



Initiative for Climate Action Transparency (ICAT)

Draft Legal Agreement (DLA) to Institutionalize the MRV Framework for the Electricity Generation and Transport Subsector for St. Kitts & Nevis

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Output O

Submitted to:

The Government of St. Kitts and Nevis' Ministry of Sustainable Development, Environment, Climate Action, and Constituency Empowerment

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This report is made within the framework of the MEMORANDUM OF AGREEMENT between the Government of St. Kitts and Nevis represented by the Ministry of Environment, Climate Action, and Constituency Empowerment to support the Government of ST. KITTS AND NEVIS in the development of the NDC tracking framework as well as the establishment of a sustainable capacity to conduct projections of Greenhouse Gas (GHG) emissions for the electricity generation and transport subsectors. For this purpose, in close collaboration with the Climate Action Unit, a set of activities are defined and realized to produce the deliverables in the context of this agreement.

ACRONYMS:

BUR	Biennial Update Report
BTR	Biennial Transparency Report
CARICOM	Caribbean Community
CCMRVH	Caribbean Cooperative Measurement, Reporting and Verification Hub
COP	Conference of Parties
DLA	Draft Legal Agreement
EV	Electric vehicle
GDP	Gross Domestic Product
GHG	Greenhouse gas
GHGMI	Greenhouse Gas Management Institute
GIS	Geographic Information System
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
ICAT	Initiative for Climate Action Transparency
IPCC	Intergovernmental Panel on Climate Change
MOU	Memorandum of Understanding
MPG	Modalities, Procedures and Guidelines
MRV	Measurement, reporting and verification.
NC	National Communication
NCEPA	National Conservation and Environmental Protection Act
NDC	Nationally Determined Contributions
OECS	Organization of Eastern Caribbean States
PV	Photovoltaic
QA/QC	Quality Assurance/Quality Control
SIDS	Small Island Developing State
UNFCCC	United Nations Framework Convention on Climate Change

1 INTRODUCTION

This report presents a **Draft Legal Agreement (DLA)** to institutionalize the Measurement, Reporting and Verification (MRV) framework for the electricity generation and transport subsector to support the Government of ST. KITTS AND NEVIS including for compilation of the emission estimates for the National GHG Inventory and NDC tracking. This is one of the deliverables prepared under the St. Kitts and Nevis ICAT project.

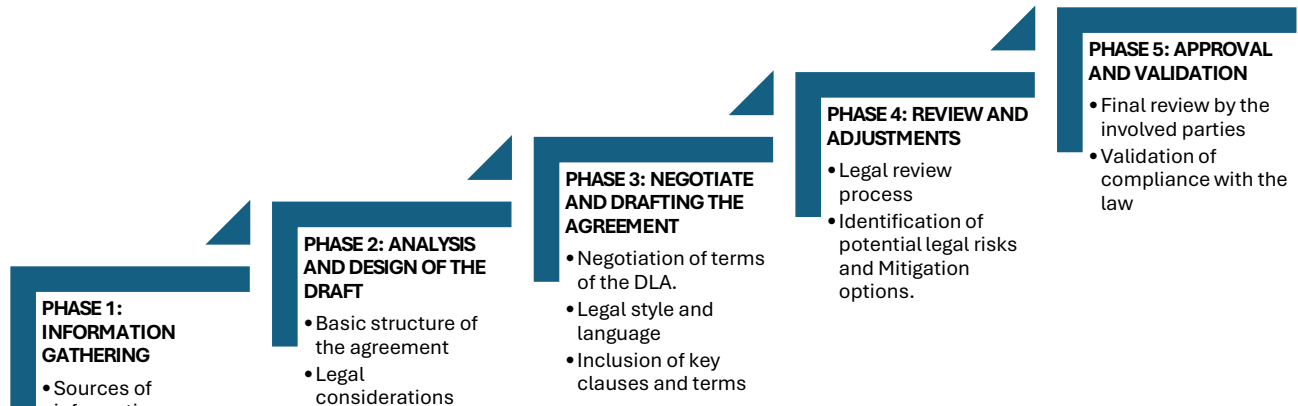
Legal arrangement to institutionalize MRV in the electricity generation and transport sectors is essential to ensure that countries can effectively monitor and report their contributions to combating climate change, ensuring transparency, compliance, and effectiveness in the implementation of their NDCs in the following ways:

- Formalizing the MRV framework, establishing the rules, principles, and procedures that responsible institutions must follow to monitor, report, and verify GHG emissions in the electricity and transport subsectors. This is crucial to ensure that national commitments under the NDC are met in a transparent and verifiable manner.
- Facilitating a robust and reliable system for tracking emissions, which is essential for countries to demonstrate compliance with their climate commitments before international bodies like the UNFCCC (United Nations Framework Convention on Climate Change), ensuring transparency and credibility in measuring emissions and the reductions achieved, providing trust at the national and international levels.
- Building institutional capacity and coordination that facilitates coordination between the various entities and sectors involved (e.g., ministries of energy, transport, and environment). This is necessary for the effective implementation of the MRV system, ensuring that the responsible agencies are clear on their roles and responsibilities, as well as the methodologies to be followed for data collection and verification.
- Facilitating compliance with international commitments such as reporting regularly on their progress with their NDCs. To do so effectively, they need a structured continuous and reliable system that allows for the collection, validation, and reporting of data.
- Encouraging investment and access to climate finance by demonstrating a well-implemented MRV framework backed by a formal legal arrangement and that the country has the capacity to monitor and meet its climate goals.
- Evaluation of the policies and measures implemented in the electricity and transport sectors. This ensures that strategies adopted are aligned with emission reduction goals, helping to adjust or improve policies as needed to meet NDC commitments.
- Supporting the transition to a low-carbon economy by identifying areas where more efforts are needed to reduce emissions, contributing to the achievement of both national and international climate goals.

This document outlines the theoretical and contextual principles that serve as the basis for the legal agreement for St. Kitts and Nevis MRV system for the electricity generation and transport subsector. The agreement is based on the construction of an inter-institutional arrangement where consensus on common objectives and benefits is established. This is to be used as a starting point for the development of a higher-level legal agreement, based on the immediate need to have information and the need for a framework that is flexible and agile to introduce the necessary improvements. A general identification of the legal and regulatory risks associated with the implementation of the MRV framework is carried out and some ideas for addressing them are outlined.

The construction of a Memorandum of Understanding (MoU), which is the proposed mechanism for the DLA, follows a series of general steps to ensure a structured and thorough approach to drafting the agreement, as described in *Figure 1*.

Figure 1: Developing a Memorandum of Understanding: General Steps and Key Activities to Develop



Source: Kenton et al, (2024)

For the purposed of the **Draft Legal Agreement (DLA)** in question, the first two phases have been completed, which include identifying relevant sources of information and establishing the basic structure of the agreement along with initial legal considerations. Some of the key deliverables completed under this ICAT project provide substantial background to the development of this report. They include:

- Deliverable E – Report on data collection, management, and data gap assessment for the energy sector, which presents an analysis of the data collection and management strategies in the energy sector as well as identifies the gaps which exist in this sector.
- Deliverable I - Documentation on the NDC tracking tool for the electricity generation and transport subsectors: This report provides guidance on the proposed software platform for NDC tracking within St. Kitts and Nevis which would feed into the overall NDC Tracking framework being developed.
- Deliverable H - Report on NDC tracking indicators for the Electricity Generation and Transportation Subsectors: This report highlights the selection and development of the proposed St. Kitts and Nevis NDC tracking indicators, including general data collection considerations, anticipated challenges, and recommendations for monitoring indicators.
- Deliverable L - Report presenting the overarching institutional arrangements and recommendation for national reporting for the Electricity Generation and Transport Sectors.
- Deliverable M - Report on the MRV framework for the Electricity Generation and Transport Sectors of the St. Kitts and Nevis ICAT project.

The remaining steps are yet to be undertaken to complete the entire process.

2 CONTEXTUAL FRAMEWORK

2.1 Institutional Arrangements

Institutional arrangements¹ serve as essential tools for fostering collaboration and achieving shared objectives across organizations. These agreements formalize relationships and establish clear terms for cooperation, resource sharing, or the pursuit of mutual goals. Depending on the nature of the partnership, agreements can take various forms, ranging from informal arrangements to legally binding contracts, ensuring flexibility to address specific needs and contexts.

Deliverable L (Report on Institutional Arrangements in St. Kitts and Nevis) outlines the institutional configuration for St. Kitts and Nevis for its MRV System the coordination across sectors and organizations, the capacity-building for national experts, and implementing rigorous quality assurance measures. Based on previous institutional arrangements and current data flow between key organizations, recommended institutional arrangements for the electricity generation and transport subsectors have been made. Some key figures and descriptions can be found in [Annex 1](#), regarding the recommended institutional arrangements and data flows.

2.2 Governance strategy and Implementation Framework

The governance strategy within the MRV implementation framework is essential for defining roles, responsibilities, and processes that ensure accountability, coordination, and adaptability. It provides a structured foundation to mitigate risks, enhance stakeholder trust, and align the MRV system with national and international climate goals. Effective governance ensures accountability by clearly defining stakeholder roles in data collection, reporting, and decision-making. Given the collaborative nature of the MRV system, governance facilitates coordination across stakeholders, particularly in the Energy and Transport sectors, preventing data gaps, redundancies, or conflicts. Additionally, it plays a critical role in overseeing mitigation strategies and ensuring the integrity of the system.

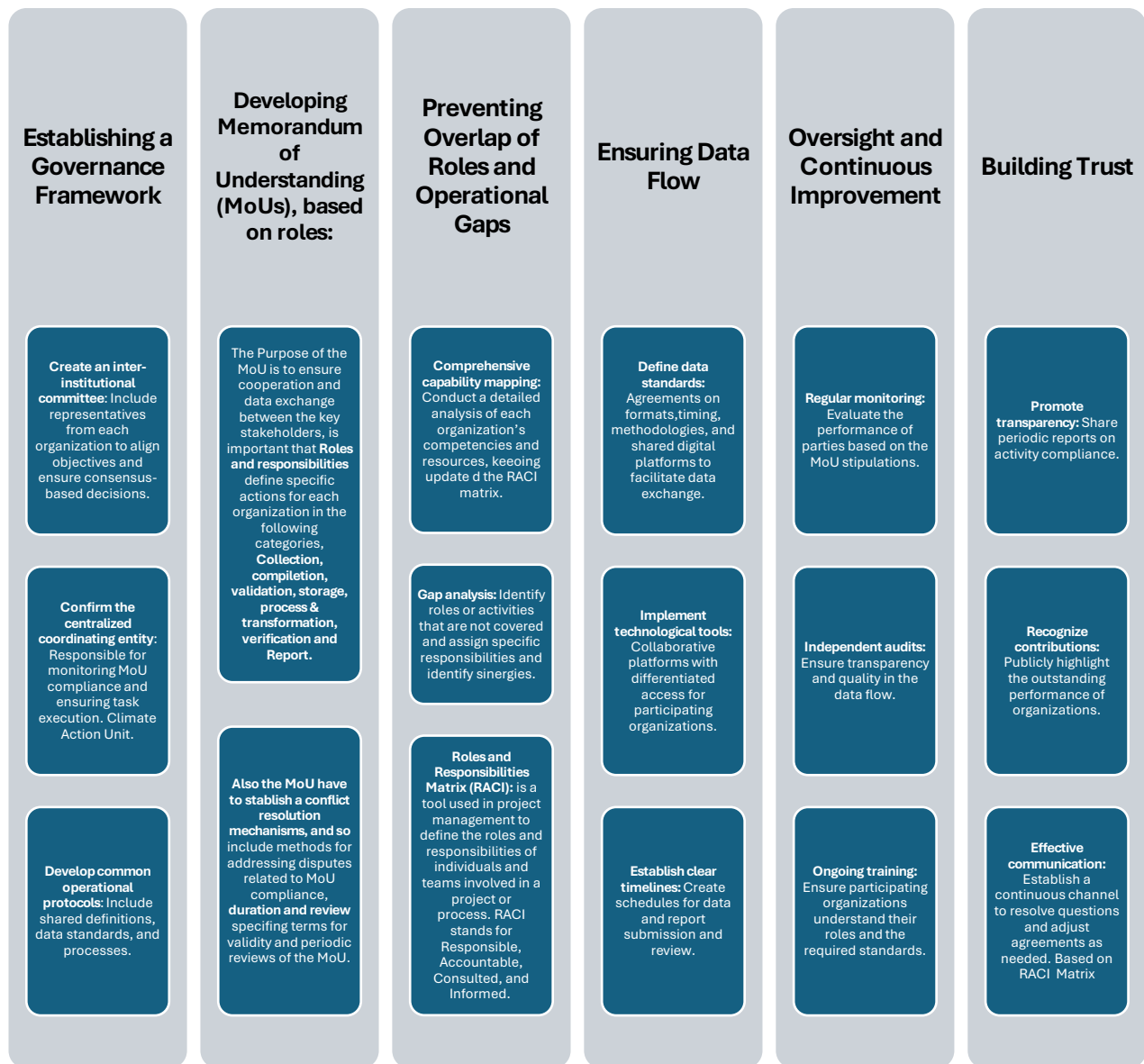
A well-established governance framework fosters transparency and legitimacy, which are crucial for stakeholder engagement and system credibility. It also ensures that the MRV system remains adaptable to evolving technical, regulatory, and operational requirements, aligning with international best practices in climate reporting and monitoring.

Strategy proposed for the Coordinating Entity

To ensure data flow between multiple organizations in the absence of a mandatory legal framework, the coordinating entity should adopt a clear strategy based on operational agreements like Memorandums of Understanding (MoUs) that delineate roles and responsibilities. An example of a governance strategy is provided in *Figure 2*.

Figure 2: Governance Strategy

¹ Institutional arrangements in the context of climate reporting refer to the formal structures, processes, and systems established to coordinate, manage, and implement the specific tasks and policies within an MRV System. It outlines how different entities—such as government ministries, agencies, private sector stakeholders, and experts—work together to collect, analyze, and report data on greenhouse gas (GHG) emissions and other NDC-related indicators.



RACI Framework

The RACI framework is a tool that helps to clarify roles and responsibilities across stages of a workflow, especially in multi-organization collaborations, the RACI framework ensures accountability and smooth coordination by defining who is:

Responsible (R): The person(s) or organization(s) who perform the task or deliver the work.

Accountable (A): The person or organization ultimately answerable for the task's completion and decision-making. Only one entity can be accountable for each task.

Consulted (C): The person(s) or organization(s) consulted for advice or input during the task.

Informed (I): The person(s) or organization(s) kept informed of progress, but who do not directly contribute.

For this, it is important to define the workflow stages and break the process into clearly defined stages as follows:

- Collect:** Gathering raw data from sources.
- Compile:** Consolidating data from multiple sources into a single dataset.
- Validate:** Verifying the accuracy and consistency of the collected data.
- Storage:** Securely storing data in a centralized or distributed system.
- Process:** Running computations or analytics to derive insights.
- Transform:** Structuring or converting data into a usable format.
- Verification:** Confirming that processed and transformed data meet quality and compliance standards.
- Report:** Sharing results with stakeholders in the agreed format.

Based on the Deliverable L, the set of organization is proposed a role to play within the MRV system, as data collectors, validators, verification, manager, coordination entity, etc.

Based on the information covered in Deliverable M of the ICAT project, a RACI Matrix has been developed assigning the roles (*Table 1*).

It is important to review and validate the RACI Matrix, through consultative process to ensure that the matrix aligns with expectations and capabilities, eliminates overlaps, prevents multiple parties from being responsible or accountable for the same task, and fills the gaps to address any stages with missing responsible or accountable roles.

Table 2 presents a structured data flow of key indicators, detailing each stage from data collection to reporting, along with the responsible entities at each step.

Table 1: RACI Matrix V.1

RACI Matrix for Monitoring Parameters

Area	Sector	Key Indicators	Data Provider	Data Compiler, Collector, and Validator	R	A	C	I
Projection of GHG emissions NDC Tracking	General	Population Data	Department of Statistics through Census Data and surveys	Department of Statistics	Department of Statistics	Department of Statistics	-	Climate Action Unit, and Department of Environment
		Economic Data	Department of Statistics	Department of Statistics	Department of Statistics	Department of Statistics	-	Climate Action Unit, and Department of Environment
GHG Inventories Projection of GHG emissions NDC Tracking	Electricity Generation	Fuel imports for electricity generation (fossil fuel/renewables)	Fuel Companies, Utility Companies	Department of Statistics, Department of Energy	Fuel Companies, Utility Companies	Department of Energy	Department of Statistics	Climate Action Unit, and Department of Environment
		Fuel Types and quantities consumed	Utility Companies, Fuel Companies, Energy balances	Department of Statistics, Department of Energy	Utility Companies, Fuel Companies	Department of Energy	Department of Statistics	Climate Action Unit, and Department of Environment
		Emission Factors for each Fuel	IPCC Guidelines or country-specific emissions reports	Climate Action Unit, Department of Statistics	Climate Action Unit	Climate Action Unit	Department of Statistics	Climate Action Unit, and Department of Environment
		Transmission and Distribution Losses	Utility Companies	Department of Statistics, Department of Energy	Utility Companies	Department of Energy	Department of Statistics	Climate Action Unit, and Department of Environment
		Installed Renewable systems	Utility Companies, Residential and commercial owners	Department of Statistics, Department of Energy	Utility Companies	Department of Energy	Department of Statistics	Climate Action Unit, and Department of Environment
		Renewable Energy Projects	Department of Energy, Utility Companies, PSIP	Department of Energy	Department of Energy	Department of Energy	Climate Action Unit, and Department of Environment	Climate Action Unit, and Department of Environment
GHG Inventories Projection of GHG emissions NDC Tracking	Transport	Number of vehicles (type)	Traffic Department, Inland Revenue Department, Customs Department	Department of Public Transport, Department of Statistics	Traffic Department	Department of Public Transport	Department of Statistics	Ministry of Climate Action, Environment, and Constituency Empowerment, Climate Action Unit, Department of Environment
		Total fuel consumption by type	Fuel providers, Gas Stations	Department of Public Transport, Department of Statistics	Fuel Providers, Gas Stations	Department of Public Transport	Department of Statistics	Ministry of Climate Action, Environment, and Constituency Empowerment, Climate Action Unit, Department of Environment
		Annual vehicle mileage and fuel economy	Traffic Department, Inland Revenue Department	Department of Public Transport, Department of Statistics	Traffic Department	Department of Public Transport	Department of Statistics	Ministry of Climate Action, Environment, and Constituency Empowerment, Climate Action Unit, Department of Environment
		Emission factors by vehicle category and fuel type	IPCC Guidelines and country-specific reports	Climate Action Unit, Department of Statistics	Climate Action Unit	Climate Action Unit	Department of Statistics	Ministry of Climate Action, Environment, and Constituency Empowerment, Department of Environment
		Number of electric and hybrid vehicles	Traffic Department, Inland Revenue Department, Customs Department	Department of Public Transport, Department of Statistics	Traffic Department	Department of Public Transport	Department of Statistics	Ministry of Climate Action, Environment, and Constituency Empowerment, Climate Action Unit, Department of Environment

Based on: <https://project-management.com/understanding-responsibility-assignment-matrix-raci-matrix/>, ICAT project Deliverable L, and others sources.

According to the proposed RACI matrix, the responsibility by organization is outlined below:

Ministry of Climate Action, Environment, and Constituency Empowerment

- **Informed** on all processes related to data collection, validation, and reporting.
- Ensures **alignment with national and international climate goals**.
- Provides **strategic oversight** for climate reporting and MRV processes.
- Supports **policy development and regulatory frameworks**.

Climate Action Unit

- Provides **technical guidance** and support in determining **emission factors** for fuels and vehicles.
- Provides **technical guidance** on climate reporting and MRV system development.
- Collaborates with the **Department of Statistics** and other stakeholders to ensure **data accuracy**.
- Ensures compliance with **IPCC guidelines and country-specific reporting standards**.
- **Informed** on all aspects of data collection and validation.

Department of Environment

- **Informed** about GHG inventories, projections, and NDC tracking.
- Supports the **integration of environmental policies** into national planning.
- Provides **scientific and regulatory input** for emission factors and reporting frameworks.

Department of Statistics

- **Responsible & Accountable** for **collecting, compiling, and validating** population and economic data.
- Ensures **consistency and reliability** of all data used in emission projections.
- Provides **technical expertise** in data analysis and trend assessments.
- Collaborates with other entities for **data validation and harmonization**.

Department of Energy

- **Accountable** for overseeing **fuel imports, energy consumption, and renewable energy projects**.
- Ensures accurate data on **transmission and distribution losses**.
- Supports the implementation of **renewable energy policies**.
- Works with stakeholders to **validate energy-related data**.

Department of Public Transport

- **Accountable** for managing **vehicle registration data and fuel consumption reports**.
- Oversees **data collection and validation** related to transport emissions.
- Ensures integration of **electric and hybrid vehicle statistics** into national reporting.
- Collaborates with the **Traffic Department and Inland Revenue Department** for vehicle-related data.

Utility Companies & Fuel Providers

- **Responsible** for reporting **fuel imports, types and quantities consumed, and transmission losses**.
- Supports the **Department of Energy** and **Department of Statistics** in data validation.
- Ensures accuracy of **electricity generation and fuel supply data**.

Traffic Department & Inland Revenue Department

- **Responsible** for vehicle registration, annual mileage, and fuel economy data.
- Collaborates with the **Department of Public Transport** and **Department of Statistics** to maintain **accurate transport data**.
- Ensures reliable tracking of **electric and hybrid vehicle registrations**.

Customs Department

- **Responsible** for tracking **fuel imports** and **vehicle imports**.
- Supports the **Department of Statistics** and **Department of Public Transport** in ensuring **data accuracy**.

PSIP (Public Sector Investment Program)

- Supports the **Department of Energy** in tracking **renewable energy projects**.
- Ensures alignment of **public investments** with national sustainability goals.

Table 2: Data flow for key indicators in MRV System

Sector	Key Indicator	Collect	Compile	Validate	Storage	Process	Transform	Verification	Report
General	Population Data	Department of Statistics through Census Data and surveys	Department of Statistics	Department of Statistics	Department of Statistics	Climate Action Unit	Climate Action Unit	Third party	Climate Action Unit
General	Economic Data	Department of Statistics	Department of Statistics	Department of Statistics	Department of Statistics	Climate Action Unit	Climate Action Unit	Third party	Climate Action Unit
Electricity Generation	Fuel Imports	Fuel Companies, Utility Companies	Department of Statistics, Department of Energy	Department of Statistics	Department of Statistics	Climate Action Unit	Climate Action Unit	Third party	Climate Action Unit
	Fuel Types & Quantities	Utility Companies, Fuel Companies	Department of Statistics, Department of Energy	Department of Statistics	Department of Statistics	Climate Action Unit	Climate Action Unit	Third party	Climate Action Unit
Transport	Number of Vehicles	Traffic Department, Inland Revenue Department, Customs Department	Department of Public Transport, Department of Statistics	Department of Public Transport	Department of Statistics	Climate Action Unit	Climate Action Unit	Third party	Climate Action Unit
	Total Fuel Consumption	Fuel Providers, Gas Stations	Department of Public Transport, Department of Statistics	Department of Public Transport	Department of Statistics	Climate Action Unit	Climate Action Unit	Third party	Climate Action Unit
Transport	Electric & Hybrid Vehicles	Traffic Department, Inland Revenue Department, Customs Department	Department of Public Transport, Department of Statistics	Department of Public Transport	Department of Statistics	Climate Action Unit	Climate Action Unit	Third party	Climate Action Unit

Source: Deliverable L and other sources.

2.3 Legal context

The primary objective of the Draft Legal Agreement (DLA) is to support the implementation of national climate policies, track progress toward Nationally Determined Contributions (NDCs), and institutionalize the Measurement, Reporting, and Verification (MRV) framework in the electricity generation and transportation subsectors. By establishing a robust legal framework, the agreement enables structured processes, clear regulations, and necessary infrastructure to facilitate the collection and reporting of emissions data, ensuring transparency, timeliness, completeness, and accuracy. Additionally, the DLA strengthens monitoring and compliance mechanisms, allowing for a more effective assessment of the country's progress in meeting its NDC commitments. Key aspects to consider on the designing of the DLA, depending on the stages involves is in Annex 2.

As a result of a technical analysis of various instruments, Annex 3 outlines formal mechanisms commonly used to establish institutional relationships within a country. It highlights the rationale behind each instrument, along with their advantages and limitations, providing a comparative assessment to support informed decision-making.

This document adopts a **Memorandum of Understanding (MoU)** hereinafter referred to as the **Draft Legal Agreement (DLA)**, because it reflects a practical approach to institutionalizing cooperation, particularly in the context that requires transparency and trust, while avoiding the procedural complexities associated with legally binding contracts or formal regulations. Generally, MoU agreements are non-binding, but some provisions can be binding if specified. This type of instrument provides a structured yet flexible framework to govern the exchange of data, outline the rights and responsibilities of all parties, and establish clear parameters for data usage, confidentiality, and liability limitations, offering adaptability to address the dynamic needs of this collaboration.

Relevant legal and regulatory framework is described in Annex 4, that have been taken into consideration to design of the Draft Legal Agreement (DLA) between energy sector and other key organizations in St. Kitts and Nevis. It considers several national laws and regulations to ensure that the agreement meets the country's legal and regulatory requirements, particularly those that are linked to information sharing, data protection, tracking environmental contributions, and compliance with international commitments.

The DLA plays a critical role in facilitating inter-institutional cooperation by formalizing roles, responsibilities, and collaboration mechanisms among key institutions and stakeholders involved in the MRV process. This ensures the establishment of long-term, sustainable frameworks that can overcome political or institutional barriers, safeguarding the continuity and effectiveness of the MRV system over time. A set of common guiding principles based on International Best Practices, can be found in Annex 5.

The successful implementation of the Measurement, Reporting, and Verification (MRV) framework in the energy and transport sectors of St. Kitts and Nevis requires a comprehensive assessment of legal and regulatory risks. The Draft Legal Agreement (DLA) serves as a key instrument in addressing these challenges by defining institutional responsibilities, ensuring compliance with national and international obligations, and enhancing the overall effectiveness of the MRV system.

In Annex 6, a legal and regulatory risk analysis and proposed mitigation actions can be found in which primary risks have been identified that could impact the MRV framework. An evaluation on their potential impact and likelihood is presented. These risks include data protection and privacy concerns, compliance with environmental and

operational regulations, data inaccuracies, contractual ambiguities, and the adaptability of the legal framework to regulatory changes. Information is summarized in Table 15: Risk Assessment Framework.

To mitigate these risks, the DLA incorporates structured measures, including the establishment of compliance review mechanisms, data security protocols, licensing requirements, dispute resolution frameworks, and adaptability clauses to accommodate future legislative changes. By proactively addressing these challenges, the MRV system can maintain transparency, reliability, and legal robustness, ensuring long-term sustainability and alignment with St. Kitts and Nevis' NDC commitments under the Paris Agreement and UNFCCC guidelines. Table 17: Summary of Legal and Regulatory Risks with Mitigation Actions outlines the key risks associated with the MRV framework and the proposed mitigation measures, ensuring that regulatory compliance, institutional coordination, and data integrity remain safeguarded.

For institutional arrangement, organizations may also adopt [Joint Statement of Intent](#) (Annex 7), [Non-Disclosure Agreement \(NDA\)](#) (Annex 8), [Confidentiality Agreement](#), (Annex 9), [Memorandum of Understanding \(MoU\)](#) (Annex 10), or inter-institutional charters, depending on their strategic focus and the level of formality required. These documents ensure transparency, build trust, and set the foundation for effective collaboration, while addressing nuances such as intellectual property, confidentiality, and dispute resolution. Selecting the appropriate mechanism depends on the partnership's objectives, legal considerations, and the desired level of enforceability.

A Draft Legal Agreement (DLA) and a Memorandum of Understanding (MOU) are formal instruments used to document agreements between parties. Both define the terms, conditions, and expectations of the stakeholders while facilitating collaboration, clarifying roles, and establishing a framework for future cooperation. Additionally, they share a common structure, typically including sections such as objectives, scope, responsibilities, terms and conditions, dispute resolution mechanisms, and termination clauses. In some cases, an MOU may act as a preliminary step toward drafting a legally binding DLA.

The key distinction between a DLA and an MOU lies in their legal enforceability. A DLA is legally binding, obligating the parties to fulfill their commitments. Beyond legal phrasing such as *shall*, *should*, or *may*, it establishes enforceable obligations and may include penalties or legal consequences for non-compliance. In contrast, an MOU is generally non-binding, relying on negotiation and mediation rather than legal enforcement to resolve disputes as arbitration.

2.4 Structure of the Draft Legal Agreement

The proposed structure of this Draft Legal Agreement (DLA) is a multilateral Memorandum of Understanding (MoU) designed to facilitate information exchange between organizations within the workflow described in the Table 2 that highlights the institutional arrangements for the St. Kitts and Nevis Energy sector. For example, the arrangements between a data provider, a compiler, and the coordinating entity, with a clear focus on data sharing for monitoring climate commitments, about the electricity and transport sectors is important. A detailed breakdown of its structure follows:

1. Title and Parties Involved:

The title explicitly indicates the purpose of the Draft Legal Agreement (Information Exchange of relevant data and Indicators from the Energy Sector). It specifies the participating parties: Organization A: Data Provider (e.g., an entity from the power generation or transportation sector). Organization B: Data compiler (e.g., a statistical or analytical body). Organization C: Coordinating Entity (e.g., the Ministry of Environment or a designated unit for climate monitoring)., with standard references used throughout the document.

2. **Effective Date:**

This section defines the start date for the DLA, establishing its initial period of effect.

3. **Main Sections:**

Purpose and Scope: This section outlines the DLA purpose, which is to create a multilateral cooperative framework for monitoring Nationally Determined Contributions (NDCs) within St. Kitts and Nevis. It highlights alignment with the Paris Agreement and local regulations.

Scope of Application: Specifies the types of data covered by the DLA (e.g., emissions, energy consumption) and establishes protocols for confidentiality, data integrity, and regulatory compliance.

Roles and Responsibilities: Details the obligations of each organization:

Organization A (Data Provider):

- Supply accurate and timely data from the energy or transportation sectors.
- Ensure data security and compliance with agreed technical standards.

Organization B (Data Recipient):

- Process and analyze the received data to generate actionable insights for tracking climate commitments.
- Implement security measures to protect data and support NDC reporting.

Organization C (Coordinating Entity):

- Oversee compliance with the MoU and facilitate communication among all parties.
- Ensure data traceability and the integrity of the information exchange process.
- Organize periodic reviews and updates to technical annexes and ensure alignment with evolving international standards.

This section ensures parties involved and contributing actively to monitoring and reporting NDC-related data. As described in RACI matrix.

Information Exchange and Confidentiality: Outlines confidentiality agreements, data usage terms (in Annex X), and restrictions on third-party sharing. Each party is responsible for maintaining data security to prevent unauthorized access.

Intellectual Property: Specifies that exchanged data remains the property of the originating party. It allows the receiving party limited usage rights and details the handling of intellectual property rights for joint reports or products.

Compliance with National and International Standards: Both parties commit to adhering to relevant national and international laws, particularly environmental and data protection laws, and adapting to evolving standards.

Annual Review and Technical Annex Modifications: Provides a schedule for reviewing technical specifications (in Annex M) and enables periodic updates to reflect changing needs, with formal approval from both parties.

Dispute Resolution: Specifies processes for resolving disputes through negotiation, mediation, or arbitration as outlined in Annex Z. A mutually acceptable jurisdiction will govern any legal actions.

Duration and Termination: Defines the duration of the DLA and conditions for automatic renewal, as well as requirements for termination (e.g., a 60-day notice or breach of agreement).

General Provisions: States the DLA's non-binding nature while affirming the commitment of both parties. Any amendments require written approval from both organizations.

4. Annexes:

Annex: Technical Specifications for Information Exchange: Provides detailed technical requirements for data exchange, covering types of data, security protocols, storage practices, reporting frequency, and review mechanisms. This annex can be reviewed and updated annually.

Annex: Glossary of Terms: Defines key terms (e.g., NDC, confidentiality, data integrity, encryption) to prevent misunderstandings. The glossary may be expanded as needed to maintain consistency.

Additional annexes may be added as appropriate.

5. Signatures:

Signature lines for authorized representatives from each organization formalize the agreement, including fields for names, positions, and dates.

The structure proposed provides a comprehensive and organized framework for collaboration, with clear divisions for data responsibilities, compliance with standards, confidentiality, and periodic review. The DLA also includes mechanisms for conflict resolution, intellectual property management, and adaptability to ensure a sustainable partnership.

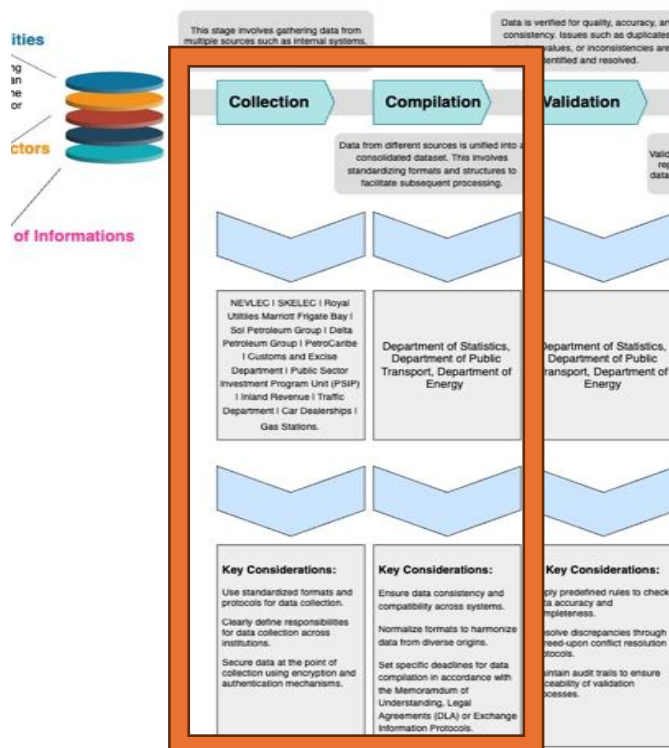
3 DRAFT LEGAL AGREEMENT FOR INFORMATION EXCHANGE

Below is an example of a Draft Legal Agreement (DLA), tailored for organizations in the workflow described in Table 2 to obtain information of the energy sector [Fuel import], Key Legal aspect to consider designing the DLA described in Annex 2. Key aspects are bracketed for negotiation with stakeholders, with technical details and a glossary provided as annexes.

Table 2: Extraction of Key Indicator Fuel Import

Sector	Key Indicator	Collect	Compile	Validate	Storage	Process	Transform	Verification	Report
Electricity Generation	Fuel Imports	Fuel Companies, Utility Companies	Department of Energy, Department of Statistics	Department of Statistics	Department of Statistics	Climate Action Unit	Climate Action Unit	Third party	Climate Action Unit

The fuel import Indicator is collected by fuel companies and Utility companies and then compiled by Department of Energy. In this example, private sector data is submitted to a public sectors organization.



Key Considerations in the COLLECTION STAGE

- Use standardized formats and protocols for data collection.
- Clearly define responsibilities for data collection across institutions.
- Secure data at the point of collection using encryption and authentication mechanisms.

Key Considerations in the COMPILATION STAGE

- Ensure data consistency and compatibility across systems.
- Normalize formats to harmonize data from diverse origins.
- Set specific deadlines for data compilation in accordance with the Memorandum of Understanding, Legal Agreements (DLA) or Exchange Information Protocols.

← This figure is a graphical representation where key considerations (Annex 2) can be visually identified. Annex 2 offers a more detailed breakdown of these aspects,

//// DLA EXAMPLE ////

Draft Legal Agreement for Information Exchange in the Energy Sector – UTILITY COMPANY AND DEPARTMENT OF ENERGY

Between

[(Name of Company) – Data Provider from the Power Generation], hereinafter referred to as [“Organization A”]

And

[Department of Energy – Data Compiler], hereinafter referred to as [“Organization B”]

And

[Climate Action Unit – Coordinating Entity], hereinafter referred to as [“Organization C”].

Effective Date: [January 01, 2026, as a start date]

1. Purpose and Scope

This Draft Legal Agreement (DLA) establishes a trilateral cooperation framework among [Organization A], [Organization B], and [Organization C] to support the monitoring, reporting, and verification of climate actions in the energy and transportation sectors of St. Kitts and Nevis.

The DLA aims to institutionalize processes for tracking progress toward Nationally Determined Contributions (NDCs) in alignment with the Paris Agreement, the UNFCCC, and national legislation.

2. Scope of Application

This DLA applies to the exchange of the following information between the parties: [Fuel Import]. All parties compromise to set-up and establishes the agreed protocols to ensure data confidentiality, integrity, and compliance with relevant regulations governing environmental and energy management in St. Kitts and Nevis, defined in [Annex A].

3. Roles and Responsibilities

Organization A (Data Provider):

- **Supply accurate and timely data** from the energy sectors, based on authentication mechanisms.
- Ensure **data security** and compliance with agreed technical standards, as per [Annex A].
- **Responsible** for reporting **fuel imports, types and quantities consumed**, and **transmission losses**.
- Supports the **Department of Energy** and **Department of Statistics** in data validation.
- Ensures accuracy of **electricity generation and fuel supply data**.

Organization B (Data compiler):

- **Process and analyze the received data** to generate actionable insights for tracking climate commitments.
- **Normalize formats** to harmonize data from diverse origins.
- Set **specific deadlines for data compilation** in accordance with the Exchange Information Protocols.
- **Implement security measures** to protect data and support NDC reporting.
- Accountable for **overseeing fuel imports, energy consumption**, and renewable energy projects.
- Ensures accurate **data on transmission and distribution losses**.
- **Supports the implementation** of renewable energy policies.
- Works with stakeholders to **validate energy-related data**.

Organization C (Coordinating Entity):

- **Oversee compliance** with the DLA and facilitate communication among all parties.

- **Ensure data traceability and the integrity** of the information exchange process.
- **Organize periodic reviews and updates** to technical annexes and ensure alignment with evolving international standards.
- **Ensures alignment** with national and international climate goals.
- **Provides strategic oversight** for climate reporting and MRV processes.
- **Supports policy development** and regulatory frameworks.
- Responsible for **determining emission factors** for fuels.
- Provides **technical guidance** on climate reporting and MRV system development.
- Collaborates with stakeholders **to ensure data accuracy**.
- Ensures **compliance with IPCC guidelines** and country-specific reporting standards.
- **Informed on all aspects** of data collection and validation.

4. Information Exchange and Confidentiality

All parties agree that:

- Information exchange will be governed by [agreed confidentiality and data usage terms], as outlined in Annex A and Annex B.
- [Data will not be used for others purposed than what is stablished in this DLA] without prior written consent from the originating organization, unless required by legislation.
- Each party will establish data protection measures to ensure that shared information is safeguarded against unauthorized access or misuse, consistent with best practices and regulatory requirements.

5. Intellectual Property

- The exchanged information and data provided under this DLA shall remain the intellectual property of the originating party, with limited usage rights granted to the receiving party for purposes defined here in.
- Any joint products or reports derived from the shared data will have [intellectual property rights that are mutually agreed upon and documented].
- Climate Action Unit will ensure that all intellectual property rights are respected and documented transparently.

6. Compliance with National and International Standards

- All parties agree to ensure that all activities under this DLA comply with the national legislation of St. Kitts and Nevis, as well as international standards and commitments, including but not limited to the Paris Agreement and the UNFCCC.
- The DLA framework will adapt to evolving laws and regulations related to environmental and data protection.
- Regularly updating practices to comply with evolving legal and technical standards.

7. Annual Review and Technical Annex Modifications

- The technical specifications for data exchange, including types of data, transfer protocols, security measures, and frequency of updates, are detailed in **Annex A**.
- Annex shall be reviewed and updated annually, or as necessary, with the mutual written consent of all parties. All modifications will be formally signed by representatives of all parties.

8. Dispute Resolution

- All parties agree to resolve any disputes through [negotiation, mediation, or arbitration], as outlined in Annex C.
- Should legal intervention be required, all parties agree to adhere to a jurisdiction of Saint Kitts and Nevis, that is acceptable for all parties involves and compliant with international norms.

9. Duration and Termination

- This DLA will remain in effect for [an initial period of 5 years] and will automatically renew on an annual basis unless terminated by either party with [a minimum of [360] days' notice].
- Either party may terminate this Agreement in the event of a breach, subject to the dispute resolution mechanisms outlined in Annex C.

10. General Provisions

- This DLA is binding, reflects the commitment of all parties to collaborate as outlined.
- Any amendments to this DLA must be made in writing and signed by all parties.

Annexes

Annex A: Technical Specifications for Information Exchange

This annex outlines the technical parameters related to data sharing:

- Types of data to be exchanged, including specific metrics for energy generation and transport.
- Data transfer methods, security protocols (e.g., encryption standards), and storage practices.
- Frequency of updates, reporting intervals, and procedures for data integrity.
- Mechanisms for annual review and modification with mutual consent.
- Data collection template (as described in the MRV Framework] for the specific key indicator.

Annex may be updated annually by mutual agreement and signed by both parties to reflect evolving technical needs.

Annex B: Glossary of Terms

This annex provides definitions of key terms used in the DLA to ensure clarity and avoid misinterpretations.

Examples include:

- **Nationally Determined Contribution (NDC):** A country's official climate action plan, committed to under the Paris Agreement, detailing emissions reduction, and adaptation strategies.
- **Confidentiality:** The requirement to protect shared data from unauthorized access or disclosure, in line with legal obligations.
- **Data Integrity:** Assurance of the accuracy, completeness, and reliability of data.
- **Encryption:** A security measure to encode data, preventing unauthorized access during storage or transfer.
- **Paris Agreement:** A legally binding international treaty on climate change, aiming to limit global warming below 2°C above pre-industrial levels, with efforts to limit the increase to 1.5°C.

The glossary may be expanded as needed to maintain clarity across both organizations.

Annex C: Dispute resolution mechanism.

1. Scope of Disputes

This mechanism applies to any disagreement, controversy, or claim arising from or relating to the interpretation, implementation, or termination of the [DLA] concerning data exchange between the Parties.

2. Negotiation and Consultation

2.1. The Parties shall first seek to resolve any dispute amicably through direct negotiations. Each Party shall designate a representative to engage in discussions and attempt to reach a resolution within [XX] days of written notice of the dispute.

2.2. If no resolution is reached within [XX] days, the dispute shall proceed to mediation.

3. Mediation

3.1. The Parties agree to engage in mediation facilitated by a neutral third-party mediator, selected by mutual agreement within [XX] days of the failure of negotiations.

3.2. Mediation shall be conducted in [language] and take place in [location/virtual format].

3.3. Costs of mediation shall be [equally shared / borne by the losing party / subject to agreement at the time of mediation].

3.4. If mediation does not resolve the dispute within [XX] days, the matter shall proceed to arbitration.

4. Arbitration

4.1. Any dispute unresolved through mediation shall be settled by arbitration in accordance with [Arbitration Rules, e.g., UNCITRAL, ICC, or a custom mechanism].

4.2. The arbitration panel shall consist of [one/three] arbitrator(s), appointed as follows:

- Each Party shall appoint [one arbitrator] within [XX] days of the mediation's conclusion.
- The appointed arbitrators shall mutually select a presiding arbitrator within [XX] days.
- If no agreement is reached, the arbitrator(s) shall be appointed by [Arbitration Institution or Default Authority].

4.3. The arbitration proceedings shall be conducted in [language] and held in [location/virtual format].

4.4. The arbitral decision shall be final and binding on both Parties, enforceable under [relevant international treaties or national laws].

5. Governing Law and Jurisdiction

5.1. This dispute resolution mechanism shall be governed by the laws of [Jurisdiction] and interpreted in accordance with [specific legal framework].

5.2. Any court action related to the enforcement of an arbitral award shall be brought in the courts of [Jurisdiction].

6. Confidentiality

All negotiations, mediation, and arbitration proceedings under this Annex shall be confidential, except where disclosure is required by law or agreed upon by both Parties.

Annex 4: RACI Matrix

Clearly outline roles and responsibilities for each party in key activities (R-Responsible, A-Accountable, C-Consulted, I-Informed) for the key indicators applicable.

Stage	Organization A	Organization B	Organization C
Collect	A	R	C
Compile	R	A	C
Validate	C	R	C
Storage	C	R	A
Process	C	R	R
Transform	C	R	A
Verify	R	R	C
Report	C	C	A

Signatures:

Representative of Organization A

Name:
Position:
Date:

Representative of Organization B

Name:
Position:
Date:

Representative of Organization C

Name:
Position:
Date:

//// -- END OF THE EXAMPLE -- ////

4 EVALUATING DRAFT LEGAL AGREEMENT EFFECTIVENESS AND NEXT STEPS

To ensure the effectiveness of the Draft Legal Agreement (DLA) in implementing the MRV system and tracking progress toward Nationally Determined Contributions (NDCs), an evaluation process will be conducted based on performance indicators and stakeholder feedback.

This process will measure its alignment with strategic objectives, its impact on governance, and its effectiveness in data management and institutional coordination. The evaluation criteria include effectiveness, operational efficiency, governance, collaboration, and adaptability.

Details on the methodological approach, specific indicators, and evaluation criteria are provided in Annex 11. Based on the results, potential adjustments to the DLA, additional mechanisms, or new regulatory frameworks will be defined to enhance its implementation and sustainability.

5 STRENGTHEN LONG TERM SUSTAINABILITY

The experience gained from implementing interinstitutional agreements based on the Draft Legal Agreement (DLA) and assessing their effectiveness using the proposed methodology provides a valuable foundation for long-term improvements. By analyzing key lessons learned, it becomes possible to enhance governance structures, strengthen institutional coordination, and improve data management processes.

To ensure long-term sustainability and institutionalization, it is essential to transition towards a higher-level legal agreement that builds upon these experiences. This evolution would provide a more robust, binding framework, reinforcing accountability, ensuring compliance, and offering a structured mechanism for adaptation over time.

Further details on the necessary steps, recommendations, and considerations for establishing such framework are outlined in Annex 12.

6 CONCLUSIONS

This document has provided a detailed and cohesive framework for establishing and implementing the Draft Legal Agreement (DLA) for information exchange, emphasizing its critical role within the broader context of institutional and regulatory requirements. It has introduced the overarching goals and significance of the DLA while presenting a theoretical and contextual foundation that encompasses institutional arrangements, legal and regulatory considerations, and the guiding principles necessary for its success. These foundational elements ensure alignment with existing frameworks and create a solid basis for achieving the agreement's objectives.

Key risks and challenges were identified, along with strategic mitigation measures to address potential legal and regulatory barriers. These analyses shaped the proposed DLA structure, ensuring its robustness, adaptability, and relevance to stakeholder needs. The DLA was presented as a practical tool for operationalizing the Measurement, Reporting, and Verification (MRV) system, complete with a methodology for evaluating its effectiveness. Recommendations for strengthening institutional collaboration and accountability were also provided to ensure its long-term success.

In conclusion, this document lays the groundwork for an effective, collaborative, and adaptable framework for information exchange. By addressing potential risks, proposing actionable mitigation strategies, and outlining a clear and structured path forward, it offers a pragmatic and flexible solution capable of meeting both current and future challenges while fostering greater institutional cooperation and accountability.

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8 ANNEX

ANNEX 1 Institutional Arrangement

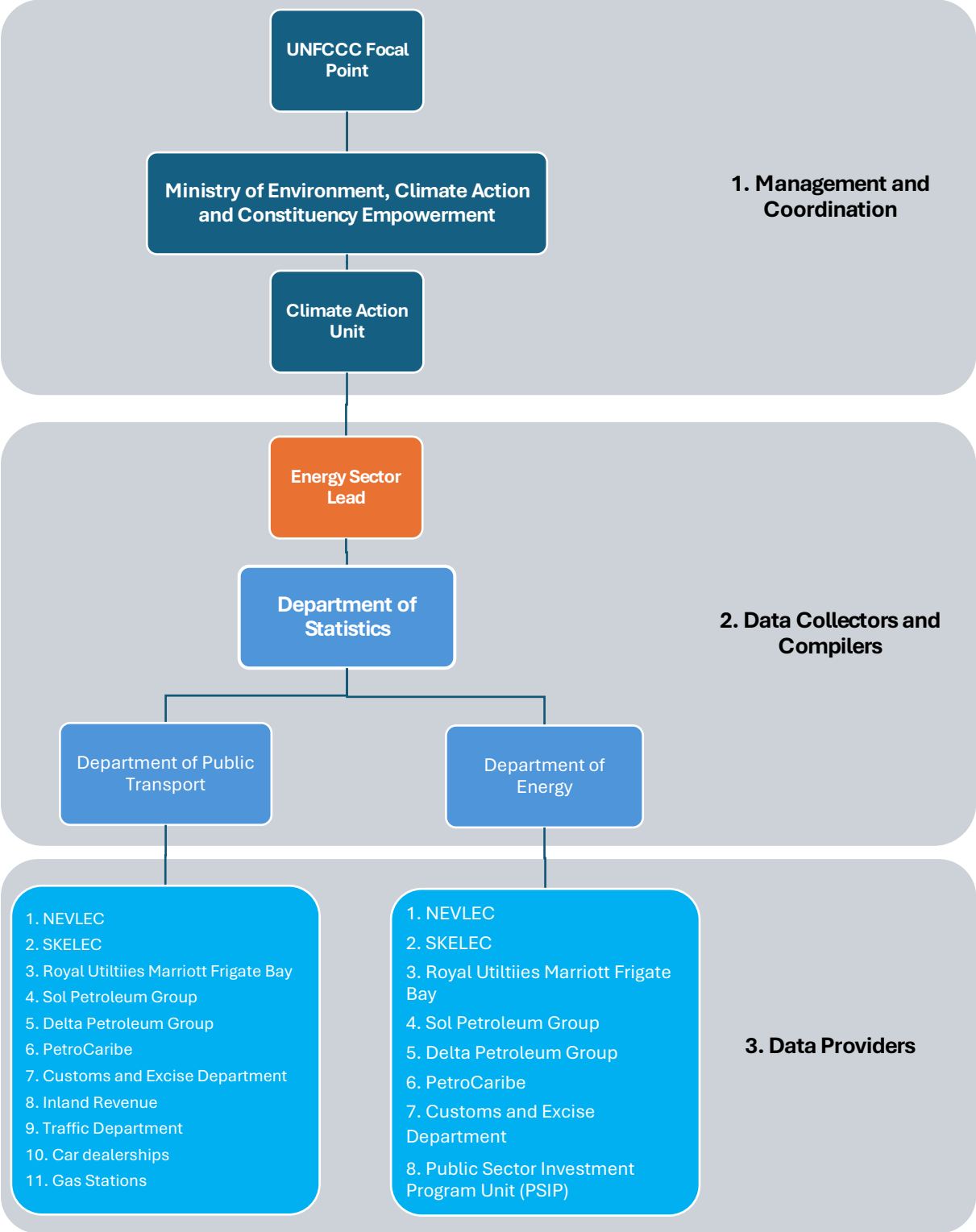
The Ministry of Climate Action, Environment, and Constituency Empowerment serves as the overall administrator of the MRV system concerning NDC tracking and the NIR. Within this ministry, the Climate Action Unit is responsible for coordinating these reports and submitting them to the UNFCCC Focal Point, who, in turn, is responsible for submitting the final NDC, BTR, and NC reports to the UNFCCC Secretariat. It is recommended that the NDC/BTR/NC Coordinator work within the Climate Action Unit to support the Energy Sector Lead in data compilation and stakeholder engagement, ensure quality assurance and quality control checks are conducted, and review the reports. Additionally, the Climate Action Unit should assume overall responsibility for archiving and storing all final data deliverables and reports.

The Energy Sector Lead, supported by the Climate Action Unit and the NDC/BTR/NC Coordinator, is responsible for compiling data, preparing the GHG inventory, and generating related reports for the energy generation and transport subsectors. It is recommended that the Energy Sector Lead collaborate closely with the Department of Statistics within the Ministry of Sustainable Development, which serves as the primary data hub for these subsectors. The Statistics Department is encouraged to act as the main national data collector and central repository for transport and electricity generation data.

The Department of Energy, within the Ministry of Public Infrastructure, Energy, and Utilities, and the Department of Public Transport, within the Ministry of Domestic Transport, currently operate under the same Minister. It is recommended that these departments support the Department of Statistics in collecting and validating data relevant to their respective sectors. Furthermore, a formal data-sharing arrangement should be established between these departments and the Department of Statistics, either through a Memorandum of Understanding (MOU) or by assigning specific personnel within the departments to oversee data-sharing responsibilities.

Data providers consist of various government agencies, departments, and private sector entities. They collect, store, or process data related to electricity generation and the transport subsector, which is then submitted to and validated by the Departments of Energy and Transport before being forwarded to the Department of Statistics. The validated data is subsequently shared with the Energy Sector Lead and the NDC/BTR/NC Coordinator.

These data providers include entities such as utility companies, fuel suppliers, government departments, and private stakeholders like car dealerships and gas stations. Data compilers should ensure consistency in the data and collaborate to address existing gaps, thereby enhancing overall data accuracy, and improving reporting efficiency.



Source: Deliverable M.

Management and Coordination	Ministry of Climate Action, Environment, and Constituency Empowerment		
	Departments:		
	Climate Action Unit	Department of Environment	Department of Constituency Empowerment
	Responsibilities	Coordinating climate change matters, including NDC, BUR/BTR and NC reports.	Leads on preservation, conservation, and protection of the natural ecosystems, which includes leading on biodiversity, forestry, and land degradation matters

Source: Deliverable M.

Data Collectors and Compilers	Ministry of Sustainable Development	Ministry of Public Infrastructure, Energy and Utilities; Domestic Transport	
	Departments:		
	Department of Statistics	Energy Unit	Department of Public Transport
	Responsibilities	Develop and manage an integrated, harmonized, and coordinated National Statistical System which generates adequate, relevant, coherent, timely and quality statistics to meet national, regional, and international data needs.	Collect and Compile data relevant to the energy sector, including the preparation of energy balances

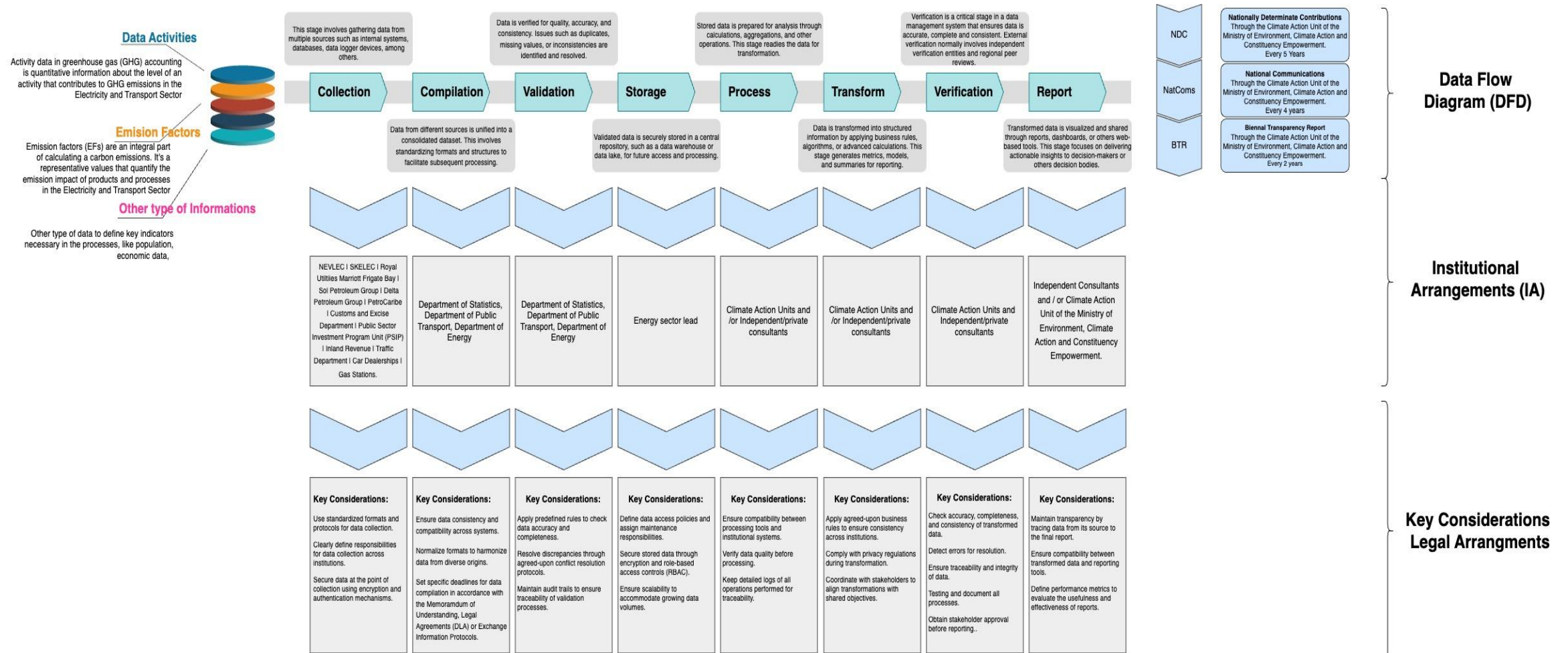
Source: Deliverable M.

	St. Kitts Administration	Nevis Island Administration	
Data Providers	Ministry of Public Infrastructure, Energy and Utilities; Domestic Transport	Office of the Premier; Ministry of Public Utilities and Energy	
	Departments:		
	St. Kitts Electricity Company (SKELEC)	Nevis Electricity Company (NEVLEC)	
	Responsibilities	Collect data related to electricity generation (renewables and fossil fuel); data related to consumption by different subsectors (residential, commercial, and industrial) disaggregated by fuel type; data related to consumption of electricity by the transport subsector; data related to system losses disaggregated by technical and non-technical losses	
Data Providers	Ministry of Finance	Ministry of Finance	
	Departments:		
	Inland Revenue Department	Nevis Inland Revenue	
	Responsibilities	Collect data related to the registration of vehicles, vehicle type, fuel use and age of vehicles.	
	Departments		
	Customs and Excise Department		
Data Providers	Prime Minister Ministry		
	Department: National Security		
	Royal St. Christopher and Nevis Police Force – Traffic Department		
	Responsibilities	Responsible for vehicle licenses and collection of data related to annual licensed vehicles, fleet composition, fuel type, distance travelled per vehicle (annually)	
Data Providers	Ministry of Sustainable Development		
	Departments:		
	Economic Affairs and Public Sector Investment Planning Unit (PSIP)		
	Responsibilities	Maintenance and monitoring of the Public Sector Investment Programme	

Data Providers	Private Sector Companies	
	Fuel Providers	
	Companies	
	Sol Petroleum Group Delta Petroleum Group Petrocaribe	
	Responsibilities	Provide data related to import, export and distribution of fuel and fuel products
	Other Generators of Electricity	
	Companies	
	Royal Utilities Marriott Frigate Bay	
	Responsibilities	Provide data fuel use, electricity generation (renewables and fossil fuel) and distribution losses
	Car Dealerships	
	Companies	
	Car Dealership Companies	
	Responsibilities	Provide data related to sales of vehicles by vehicle type
	Providers of Fuel	
Companies		
Gas Stations		
Responsibilities	Provide data on fuel use	

Source: Deliverable M.

ANNEX 2 Key Legal aspect to consider in designing the DLA.



ANNEX 3 Various formal Legal Instrument

In *Table 3* outlines various formal instruments commonly used to establish institutional relationships within a single country. It highlights the rationale, pros, and cons of each instrument.

Table 3: Pros and Cons of commonly used formal Instruments for Institutional Arrangements

Instrument	Rationale	Pros	Cons
Memorandum of Understanding (MoU)	Used to formalize a mutual understanding or collaboration in a flexible way.	<ul style="list-style-type: none"> - Flexible and quick to implement, as it usually does not require legislative approval. - Encourages collaboration and coordination with/without creating enforceable obligations. 	<ul style="list-style-type: none"> - Provide limited legal enforceability. - May not be suitable for commitments requiring accountability.
Administrative Agreement	Typically used between government agencies to establish cooperation on specific tasks or projects.	<ul style="list-style-type: none"> - Formal but less complex than a contract. - Provides a clear framework for responsibilities while allowing flexibility. 	<ul style="list-style-type: none"> - May lack enforceability if not backed by legislative or executive authority. - Less comprehensive than a contract.
Contract	Creates a legally binding agreement with specific rights, obligations, and remedies.	<ul style="list-style-type: none"> - Legally enforceable, providing accountability and a basis for legal recourse in case of breach. - Defines detailed terms, reducing ambiguities. 	<ul style="list-style-type: none"> - Requires thorough review and can be time-consuming and costly to draft. - May require approval from higher or external authorities.
Government Regulation	Establishes a framework for specific institutional operations or partnerships under executive authority.	<ul style="list-style-type: none"> - Provides clear rules and guidelines within the scope of existing laws. - Can be enforced without the need for legislative change. 	<ul style="list-style-type: none"> - Requires compliance with the overarching legal framework, limiting flexibility. - May still require a lengthy approval process within the executive branch.
Legislation (Law)	Formalizes institutional relationships or mandates under national law, with approval from a legislative body.	<ul style="list-style-type: none"> - Offers the highest level of legal enforceability. - Provides a clear mandate, increasing legitimacy and stability of the institution. 	<ul style="list-style-type: none"> - Often requires extensive debate, approval, and time to pass through legislative channels. - Harder to amend or adapt compared to more flexible instruments.
Executive Order (Presidential Decree)	Issued by the executive branch to direct government agencies to collaborate or establish institutions.	<ul style="list-style-type: none"> - Quick to implement without legislative approval. - Provides a binding directive for agencies within the executive branch. 	<ul style="list-style-type: none"> - Can be more easily overturned by a new administration. - May lack the same long-term stability as legislation.

Source: Systematization of many sources described in the references.

A Memorandum of Understanding (MoU) can be used to explain the special handle of the exchanged data, parties' rights and responsibilities, data uses, restrictions, and limitations of liability, among others. Generally non-binding

but can be binding if specified. An agreement, in the legal context, refers to a formal pact between entities to govern and limit their conduct based on mutually beneficial terms, often lacking formal enforcement mechanisms, and may involve international technical and financial assistance programs to address implementation challenges. Some variation can be found according to jurisdictions, based on legal common practices and legal context.

One common approach uses within the same country and between public and private sector is through Memorandums of Understanding (MoUs), which outline the intent and framework of collaboration, generally non-binding but can be binding if specified. MoUs are widely used in academic, governmental, and non-profit sectors to define areas of cooperation, responsibilities, and expected outcomes while maintaining adaptability. In general terms, a MoU is a type of agreement between parties; if two parties are involved, the agreement is bilateral, if more than two, the agreement is multilateral. It expresses a convergence of will between the parties, indicating an intended common line of action. It is often a first step towards the development of a formal contract or specific law. One advantage of MoUs over more formal instruments is that can often be put into effect without requiring legislative approval.

ANNEX 4 Relevant legal and regulatory framework

To design of the Draft Legal Agreement (DLA) between energy sector and other key organizations in St. Kitts and Nevis, it is important to consider several national laws and regulations to ensure that the agreement meets the country's legal and regulatory requirements, particularly when it involves information sharing, data protection, tracking environmental contributions, and compliance with international commitments. Relevant laws and regulations are described below.

Saint Kitts and Nevis Data Protection Act²

The status of this regulation is not clear, nonetheless, the Act seeks to promote the protection of personal data processed by public and private bodies by specifying privacy and data protection principles, rights of data subjects, and certain obligations of data users and data processors. To draft a DLA for data and information exchange in the transport and electricity sectors, the "Saint Kitts and Nevis Data Protection Act" several key principles and elements serve as a foundation.

Based on general data protection laws, the following types of principles might be applicable, for an DLA in the transport and electricity sectors, some of these principles must be define:

- **Purpose of Data Exchange:** Specify why data is shared (e.g., operational efficiency, sustainability goals).
- **Obligations of Each Sector:** Outline each sector's responsibility to ensure data protection.
- **Data Security Protocols:** Agree on technical and organizational measures to protect data.
- **Conflict Resolution Mechanisms:** Address potential disputes about data use or breaches.

Aspects to consider in the design of the DLA are summarized in *Table 4*.

Table 4: Saint Kitts and Nevis Data Protection Act and DLA Implication

Relevant Law/Policy	Description & Relevant Sections	Implications for the DLA
Saint Kitts and Nevis Data Protection Act	Description: Governs the collection, processing, and management of personal data. Relevant Sections: Regulations for data collection, storage, and management; Data security and protection protocols. Section(s): Data protection principles (Section 4); Data subject rights (Sections 7-9); Data security provisions (Section 12).	The MOU should ensure compliance with privacy and data protection laws, especially for sensitive environmental data.

Sources: Many sources as described in the references

Saint Kitts and Nevis Electricity Supply Act³ and associated regulations

This legislation regulates the generation, distribution, and supply of electricity in St. Kitts and Nevis. It is important for agreements between organizations in the energy sector as it sets out the requirements for the operation of power generation facilities, including licensing issues, safety regulations and operating standards.

Aspects to consider in the design of the DLA are summarized in *Table 5*.

² Available information in: <https://lawcommission.gov.kn/wp-content/documents/Annual-Laws/2018/ACTs/Act-5-of-2018-Data-Protection-Act-2018.pdf>

³ Available information in: https://lawcommission.gov.kn/wp-content/documents/Act17TOC/Ch-16_01-Saint-Christopher-Electricity-Supply-Act.pdf

Table 5: Saint Kitts and Nevis Electricity Supply Act and DLA Implication

Relevant Law/Policy	Description & Relevant Sections	Implications for the DLA
Electricity Supply Act	<p>Description: Governs the licensing, operation, and regulation of electricity generation and distribution systems.</p> <p>Licensing Requirements and Permissions for Electricity Supply (often in the early sections of the Act, such as Sections 5-10 in many electricity-related laws). Typically requires all entities involved in generating or distributing electricity to obtain a valid license. The license often stipulates obligations such as compliance with operational standards, data reporting, and cooperation with regulators. Sharing data outside the scope of licensing conditions may breach legal obligations.</p> <p>Operational and Safety Standards for Electricity Generation and Supply (e.g., Sections 12-20 in such Acts) mandates compliance with predefined operational standards, including data accuracy in reports related to electricity supply, efficiency metrics, and environmental impacts. These requirements directly affect what and how data must be reported and shared.</p> <p>Regulatory Oversight, role, and powers of the Public Utilities Commission Sections 20-25, regulatory authorities are empowered to oversee data-sharing practices to ensure compliance with operational, financial, and environmental regulations. Entities may be required to submit reports for audits or regulatory reviews.</p> <p>Data Accuracy and Reporting Obligations, Records and Reporting Sections 15-30) requires entities to maintain and submit accurate records of operations, energy generation, emissions, and other performance metrics. This ensures that data shared aligns with regulatory expectations and supports compliance with broader frameworks like climate commitments.</p> <p>Confidentiality and Data Security and Data Protection (in Sections 35-40), protects proprietary or sensitive information. Sharing such data must align with confidentiality clauses, ensuring it is not misused or disclosed without authorization.</p>	The DLA should ensure compliance with licensing and operational standards while addressing safety and data-sharing regulations for energy monitoring.

Sources: Many sources as described in the references

Public Utilities Act and Utilities Regulatory Commission⁴

A Public Utilities Commission established under section 3 of the Public Utilities Act, Cap. 16:04; the Public Utility Regulatory Commission oversees and regulates public utilities, including energy. The Commission's regulations and guidelines must be considered for any collaboration in the energy sector. Aspects to consider in the design of the DLA are summarized in *Table 6*.

Table 6: Public Utilities Act and Utilities Regulatory Commission and DLA Implication

Relevant Law/Policy	Description & Relevant Sections	Implications for the DLA
Public Utilities Act and Utilities Regulatory Commission and Associated Regulations	<p>Description: Governs utilities such as electricity, water, and telecommunications.</p> <p>Relevant Sections: Regulations on utility service standards, including energy emissions and sustainability; Data reporting requirements for utilities.</p> <p>Section(s): Utility emissions and data reporting obligations (Section 8); Sustainability and energy regulation (Section 14).</p>	The DLA should ensure that energy and utility-related data sharing is aligned with regulatory standards and frameworks for those sectors.

Sources: Many sources as described in the references

Vehicles and Road Traffic Act⁵ and Subsidiary Legislation

⁴ Available information in: https://lawcommission.gov.kn/wp-content/documents/Act02and09TOC/Ch-16_04-Public-Utilities-Act.pdf

⁵ Available information in: https://lawcommission.gov.kn/wp-content/documents/Act17TOC/Ch-15_06-Vehicles-and-Road-Traffic-Act.pdf

The Saint Kitts and Nevis Roads Act outlines the legal framework for managing, maintaining, and using public roads and related infrastructure in the country. It defines the roles and responsibilities of authorities in overseeing road construction, maintenance, and safety standards. The Act provides guidelines on issues such as road classification, vehicle restrictions, and permissible uses, while also addressing concerns about public access, road safety, and environmental considerations.

This legislation ensures the orderly development of road infrastructure to meet transportation needs while balancing public and private interests. It includes provisions for regulating road usage, issuing permits for roadworks, and addressing violations. Overall, the Act facilitates the effective management of road networks to support national development and connectivity. Aspects to consider in the design of the DLA are summarized in *Table 7*.

Table 7: Vehicles and Road Traffic Act and DLA Implication

Relevant Law/Policy	Description & Relevant Sections	Implications for the DLA
Roads Act and Vehicles and Road Traffic Act	<p>Description: Regulates road infrastructure and traffic, including vehicle emissions.</p> <p>Relevant Sections: Emissions standards for vehicles; Traffic and transportation data reporting guidelines.</p> <p>Article(s): Vehicle emissions standards (Section 10); Traffic-related environmental data reporting (Section 12).</p>	The DLA should include provisions for sharing transportation-related data, especially regarding emissions and carbon footprint reduction efforts.

Sources: Many sources as described in the references

Statistics Act⁶ and Subsidiary Legislation

The Statistics Act of St. Kitts and Nevis (Revised Edition, 2017) establishes a framework for the collection, management, and dissemination of statistical data. Its primary purpose is to ensure accurate, relevant, and timely statistics to support evidence-based decision-making by the government, private sector, and public. The Act defines the responsibilities of the Department of Statistics, including conducting censuses, surveys, and research, while ensuring confidentiality and ethical use of data.

In the context of Monitoring, Reporting, and Verification (MRV), the Act provides a legal basis for generating credible and verifiable statistical data, which is critical for tracking progress on national policies, international commitments, or environmental programs such as climate reporting. By mandating rigorous data collection standards, it supports transparency and accountability in monitoring outcomes and reporting compliance. Aspects to consider in the design of the DLA are summarized in *Table 8*.

Table 8: Statistical Act and DLA Implication

⁶ Available information in: <https://www.stats.gov.kn/wp-content/uploads/2017/07/SKN-Statistics-Act-Chap-23-of-2002.pdf>

Relevant Law/Policy	Description & Relevant Sections	Implications for the DLA
Statistical Act	<p>Description: Establishes a framework for the collection, management, and dissemination of statistical data.</p> <p>Relevant Sections:</p> <p>Authority to Collect and Use Data</p> <p>Section 3: This section outlines the powers of the Chief Statistician to collect, compile, analyze, and disseminate data. For an MRV system, this authority ensures the inclusion of electricity and transport data as part of national statistics.</p> <p>Section 4: This section details the power to request data from public and private entities, essential for obtaining sectoral data (e.g., electricity generation, fuel consumption in transport).</p> <p>Confidentiality and Data Sharing</p> <p>Section 10: Emphasizes the confidentiality of data collected, a critical aspect to include in the MoU to ensure that stakeholders in the electricity and transport sectors feel secure in sharing data.</p> <p>Section 12: Governs the conditions under which data can be disclosed, making it relevant to defining terms in the MoU about data sharing for MRV purposes while maintaining compliance with legal protections.</p> <p>Scope of Statistical Data</p> <p>Section 6: Specifies the types of statistics that can be collected, which could include energy production, emissions data, and vehicle usage patterns. This section supports the inclusion of specific electricity and transport indicators in the MRV system.</p> <p>Collaboration with Other Entities</p> <p>Section 8: Highlights the role of the Statistics Department in cooperating with other public agencies. This section is foundational for formalizing collaboration in the MoU, ensuring roles and responsibilities are clearly defined for electricity and transport stakeholders.</p> <p>Reporting Requirements</p> <p>Section 5: Mandates the preparation of regular statistical reports, which align with MRV reporting obligations. The MoU can specify timelines and formats for progress reports in these sectors.</p>	<p>The DLA should include provisions for:</p> <p>Define Key Indicators: Use the Act's provisions to establish which electricity and transport metrics will be tracked (e.g., renewable energy penetration, fleet emissions).</p> <p>Specify Roles: Clarify roles of the Statistics Department and sector-specific agencies under the collaboration mandate (Section 8).</p> <p>Ensure Data Sharing Protocols: Include clauses informed by Sections 10 and 12 to guarantee secure and lawful data exchange.</p> <p>Set Reporting Mechanisms: Leverage Section 5 to define how and when progress data will be submitted and analyzed.</p>

Sources: Many sources as described in the references

Roads Act⁷ and Subsidiary Legislation

The Saint Kitts and Nevis Roads Act establishes a comprehensive framework for the construction, maintenance, regulation, and use of public roads within the country. It defines the roles of authorities in overseeing road management, outlines classifications for roads, and sets regulations for road safety, public access, and vehicular use. The Act includes provisions for managing roadworks, issuing permits, and enforcing compliance to maintain orderly and safe infrastructure. By ensuring public access and addressing environmental and safety concerns, the law supports national transportation needs while safeguarding public interests. Aspects to consider in the design of the DLA are summarized in *Table 9*.

Table 9: Roads Act and DLA Implication

⁷ Available information in: https://lawcommission.gov.kn/wp-content/documents/Act02and09TOC/Ch-15_05-Roads-Act.pdf

Relevant Law/Policy	Description & Relevant Sections	Implications for the DLA
Roads Act and Vehicles and Road Traffic Act	<p>Description: Regulates road infrastructure and traffic, including vehicle emissions.</p> <p>Relevant Sections: Emissions standards for vehicles; Traffic and transportation data reporting guidelines.</p> <p>Article(s): Vehicle emissions standards (Section 10); Traffic-related environmental data reporting (Section 12).</p>	The DLA should include provisions for sharing transportation-related data, especially regarding emissions and carbon footprint reduction efforts.

Sources: Many sources as described in the references

National Conservation and Environmental Protection Act⁸ (NCEPA)

This law regulates environmental conservation and the protection of natural resources, establishing standards for waste management, emissions and activities that may affect the environment. Any legal arrangement related to Nationally Determined Contributions (NDC) should be aligned with the requirements of this law to ensure that actions comply with national environmental standards. Aspects to consider in the design of the DLA are summarized in *Table 10*.

Table 10: National Conservation and Environmental Protection Act and DLA Implication

Relevant Law/Policy	Description & Relevant Sections	Implications for the DLA
National Conservation and Environmental Protection Act (NCEPA)	<p>Description: Establishes the legal framework for environmental conservation and protection.</p> <p>Relevant Sections: Provisions for environmental protection; Requirements for data reporting and environmental monitoring.</p> <p>Section(s): Environmental protection provisions (Section 3); Monitoring and reporting of environmental data (Section 6).</p>	The DLA must align with environmental protection principles, ensuring that shared data complies with conservation and protection standards.

Sources: Many sources as described in the references

Accidents And Occupational Diseases (Notification) Act⁹ and Subsidiary Legislation

Although this law focuses primarily on the safety and health of workers, it is relevant to organizations operating in industrial sectors, such as power generation. The DLA must include provisions to ensure safe operations and comply with the health and safety regulations set out in this law.

Procurement and Contract Act¹⁰

It sets out the principles for the creation and execution of contracts in St. Kitts and Nevis, including requirements for consent, capacity, and legality. Although an DLA is generally not a legally binding contract, it is advisable that it meets basic contractual requirements so that it can serve as the basis for a potential future contract, if necessary. Aspects to consider in the design of the DLA are summarized in *Table 11*.

Table 11: Procurement and Contract and DLA Implication

⁸ Available information in: https://lawcommission.gov.kn/wp-content/documents/Act02and09TOC/Ch-11_03-National-Conservation-and-Environment-Protection-Act.pdf

⁹ Available information in: https://lawcommission.gov.kn/wp-content/documents/Act02and09TOC/Ch-09_01-Accidents-Occupational-Diseases-Notification-Act.pdf

¹⁰ Available information in: https://lawcommission.gov.kn/wp-content/documents/Act17TOC/Ch-23_36-Procurement-and-Contract-Admin-Act.pdf

Relevant Law/Policy	Description & Relevant Sections	Implications for the DLA
Procurement and Contract Act	<p>Description: Regulates government procurement processes, including contracts for services and goods.</p> <p>Relevant Sections: Legal requirements for public procurement and contracting; Data-sharing provisions in government contracts.</p> <p>Section(s): Procurement regulations and contract clauses (Sections 5-9); Data-sharing terms in contracts (Section 11).</p>	If data-sharing involves services related to monitoring or data analysis, the DLA should comply with legal provisions for government contracts and procurement.

Sources: Many sources as described in the references

Telecommunications and Information Security Act¹¹

Establishes standards for data communication and transfer in the country, which is relevant in the context of data transmission between organizations. It ensures that communications are carried out securely and comply with cybersecurity and data protection regulations. Aspects to consider in the design of the DLA are summarized in *Table 12*.

Table 12: Telecommunications and Information Security Act and DLA Implication

Relevant Law/Policy	Description & Relevant Sections	Implications for the DLA
Telecommunications and Information Security Act	<p>Description: Regulates information security in telecommunications and other information exchanges.</p> <p>Relevant Sections: Information security protocols; Guidelines for secure data transfer and storage.</p> <p>Article(s): Security requirements for data transmission (Section 7); Encryption and protection of communications (Section 9).</p>	The DLA should address data security measures for safe exchange and storage of data, ensuring compliance with information security standards.

Sources: Many sources as described in the references

National Climate Change Policy and other plans and policies

Although not laws per se, national climate change policies provide the strategic framework for climate change mitigation and adaptation actions, including Nationally Determined Contributions (NDCs). It is important that the DLA is aligned with these policies to support emissions reduction and adaptation goals. Aspects to consider in the design of the DLA are summarized in *Table 13*.

Table 13: National Climate Change Policy and others plan and policies and DLA Implication

Relevant Law/Policy	Description & Relevant Sections	Implications for the DLA
National Climate Change Policy	<p>Description: Defines national climate change objectives and strategies.</p> <p>Relevant Sections: Goals for climate change mitigation and adaptation; Guidelines for national MRV (Monitoring, Reporting, and Verification) systems.</p> <p>Section(s): Climate change mitigation and adaptation goals (Section 3); National MRV guidelines (Section 6).</p>	The DLA should align with national climate change priorities, ensuring that MRV actions support national objectives.

Sources: Many sources as described in the references

Paris Agreement and UNFCCC (United Nations Framework Convention on Climate Change)

¹¹ Available information in: https://lawcommission.gov.kn/wp-content/documents/Act02and09TOC/Ch-16_05-Telecommunications-Act.pdf

As a signatory to the Paris Agreement and the United Nations Framework Convention on Climate Change, St. Kitts and Nevis has made commitments to reduce its greenhouse gas emissions and promote environmental sustainability. The DLA should reflect these international commitments and align with the reporting and monitoring standards of the NDCs. Aspects to consider in the design of the DLA are summarized in *Table 14*.

Table 14: Paris Agreement and UNFCCC and DLA Implication

Relevant Law/Policy	Description & Relevant Sections	Implications for the DLA
Paris Agreement and UNFCCC (United Nations Framework Convention on Climate Change)	<p>Description: Global framework for climate change action, including emissions monitoring and reporting.</p> <p>Relevant Sections: Commitments to transparency, monitoring, and reporting of emissions and mitigation efforts; International cooperation on climate change data exchange.</p> <p>Article(s): Transparency and accountability (Article 13 of the Paris Agreement); Monitoring and reporting guidelines (Article 4 of the UNFCCC).</p>	The DLA must align with international commitments to transparency and accountability in national emissions reporting and climate change mitigation measures.

Sources: Many sources as described in the references

Saint Kitts and Nevis has outlined its climate commitments related to the transport and energy sectors in its updated Nationally Determined Contribution (NDC). These commitments focus on reducing emissions, enhancing energy efficiency, and transitioning to renewable energy sources can be found in *Table 15*.

Table 15: Saint Kitts and Nevis climate commitments related to the transport and energy sectors.

Sector	Commitment	Target/Deadline
Energy	- Shift to 100% renewable energy for electricity generation.	By 2030
	- Improve energy efficiency in electricity transmission and distribution.	Ongoing
Transport	- Electrify 2% of the national vehicle fleet.	By 2030
	- Develop infrastructure for electric vehicles (EVs).	By 2030

Source: UNFCCC NDC Submission portal

These commitments are part of the country's broader goal¹² of reducing its total CO2 emissions by 61% by 2030, compared to the 2010 baseline.

Conventions and Guidelines of the Caribbean Community (CARICOM) and the Organization of Eastern Caribbean States (OECS)

In many cases, St. Kitts and Nevis adopts guidelines and cooperation frameworks established by these regional bodies, especially on environmental and sustainability issues. Ensure consistency with CARICOM and OECS frameworks to support regional collaboration in climate action and MRV.

Aspects to consider in the design of the DLA are summarized in *Table 16*.

¹² Information available in:

https://unfccc.int/sites/default/files/NDC/2022-06/St.%20Kitts%20and%20Nevis%20Revised%20NDC_Updated.pdf

Table 16: Conventions and Guidelines of the Caribbean Community (CARICOM) and the Organization of Eastern Caribbean States (OECS) and DLA Implication

Relevant Law/Policy	Description & Relevant Sections	Implications for the DLA
Conventions and Guidelines of CARICOM and OECS	<p>Description: Regional frameworks and guidelines for climate change action and data-sharing.</p> <p>Relevant Sections: Agreements on regional climate change cooperation; Data-sharing standards for climate action in the Caribbean.</p> <p>Article(s): CARICOM climate change cooperation agreements (Article 10); OECS guidelines on data-sharing for climate action (Article 8).</p>	<p>The DLA should be consistent with CARICOM and OECS guidelines, ensuring alignment with regional climate change cooperation efforts.</p>

Sources: Many sources as described in the references

ANNEX 5 Relevant Guiding Principles for the DLA

Based on the Legal Framework and International Best Practices, it's common to include guiding principles that serve as the foundation for cooperation between the involved parties. These principles establish the ethical and operational framework under which the collaboration will develop:

- **Good Faith:** Both parties commit to acting honestly, transparently, and for mutual benefit, respecting shared objectives.
- **Mutual Respect and Sovereignty:** Each party respects the independence and authority of the other.
- **Commitment and Responsibility:** Each party assumes its role and the responsibilities outlined in the MOU, seeking to fulfill the agreed objectives, and taking responsibility for their actions and omissions.
- **Transparency:** Maintain clear and open communication between both parties regarding decisions, progress, and potential issues that may impact the DLA development.
- **Confidentiality:** The parties agree to protect any confidential information shared during the collaboration, committing not to disclose it without prior consent.
- **Efficiency and Resource Optimization:** The parties strive to maximize the use of available resources, avoiding duplications and using resources efficiently for mutual benefit.
- **Sustainability:** Ensure that joint activities are carried out sustainably, minimizing environmental impact and seeking long-term benefits.
- **Conflict Resolution:** In case of disagreements, the parties commit to resolving any conflicts through dialogue and negotiation, avoiding legal measures when possible.

ANNEX 6 Legal and regulatory risks analysis and proposed mitigation actions

To effectively address the risks associated with implementing a Measurement, Reporting, and Verification (MRV) framework, it is essential to identify risks that could impact the successful implementation of the MRV system in the energy and transport sectors of St. Kitts and Nevis, that can be address and mitigate through the DLA. The risk assessment should consider the proposed structure in the DLA, including roles, duties, obligations, and operational aspects, to define appropriate mitigation strategies that address the risks associated with the MRV framework.

Risk Identification

The identification of risks is based on the literature review for information exchange systems and its probability and impact on the MRV system that is intended to be established to monitor the progress of national commitments within the framework of its NDC. Some of the sources of information can be found in the references, also in *Table 3*.

The basis to defined are the legal and regulatory context, define all the applicable laws and regulations, some standards and obligations summarize in section 2.2. A risk assessment has been identified and evaluated in terms of its impacts and likelihood, as described in *Table 17*.

Table 17: Risk Assessment Framework

Risk Aspect	Risk Description	Impact	Likelihood
Data Protection and Privacy	Risk of non-compliance with privacy regulations, leading to penalties or loss of sensitive data	H	H
Environmental Compliance	Possible penalties or reputational aspects for failing to meet emissions standards and environmental requirements	L	H
Licensing and Operational Compliance	Risk of operating without the required licenses, which not provide the data, or inaccuracy cause technical specification for the data collection has not been follow, therefore the MRV system would have data gaps and be incomplete.	M	H
Data Inaccuracies and Liability	Risk of reporting incorrect data, leading to non-compliance and reputational damage	M	H
Contractual Ambiguities	Risk of ambiguous interpretation of responsibilities and terms in the DLA due to lack of specificity	M	M
Compliance with International Commitments	Risk of non-compliance with commitments under the “Paris Agreement” and “UNFCCC (United Nations Framework Convention on Climate Change)”	M	L
Legislative Changes Risk	Possible legislative changes affecting future compliance with the DLA	L	L
Dispute Escalation and Resolution Mechanism	Lack of a resolution mechanism in case of disputes over MoU compliance, leading to unresolved conflicts	L	L
Technical and Regulatory Adaptability	Risk that MRV technical parameters become outdated with changes in regulatory standards	L	L

Sources: Coming from different sources. Valuation on Impacts and Likelihood is an outside-in perception. H – High, M – Middle, L - Low

Data Protection and Privacy
Likelihood: High (H)
Impact: High (H)

Non-compliance with privacy regulations poses a significant risk, with a high likelihood of occurrence and a potentially severe impact, including penalties or the loss of sensitive data. Mitigation measures, such as encryption, strict access controls, and adherence to national data privacy laws, are critical to ensuring compliance and safeguarding information integrity.

Environmental Compliance

Likelihood: High (H)

Impact: Low (L)

The risk of failing to meet emissions standards or other environmental requirements or technical specification for the data collection, has a high likelihood but a relatively low impact. Mitigation actions should include regular compliance reviews and integrating environmental legal standards into the MRV framework to proactively manage these challenges.

Licensing and Operational Compliance

Likelihood: High (H)

Impact: Medium (M)

Operating without the required licenses could result in incomplete data and gaps within the MRV system. With a high likelihood of occurrence and a moderate impact, this risk necessitates the identification and fulfillment of all licensing requirements to ensure compliance and the reliability of the MRV system.

Data Inaccuracies and Liability

Likelihood: High (H)

Impact: Medium (M)

Reporting inaccurate data presents a high likelihood and moderate impact, potentially resulting in reputational damage and non-compliance. Mitigation measures should include implementing rigorous data validation protocols, conducting frequent audits, and providing training programs to maintain data accuracy and reliability.

Contractual Ambiguities

Likelihood: Medium (M)

Impact: Medium (M)

Ambiguities in the interpretation of roles and responsibilities outlined in the DLA represent a moderate likelihood and impact. Clear definitions of terms, responsibilities, and expectations within the MoU can mitigate this risk and ensure shared understanding among stakeholders.

Compliance with International Commitments

Likelihood: Low (L)

Impact: Medium (M)

Non-compliance with international agreements, such as the Paris Agreement and UNFCCC, poses a moderate impact but has a low likelihood of occurrence. Ensuring that the MRV system aligns with international requirements and tracking mechanisms will help mitigate this risk.

Legislative Changes Risk

Likelihood: Low (L)

Impact: Low (L)

Possible legislative changes affecting compliance with the DLA have both low likelihood and low impact. Regular reviews of relevant legislation and adaptive measures within the MRV framework will help ensure future compliance and system relevance.

Dispute Escalation and Resolution Mechanism

Likelihood: Low (L)

Impact: Low (L)

The absence of a resolution mechanism for disputes over DLA compliance presents a low likelihood and low impact. Introducing a structured process, such as mediation or arbitration, would strengthen governance and address potential conflicts effectively.

Technical and Regulatory Adaptability

Likelihood: Low (L)

Impact: Low (L)

The risk of MRV technical parameters becoming outdated due to changes in regulatory standards has a low likelihood and low impact. Periodic updates to the MRV system and regular alignment with evolving standards will ensure its technical relevance and compliance over time.

Proposed Mitigation Options

This section integrates the principles of risk mitigation into the context of MRV-related agreements, to ensuring the reliability and effectiveness of tracking NDC progress in the Energy and Transport sectors.

Risk mitigation refers to the strategic process of preparing for and lessening the effects of threats that could undermine the effectiveness of formalized agreements and the MRV system's ability to track NDC progress. In the context of the Energy and Transport sectors, risks may include data inaccuracies, non-compliance with licensing or environmental standards or technical specification for the data collection and evolving regulatory frameworks. Effective risk mitigation involves proactive measures to reduce the negative impacts of such threats, ensuring the continuity and reliability of MRV operations.

The primary goal of risk mitigation is to prepare for potential disruptions and establish mechanisms to minimize their negative impacts on NDC tracking, including address sector-specific risks, such as inaccuracies in data activities and emissions reporting, ambiguity in roles under agreements, or failure to meet international commitments.

For the purposed of the MRV system is important to consider a robust risk mitigation plan that identify and prioritize risks based on their likelihood and impact, as identified, ensuring in the institutional planning system and resource allocation.

To avoid risks entirely, mitigation strategies focus on the inevitability of some challenges and the steps that can be taken in advance to reduce their adverse effects. This might include improving data validation systems to prevent inaccuracies, incorporating flexible mechanisms into agreements to adapt to regulatory changes, or establishing clear dispute resolution mechanisms to address conflicts efficiently.

The ideal scenario is to eliminate all risks, the formalization of agreements in the Energy and Transport sectors must acknowledge that uncertainty or disruption is unavoidable, and a well-designed risk mitigation plan and stablished within the DLA, will enables the MRV system to continue operating effectively, ensuring that progress toward NDC commitments is tracked, even in the face of potential setbacks.

Risk being address within the MRV System

Regulatory Requirements and Institutional Arrangements

To ensure alignment with the Environmental Legislation, particularly the National Conservation and Environmental Protection Act (Chapter 11.02), the institutional arrangements for the MRV system must meet specific regulatory requirements and obligations. This includes adherence to emissions and reporting standards. Data collection processes should comply with these regulations and incorporate technical specifications to ensure the reliability and traceability of exchanged data, and this must be clearly defined within the DLA.

Data Protection and Compliance Standards

The MRV system must incorporate robust data protection policies to safeguard data collection, storage, and transmission. These policies should comply with national data protection standards as mandated under the Telecommunications Act (Chapter 16.05). This will ensure that the system adheres to both technical and legal requirements for data privacy and security. Insert some of those maybe include within the Draft Legal Arrangement (DLA).

DLA Compliance Mechanisms and Confidentiality Clauses

The Draft Legal Agreement (DLA) should include well-defined compliance mechanisms to enhance accountability and minimize ambiguities regarding roles and responsibilities within the MRV system. A confidentiality clause should address data privacy concerns, specifying the types of data covered, protocols for data sharing and processing, and penalties for unauthorized disclosures. This clause should align with existing data privacy regulations to prevent legal breaches and safeguard sensitive information.

Compliance Review Procedures and Risk Mitigation

The DLA should establish compliance review procedures to evaluate adherence to relevant legislation, licensing requirements, and environmental standards. These reviews can involve internal audits or third-party verifications to ensure the accuracy of data and compliance with regulatory obligations. Risk mitigation strategies should include data security measures such as encryption, secure transmission protocols, and role-based access controls to protect sensitive information. Insert some of those maybe include within the Draft Legal Arrangement (DLA).

Legal Compliance Team and Adaptability Provisions

To address evolving regulatory landscapes, a dedicated Legal Compliance Team should be formed to monitor changes in relevant laws and regulations. This team would assess whether updates to the MRV framework or DLA are required based on new legislation or international commitments. Regular training and capacity building for involved parties should also be implemented to mitigate risks such as data inaccuracies or non-compliance due to lack of knowledge. Additionally, the DLA should include an amendment clause to allow modifications in response to changing legal, regulatory, or technical requirements, ensuring the MRV framework remains adaptive and responsive.

Technical Annex and Operational Flexibility

To enable technical and regulatory flexibility, the DLA should include a detailed annex outlining operational aspects of the MRV framework. This annex should specify data parameters, methodologies, and technical protocols and allow for annual reviews and modifications by mutual consent. Such flexibility ensures the MRV system remains relevant and adaptable to evolving circumstances.

Institutional Capability and Escalation Process

To address potential issues related to "no reporting data", the DLA should establish an escalation process that considers the institutional capacity of stakeholders to exchange information effectively. This process would provide a structured mechanism for resolving gaps in data reporting.

Dispute Resolution and Enforcement Mechanisms

The long-term success of the MRV system may be hindered by competing institutional priorities, particularly if the DLA is non-binding. To address this, the DLA should include a dispute resolution mechanism—such as mediation or arbitration—to manage disagreements over compliance or interpretation of MRV requirements. Legal recourse options should also be specified, detailing remedial actions or penalties in the event of critical compliance issues within the DLA, these measures would strengthen enforcement and ensure accountability.

Reporting Protocols

The DLA should establish comprehensive reporting protocols that define the frequency, format, and channels for data reporting. These protocols should ensure consistent and transparent communication of operational data, supporting the overall functionality of the MRV framework.

The *Table 18* summarizes the key legal and regulatory risks associated with implementing the MRV framework, along with proposed mitigation measures to address these risks effectively.

Table 18: Summary of Legal and Regulatory Risks with Mitigation

Risk Aspect	Risk Description	Legal/Regulatory Requirements	Mitigation Options	Responsible Party
Data Protection and Privacy	Risk of non-compliance with privacy regulations, leading to penalties or loss of sensitive data	Compliance with the Telecommunications Act (Chapter 16.05) and potential future data protection laws.	Include a confidentiality clause Implement data security measures (encryption, limited access)	Responsible of the Legal and Data Security process.
Environmental Compliance	Possible penalties for failing to meet emissions standards and environmental requirements	Compliance with the "National Conservation and Environmental Protection Act (Chapter 11.02), including Section 18.	Conduct periodic compliance reviews; Integrate emission standards in the MRV and align them with environmental legislation	Responsible of the Environmental and Compliance process.
Licensing and Operational Compliance	Risk of operating without the required licenses, which not provide the data, or inaccuracy cause technical specification for the data collection has not been follow, therefore the MRV system would have data gaps and be incomplete.	"Electricity Supply Act (Chapter 16.03)" and "Utilities Regulatory Commission Act (Chapter 16.09)"	Specify roles and responsibilities in the DLA; Ensure all participants have the necessary licenses to operate	Responsible of the Licensing and Operations process
Data Inaccuracies and Liability	Risk of reporting incorrect data, leading to non-compliance and reputational damage	Compliance with standards and NDC reporting requirements under the "Paris Agreement"	Establish a data review team; Conduct internal or third-party audits to ensure data accuracy	Responsible of the Data Verification process
Contractual Ambiguities	Risk of ambiguous interpretation of responsibilities and terms in the DLA due to lack of specificity	Compliance with the "Contract Act (Chapter 4.05)"	Include a glossary of terms in the DLA; Clearly define roles and responsibilities in the agreement and in technical annexes	Responsible of the Legal process

Risk Aspect	Risk Description	Legal/Regulatory Requirements	Mitigation Options	Responsible Party
Compliance with International Commitments	Risk of non-compliance with commitments under the “Paris Agreement” and “UNFCCC (United Nations Framework Convention on Climate Change)”	Alignment with international emissions and NDC tracking standards	Ensure the MRV is aligned with St. Kitts and Nevis’s commitments under the Paris Agreement; Include ongoing monitoring of NDC compliance.	Responsible of the International Policy
Legislative Changes Risk	Possible legislative changes affecting future compliance with the DLA	Continuous review of relevant laws, such as the “Contract Act” and energy and telecommunications regulations	Include a modification clause in the DLA to allow for annual updates. Create a team responsible for monitoring regulatory changes	Responsible of the Legal and Compliance process
Dispute Escalation and Resolution Mechanism	Lack of a resolution mechanism in case of disputes over DLA compliance, leading to unresolved conflicts	Nonspecific, but recommended under good contract practices	Establish a dispute resolution process, including mediation or arbitration, in the DLA to address any issues of interpretation or compliance	Responsible of the Legal process
Technical and Regulatory Adaptability	Risk that MRV technical parameters become outdated with changes in regulatory standards	Nonspecific, but continuous review is recommended to adapt to national and international standards	Create a technical annex in the DLA that is reviewable and modifiable annually by both parties; Ensure flexibility for adjustments to new regulations	Responsible of the Technical process

Source: Adapted from <https://bigpicture.one/blog/project-risk-assessment-examples/> and other sources.

ANNEX 7 Joint Statement of Intent for Collaboration on Information Exchange Format

//// JOINT STATEMENT OF INTENT ////

BETWEEN

Ministry of Climate Action, Environment, and Constituency Empowerment

[Institution 2 Name]

AND

[Institution 3 Name]

Date: [DD/MM/YYYY]

Location: [City, Country]

The undersigned parties, **Ministry of Climate Action, Environment, and Constituency Empowerment**, represented by [Representative's Name, Title], [Institution 2 Name], represented by [Representative's Name, Title], and [Institution 3 Name], represented by [Representative's Name, Title],

CONSIDERING the need to strengthen inter-institutional cooperation to improve the collection, processing, and analysis of key information within the framework of national climate policies.

RECOGNIZING the importance of establishing a structured system for data exchange that facilitates the monitoring of progress towards **Nationally Determined Contributions (NDCs)** and the institutionalization of the **Measurement, Reporting, and Verification (MRV) framework** in the electricity generation and transportation sectors.

HIGHLIGHTING the necessity of ensuring **transparency, timeliness, completeness, and accuracy** in the collection and reporting of emissions data, in compliance with national and international regulations.

EXPRESS THEIR INTENTION TO:

1. **Cooperate in the exchange of information** to support the implementation of national climate policies, monitor progress towards NDCs, and strengthen the MRV framework.
2. **Establish a robust framework** that enables structured processes, clear regulations, and adequate infrastructure for emissions data collection and reporting.
 - o **Define and formalize an information flow** under the following structure, **Data Collection & Compilation, Validation & Quality Assurance, Storage & Security, Processing & Analysis, Dissemination & Reporting.**

NEXT STEPS & TIMELINE

To operationalize this collaboration, the following action plan is proposed:

- **[Date]**: Initial meeting to finalize the governance structure, RACI framework and define operational protocols.
- **[Date]**: Development of a formal **DLA** outlining specific terms and conditions.
- **[Date]**: Pilot implementation phase to assess effectiveness and optimize processes.

NON-BINDING NATURE

This **Joint Statement of Intent does not create legal obligations or financial commitments** for any party. Any formal agreement will be established through additional documents, such as **Memoranda of Understanding (MoU)** or specific agreements.

CONCLUSION

The undersigned parties believe that this joint effort will contribute to strengthening the institutional framework for emissions data management and **compliance with NDCs**, ensuring greater transparency and efficiency in information exchange.

SIGNED IN [City, Country], ON [DAY] OF [MONTH], [YEAR].

For Ministry of Climate Action, Environment, and Constituency Empowerment:

[Representative's Name]
[Title]

For [Institution 2]:

[Representative's Name]
[Title]

For [Institution 3]:

[Representative's Name]
[Title]

ANNEX 8 Non-Disclosure Agreement (NDA) Format

//// NON-DISCLOSURE AGREEMENT////

This Non-Disclosure Agreement (“Agreement”) is entered into as of (date) between (Name of company) and (Name of Company)

The parties agree as follows:

1. Background

In the course of discussing certain matters or information for the purpose of assessing the feasibility, performance and costs of certain technologies, projects and operations (the “Purpose”), a party (the “Recipient”) may have access to information from the other party (the “Disclosing Party”) which the Disclosing Party considers confidential and which (a) relates to the Disclosing Party’s past, present and future research, development, business activities, products, services, and technical knowledge, and (b) has been identified as confidential (“Confidential Information”).

2. Use

The Recipient may use Confidential Information only for the Purpose and not for any other purpose.

3. Protection

The Recipient agrees to protect the confidentiality of the Confidential Information in the same manner it protects the confidentiality of its own similar confidential information, but in no event using less than a reasonable standard of care. The Recipient will restrict access to the Confidential Information to its personnel, including legal and financial advisors, agents, representatives and, if a specific project is being discussed, potential insurers and contractors / suppliers (and such personnel of its affiliates) engaged in a use permitted by this Agreement, provided that such personnel are bound by obligations of confidentiality substantially like the terms of this Agreement.

4. Ownership

The Recipient agrees that all Confidential Information furnished by the Disclosing Party under this Agreement shall remain the sole property of the Disclosing Party. The Disclosing Party does not grant any express or implied license or right to or under any patents, trade secrets, copyrights, trademarks, or other rights in its Confidential Information under this Agreement.

5. Copying

Except as reasonably required for the Purpose, the Recipient shall not copy or reproduce Confidential Information of the Disclosing Party without the Disclosing Party’s prior written consent.

6. Return

The Recipient shall return all Confidential Information (including copies) that the Disclosing Party made available to the Recipient under this Agreement upon request by the Disclosing Party. The Recipient may retain, subject to the terms of this Agreement, a copy of the Confidential Information as required for compliance with its internal recordkeeping requirements.

7. Exceptions

Nothing in this Agreement prohibits or limits Recipient's use of the Confidential Information (including, but not limited to, ideas, concepts, know-how, techniques, and methodologies) (i) previously known to the Recipient, before it was received from the Disclosing Party, (ii) independently developed by the Recipient without use of the Confidential Information, (iii) acquired by the Recipient from a third party which was not, to the Recipient's knowledge, under an obligation to the Disclosing Party not to disclose such information, or (iv) which is or becomes publicly available through no breach of this Agreement by the Recipient.

8. Compelled Disclosure

If Recipient receives a subpoena or other validly issued administrative or judicial process requesting Confidential Information or is required by law (including rules of a stock exchange) to disclose Confidential Information, the Recipient shall, to the extent legally permitted, promptly notify the Disclosing Party and tender to the Disclosing Party the defense of such demand or requirement. Unless the demand or requirement is timely limited, quashed or extended, the Recipient shall then be entitled to comply with such demand or requirement to the extent required by law. If requested by the Disclosing Party (or its representative), the Recipient shall reasonably cooperate (at the expense of the Disclosing Party) in opposing such a demand or requirement. Notwithstanding anything to the contrary, Recipient may disclose the Confidential Information in any dispute resolution proceedings relating hereto, solely for purposes of enforcing its rights hereunder.

9. Other Rights

Nothing in this Agreement shall prohibit or restrict either party's right to develop, use, or market products or services like or competitive with those of the other party disclosed in any Confidential Information if it does not breach this Agreement. Each party acknowledges that the other party may already have products or services like or competitive with those disclosed in the Disclosing Party's Confidential Information.

10. No Use of Name

Neither party may use the name, trade name, trademark, logo, acronym, or other designation of the other party externally in connection with any press release, advertising, publicity materials or otherwise without the prior written consent of the other party.

11. Complete Agreement

This Agreement is the complete and exclusive statement of the agreement between the parties relating to the subject matter of the Agreement and supersedes all prior agreements, conditions, representations, warranties, arrangements, and communications, oral or written, and all other communications between the parties relating to its subject matter. This Agreement may be executed by facsimile and in any number of counterparts, each of which shall be considered an original for all purposes, and all of which when taken together shall constitute one agreement binding on the parties, notwithstanding that both parties are not signatories to the original or

the same counterpart. The term of this Agreement shall be three (3) years from the date of execution hereof.

12. Assignment, Modification and Waiver

Neither party may assign its rights or delegate its duties or obligations under this Agreement without prior written consent of the other party, which shall not be unreasonably withheld or delayed. This Agreement can only be modified by the written agreement of the parties. A waiver of any provision of this Agreement is not effective unless it is in writing and signed by the party against which the waiver is sought to be enforced. The delay or failure by either party to exercise or enforce any of its rights under this Agreement shall not constitute or be deemed a waiver of that party's right to thereafter enforce those rights, nor shall any single or partial exercise of any such right preclude any other or further exercise of these rights or any other right.

13. Enforceability

If a court of competent jurisdiction finds any term of this Agreement to be invalid, illegal, or otherwise unenforceable, that term shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable. The rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties as provided in this Agreement. Nothing in this Agreement is intended to confer on any third party any benefit or any right to enforce any term of this Agreement.

14. Governing Law

This Agreement shall be governed by and construed in accordance with the Laws of the Federation of St. Christopher and Nevis.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

Name of Company:

By:.....

(Authorized Signature)

Name: _____

Title: _ Title: G

Address: Address:

Date:

By:.....

(Authorized Signature)

Name:

ANNEX 9 Confidentiality Agreement Format

///// Confidentiality Agreement /////

This document allows for an agreement between the coordinating entity and the relevant stakeholder for the supply of confidential information for the development of St. Kitts and Nevis National GHG inventory emission estimates.

St. Kitts and Nevis

Confidentiality Agreement

Between

(Name of Coordinating Entity)

and

Stakeholder

on

(Area to be addressed)

CONFIDENTIALITY AGREEMENT

This confidentiality agreement made as of the [date] day of [Month], [Year], is by and between (Coordinating Entity) of [Insert Address], and [Stakeholder] of [Insert Address]. and stakeholder(s) are at times referred to herein individually as a “Party” and collectively as the “Parties.” This agreement considers data provided by stakeholder to be treated as confidential and will not be shared beyond the purposes of (XXX).

AGREEMENT

WHEREAS each party to this Agreement possesses certain confidential and/or proprietary information that it proposes to disclose to the other party solely for the purposes of compiling confidential business information required (XXXX), all such disclosures are subject to the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the foregoing and the promises and agreements herein set forth, the Parties agree as follows:

1. APPLICABLE LAW

- 1.1. This Agreement shall be governed by the laws of the St. Kitts and Nevis, without regard to [Insert applicable] conflict of laws principles; provided, however, that the

determination of whether any Confidential Information (as such term is defined below) qualifies as a trade secret shall be made solely by reference to the law of the jurisdiction in which such Confidential Information is maintained by the Disclosing Party and not by reference to the laws of the St. Kitts and Nevis.

2. DEFINITIONS

- 2.1. For the purposes of this Agreement, the term, “Confidential Information,” shall mean confidential and/or proprietary information under the ownership or control of one of the parties. The term, “Confidential Information,” expressly excludes information that:
 - 2.1.1. was in the public domain at the time it was disclosed or falls within the public domain, except through a breach of this Agreement; or
 - 2.1.2. is or becomes known by the Receiving Party or any of its associated companies from a source other than the Disclosing Party without breach of this Agreement by the Receiving Party; or
 - 2.1.3. was furnished to a third party by the Disclosing Party without restrictions on the third party’s rights like those contained in this Agreement; or
 - 2.1.4. to the extent that such disclosure shall be required by law by the Receiving Party, but only after the Disclosing Party has been notified in writing by the Receiving Party and has been provided a reasonable opportunity to take appropriate action to protect its legal interest in the Confidential Information.
- 2.2. If only a portion of any Confidential Information falls within any one of the exceptions listed above, the remainder of such Confidential Information shall continue to be subject to this Agreement.
- 2.3. For the purposes of this Agreement, the term, “Disclosing Party,” shall mean the party owning or controlling Confidential Information and making such Confidential Information available to the other party.
- 2.4. For the purposes of this Agreement, the term, “Receiving Party,” shall mean the party who receives Confidential Information from the Disclosing Party.

3. LIMITATION ON USE OF CONFIDENTIAL INFORMATION

- 3.1. The parties agree that, as between them, the asserted Confidential Information disclosed under this Agreement: (a) as it relates to Confidential Information disclosed by

stakeholder, derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable through proper means by other persons who can obtain economic value from its disclosure or use, and (b) as it relates to Confidential Information disclosed by DOE, derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use.

- 3.2. All rights, title, and interest in Confidential Information disclosed pursuant to this Agreement are reserved by the Disclosing Party, and the Receiving Party will not use such Confidential Information disclosed to it by the Disclosing Party to benefit itself or others, except for the limited purposes for which the Confidential Information is disclosed within the context of this Agreement. The Receiving Party will not disclose such Confidential Information to any third party unless and until expressly authorized in writing to do so by the Disclosing Party.

4. PROTECTION OF CONFIDENTIAL INFORMATION

- 4.1. The Receiving Party shall exercise at least the same standard of care to prevent the disclosure or misuse of the Confidential Information as it exercises to prevent the disclosure or misuse of its own Confidential Information, but in no event shall the Receiving Party exercise less than reasonable care [for example, the Receiving Party could ensure data are protected by using specific input codes specific to the user]. The Receiving Party shall limit dissemination of such Confidential Information to those persons within its organization who have a need to know such information to fulfill the purpose of this Agreement and who agree to be subject to the restrictions of this Agreement. Both parties agree not to disclose the fact or content of any negotiations between them to third parties (other than outside counsel) without the written consent of the other party.
- 4.2. The Receiving Party shall aggregate all data disclosed, and emissions estimates will be aggregated with other data provided for the source category. Specific activity data for the Disclosing Party will not be presented or published, and only the aggregated estimates will be presented.

5. TERM OF AGREEMENT

- 5.1. This Agreement shall take effect as of the date written above and shall terminate five years from the effective date of this agreement.
- 5.2. The respective obligations of the parties relating to limitations on the use and/or disclosure of Confidential Information under this Agreement shall survive termination of this Agreement.

6. RETURN OF CONFIDENTIAL INFORMATION

- 6.1. All Confidential Information and copies thereof shall be returned to the Disclosing Party at the time this Agreement expires, or earlier at the initiation of the Receiving Party or upon the Receiving Party's receipt of a written request from the Disclosing Party for the return of such Confidential Information.
- 6.2. The Receiving Party may retain two (2) copies of such Confidential Information for its legal archives and data archiving procedures, subject to the ongoing restrictions on the use and/or disclosure of the Confidential Information.

7. SPECIFIC PERSONS TO RECEIVE INFORMATION

- 7.1. The following persons are designated as the respective parties' team leaders to receive and/or disclose the Confidential Information exchanged pursuant to this Agreement
Coordinating Entity: [Insert Name]

Stakeholder: [Insert Name]

8. MARKING OF CONFIDENTIAL INFORMATION

- 8.1. Confidential Information developed or disclosed by either party under this Agreement shall be clearly labeled and identified as Confidential Information by the Disclosing Party at the time of disclosure. When written identification of Confidential Information is not feasible at the time of such disclosure, the Disclosing Party shall provide such identification in writing promptly thereafter.

9. APPLICATION OF St. Kitts and Nevis SECURITIES LAWS

- 9.1. DOE acknowledges that (a) stakeholder considers the Confidential Information to be material, non-public information about stakeholder, and (b) it is aware, and it will advise persons within its organization, that the St. Kitts and Nevis securities laws [check if applicable] prohibit any person who has material, non-public information about a company from purchasing or selling securities of such company, or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities in reliance upon such information.

10. RELATIONSHIP OF THE PARTIES

The parties are independent contractors. This Agreement does not create a partnership, joint venture, agency, or other similar relationship between the parties. Neither party is authorized solely by means of this Agreement to make any representation, contract, or commitment on behalf of the other party, or to otherwise bind the other party in any respect whatsoever.

11. ENTIRE AGREEMENT

Both parties acknowledge that they have read this Agreement, understand it, and agree to be bound by its terms, and further agree that it is the entire agreement between parties hereto which supersedes all prior agreements, written or oral, relating to the subject matter hereof. No modification or waiver of any provision shall be binding unless in writing signed by the party against whom such modification or waiver is sought to be enforced.

NOW THEREFORE, the parties hereto have caused this Agreement to be duly executed in their names by officials who are duly authorized as of the effective date set forth above.

FOR: (XXX)

FOR: [Stakeholder]

SIGNATURE

SIGNATURE

NAME

NAME

DATE

DATE

ANNEX 10 Memorandum of Understanding

//// Memorandum of Understanding ///

The purpose of this document is to promote and carry out cooperative activities between the coordinating entity (**relevant St. Kitts and Nevis ministry**) and relevant stakeholders related to climate change issues including, inter alia, (XXXXX and support received for climate change policies/actions according to their respective competencies and based on principles of information exchange, reciprocity, equality, and mutual benefit.

St. Kitts and Nevis

MEMORANDUM OF UNDERSTANDING

Between

)

(Coordinating Entity)

and

Stakeholder

on

The (are under discussion) for St. Kitts and Nevis

I. OBJECTIVES

The objectives of this Memorandum of Understanding (MOU) between (Coordinating Entity) and [Stakeholder] are:

- 1) To develop a system of data sharing between the (Coordinating Entity) and [Stakeholder], to support the development of St. Kitts and Nevis National GHG Inventory through the provision of relevant activity datasets and documentation (for UNFCCC reporting requirements under the Paris Agreement (Example- National Communications and Biennial Update Reports) and National Requirements). The (Coordinating Entity) has been tasked under [**insert law, act, or ministerial note**] to coordinate the development of the national GHG inventory.
- 2) To commit to work together to develop the St. Kitts and Nevis GHG Inventory and implement mitigation measures (if relevant) to reduce the growth of greenhouse gas emissions in St. Kitts and Nevis.

II. AUTHORITIES AND RELATED ACTIVITIES

Nothing in this agreement alters, or is intended to alter, the legal and regulatory authorities of DOE and [Stakeholder]. This agreement is solely intended to facilitate the fulfillment of legal requirements and cooperative efforts.

A. The St. Kitts and Nevis (Area under discussion)

1. The Program

Provide a description of the St. Kitts and Nevis GHG Inventory/ Internationally required reports in question and context for the information in this MOU. [To be filled out by the (Coordinating Entity)]

2. Authorities

Provide descriptions for St. Kitts and Nevis national authorities that are relevant to this Memorandum of Understanding. [To be filled out by (Coordinating Entity)]

III. PROVISIONS

A. St. Kitts and Nevis (Area under discussion)

It is mutually agreed:

- 1) *To establish appropriate points of contact who will be available to meet regularly and review cooperative activities.*

(Coordinating Entity) agrees:

- 1) *to continue to consult with the relevant entities on their preparation of the greenhouse gas inventory to meet St. Kitts and Nevis commitments under the UNFCCC (Paris Agreement).*
- 2) *to ensure that this GHG inventory will undergo full review (quality control and quality assurance checks), and that any outstanding issues will be raised to the (Example- Steering Committee or Climate Change Ministerial Committee) for final resolution; and,*

[Stakeholder] agree:

- 1) *To make available supporting technical reports, models, and data that may form the basis of their chosen methodologies/calculations and supporting documents; and,*
- 2) *To provide, in advance, a schedule for review of draft and final documents which includes, to the extent possible, adequate time for review and comment.*

IV. MEETINGS AND CORRESPONDENCE

To accomplish the goals and activities set forth in this MOU, (Coordinating Entity) and [Stakeholder] will fully possible:

- 1) Regularly meet for the purposes of monitoring and evaluating outcomes.
- 2) Respond to correspondence by telephone or email in a manner and timeframe that promotes efficiency and the timely progress or completion of objectives and tasks consistent with the goals and activities described above; and,
- 3) Agree to specific meetings or call times and dates as far as possible in advance of the appointed occasion.

V. POINTS OF CONTACT

The points of contact for the MOU on The National Climate Mitigation MRV System are:

Ministry- (Coordinating Entity)

[Stakeholder]

Position

Position

VI. DURATION OF THE AGREEMENT

This MOU may be amended by written agreement between DOE and [Stakeholder]. The agreement becomes effective on the date of signature by both parties. It shall remain in effect for a five-year term from the effective date. This MOU may be terminated by mutual written agreement of DOE and [Stakeholder] or by either party with 120 days’ notice to the other party.

This memorandum of understanding is entered.

On the ____ day of ____ in the year ____.

Signatures:

Name

Name

Position

Position

(Coordinating Entity)

[Stakeholder]

Date of Signature

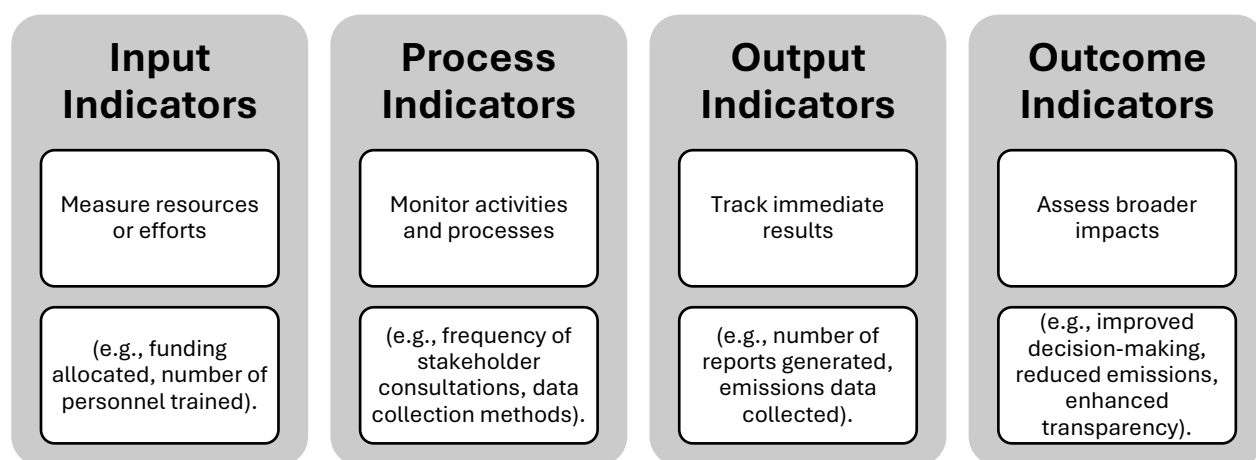
Date of Signature

It's important to establish an evaluation system to assess the performance of the Draft Legal Agreement (DLA) as a strategic tool for fostering collaboration and achieving its intended objectives. Specifically, the focus will be on determining how effectively the DLA aligns with its stated goals, supports key stakeholders in fulfilling their roles, and facilitates the implementation of the Monitoring, Reporting, and Verification (MRV) system for tracking progress on Nationally Determined Contributions (NDCs).

The DLA plays an important role in definition of the governance frameworks and responsibilities, ensuring data exchange and compliance mechanisms are in place. This evaluation will examine if the DLA has succeeded in creating an enabling environment for coordination among stakeholders and achieving progress on agreed objectives. Furthermore, the assessment will identify areas where the DLA might need adjustments or if complementary mechanisms are necessary to address gaps, mitigate risks, and adapt to emerging challenges.

Performance indicators are quantifiable metrics that track the achievement of specific goals and objectives. These indicators ensure the evaluation remains focused and objective, as described in Figure 3.

Figure 3: Type of Performance Indicators and examples.



Sources: Many sources.

Purpose and Scope

The purpose of the evaluation can be focus on these objectives:

- Measuring the DLA's alignment with strategic goals, particularly its contribution to NDC-related initiatives.
- Assessing its effectiveness in fostering collaboration among stakeholders, including data exchange and compliance with legal and regulatory standards.
- Identifying the impact of the DLA in addressing challenges such as institutional coordination, technical implementation, and risk management.
- Evaluating the adequacy of governance, accountability mechanisms, and operational processes established under the DLA.

The evaluation will be determining whether the DLA remains sufficient in its current form or if additional measures, such as revised terms, complementary agreements, or alternative governance frameworks, are required to enhance its effectiveness.

Structured Approach to Assessment

The evaluation involves establishing a baseline methodology that integrates performance indicators and stakeholder feedback. This approach is designed to assess the effectiveness of the Draft Legal Agreement (DLA) within the MRV system. By combining performance indicators with stakeholder feedback ensures that the evaluation is both data-driven and context-aware, critical for the success of MRV systems in tracking NDCs.

- **Transparency:** Ensures stakeholders understand how progress is measured.
- **Evidence-Based Decision-Making:** Provides clear data to guide actions and improve systems.
- **Accountability:** Holds implementers accountable by tracking measurable outcomes.

- **Continuous Improvement:** Enables iterative refinements to systems and strategies.

Tracking progress within the MRV system is crucial for evaluating its effectiveness and alignment with the objectives of the Draft Legal Agreement (DLA). Performance indicators are key to this process, as they provide measurable data on outcomes such as data accuracy, timeliness, and usability. These metrics help stakeholders clearly determine whether the system is meeting its goals.

Stakeholder feedback complements performance indicators by capturing practical insights about the system’s functionality and usefulness for decision-making. This combined approach ensures evaluations are both data-driven and grounded in real-world experiences. Engaging stakeholders fosters collaboration and ownership, increasing the likelihood of support for improvements and ensuring the system evolves to meet changing priorities and requirements.

This methodology aligns with global best practices in climate action, promoting transparency, accountability, and engagement. A robust MRV system supports Nationally Determined Contributions (NDCs) by demonstrating progress, addressing gaps, and building trust with international partners. It ensures countries can effectively contribute to global climate goals while remaining adaptable over time.

To ensure the DLA remains effective and adaptable, the evaluation should include governance of the MRV framework and other critical aspects outlined in *Table 19*.

Table 19: Assessment Criteria

Assessment criteria	Key aspect	Objective and Scope
Effectiveness	Goals and Objectives: Achievement of stated objectives. Contribution to NDC tracking and data transparency	Examining the alignment of the DLA with its original goals and its contribution to achieving NDC priorities
Governance	Governance and Roles: Clarity of roles and responsibilities. Accountability mechanisms and dispute resolution processes.	Evaluating how well the DLA defines and enforces roles, responsibilities, and accountability mechanisms.
Stakeholder Collaboration	Stakeholder Collaboration: Level of participation and engagement from key stakeholders. Effectiveness of coordination and information sharing.	Assessing the level and quality of coordination among key stakeholders.
Operational Effectiveness	Risk Mitigation and Sustainability Success in identifying and addressing risks related to compliance, data accuracy, and operational challenges. Ability of the DLA to facilitate long-term progress without significant revisions. Scalability to accommodate future needs or challenges.	Measuring how the DLA has facilitated data exchange, compliance monitoring, and risk mitigation
Adaptability	Gaps and Challenges Responsiveness to regulatory, technical, or institutional changes. Inclusion of mechanisms for regular reviews and updates.	Identifying areas where the DLA has fallen short in meeting its objectives or adapting to new developments.

Source: Own elaboration based on desk literature review

A set of recommendations and next steps must be included, whether amendments of the DLA, additional agreements, or new frameworks are required to enhance its impact.

In the *Table 20*, can be found a set of proposed indicators to consider as to provide decision-makers a comprehensive view of governance performance and stakeholder adherence. Also identify areas needing improvement to enhance accountability, coordination, and overall effectiveness.

Table 20: Criteria and Indicators proposed.

Criteria	Aspect	Indicator proposed
Governance Effectiveness Indicators	Role Clarity	Percentage of stakeholders with clearly defined roles and responsibilities in the DLA. Instances of role-related disputes or ambiguities reported.
	Decision-Making Efficiency	Time taken to make and implement key decisions. Percentage of decisions made within predefined timelines
	Accountability Mechanisms	Number of compliance reviews or audits conducted as per the governance framework. Percentage of corrective actions implemented after governance reviews.
	Dispute Resolution	Number of disputes resolved through established mechanisms (e.g., mediation or arbitration). Average time taken to resolve disputes.
	Transparency	Frequency and quality of governance-related reports shared with stakeholders. Stakeholder satisfaction with governance-related communication.
Stakeholder Adherence Indicators	Commitment Fulfillment	Percentage of stakeholders meeting their deliverables within agreed timelines. Instances of non-compliance with roles and responsibilities outlined in the DLA.
	Engagement Levels	Attendance and active participation rates in scheduled meetings or working groups. Number of collaborative initiatives successfully completed.
	Data Sharing and Reporting	Percentage of stakeholders submitting data reports as required. Percentage of submitted data verified for accuracy and completeness.
	Compliance with Legal and Regulatory Requirements	Percentage of stakeholders adhering to applicable legal and regulatory standards. Instances of legal or regulatory breaches reported among stakeholders.
	Capacity Building Participation	Percentage of stakeholders participating in training or capacity-building activities. Feedback on the effectiveness of these activities in improving adherence and performance.
System-Wide Indicators	Progress on Objectives	Percentage of DLA objectives achieved (e.g., NDC tracking, data exchange). Alignment of DLA outcomes with overarching governance goals.
	Adaptability	Frequency of updates or amendments made to the DLA to reflect changes in regulations or circumstances. Stakeholder satisfaction with the governance system's responsiveness to new challenges.
	Risk Management	Number of risks identified and mitigated through governance mechanisms. Percentage of unresolved risks impacting governance effectiveness.

Source: Own elaboration based on desk literature review

Summarize findings from the evaluation areas to determine whether the DLA is achieving its intended purpose, consider whether key objectives have been met, whether governance is functioning effectively, and whether stakeholders are adhering to their commitments. Also, if the DLA is not effective, whether it needs amendments, additional agreements, or an entirely new framework to enhance its impact.

It's important to consider alternative mechanisms, such as, Binding Agreements, that are a legally enforceable contract, law, or act to strengthen accountability.

An expanded DLA to add more stakeholders, clarifying roles, or addressing identified gaps.

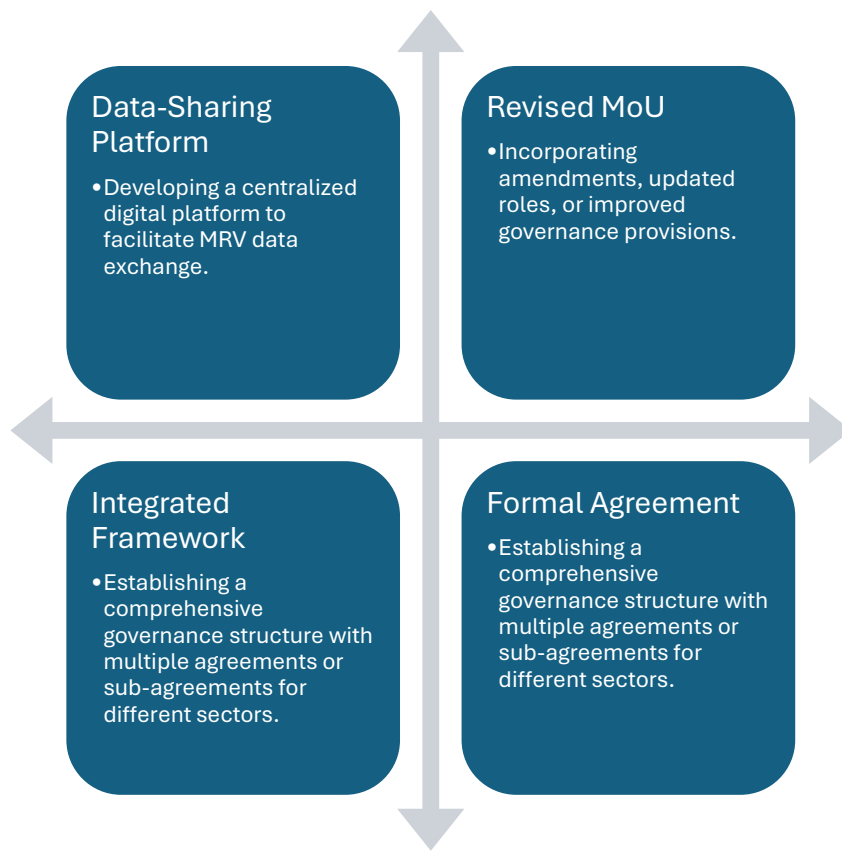
Sometimes is need a Sector-Specific Agreements, to tailored for aggregated stakeholders with distinct requirements, or different data privacy approach.

Sometime its necessary to establish an Institutional Framework, where is establishing a governing body or committee to oversee implementation and coordination.

A set of Technical Protocols helps to add detailed technical or operational annexes for greater clarity.

If the DLA is not effective, decide whether it needs amendments, additional agreements, or an entirely new framework, consider alternative mechanisms, as described in *Figure 4*.

Figure 4: Alternatives mechanisms as next steps.



Source: Own elaboration based on reference review.

ANNEX 12 Strengthened and Long-Term Sustainability

The experience gained from implementing interinstitutional agreements based on the Draft Legal Agreement (DLA) and assessing their effectiveness using the proposed methodology provides a valuable foundation for long-term improvements. One of the advantages of starting the data collection process for the purposes of monitoring the progress of the NDC is that this experience of inter-institutional linkage is described below:

1. **Flexibility and Speed:** DLAs can be developed and adapted more quickly than a law, allowing institutions to respond promptly to specific issues.
2. **Pilot Testing for Solutions and Policies:** An DLA enables testing and adjusting policies in a controlled setting. Successful results from the DLA can provide a foundation for effective legislation.
3. **Consensus-Building and Collaboration:** Facilitates interagency collaboration and fosters greater alignment before the formal debates required for law approval.
4. **Fewer Legal Requirements:** DLAs do not require the same legislative process as a law, bypassing more stringent formal and legal requirements.
5. **Risk Reduction:** DLAs can identify potential obstacles or issues that could arise if converted into law, allowing strategy adjustments without significant political or legal risks.
6. **Strengthening Evidence for the Law:** With DLA results, it becomes easier to demonstrate the positive impact of a law and justify its approval in the legislature.

These indicators help policymakers assess the readiness and necessity of formalizing interagency collaboration or successful pilot programs into a durable, legally binding framework.

Proven Effectiveness and Impact of the MoU Initiatives:



Performance Metrics: Track measurable outcomes, such as the achievement of key objectives, increased efficiency, or improved coordination between institutions. When DLA-driven initiatives consistently show positive impact and can be scaled, it may indicate the need for a legal framework to formalize and sustain these results.



Success in Pilot Testing: If DLA-based programs or pilots successfully address the issue they were created for, it's a sign that formalizing them into law could expand their reach and legitimacy.

Need for Standardization and Long-Term Sustainability:



Inconsistencies or Duplication: When gaps or inconsistencies arise between institutions operating under separate DLAs, a unified legal act can help create standardized procedures and eliminate duplications.



Sustainability Demands: If the goals or effects of the DLA require continuity beyond the current political term or leadership, a legal act provides long-term stability and accountability that outlasts changes in institutional leadership or policy focus.

Below is a general outline of a set of strategic steps that can be taken to migrate from the implementation of inter-institutional agreements based on Draft Legal Agreement (DLA) to a higher-level legal agreement such as a law.

Development and Formalization of the Draft Legal Agreement (DLA):

Identification of Key Institutions: Identify the institutions identify as data provider.

Define Objectives and Scope: Determine the specific topics, goals, and objectives for the DLA to address.

Drafting and Signing: Draft the DLA with the agreement of all parties, defining the responsibilities and commitments.

Implementation and Evaluation of the DLA:

Joint Action Implementation: Launch the DLA , establish working groups and budget assignment.

Monitoring and Evaluation: Measure the progress and impact of the DLA through reports and meetings.

Adjustments: Make adjustments to agreements and procedures based on evaluation results.

Documentation of Results and Lessons Learned:

Data Collection: Measure performance and results of the DLA.

Identification of Gaps and Barriers: Identify DLA's limitations that could be addressed through a law.

Development of Recommendations: Formulate recommendations for regulatory framework based on experience of the DLA.

Consultation and Preliminary Drafting of the Law

Interagency Dialogue: Engage additional actors to enrich the draft law.

Drafting the Law: Based on the DLA and its results, draft a text with clear objectives, processes, responsibilities, and penalties.

Legal Review: Evaluate the draft law in terms of legal feasibility and compliance with existing laws.

Public Consultation and Review

Public Consultations and Feedback: Draft a law for public consultation.

Incorporation of Comments: Adjust the draft law based on the feedback.

Interagency Approval: Seek for endorsement of the key stakeholder and organization involved.

Legislative Process

Submission to the Legislative Bodies: Introduce the law to the legislative procedure with support from the sponsoring institutions.

Law Approval: Seek approval and its official enactment.

Implementation and Monitoring of the Law

Development of Regulations: Draft specific regulations for its operational implementation.

Training and Dissemination: Train relevant actors and public communication.

Ongoing Monitoring and Evaluation: A monitoring mechanism to assess the effectiveness of the law.