

DRAFT

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Record of the facilitative sharing of views at the fifty-ninth session of the Subsidiary Body for Implementation: Papua New Guinea

Note by the secretariat

Abbreviations and acronyms

AFOLU	agriculture, forestry and other land use
BUR	biennial update report
CO ₂ eq	carbon dioxide equivalent
COP	Conference of the Parties
ETF	enhanced transparency framework under the Paris Agreement
FSV	facilitative sharing of views
GHG	greenhouse gas
ICA	international consultation and analysis
LULUCF	land use, land-use change and forestry
MRV	measurement, reporting and verification
NDC	nationally determined contribution
non-Annex I Party	Party not included in Annex I to the Convention
REDD+	reducing emissions from deforestation; reducing emissions from forest degradation; conservation of forest carbon stocks; sustainable management of forests; and enhancement of forest carbon stocks (decision 1/CP.16, para. 70)
SBI	Subsidiary Body for Implementation

I. Background and mandate

1. COP 16 decided that ICA of BURs from non-Annex I Parties would be conducted under the SBI in a manner that is non-intrusive, non-punitive and respectful of national sovereignty, with the aim of increasing the transparency of mitigation actions and their effects reported by those Parties.¹

2. COP 17 adopted the ICA modalities and guidelines,² according to which the ICA process consists of two steps: technical analysis of non-Annex I Parties' BURs by teams of

¹ Decision 1/CP.16, para. 63.

² Decision 2/CP.17, annex IV.

technical experts, resulting in a summary report for each Party; and FSV, to which the BURs and summary reports serve as input.³

3. Pursuant to the ICA modalities and guidelines, the fifteenth FSV workshop was convened at SBI 59 from 3 to 4 December 2023 in the United Arab Emirates for the following 14 non-Annex I Parties for which there was a BUR and final summary report⁴ by 15 September 2023: Albania, Burundi, Colombia, Eritrea, Honduras, Israel, Lebanon, Malawi, Pakistan, Papua New Guinea, Suriname, Trinidad and Tobago, Uruguay and Vanuatu. The workshop was open to all Parties.

4. The workshop, chaired by the SBI Vice-Chair, Gonzalo Guaiquil, comprised three three-hour sessions.

5. As one of the participating Parties, Papua New Guinea received 11 written questions in advance of the FSV workshop⁵ from Australia, the European Union, Japan, New Zealand, the United Kingdom of Great Britain and Northern Ireland and the United States of America and addressed them via the FSV portal. This FSV record for Papua New Guinea summarizes the proceedings and, together with the summary report on the technical analysis of its second BUR,⁶ constitutes the outcome of the second round of ICA for the Party.

II. Summary of proceedings

6. On 3 December 2023 Papua New Guinea made a brief presentation on its second BUR. The Party noted that it had submitted a REDD+ technical annex on a voluntary basis in conjunction with the second BUR in accordance with decision 14/CP.19. The presentation was followed by a question and answer session.

7. Papua New Guinea was represented by Debra Sungi from the Climate Change and Development Authority.

8. Papua New Guinea presented an overview of its national circumstances and institutional arrangements, national inventory of anthropogenic emissions by sources and removals by sinks of all GHGs not controlled by the Montreal Protocol, mitigation actions and their effects, support needed and received, and preparations at the national level for implementing the ETF.

9. Papua New Guinea highlighted that it is a net sink country and that its total GHG removals in 2017 were 1,958 Gg CO₂ eq and decreased between 2000 and 2017 by 83.3 per cent with emissions and removals from LULUCF. Without emissions and removals from LULUCF, emissions increased between 2000 and 2017 by 33.7 per cent, owing mainly to the energy sector. The Party explained that the main drivers of the change in the emission trend were deforestation and forest degradation.

10. Papua New Guinea presented its updated (2020) NDC targets under the Paris Agreement, which are to achieve, by 2030, net zero carbon emissions in the energy sector and a cumulative 10,000 Gg CO₂ eq reduction in GHG emissions in the LULUCF sector compared with the 2015 level. The Party has also a long-term goal to be carbon neutral by 2050. Papua New Guinea also presented key policies and measures for achieving its NDC targets, including increasing renewable energy use in the energy mix, improving energy efficiency and offsetting fossil fuel use by energy industries through nature-based solutions. Initiatives specific to the AFOLU sector include enhancing land-use planning, promoting climate-friendly agriculture, enforcing legislation relating to timber production, implementing the national REDD+ programme, and carrying out planting initiatives (such as Operation Painim Graun na Planim Diwai, the aim of which is to plant 10 million trees). In addition, the Party presented information on eight registered clean development mechanism projects (one on geothermal energy and seven on methane capture) and the results of the

³ Decision 2/CP.17, annex IV, para. 3.

⁴ The BURs and summary reports for each ICA cycle are available at <u>https://unfccc.int/BURs</u> and <u>https://unfccc.int/ICA-reports</u> respectively.

⁵ As per decision 2/CP.17, annex IV, para. 6.

⁶ FCCC/SBI/ICA/2022/TASR.2/PNG.

REDD+ programme, under which a 61,341.16 Gg CO₂ eq reduction in emissions from deforestation and forest degradation was achieved between 2016 and 2018.

11. Furthermore, Papua New Guinea provided information on support needed and received, and capacity-building needs. Regarding finance, an estimated USD 1 billion is needed by the Party in order for it to achieve its NDC targets by 2030. The Party highlighted that it needs technology support for the energy sector, an emission monitoring system for the AFOLU sector and climate-resilient infrastructure for transportation. Technical and capacity-building needs span the development of sectoral policies, monitoring and evaluation of climate actions, impact assessment of adaptation and mitigation actions, and preparation of the GHG inventory. Between 2017 and 2022, Papua New Guinea received a climate finance to a total of USD 156.8 million, supporting the implementation of 26 projects: 8 adaptation, 6 mitigation, 4 MRV and 8 cross-cutting projects. Papua New Guinea presented the establishment of two sub-technical working committees, for energy and AFOLU, as one of the main improvements since its previous BUR.

12. Papua New Guinea presented information on its current initiatives for enhancing its institutional arrangements for compliance with requirements under the ETF. The initiatives relate to the development of an ETF road map specifically for the AFOLU sector and a comprehensive national GHG inventory improvement plan. In addition, the Party has launched a national adaptation plan, which will guide its reporting on adaptation actions. Efforts are under way to secure funding for phase II of the Party's Capacity-building Initiative for Transparency project funded by the Global Environment Facility. Moreover, experts from Papua New Guinea are participating in ETF-related training and workshops, enhancing their capacity to effectively implement the ETF.

13. Following the presentation, the following Parties made interventions commending Papua New Guinea on its efforts and asked questions seeking further clarification: Canada, China, Cook Islands, European Union, India, Japan, New Zealand, Samoa, Tonga and United Kingdom.

14. Questions on the GHG inventory related to the fluctuations in carbon sink values between 2015 and 2017; the development of a data-collection framework for energy use and emissions; the harmonization of stakeholder data for use in GHG inventories; challenges related to data availability and the absence of a national data management policy; and the priorities and capacity-building needs to be included in the national GHG inventory improvement plan.

15. In response, Papua New Guinea explained that Government policies promoting agriculture, leading to increased deforestation and forest degradation, influenced net emissions, particularly those from the LULUCF sector, thus producing fluctuations. Subsequent policy changes helped reduce emissions. Regarding the data-collection framework for the energy sector, Papua New Guinea plans to transition from using international to country-specific data, and to focus on obtaining energy supply data and sector-specific information. The data acquisition methods include conducting site visits, cross-checking data from national and international sources, and applying expert judgment, especially when domestic data are scarce or unreliable. The absence of a data management policy has led to a lack of historical records held by agencies, but efforts are now under way to ensure regular data collection and improve institutional memory, particularly for the forestry and energy sectors. The national GHG inventory improvement plan prioritizes completeness and accuracy of inventory information and data, as well as reporting on all sectors and categories in addition to transitioning from using international to country-specific data. Capacity-building for GHG inventory preparation is needed to meet ETF requirements.

16. Questions on mitigation actions and their effects related to progress towards achieving the Party's ambitious target of transitioning to 78 per cent renewable energy by 2030 from the 30 per cent level in 2015; and the Government's strategy for reducing deforestation while enhancing reforestation efforts.

17. In response, Papua New Guinea explained that since 2022 there has been little progress towards achieving its renewable energy target under its NDC owing to a lack of funding for project implementation. Regarding deforestation and reforestation, in the early 2000s, the Government introduced a policy to boost participation in agriculture. This policy

led to the conversion of forest land to cropland; however, it was halted in 2005–2006, and by 2017, the country had become a net sink.

18. Questions on constraints and gaps, and related needs pertained to the methods Papua New Guinea is employing to finance projects relevant to achieving its renewable energy target; and the type of capacity-building support the Party has prioritized for future development, particularly in the light of lessons learned from past support accessed.

19. In response, Papua New Guinea explained that in pursuing its ambitious renewable energy target, it is focusing on private sector collaboration and on ensuring that robust institutional, legal and policy frameworks that facilitate partnerships are in place. In addition, through amendments to its Climate Change (Management) Act, it is leveraging and facilitating international cooperation projects to generate revenue to meet renewable energy goals. Regarding capacity-building support, the Party prioritizes the institutionalization of processes and development of expert capacity within state agencies relating to data collection and inventory reporting, aiming for sustainability in biennial transparency report preparation.

20. Other questions related to Papua New Guinea's experience as a small island developing State in managing institutional arrangements for climate action; its MRV practices and capacity constraints in the AFOLU sector; and the lessons it has learned during the transition from BURs to biennial transparency reports. In response, Papua New Guinea explained that it has focused on institutionalizing its climate action framework under the Climate Change and Development Authority, enhancing in-house capacity and sector-specific expertise for data collection and reporting. Regarding MRV in the AFOLU sector, the Party explained that it primarily implements REDD+ activities, collaborating with the forestry sector to obtain activity data related to land use and forestry assessments. The Party also explained that its transition to the ETF involves securing phase II support from the Capacity-building Initiative for Transparency as well as implementing relevant plans, such as the national GHG inventory improvement plan and the ETF road map for the AFOLU sector.

21. The presentation and subsequent interventions are accessible via the webcast of the workshop.⁷

22. In closing the workshop, the SBI Vice-Chair congratulated Papua New Guinea for successfully undergoing FSV and completing the second round of the ICA process. He thanked Papua New Guinea and all other participating Parties for engaging in the workshop in a facilitative manner. He also thanked the secretariat for its support.

⁷ Available at <u>https://unfccc.int/event/fifteenth-facilitative-sharing-of-views-fsv-workshop-under-the-international-consultation-and</u>.