



Wilton Park



**COP26
PRESIDENCY
UK 2022**

**DELIVERING THE
GLASGOW CLIMATE PACT**

Report

**COP26 Catalyst for Climate Action Assembly at the
UN Regional Climate Week for the Asia-Pacific**

Transparency and reporting

Wednesday 7 July 2021



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Introduction

In its role as the incoming COP26 Presidency, the UK is committed to better understanding the capacity building challenges faced by developing countries and climate finance recipients, particularly those most vulnerable to climate impacts, and to providing opportunities to share positive experiences and lessons learned across the Asia-Pacific region. Strong mechanisms to report on greenhouse gas emissions, progress in achieving NDCs and adaptation plans and are key to achieving ambitious outcomes under the Paris Agreement. All countries need to be able to produce reliable, transparent and comprehensive information on emissions, climate actions and support under the Enhanced Transparency Framework (ETF); transfer of support and long-term capacity building is crucial if we are to achieve a sustained approach.

The aim of the session was to explore capacity building in relation to transparency under the Paris Agreement, to lay out key challenges that Parties and partners across the region may face in the implementation of the ETF and to gather ideas and solutions from participants to inform the work of the COP26 Catalyst's Action Group on Transparency and Reporting. This conversation came at a crucial time when developing countries, including in the Asia-Pacific, are preparing to submit final transparency reports for 2024. This entails a considerable amount of enhanced institutional coordination, increased capacity and experience, as well as increased support. Countries around the world are engaging in this process at different starting points and levels of reporting experience. This means that targeted capacity building to enhance reporting capabilities is a priority to enable an effective transition to the ETF and to inform climate action and its progress. It is also important to identify the national benefits of improved climate transparency in order to ensure nationwide engagement for this exercise. This report provides a summary of the key points raised during the meeting.

Capacity building for enhanced transparency and reporting: challenges and suggestions

"I challenge people when they use the term capacity building to identify long-term impact, otherwise they are just doing awareness raising."

Challenges

1. Capacity for data collecting and reporting is currently insufficient across the region. Some countries lack sufficient basic information to participate in the Enhanced Transparency Framework (ETF) under the Paris Agreement. Moreover, countries have different starting points, so targeted capacity building is especially important to allowing consistent reporting and improved transparency over time.
2. The example of Japan recently conducting a global assessment on greenhouse gas inventory reporting was highlighted. Trends in reporting capacity in the region show that almost half of countries improved their capacity over the last 20 years; however 30% of countries remain at a low capacity.
3. It can be difficult to identify where the gaps in country-level capacity exist. However, participants suggested the biggest current gaps exist in human resources with a lack of domestic experts, low financial resources to develop data, and in some cases low technical knowledge and skills including basic statistical and scientific capacity.
4. When capacity is built, especially at sub-national level, it tends to be done through individuals who can then move to a different job or division; there is a lack of institutional, sustainable and long-term capacity building activities. Moreover, it was repeatedly emphasised that funding and resourcing is a key challenge, with resource being dependent on financial support from governments, who cannot afford to allocate budget on climate specific activities or capacity building.
5. Institutional arrangements and cooperation between organisations at national level can be difficult to achieve, especially if institutions are not fully functional.
6. Finally, another challenge identified was the lack of willingness and engagement of stakeholders at the national level to engage with reporting exercises, coupled with the absence of a mandate or domestic legislation to ensure that reporting continues and is sustainable over time.

Suggestions for how to better build national capacity

"The Paris Agreement has redefined capacity building for climate change in every single country - this is true for adaptation, for mitigation and for transparency"

7. Capacity building requires a good plan with a focus on building stable institutions for long-term impact. Continuous support is needed for sustainable reporting (rather than a project-based approach).
8. Conducting meaningful capacity building requires a solid evaluation of capacity gaps and needs, and broad stakeholder participation to identify appropriate ways to meet these needs.
9. Capacity building should be done according to principles of collaboration, cooperation and engaging a wide range of stakeholders in the activities. This could include workshops, internships and mutual learning programmes at the regional and international levels.
10. Willingness and ambition among stakeholders who need to share their data for public good is critical, improving stakeholder engagement in terms of data collection and provision.
11. A legal mandate can be a way to mobilise people for reporting and to ensure that capacity is retained within institutions.
12. Education or raising awareness amongst a range of stakeholders, including youth, about climate change and the importance of transparent data is important as a way to start building national capacity.
13. Collaboration among countries in the region to share experiences and lessons learned is extremely valuable to better plan the way ahead and to build capacity.

“It is very challenging. For example in our Ministry of Environment there are very few people who are responsible for a lot of issues.”

“Give different stakeholders the opportunity to sit round the same table. People don’t know that they can gain from each other and contribute to the overall reporting requirements.”

Participants discussed some further questions in breakout groups. Findings are summarised below.

What are the key current capacity building challenges around reporting that you experience in your country?

14. Countries have a limited number of experts, especially the Pacific Island Countries. It is also difficult to build a team of experts without required governance structures in place.
15. Data collection and management, and developing and maintaining an archive as a basis for a sustainable system, are challenging.
16. Political will and support for policies and budgets can be lacking, with top-down pressure needed for success; high-level coordination of capacity building efforts is required.
17. National budgets for increasing the capacity of national experts and ensuring knowledge is retained and sustainable are limited, and international funding has a preference of short-term training programmes over catering for long-term support. COVID-19 has had an impact on resource availability.
18. Donor coordination is needed to facilitate smoother, less onerous processes in-country.
19. Awareness raising is different from hands-on training and sustainable long-term capacity building; too often capacity building initiatives are just awareness raising.
20. Modalities, procedures and guidelines (MPGs) for reporting of Article 6 are not yet clear enough.
21. It can be hard to get stakeholders to engage with the process.
22. While laws on the environment may exist, they are not implemented in courts of law.

What future capacity building challenges do you expect your country will experience whilst transitioning to the Enhanced Transparency Framework (ETF)?

23. Dealing with huge amounts of data is challenging. The infrastructure to collect accurate data is lacking, and digitisation, which could bring a more sophisticated approach, is a fundamental need. Some countries may have national statisticians and data scientists who can be brought on board, but others may not.
24. Communication, accurate reporting and presentation of the data is also a challenge and needs to improve, especially as demands for more frequent reporting increase. Ensuring transparency and accuracy is vital as communication and channels can be selective.
25. There is a need for governance and coordination among ministries, agencies and universities working on the environment to collaborate to formulate, analyse and report on the data. Furthermore, how do we involve diverse and different voices in transparency?
26. The logic and rationale of data collection does not necessarily reflect the reporting requirements. Different ministries collect data for different reasons and the same data can be collected for a range of purposes. Multiple sources can respond to different requirements. The national statistical office needs to be clear about what the data requirements are and for what purpose. Universities and students can play a role to deliver data requirements while building their own knowledge and abilities.
27. There is a need to prepare youths for future transformation including green jobs.

28. Stakeholder engagement is required to improve institutional arrangements and Greenhouse Gas Inventory (GHGI).

What topics should the COP26 Catalyst Action Group on Transparency focus their efforts on this year, in order to support and promote capacity building in this area going forward?

“we need to raise the profile of transparency at political and technical levels”

29. Push for influence at political and technical levels to raise the profile of transparency. New international requirements create pressure for governments to work harder and can motivate national level commitment and action for reporting. A good example of this is the Paris Agreement and NDCs.
30. Focus on the technical challenges that countries face in the area of transparency.
31. Build a knowledge-sharing platform with a menu of tools or resources, and highlight other initiatives or activities already taking place to encourage learning and exchange of experience and practice.
32. Support local workshops for climate mitigation capacity building for different industrial sectors, bringing together local ‘climate leadership’.
33. Support the establishment of National Inventory Systems for measurement, reporting and verification (MRV).
34. Emphasise the benefits that countries will gain from effective transparency to get national stakeholder buy-in.
35. Keep in mind capacity building with local and grassroots organisations as part of the process.
36. Explore how to better integrate gender awareness into reporting.

Alison Dunn

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