Initiative for Climate Action Transparency

2023 Impact Report

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Words of welcome

Welcome to ICAT's 2023 Impact Report.

This report gives you highlights of what ICAT achieved last year. We had the privilege of working with many developing countries across the globe; countries that have used ICAT support to make great strides forward on their transparency agenda.

The range of impacts is broad, with all efforts contributing to advancing implementation of the Paris Agreement. This advancement is desperately needed given the conclusions of the global stocktake of last year. It concluded that the Paris Agreement was not on track to achieving its objectives. That is: The world is not on track in keeping global mean temperature increase below 1.5 degrees centigrade.

ICAT's work in 2023 again demonstrated the role of transparency as the backbone of the Paris Agreement that will help bring the Agreement on track, while building the foundations for effective climate policies and actions. Sound data and effective stakeholder engagement is needed to form the pillars for strong national targets and their implementation to rest on. This is essential to make nationally determined contributions (NDCs) relevant and real.

The report gives many examples of this.

In 2023, 12 countries completed their ICAT projects, while a further 33 projects are continuing beyond 2023. The scope of projects ranged from refining greenhouse gas emission inventories and measurement, reporting and verification (MRV) frameworks to tracking NDCs and assessing policies. Projects covered mitigation and adaptation, tracking of climate finance and of just transitions, all defined by the priorities of the partner country.

Let me highlight a few examples to wet your appetite for the report.

A tracking framework for mitigation actions in Cuba's NDCs was the focus of an ICAT project, completed in September. Since I was able to participate in the closing workshop, I witnessed the dedication and enthusiasm from national stakeholders for the

findings that will help Cuba report on progress in its first biannual transparency report and strengthen its targets at the next round of NDC updates (one of the areas of a follow-up project that we kicked off in Cuba at the same time).

An outstanding example for adaptation-related transparency work resulted from the project in Panama, where the country identified 21 measurable indicators, allowing it to measure the effectiveness of its adaptation measures, which are so critical to reducing the country's vulnerability to climate change impacts.

Achieving the Paris objectives requires transformational change. Assessing the potential of policies and actions to result in such transformational change is the subject of an ICAT guide, which was applied in Argentina. I encourage you to read the exciting summary of the work done to assess the potential of using innovative and disruptive technologies, for instance green hydrogen, to bring about transformational change in Argentina's economy.

There is much more in this report, including about ICAT's regional climate action transparency hubs. The two hubs in Central Africa and Central Asia are making good progress and a third hub has now launched in Central America.

In addition, ICAT's toolbox had some exciting new guides and tools added to it in 2023.

Let me end by thanking all our donors and our partners - both partner countries, and implementing and supporting partners - that help to make this Initiative thrive. ICAT is a big collaborative effort and it would not be able to deliver without its partners.

I finally want to invite you to join ICAT in 2024, a crucial year on the global transparency agenda. I look forward to seeing you at one of our events or as one of our partners, joining us to work together for transparency!

Happy reading! Henning Wuester ICAT Director

ICAT by numbers

76 country projects supported

hubs established

countries supported

2,439 people trained

87% of survey respondents trained rate the training as 'Good' or 'Very Good'

regional climate action transparency

93%

of survey respondents reported using training materials in their work, 6 months after the training

84 knowledge sharing events taken place 98%

of survey respondents trained said they would use the training in their work

5,714 stakeholders engaged via ICAT projects (excludes training)

5,746

people reached through knowledgesharing events



Where ICAT works



- Country project(s) completed
- Country project(s) completed with new project(s) in progress
- Country belonging to a Regional Hub
- Country belonging to a Regional Hub with separate ICAT country project(s) completed or in progress

Overview of 2023 completed ICAT projects

In 2023, 12 countries completed ICAT projects. Thirty-four additional projects were ongoing in 30 countries, and these will be completed in 2024 and beyond.

Data from each project is captured in ICAT's monitoring, evaluation, learning and uptake framework, against a set of key performance indicators. The 12 completed projects relate to seven broad impact categories, which are reflected on this page.

Much of the data captured relates to what was achieved during or immediately after the ICAT project. Other data are more difficult to pinpoint, because some of the impacts of the project may only be realized long after the ICAT project has closed. For example, a policy assessment as part of the ICAT project could lead to valuable data about the benefits and downsides of a particular policy by the end of the project. However, the policy in question may not be changed for months, or even years, after the project. Therefore, some of the data reflected in this table could – in some cases – include impacts for which there are strong signs that they will unfold in the future, but have not yet occurred.

countries completed l



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EARLY SIGNS OF TRANSFORMATIONAL CHANGE

Argentina

Kenya

Niger



Tunisia

NEW OR REFINED ADAPTATION MONITORING MEASURES, PROCESSES AND/OR PLANS

Dominican Republic



South Africa



India

Kenya

IMPROVED CLIMATE AND SUSTAINABLE **DEVELOPMENT POLICIES**



Argentina



Cambodia



Dominican Republic



NEW OR REFINED NDC TRACKING FRAMEWORK



Niger Panama

Tunisia

NEW OR REFINED MRV FRAMEWORK



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Cuba

Mozambique

Tunisia

IMPROVED OR ENHANCED REPORTING TO UNFCCC



Argentina

Mozambique

Panama



NEW OR REFINED GREENHOUSE GAS INVENTORY



Initiative for Climate Action Transparency

ICAT Impacts

Supporting transformational change

Since inception, 33 countries confirmed the ICAT project contributed to early signs of transformational change.





Strengthened adaptation monitoring

Since ICAT's inception, 7 countries have worked on new or refined adaptation monitoring measures, processes and plans as part of an ICAT project.

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Influencing policy making

Since inception 13 countries worked to improve climate and/or sustainable development policies as a result of ICAT supported assessments.





An enhanced NDC Tracking Framework

Since inception 10 countries have worked on developing a new or refined NDC tracking framework as part of an ICAT project.



An improved MRV framework

Since inception 27 countries have worked on putting in place a new or refined MRV framework as part of an ICAT project.





A refined greenhouse gas inventory

Since inception 13 countries have worked on putting in place a new or refined greenhouse gas inventory as part of an ICAT project.

Improved reporting to the UNFCCC

Since inception 15 countries confirmed the ICAT project resulted in improved reporting to the UNFCCC.



Initiative for Climate Action Transparency

Supporting transformational change

ICAT project contributed to early signs of transformational change

countries confirmed the

In 2023, an example included: Argentina, where - after assessment with ICAT's Transformational Change Methodology - three innovative technologies were found to have the potential to bring about transformational change.

Disruptive technologies and behaviours offer significant potential for transformational change of the economy to deliver climate change mitigation and adaptation impacts. A recent ICAT-supported project in Argentina identified four innovations that could help the country to achieve its climate targets. Applying ICAT methodologies, the team assessed the transformational potential of the innovations, which showed that agroecology, electricity generation from renewable energy sources and green hydrogen held particular promise for transformational change.

The concept of transformational change has gained traction among decision makers, in recognition of the fundamental, radical changes in economic activity required to meet global climate goals. Transformational change refers to system change, rather than singular, stand-alone incremental development, and involves multiple actors at multiple levels of society. Often that change involves innovation: new, disruptive technologies and behaviours that could bring about long-term, positive change.

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Disruptive technology could bring transformational change to Argentina



In <u>Argentina</u>, a project supported by ICAT and implemented with the support of UNEP Copenhagen Climate Centre, investigated the transformational change potential of disruptive innovations used to meet climate targets.

Disruptive technologies are those that challenge the status quo by using novel methods, techniques and processes to address the challenges posed by climate change. Application of disruptive technologies must be supported by behaviour change, which helps to achieve long-term impact by reducing carbon emissions or adapting to climate change.

The ICAT project team selected climate change targets from Argentina's nationally determined contributions and National Climate Change Adaptation and Mitigation Plan. To identify disruptive innovations and assess their potential for helping the country to meet its climate change targets, the researchers followed a five-step process that included a literature review, interviews with national and international experts, and application of the ICAT transformational change and sustainable development methodologies.

From an initial shortlist of 48 technological innovations identified during the literature review, the team used information gathered to select four disruptive innovations and measures for further investigation. These four innovations were focused on disruptive technologies and behaviours in energy, agriculture, and forestry and other land use sectors.

Argentina's targeted innovations



GREEN HYDROGEN

Green hydrogen is directly linked to technological change and climate change mitigation, as it reduces emissions and allows integration of renewable energy and large-scale power generation. Green hydrogen may also increase national energy security and reduce the country's vulnerability to disruption in global fossil fuel markets.



ELECTRICITY GENERATION FROM NON-CONVENTIONAL GRID-CON-NECTED SOURCES OF RENEWABLE ENERGY

This represents a possible transformational change for Argentina, with the potential to significantly reduce emissions. It could also prove to be a new source of employment.



NATIVE ECOSYSTEMS IN CITIES

Promoting native ecosystems in cities can improve air quality, temperature regulation, soil quality, biodiversity, and quality of life. It has high potential for transformational change, as long as the relevant actors (government, urban communities, civil society groups) are involved.



AGROECOLOGY

The agroecology innovation is related to disruptive behaviour, adaptation and mitigation. Of the innovations, agroecology has the strongest potential to improve the environmental quality of air, water and soil, biodiversity, soil fertility, and resilience to extreme weather events.

While each of these innovations relates to a particular technology, all require a change in behaviour among producers and/or consumers – disruptive behaviours – as uptake of new technology is a key barrier to scaling up innovations.

The project team applied the ICAT methodologies to understand the likely transformational change, reduction in greenhouse gas emissions and climate change adaptation impacts expected of each of the innovations. This revealed that three were likely to be particularly impactful: agroecology, electricity generation from non-conventional grid-connected sources of renewable energy, and green hydrogen. Each of these innovations offers significant transformational change potential and is predicted to be likely or very likely to lead to a successful outcome.

As well as identifying disruptive technologies and behaviours that have the potential to boost Argentina's ability to adapt to and mitigate the impacts of climate change, this project has generated important insights into how understanding an innovation's potential for transformational change can improve climate change action. This method can not only be used for assessing innovations that are not yet implemented, but also those that have been adopted but may not be achieving their full potential.



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countries have worked on new or refined adaptation monitoring measures, processes and plans as part of an ICAT project

In 2023, Panama concluded an ICAT project which helped to develop, among others, 21 measurable adaptation indicators, allowing it to measure the effectiveness of its activities.

Adaptation transparency is particularly difficult because it needs to be very specific to the country or even subnational circumstances, and hence the value of global guidance is limited. Countries must develop their own adaptation indicators, focused on the specific situations they need to address. This was the focus of an ICAT-supported project in Panama completed in 2023.

While transparency on climate change mitigation efforts has globally applicable methodologies and templates for countries to follow, the same do not exist for adaptation. For adaptation, each region, country or even areas within countries have different adaptation needs. Climate change is a global concern, but adaptation needs a local focus.

This creates significant challenges for countries,

which are exacerbated by the fact that many countries do not have the robust data needed to effectively plan, implement and manage adaptation actions.

Panama was one of the countries to use transparency to manage its adaptation efforts in 2023, in a project supported by ICAT.

M&E for climate adaptation in Panama



Panama is highly vulnerable to the impacts of climate change: intense and prolonged rains, tropical storms, floods, landslides, extreme droughts, rising sea levels and forest fires – and data show a trend towards more extreme climate events affecting the country. These events pose a risk to human lives and have the potential to cause severe economic damage.

To become better prepared for these challenges, Panama had already implemented a number of adaptation measures, alongside a monitoring and evaluation system with existing adaptation indicators. However, the trend towards more extreme climate risks created an urgent need for this system to be strengthened. In 2021, ICAT initiated a project in Panama to strengthen the country's monitoring and evaluation system for adaptation activities. This was expanded to also cover transparency related to losses and damages caused by climate change, which resulted in the definition of a further 16 indicators. The project also enhanced capacities, developed communication materials and provided guidance to support the effective monitoring and evaluation of adaptation measures in Panama.

On completion in 2023, the project had successfully developed 21 SMART ('Specific, Measurable, Achievable, Realistic and Time-constrained') adaptation indicators and a manual for their implementation.

As a result, Panama can now effectively gather, capture and analyse greenhouse gas emissions data in a way that is tailored to the country's unique circumstances. The information gathered during this project is helping Panama to update its NDCs, strengthening its commitments under the Paris Agreement.

"As a result of these projects [ICAT and others], Panama now has 37 indicators [21 for adaptation, and 16 for loss and damage] that reflect the local context, progress in climate change impacts, adaptation to climate change, and the setbacks in the country due to losses and damages resulting from extreme weather events and climate change."

4th National Communication of Panama on Climate Change

(translated from the original document in Spanish)

Influencing policy making

Since inception countries worked to improve climate and/or sustainable development policies as a result of ICAT supported assessments

In 2023, examples of impacts related to ICAT support:

Belize created an improved transparency framework, leading to a draft Climate Change Bill and potential new legislation.

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Cambodia used emissions data to develop impact assessments for planning potential future policies in the transport and energy sectors.

Countries need reliable data on greenhouse gas emissions to develop effective climate policies and meet their reporting commitments under the Paris Agreement. It is important to note that influencing policy is one of the areas where evidence of the impact is likely to happen after the closure of the ICAT-supported project. The two examples provided here - Belize and Cambodia - relate to projects that closed in 2022. However, the results are continuing to influence policy making, and therefore these examples are included here. Through the two ICAT projects, Belize and Cambodia have successfully improved their processes for collecting and analysing emissions data to build more robust transparency frameworks, allowing better informed policymaking.

To effectively address climate change, countries need data: on greenhouse gas emissions and removals, how their adaptation and mitigation activities are affecting those, and how the activities are affecting socio-economic development. This robust, reliable and comprehensive data can also be used to inform policy making on climate change and related issues.

A draft climate change Bill for Belize



Belize applied <u>ICAT methodologies</u> to improve its transparency framework for its national agroforestry policy, which could enhance the country's ability to track the impacts of its climate change policies.

With ICAT support, Belize <u>drafted a Climate Change</u> <u>Bill</u> to institutionalize climate change activities and measurement, reporting and verification processes. The draft Bill includes detailed clauses related to the establishment of a national climate change department, and its roles and responsibilities; climate change responses and measures; duties of the public and private sectors; the establishment of a climate change fund, including how it will be managed; recognition of the rights of landowners; and free, prior, informed consent.

The Bill has triggered the development of potential further new legislation for climate change in the country.

An energy master plan for Cambodia



In Cambodia, an ICAT project collected data that has been used to inform planning and policies, particularly around energy and <u>transport</u>. This included the development of an <u>energy master plan</u> for 2040, which incorporates the goal of increasing energy efficiency by 2030, and assessments of the economic impacts of introducing electric vehicles and taxing older vehicles.

The ICAT project in Cambodia focused on developing and enhancing the country's measurement, reporting and verification (MRV) frameworks and institutional arrangements in the transport and energy sectors. In the first phase, a general framework for the establishment of a national MRV system was developed. In the project's second phase, the development of a proposal for an MRV governance structure and the review of the mitigation actions for the transport sector, in context of the country's nationally determined contributions, was made.

As a result of this project, Cambodia has been able to develop impact assessments for future plans in the energy and transport sectors.

Enhanced NDC Tracking Framework

countries have worked on developing a new or refined NDC tracking framework as part of an ICAT project

Examples in 2023 include

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Cuba established an effective MRV framework for tracking progress towards its NDC targets; the process uncovered an under-estimation of the expected emissions reductions. Niger developed an NDC tracking system for its energy sector, and provided training for those that use it.

2023 saw multiple countries work with ICAT and its implementing partners to build or improve a framework for tracking of the implementation and achievement of their nationally determined contributions (NDCs). NDC tracking is a mandatory reporting requirement under the Paris Agreement and critical to assess global performance of the Agreement. It is also vital on the national level to help governments understand whether and to what extent additional efforts are needed to achieve NDCs.

The solid data that forms the foundations of transparency are crucial for planning policies and actions, for monitoring the implementation of those policies and actions, and for assessing if they have met their goals. An NDC tracking framework allows countries to effectively track progress towards the implementation and achievement of their NDCs, report on it, and thus to meet their commitments under the Paris Agreement.

Cuba and Niger provide two examples of NDC tracking projects completed in 2023.



Cuba's new MRV framework increased mitigation targets

In <u>Cuba</u>, the ICAT project, implemented with the support of UNEP Copenhagen Climate Centre and the Italian Institute for Environmental Protection and Research, aimed to review and apply a baseline methodology for all NDC mitigation actions across all sectors; and to design a measurement, reporting and verification (MRV) framework for the energy sector, taking international reporting requirements into account.

The new MRV framework allowed Cuba to collect and process relevant data. This showed that the country had under-estimated the reduction in emissions (in <u>renewable energy</u>, <u>energy savings</u>, and <u>transport</u>) in its original calculations. The recalculation increased the volume of emissions avoided (2014-2030)



(8.3 per cent higher than the initial NDC estimate). It also showed an error in the initial NDC, revealing a reduction of 1 million tonnes CO2eq from transport from 2022 to 2030. Finally, a reduction of 1.19 million tonnes CO2eq by 2030 was discovered, which represented an almost 80 per cent reduction from the 700 thousand tons CO2eq reduction declared in the NDC.

Thanks to the success of this project, Cuba is now able to monitor implementation of all five of its NDC mitigation targets and report on its NDCs under the Paris Agreement as part of the first biennial transparency reports, due in 2024.

Improvements and accuracy in Cuba's NDC

RENEWABLE ENERGY (RE)

Achieved a 33.2 million tonnes CO2eq reduction by 2030, 8.3% higher than the initial NDC estimate

TRANSPORT

Found an error in the NDC, revealing 1 million tonnes CO2eq reduction from 2022-2030.

ENERGY EFFICIENCY (EE)

Recorded a 1.19 million tonnes CO2 eq reduction by 2030, surpassing the NDC's 700 thousand tonnes CO2eq reduction declaration.



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NDC tracking for Niger's energy sector



Like many other countries, <u>Niger</u> is transitioning its energy sector to rely on more sustainable sources of energy. To effectively plan, implement, measure and report on its actions to implement its NDCs, the country was faced with the need to build capacity and establish the required tools and platforms.

The indicators developed covered electricity production, petroleum refining, solid fuel transformation, manufacturing and construction industries, air transport, road transport, pipeline transport, commercial and institutional sectors, and residential sectors. The <u>Greenhouse Gas</u> <u>Abatement Cost Model</u> – a tool developed by UNEP Copenhagen Climate Centre, and tailored for ICAT's in-country use – was configured for Niger to be used to track NDC implementation.

The ICAT project, implemented with the support of the Greenhouse Gas Management Institute and its consortium partner CITEPA, involved the training of stakeholders, and the development of sectoral indicators.

In addition, Niger has estimated the cost of implementing its NDCs to be around USD10 billion, much of which is needed for the green transition of its energy sector. Hence, the project also included the planning for a climate finance tracking system, to be implemented in the near future as part of a follow-up phase of its ICAT project.

An improved MRV framework

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countries have worked on putting in place a new or refined MRV framework as part of an ICAT project

In 2023, an example includes Mozambique, which developed a training programme and reporting templates to contribute to the sustainability of reporting on climate change action and support.

In 2023, Mozambique, supported by ICAT, established an effective measurement, reporting and verification (MRV) framework to track its nationally determined contributions (NDCs). With these important improvements, the project will have long-term impact by enabling the country to have the data, processes and capacity to improve transparency and meet commitments it has made under the Paris Agreement.

The foundations of transparency are good data: numbers that are vital for planning, managing and monitoring the implementation of policies and measures, and for assessing if they have met their targets. To collect and process these data, an efficient MRV framework is essential. This allows countries to define what data they need, who is responsible for providing it and how to process data. In turn, this will enable a country to effectively track its NDCs and to meet its commitments under the Paris Agreement.



Addressing a need for better data in Mozambique



In Mozambique, ICAT built on the success of earlier work that identified gaps and barriers in the national measurement, reporting and verification system. The barriers included a lack of consistent data; lack of data-sharing agreements and political support to transparency, including for data needed to track the country's NDC implementation; and capacity constraints.

To address these gaps and barriers, capacity was built through a series of training programmes. These included workshops on reporting on the national greenhouse gas inventory; reporting on the implementation of adaptation and mitigation NDC targets; modelling costs and impacts of mitigation actions, using GACMO; and tracking support needs. These training programmes successfully built the capacity of current and future members of the country's Inter-Institutional Group on Climate Change.

This work helped to establish a strong and cohesive group of climate change-aware technicians who can contribute to the sustainability of reporting on climate change action and support. It also resulted in the production of tracking templates, new technology to do so, and capacity building. From 2023 onwards, the skills developed during this project will help Mozambique to report on progress in implementing and achieving its NDCs.

A refined greenhouse gas inventory

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countries have worked on putting in place a new or refined greenhouse gas inventory as part of an ICAT project

In 2023, an example includes Argentina, which changed the way it categorized land representation, resulting in a 7.5 million hectare adjustment to its forest land area in its Biennial Update Report 4, and a strengthening of its greenhouse gas inventory for the sector.

Accurate and robust greenhouse gas inventories are essential for understanding a country's emissions profile as a basis for developing effective climate policy. A recently completed ICAT project in Argentina demonstrated how shared learning could enhance and refine greenhouse gas inventories, ultimately leading to better climate transparency.

Robust, comprehensive greenhouse gas inventories are a vital resource for countries working towards achieving their climate goals. The data collected and held within these inventories provide the foundation for developing and tracking implementation of climate policies and measures. This, in turn, will equip countries to fulfil their commitments under the Paris Agreement and reach the targets set out in their nationally determined contributions (NDCs). It is also necessary for them to meet their reporting obligations. Reliable data on greenhouse gas inventories are a core component of climate transparency.

In 2023, among the ICAT projects that were completed, Argentina provides an example of countries working towards developing, expanding and improving greenhouse gas inventories, among several other objectives. The Argentina project demonstrated the success of a variety of approaches to improve the quality of emissions data, enhance and expand greenhouse gas inventories, and support countries to meet their reporting obligations to the United Nations Framework Convention on Climate Change (UNFCCC).

Argentina enhances data collection



In Argentina, one of the key goals of the ICAT project was to improve the quality of estimation of emissions and removals in the land use, land use change and forestry (LULUCF) sector of its national greenhouse gas inventory, in particular in the category of forest land. At the same time, the project aimed to ensure that the forest land inventory met the standards set by the Intergovernmental Panel on Climate Change, which was the bar at which the rest of the Argentinian inventory had been delivered. To validate the approach Argentina was using in the forest land inventory, the project team looked at effective approaches and methodologies to estimate emissions in the land sector used by other countries.

Through an online workshop, the team in Argentina gathered knowledge from specialists in other countries, particularly focusing their questions on approaches to measuring carbon dioxide absorption by indigenous forests. This knowledge allowed the team to revise and improve the collection of data, selection of methodology, and emission factors on carbon emissions and removals for the forest category.

An important project result was the enhanced ability to categorize different land types. In turn, this resulted in a significant improvement in Argentina's Biennial Update Report (BUR4, 2022), where forestry area was increased by 7.5 million hectares due to the incorporation of the Andean Patagonian Forest forest region, and adjustments in the areas of cropland and grassland were also made. In addition, confidence in the reliability of the national greenhouse gas inventory has increased, and Argentina is using the new approach to report on LULUCF to the UNFCCC.

Improved reporting to the UNFCCC

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countries confirmed the ICAT project resulted in improved reporting to the UNFCCC

In 2023 Argentina, Panama, Mozambique and South Africa all made explicit mention of ICAT support in their reports

ICAT assists multiple countries in improving their reporting, for both domestic and international purposes. One of ICAT's key performance indicators relates to supporting countries to develop and/or enhance their required reporting to the UNFCCC. The table below provides details of countries that the ICAT project has assisted to do so in 2023. For many countries, the ability to use ICAT project outcomes for international reporting comes long after the ICAT project has closed; these cases are also indicated.



Country		Adaptation / Mitigation	Improved reporting
*	Argentina	Mitigation	The country referred to ICAT support in its <u>BUR 4</u> (2021) and <u>BUR 5</u> (2023)
	Mozambique	Mitigation	Country referred to training under the ICAT project and the use of GACMO is its <u>BUR 1</u> (2022)
*	Panama	Adaptation	The country referred to ICAT support in its <u>Na-</u> tional Communication 4 (2023)
	South Africa	Mitigation	The country referred to ICAT support in its <u>BUR</u> <u>5</u> (2023)
	Ethiopia	Mitigation	The country indicated the project had influenced its <u>National Communication 3</u> (2022).

The following countries indicated the project will enhance reporting, but this has not yet been confirmed with submitted reports

	Botswana	Mitigation
	Cambodia	Mitigation
	Cuba	Mitigation
+	Dominican Republic	Adaptation
۲	India	Adaptation
	Kenya	Adaptation
0	Tunisia	Mitigation



Regional Hubs for Regional Solutions

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Examples in 2023

CENTRAL AFRICA

10 States used knowledge gained from regional collaboration to develop national transparency action plans.

CENTRAL ASIA

Member states improved their NDC implementation tracking through capacity building **CENTRAL AMERICA** Launched its regional hub for SICA states, late in the year.

The ICAT regional climate action transparency hubs made significant contributions in building capacity, enhancing national ownership, and promoting transparency across the full spectrum of climate action.

Climate change is a global challenge that no nation can combat alone. International and regional cooperation allows countries to join forces, learn from each other and progress against the common goal of building a sustainable future. For developing countries, the exchange of knowledge and experience on climate action, including on data and transparency, is central to their ability to respond to the climate crisis. The ICAT regional hubs leverage the power of regional cooperation to accelerate climate action through enhanced transparency in their member states.

With two hubs already operational in Central Asia

and in Central Africa, in 2023, a third ICAT hub was launched for the countries of Central America and the Dominican Republic.

Over the course of 2023, the ICAT regional hubs provided a crucial platform for capacity building, knowledge sharing, and stakeholder engagement to advance climate action. They enhanced the capacity of national and regional experts in climate action transparency, multiplied regional expertise, strengthened national ownership, and amplified political buy-in. With solid foundations laid, many member countries are looking at more advanced and ambitious climate action in the years ahead.

Members of the hubs

CENTRAL AFRICA



Angola



Cameroon

Chad



Equatorial Guinea

Gabon

Republic of Congo

Democratic Republic of Congo

Rwanda

Sao-Tomé and Principe



Belize

Costa Rica

CENTRAL AMERICA

Dominican Republic El Salvador Guatemala

Honduras

Nicaragua

Panama

CENTRAL ASIA





CENTRAL ASIAN HUB

Capacitybuilding for effective NDC implementation



Capacity building is at the core of the approach of the ICAT hubs. In 2023, more than 250 people received training and participated in capacitybuilding workshops organized by the ICAT regional hubs, either in-country or on the regional level. The workshops were tailored to address the unique requirements of the hubs' participating countries, as these were identified through prior assessments conducted by the hubs.

In Central Asia, 2023 was a year for delving deeper into climate transparency, with workshops and capacity-building sessions on topics such as greenhouse gas inventories and projections, the tracking of nationally determined contributions (NDCs), transparency for adaptation measures, and climate finance tracking. An example of the workshops' success was where prior to the training many participants had a rudimentary grasp of modelling concepts and the selection process for specific models relevant to assessing NDCs, afterwards they reported significant gains in their understanding of modelling approaches, tools, and scenario building techniques. The strengthened technical capacity of national experts from Central Asian countries in data collection and processing has enabled them to produce more accurate and comprehensive reports to the international community.

"As an Annex I country under the UNFCCC, Kazakhstan undergoes a triennial review of its national report. In 2019, following this review, Kazakhstan was identified as a country that had not fully complied with the Kyoto Protocol due to insufficient transparency. Through the seminars conducted by the ICAT regional hub, significant improvements were achieved in quality control and implementation of other measures. As a result of these efforts, the UNFCCC secretariat recently removed this status from Kazakhstan," said Ms. Aiman Yessekina, Head of the Department of Greenhouse Gases Inventory of Kazakhstan, during a COP28 side-event in December 2023.

CENTRAL AFRICA

Fostering national ownership to advance climate agenda



Beyond providing capacity-building opportunities, the ICAT hubs established forums for meaningful dialogue and consultation among stakeholders invested in climate action. The hubs' workshops and events drew in participants from various stakeholders, encompassing a broad spectrum of expertise and perspectives. Representatives of climate change departments and environmental authorities engaged with representatives from line ministries, such as energy, forestry, finance, agriculture, mines and industry. Representatives of the private sector, civil society organizations and the scientific community also had a seat at the table, strengthening consensus-building on climate action plans.

In Central Africa, national capacity building workshops were held to develop comprehensive national transparency plans for each member country. As a result, 10 national transparency plans were developed. Through these plans, Central African countries are asserting ownership of their work on transparency, recognizing it as a crucial element of climate action and sustainable development. The plans include provisions to ensure continuous involvement of national stakeholders in transparency mechanisms, such as the formalization of institutional arrangements through legal frameworks, and dedicated teams and working groups. The plans will be used as roadmaps for transparency efforts at the national level. They will help to organize needs and activities, coordinate support offers, and guide engagement.

Ministers and senior officials from Hub member countries actively participated in ICAT events and workshops, confirming the significance of transparency on the climate agenda. Their attendance showcased the growing political support for transparency as a cornerstone of effective climate action.



CENTRAL AMERICA

Enhancing climate action through knowledge sharing



The ICAT hubs are hosted by regional organizations that have a proven history of fostering dialogue and cooperation among their member states for mutual benefit. Bringing together experts from different countries, the hubs facilitate the exchange of best practices and lessons learned, as a way to further enhance climate action.

Within the newly-launched hub in Central America, hosted by the Central American Commission on Environment and Development (the Central American Integration System's specialized environmental body), several countries are eager to share their experiences from their national initiatives. Examples include Costa Rica's National Climate Change Metrics System (SINAMECC), the Dominican Republic's legal MRV framework, Panama's expertise in adaptation and loss and damage, and Belize's experience in tracking climate finance, citing some examples of areas enhanced through previous ICAT country projects.

The Central American hub was launched at an event in Panama City in October, with the participation of high level dignitaries from all eight member countries. Read more about the launch of <u>the ICAT</u> <u>website</u>.

The ICAT Toolbox

Since inception countries have applied ICAT tools, guides and methodologies

. W. Hallow

New guides and tools launched in 2023



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AGRICULTURE

An updated methodology to support countries in evaluating the impact of agricultural policies on greenhouse gas emissions.



ADAPTATION

Two guides and a tool to assist decision-makers in evaluating adaptation projects and tracking adaptation activities on the ground.



LOSS & DAMAGE

A guide on assessing climate change-driven losses and damages to inform effective management strategies.



AIR POLUTION

A guide to help countries integrate air pollution into climate transparency frameworks.



ARTICLE 6

A guide on transparency for cooperative approaches to support countries in understanding the links between Articles 6 and 13, including reporting and accounting requirements and the associated risks and opportunities



TRACAD

A tool that helps countries to evaluate climate actions in the transport sector, assess their costs, streamline the data collection process, and facilitate NDC tracking.

The ICAT toolbox was updated in 2023 with new tools, guides and methodologies, and it was used by many developing countries to enhance their national transparency frameworks.

The ICAT toolbox is a suite of practical, open-source tools and methodologies to provide effective support to the transparency efforts of countries around the world. Ranging from step-by-step guides, to multifunctional data management tools, the ICAT toolbox provides a wealth of practical, adaptable solutions tailored to the needs of developing countries.

2023 saw the update and expansion of the ICAT toolbox, with new knowledge resources to provide support in several crucial areas:

AN UPDATED AGRICULTURE METHODOLOGY

a step-by-step guide that helps countries assess the impact of agricultural policies on greenhouse gas emissions. It can be used to inform policy design and implementation, goal setting and tracking progress, and attracting finance. The guide covers the assessment of policy impacts in livestock, fertilizers, soil carbon, and rice cultivation

A SUITE OF TOOLS AND METHODOLOGIES

for the monitoring and evaluation of adaptation and loss and damage. They are designed to help decision-makers and other relevant stakeholders to assess adaptation project proposals, evaluate the impacts of losses and damages, and integrate subnational and non-state actors into national M&E systems for adaptation.

A PRACTICAL GUIDE ON AIR POLLUTION AND CLIMATE CHANGE

to support countries to integrate air pollution and short-lived climate pollutants into national climate change transparency frameworks. It can be used to develop integrated emission inventories, evaluate the impact of policies, and quantify health benefits and burdens. It provides sector-specific guidance for energy; industrial processes and product use; agriculture, forestry and other land use; and waste.

A GUIDE ON TRANSPARENCY FOR COOPERATIVE APPROACHES UNDER ARTICLE 6

to help countries to understand the rules and requirements for reporting and accounting for Article 6 activities, and how to integrate them into national transparency frameworks. It contains information on opportunities and risks of engaging on Article 6, and on the linkages between Article 6 and the enhanced transparency framework.



Throughout 2023, a series of webinars were held to introduce the new additions to the ICAT toolbox, featuring presentations from international experts and transparency practitioners from developing nations. The webinars were attended by a total of 950 participants from all over the world. The new tools and guides were downloaded 3,055 times, in total, in 2023.

An additional ICAT tool released in 2023 is the <u>Transport Climate Action Data</u> (TraCAD) tool. TraCAD is a comprehensive tool that assists countries in assessing the impact of climate policies and actions in the transport sector, including those discussed in ICAT's <u>Transport Pricing Methodology</u>. It streamlines the data collection process, provides standard methodologies, and offers various functionalities that support the assessment, tracking and reporting of action related to nationally determined contributions (NDCs) in the transport sector. TraCAD is now being used in Antigua and Barbuda and Cambodia to support the development of ambitious policies and strategies in the transport sector.

Over the course of 2023, the ICAT tools and methodologies were applied in different countries to help build and enhance stakeholders' capacity and the national transparency frameworks. From conducting policy assessments, to collecting, verifying and analyzing data on greenhouse gas emissions, the ICAT toolbox supported countries to gain the knowledge needed for developing more effective climate action. An example of this comes from Niger, where the Greenhouse Gas Abatement Cost MOdel (GACMO) was used to track and evaluate NDC implementation in the energy sector, assessing the impact and potential of policies and measures such as those related to solar energy. At the same time, the ICAT agriculture and forestry methodologies were applied to calculate the greenhouse gas impacts of two national policies. These included additional carbon sequestration, and an increase in greenhouse gas emissions linked to agricultural production increase. As part of the upcoming revision of Niger's NDCs, these results will enable the country to strengthen its greenhouse gas emission reduction targets.

New, as yet unpublished, methodologies were applied in 2023. Examples include the application of the forthcoming ICAT methodology on climate finance tracking in Belize, Morocco and Senegal; and the application by Nigeria and South Africa of the forthcoming ICAT methodology on the monitoring and evaluation of just transitions.

The valuable feedback and insights garnered from these applications will inform the refinement and finalization of these methodologies, which address critical needs and requests from developing countries. The two methodologies are scheduled to be publicly released in 2024, offering countries a valuable resource to enhance through transparency their climate actions.

Enhancing Knowledge

UN Bonn

people trained as part of ICAT projects

In 2023, a blended online/in-person training course on climate transparency resulted in over 91 per cent of participants stating it had increased their capacity significantly in climate transparency.

From February to September 2023, 80 senior government officials and technical experts from 20 French-speaking developing countries participated in the blended training course on climate transparency and the Enhanced Transparency Framework (ETF).

The course aimed to support developing countries to fulfill their obligation to implement the ETF of the Paris Agreement, and to develop effective mitigation action in line with their national priorities. It was developed as a collaboration between ICAT, the UNFCCC Secretariat, UN System Staff College, the Capacity Building Initiative for Transparency-Global Support Programme, and UNEP Copenhagen Climate Centre. It consisted of an online course with e-learning modules, exercises, and virtual interactive sessions; and an in-person workshop.

The online course began with five core modules, which provided a solid basis for understanding the basics of the ETF and mitigation policy assessment.

The core modules covered:

- The need for climate transparency
- Unpacking the Enhanced Transparency Framework
- Assessing the greenhouse gas impacts of mitigation actions
- Assessing sustainable development and transformational impacts
- Implementation and practice

Each week, participants took part in virtual sessions facilitated by subject matter experts. These sessions gave participants an opportunity to receive advice from experts and share experiences with each other.

Following the completion of the core modules, four modules were conducted to address more technical issues related to the ETF. These modules focused on agriculture, transport, sustainable development, and transformational change, guiding participants through the use of ICAT methodologies for assessing the impact of policies and measures in these areas.

The online modules were very well received, with over 80 per cent of participants completing the programme and obtaining certificates. The feedback from participants was overwhelmingly positive, with almost 99 per cent recommending the training and over 91 per cent indicating that it significantly or completely increased their capacity in climate transparency.

Following the online course, almost 30 participants attended the in-person component of the training, a 3-day workshop in Bonn, to put into practice the lessons learned during the online modules.





The workshop focused on peer-to-peer sharing of experiences, presentations, and exercises, and covered several transparency-related topics, such as transitioning to the ETF, assessing the impact of climate policies and actions, and tracking climate finance. This was complemented by sessions that focused on stakeholder engagement and improving communication skills.

Participants were very satisfied with the workshop, particularly in terms of the knowledge gained on how to develop a robust national transparency system and the opportunity to exchange ideas with other national experts. The group sessions were the most widely appreciated, according to the responses to the participant evaluation surveys, highlighting the value of the peer-to-peer exchanges.

Overall, participants found the training to be a valuable resource and expressed their interest in using ICAT methodologies and adapting them to their country's specific needs. The training brought out many of the benefits of transparency beyond reporting and was considered to be a good starting point for developing and implementing a robust national transparency system to support upcoming submissions of biennial transparency reports under the ETF of the Paris Agreement.

Peer-to-Peer Exchange

Since inception 103 peer to peer or knowledge sharing events have taken place

In 2023

ICAT's virtual partner forum engaged over 200 stakeholders, including representatives from ICAT's 50+ member countries, in an interactive sharing and learning space. Two regional ETF Dialogues, co-hosted by ICAT, promoted implementation of the ETF, and shared mechanisms for countries to meet related requirements.

2023 saw continued partner engagement in transparency, and renewed political commitment, demonstrated in ICAT-hosted knowledge sharing events.



The ICAT Partner Forum



In April, ICAT hosted its third annual partner forum, virtually. It built on the experience of the previous ICAT partner forums in 2021 and 2022, as well as the in-person 2022 ICAT Community Meetings.

The forum welcomed over 200 representatives from ICAT's 50+ partner countries, governance bodies, implementing partners, and other interested stakeholders. Delivered over three days, in threehour sessions, the ICAT Partner Forum provided a space for interactive engagement, allowing ICAT's partners to share practical experience based on insights and learnings.

The 2023 Forum concentrated on the theme of "Supporting country readiness for effective implementation of the ETF". For each of the three days, the Forum zoomed in on priority areas including accelerating BTR readiness, supporting NDC implementation and the SDGs, and working with data. It covered essential topics, for example setting up MRV frameworks, tracking climate finance, developing M&E frameworks for loss and damage, and many more.

Discussions highlighted the multiple challenges countries continue to face, but they are pushing forward, learning valuable lessons along the way. Data was once again at the centre of discussions, with consistent data of good quality being a core necessity for everything related to transparency of climate action. Finally, effectiveness of support was another key topic, recognizing the important role that transparency support providers play in getting countries ready to implement the ETF.

READ THE FULL EVENT REPORT HERE (\rightarrow)



ETF Dialogues at Regional Climate Weeks



Building on the previous year's success, ICAT collaborated with the UNFCCC Secretariat and other partners to co-host The Enhanced Transparency Framework (ETF) Dialogues at the Regional Climate Weeks for Africa, and for Latin America and the Caribbean. Both events consisted of two days, kicking off with a high-level political dialogue, followed by topical practitioners' knowledge sharing sessions. Their aim was to promote and support implementation of the ETF in the respective regions. The dialogues provided an overview of international collaboration and support mechanisms available for countries in the region to meet reporting deadlines

and requirements.

Ministers, Vice-Ministers and other high level political representatives reconfirmed their commitment to transparency, and outlined some of the obstacles facing their country's response. Country experts highlighted how they are progressing on the different challenges of the ETF, preparing for their first BTR to be submitted in 2024.

Read the reports of the ETF Dialogue at the Regional Climate Week in Latin America and the Caribbean, and in Africa.



ICAT actively promoted transparency through participation in international conferences and events, showcasing its effectiveness, facilitating an exchange among countries, and inspiring others to adopt robust transparency frameworks.

ICAT makes use of international conferences and events that gather the international climate change community to highlight the indispensable role of transparency in driving effective climate action. These events help showcase the progress and achievements made by ICAT partner countries in strengthening their transparency frameworks, while also raising awareness about the valuable transparency resources in the ICAT toolbox. Participation in events also brings additional benefits. For example, country representatives have sought out ICAT support after hearing how it benefited others; and countries that would otherwise not engage have been brought together in a panel discussion to share their complementary experiences.

This article describes ICAT's participation at COP28 and SB58

Other high-level events where ICAT's presence served as an opportunity to underline the vital importance of transparency in the global climate efforts include the Regional Climate Weeks for the regions of Africa, and Latin America and the Caribbean; the World Sustainable Development Summit; the Mexico Carbon Forum; and the Central Asia Climate Change Conference.

"Transparency is not only a reporting exercise, but it is actually something that helps to collect and manage data for effective climate policies," said ICAT Director, Dr. Henning Wuester at the 2023 Bonn Climate Change Conference. Ministers, opinion leaders and high-level representatives from developing countries and the international community shared their experiences and practical examples to illustrate the effectiveness of transparency in the fight against climate change. Many of these events received media coverage and positive feedback from the participants. Through ICAT's engagement at events, transparency emerged as a shining example and a powerful resource for propelling climate action forward.

Initiative for Climate Action Transparency

ICAT at SB58

ICAT also organized events during the 2023 Bonn Subsidiary Bodies/Climate Change Conference (SB58), emphasizing the critical importance of transparency in climate action. Besides hosting and participating in a variety of events and meetings, ICAT released the new guides on adaptation, loss and damage, and Article 6, and met with representatives of many of its partner countries.

A highlight of SB58 was the official side event on transparency for effective climate policies in agriculture, hosted by Fiji, UNOPS and the Greenhouse Gas Management Institute. It highlighted key issues related to transparency in the sector, including the importance of capacity building and long-term sustainability, as well as the development of indicators and monitoring and evaluation frameworks. To a packed room, participants spoke about how collaboration between ministries could be used to ensure data flow and improve buy-in; and explained how transparency played an important role in finding synergies between adaptation and mitigation, as well as well synergies with the Sustainable Development Goals.





ICAT at COP28

COP28 reaffirmed the urgency of effective climate action, with the global stocktake revealing that the world is not on track to achieve the goals of the Paris Agreement. ICAT organized and actively engaged in sixteen events throughout the two-week conference, spreading the message that transparency is the backbone of the Paris Agreement, essential for its success. From mitigation across sectors, to adaptation and climate finance, the ICAT COP28 side-events covered all facets of climate action including just transitions, climate finance, transformational change, adaptation and small island developing states.

They were attended by more than 330 inperson participants, while many of them were livestreamed, amplifying the message in the digital sphere.

Initiative for Climate Action Transparency

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