



Australian Government

Department of Climate Change, Energy,  
the Environment and Water

# Initial Report: Potential Challenges in Addressing Elements Related to Participation Responsibilities

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# Guiding Questions

- 1. What are the potential challenges Parties may face in addressing reporting elements in relation to participation (para. 18(a))?**
- 2. What kind of capacity-building would support compliance with the reporting requirements in relation to participation?**
- 3. What institutional set-up would support the successful submission of the initial report?**
- 4. What information can support an understanding of how participation contributes to the implementation of the Party's NDC and its long-term low-emission development strategy, if it has submitted one, and the long-term goals of the Paris Agreement?**

# Initial Report: Participation responsibilities

**The initial report should demonstrate that the participating Party fulfils the participation responsibilities referred to in chapter II of the annex of decision 2/CMA.3**

3. Each Party participating in a cooperative approach that involves the use of ITMOs (hereinafter referred as a participating Party) shall ensure that its participation in the cooperative approach and the authorization, transfer and use of ITMOs is consistent with this guidance and relevant decisions of the CMA and that it applies this guidance to all corresponding adjustments and cooperative approaches in which it participates.

4. Each participating Party shall ensure that:

- (a) It is a **Party to the Paris Agreement**;
- (b) It has **prepared, communicated and is maintaining an NDC** in accordance with Article 4, paragraph 2;
- (c) It has **arrangements** in place for **authorizing the use of ITMOs towards achievement of NDCs** pursuant to Article 6, paragraph 3;
- (d) It has **arrangements** in place that are consistent with this guidance and relevant decisions of the CMA for **tracking ITMOs**;
- (e) It has **provided the most recent national inventory report** required in accordance with decision 18/CMA.1;
- (f) Its **participation contributes to the implementation of its NDC and long-term low-emission development strategy, if it has submitted one, and the long-term goals of the Paris Agreement.**

# Question 1

**What are the potential challenges Parties may face in addressing reporting elements in relation to participation (para. 18(a))?**

- Determining the **level of detail** that should be reported
- Establishing suitable **institutional arrangements**
  - **Designating responsibility** for reporting;
  - **Sourcing data** and information required; and
  - **Coordinating** with partner countries.

# Question 3

**What institutional set-up would support the successful submission of the initial report?**

- **Best-practice** institutional arrangements will be **country-specific**, and should be **robust, streamlined** (where possible) and facilitate **transparency**.
- Parties will need to **consider the regulatory, technical and policy framework needed** to:
  - **Coordinate** across **different agencies**, levels of government and with **partner countries** to ensure reporting alignment;
  - Ensure Parties can **source required information**, including from non-government entities; and
  - **Facilitate the technical process** of reporting i.e. digital infrastructure.

# Question 2

**What kind of capacity-building would support compliance with the reporting requirements in relation to participation?**

## **Capacity building**

- **Illustrative elements** of information with **example** text
- Guidance on **reporting processes** and corresponding **institutional arrangements**
  - Exercises to **trial reporting**
  - Knowledge and **information exchange** programs

## **Mode of delivery**

- **Country/regional-specific** guidance
- **Coordinated** with **regional bodies** and institutions

# Illustrative elements of information with example text

- Secretariat to develop a manual containing illustrative elements of information to assist Parties in understanding how they report.
- Suggested illustrative elements are a useful starting point for our discussions but further work is needed to clarify and elaborate some of the options. For example: Section 1.B. below.<sup>1</sup>

## **I. Participation responsibilities**

### **B. Information in relation to the Party's fulfilment of its responsibility to ensure that it has prepared, communicated and is maintaining an NDC in accordance with Article 4, paragraph 2 (para. 18(a), para. 4(b), to be updated by para. 21(a))**

*[Illustrative elements of information Party may wish to provide:*

- An **extract** of and a link to its most recent NDC in the NDC Registry or attaches the NDC to its report. The Party also declares that it is continuing to implement its NDC.]

*[Illustrative elements of information Party may wish to provide:*

- Link to the latest NDC in the NDC Registry.]

# Question 2

What kind of capacity-building would support compliance with the reporting requirements in relation to participation?

## Capacity building

- **Illustrative elements** of information with **example** text
- Guidance on **reporting processes** and corresponding **institutional arrangements**
  - Exercises to **trial reporting**
  - Knowledge and **information exchange** programs

## Mode of delivery

- **Country/regional-specific** guidance
- **Coordinated** with **regional bodies** and institutions



# Question 4

**What information can support an understanding of how participation contributes to the implementation of the Party's NDC and its long-term low-emission development strategy, if it has submitted one, and the long-term goals of the Paris Agreement?**

- Parties need to consider how cooperative approaches contribute to NDC implementation; LT-LEDS and the Paris goals **prior** to engaging in Article 6.
- Information is needed to help Parties develop a strategy for Article 6 engagement that considers what **participation means in practice**. Resources could support Parties to:
  - **Understand their emissions profile and national circumstances** to identify how mitigation outcomes can **enhance ambition**, and **contribute to, and complement other policies**; and
  - Undertake periodic reviews to **evaluate the progressive impact of mitigation outcomes** on NDC implementation, LT-LEDS and long-term Paris goals.



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