

June 2025

Call for Expressions of Interest for ICAT country support

<u>The Initiative for Climate Action Transparency (ICAT)</u> invites Expressions of Interest from countries interested in becoming new ICAT partner countries. Selected countries will receive support to strengthen national transparency capacities for effective climate action. Support can cover, among others, transparency for mitigation and adaptation policies and measures and support related to data and analysis for Nationally Determined Contributions (NDCs), including their development, implementation, and tracking of progress. Support can cover all areas of the Enhanced Transparency Framework (ETF) of the Paris Agreement.

ICAT country support is delivered through tailored national projects, coordinated by a designated national focal point and implemented by national experts. Additionally, each ICAT project is also backed by advisory services provided by international experts.

Background

The Initiative for Climate Action Transparency (ICAT) was created at the time of adoption of the Paris Agreement to help developing countries build transparency frameworks for effective, evidence-based climate policies and actions that can contribute to the global transformation required, and help mobilize the financing and support to enable implementation. The Initiative works with over 50 developing countries ranging from large countries, like Nigeria, to small island States, such as Fiji.

ICAT is an unincorporated multi-stakeholder partnership steered by the Donor Steering Committee (DSC), conformed by its donors, Austria; Canada; the Children's Investment Fund Foundation (CIFF); Germany; and Italy; and includes the UNFCCC Secretariat as the dedicated UN body with a climate change policy mandate, and UNOPS as an ex-officio member. The Initiative is hosted by UNOPS on behalf of the DSC. Within UNOPS, the ICAT Secretariat manages ICAT's day-to-day activities, coordinating and guiding the work of the implementing partners.

ICAT provides countries with tailored support and practical tools and methodologies to build robust transparency frameworks needed for effective climate action in sync with national development priorities.

ICAT offers a suite of practical, open-source tools and methodologies. Comprising over 40 tools and methodologies, <u>the ICAT Toolbox</u> addresses critical areas such as policy impact assessment, NDC tracking, data management, climate finance transparency, and just transition monitoring. These tools are tailored to meet the needs of developing countries, providing step-by-step guidance and methodologies to build robust transparency frameworks. For instance, the Transformational Change

Toolkit helps evaluate the potential for systemic shifts towards low-carbon development, while the Climate Finance Transparency Guide assists in tracking and reporting climate finance flows.

By offering these resources, the ICAT Toolbox enables countries to strengthen their climate policies, advance their NDCs, engage national stakeholders, mobilize resources, and enhance accountability fostering international trust, ultimately contributing to more effective and equitable climate action.

ICAT's support offer to countries

ICAT will collaborate with partner countries with a view to longer-term engagement, based on national circumstances, needs and priorities, taking into account BTR review processes, NDC targets, and other support a country receives.

Engagement foresees a phased approach with the option of several short project phases arranged back to back to help advance countries in a step-wise manner from building basic foundations of their transparency framework to more advanced action-relevant transparency elements. It will reflect the country's baseline situation and provide a way to develop and implement more complex frameworks over time.

ICAT will collaborate with partner countries to design a project work plan for each of the phases. As project implementation advances successfully, project work plans for the subsequent phases can be developed during the closing stage of the ongoing project. The work plan development can be assisted by a menu of project work plan components. The components are based on already implemented ICAT country projects and encompass the potential application of one or several of ICAT's tools or methodologies. Each component is designed to enhance national climate policies and address one or more requirements under the ETF. The components can be combined and need to be tailored to address a country's specific needs and priorities. The work plan also needs to avoid any possible overlaps with other activities within the country.

ICAT supports a broad range of activities. The following list of work plan components provide an overview of the possible areas of support. Each project component is designed to develop one of the following outputs and build the capacity of national experts to utilize it effectively:

- 1. Enhanced MRV frameworks that support assessment of greenhouse gas impacts and/or sustainable development impacts, and monitoring implementation of sectoral policies;
- 2. NDC tracking frameworks;
- 3. Frameworks for projections for emissions and removals;
- 4. Monitoring frameworks for just transitions;
- 5. M&E of adaptation action;
- 6. Climate finance transparency frameworks;
- 7. Greenhouse gas impacts of subnational and non-State actions.

Components can be combined. For instance, components 1 to 3 can be combined within the framework of a single ICAT project to develop an integrated sectoral MRV framework. Implementation of the ICAT projects involving components 4 to 7 is more resource-intensive and would require a standalone project to implement each of them.

Country support will be delivered through focused and time-bound (12 to 18 months) project phases with resources provided for work by national experts or a national expert institution, training activities, stakeholder workshops and related activities. Additionally, there will be dedicated international expert advice to support the activities at the national level.

ICAT is open to engaging with countries with different readiness levels to implement transparency frameworks. All components are designed to enable countries to develop practical and achievable NDC updates, support NDC implementation, including the mobilization of climate finance, and report as foreseen under the ETF. If a country already has clearly defined requirements for support within the scope of ICAT's mandate, the project can be tailored to meet those needs.

Submission process

Interested countries are invited to submit a formal Expression of Interest issued by an official government entity (ministry or agency) with competency in the matter, by email to <u>icat@unops.org</u>. The following information should be included:

- Status of reporting under UNFCCC and status of submission of NDC, and relevant ongoing activities in this regard;
- Potential areas of interest and priorities for transparency support, such as defined by the seven project components (listed above), that ICAT can support. Please indicate the <u>1-3 areas</u> that are of highest priority;
- Other ongoing initiatives in the country related to climate action transparency and other support projects expected or under way;
- Contact information of the national focal point for the ICAT project.

Countries that intend to submit an Expression of Interest should be informed that joining the Initiative will imply a commitment from a designated focal point to support swift project preparation and coordination of work at the national level for a successful project implementation.

Submission timeline and next steps

Submissions received by 1 September 2025 will be given priority.

The submitted Expressions of Interest will be reviewed based on selection criteria approved by the DSC:

- Ongoing efforts on MRV/transparency;
- Support needs (in particular, clarity in terms of work to be covered in an ICAT project based on selected priority areas from the list above);

- Maximum ICAT impact (countries where ICAT can best apply its tools and methodologies);
- Workability (e.g. political stability, existing in-country partnerships, functioning institutional setup and procedures);
- Diversity of ICAT countries (e.g. geography, size, economic development, significance of GHG emissions and main GHG emitting sectors).

A list of selected countries will be finalized within ten weeks after 1 September 2025. The ICAT Secretariat will then send invitations to the selected countries and lead the initial discussions with country focal points on country priorities, gaps in capacity, and interest in ICAT methodologies and tools. A period of five weeks will be given to countries to formally confirm the invitation to join ICAT. A work plan and budget will then be developed by the country, with support from the international implementing partner, and funded by ICAT. The engagement will be formalized by concluding a Project Cooperation Agreement (PCA) or a Memorandum of Understanding (MoU) between the responsible government entity and the United Nations Office for Project Services (UNOPS). A summary outlining the steps to prepare for an ICAT project can be found in annex II.

Implementation of the work plan is envisaged to start in the second half of 2025.

The country engagement steps:

- 1. Selection process (4 months):
 - a. ICAT opens Call for EoIs from new partner countries to join the Initiative
 - b. Submission of EoIs by countries
 - c. Selection Panel reviews EoIs
 - d. ICAT Secretariat invites selected countries to join the Initiative
- 2. Project preparation (1-2 months)
 - a. Defining objectives of the ICAT project
 - b. Work plan and budget development
 - c. PCA or MoU signing
 - d. Hiring of national consultants/expert institutions
- 3. Project implementation (12-18 months), including during the last months of implementation planning for a possible subsequent phase.

Annex I: Steps to prepare for an ICAT project

I. Introduction

To set up an ICAT project, two elements must be coordinated and prepared in parallel: 1) the legal arrangements; and 2) the work plan and budget.

For the legal and administrative arrangements, ICAT offers three options:

- 1. **Project Cooperation Agreement (PCA) with the government.** A PCA is signed between UNOPS and a Government entity, based on which funds are released. In this modality, the recruitment process for national consultants follows the government's recruitment procedures.
- 2. Memorandum of Understanding (MoU) with the partner country and hiring of a national implementing partner by UNOPS. In this modality, there is no transfer of funds to the Government. Based on the work plan agreed upon with the government, UNOPS issues a Call for Proposals to select a national implementing partner, such as a research entity, think tank, university institute, or private consultancy firm (provided they agree to work on a non-profit basis). The selection process involves a representative of the Government entity in charge of the ICAT project. UNOPS contracts the selected national institution under a Grant Support Agreement, and UNOPS manages the disbursement of funds, subject to confirmation by the Government of satisfactory delivery and submission of deliverables, as well as financial and narrative reports.
- 3. **MoU with the partner country and management of funds by an international implementing partner**. In this modality, there is no transfer of funds to the Government. ICAT channels the funds through an international IP, that will recruit the national consultants and procure other services (in consultation with the Government) and manage the budget and disbursements related to the project.

The PCA/MoU is to formalize the collaboration with a country and allow ICAT to make resources available for implementation. Since ICAT is managed by UNOPS, a standard UN template is used. The country will develop the work plan and budget in collaboration with the ICAT Secretariat and with support from the International Implementing Partner, which is funded by ICAT. The responsible ministry or national agency must review the PCA/MoU template from a legal perspective and flag any questions, special provisions that need to be included, or other matters that require attention. Once the legal review is completed and a work plan and, in the case of the PCA, a budget are finalized, the PCA/MoU can be signed, resources can be provided, and the project implementation can begin.

In terms of the project team, ICAT projects are implemented by national consultants or a national expert institution hired by the ministry (or the national agency in charge) using resources provided by ICAT. The consultants can be individual contractors or part of a national expert institution.

In addition to the resources for in-country support, ICAT will also fund one of its international technical implementing partners to support project implementation, including advising the national team and providing training. ICAT partners have extensive expertise in capacity building related to transparency topics, such as GHG inventories, climate policy impact assessment, and climate finance transparency. Several partners have also contributed to the development of <u>ICAT's tools and methodologies</u>, and

countries are encouraged to apply these tools and methodologies in ICAT projects in accordance with the defined priorities.

II. Development of a work plan and budget

The Expression of Interest (EoI) submitted by the country outlines one or several priority areas or the project components(s) to be covered by an ICAT project. This serves as the basis for the ICAT Secretariat to initiate a first discussion with the country for it to share its needs and priorities for a work plan. Aspects to consider include:

- Country capacity and status in terms of NDC implementation;
- Reporting to the UNFCCC;
- Other ongoing initiatives in the country related to MRV/transparency.

Based on these first exchanges and the priorities defined by the country, the ICAT Secretariat summarizes the objectives and the targeted outcomes of the ICAT project, which are then reviewed and discussed internally by the country. Considering comments and feedback from the country, the draft work plan is further developed in collaboration with one of ICAT's technical implementing partners, focusing on ICAT support offers that best meet the country's needs, in line with national priorities. Other ongoing activities in the area of climate change MRV/Transparency in the country must be considered to ensure ICAT activities are well-aligned and complementary.

The country (ministry or national entity) may budget activities for a specified amount (usually up to USD 200,000) based on the work plan activities defined in consultation with the ICAT Secretariat. The budget may cover the following activities:

- National consultant(s) or a national expert institution (e.g. consultancy, research institute) to implement the work;
- In-country meetings, workshops, seminars;
- Training and capacity-building activities;
- Outreach material and other activities required under the work plan.

The draft budget is screened for reasonableness of costs to ensure a cost-effective implementation of the project.