

**Informal note by the co-facilitators
on**

**SBI 58 agenda item 5
Reporting and review pursuant to Article 13 of the Paris Agreement
Provision of financial and technical support to developing country Parties for reporting and
capacity-building**

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Note: This note has been prepared by the co-facilitators under their own responsibility and has no formal status. These elements have been drawn from Parties' interventions, discussions and submissions on this matter in order to facilitate their consideration at this session. The elements are preliminary and non-exhaustive, and do not prejudge further work by Parties. The co-facilitators noted that some Parties were of the view that this agenda item should not include discussions on provision of guidance to the GEF under the CMA. Some Parties were of the view that discussions on financial support for the preparation of biennial transparency reports and capacity-building for transparency are part of this agenda item.

A. Introduction

CMA 3 established this agenda item, "Reporting and review pursuant to Article 13 of the Paris Agreement: provision of financial and technical support to developing country Parties for reporting and capacity-building", for consideration from CMA 4 onward, which will include consideration of the support provided to developing country Parties for reporting and related capacity-building under Article 13 of the Paris Agreement.¹

SBI 57 noted the challenges that developing country Parties face in implementing the ETF in a sustainable manner, including establishing and enhancing national reporting systems within their respective Governments.²

The SBI agreed to continue consideration of this matter at SBI 58, taking into account submissions from Parties and interested stakeholders on how to address those challenges, with a view to facilitating the development of sustainable institutional capacity in developing country Parties, in particular the LDCs and SIDS, pursuant to Article 13 of the Paris Agreement, and recommending a draft decision for consideration and adoption at CMA 5 (November–December 2023).

B. Context

- 1) Recall relevant provisions of Article 13 of the Paris Agreement and past decisions
- 2) The ETF builds on and enhances the transparency arrangements under the Convention. Experience and lessons learned from and support provided for preparing and submitting NCs and BURs will contribute to the implementation of the ETF
- 3) Parties recognize that they are at different starting points in terms of their capacity for and experience in preparing for and implementing the ETF
- 4) [Many] Developing country Parties [continue to] face challenges in implementing the ETF[, some of which are not support related]
- 5) Implementation of the ETF requires coordinated and robust national institutional arrangements, capacity to choose and apply appropriate methodologies and tools, and availability of [quality] data and information
- 6) The ETF has multiple national benefits

C. Existing channels of support

It should be noted that these existing channels of support are not exhaustive and are drawn from views and submissions from Parties.

- 1) Acknowledge the increase in the allocation to the climate change focal area set aside for enabling activities, including the CBIT, from USD 165 million in the seventh GEF replenishment cycle to USD 220 million in the eighth cycle
- 2) Welcome the continued outreach of the GEF to national focal points to highlight the availability of expedited project modalities for developing country Parties to access support for preparing BTRs

¹ Decision 5/CMA.3, para. 42.

² FCCC/SBI/2022/20, para. 98.

- 3) Acknowledge financial support from the GEF³ and technical advice and support from the CGE and the secretariat
- 4) Also acknowledge existing financial, technical and capacity-building support from bilateral, multilateral and other channels to help countries to address challenges and implement the ETF. These include, but are not limited to, the FAO, ICAT, Japan International Cooperation Agency, NOAA Blue Carbon Initiative, PATPA, SilvaCarbon, South-South Cooperation, Transparency Accelerator, UNDP, UNEP, UNFCCC-GIR-CASTT, World Bank, etc.
- 5) ...

D. Challenges developing country Parties face

It should be noted that these are general challenges that are faced at different degrees by developing country Parties, particularly the LDCs and SIDS, and do not account for a universal picture applicable to all developing country Parties.

- 1) [The enhanced provisions under the ETF require developing country Parties to have higher levels of technical capacity compared with the MRV arrangements under the Convention in all thematic areas, including in relation to the national GHG inventory, tracking progress of implementation and achievement of NDCs under Article 4 of the Paris Agreement, and reporting on climate change impacts and adaptation, and support needed and received] [The ETF requires Parties to continue to develop their capacity for reporting, building on their experience of reporting under the Convention, including in relation to the national GHG inventory, tracking progress of implementation and achievement of NDCs under Article 4 of the Paris Agreement, and reporting on climate change impacts and adaptation, and support provided, mobilized, needed and received]
- 2) Limited capacity to [choose and] apply appropriate methodologies and tools that best fit the national circumstances
- 3) Limited availability of data and information as well as lack of technical capacity to collect, process and manage data consistently
- 4) Challenges in developing and promulgating relevant legislation and regulations to facilitate reporting
- 5) [Limited access to and capacity to use technologies for enhancing national reporting systems]
- 6) [Adequacy and] timeliness of support provided [to cover the full costs of reporting]
- 7) [Lack of adequate [domestic]] [Not able to use] financial resources to maintain institutional arrangements, including human resources, on a continuous basis, resulting in difficulty retaining capacity
- 8) ...

E. Proposals for addressing the challenges

It should be noted that these ideas are informative, not exhaustive and not a prerequisite for fulfilment of the ETF provisions under the Paris Agreement. Their relevance and usefulness are to be assessed in the national context, also recognizing that some of these ideas are already being actioned. The fact that the SBI has discussed these ideas does not prejudice who or which institutions would implement them.

- 1) Proposals for addressing challenges should recognize the special circumstances of the LDCs and SIDS
- 2) [Establish a transparency platform to support peer learning through exchange of experience and lessons learned and knowledge-sharing, [to collate information on capacity-building activities, to identify gaps and needs] and promote matching of these needs with support]
- 3) [Create a programme to provide targeted and needs-based support to developing country Parties for strengthening their national reporting systems]
- 4) Enhance regional cooperation [and create regional platforms] for promoting exchange of experience, lessons learned and best practices and to enable networking among Parties
- 5) Establish a multi-year workplan or work programme to enhance support for developing country Parties to build sustainable capacity for fulfilling their obligations under the ETF, including financial, technical and capacity-building support, activities to facilitate exchanges of experience and knowledge-sharing, and short-term/mid-term/long-term milestones for monitoring improvement in reporting, in a manner that builds on and complements the relevant platforms/workstreams/activities under the Convention and the Paris Agreement
- 6) Provision of support should address both the needs arising from the transition to the ETF and the longer-term needs for implementing the ETF in a sustainable manner, including establishing and enhancing national reporting systems within Governments
- 7) [Establish an initiative to provide an overview of the landscape of support available to developing country Parties, including through the CGE, the secretariat, and the GEF and its implementing agencies]

³ Including support received through the CBIT and the CBIT-GSP.

- 8) Promote better coordination among [support providers] [channels of support] [and use of available support]
- 9) [Continue to] encourage more experts to participate in the technical expert review training programme and the review itself
- 10) Encourage developing country Parties to make use of the breadth of resources available to them for implementing the ETF
- 11) Enable national accredited entities to request funding from the GEF for reporting and capacity-building
- 12) [Encourage continued streamlining and simplification of] [Further streamline and simplify] the processes under the GEF and its implementing agencies for accessing financial resources for enabling activities[, recognizing the importance of policies and safeguards]
- 13) [Change the model for provision of financial resources, including support provided by the GEF, from a project-based to programmatic approach so that the national institutional memory and arrangements established to support the implementation of the ETF become sustainable over time]
- 14) [Engage with the GEF to explore whether a greater share of support provided could be dedicated to national capacity development]
- 15) [Consider a country-driven and needs-based approach to estimating the costing of financial resources for the preparation of BTRs]
- 16) Engage with the GEF to review and analyse the indicative cost structure of the three GEF support modalities for the preparation of BTRs with a view to increasing the total amount allocated to each developing country Party
- 17) Focus capacity-building efforts on [using the common reporting tables, common tabular formats, outlines and tools under the MPGs for the ETF, including reporting tools] [improving national institutional arrangements to support implementation of the ETF] [training of technical experts from developing country Parties]
- 18) Recognize national context and institutional capacity when providing reporting-related support to developing country Parties
- 19) ...