

18 November 2019

Call for Expressions of Interest

<u>The Initiative for Climate Action Transparency (ICAT)</u> is seeking Expressions of Interest from new partner countries to join the Initiative and receive support from ICAT to enhance domestic capacity for mitigation and adaptation action transparency, guided by the enhanced transparency framework of the Paris Agreement. Support will be provided in the form of resources for national experts and through international expert advice.

Background:

ICAT is a multi-stakeholder partnership steered and funded by the Donor Steering Committee (DSC), conformed by its donors, namely: the Children Investment Fund Foundation (CIFF); ClimateWorks Foundation (CWF); the German Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety (BMU); and the Italian Ministry for the Environment, Land and Sea (IMELS); as well the UNFCCC and UNOPS as ex-officio members. The Initiative was founded to respond to the critical need of improved transparency and capacity building for evidence-based policymaking under the Paris Agreement.

The Initiative is managed by UNOPS, with the ICAT Secretariat coordinating day-to-day activities and guiding the work of ICAT's implementing partners.

Submission process

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

- Status of reporting under UNFCCC and specific needs;
- Potential areas of interest and priorities;
- Activities that ICAT can support (based on areas listed in the attached background);
- Other ongoing initiatives in the country related to climate action transparency;
- Contact information of focal point.

Countries which intend to submit an Expression of Interest should be informed that joining the Initiative will imply commitment from a designated focal point coordinating the work at the national level, in order to ensure success of the project.

Submission deadline

19 December 2019

Next steps after submission

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

- Diversity of ICAT countries (e.g. geography, size, economic development, significance of GHG emissions and main GHG emitting sectors);
- Ongoing efforts on MRV;
- Support needs;
- Maximum ICAT impact (countries where ICAT can best apply its tools and methodologies);
- Workability (e.g. political stability, existing in-country partnerships and connections with the implementing entities, existence of functioning institutions/procedures).

A list of selected countries will be finalized within four weeks after the submission deadline. The ICAT Secretariat will then send out the invitations to the selected countries and will lead the initial discussions with country focal points on country priorities, gaps in capacity and the interest in ICAT methodologies and tools. A period of five weeks will be given to countries to formally confirm the invitation to join ICAT. A country scoping phase and an inception mission will then follow. Based on this, the engagement will be formalized by completing a work plan and budget as well as signing a Project Cooperation Agreement (PCA) with the United Nations Office for Project Services (UNOPS). Implementation of the work plan is envisaged to start in mid-2020.

Note

ICAT will be represented at the upcoming UNFCCC COP25 in Madrid, Spain, from 4-11 December. Interested countries can contact Ms. Alejandra Moncada (alejandramo@unops.org) to arrange for a bilateral meeting with ICAT's Director, Mr. Henning Wuester, to discuss potential ICAT support.

ICAT background information

I. ICAT's mission

The Initiative for Climate Action Transparency aims to help countries better assess the impacts of their climate policies and actions, and fulfil their transparency commitments. It does this by increasing the overall transparency capacities of countries, including the capacity to assess the contribution of climate policies and actions on countries' development objectives, and providing appropriate methodological information and tools to support evidence-based policy-making. ICAT's innovative approach is to integrate these two aspects.

ICAT focuses on countries that can highlight the benefits of increased transparency to demonstrate policy impact and evidence-based action. ICAT will generate evolving methodological guidance and extract best practices, to be publicly available to all actors, increasing the global knowledge base. ICAT's work is country-driven, efforts build on existing MRV systems and knowledge in countries and complement previous or on-going activities by other initiatives, where applicable. Support provided is tailored to the country context and priorities. ICAT's work is aimed at engaging national expertise as much as possible, while encouraging peer-to-peer learning.

II. ICAT's offer to countries

Capacity building in countries for mitigation and adaptation action transparency based on the needs and priorities defined by these partner countries is at the heart of ICAT's work. Activities include support to countries to:

- Build and/or enhance their transparency systems based on MRV capacity needs assessment (using a tool jointly developed with CBIT), including through: institutional capacity building; supporting the development of data systems; GHG emission inventory support; and enhancing data quality;
- Track progress made in implementing and achieving NDCs, including through the qualitative or quantitative indicators chosen by the country;
- Use methodologies/tools to assess impacts (in terms of GHG emissions, and socio-economic and other environmental impacts) of policies and measures, actions and plans;
- Integrate/aggregate transparency at sub-national level and for non-state actors as relevant for the national transparency systems / national institutional arrangements;
- Identify domestic benefits and synergies from enhanced climate action and policy transparency, including in mobilizing finance.

III. The ICAT Toolbox

In order to provide effective support to countries, ICAT has developed a set of methodologies and tools, and collaborates with its partners on other tools. ICAT prioritizes countries that need support which can be addressed using ICAT's tools and methodologies.

a. ICAT Assessment Guides

The assessment guides have been designed with countries' needs in mind with a focus on methodologies for the assessment of the GHG reduction, sustainable development and transformational change impacts of policies and actions at various levels of governance. The guides can help inform policy and action design and monitoring. The guides are available <u>here</u>.

• Renewable Energy:

The Renewable Energy Methodology focuses on renewable energy policies that are commonly implemented and that have shown themselves to be successful in promoting renewable energy deployment for electricity generation: feed-in tariff policies (including feed-in premiums), auction policies (including tenders) and tax incentive policies.

• Buildings Efficiency:

The Buildings Efficiency Methodology applies to both new and existing buildings, focusing on regulatory policies (such as building codes, energy performance standards for appliances, and energy labelling programmes) and financial support policies (such as grants and subsidies for energy efficient investments, and tax incentives or reduced VAT for energy efficient investments).

• Agriculture Sector:

The Agriculture Methodology focuses on agricultural policies that target cropland management, restoration of organic soils and grazing land management. Soil carbon stocks can be increased through activities such agricultural residue management, agroforestry, and switching to no-till or conservation tillage agriculture. Methane emissions from ruminant livestock can be reduced by activities such as improving feeding strategies, improving herd management and breeding, or implementing silvopastoral systems.

• Forest Sector:

Activities such as afforestation, sustainable forest management and reducing deforestation are often low-cost mitigation options and can play an important role in reducing GHG emissions and enhancing carbon stocks. The Forest Methodology helps policymakers and other users assess the impacts of forest policies that target these activities. This can help address uncertainties around the effectiveness of forest policies and the permanence of increased carbon stocks, to help countries access REDD+ funding and finance.

• Transport Pricing:

The Transport Pricing Methodology provides extensive background on transport pricing policies. It covers policies that remove fuel subsidies, increase fuel taxes and levies, introduce road pricing, or establish purchase incentive programmes for more efficient vehicles. Implemented well, these policies reduce vehicle travel, and cause shifts to more efficient modes of transport (such as public transit) and more fuel-efficient vehicles and alternative-fuel vehicles.

• Sustainable Development:

The Sustainable Development Methodology helps policymakers and other users systematically assess multiple development and climate impacts. This helps advance policies that contribute to multiple Sustainable Development Goals and priorities, build support for climate actions by assessing and communicating the various impacts that are most relevant to national audiences, and inform policy design and implementation to maximize positive impacts and avoid or address unintended or negative impacts.

• Transformational Change:

The Transformational Change Methodology defines transformational change for GHG mitigation and unpacks this definition to provide a stepwise approach for determining the extent to which a policy is truly transformational. The methodology has been met with interest by financial institutions and programmes as a basis for assessing the expected or achieved transformational impact of policies and investments.

• Non-State and Subnational Action:

The Non-State and Subnational Action Guide assists national policymakers and other users in determining the potential impact of these actions. This knowledge can inform and improve the development of national GHG trajectories, climate policies, and future targets. The guide can be applied in order to aggregate the contributions of non-state and subnational actors, or it can be used to fully integrate these actions into national projections.

• Stakeholder Participation:

Paying attention to marginalized people or groups, such as women, indigenous peoples and local communities, can be a key determinant of policy success. The Stakeholder Participation Guide helps policymakers conduct effective stakeholder participation in pursuit of these goals, and is designed to be used in conjunction with the ICAT impact assessment methodologies.

• Technical Review:

The Technical Review Guide helps policymakers and technical reviewers engage in productive reviews that enhance the robustness of policy assessments.

b. Modelling tools

ICAT also supports the tailoring and application at national level of modelling tools to model the impacts of a portfolio of policies, for instance as part of assessing a country's NDCs. These modelling tools are:

The <u>GHG Abatement Cost MOdel (GACMO)</u>, developed by the UNEP-DTU Partnership can be used to support countries or regions in analysing their GHG mitigation options to prepare information for their NDCs, National Communications, or a Low-Carbon Development Plans. GACMO can be used by countries to calculate and visualise their business-as-usual scenario and selected mitigation scenarios. It provides calculations for all the desired mitigation options selected and allows to conduct an assessment of techno-economic performance of individual technical mitigation options.

The **PROSPECTS+** tool, prepared by the New Climate Institute, is a sector-level, bottom-up Excel tool which uses decarbonisation-relevant activity and intensity indicators to track and project sectoral and national total GHG emission trends. Countries can use it to develop their own emission scenarios by adjusting policy-relevant indicators. Add-ons have been prepared to assess the impact of policy packages on sustainable development parameters such as investments, jobs, air pollution and health.

ICAT supports countries in tailoring these tools to the specific country context and provides training to national stakeholders to utilize them on an ongoing basis subsequently.

IV. ICAT countries

ICAT is currently (as of 15 Nov. 2019) working with over 30 countries worldwide.

