COP26 CATALYST For climate Action

Action Recommendations on Capacity Building for

Transparency and Reporting





IN PARTNERSHIP WITH ITALY



These recommendations were developed by the COP26 Catalyst Action Group on Capacity Building for Transparency and Reporting, which includes representatives from the countries and organisations shown below. These institutions endorse the recommendations at the time of initial publication; we invite further organisations and countries to endorse the recommendations during and after COP26.



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Recommendations on Capacity Building for Transparency and Reporting

Under the terms of the Paris Agreement, all countries will transition their climate reporting to the Enhanced Transparency Framework (ETF) by 2024. This represents a major stepping up of climate transparency, which **will require significant capacity building**.

Climate transparency is for everyone and stands to benefit the whole of society. Everyone – including Governments, international organisations and non-governmental actors, such as businesses, investors, NGOs, and academia – has an important role to play. Capacity-building is key to enabling universal participation in the ETF and realising the benefits of it. We need to work collectively to **inspire** and motivate our colleagues to strengthen capacity well in advance of the first reports due under the ETF.

We must also call donors and capacity building providers to action, to improve and strengthen the accessibility of their services to meet the new demands on countries. Action on all these recommendations can begin with immediate effect, though some will take several years to implement in full.

The COP26 Catalyst Action Group on Transparency and Reporting met regularly in the run-up to COP26 and consulted widely to develop the following recommendations as to how capacity building can be improved to better prepare countries for the ETF. They are intended to build upon – and suggest ways to enhance – existing capacity building efforts, considering lessons learnt and best practices.





Recommendations

1. Governments need to significantly raise the profile and visibility of climate transparency and recognise its additional benefits, to help policymakers and citizens understand that transparency is not simply a technical exercise. Transparency and reporting will offer broad benefits across our economies and societies. Coordinating agencies need communication strategies that highlight domestic and international opportunities, and that engage ministers and other political actors. Emphasising **linkages with** other national priority issues can help to build or strengthen political will and **national ownership** – which will be vital to ensuring each country builds their own effective transparency framework. Strong engagement with the reporting and review processes under the current measurement, reporting and verification (MRV) framework will identify capacity gaps and needs ahead of the transition to the ETF.

Main actors: Governments, UNFCCC secretariat, capacity building providers

2. Capacity building providers should commit to programmatic support packages with a long-term perspective that fosters continuity and sustainability, and that supports countries to retain capacity that is enhanced. Capacity building should be an iterative, 'learning-by-doing' process that empowers countries to identify and assess their own needs and priorities and should include monitoring and evaluation processes to enable improvements over time. Wherever possible, the use of international 'fly-in, fly-out' consultants should be avoided; building sustained capacity within each country should be prioritised.

3. All stakeholders would benefit from improved coordination at national, regional and international levels. Enhanced coordination between capacity building initiatives can increase impact and efficiency and help to avoid duplication. Joint and complementary activities and pooled funding can make capacity building more comprehensive. Streamlining application procedures helps to make initiatives more accessible and inclusive. Regional Transparency Hubs are a proven means of fostering peer learning, knowledge sharing and networking.

Main actors: Donors, UNFCCC Secretariat and recipients, capacitybuilding providers and civil society

4. Capacity building programmes should widen their scope to integrate support for reporting on new elements under the ETF, including tracking of progress against both adaptation and mitigation components of Nationally Determined Contributions (NDCs), carbon markets, and reporting on climate finance needed and received. These should consider that countries have different levels of capacity and experience, and hence different starting points. Capacity building providers should develop guidance materials on all components of the Biennial Transparency Reports (BTRs) – particularly those that were not present in the previous framework (BURs). As the ETF develops over time, so should the capacity building around it. High quality reporting will also lead to a more comprehensive assessment of progress at the time of the Global Stocktakes.

Main actors: Capacity-building providers and donors

Main actors: Donors and capacity-building providers

5. Capacity building providers need to improve the accessibility and searchability of online resources. While knowledge portals exist, providers could do more to consolidate resources so they can be accessed from a single entry-point that is well-publicised, interactive and easy to search. Translation (into UN languages at a minimum) should be prioritised, to encourage in-country technical personnel to use knowledge products. Named focal points could help providers to implement quality control, ensure that resources remain up-to-date and ensure that all major capacity building initiatives on transparency are included.

Main actors: Capacity-building providers, UNFCCC Secretariat

6. Continuous reporting requires a strong institutional framework, which in some cases will need new legal mandates. All countries can better harness existing institutions (and create new institutions where necessary) to mainstream climate reporting across government, civil society and the private sector. New advice, guidance and support will be needed to help countries build robust institutional arrangements to meet ETF requirements. With support, governments should plan to set up sufficient capacity to operate transparency frameworks and focus the use of external support on creating the physical, institutional and knowledge infrastructure.

Capacity building providers can offer support to national institutions involved in data collection, sharing, archiving and reporting. **Relationships between data providers need to be strengthened, creating networks of technical experts across contributing institutions.** Trainings should build upon existing infrastructure in order to integrate climate reporting, and to provide data management guidance and tools.

Main actors: Governments, donors, capacity-building providers and civil society

7. Governments and capacity-building providers should support whole-of-society participation in the transparency process. This includes statistical agencies, finance and economic departments, academia, non-governmental actors, subnational governments, and the private-sector – all of whom can contribute to and enrich data gathering for climate reporting. It is particularly important to involve stakeholder groups historically not represented in government, as well as those whose primary focus is not climate change.

Main actors: Governments, capacity-building providers and civil society









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