



United Nations

FCCC/APA/2016/INF.3/Add.2



Framework Convention on
Climate Change

Distr.: General
3 November 2016

English/Russian only

Ad Hoc Working Group on the Paris Agreement

Second part of the first session

Marrakech, 7–14 November 2016

Agenda item 5

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

Parties' views regarding modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement

Information document by the secretariat

Addendum

1. In addition to the 13 submissions contained in document FCCC/APA/2016/INF.3 and the 2 submissions contained in document FCCC/APA/2016/INF.3/Add.1, 4 further submissions have been received.
2. In accordance with established practice, these submissions are attached and reproduced* in the languages in which they were received and without formal editing.¹

* These submissions have been electronically imported in order to make them available on electronic systems, including the World Wide Web. The secretariat has made every effort to ensure the correct reproduction of the texts as submitted.

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GE.16-19195(E)



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Paper no. 1: Australia

Submission to the Ad Hoc Working Group on the Paris Agreement on the modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement

October 2016

Australia welcomes the opportunity to share its views on the common modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement.

This Submission will address all six common elements of the enhanced transparency framework: national inventory reports; information to track progress towards Nationally Determined Contributions (NDCs); climate change impacts and adaptation; support provided and received; and technical expert review and facilitative multilateral consideration.

An enhanced transparency framework will help Parties track their progress towards their individual contributions; build mutual trust and confidence; improve understanding of global emission trends, financial flows and adaptation actions; and help track progress towards the historic global goals set in Paris. It will also support domestic policy planning and identifying capacity building needs.

Modalities, procedures and guidelines for the enhanced transparency framework should:

- form a single, cohesive set of efficient and streamlined guidance, applicable to all Parties
- build on previous experience with a view to superseding the current system with a framework that is fit-for-purpose for tracking progress under the Paris Agreement
- incorporate flexibility as an enabling instrument for those Parties who require it in light of their capacities to improve over time
- be capable of tracking individual and collective progress towards achievement of NDCs
- support reporting that is transparent, accurate, consistent, comparable and complete (TACCC) and provide confidence that Parties are maintaining environmental integrity and avoiding double counting.

Capacity building

Some Parties will require support to build on existing technical and institutional capacity to implement the framework. This requires concerted, sustained and constructive effort. Multilateral funds and bilateral efforts have an important and complementary role in assisting Parties to build this capacity. Australia welcomes the recently established Capacity Building Initiative for Transparency (CBIT), and the important contribution it will make in assisting Parties to prepare for the post 2020 system. Australia remains committed to sharing our experience and expertise to assist others in further developing their national monitoring and reporting systems.

National inventory reports

All Parties are required to provide regular National Inventory Reports of anthropogenic emissions by sources and removals by sinks of greenhouse gases. Regular inventory reporting contributes to the development of time series data, helps to build and retain national expertise and capacity and supports domestic policy planning. Reporting modalities, procedures and guidelines should appropriately accommodate differences in national circumstances and capacity, noting the IPCC guidance already goes some way to providing this flexibility through the availability of tiers and the ability to select appropriate methods.

National inventories should:

- cover as many sectors and gases as practical and as needed to understand NDC progress
- provide detail on the methodological approaches used
- apply a common tabular format to assist with comparability and reduce burden on reviewers
- endeavour to use up-to-date IPCC guidelines.

Information to track progress in implementing and achieving NDCs

Understanding progress towards NDCs is a key aspect of the new framework, to build mutual trust and confidence, and inform the Global Stocktake.

NDCs vary in their characteristics (types of reference point, timeframes and/or periods of implementation, scope and coverage, etc.). The information required to understand progress under each different NDC type should be outlined in the framework.

To understand progress, Parties need to provide information relevant to NDC type at key stages:

- quantifying contributions pre-implementation (including, for example, NDC reference points, scope and coverage of sectors and gases, underlying assumptions, and accounting approaches)
- tracking progress during NDC implementation
- comparing NDCs with results at the end of the NDC period (including, for example, the use of International Transferred Mitigation Outcomes (ITMOs) towards achievement of the target).

A description of policies and measures, and their implementation progress should also be provided.

In tracking progress, the information required under the framework should be consistent with, and informed by, guidance developed on:

- information for clarity, transparency and understanding of NDCs under Article 4, paragraph 8
- accounting for NDCs under Article 4, paragraph 13
- the use of ITMOs towards achievement of NDCs under Article 6, paragraph 2.

Information on climate change impacts and adaptation

The new transparency framework includes the option for Parties to provide information on climate change impacts and adaptation. Sharing information on adaptation priorities, actions and progress will be a valuable input to understanding how different countries and communities are building resilience to climate impacts.

Reflecting the ongoing, iterative and locally driven nature of adaptation planning and processes:

- Parties may choose to report on their adaptation planning process as outlined in article 7, paragraph 9
- consideration should be given to the number of reporting options for recording adaptation actions, including through National Communications, National Adaptation Plans, and the Adaptation Communication (article 7, paragraph 10 of the Paris Agreement), to ensure reporting processes add value and are not duplicative

Information on support provided and received

Reporting on support is an integral part of the new transparency framework. Transparency of support helps promote trust among Parties, and gives important insights into where and how finance is being delivered. It also promotes effectiveness of climate finance by institutionalising monitoring and evaluation practices that allow countries to identify

successful projects and areas for improvement. Reporting on support mobilised, provided and received will be a critical input to the Global Stocktake.

The existing UNFCCC reporting framework provides a good starting point for reporting on support under the Paris Agreement. Nevertheless, there are areas to be developed in order to give a more complete picture of climate finance, including for example:

- improved reporting on private finance mobilised through Parties' public interventions
- enhanced reporting on support received to provide insight into climate finance from the perspective of recipient countries
- ensuring the transparency framework can provide the information necessary to understand progress towards the goal in Article 2, paragraph 1(c) of making finance flows consistent with low-emission, climate resilient pathways
- draw on the modalities for the accounting of climate finance developed under paragraph 57 of the Paris Decision.

Technical expert review and facilitative multilateral consideration

The enhanced framework will include a technical expert review and a facilitative, multilateral consideration of progress. A robust, fair and facilitative review process will increase trust between Parties, provide credibility for input to the Global Stocktake and, as experience with the current system has shown, assist with improvement.

The technical expert review process should include an assessment of whether information reported is TACCC, and if it is consistent with the common modalities and guidelines of the framework. This process should be conducted in close cooperation with the Party concerned, give consideration to Parties' capacity constraints and national circumstances in the assessments, and identify capacity building needs as appropriate.

Way forward

In Paris, Parties agreed to agree the new modalities, procedures and guidelines by 2018. To achieve this, work on the technical aspects needs to progress efficiently. At Marrakesh, Parties should consider the best way to advance and sequence this work to meet this timeframe.

Australia recognises the inherent linkages between this item and agenda items on accounting, information for NDCs, markets, adaptation, and climate finance accounting. Close coordination between the items will be important to ensure that their work is complementary. Where appropriate, joint meetings of relevant expert groups could be convened to identify and address specific points of commonality.

Paper no. 2: Switzerland on behalf of the Environmental Integrity Group

EIG's views on modalities, procedures and guidelines for the transparency framework for action and support

APA Agenda Item 5

The EIG is pleased to submit its views on APA Item 5, “*Modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement*”.

1. General remarks:

In Paris, Parties have established an enhanced transparency framework for action and support with built-in flexibility, which takes into account Parties' different capacities and builds upon collective experiences. The EIG is of the view that this is a major success of the Paris agreement. The future climate change regime established by the Paris agreement allows Parties to nationally determine their mitigation contributions. This approach fosters broad participation, which has been well demonstrated by the fact that almost all Parties submitted an intended nationally determined contribution (INDC) in the run-up to Paris. However, to facilitate global participation the system allowed Parties to communicate their mitigation contributions in different ways. Therefore, the enhanced transparency framework needs to enable not only the participation of all Parties, but also assure the robustness of the system to deliver the necessary information to understand the individual contributions and allowing to assess the global progress towards the long-term goals of the Paris agreement. Furthermore, the enhanced transparency framework must deliver information of Parties on adaptation strategies and planning as well as provide the information on means of implementation provided and received.

The EIG believes that an enhanced transparency framework and its robust operationalization are essential for several reasons, inter alia:

- It creates trust: we all have to understand what other Parties are contributing and need to know if they are doing what they announced to do. To know and understand other Parties efforts gives us the confidence that our own endeavours are part of a collective effort to combat climate change.
- It is the basis for assessing the collective progress: in order to collectively assess the global progress towards the long-term goals, reliable and comparable information is essential. This is reflected in the purpose of the transparency framework to inform the global stocktake (Arts. 13.5 and 13.6 of the Paris agreement).
- It serves domestic purposes: building up a national system to regularly report and review information due for submission to the UNFCCC supports the estimation of mitigation potentials at the domestic level and delivers important feedback to Parties about the effectiveness of their policies and measures. This can then inform the process of formulating new policies and contributions.
- It can raise ambition: the understanding of and confidence in other Parties' contributions can allow a Party to raise the ambition of its own contributions.
- It can increase the effectiveness of support: a clear understanding of Parties' contributions, their policies and measures as well as possible challenges and gaps can enable more targeted support for climate change actions.

2. Guiding principles:

The enhanced transparency framework shall serve the purposes as set by Art. 13 paragraph 5 and 6. Accordingly, it must allow for a clear understanding of climate action including individual mitigation contributions and information on the progress towards reaching them (as reflected, i.a., in emissions inventories and projections) as well as provide clarity on support provided and received. In addition, it has to enable an assessment of the collective progress towards the long-term goals of the Paris agreement. The new common modalities, procedures and guidelines (MPGs) for the enhanced transparency framework will be the guidance to Parties for providing the information necessary to understand climate action and support and will be comprehensive covering mitigation, adaptation and means of implementation/support.

Transparent, accurate, complete, consistent and comparable:

A robust framework needs to promote transparency, accuracy, completeness, consistency and comparability. We welcome the opportunity to share some (non-exhaustive) ideas on how these important principles guiding the development of the future MPGs could be operationalized:

- *Transparency*: use of standardized reporting formats and other systematic documentation of sources, assumptions and methodologies.
- *Accuracy*: use of common guidance and methodologies; use of quality control/quality assurance as well as uncertainty assessments.
- *Completeness*: presentation of all key sectors, gases and categories in national inventory reports (NIR) covered by the respective guidance; declaration of geographical coverage of data/activities/policies reported on.
- *Consistency*: methodological consistency between the communication and the reporting on progress made towards achieving NDCs (see 1/CP.21, paragraph 94b); use of the same methodologies and consistent data sets over time for the national inventory report (NIR); use of the same definitions of support over time.
- *Comparability*: use of metrics and methodologies as well as standardized reporting formats agreed by the CMA; reporting at the level of detail as agreed by the CMA.

Feasible, efficient & flexible:

The enhanced framework needs to be not only robust, but also feasible in terms of resources and capacities required to regularly report and undergo review for it to be applicable to all. Therefore, Parties acknowledged the need to avoid duplications as well as undue burden on Parties and the Secretariat. This means there needs to be a balance or correspondence between the degree of completeness and accuracy of information requested from Parties and its relevance for the assessment of the overall implementation of the Paris agreement.

Regular and robust reporting requires capacities for data collection, processing, analysis and presentation. However, these capacities differ between Parties. To acknowledge these different starting points, Parties agreed to develop a transparency framework with built-in flexibility for those developing countries that need it in the light of their capacities and to establish a Capacity-building Initiative for Transparency to facilitate meeting of the enhanced transparency requirements for developing country Parties requesting support. Flexibility in the common MPGs allows Parties to participate in the context of their capacities. Financial and capacity-building support for transparency that will be provided should make sure it is targeted to where needs are greatest and more robust information needed, bearing in mind that, in line with progressing domestic capacities, support needs should diminish over time.

The new MPGs must be comprehensive in scope and detail in order to be applicable by all Parties with various levels of capacities and to make sure Parties are maintaining the frequency and quality of reporting in accordance with their respective obligations under the Convention. They should give a direction of travel for the overall improvement of the level of transparency by deploying the full picture of reporting and review provisions needed to fulfil the purposes. This allows Parties to move towards more robust reporting over time even though not departing from the same starting point. Further, the new MPGs shall recognize the special circumstances of LDCs and SIDS by encouraging them to apply the provisions to the extent possible.

Experience-driven:

Parties to the Convention have longstanding experiences with reporting and review. Parties are not starting from scratch, which is why developing the enhanced transparency framework does not mean reinventing the wheel. Experiences gained through the regular submission of reports and participation in review processes are essential to draw upon when developing the common MPGs. Requirements under the biennial reporting framework allowed Parties to increase their capacities over time. The existing guidance has positively affected Parties in organizing themselves for the reporting, building and sustaining their domestic reporting capacity while contributing to transparent information sharing. The biennial verification processes (ICA and IAR) have also proven to be very useful processes in determining gaps and uncertainties in the current system. They enabled an exchange among Parties on experiences gained and lessons learned and provided a platform for the sharing of good-practice examples. The two processes have also shown that more clarity in guidelines can facilitate reporting and that Parties' ability to report and to undergo review increases over time through the step-wise institutionalization of reporting and review capacities. The new framework therefore has to take into account these experiences by feedbacks from Parties (e.g. through MA and FSV) but also suggestions by review experts through the technical review.

3. Reporting information:

The EIG is of the view that all Parties shall biennially report the following. We provide examples of possible areas where flexibility could be provided within the common MPGs for those developing countries that need it in light of their capacities:

- National inventory report including standard inventory tables with common metrics and methodologies
 - o *Possible areas of flexibility*: sub-sectoral level information only for key sectors that are to be defined through a percentage threshold; minimum coverage of gases to encompass CO₂, N₂O and CH₄ only; reporting on other gases if a certain percentage of the Parties' emissions total and/or a previously defined threshold is exceeded.
- Standardized description of institutional arrangements for measurement, reporting and verification and provision of a plan on how potential gaps and challenges will be tackled and improved over time
- Description of nationally determined contribution (NDC)¹
- Information on the progress in achieving the NDC including on emissions and removals from LULUCF and the use of market mechanisms
- (Update of) Standardized minimum documentation of mitigation measures for all sectors including their effects OR (update of) mitigation potential assessment for sectors with no significant measures implemented
 - o *Possible areas of flexibility*: focus on key sectors to the extent possible; quantitative estimates of effects of all measures of a sector instead of individual measures level
- (Update of) Emissions projection scenarios to the extent possible (without, with existing and with additional measures)
 - o *Possible areas of flexibility*: scenario without measures (WOM) for those Parties with a target relative to a business-as-usual scenario (BAU); projection with additional measures (WAM) to the extent possible
- Standardized information on finance provided and received, including the use, impact and estimated results thereof

¹ Information needed to facilitate clarity, transparency and understanding of NDCs will be developed under the APA work programme established by 1/CP.21, paragraph 27.

- *Possible areas of flexibility*: level of aggregation/detail of information provided (e.g. sectoral); impact and results assessment

(An update of) Information on adaptation plans and strategies OR vulnerability assessments, including the possibility to generate regional strategies and assessments as appropriate, as well as monitor and evaluation (M&E) methods and tools applied should be provided in every second report under the enhanced transparency framework.

- *Possible areas of flexibility*: information provided limited to priority areas of national concern and focus on specific needs to improve the understanding of vulnerability, climate change impacts and adaptation options

The reporting guidelines might also need to take into account the different types of NDCs that Parties submit.

4. Verification:

A major challenge for the future transparency framework is the verification process. For logistical reasons, a comprehensive and detailed technical review of a large number of reports is difficult to manage every two years. An efficient process that is feasible for both Parties and the Secretariat will therefore require increased standardization that allows for a coordinated, harmonized and integrated verification of the information provided. The technical review is the first phase of the verification process and shall check the conformity of the information reported with the respective MPGs. For those developing country Parties that need it in the light of their capacities it shall also help to identify capacity-building needs because identifying and addressing capacity limitations is an important element of the new MPGs. This can help to follow up on Parties' improvements in building and institutionalizing their reporting capacities. Following the technical review through technical review experts, a facilitative multilateral consideration process shall be conducted to focus on the progress of Parties in their efforts under Article 9 and their NDC. This consideration can foster the exchange among Parties on success stories and challenges faced, lessons learned and shall enhance the mutual understanding of Parties' climate change actions and support.

The current review system must be brought in line with the enhanced reporting regime. To allow the verification process to be feasible and to avoid undue burden to the Secretariat and to Parties, the information Parties report will need to be more standardized and the review procedure adapted to these standardized formats. One possibility to deal with the increased amount of reports to review under the enhanced framework could be to alternate between rather light and more in-depth technical reviews of Party reports. The light review could encompass an initial check by the Secretariat followed by a synthesis and assessment by an expert desk review and result in recommendations to Parties. The in-depth review could be a more detailed and thorough centralized/in-country review including a follow-up on the recommendations made in the previous review. In addition, the level of detail of the in-depth review could take into account the amount of emissions, a procedure that already exists under the current transparency framework.

5. Way forward:

Parties agreed to complete work under this work programme by 2018. However, developing new modalities, procedures and guidelines for the enhanced transparency framework for action and support requires enough time. The EIG is of the view that technical work on the MPGs has to start swiftly at COP-22 in Marrakech. In order to allow focussed negotiations, we propose to start with discussions on the reporting modalities and guidelines. In order to ensure the consistency and comprehensiveness of the guidelines, a separate APA informal consultation on transparency is essential. In addition, time-bound informal consultations targeted at transparency of mitigation, adaptation and means of implementation should make sure the respective experts are in the room at the relevant point in time.

The EIG stands fully committed to the operationalization of an enhanced transparency framework that makes sure the guidance has the detail and robustness needed while at the same time acknowledging different capacities and starting points of countries.

Paper no. 3: Norway

Norway's submission on the transparency framework

1. The enhanced transparency framework under the Paris Agreement

Norway is pleased to present its views on modalities, procedures and guidelines (MPG)¹ for the transparency framework for action and support referred to in Article 13 of the Paris Agreement.

The establishment of an enhanced transparency framework under the Paris Agreement is needed in order to track progress towards the implementation and achievement of Nationally Determined Contributions (NDCs) and Parties adaptation actions under Article 7 to provide clarity on support provided and received by Parties, and to inform the global stocktake.

The MPGs for the transparency framework for the transparency framework, applicable to all Parties, should be have built-in flexibility that takes into account Parties' different capacities for the different elements, cf. Article 13.2. The reporting and review requirements will need to reflect these differences, while at the same time incentivizes Parties to enhance their reporting over time as capacity allows. The enhanced transparency framework will build on and enhance existing arrangements under the Convention, while encompassing the great variations in NDCs.

The Capacity-building Initiative for Transparency will be important for building institutional and technical capacity. Article 13.11 of the Paris Agreement reflects that the review process shall include assistance in identifying capacity-building needs for those developing countries that need it in the light of their capacities.

Transparency is a cross cutting issue and other work under the Paris Agreement needs to be taken into account in the work on the MPGs. Coherence is needed between the different sets of modalities, procedures and guidelines.

2. Structure and key elements of the transparency framework

In our view, the structure of the enhanced transparency framework should cover:

- I. Reporting of the elements in articles 13.7 (mitigation), 13.8 (adaptation), 13.9 and 13.10 (support) of the Paris Agreement.
- II. Technical review of the information submitted under articles 13.7 (mitigation) and 13.9 (provision of support) of the Paris Agreement
- III. Facilitative, multilateral consideration of progress on efforts under Article 9 of the Paris Agreement (finance), and each Party's respective implementation and achievement of the nationally determined contribution (NDC).

Developing the guidance for the enhanced transparency framework according to this three-step structure may be useful in terms of substance, as well for sequencing.

3. Reporting of GHG-inventories and information to track progress of NDCs, adaptation and support

Articles 13.7, 13.8, 13.9 and 13.10 of the Paris Agreement provide the basis for the information that shall or should be provided under the enhanced transparency framework. The elements that shall or should be reported are a national inventory report (NIR), information necessary to track progress made in implementing and achieving Parties' NDCs, information related to climate change impacts and adaptation, and information on financial, technology transfer and capacity-building support provided, needed and received.

The guidance will need to focus on the scope and timing of the various reporting requirements. The reporting requirements will be common for all countries, but with flexibility that takes into account Parties' respective capacities. In the various reporting elements below, we have identified possible types of flexibilities and areas where such

¹ For simplicity, the term guidance is used to reflect MPGs.

flexibility may be built in.

According to paragraph 98 of Decision 1/CP.21, the enhanced transparency framework under the Paris Agreement will supersede the current transparency system established in Cancun and Durban. Our understanding is that this covers the reporting of Biennial Reports (BR) and Biennial Update Reports (BUR). We need to decide when and how the enhanced transparency framework is planned to be in place and replace the BRs and the BURs. There are other current reporting requirements that to various extent will overlap with the reporting under the enhanced transparency framework. This would be Annex I countries' reporting of national inventory reports and GHG inventories and the reporting of National Communications for all countries. We must avoid duplication and undue burden on Parties and the secretariat. Current reporting requirements under the COP should therefore be considered in light of the future reporting requirements.

3.1 National inventory reports

Reporting national sources of emissions and removals by sinks of greenhouse gases is crucial to understand national emissions and how these change over time. Reporting a national inventory report (NIR) is also a prerequisite for accounting and tracking progress of objectives the mitigation elements of NDCs under Article 4.

The backbone of the NIR is to provide information about the methods, activity data and emission factors that have been used to report emissions and removals of GHG. Important principles of reporting are transparency, accuracy, consistency, comparability and completeness (TACCC), in addition to avoiding double counting and ensuring environmental integrity, which should be taken into account in the work to develop the guidance.

In order for Parties to ensure methodological consistency between the communication and implementation of NDCs, we believe that Parties should use common reporting guidelines for their national inventory reports based on the guidance from the IPCC and agreed upon by the CMA. The guidance from the IPCC contains flexibility through a tiered approach that allows consideration of national circumstances and capacity in the level of tier selected. Parties currently use global warming potentials (GWP) as metrics for gases in their reporting, but the values are from different IPCC assessment reports. We believe that the CMA should decide that all Parties should use GWP-100 as the common IPCC metrics. This is not an issue of capacity, and we believe using a common IPCC metrics is an important aspect of adhering to the TACCC-principles.

Such common reporting guidance and metrics is also consistent with the approach to be taken in accounting for emissions and removals, cf. paragraph 31 of decision 1/CP.21.

We believe that the NIRs should be reported electronically and follow an agreed outline or general structure. We further believe that the NIR shall be submitted in one of the official languages of the United Nations, and that countries are encouraged to submit an English translation of the NIR to facilitate its use by the expert review teams.

In terms of contents, we believe that all NIRs should contain sufficient description of:

- the methods, the activity data and the emission factors that have been used to report emissions by sources and removals by sinks
- appropriate time-series
- the coverage of gases
- the coverage of sources (insignificant sources may within thresholds be reported as not estimated)
- the key categories
- recalculations and time series consistency
- national inventory arrangements
- quality assurance/quality control (QA/QC) systems
- uncertainty analysis
- areas of improvement and consistency with guidance identified by the technical expert review

Reporting extensively on all these aspects may not be possible for all Parties in the beginning, taking into account the respective capacities. When developing the guidance some flexibility may be needed for a time period, but Parties

should strive to improve the quality and coverage of reporting over time.

Decision 1/CP.21 is clear on the frequency of reporting as each Party shall submit a NIR no less frequently than on a biennial basis. The least developed country Parties (LDCs) and small island developing states (SIDS) may submit at their discretion. At the same time, Parties must maintain at least the frequency and quality of reporting in accordance with their current obligations under the Convention.

We believe that the NIRs should include textual descriptions and tables with data, in addition they should be supplemented by electronic reporting of some common reporting tables. The tables will assist in assessing whether the inventories are prepared in accordance with the TACCC-principles and should provide sufficient information for accounting purposes. The tables should have room for reporting negative emissions that may come from for instance bioenergy with carbon capture and storage. Experience has shown that it may take time to both agree on common reporting tables themselves and to develop the software needed to report such tables. It is therefore crucial to address this issue early in the work process.

3.2 Tracking progress made in implementing and achieving NDCs

Each Party shall regularly provide information necessary to track progress made in implementing and achieving its NDC contribution under Article 4. For this reporting element, it will be important to understand Parties NDCs, how they expect to achieve them and how Parties are actually achieving their NDCs. Tracking progress of NDCs is also of particular importance in terms of feeding information into the global stocktake.

The work to develop guidance on, inter alia, features, up-front information, accounting and markets will inform the work on this particular reporting element. The guidance for transparency need to acknowledge that Parties have defined their contributions in various ways, leading to several types of NDCs. The guidance must therefore enable tracking of progress encompassing the various ways of defining contributions, and that NDCs may change over time.

The information necessary to track progress made in implementing and achieving a NDC should be reported electronically and follow an agreed outline or general structure. We further believe that the information shall be submitted in one of the official languages of the United Nations and that countries are encouraged to submit an English translation to facilitate its use by the expert review teams.

Some information will be needed regardless of the type of NDCs whereas some information may be needed only for some types of NDCs. Some common elements are quantified or quantifiable information, if applicable, are:

- Commitment and type of commitment
- Relevant information concerning reference points and/or base years
- Year or period for commitment
- Coverage (sectors, gases, geographical area)
- Metrics used for gases
- Accounting approach, including role of internationally transferable units and information on how the land sector is treated)
- Mitigation actions - implemented (if available), adopted and planned
- Projections of greenhouse gas (GHG) emissions/removals
- Quantified assessment of progress towards target to date, and expected progress towards target
- At relevant times, provide information of how targets actually have been achieved or not

Reporting exhaustively on all these parts may not be possible for all Parties in the beginning taking into account the different capacities. In the guidance, some flexibility may be given for a time period, but all Parties should strive to improve the quality and coverage of reporting over time. On the frequency of reporting, decision 1/CP.21 states that each Party shall submit the information no less frequently than on a biennial basis. The least developed country Parties (LDCs) and small island developing states (SIDS) may submit at their discretion.

The reporting for tracking progress needs to include some common reporting tables and these tables can be reported within the report itself or separately.

3.3 Climate change impacts and adaptation

According to Article 13.8 of the Paris Agreement, each Party should provide information related to climate change impacts and adaptation under Article 7.

The purpose of the framework for transparency of adaptation is to provide clarity of each party's ability to adapt to the adverse impacts of climate change, to foster climate resilience, and on low greenhouse gas emission development. The information submitted can include good practices, priorities, plans, actions, implementation needs and support needs, and will be used to inform the global stocktake. The global stocktake for adaptation shall, amongst other things, review the adequacy and effectiveness of support provided for adaptation. Thus, information on both these elements could be useful to include in the adaptation communication.

Each Party should provide information related to climate change impacts and adaptation under Article 7, as appropriate, and it should be updated periodically in what has been defined as an "adaptation communication" in Article 7.10 of the Paris Agreement. The adaptation communication should be submitted through existing processes and formats, for example the National Adaptation Plan process, the Nationally Determined Contributions ("NDC") and the National Communications ("NatCom"), as referred to in Article 7.11. Parties are encouraged, but not required to submit the adaptation communication. In particular, the adaptation communication should not create any additional burden for developing country parties.

The adaptation communication shall be recorded in a public registry. The registry should enhance already existing online communication platforms, such as the Nap Central. However, it has to include all relevant adaptation communications. Furthermore, it should aim to be a platform for parties in order to exchange information and lessons learned to enhance adaptation action at the local, subnational and national level.

The platform should be used by GCF, GEF, AF or other adaptation funds as a basis for understanding the parties' short and long term adaptation processes. However, it should not substitute the modalities that is needed in order to give necessary information for funds to make appropriate decisions in relation to adaptation support.

3.4 Information on support

The framework for transparency of support shall provide clarity on support provided and received by relevant individual Parties for mitigation, adaptation, finance, technology development and transfer and capacity building; and to the extent possible, to provide a full overview of aggregate financial support provided to inform the global stocktake. The work on the transparency framework will need to interact with the work on accounting modalities for financial resources provided and mobilized under Article 9.7 and will consider issues considered by SBSTA on methodologies for reporting on financial information. The guidance needs to reflect Articles 13.9 and 13.10 of the Paris Agreement in that there are different requirements for developed and developing country Parties. We believe that the reporting needs to include some common reporting tables.

Guidance on support provided should build upon the experiences that countries have with reporting under the UNFCCC and the OECD-DAC CRS system and under the UNFCCC. Still, gaps and challenges remain in these existing modalities. The work under SBSTA on developing accounting methodologies will need to address how to improve consistency of data provided and a harmonization of donor practices. Other significant challenges relate to how to capture flows from Multilateral Development Banks (MDBs) and other multilateral entities and how to account for private climate finance mobilized. The guidelines to be developed should be flexible enough to apply to all parties providing support, but also provide enough clarity on what is required. The output of the SBSTA work needs to be coordinated with the work on the transparency guidance (MPGs), and need to finish well before 2018 so that it can be appropriately integrated into the proposal going to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, known as the CMA.

The enhanced transparency regime also covers support received, cf. article 13.10. Having this in place will improve the monitoring of outcomes and impacts of support as well as contributing to capacity building and stakeholder involvement on the recipient side. Many developing countries have domestic system for tracking, and a number of countries have included information on climate finance received in their Biennial Update Reports. Guidelines from the BURs could be built on and improved in order to make sure that certain types of information are provided by all countries in a more transparent manner. At the same time, the guidance should have built-in flexibility that capture differences in capacity to monitor and track climate finance received – and incentivizes Parties to enhance their

reporting over time as capacity allows should be built in.

We believe that the reporting needs to include some common reporting tables.

With regard to how transparency of support could inform the global stocktake, country reporting will need to be supplemented with other sources of information. In particular, we see merit in building on the work on the biennial assessment that the Standing Committee on Finance (SCF) issues. The first report from 2014 was a first preliminary attempt to give an overview of global climate finance flows. We expect these reports to improve over time and as such it will be a good basis for input to the Global Stocktake.

4. Technical review

The information provided by Parties, in their national inventory report, on tracking progress made in implementing and achieving NDCs and the provision of support, shall undergo a technical expert review. The review will consist of a consideration of the Party's support provided, and its implementation and achievement of NDCs. It will identify areas of improvement and will review the consistency of the information with the guidance.

The experience from reporting under the Convention is that the technical review and the multilateral consideration of progress will be important for all countries in terms of continuously improving the reporting. The TACCC principles should guide the work on the guidance for the technical review, but the guidance on the reporting elements should be developed first.

The technical review process is very useful for identifying areas of improvement and has contributed to the improved reporting. However, it will entail a significantly increased burden on the Secretariat as the number of Parties to be reviewed will increase. Parties will therefore need to consider how this can be managed. Among the issues that can be considered are whether one technical review team shall review all elements under the enhanced transparency framework or if the element of national inventory report should be separated (scope). Further issues to consider are whether the national inventory report for Parties that report every year should be reviewed in-depth annually (scope/frequency) and if there are alternatives to the current review formats (in-country, centralized, desk).

5. Multilateral consideration

Each Party shall participate in a facilitative, multilateral consideration of progress with respect to efforts under Article 9 (financial support) and its respective implementation and achievement of its NDC. The multilateral consideration should be common for all Parties and can draw on the experiences from the multilateral assessment (MA) for developed country Parties and the facilitative sharing of views (FSV) for developing country Parties under the Convention. The guidance will need to be clear on the scope of the multilateral consideration and what the various inputs are (country reports, review reports etc.). It will be useful for Parties to submit written questions to other Parties within the agreed scope, Parties will need sufficient time to prepare answers and for transparency, the questions and answers should be made available online. Both the MA and FSV include elements with an oral presentation, followed by oral questions by Parties and responses by the Party that held the presentation. The multilateral consideration should also include such elements, but the arrangements need to be workable for both the Parties and the secretariat.

6. Future work

We look forward to go more into detailed discussions of the various elements at COP22. However, it would be very useful to have a discussion on what the final products of the framework could be before discussing the various detailed elements of the guidance. We hope that we in Marrakech can agree on concepts and main approaches for the guidance for the technical work until adoption by 2018. The specific guidance for reporting, review and assessment of the transparency system could follow the structure as already outlined; since these elements naturally build upon each other. The work set out should outline activities (e.g. further submissions and technical workshops) for the period up to and including 2018. Specifically, we believe that to focus the work on the transparency framework in the coming period, there should be calls for separate submissions early in 2017 on reporting national inventory reports and on information necessary to track progress made in implementing and achieving NDCs. We support the preparation of technical papers by the

secretariat followed by technical workshops before the May session in 2017. In the second half of 2017, a similar process should be allowed for the technical review and for the multilateral consideration.

Paper no. 4: Russian Federation

**Предложения Российской Федерации
по пункту повестки 5 Специальной рабочей группы по Парижскому
соглашению**

Москва, 27 октября 2016

Предложения подготовлены в соответствии с решением Специальной рабочей группы по Парижскому соглашению по пункту 5 повестки.

Применительно к пункту 5 «**Условия, процедуры и руководящие принципы для рамок для обеспечения транспарентности действий и поддержки, упомянутых в статье 13 Парижского соглашения**»:

Стороны Приложения I к РКИК ООН в настоящее время перегружены объемом требуемой отчетности в рамках РКИК ООН и Киотского протокола. Учитывая накопленный опыт можно предложить следующее:

- проводить обзор ежегодной отчетности по национальным кадастрам Сторон Приложения I к РКИК ООН раз в два года;

- отчетность по Парижскому соглашению должна быть полностью основана на принципах, подходах и методах отчетности в соответствии с требованиями РКИК ООН. Информация по зачету достигнутых сокращений выбросов и усилению поглощения должна быть получена на основе данных национальных кадастров в соответствии с отчетностью по РКИК ООН (за исключением применения прогнозных базовых уровней, которые должны быть описаны дополнительно);

- развивающиеся страны могут использовать гибкость при создании системы отчетности в соответствии с пунктом 2 статьи 13 Парижского соглашения. Однако можно предложить рассмотреть ограниченные сроки достижения заданного уровня.

[Translation as submitted]

UNOFFICIAL TRANSLATION

**Submission by the Russian Federation
on the agenda item 5 of Ad Hoc Working Group on the Paris Agreement**

Moscow, 27 October 2016

The submission is prepared in accordance to the decision of Ad Hoc Working Group on the Paris Agreement on agenda item 5.

Regarding item 5 «**Modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement**»:

At present Annex I Parties to the UNFCCC overloaded by the number and the volume of the required reporting in frames of UNFCCC and the Kyoto Protocol. Taking into account the experience obtained the suggestions are as following:

- to conduct reviews of the national GHG inventories of the Annex I Parties to the UNFCCC once per two years;
 - reporting under the Paris Agreement should be based on the principles, approaches and methods in accordance to the requirements of UNFCCC. The information on the accounting on achieved emission reductions and enhanced sinks should be obtained from the data of the national GHG inventories in line with reporting under UNFCCC (the only cases of projected baselines should be described additionally);
 - developing country Parties may use flexibility to create the transparency framework and reporting system in accordance to the article 13, paragraph 2, of the Paris Agreement. However Parties might consider to establish the limited deadlines in order to develop such systems.
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