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Record of the facilitative sharing of views at the sixty-first session of the Subsidiary Body for Implementation: Chile

Note by the secretariat

Abbreviations and acronyms

BUR biennial update report

CO₂ carbon dioxide

CO₂ 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
NDC nationally determined contribution

non-Annex I Party Party not included in Annex I to the Convention

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 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 seventeenth FSV workshop was convened at SBI 61 on 15 November 2024 in Baku for the following four non-Annex I Parties for which there was a BUR and final summary report⁴ by 10 October 2024: Chile, Guatemala, Kyrgyzstan and Peru.

¹ Decision <u>1/CP.16</u>, para. 63.

² Decision <u>2/CP.17</u>, annex IV.

³ Decision <u>2/CP.17</u>, annex IV, para. 3.

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

- 4. The three-hour workshop was chaired by the SBI Vice-Chair, Gonzalo Guayaquil, and was open to all Parties.
- 5. As one of the participating Parties, Chile received 12 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 Chile summarizes the proceedings and, together with the summary report on the technical analysis of its fifth BUR,⁶ constitutes the outcome of the fifth round of ICA for the Party.

II. Summary of proceedings

- 6. On 15 November 2024 Chile made a brief presentation on its fifth BUR. The presentation was followed by a question and answer session.
- 7. Chile was represented by Camila Labarca from the Mitigation and Transparency Department of the Climate Change Division of the Ministry of the Environment.
- 8. Chile 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. Chile highlighted that its total GHG emissions in 2020 were 105,551.91 Gg CO₂ eq excluding LULUCF and 55,824.52 Gg CO₂ eq including LULUCF, which increased between 1990 and 2020 by 116.2 per cent without emissions and removals from LULUCF and by 428.5 per cent with emissions and removals from LULUCF, owing mainly to the energy sector, and energy industries and transport in particular. The Party explained that the LULUCF sector also contributed significantly to the emission trends, noting that emissions from the sector peaked in 2017 owing to forest fires. As an improvement since previous BURs, Chile made changes to the methodology for estimating LULUCF emissions and reported projections of GHG emissions and removals for the first time.
- 10. Chile presented its NDC target under the Paris Agreement, submitted in 2020, which is to not exceed an accumulated GHG emission budget of 1,100 Mt $\rm CO_2$ eq between 2020 and 2030, with GHG emissions excluding LULUCF to peak in 2025, and reduce emissions to a level of 95 Mt $\rm CO_2$ eq in 2030. The Party also has a long-term goal to achieve carbon neutrality by 2050. Chile presented key policies and measures for achieving its NDC target and outlined comprehensive mitigation actions across multiple sectors.
- 11. The Ministry of Energy oversees 30 actions in the energy sector, which relate to, inter alia, the adoption of renewable energy and energy efficiency technologies, and energy performance certifications, with the National Energy Policy 2050 projected to reduce emissions by 54,000 kt CO₂ eq by 2050 compared with the 2018 level. In mining, 20 actions focus on renewable energy and efficiency in extraction processes, with the sustainability goals of Codelco, a copper corporation, expected to have the largest impact. Forest and land management projects implemented by the Ministry of Agriculture have achieved significant emission reductions in the agriculture and LULUCF sector, including emission reductions of 2,620 kt CO₂ through sustainable land management. Actions in the housing sector, which falls under the Ministry of Housing and Urban Planning, emphasize energy-efficient construction, urban greenery and waste management. Additional measures include cross-sectoral actions implemented by various public entities and measures aimed at promoting circular economy road maps, reducing hydrofluorocarbon emissions and developing green hydrogen.
- 12. Furthermore, Chile provided information on support needed and received, and capacity-building needs. Chile identified gaps and constraints related to financial, technical and capacity-building needs, particularly at the subnational level, linked to improving its

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

⁶ FCCC/SBI/ICA/2023/TASR.5/CHL.

measurement, reporting and verification system and gathering information on mitigation actions. Most of the identified needs relate to mitigation. In 2020–2022, Chile received USD 36,166,716 in support, of which 75.7 per cent was allocated to financing policies, programmes and projects, 23.2 per cent to capacity-building and technical assistance, and 1.0 per cent to technology transfer and the preparation of its submissions under the Convention.

- 13. Chile presented information on its current initiatives for enhancing its institutional arrangements for compliance with requirements under the ETF. Chile is preparing for the transition to the ETF by drawing on its experience with BURs and adopting continuous improvement practices for its reporting. In its fifth BUR, Chile incorporated elements associated with reporting under the ETF, identifying gaps in its reporting and prioritizing the allocation of resources to address them. The involvement of Chilean experts in the technical analysis of BURs also helped to build national expertise, strengthening the Party's readiness for reporting under the ETF.
- 14. Following the presentation, the following Parties made interventions commending Chile on its efforts and asked questions seeking further clarification: Australia, Brazil, China, Czechia, European Union, India, Japan, Netherlands (Kingdom of the), New Zealand, Sudan and United Kingdom.
- 15. Questions on the GHG inventory related to measures taken to restore forests after wildfires; factors contributing to the increase in emissions in 2017; lessons learned from developing GHG projections for the first time; the inclusion of black carbon in the GHG inventory; management and maintenance of GHG inventory with regard to information provided by different ministries; differentiating between human-induced wildfires and natural events in GHG reporting; and the inclusion of harvested wood products in the GHG inventory.
- 16. In response, Chile explained that carbon sink capacities are maintained by other lands not affected by wildfires, and that the Government is working with various ministries on action plans addressing wildfires; the increase in emissions in 2017 was primarily due to wildfires; the projections have high uncertainty, but are useful in terms of aligning the NDC with its long-term climate strategy; emissions of black carbon and GHGs are calculated within the same system, using the same activity data but different emission factors; GHG inventory information is compiled using standard forms, with the support of a technical group coordinated by the Ministry of the Environment; all wildfires are assumed to be human induced; and harvested wood products were included in the GHG inventory.
- 17. Questions on mitigation actions and their effects related to the role of the interministerial committee in coordinating climate actions; the national strategy for sustainable mobility; incorporating gender perspectives into climate policies; and emission reduction measures in the energy sector.
- 18. In response, Chile explained that the interministerial committee, which was formed around 10 years ago, reviews policies from different ministries and provides technical input, including for NDCs. In addition, Chile is working on sustainable mobility and will share details of its work in future. The Party also explained that it has established an intersectoral group that meets monthly and aims to incorporate gender perspectives into climate policies, and noted that the Ministry of the Environment has a checklist for ministries related to gender considerations and that gender perspectives are considered in climate education and adaptation plans. Chile explained that its mitigation actions in the energy sector focus on, inter alia, the retirement and conversion of coal-based electricity generation plants, and on increasing renewable energy capacity, implementing energy efficiency measures, promoting electric mobility through green taxes for vehicles, and developing infrastructure such as cycle lanes and railways.
- 19. Questions on constraints and gaps, and related needs pertained to concrete examples of capacity-building policies and projects, and how they contributed to maintaining and improving measurement, reporting and verification arrangements.
- 20. In response, Chile explained that capacity-building projects, including ones under the Capacity-building Initiative for Transparency, helped in preparing the BUR, the GHG inventory and in implementing mitigation actions, and helped to build technical expertise

across different sectors, as required. However, expanding these efforts at the subnational level, which would require more staff and capacity, remains a key challenge.

- 21. The presentation and subsequent interventions including the questions asked and the answers provided during the FSV workshop are accessible via the webcast of the workshop.⁷
- 22. In closing the workshop, the SBI Chair congratulated Chile for successfully undergoing FSV and completing the fifth round of the ICA process. He thanked Chile and all other participating Parties for engaging in the workshop in a facilitative manner. He also thanked the secretariat for its support.

Available at https://unfccc.int/event/17th-workshop-of-the-facilitative-sharing-of-views-sbi-2e-mandated-event.