibility may not be needed in subsequent reports as a country's capacity to report improves;
- (j) Flexibility should allow for continuous improvement in subsequent reports.

4. Linkages

45. In the discussion on linkages between the MPGs for information necessary to track progress made in implementing and achieving NDCs under Article 4 and other agenda items of the APA and the SBSTA, the views expressed included the following:

- (a) The linkages to other ongoing work under the APA and other bodies under the Convention were recognized. However, it was also recognized that discussions are in their early stages and that the negotiating groups should be allowed to complete their work. Coordination between these workstreams is needed and duplication of work should be avoided;
- (b) Discussions on transparency should refrain from going into detail and duplicating work on topics mandated to other workstreams under the APA and other bodies under the Convention, including work on NDC information;
- (c) The structure of the MPGs could be decided first, with placeholders included in the draft text to be replaced by information required from other workstreams.

C. Technical session on information related to climate change impacts and adaptation under Article 7 of the Paris Agreement

46. A co-facilitator, Mr. Gao, opened the session and provided an overview of the main issues reflected in Parties' submissions,¹⁴ the existing arrangements for communicating information on adaptation, as well as ongoing negotiations that may be relevant to this matter (APA agenda item 4, on adaptation communications, and agenda item 9 of the Subsidiary Body for Implementation, on national adaptation plans).

47. The discussions, including ice-breaking interventions from two experts, a focused technical exercise, and plenary discussions, responded to the following guiding questions:

- (a) What should be the specific components of the MPGs for adaptation?
- (b) What existing practices and processes for reporting on adaptation can inform the development of the MPGs?
- (c) With respect to the MPGs, how should flexibility for those developing countries that need it in the light of their capacities be operationalized?
- (d) What is the link between the MPGs developed for Article 13, paragraph 8, on "climate change impacts and adaptation under Article 7, as appropriate" and the APA guidance related to adaptation communications?

1. Specific components of the modalities, procedures and guidelines

48. In the discussion on the specific components of the MPGs as they relate to information related to climate change impacts and adaptation under Article 7, the participants raised the following specific components:

(a) General considerations

49. With regard to general considerations for the MPGs for climate change impacts and adaptation under Article 7, as appropriate, the views expressed included the following:

- (a) The MPGs should reflect the requirements of the provisions of Article 7;
- (b) Building mutual trust and confidence in the context of adaptation support is essential;
- (c) Sharing information is crucial for learning from experience;
- (d) There is a lot of experience of reporting adaptation information, but there are also different ways, vehicles and frequencies of reporting. The important thing is to make sense of this variety;
- (e) Guidance should be high-level because national activities determine the content of reporting;
- (f) Additional burdens on developing countries must be avoided;
- (g) The global goal on adaptation provides important context for the transparency framework;
- (h) Guidance must recognize the linkages between adaptation action and support.

¹⁴ See footnote 8 above.

(b) Components of reporting

50. With regard to components of MPGs for reporting, the views expressed included the following:

(a) Reporting on information related to climate change impacts and adaptation under Article 7 could draw on, for example, elements of Article 7, paragraphs 5, 7, 9, 10 and 13, and other communication guidelines, including NCs. Any component should not serve as a constraint, and the types of information should not prejudice the choice of communication vehicle;

(b) More particularly, participants raised the following specific components:

- (i) National circumstances;
- (ii) Objectives of adaptation efforts;
- (iii) Impacts (modelling, projections and scenarios), risks and vulnerabilities;
- (iv) Adaptation priorities;
- (v) Planning processes;
- (vi) Efforts to build resilience;
- (vii) Long-term adaptation strategies;
- (viii) Participation of stakeholders in preparation and implementation of adaptation;
- (ix) Specific actions and measures;
- (x) Strengthening institutions and science;
- (xi) Indigenous peoples' and local knowledge systems;
- (xii) Gender responsiveness of efforts;
- (xiii) Implementation, support, and resource needs, and other elements under Article 7, paragraph 13;
- (xiv) Cooperation on adaptation (e.g. sharing information and lessons learned);
- (xv) Social and economic consequences of the response measures taken by developed countries;
- (xvi) Support provided and received, including technical support and guidance;
- (xvii) Improving the effectiveness and durability of actions;
- (xviii) Progress, outcomes and implementation, including of adaptation in NDCs;
- (xix) Monitoring and evaluation;

(c) The provision of information depends on reporting time frames required by the MPGs, recognizing that decision 1/CP.21, paragraph 90, states that "all Parties, except for the least developed country Parties and small island developing States, shall submit the information referred to in Article 13, paragraphs 7, 8, 9 and 10, of the Agreement, as appropriate, no less frequently than on a biennial basis". For example, information on long-term planning does not require biennial reporting, whereas progress in implementation of concrete measures could benefit from biennial reporting. The suggested frequencies include every two years, every four years, when new information is available, or a frequency that ensures a link with mitigation efforts.

2. Building on and enhancing the transparency arrangements under the Convention

51. In the discussion on how the transparency framework should build on and enhance the existing arrangements under the Convention, the views expressed included the following:

(a) The MPGs need to build on existing arrangements and avoid “reinventing the wheel”. There are many existing processes and guidelines that involve communicating adaptation information and could inform, or be applied in, the transparency framework;

(b) It is important to avoid duplication of communications and enhance effectiveness by, for example, streamlining communication channels or consolidating information into one single channel under the transparency framework.

(a) National communications

52. In terms of NCs, the views expressed included the following:

(a) The COP aims to adopt revised guidelines for the preparation of NCs by Parties included in Annex I to the Convention, which will include an updated section on impacts and adaptation;

(b) NCs provide for reporting on adaptation actions and impacts, but they were not designed to inform the global stocktake (for example compiling, aggregating and informing the global stocktake);

(c) The design of the MPGs should draw on elements of NCs and Article 7;

(d) Developing countries could include an adaptation communication as a chapter of their NC;

(e) Countries could update information in their NCs every two years under Article 13, in particular by providing an update on the implementation of concrete measures;

(f) Consider how current adaptation needs could be communicated if reporting happens at the frequency of NCs (every four years).

(b) Work of the Nairobi work programme, the Adaptation Committee and the Least Developed Countries Expert Group, the national adaptation plan process, and support arrangements

53. In terms of work of the Nairobi work programme on impacts, vulnerability and adaptation to climate change, the Adaptation Committee, the Least Developed Countries Expert Group, the national adaptation plan process, and support arrangements, the views expressed included the following:

(a) A sectoral focus under the Nairobi work programme (water, health, infrastructure, food security, etc.) is useful;

(b) Building on the recent Nairobi work programme synthesis report on human health, countries could provide data on specific sectors, on the basis of which regular synthesis papers could be prepared;

(c) The Adaptation Committee and the Least Developed Countries Expert Group were identified as important sources of lessons learned;

(d) Many modalities, principles, procedures, and guidelines, information relevant to support provided and received as well as adaptation indicators could be drawn from the work of the Adaptation Committee;

(e) The national adaptation plan process and its reporting provisions were identified as key arrangements to build on, both for the transparency framework and Article 7;

(f) On processes related to the views were expressed above, lessons learned on adaptation support can be drawn from:

(i) Parties' experience with reporting on actions implemented with bilateral support;

(ii) Operating entities of the Financial Mechanism;

(iii) The Standing Committee on Finance (SCF) forum on adaptation financing;

(iv) The workshops on long-term finance.

(g) Consider how adaptation reporting could be enhanced through the guidelines of various finance entities, for example, the Adaptation Fund, the Green Climate Fund, the Global Environment Facility and direct/multilateral entities.

(h) The work of the IPCC should be considered, especially the IPCC Sixth Assessment Report.

3. Operationalization of flexibility

54. With regard to how flexibility can be operationalized for those developing countries that need it in the light of their capacities, the views expressed included the following:

(a) It is important to ensure flexibility in reporting on adaptation because adaptation is considered country-driven and is happening predominantly in a national context;

(b) Some parameters are needed for reporting so that countries can understand actions and undertakings internationally;

(c) Flexibility is expressed in the Paris Agreement: reporting on adaptation is made voluntary by the use of the modal verb "should" in Article 13, paragraph 8;

(d) Different options for providing flexibility include:

(i) Guidelines could be drafted in ways that reflect flexibilities and national circumstances. Language could be kept open by using flexible modal verbs such as "information on X could include ...";

(ii) Countries could have options on the scope of information, level of detail and communication channel;

(iii) Flexibility could be provided through frequency of communication as follows:

i. Biennial communication of adaptation information could be voluntary;

ii. Information could be submitted every four years;

iii. Information could be reported whenever new information relevant to the Paris Agreement is available;

(iv) Countries could report to the extent their national capacities allow;

(v) Operationalization of flexibility should be made by countries themselves. It should be country-driven and based on needs.

4. Linkages

(a) Linkages with APA agenda item 4

55. With regard to the linkages with APA agenda item 4 (on adaptation communications), the views expressed included the following:

(a) Work could be sequenced so that the MPGs draw on the outcomes of agenda item 4. Agenda item 4 should have a deadline to outline modalities for adaptation communication to inform work on agenda item 5. Agenda item 5 would then address the remaining gaps. But the adaptation-related work under agenda item 5 cannot wait for the outcomes of agenda item 4;

(b) Adaptation communications could be forward-looking (needs and plans), while reporting under Article 13, paragraph 8, could be backward-looking (progress, best practices, gaps). This could prevent duplication, but requires coordination between the agenda items. Adaptation action is a continuum, however, and sometimes the division between forward- and backward-looking can become blurred;

(c) Given the linkages and flexibilities, Parties could develop a single set of common high-level/framework guidance applicable to all communication vehicles (both the adaptation communication and the transparency framework). This could reduce burdens and meet multiple objectives without the need for multiple reports;

(d) Agenda item 4 could focus on adaptation communications, including as a component of NDCs, while agenda item 5 focuses on the enhanced transparency system;

(e) The main issue is not what is to be reported biennially, but what information is drawn from the reports to enable, for example, aggregating information for the global stocktake. This should include policies, measures, concerns and success stories.

(b) Linkages between mitigation and adaptation

56. With regard to linkages between mitigation and adaptation, the views expressed included the following:

(a) The Paris Agreement integrates mitigation and adaptation, which are often intertwined;

(b) Many adaptation actions have mitigation co-benefits. For example, planting mangroves can reduce impacts of sea level rise, but also provides new carbon dioxide (CO₂) sinks, new forests absorb CO₂ and prevent erosion;

(c) Co-benefits could be part of adaptation communications or the transparency framework, and be subjected to a review;

(d) Mitigation co-benefits of adaptation actions would be subject to tracking, while adaptation-only actions would not;

(e) Countries could communicate co-benefits as adaptation actions and resulting mitigation outcomes through the transparency framework (or other channels);

(f) It should be possible to report on adaptation outcomes of mitigation policies;

(g) The timing of reporting for mitigation and adaptation should recognize that they are linked due to the fact that adaptation needs are linked with levels of mitigation effort.

(c) Linkages with the global stocktake

57. With regard to linkages with the global stocktake, the views expressed included the following:

(a) Both the adaptation communications and the transparency framework will inform the global stocktake (as stipulated in decision 1/CP.21, para. 99(a)(ii));

(b) It would be useful to apply a biennial schedule of reporting to link with the global stocktake;

(c) The functions of the global stocktake, in particular the functions to review progress towards the global goal on adaptation and to recognize efforts, must inform the design of the transparency framework;

(d) Information requirements of the global stocktake are not clear yet, which is a challenge for work on APA agenda item 5. Coordination with work on APA agenda item 6 is required;

(e) Mitigation effects of adaptation actions are important for aggregating information for the global stocktake. Adaptation communications could identify, for example, the proportion of recovered pasture areas or water management co-benefits.

(d) Linkages with nationally determined contributions

58. With regard to linkages with NDCs, the views expressed included the following:

(a) Adaptation is a fundamental part of NDCs and should be included in reporting, but its inclusion is not mandatory;

(b) Many NDCs reflect adaptation components or undertakings, but a distinct mechanism for reporting is not in place;

(c) There is a need to consider how to address adaptation as a component of NDCs based on existing arrangements.

(e) Linkages with support-related issues

59. With regard to linkages with support-related issues, the views expressed included the following:

(a) An appropriate place needs to be found to address the transparency of adaptation support to ensure that the issue is addressed in a balanced and integrated way;

(b) Transparency of action and support cannot be divided. Limited capacity and adequacy of support are the main challenges, so provision of support is a fundamental requirement;

(c) A fully functioning Capacity-building Initiative for Transparency is a central component of the transparency framework because it institutionalizes action and support.

D. Technical session on information on financial, technology transfer and capacity-building support provided, needed and received under Articles 9–11 of the Paris Agreement

60. A co-facilitator, Mr. Rakestraw, opened the session and provided information on the mandate, an overview of the existing arrangements and ongoing negotiations relating to financial, technology transfer and capacity-building support provided, needed and received,

key messages from the submissions received from Parties,¹⁵ the organization of work and approach to the session.

61. The discussions, including ice-breaking interventions from two experts, a focused technical exercise, and plenary discussions responded to the questions below:

- (a) Support provided to developing country Parties under Articles 9, 10 and 11:
 - (i) What should be the specific components of the MPGs with respect to Article 13, paragraph 9?
 - (ii) With respect to reporting under Article 13, paragraph 9, how should the transparency framework build on and enhance the transparency arrangements under the Convention, recognizing that the transparency arrangements under the Convention shall form part of the experience drawn upon for the development of the MPGs?
 - (iii) With respect to the MPGs, how should flexibility for those developing countries that need it in the light of their capacities be operationalized?
 - (iv) What is the link between the transparency MPGs and the SBSTA agenda item on modalities for the accounting of financial resources provided and mobilized through public interventions in accordance with Article 9, paragraph 7, and other ongoing support-related discussions (e.g. the work of the SCF)?
- (b) Support needed and received by developing country Parties
 - (i) What should be the specific components of the MPGs with respect to Article 13, paragraph 10?
 - (ii) With respect to reporting under Article 13, paragraph 10, how should the transparency framework build on and enhance the transparency arrangements under the Convention, recognizing that the transparency arrangements under the Convention shall form part of the experience drawn upon for the development of the MPGs?
 - (iii) With respect to the MPGs, how should flexibility for those developing countries that need it in the light of their capacities be operationalized?
 - (iv) What is the link between the transparency MPGs and other ongoing discussion on support needed and received?

1. General considerations

62. With regard to the general considerations of the MPGs for financial, technology transfer and capacity-building support provided, needed and received, the views expressed included the following:

- (a) The MPGs should be in line with Article 13, paragraph 6, which states that the purpose of the transparency framework of support is to provide clarity on support provided and received by relevant individual Parties and to provide a full overview of aggregate financial support provided, to inform the global stocktake;
- (b) The SCF could play a role in providing a full overview of aggregate financial support provided, in particular through its biennial assessment and overview of climate finance flows;

¹⁵ As footnote 8 above.

(c) Information on support provided needs to be technically reviewed in time to inform the global stocktake;

(d) In the context of developing the MPGs, the principles of transparency, accuracy completeness, consistency and comparability are important, as is the need to avoid double counting;

(e) Given that many developing country NDCs include conditional components subject to international support, the MPGs should be designed to facilitate assessment of the alignment of support to the implementation of developing country NDCs.

2. Specific components for reporting

63. In the discussion on the specific components of the MPGs as they relate to information on financial, technology transfer and capacity-building support provided, needed and received under Articles 9, 10 and 11, the participants raised the following specific components:

(a) Financial support:

(i) Information on financial support provided and mobilized by developed country Parties and other Parties that provide support, consistent with the modalities for the accounting of financial resources provided and mobilized under 1/CP.21, paragraph 57;

(ii) Information on financial support received by developing country Parties, including the use, impact and estimated results thereof;

(iii) Information on financial support needed by developing country Parties;

(b) Technology development and transfer support:

(i) Information on technology transfer support provided and mobilized by developed country Parties and other Parties that provide support;

(ii) Information on technology transfer support received by developing country Parties, including the use, impact and estimated results thereof;

(iii) Information on technology transfer support needed by developing country Parties;

(c) Capacity-building support:

(i) Information on capacity-building support provided and mobilized by developed country Parties and other Parties that provide support;

(ii) Information on capacity-building support received by developing country Parties, including the use, impact and estimated result thereof;

(iii) Information on capacity-building support needed by developing country Parties.

3. Building on and enhancing the transparency arrangements under the Convention

64. With regard to building on and enhancing the transparency arrangements under the Convention in relation to support needed and received, the views expressed included the following:

(a) In providing clarity on support provided and support needed and received by relevant individual Parties, there is a need to build on and enhance the existing arrangements for the provision of information under the NCs, BRs and common tabular format tables, and BURs;

(b) The work of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention on this matter is considered important.

65. With regard to building on and enhancing the transparency arrangements under the Convention in relation to support provided and mobilized, the views expressed included the following:

(a) There is a need to reflect at a minimum the current reporting elements contained in the common tabular format tables (e.g. channels, amount, type, sector, status, financial instruments, recipients) in the transparency framework for support;

(b) Different ways to improve the existing reporting include the following:

(i) Identifying the gaps in the current format;

(ii) Further improving information on underlying assumptions and methodologies and institutional arrangements for reporting on climate finance provided;

(iii) Reaching a common understanding on what is reported as climate finance and new and additional finance;

(iv) Ensuring clarity and transparency with regard to what Parties report as climate finance and how they identify climate finance as being “new and additional”;

(v) Addressing the gap in information and data on financial resources mobilized through public interventions;

(vi) Considering specific reporting elements to enhance reporting on technology transfer and capacity-building support, building on existing elements such as the recipient country, programme or project title and description, targeted area and status.

66. With regard to support needed and received, the views expressed on how to progress the MPGs included the following:

(a) By developing a common reporting format;

(b) By identifying reporting elements such as:

(i) Information on underlying assumptions and methodologies;

(ii) Information on institutional arrangements;

(iii) Information on priorities and an expected time frame of support needs;

(iv) Information on the use, impact and estimated results of support received;

(v) Information on other parameters in line with support provided (e.g. activity, amount, type of support, status of support, financial instruments, sector).

67. With regard to support provided and received, participants underlined the usefulness of common tabular format tables, including in terms of:

(a) Enhancing consistency and comparability of information on support provided;

(b) Facilitating the comparison of information on support provided with information on support received.

4. Operationalization of flexibility

68. In the discussion on how flexibility can be operationalized for those developing countries that need it in the light of their capacities, the views expressed included the following:

(a) In developing the MPGs, it is important to recall provisions of the Paris Agreement that stipulate that developed country Parties shall provide information on financial, technology transfer and capacity-building support provided, and other Parties that provide support should provide information on financial, technology transfer and capacity-building support provided, while developing country Parties should provide information on financial, technology transfer and capacity-building support needed and received. These provisions already provide sufficient flexibility and the determination of the need for flexibility should be made by developing countries themselves rather than through the MPGs;

(b) The need to strike the right balance between the usability of the information and the burden of reporting, as well as the importance of ensuring accessibility of the reported information, is also important.

5. Other elements

69. During the discussions, there were references to other elements to be considered in the MPGs, including the following:

(a) Assessing the commensurability of support provided with the needs identified by developing country Parties, including a potential role for the SCF in compiling and centralizing information on the needs and priorities of developing country Parties;

(b) Incorporating the information to be communicated by developed country Parties under Article 9, paragraph 5, within the information to be provided under Article 13, paragraph 9, so that the indicative information on climate finance can be compared side by side with the financial needs communicated by developing countries and allow for the identification of opportunities to enhance ambition. However, some participants stated that this was not relevant to the MPGs under Article 13;

(c) Establishing mechanisms, including through the SCF, for measuring and reviewing the amounts, particularly net amounts, received by developing country Parties for the purposes of implementation of their NDCs.

6. Linkages

70. In the discussion on linkages, the views expressed included the following:

(a) The work of the APA on the development of MPGs should be informed by and avoid duplication of work with other workstreams within the Convention;

(b) There are potential overlaps with the work of the SBSTA on the development of modalities for the accounting of financial resources provided and mobilized by public interventions in accordance with Article 9, paragraph 7. In this regard, options to ensure coherence and avoid duplication of work include the possibility of a joint session between the SBSTA and the APA, the possibility of SBSTA concluding its work at SBSTA 48 (May 2018), the possibility of focusing discussions under the APA on support needed and received while the SBSTA continues its work, and/or the potential insertion of a placeholder in the draft text of the MPGs in relation to support provided until such time as the SBSTA completes its work;

(c) There are possible linkages between the development of MPGs for the transparency of support and the development of modalities and the identification of sources of inputs for the global stocktake;

(d) The key findings and recommendations on developed and developing country Parties' reporting contained in the 2016 biennial assessment and overview of climate finance flows¹⁶ is useful to the work of the APA. The in-session workshop on long-term climate finance¹⁷ was also mentioned as an important source of information on developing countries' needs, which can inform the development of the MPGs;

(e) There are possible linkages with the work of the Paris Committee on Capacity-building.

E. Technical session on the technical expert review

71. A co-facilitator, Mr. Gao, opened the session and provided information on the mandate, an overview of the existing arrangements, key messages from the submissions received from Parties,¹⁸ the organization of work and approach to the session.

72. The discussions, including ice-breaking interventions from two experts and plenary discussions, responded to the guiding questions referred to in paragraph 2 above as they relate to the TER process, namely:

(a) What should be the specific components of the MPGs for technical expert review?

(b) How could the experience and lessons learned from the existing TER/technical expert analysis inform the new MPGs, including such issues as: scope; timing; format; frequency; team composition; the role of lead reviewers/co-leads and the secretariat; and outputs?

(c) How should flexibility for those developing countries that need it in the light of their capacities be operationalized?

1. Specific components of the modalities, procedures and guidelines

73. In the discussion on the specific components of the MPGs as they relate to TER, the participants raised the following specific components:

- (a) Objectives and purpose of the TER;
- (b) Principles;
- (c) Scope;
- (d) Format;
- (e) Frequency;
- (f) Technical expert review team;
- (g) Output.

¹⁶ Annex to decision 8/CP.22.

¹⁷ Further information is available at http://unfccc.int/cooperation_support/financial_mechanism/long-term_finance/items/6814.php.

¹⁸ As footnote 8 above.

(a) Objectives and purpose of the technical expert review

74. With regard to the objectives and purpose of the TER, the views expressed included the following:

(a) The objective of the TER could be to increase the quality of reporting in accordance with the MPGs, to identify areas for improvement and to share best practices;

(b) The purpose of the TER is to provide input to the global stocktake and to provide information on global GHG emission trends.

(b) Principles

75. With regard to the principles, the views expressed included the following:

(a) The TER process should be facilitative, non-intrusive, non-punitive, respectful of national sovereignty and avoid placing undue burden on Parties and the secretariat;

(b) The TER process should aim to support Parties' continuous improvement in the quality of reporting, and the role of the expert review teams should be facilitative, aiming to resolve the issues raised during the review;

(c) The TER process could be based on the principles of transparency, accuracy completeness, consistency and comparability as well as taking into account best practices identified from experience;

(d) The level of rigorous in review should be balanced between the review of financial, technology and capacity-building support provided and review of mitigation actions;

(e) Support should be provided for experts from developing countries for their participation in the TER process.

(c) Scope

76. With regard to the scope, the views expressed included the following:

(a) The scope is prescribed in Article 13, paragraphs 11 and 12 where it states that the review shall identify areas of improvement for the Party, and include a review of the consistency of the information with the modalities, procedures and guidelines referred to in Article 13, paragraph 13, taking into account the flexibility accorded to the Party under Article 13, paragraph 2;

(b) The focus of the TER could be on significant issues, depending on the priorities and national circumstances of Parties. However, the determination of significance implies expert judgment and thus could lead to inconsistencies in review, and in this context expert judgment should be balanced and objective;

(c) Provisions on the review of confidential information should be addressed by the MPGs. Such provisions could be informed by the existing provisions on confidentiality in the existing review guidelines;

(d) Clarity in the MPGs on the TER is essential.

(d) Format

77. With regard to the format, the views expressed included the following:

(a) Based on the experience of the current review systems, desk reviews, centralized reviews and/or optional in-country reviews could be applied;

(b) The use of the desk review format should be considered carefully, as the successful completion of this type of review depends significantly on the motivation and competence of the expert review teams;

(c) In-country reviews have been helpful in building capacity in developed countries. This format of review could also be applied as an option for developing countries;

(d) A new format of centralized review, including regional group reviews, could be further explored where a group of Parties with similar national circumstances, development priorities or similar dominant sectors in their economies (e.g. agriculture, forestry and other land use, or energy) would be considered for a review. As well as serving a specific sectoral national capacity-building purpose, such regional groupings could be based around a common language.

(e) Frequency of technical expert review

78. With regard to the frequency of reviews, the views expressed included the following:

(a) The frequency of reviews should be no less than that applied in the current system;

(b) In the light of national circumstances and capacities, flexibility should be applied for frequency; however, the TER should be conducted for each Party at least every five years;

(c) The review frequencies should take into account the time needed for the implementation of the recommended improvements;

(d) The question was raised as to whether the frequency of the reviews should be nationally determined.

(f) Technical expert review team

79. With regard to the expert review team, the views expressed included the following:

(a) The TER team should be composed in such a way that it ensures a balanced representation of experts from developed and developing countries;

(b) There is a need for more experts to be nominated to the UNFCCC roster of experts and a need to update the roster with relevant competencies for reviews under the enhanced transparency framework;

(c) There is also a need for training of experts to enable them to contribute to the TER. The training for the expert review team reviewing national GHG inventories and BRs from Annex I Parties and the team of technical experts conducting technical analysis of BURs from non-Annex I Parties under the existing MRV system is ongoing and takes place on a regular basis. In preparing for the TER under the transparency framework, experts could be encouraged to take the training available.

(g) Output

80. With regard to the output, the views expressed included the following:

(a) The output of the TER would be a review report;

(b) The review report should include conclusions and recommendations for improvements. The report should be concise and focus on areas of improvements rather

than being limited to checking of completeness and transparency against the reporting guidelines;

(c) The timeline for the implementation of recommendations should reflect flexibility for those developing countries that need it in the light of their capacities;

(d) The review report should include highlights of the good or best practices at the national level that could be shared with the broader public. These highlights would enable collective learning by informing other Parties with similar national circumstances on how to address similar issues or challenges;

(e) Identification of capacity-building needs should be included in the review report. In this context, the linkage of reporting activities to support provided, including the capacity building support, should be recognized;

(f) The review reports could inform developing countries' proposals to the Capacity-building Initiative for Transparency. The review reports could also inform the Paris Committee on Capacity-building on the needs and initiatives of Parties.

2. Building on and enhancing the transparency arrangements under the Convention

81. In the discussion on how the MPGs for the TER should build on the existing arrangements under the Convention, the views expressed included the following:

(a) The TER will be a useful process as it serves as a channel for sharing experience and identifying best practices, and provides opportunities for building capacity at the national level. This is a tool with the potential to result in an improvement in the quality of reporting over time;

(b) The existing review system includes several review processes, including the technical reviews of GHG inventories, NCs and BRs of developed countries; the technical analysis of BURs of developing countries; and the technical review of forest reference levels under REDD-plus. These processes require a large number of competent experts and adequate secretariat support. It is important to be aware of the limitations of the current system in terms of available experts, secretariat support and financial resources. In this context and in the light of the increasing number of reviews under the new transparency framework, it is crucial to have a clear picture of the resource needs and relevant budgetary implications;

(c) The TER output should be streamlined and information in the reports should not simply be repeated;

(d) Interaction between the review teams and Parties is useful to build capacity and seek clarity;

(e) The secretariat, as the administrator of the review system, could share useful information on experience and lessons learned as well as possible improvements of the current review system;

(f) The timelines for the TER need consideration, especially for the preparation of TER reports. A short timeline is likely to lead to delays in preparing review reports and consequently would lead to limited time being available for Parties to incorporate the review teams' recommendations for improvements in their next submissions;

(g) Greater clarity in the review guidelines would facilitate the comparability and objectiveness of the TER process;

(h) The question was raised as to when and how the current system will be superseded by the transparency framework under the Paris Agreement and, in particular, what would be the timelines for transition, and what will be the implications for those

Parties that may not be Parties to the Paris Agreement. In this regard, views were expressed that the last report under the current MRV system will be submitted in the year 2022/2023, after which the transparency framework under the Paris Agreement could be initiated.

3. Operationalization of flexibility

82. In the discussion on how flexibility can be operationalized for those developing countries that need it in the light of their capacities, the views expressed included the following:

- (a) Flexibility should be applied in relation to national capacities and capabilities since capacities vary between countries regarding personnel, data collection systems, domestic MRV arrangements, etc.;
- (b) Flexibility could be applied in terms of review format and review frequency;
- (c) The question was raised as to whether all information that is reported should be subject to review and whether all Parties would undergo the review;
- (d) Developing country Parties should decide themselves about the frequency and format of the review, taking into account national capacities and support provided;
- (e) The technical expert review process itself can build developing countries' capacities, and flexibility should not prevent developing countries from taking advantage of this capacity-building opportunity.

F. Technical session on facilitative, multilateral consideration of progress

83. A co-facilitator, Mr. Gao, opened the session and provided information on the mandate, an overview of the existing arrangements, key messages from the submissions received from Parties,¹⁹ the organization of work and approach to the session.

84. The discussions, including ice-breaking interventions from two experts and plenary discussions, responded to the guiding questions referred to in paragraph 2 above as they relate to the FMCP, namely:

- (a) What should be the specific components of the MPGs for FMCP?
- (b) How could the experience and lessons learned from the existing multilateral assessment (MA) and facilitative sharing of views (FSV) processes inform the new MPGs, including such issues as the timing and procedures for different phases of the process, inputs and outputs, and format?
- (c) How should flexibility for those developing countries that need it in the light of their capacities be operationalized?

1. Specific components of the modalities, procedures and guidelines

85. In the discussion on the specific components of the MPGs for FMCP, the participants raised the following specific components:

- (a) Objectives and purpose of FMCP;
- (b) Scope;
- (c) Frequency and timing;

¹⁹ See footnote 8 above.

- (d) Input;
- (e) Procedures;
- (f) Outputs.

(a) Objectives and purpose of facilitative, multilateral consideration of progress

86. With regard to objectives and purpose, the views expressed included the following:

(a) FMCP should be a trust-building exercise, which enhances mutual understanding and learning and facilitates the continuous improvement of reporting with respect to efforts under Article 9 and the respective implementation and achievement of NDCs;

(b) FMCP should enhance mutual understanding of actions under Article 9 and Parties' respective implementation of NDCs under Article 4;

(c) FMCP can help promote international cooperation.

(b) Scope

87. With regard to scope, the views expressed included the following:

(a) FMCP should provide space for sharing experience, especially on effective climate action, showcasing Parties' efforts and success stories, and supporting better understanding of climate action implementation and achievements of the relevant targets;

(b) The discussions under FMCP will be held around a Party's climate "efforts"; therefore, the scope is broader than that of the TER.

(c) Frequency and timing

88. With regard to frequency and timing, the views expressed included the following:

(a) Defining the frequency of FMCP should take into account, among other issues, the relevance of the information and resource constraints of the Parties undergoing the FMCP. Participants noted that the preparation for the process is resource-intensive for the Parties undergoing multilateral consideration;

(b) The FMCP process should be conducted within a year after the submission of reports to avoid the information provided in the reports being outdated;

(c) The timespan of FMCP could be challenging in the sense that the process has to accommodate more Parties than in the current system;

(d) A question was raised about the sequencing of TER and FMCP. Participants noted that the TER and FMCP have different purposes: the TER provides technical details in the review reports and is oriented towards technical experts and academia, while FMCP focuses on climate actions and Parties' efforts and is oriented towards policymakers. Therefore, the TER and FMCP could be conducted in parallel.

(d) Input

89. With regard to the inputs, the view was expressed that the report capturing the outcomes of technical expert review could constitute an input to the FMCP.

(e) Procedures

90. With regard to the procedures, the views expressed included the following:

(a) The MPGs on FMCP should be procedural, without being prescriptive and too many technical details, including procedural guidance to the secretariat. The preparation of these MPGs should not depend on the advancement of the work under the other negotiating groups;

(b) There should be a question and answer phase. The existing FSV and MA processes have benefited from the written and oral exchange of questions and answers among peer Parties. The process has facilitated cooperation among members of national teams and created trust among the Parties. It would be helpful to make the answers provided by Parties publicly available and to set clear deadlines for the submission of questions and answers (this is not done in the current FSV practice) in preparation for FMCP;

(c) Key guidance around a communication protocol and the parameters of questions and discussions would support preparation and would instil a sense of confidence in participants;

(d) It would be helpful for the broader public to have access to the presentation, not only through online webcast but also as a separate online resource;

(e) A round-table setting would facilitate in-person interactions better than a plenary setting;

(f) In the light of the limited time (about 30 minutes) allocated to each Party in the current FSV and MA process, other options – including the use of online tools (such as webinars) – could be explored, while bearing in mind the benefit of in-person interaction, which is essential for an efficient dialogue. In considering the use of such tools, factors such as the varying time zones, and purpose and the audience of the process should be taken into account.

(f) Output

91. With regard to the outputs, the view was expressed that the output of the FMCP could be a procedural record capturing the proceedings of the session as well as a brief summary of questions and answers raised during the process.

2. Building on and enhancing the transparency arrangements under the Convention

92. With regard to building on and enhancing the transparency arrangements under the Convention, the views expressed included the following:

(a) The FMCP could be seen as an analogue to the existing FSV and MA processes, covering similar steps and maintaining multilateral communication among policymakers' peers;

(b) The success of FMCP requires all Parties to be fully engaged throughout the entire process, including reading submissions and review reports, formulating questions based on these reports to the Parties and participating in oral discussions during the multilateral consideration process.

3. Operationalization of flexibility

93. With regard to flexibility for those developing countries that need it in the light of their capacities, the views expressed included the following: some Parties may determine for themselves when they would participate in the FMCP process and that participation would be dependent on support received as defined in Article 11.

94. There is a need for flexibility in implementing the FMCP given the large number of Parties (more than 100) going through the process, in order to improve its efficiency.

95. Flexibility could be operationalized through the following:

- (a) Grouping Parties by the amount of national GHG emissions. Parties below a certain threshold of national GHG emissions would undergo FMCP less frequently;
- (b) Grouping Parties based on other criteria.

G. Technical session on other elements to be considered in the development of the modalities, procedures and guidelines, including, inter alia, those identified in decision 1/CP.21, paragraphs 92–96

96. This session was facilitated by Mr. Rakestraw. He opened the session by providing information on the mandate, key messages from the submissions received from Parties,²⁰ the organization of work and approach to the session. The discussions, including ice-breaking interventions from two experts and plenary discussions, responded to the following guiding questions:

- (a) How should the elements identified decision 1/CP.21, in paragraphs 92–96, be considered in the development of the MPGs?
- (b) What other elements should be considered in the development of the MPGs?
- (c) Over the past two days participants have discussed how certain work programmes are interlinked with the MPGs on transparency. Are there any other work programmes that are interlinked that have not yet been raised?

1. Elements contained in decision 1/CP.21, paragraphs 92–96

97. With regard to the elements contained in decision 1/CP.21, paragraphs 92–96, the views expressed included the following:

- (a) Decision 1/CP.21, paragraphs 92–96, contains aspects that have already been covered in Article 13, as well as some new elements;
- (b) A number of elements need to be considered in the development of the MPGs. Improvement in reporting over time is one such element. In this regard, built-in flexibility is needed for the MPGs to provide both an entry point for different levels of capacity and a pathway for improvement over time. In addition, the TER and FMCP should be designed to be constructive and facilitative in order to support, recognize and promote improvement in reporting over time.

98. With regard to flexibility to those developing countries that need it in the light of their capacities, the views expressed included the following:

- (a) It was recognized as an essential element in developing the MPGs;
- (b) The Paris Agreement already defines various types of flexibility that allow for organic improvement and growth by Parties, and therefore, flexibility embedded in detail in the MPGs should be avoided;
- (c) Flexibility needs to be designed within specific reporting items, such as the range of gases in GHG inventories, but may not be relevant in ‘should’ provisions which, by nature, are already flexible.

99. With regard to avoiding undue burdens on Parties, experts and the secretariat, the views expressed included the following:

²⁰ See footnote 8 above.

- (a) Reporting and reviewing the same information more than once should be avoided;
- (b) Common tabular format tables should be used to help reduce burden and at the same time promote the transparency, accuracy completeness, consistency and comparability of information;
- (c) Web platforms should be used to facilitate the reporting, review and multilateral consideration process;
- (d) Succinct reports that could also be used to inform domestic policymaking should be provided;
- (e) The value addition of review reports to avoid summarizing information already included in the national reports should be explored, so that the review reports are not only useful for the UNFCCC process, but also inform the national stakeholders;
- (f) The capacities of the system and resources needed to run the process should be taken into account in developing the MPGs.

100. With regard to the elements outlined in decision 1/CP.21, paragraph 92, the views expressed included the following:

- (a) Some elements, such as avoiding double counting, should be the guiding principles for developing the MPGs on transparency of support;
- (b) While acknowledging that elements, such as avoiding double counting and ensuring flexibility are relevant and useful, there is a need to exercise caution in how they are being considered as the degree of applicability and relevance may differ for the transparency of action and the transparency of support;
- (c) The principles of transparency, accuracy completeness, consistency and comparability, in particular consistency and comparability should guide Parties' reporting on adaptation action and planning, including support for adaptation, as well as reporting on the social and economic consequences of response measures.

101. With regard to the elements outlined in decision 1/CP.21, paragraphs 94 and 95, the views expressed included the following:

- (a) Reporting on support provided for adaptation should be considered in developing the MPGs;
- (b) Reporting on the social and economic consequences of response measures should be considered in developing the MPGs;
- (c) Enhancement in reporting on support provided should underline the progress made under Article 9, including progression in mobilization of climate finance under Article 9, paragraph 3, the provision of scaled-up financial resources taking into account country-driven strategies, the priorities and needs of developing country Parties under Article 9, paragraph 4, as well as the ongoing process of mobilization of resources through public intervention;
- (d) The MPGs should be designed to enable tracking of support from the source to the end use, including the recipient of resources and the transaction cost involved, in order to assess the impacts of the use of these resources;
- (e) There is a lack of clear understanding on how information in the biennial assessment and other reports of the SCF and other relevant bodies under the Convention could inform the development of the MPGs;

(f) Using information from outside institutions involved risks, so caution should be exercised in the use of such information in developing the MPGs;

(g) There is a practical challenge in ensuring consistency between the methodology communicated in the NDCs and the methodology for reporting on progress made towards achieving the NDCs, and this should be taken into account in developing the MPGs;

(h) It is critical to enhance the transparency of support provided in developing the MPGs, as stipulated in decision 1/CP.21, paragraph 95.

2. Other elements to be considered in developing the modalities, procedures and guidelines

102. With regard to the other elements that should be considered in developing the MPGs, that do not pertain to decision 1/CP.21, paragraphs 92–96, the views expressed included the following:

(a) According to decision 1/CP.21, paragraph 98, the MPGs shall eventually supersede the MRV arrangement established by decisions 1/CP.16 and 2/CP.17;

(b) The timing of transiting from the existing MRV arrangement to the enhanced transparency framework under the Paris Agreement needs to be carefully considered. Specifically, the dates of the last report submitted under the current system and first report submitted under the new system should be specified in the COP decision that adopts the MPGs;

(c) The MPGs and the enhanced transparency should be in place in time to provide the aggregate information required as input to the global stocktake;

(d) The stipulation that the MPGs will eventually supersede the existing MRV system indicates that the supersession will not be immediate, which implies that there will be time to develop the MPGs;

(e) The MPGs should be developed in a manner that is clear, specific and user-friendly;

(f) Article 13, paragraph 6, stipulates that the purpose of the transparency framework is, inter alia, to provide a full overview of aggregate financial support provided, to inform the global stocktake. In this context, financial support provided under Article 5 with respect to forests, and under Article 8, paragraph 3, with respect to loss and damage, should be considered in developing the MPGs;

(g) The engagement of Parties is essential, and therefore the MPGs should include modalities of participation by Parties.

3. Interlinkages with other work programmes

103. With regard to interlinkages with other work programmes, the views expressed included the following:

(a) The interlinkages identified indicate that other areas of work of the APA and other bodies will have implications on the development of the MPGs for the transparency framework;

(b) Other areas of work under the APA such as that on the global stocktake may depend on inputs from the work on the transparency framework. There may also be possible linkage with facilitating implementation and compliance;

(c) Options to ensure coherence and avoid duplication of work include the joint sessions between the other bodies and the APA, other bodies concluding their work prior to COP 24, a clear division of the work between the APA and the other bodies, and the potential insertion of a placeholder in the draft text of the MPGs;

(d) The interlinkage between paragraphs 92–96 of decision 1/CP.21 provides another dimension to the interlinkages that should be considered in developing the MPGs;

(e) Duplication should be avoided in conducting parallel work under different work programmes.

IV. Closing of the session

104. In closing, the APA Co-Chairs thanked the participants for their active engagement in the discussions over the three days, and for their great support in ensuring the successful completion of the first APA intersessional workshop. They confirmed that they would issue a report reflecting the range of views expressed by participants during the workshop, to be published prior to the resumed session of the APA in May 2017.

Annex

Agenda of the APA intersessional workshop on agenda item 5: modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement

Venue: AMERON Hotel Königshof, Adenauerallee 9, 53111 Bonn, Germany, 16–18 March 2017

Date and time	Session
Day 1: 16 March 2017, Thursday	
<i>Morning session</i> 0900 – 0930	<ul style="list-style-type: none"> Opening – statements by the APA Co-Chairs
<i>Morning session</i> 0930 – 1300 with tea/coffee break from 1100-1130	<ul style="list-style-type: none"> National inventory report of anthropogenic emissions by sources and removals by sinks of greenhouse gases, prepared using good practice methodologies accepted by the IPCC and agreed upon by the CMA*
<i>Afternoon session</i> 1430 – 1800 with tea/coffee break from 1530 – 16:00	<ul style="list-style-type: none"> Information necessary to track progress made in implementing and achieving nationally determined contribution under Article 4*
Day 2 - 17 March 2017, Friday	
<i>Morning session</i> 0900 – 1230 with tea/coffee break from 1100-1130	<ul style="list-style-type: none"> Information related to climate change impacts and adaptation under Article 7, as appropriate*
<i>Afternoon session</i> 1430 – 1800 with tea/coffee break from 1530 – 1600	<ul style="list-style-type: none"> Information on financial, technology transfer and capacity-building support provided to developing country Parties under Articles 9, 10 and 11* Information on financial, technology transfer and capacity-building support needed and received under Articles 9, 10 and 11*
Day 3: 18 March 2017, Saturday	
<i>Morning session</i> 0900 – 1230 with tea/coffee break from 1100-1130	<ul style="list-style-type: none"> Technical expert review* Facilitative, multilateral consideration of progress*
<i>Afternoon session</i> 1430 – 1630 1630-1730	<ul style="list-style-type: none"> Other elements to be considered in the development of the MPGs including, inter alia, those identified in paragraph 92-96 of decision 1/CP.21 Tea/coffee Wrap-up Closing remarks by the APA Co-Chairs

* Discussions will centre on three of the four questions listed in paragraph 23 of document FCCC/APA/2016/4 containing the report of the Ad Hoc Working Group on the Paris Agreement on the second part of its first session, held in Marrakech from 7 to 14 November 2017. These questions are:

- *What should be the specific components of the modalities, procedures and guidelines (MPGs)?*
- *How should the transparency framework build on and enhance the transparency arrangements under the Convention, recognizing that the transparency arrangements under the Convention shall form part of the experience drawn upon for the development of the MPGs?*
- *With respect to the MPGs, how should flexibility for those developing countries that need it in the light of their capacities be operationalized?*