



# LAC ETF DIALOGUE

SUMMARY REPORT

# 2023



**ICAT**

Initiative for  
Climate Action  
Transparency



## Latin America and Caribbean (LAC) Enhance Transparency Framework (ETF) Dialogue – Summary

13 November 2023

### Context

The enhanced transparency framework (ETF) is a crucial component of the Paris Agreement, designed to build mutual trust, facilitate effective implementation, and ensure accountability. It plays a key role in informing the global stocktake by providing science- and data-based insights on progress towards the implementation of the nationally determined contributions (NDCs). With the first biennial transparency reports (BTRs) due by 31 December 2024, the current period is pivotal to further promote dialogue, capacity building and collaboration for the effective implementation of the ETF.

Transitioning from the existing measurement, reporting, and verification (MRV) arrangements to the ETF poses a significant challenge, especially for many developing country Parties that need to rapidly build capacity and implement new monitoring and reporting processes despite a limited access to resources. A successful transition to the ETF requires political momentum, broad stakeholder engagement, and targeted capacity-building to ensure universal participation and access to sufficient support resources. During the recent regional climate week, the ETF Dialogue for Latin America and the Caribbean, held in Panama City on 26-27 October 2023, offered a unique platform for high-level policy dialogue, peer-to-peer engagement, and collaboration among party and non-Party stakeholders in the region.

The regional dialogue was made up of two components, held over two days:

- 26 October morning: High-level policy dialogue on transitioning to the ETF
- 26 October afternoon - 27 October: Practitioners' dialogue

As a precautionary measure to ensure the safety of participants amid public demonstrations during that period, starting from the afternoon of day 1, the remaining sessions of the ETF Dialogue were moved to a hybrid format, with most participants attending online.

The UNFCCC and the ICAT secretariats thank those partners involved in the organization and delivery of the event, with special thanks to all those who generously committed their time and energy as speakers and rapporteurs, in particular given the special circumstances of this event, sharing valuable knowledge and experiences to advance transparency efforts in the LAC region.

### Objectives

Further reinforcing one of the core objectives of the LAC Regional Climate Week, the regional ETF Dialogue brought together different stakeholders, including public and private actors, to discuss the various aspects, challenges and opportunities in climate action and transparency, and to exchange knowledge, experiences and lessons learned. In this regard, the Dialogue met the following objectives:

- a) Engage a broad range of stakeholders, including ministers, senior officials and experts from the public and private sector, in a policy discussion about climate transparency and the ETF, to increase understanding of transparency-related obligations and opportunities and promote embedding the ETF into national planning processes, as an integral part of the national planning tools.

- b) Foster dialogue and engagement among government officials and non-Party stakeholders, including local governments, businesses, research, media, and the youth and gender constituencies, in an open exchange on climate transparency, with an emphasis on its role, key benefits and opportunities for further engagement from a regional perspective, and how to enhance support to transparency activities.
- c) Enhance awareness and understanding among transparency practitioners, on ways and steps needed to build and advance their transparency frameworks in preparation for the ETF, providing information on domestic benefits of effective transparency and the different support options available
- d) Facilitate networking and peer-to-peer exchange among transparency practitioners from countries across the LAC region, on challenges in setting up effective national transparencies, good practices in overcoming those challenges, experience with tools and methodologies available to implement the various elements of national transparency frameworks, and opportunities in setting up functioning climate data frameworks covering both mitigation and adaptation actions.
- e) Raise awareness for the need of a greater number of qualified review experts to conduct technical expert reviews under the ETF and ensure the quality of reporting by Parties, as the review process is a crucial component of the ETF; Identify practical actions specific to the region aiming at increasing the number of experts to ensure the operation of the ETF.
- f) Facilitate exchange and networking between country officials and experts, the private sector, and international organizations with a view to enhanced engagement and improving access to financial and technical support, and the development of a community of practice in the LAC region.

## Summary of the discussions

### Opening Session

In the opening remarks at the ETF Dialogue, key speakers underscored the paramount importance of transparency in the context of climate action and sustainable development. **Donald Cooper**, the Director of the UNFCCC Transparency Division, highlighted the need to comprehend socio-economic determinants, emphasizing the alignment of climate action with overarching developmental goals such as healthcare, education, poverty alleviation, and climate-related challenges. Mr. Cooper underlined that the ETF was positioned not only as a means for climate reporting but as a powerful tool for informed national decision-making.

Drawing attention to the anticipated announcement of developed countries transferring over 100 billion U.S. dollars to developing nations this year, Mr. Cooper urged nations to be aware of how these funds were utilized in their respective countries. He highlighted the significance of iterative improvement, anticipating that while the first biennial transparency report might not be perfect, subsequent reports would naturally improve as countries adapt and learn.

**Dr. Henning Wuester**, Director of ICAT, emphasized the central role of transparency in putting the Paris Agreement back on track towards achieving its objectives. He highlighted the role of data in advancing NDCs, including planning and designing effective climate policies, tracking progress and course-correcting if necessary, engaging stakeholders and mobilizing finance. He cited successful examples of using transparency in that way, in countries of the LAC region, including Panama, Costa

Rica, Belize, Cuba, and Colombia, and through a Regional Climate Action Transparency Hub launched on the day before by the countries of the Sistema de la Integración Centroamericana, SICA.

Finally, **Harry Vreuls**, Chair of SBSTA, provided a historical perspective on the evolution of transparency mechanisms and encouraged countries to view transparency as a strategic tool for attracting financial support, engaging stakeholders actively, and fortifying policies and measures. The consistent theme across these remarks was the broader perspective of transparency as a dynamic force fostering effective climate action within a developmental context.

## Ministerial Session: High-level Visioning and Priorities for the Implementation of the Paris Agreement's Enhanced Transparency Framework

Three key figures from the region provided their insights into the ETF from a national and regional perspective. **Dr. Joyelle Clarke**, Minister of St. Kitts and Nevis, stressed the pivotal role of transparency in climate crisis management, particularly for small island states. She emphasized trust-building and global cooperation, extending transparency beyond international reporting to empower domestic audiences. Dr. Clarke outlined the commitment of St. Kitts and Nevis to align climate resilience with sustainable development goals, focusing on energy transition, water security, and sustainable tourism. She concluded by emphasizing the crucial role of transparency in accessing resources and pledged continued active participation in collective climate action efforts.

Dr. Clarke stressed the need for reliable data to monitor progress in real time and enable national reporting for small island States, pointing out obstacles such as limited resources and political will. She detailed the nation's efforts to marry its climate resilience agenda with the Sustainable Development Goals, promoting transparency and partnerships between the public and private sectors.

Vice Minister **Diana Laguna** of Panama explained that the ETF would provide countries with critical data, which would guide informed decision-making and help to understand the full extent of impacts of human activities on climate change and vice versa. Ms. Laguna announced the intention of Panama to submit its Biennial Transparency Report in the first quarter of 2024 and called on LAC nations to strengthen capacities and knowledge, and reinforce ties of cooperation for a joint and comprehensive implementation of climate action in the region. She underscored the ETF's critical role in global climate equilibrium and the verification of national commitments. She showcased Panama's technological initiatives, including a national climate transparency platform integrated with the country's environmental information system, and emphasized institutional agreements for standardized information flow.

Vice Minister **Dr. Kenrick Williams** of Belize described the ETF as the backbone of the Paris Agreement and a matter of survival for his nation, intensifying efforts for low-carbon resilient development aligned with the 1.5-degree goal. He highlighted some recent key actions that were driving transparency, including the ICAT Regional Climate Action Transparency Hub for Central America and the Climate Change and Carbon Markets Initiative Bill for Belize, urging prioritization of high-impact emissions reduction measures. For Belize, transparency transcends compliance, he said, representing a vow to future generations, and an essential condition for mutual trust among nations. Dr. Williams pointed out Belize's commitment to sustainable practices, such as climate-smart agriculture and renewable energy, and noted Belize's participation in the regional transparency hub and legislative measures to establish a National Transparency Unit.

The Ministerial session of the ETF dialogue echoes the significance of transparency in advancing national, regional, and global climate action, with participating countries showcasing commitment to

the ETF and emphasizing the need for continuous improvement and partnerships to ensure a low-emission and climate-resilient future. The recommendations from the session, including key takeaways such as encouraging capacity building, fostering robust partnerships, and promoting citizen engagement, provide a valuable foundation for ongoing and future collaboration and progress toward the Paris Agreement goals. This collective commitment underscores the paramount importance of transparency for transformative climate action and a sustainable future.

Further emphasizing this, Ana Graça, the UN Resident Coordinator in Panama, highlighted the critical role of the ETF in guiding the region towards a sustainable and resilient future. Stressing the importance of capacity-building and knowledge exchange for robust reporting, the UN in Panama expresses commitment to facilitating partnerships and collaborations across sectors to collectively address the climate crisis.



Photo: From left to right: Donald Cooper, Dr. Kenrick Williams, Harry Vreuls, Diana Laguna, Mariana Castaño Cano, Ana Graça, Dr. Henning Wuester and Jigme. Credit: UNFCCC/Omoraleja.

## High-level panel discussion: Transparency as a driver for transformational low emissions and climate resilient development

This session highlighted the critical role of the ETF in effective policy making, emphasizing its function as a basis for evidence-based decision-making, and the need for a collective effort in building transparency, both nationally and globally. The importance of using transparency data for policymaking across all relevant sectors was highlighted as a major driver for low-emission and resilient development. Stakeholders representing key agencies from both public and private entities

across the region came together with the aim of providing their perspective and experience as it relates to the ETF. To guide the discussion, questions were posed to the panelists.

Panelists delved into crucial themes surrounding the use of data and transparency for evidence-based policymaking in the LAC region. These stakeholders, representing diverse sectors, highlighted the importance of transparent data as a catalyst for transformative low-emission and climate-resilient development. They emphasized the necessity of a unified effort in leveraging transparent data to inform evidence-based decision-making, ensuring accountability, and building trust in climate action. Challenges related to data quality and availability were underscored, with a specific focus on the need for capacity-building initiatives in countries facing significant information gaps. Furthermore, the discussion expanded to encompass the tracking of progress of NDCs, providing insights into the varied experiences, challenges, and proactive approaches adopted by different entities. The overarching themes of multilateral cooperation, knowledge exchange, and the symbiotic relationship between transparency and climate resilience and low-emission development collectively provided a picture of the ongoing endeavors and obstacles in advancing climate transparency within the LAC region.

The high-level panel discussion emphasized the crucial role of transparency in advancing climate action and fostering low-emission, climate-resilient development. Panelists, drawing from their countries' experiences, highlighted challenges and successes while stressing the need for robust data-driven policies. Transparency, they argued, was not just a reporting obligation but a powerful driver for informed decision-making and trust-building at the national level. Some key takeaways included the importance of prioritizing a robust data infrastructure, investing in capacity-building initiatives, and promoting intersectoral policy making to align policies with emission reduction goals. The discussion also underscored the ongoing value of knowledge exchange among regional hubs to enhance the effectiveness of climate policies. In essence, transparency goes beyond obligation—it is a catalyst for transformative climate action, guiding nations toward a sustainable, low-emission, and climate-resilient future.



From left to right: Jair Urriola Quiroz (CCAD), Jenny Mager (Chile), Kishan Kumarsingh (Trinidad & Tobago), Ivette Patterzon (Suriname), Carlos Fuller (Belize) and Brittany Meighen (Caribbean MRV Hub). Credit: UNFCCC/Omoraleja.

## [Navigating the review system under the enhanced transparency framework](#)

Staff members from the UNFCCC secretariat's transparency division introduced the key elements of the ETF and emphasized its close relationship with the NDC ambition cycle and the global stock take process. They provided updates on the ongoing preparations to implement the ETF, including progress on the development of reporting tools and BTR review training programme, and efforts to expand the expert pool eligible to participate in the technical reviews under the ETF. The significance of having sufficient experts available to participate in technical reviews under the ETF was stressed. To that end, the secretariat explained steps involved in becoming eligible review experts.

Further, experts specializing in transparency and the Paris Agreement engaged in a comprehensive discussion addressing two key questions. The first question focused on a country case, specifically delving into Chile's experience having undergone five cycles of the international consultation and analysis process for its Biennial Update Reports. **Ms. Jenny Mager** from the Ministry of Environment of Chile, shared insights into the enriching experience, emphasizing the importance of proactive communication, and viewing the process as an opportunity for capacity building. Her detailed account highlighted the invaluable contributions of both international and national experts, fostering a productive dialogue that significantly improved institutional arrangements and deepened the understanding of reporting processes. This collaborative approach, as described by Ms. Mager,

showcased Chile's commitment to transparency and the continuous enhancement of its reporting and review capabilities.

Next, **Mr. Marcelo Rocha**, a lead negotiator for Argentina, Brazil, and Uruguay focusing on the ETF, and a prominent reviewer in the UNFCCC roster of experts, addressed the second question regarding the significance of experts' participation in reviews and strategies to expand their involvement. Drawing on his extensive experience in reviewing national communications, biennial reports, and GHG inventories, Mr. Rocha emphasized the tangible benefits of experts allocating time, underscored the importance of financial support, and highlighted the necessity of a diverse expert pool, including those proficient in multiple languages. His insights provided practical perspectives on the challenges experts faced, such as time constraints, and stressed the crucial role of institutional support in facilitating their engagement. This exchange contributed valuable insights into effective strategies for fostering a more inclusive and robust expert participation in transparency processes.

The session not only raised awareness on the key technical aspects of the ETF but also highlighted the practicalities of its implementation through expert insights and country experiences. As the global community navigates the path toward enhanced climate transparency, the collaborative efforts showcased in this session provided valuable guidance. From outlining the components of the transparency system to sharing lessons from Chile's journey, and discussing strategies for diverse expert involvement, the session contributed to a collective understanding. These insights serve as a compass, guiding stakeholders towards the shared goal of transparent, accountable, and effective climate actions.

#### [#Together4Transparency Exchange: Engaging Non-Party Stakeholders in the ETF](#)

The session focused on the critical role of various stakeholders in transparency of climate action and support, highlighting possible opportunities for collaboration. Particular emphasis was placed on the crucial role of transparency within the Paris Agreement. Key transparency elements, including reporting, review, and multilateral consideration processes, were outlined, emphasizing benefits at both national and international levels. Notably, the #Together4Transparency initiative was introduced, emphasizing collaborative efforts across stakeholder groups. The session underscored the relevance of transparency for specific stakeholders, such as youth and media, paving the way for a focused discussion on their unique contributions and collaborations in shaping a transparent and effective climate framework.

The panel discussion featured insights from diverse stakeholders, focusing on the engagement of non-party stakeholders (NPS) in transparency processes. Ms. **Joice Mendez**, the UN Secretary General's Youth Climate Change Advisor, provided recommendations for fostering NPS participation, emphasizing collaboration between state and non-state actors, recognition of NPS' importance, and standardized reporting. Ms. Mendez advocated for mandating non-state actors to report progress in a standardized and publicly accessible manner, while also stressing the necessity of capacity-building initiatives and evaluating their climate commitments.

The journalist's perspective, presented by **Ms. Katiana Murillo**, expert in sustainability and development, stressed the importance of credible and reliable sources for journalists, particularly in a landscape with abundant, but not always high-quality information. Ms. Murillo underscored the need for accessible data that was translated into a format journalists could understand, involving the private sector in these efforts. Additionally, she highlighted the significance of journalist training on climate-related topics.



From a Party's perspective, **Ms. Ligia Castro**, Director, Climate Change Office, Ministry of Environment of Panama highlighted the country's climate transparency platform, ensuring that information submitted to the UNFCCC was accessible to the public and various stakeholders. This platform incorporated a capacity-building module offering free online courses, creating a dedicated space for the private sector to access climate-related data. Castro underscored the ongoing collaborations with academia and private firms for carbon market offsetting projects. Aligning with this, **Ms. Jenny Mager**, Head of the Climate Change Division, Ministry of Environment, Chile, emphasized the need for governments' engagement with non-party stakeholders to not only share information, but also to fortify it. Reflecting on Chile's experience, she highlighted the significance of collaboration with the private sector, local actors, and civil society in gaining a more profound understanding and enhancing transparency.

The #Together4Transparency Exchange emphasized the vital role of diverse stakeholders in the Paris Agreement's transparency efforts. The session outlined key elements and opportunities for collaboration, with a focus on transparency's significance for youth, media, and businesses. Recommendations from **Ms. Joice Mendez** highlighted the need for collaborative efforts and recognition of non-party stakeholders. **Ms. Katiana Murillo** emphasized the importance of accessible data and private sector involvement in climate communication. Perspectives from **Ms. Ligia Castro** and **Ms. Jenny Mager** underscored the transformative impact of transparency on climate policies through government-NPS collaboration. The key takeaway message was clear: transparency is a collaborative force shaping an effective and inclusive climate framework.

### [The Practitioners' Dialogue](#)

During the practitioners' dialogue, valuable lessons on transparency and the implementation of the ETF in the LAC region arose. Common challenges and priorities were clearly defined, including further support needs. Important advancements, achievements and lessons learned demonstrated the progress made and illustrated the value of the region's contribution to mitigating the effects of climate change.

Sessions covered multiple topics including: the integration of non-state actors; indicators and tools for tracking NDC implementation; preparing for the BTR via the national transparency framework for adaptation and mitigation measures; adaptation M&E; assessing losses and damages; Article 6; and tracking climate finance to facilitate the mobilization of necessary resources for climate action.



ICAT presentation during the ETF Dialogue, source: ICAT

## Main take-aways

The following key messages summarize the presentations and discussions of the practitioners' dialogue:

- Articulating and overseeing the implementation of NDCs was challenging for many, often because the NDCs lacked clarity, and so specifying indicators became challenging. Solutions to this included prioritizing activities, having coordination between technical teams; and improving the clarity of NDCs.
- Building adequate institutional arrangements ensured continuity in reporting, and timely sharing of information between institutions.
- There is a strong relationship between NDC implementation tracking and transparency; the latter is vital for the former to happen in a meaningful way.
- Lack of capacity remains a challenge, and capacity training of sectoral staff must be prioritized.
- The ICAT guide<sup>1</sup> on navigating the links between Articles 6 and 13 of the Paris Agreement was seen as a valuable tool to guide countries through the complexities of engaging in cooperative market approaches.
- Strong transparency frameworks are essential to prevent double counting within cooperative mechanisms, and to ensure alignment with the NDCs.
- There is limited available guidance in the area of climate finance, with the publication of a forthcoming CCAP methodology for climate finance (supported by ICAT) eagerly awaited.

## **Conclusion**

The Latin America and Caribbean (LAC) ETF Dialogue served as a platform to highlight efforts driven by various stakeholders that collectively advance climate transparency within the region. The

<sup>1</sup> Link: <https://climateactiontransparency.org/wp-content/uploads/2023/06/ICAT-Guide-Article-6-2.pdf>

dialogue, starting from the opening session that underscored transparency's paramount importance to political figures articulating its critical role in climate balance, national survival, and crisis management, exemplifies a collective commitment to transparency as a transformative force in climate action. Key takeaways, emphasizing robust data infrastructure and knowledge exchange, chart the course for nations aspiring toward sustainability. Insights from sessions on navigating the review system and engaging non-party stakeholders offer valuable lessons for effective transparency processes.

The collaborative efforts highlighted in the #Together4Transparency exchange underscored the multifaceted importance of transparency.

Looking forward, the LAC ETF Dialogue not only functions as a regional policy platform but also contributes significantly to a deeper understanding of transparency-related challenges and opportunities, fostering a collective commitment to transformative climate action and a sustainable future.