

ICAT Messages at COP30

Overview

At COP30, the spotlight will be on the next generation of national climate commitments—Nationally Determined Contribution (NDC 3.0)—with transparency, including the data and insights that it provides, positioned as a critical enabler of more ambitious, realistic, and actionable plans. As countries strive to align with the 1.5°C goal, transparency has to be more than just a reporting obligation—it is a strategic tool for strengthening the quality of NDCs, ensuring they reflect policy choices that are based on sound data and solid analysis; and enabling implementation, unlocking finance, and tracking of progress. Key themes at COP 30 will include the operationalization of the Global Stocktake, the Global Goal on Adaptation, scaling up climate finance, and just transitions and adaptation, among others. Transparency underpins each of these themes.

Target audiences: Policy makers in ministries responsible for climate change, donors, transparency experts and the broader climate expert community. These messages are designed for use in ICAT events, partner meetings, bilateral engagements, and communications outreach during COP 30.

Overarching Messages

The Power of Transparency: Enabling effective implementation of the Paris Agreement

- Transparency is the cornerstone of the Paris Agreement. It forms the backbone of its architecture—linking Nationally Determined Contributions (NDCs), to the Agreement's overarching temperature goals and connecting mitigation and adaptation actions, climate finance, development impacts, and accountability. A robust transparency framework ensures trust, drives ambition and enables countries to track progress and strengthen collective climate action at both national and international levels.
- Transparency, with the data and analysis it offers, empowers countries to design and implement effective NDCs—helping governments plan climate action, engage stakeholders, manage implementation, mobilize finance, and track progress. Transparency enables informed updates to NDCs, raising ambition over time towards transformational climate action, grounded in evidence and national priorities.
- The Enhanced Transparency Framework is not just about reporting it underpins the effective implementation of all aspects of the Paris Agreement. By fostering openness and accountability, it builds trust both domestically and internationally. Transparency encourages whole-of-government engagement—including the sectoral ministries and ministries of finance—and strengthens the confidence among stakeholders and financial partners, ultimately driving more ambitious and coordinated climate action
- Transparency is an essential basis for mobilizing climate finance, from public and private, and domestic and international sources. It enables countries to estimate the costs of mitigation and

adaptation, track funding flows, and assess and communicate impact in a credible and consistent manner.

Ultimately, transparency supports actionable, data-driven NDCs, from target-setting to implementation, tailored to national contexts and capable of delivering measurable outcomes in climate and development.

ICAT: Empowering countries to deliver data-driven and effective NDCs

As countries craft and implement their NDC 3.0, transparency stands as the cornerstone of effective climate action: A transparency framework allows policymakers to:

- Develop emissions projections, assess vulnerability, and set targets;
- Assess mitigation and adaptation policies and measures; and
- Monitor and evaluate progress.

An evidence-based approach helps refine policies, engage private and public stakeholders and attract and align domestic and international finance.

For NDCs to be effective, targets must be complemented by a policy framework that answers three key questions:

- What will lead to the actions that affect the targeted change?
- What resources—technical, institutional, and financial—are required to deliver these actions?
- How will progress be tracked and reported?

Transparency is essential for evaluating and assessing policy impact, in terms of greenhouse gas emission reductions and removals for mitigation, enhanced resilience for adaptation, and progress towards sustainable development.

ICAT's contribution towards advancing climate action transparency

ICAT plays a central role in helping countries operationalize transparency by offering targeted and demand-driven support and a toolbox to develop and strengthen national transparency frameworks.

Aligned with the ETF requirements, ICAT helps integrate transparency into national processes through:

- Development of sector-specific monitoring reporting and verification (MRV) systems;
- Policy impact assessments and NDC tracking;
- Climate finance transparency; and
- Support for monitoring just transitions.

Through its 40+ free tools, methodologies and capacity building modules, ICAT empowers countries to transform NDCs into measurable, transparent and impactful climate action.

A trusted partner for the NDC 3.0 planning and implementation

As countries submit their NDC 3.0, and prepare for implementation, ICAT stands as a trusted ally in this journey, offering support to bridge the gap between climate ambition and actionable, impactful solutions. With ICAT's support, countries can make their climate actions evidence-based and action-oriented, driving real progress toward national and global climate goals.

Other Key Messages

- 1. An-evidence-based NDC lays the foundation for building ambition that is supported by a realistic assessment
 - With the current round of NDCs (NDC 3.0) due in 2025, countries are now at a critical juncture. Updating and strengthening NDCs under the Paris Agreement is not only a requirement—it's an urgency to align national plans with the Paris Agreement's goals.
 - However, raising ambition must go hand-in-hand with realism and credibility. NDCs must be based on robust data and evidence, not aspiration alone. Only then can targets be translated into concrete policies, measures, and investments to achieve the transformational impact needed.

This is where transparency plays a central role:

- It enables effective implementation through sound planning, broad stakeholder engagement and mobilization, and robust measurement of progress on emission reductions, policy effectiveness, and adaptation outcomes.
- It also reveals gaps and challenges, informing where additional efforts, policy shifts, or support may be needed.
- A transparent, evidence-based approach ensures that the next NDCs are not just more ambitious—but also more realistic
- It helps to learn from experience, identify what's working, so successful policies

Ultimately, transparency is a practical enabler of both ambition and implementation. It helps countries build trust, attract finance, and demonstrate climate leadership—turning NDCs into real progress on the ground.

2. Transparency for realistic and ambitious NDCs

Article 13 of the Paris Agreement establishes the Enhanced Transparency Framework (ETF). Its objective is dual:

1.To build mutual trust and confidence; and

2. To support the effective implementation.

The second objective is often overlooked but is crucial for decision-makers. Transparency enables countries to strengthen their NDCs and design more targeted, effective climate policies.

- So, the ETF is both about reporting on and planning and implementing climate action. It is the
 basis for strong NDCs and for solid Biennial Transparency Reports (BTRs). Especially this year, it is
 important to note that transparency can provide the basis for strengthening the NDCs, guiding
 and supporting climate action at the national level, so that it can be targeted and effective to
 achieve both climate objectives and advance development priorities.
- The power of transparency lies in the data that it allows countries to collect. Data that provide clear evidence of progress, sound planning, allow policies to be assessed for their impacts before and implementation, and facilitate the mobilization of resources, including finance and stakeholder engagement.
- The first Global Stocktake made clear that the world is off course. Enhanced transparency can help countries identify gaps, take corrective action, and lay the groundwork for long-term, effective climate action.

3. Transparency for Just Transitions

- A just transition must be credible and measurable. Transformational climate action requires societal support—this can only be achieved through transparent processes that track impacts and ensure fairness.
- Transparency helps identify and address trade-offs. It provides data to assess the broader socio-economic effects of climate policies, including unintended consequences on jobs, livelihoods, and communities.
- It enables adaptive policy implementation. By monitoring whether transitions remain fair over time, transparency supports timely course corrections and helps avoid backlash or policy failure.
- Inclusive transparency fosters trust and buy-in. Engaging affected stakeholders in defining and monitoring "just transition" indicators builds legitimacy and ensures that climate ambition is aligned with social equity

4. Transparency for Climate Finance & Investment

- Transparency is a key enabler for climate finance—both domestically and internationally.
- Internally, it strengthens coordination among national institutions and enhances strategic planning.
- Externally, it improves engagement with donors and investors, and increases a country's attractiveness for climate finance.
- Climate finance transparency frameworks provide a clear overview of funding flows and gaps, supporting strategic decisions on where and how to engage new finance.
- Credible assessments of climate policy impacts—on emissions and development—enhance accountability and can unlock further finance.

5. What Works, What Doesn't: Transparency for Evidence-Based Climate Policy Assessments

- Transparency enables evidence-based policymaking. By systematically tracking and reporting climate policies and actions, transparency provides the data and insights needed to evaluate what works, what doesn't, and where adjustments are necessary.
- Assessment of policies and actions strengthens policy effectiveness. Transparent assessments
 reveal the actual impacts of implemented measures—on both greenhouse gas emissions and
 sustainable development—helping policymakers fine-tune or redesign interventions for better
 outcomes; and fosters a framework that helps assess the social and economic impacts of climate
 policies, including their alignment with national priorities and development plans as well as
 Sustainable Development Goals (SDGs).
- It creates a feedback loop for continuous improvement. Transparency transforms climate policy from a static commitment to a dynamic process—where learning, adjustment, and scaling up successful measures become part of the policy cycle.
- It builds credibility and trust—domestically and internationally. Transparent policy assessments show that decisions are grounded in evidence, which strengthens confidence among stakeholders, investors, and development partners.
- Transparency supports coherence across sectors and levels of government. By making data and assessments accessible, transparency helps align efforts across ministries, subnational governments, and sectors, ensuring policies are integrated and mutually reinforcing.
- It helps identify gaps and opportunities. Transparency sheds light on where policies may fall short, where synergies can be strengthened, and where new actions or investments are needed—enabling a more strategic allocation of resources.

6. The Role of Transparency in Implementing Article 6 of the Paris Agreement

- Transparency is the foundation of trust and cooperation: A strong transparency framework builds the trust necessary for countries to engage in meaningful international cooperation. Without clear, reliable information, the confidence required for Article 6 partnerships and transactions cannot be established.
- **Enabling participation through transparency:** Countries cannot participate in Article 6 mechanisms, especially those involving international transfers of mitigation outcomes, without a robust national transparency framework. Transparency is a prerequisite for access.
- Ensuring environmental integrity and risk management: Integrating Article 6 monitoring and reporting into national transparency systems ensures environmental integrity and enables early detection of risks that could undermine national and global climate goals.
- Transparency powers accurate accounting and reporting: Article 6 imposes strict accounting and reporting requirements. A well-established transparency system allows countries to meet these obligations, track mitigation outcomes, and align them with their NDCs.
- Demonstrating progress and enhancing ambition: Transparency enables countries to assess and demonstrate progress toward their NDCs. This clarity is crucial to ensure that cooperative actions support national efforts to increase climate ambition.

- Attracting partners and unlocking market opportunities: Transparent systems make countries
 more attractive partners in carbon markets by providing assurance that mitigation outcomes are
 real, verifiable, and aligned with international standards. Transparency is a signal of credibility
 and readiness.
- Creating a consistent basis for cooperation: A robust transparency framework ensures consistency in how countries track their NDCs and Article 6 activities. This uniformity is essential to the comparability and reliability of mitigation outcomes traded under Article 6.
- Transparency as a governance safeguard: A national transparency framework acts as a safeguard, embedding Article 6 activities within national governance structures and helping ensure that international cooperation supports domestic climate objectives.

7. Tools that Work: The ICAT Toolbox Empowers Countries to Deliver

At the heart of ICAT's support is the ICAT Toolbox—a suite of free, open-source, and flexible tools and methodologies designed to enhance transparency and build capacity for effective climate action.

The ICAT Toolbox enables countries to:

- Develop and improve MRV systems across sectors
- Assess the impacts of climate policies
- Track progress towards NDC targets
- Monitor climate finance flows
- Design just transition frameworks

Developed with country needs in mind, the toolbox is modular, adaptable, and fully aligned with the ETF. Whether you're designing a new policy, updating a national inventory, or preparing your next NDC, the ICAT Toolbox provides the technical foundation for data-driven decision-making and impactful climate action delivery.

6