Transparency for NDC Implementation and Inclusive Climate Action: ICAT at COP27 - Highlights

ICAT actively participated in the 27th Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP27), held in Sharm el-Sheikh, 8-19 November 2022, co-hosting and participating in a series of events and meetings, showcasing ICAT's offer of support and impact and promoting the overall transparency agenda.

In view of the focus on NDC implementation, ICAT used the forum provided by COP27 to highlight the importance of transparency in helping countries realize their climate ambitions. With a reference to the new ICAT tools and methodologies (such as the Guides on Transparency for Article 6 Cooperative Approaches, the methodology for tracking climate finance and the methodology for tracking just transitions), ICAT used its presence at the COP to inspire countries to enhance and expand their transparency frameworks towards effectively implementing their NDCs.

Right before the opening of COP 27, ICAT launched a new <u>Call for Expressions of Interest</u> for countries and regional organizations that wished to join ICAT in a new engagement. The ICAT Secretariat took advantage of the opportunity provided by the COP to promote its offer of support to interested parties and discuss transparency needs and priorities. The Call seeks responses by 15 January 2023.

Below is a brief summary of ICAT's activities during the COP27. For more information about any of the events, activities or the tools and methodologies referred to below, please visit the ICAT website or contact the ICAT Secretariat.

Nigeria/CCAP/ICAT official side-event: Transparency to Drive Inclusive Climate Action and Mobilize Finance, 14 November, Room Thebes







The event explored how countries were developing their transparency frameworks to enable inclusive and transformational climate action, employing forward-looking approaches, with a focus on just transitions and climate finance. Featuring high-level remarks from H.E. Mohammed H. Abdullahi, Minister of Environment of Nigeria and H.E. Orlando Habet, Minister of Sustainable Development of Belize, and a panel discussion with senior experts

from Kenya, Senegal, and South Africa, the event demonstrated that transparency could be key for developing countries to meet their national targets and international commitments.

"Beyond the Paris Agreement, Nigeria has committed to net-zero emissions by 2060, in line with the Global Energy Transition Plan and the Long-Term Low Emission Development Strategy; and as part of Nigeria's Transparency enhancement effort, the country's GHG [greenhouse gas] mitigation assessment has been expanded to cover 11 pollutants in total including short-lived climate pollutants," said H.E. Mohammed H. Abdullahi, Minister of Environment, Nigeria. "Without transparency, the implementation of all actions, promises and commitments of the Paris Agreement will not hold the desired value."

"We as developing countries must be ready to be transparent so that all stakeholders know our climate finance needs, how much we received, how we have used it and the gaps in climate finance.", said H.E Orlando Habet, Minister of Sustainable Development, Climate Change & Disaster Risk Management of Belize. And he emphasized that "Transparency on climate finance is important for all to build mutual trust."

Several speakers emphasized the important domestic benefits and the key role of transparency for NDC implementation, climate finance mobilization and just transitions and gave examples on how this played out in their countries. Messages from the event included:

- Countries increasingly recognize the value of building and enhancing their national transparency frameworks.
- Both climate finance and just transition processes need strong stakeholder engagement, and clarity and transparency of all underlying data and information is critical for stakeholders.
- For climate finance, international accountability is very important, and this also requires consistency of definitions where ICAT can make a useful contribution. Just transition processes are more focused on the national level and tracking needs to encompass aspects like measuring unemployment, the creation of jobs and other social indicators.
- But also for climate finance, supporting national processes that are needed to effectively
 plan investments for NDC implementation is essential. And successful just transition
 processes become a key in order to raise the level of ambition for NDCs, giving it also an
 international dimension.

Several speakers highlighted the important role of ICAT in helping to institutionalize transparency, creating national coherence across the economy and the broad ownership of international commitments that was the basis to ensure compliance. Some countries were targeting a full national monitoring and evaluation framework to cover all climate activities. Those that are already advanced in their transparency efforts strongly recommended other countries to begin and not shy away from starting simple, and then improve over time. Several speakers recommended the ICAT tools as a basis for building the capacity needed at the national level

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Contact the ICAT secretariat if you want to learn more about the upcoming ICAT methodology for tracking climate finance

Other side-events co-hosted by ICAT

ICAT/Peru side-event: Article 6 Implementation and its integration to the Enhanced Transparency Framework (ETF) of Article 13, 10 November, 4th Capacity Building Hub



The event, co-organized by ICAT and the Ministry of Environment of Peru in the 4th Capacity Building Hub, focused on the links between Article 6 of the Paris Agreement and Article 13, highlighting essential preparatory transparency efforts for developing countries to be able to effectively engage in Article 6 activities. Presentations were made on Peru's national experience implementing Article 6 and the new ICAT guide on transparency for Article 6. Representatives from Singapore and Switzerland shared their perspectives as countries that are actively engaged in Article 6 activities.

Some key messages emerged:

- Setting up strong transparency frameworks would allow countries to make strategic decisions about the use of carbon markets, and ensure environmental integrity by avoiding double claiming and double counting.
- Linking Article 6 to the ETF was not only one of the conditions for engaging in cooperative activities, but also a safeguard that ensured and demonstrated that activities under Article 6 were credible and legitimate ways to meet the goals of the Paris Agreement, and achieve NDC targets and increase ambition.

• Overall, the event demonstrated that transparency was essential to ensure the integrity of Article 6 implementation and help countries use carbon markets to increase ambition.

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Explore the ICAT toolbox

ICAT/WRI side-event: How to integrate Just and Gender Inclusive Transition Strategies into next generation NDCs and LT LEDS, 11 November, 4th Capacity Building Hub



Building on WRI's work with ICAT, this event in the 4th Capacity Building Hub drew attention to the ongoing efforts of national governments to integrate just and gender inclusive transition strategies into their next generation NDCs and LT LEDS. The ICAT Director made an introductory presentation on ICAT's offer of support to countries for setting up monitoring and evaluation systems to track just transitions processes, through new methodological guidance that WRI has prepared under an ICAT project.

A panel discussion with representatives from Brazil, the Dominican Republic and South Africa highlighted the diverse countries' experience in integration of just transition strategies into NDCs and LTSs. It also discussed the important role that M&E of just transition played in implementing countries' nationally determined contributions and preparing for decarbonization targets under their long-term strategy. Finally, it suggested how such work could be linked to efforts to build a national climate transparency framework.

View event recording

Contact the ICAT secretariat if you want to learn more about the upcoming ICAT methodology on MRV of Just Transitions

ICAT/CAREC side-event: Regional cooperation on climate action transparency in the Central Asian region, 11 November, Tajikistan Pavilion



The event was dedicated to increasing stakeholder involvement in decision-making and enhancing awareness of the activities of ICAT's Regional Climate Action Transparency Hub (ReCATH) in Central Asia. Featuring presentations of the work plan for the Hub, and statements from civil society on joint efforts by Central Asian countries to combat climate change, the event aimed to increase stakeholder involvement in decision-making processes. This included raising awareness of civil society's position on climate change transparency and ensuring knowledge of the ReCATH project's actions.

Learn more about ICAT's Regional Hubs

ICAT/ECCAS side-event: Challenges and Benefits of the Hub for Climate Transparency in Central Africa: First Results, 16 November, Congo Basin Blue Fund Pavilion



To be transparent and take action adapted to the needs of its member countries, the Economic Community of Central African States (ECCAS) and ICAT organized this event to present and discuss the first results of the ICAT Climate Action Transparency Hub in Central Africa. As part of ICAT's regional approach, the Regional Hub, hosted by ECCAS supports the 11 ECCAS Member States in their efforts to build and improve sustainable and comprehensive transparency frameworks.

The event saw the participation of eight ECCAS member States, including four at ministerial level:

- H.E. Ms. Eve Bazaiba Masudi, Vice-Prime Minister and Minister of Environment and Sustainable Development, Democratic Republic of the Congo, who also presided over the event;
- H.E. Ms. Paula Francisco Coelho, Minister of Environment, Angola;
- H.E. Ms. Arlette Soudan-Nonault, Minister of Environment, Sustainable Development and of the Congo Basin, Republic of the Congo; and
- H.E. Ms. Francisca Eneme Efua, Minister of Agriculture, Livestock, Forests and Environment of the Republic of Equatorial Guinea.

The event opened with a video message by H.E. Mr. Felix Tshisekedi, President of the Democratic Republic of the Congo, who welcomed the opening of a regional center for climate action transparency in Douala, Cameroon, dedicated to – among others – capacity building of the countries and other stakeholders involved in climate change action, in connection with economic development.

Dr. Henning Wuester, Director of ICAT, provided opening remarks applauding the leadership role that Central Africa was taking by engaging around a regional transparency hub. By taking ownership of the Hub, Central African governments and their transparency experts could ensure that the support provided through the hub was tailored to the regional and national gaps and needs.

In her opening address, H.E. Ms. Eve Bazaiba Masudi, Vice-Prime Minister and Minister of Environment and Sustainable Development, Democratic Republic of the Congo, highlighted the importance of regional cooperation and the collective determination of Central Africa to actively engage in responding to climate change. She welcomed the work initiated under the Regional Climate Action Transparency Hub and called on all ECCAS member States to collaborate to make good use of the opportunity.

The Hub's coordinator, Mr. Gervais Itsoua, explained the multiple options of support that would be available through the hub, highlighting that the work plan had been established following feedback received from all 11 countries. This ensured that support could be fully adapted to what countries actually needed and were seeking to achieve.

The representatives of the beneficiary countries that were present, including the high level representatives, expressed their deep appreciation for this initiative and their hopes that the hub would allow the countries in the region to come together to achieve tangible results for climate change action in the region. By working on transparency, countries would be enabled to achieve their mitigation and adaptation targets, and also to reassure donors and investors, so that they could mobilize the funds necessary to meet their climate and development goals.

View event recording

Learn more about ICAT's Regional Climate Action Transparency Hub for Central African States

ICAT/UNEP-CCC side-event: Enhancing transparency in adaptation, 16 November 2022, IDFC Pavilion



The event highlighted the importance of transparency for adaptation through the results of the ICAT adaptation project, to inspire other developing countries to develop M&E systems to track actions and support based on examples from and methodologies developed by ICAT. It included a presentation from UNEP-CCC of the methodologies developed in the context of the ICAT adaptation project and presentations on country experiences from representatives of ICAT adaptation partner countries, namely South Africa ("Developing an M&E framework for loss and damage in South Africa as part of the ICAT project") and India (TERI) ("Development of National MEL Framework for Agriculture in India").

This was followed by an engaged discussion touching on a number of aspects, including the economic valuation of losses and damages and the importance of stakeholder engagement to advance adaptation M&E.

View event recording

ICAT contribution to events organized by partners

UNFCCC secretariat side-event: Support opportunities for developing country Parties to enhance their climate change reporting, 9 November, Room Tutankhamun



The side-event, organized by the UNFCCC secretariat, provided an opportunity for countries to learn about the support available to enhance their transparency frameworks and improve capacity for reporting under the ETF. Panelists from support-providing organizations such as GIZ, AGWA, ICAT, GEF and UNEP-CCC showcased the support activities planned or implemented to assist developing countries to enhance their climate change reporting. Oleg Bulanyi, Senior Programme Manager at the ICAT secretariat, presented ICAT's offer of support, with a focus on NDC implementation and the use of the ICAT toolbox (including both existing and upcoming tools and methodologies). He highlighted in particular ICAT's Call for Expressions of Interest for countries and regional organizations that wished to join ICAT in a new engagement.

Learn more about ICAT's work

Rwanda side-event: Readiness to Enhanced Transparency Framework under Paris Agreement, 11 November, Rwanda Pavilion





Join at Rwanda Pavilion

4PM Fiday, 11 November 2022

Rwanda's readiness to meet the **Enhanced Transparency Framework** requirements







Ms. Suzanne Lekoyiet Task Manager, UNEP



Mr. Shalom M. Ndiku



Mr. Oleg Bulanyi Senior Programme Manag



Mr. Jyri Jantti Transparency expert,



Mr. Faustin Munyazikwiye
Deputy Director General, REMA



The side-event organized by the government of Rwanda aimed at sharpening the understanding of the ETF through knowledge and experience sharing between countries and international organizations, providing an opportunity for participants to discuss the available opportunities, needs and challenges in the context of getting ready for reporting under the ETF. Oleg Bulanyi, Senior Programme Manager at the ICAT secretariat, presented ICAT's regional approach to enhancing capacity for ETF reporting through the ICAT Regional Climate Action Transparency Hubs (ReCATHs). Rwanda, alongside the rest of the member states of ECCAS, is one of the countries receiving support through the ICAT ReCATH in Central Africa.

The panel discussion noted the differences in capabilities of individual countries and the need for flexible support for building capacity for the ETF. They also stressed the usefulness of regional knowledge exchange. The role of the transparency frameworks in achieving national sustainable development goals was underlined as a major co-benefit of the ETF.

Learn more about ICAT's Hub in Central Africa

Partnership to Strengthen Transparency for co-Innovation (PaSTI) side-event: Shedding a light on GHG emission in supply chain in Asia, 15 November, Japan Pavilion



With a view to promoting transparency activities in the ASEAN region, this event provided an opportunity to share lessons learned and know-how for enhancing transparency from the perspective of governments, non-state actors and financial institutions. It also discussed ways for effective engagement of the private sector through mechanisms, such as ESG investment.

.Participating in a panel discussion with other experts, Dr. Henning Wuester, ICAT Director, highlighted ICAT's methodology for countries to integrate action by subnational entities and the non-state actors into their national targets, thereby enabling countries to raise ambition in their NDCs. He also highlighted the importance of companies to be ahead of the curve in terms of assessing their GHG emissions, so that they would be prepared for engagement in cooperative approaches under Article 6 of the Paris Agreement.

During the discussion, speakers highlighted key steps that companies should follow: from measuring emissions, projecting their trajectories, to target setting and transition planning. Speakers also agreed on the importance of including a review of supply chains as a driver for change. Governments are recommended to prepare appropriate regulations on reporting and related aspects to accelerate change.

<u>View event recording</u>
Access ICAT's Non-State and Subnational Action Methodology

Climate Policy Initiative (CPI) sid-event: Domestic Climate Finance Mapping and Planning: Challenges and Opportunities, 17 November, NDC Partnership



The event organized by the Climate Policy Initiative, provided a space to share methodologies, tools and best practices among the community of practitioners working on the mapping of national climate-related finance flows (public and private). Focus was placed on identifying priorities to advance finance mapping and planning that effectively contributes to implementing the NDCs and discuss relevant international reporting requirements and transparency efforts under the ETF and what support is needed going forward.

The ICAT Director, Henning Wuester, made opening remarks, highlighting the role of transparency for NDC implementation, including mobilizing climate finance. He noted that transparency increases accountability and empowers countries with the knowledge of their climate finance landscape to direct financial flows according to their needs, while also enabling them to monitor progress and evaluate effectiveness. He encouraged countries to get started and not shy away from simple assessments that can then be refined over time. Tracking framework should be set up with a view to be able to repeat assessments regularly so that data could be kept up to date. Dr. Wuester also called upon support providers to ensure that their methodology is harmonized and uses the same definitions and concepts in order not to confuse the users of the data.

The event heard about experiences of tracking climate finance in South Africa, Indonesia and Kenya and discussed some of the key challenges and opportunities.

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Bilateral Meetings with Countries

Across the two weeks of the COP27, the ICAT Secretariat met with 13 countries in person to discuss the progress of current ICAT country projects, potential activities for continued work in subsequent phases/work plan development for new countries, as well as to flag potential problems, risks and bottlenecks and options for their solutions. The Secretariat had bilateral meetings with Belize, Cambodia, China, Côte d'Ivoire, Eswatini, Fiji, Ghana, India, Kenya, Maldives, Nigeria, Panama and Vietnam.

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Partnerships

In addition to this, ICAT met with partners and other organizations active in the climate transparency landscape, with a view of coordinating and optimizing support activities to the interest of beneficiary countries. During the two weeks of the COP ICAT met with representatives from PATPA, IGES, IGTIC and CPI.

In addition, ICAT joined the Article 6 Implementation Partnership ("A6" Partnership), which was launched during COP27 at the Japan Pavilion. The partnership, which already includes numerous countries and organizations, aims to facilitate understanding of Article 6 rules and linkages with NDCs, share good practices of institutional arrangements, conduct mutual learning and trainings for A6 reporting and review, support baseline methodology (tool development, etc.) and design high integrity carbon markets. As a member of the partnership, ICAT can share and exchange with the rest of the partnership members about work on transparency for Article 6 implementation, including in the context of the ICAT guide on "Transparency for Cooperative Approaches under the Paris Agreement - Links between Article 6 and the Enhanced Transparency Framework".

Learn more about the A6 Partnership