



РЕПУБЛИКА СРБИЈА
Министарство
заштите животне средине
REPUBLIC OF SERBIA
Ministry of
Environmental Protection



DEVELOPMENT OF CLIMATE CHANGE
MONITORING, REPORTING AND
VERIFICATION (MRV) SYSTEM

FROM CONCEPTUAL FRAMEWORK TO FULLY FUNCTIONAL MRV IT SYSTEM

UNFCCC TRANSPARENCY REQUIREMENTS, EU GOVERNANCE REGULATION, COP 26 GLASGOW OUTCOMES

DECEMBER 14, 2021

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“PROJECT – “ESTABLISHING TRANSPARENCY FRAMEWORK FOR THE REPUBLIC OF SERBIA”



1. PROCESS AND DELIVERABLES

2. UNFCCC AND EU REPORTING REQUIREMENTS

3. COP 26 IN GLASGOW OUTCOMES

PROJECT OBJECTIVE



- Creating a robust, efficient and purposeful Monitoring, Reporting and Verification system that fulfils the Paris Agreement transparency requirements and ensures the basis for EU reporting

TASK 1: DETAILED ASSESSMENT OF CURRENT NATIONAL POLICY AND REGULATORY FRAMEWORKS IN THE CLIMATE CHANGE FIELD



- Analysis of the Climate Change Law and the Draft Climate Change Strategy with Action Plan, central role of the Ministry of Environment and Environmental Agency
- Analysis of other relevant sectoral strategies and legislation and their roles in monitoring and reporting
- Key findings on course of action in establishing the MRV system

TASK 2: UPDATE OF NATIONALLY DETERMINED CONTRIBUTION (NDC)



- Paris Agreement, Art. 13 on Enhanced Transparency Framework, Decision 18/CMA.1
- Based on draft Climate Change Strategy and the emission reduction scenarios carried out during its preparation
- Based on 2nd BUR and 3rd National Communication
- Consisting of Climate Change Mitigation (CCM) and Climate Change Adaptation (CCA) part
- Update to focus on the following elements:
 - a) alignment with Decision 18/CMA.1 requirements
 - b) addressing/including gender and climate
 - c) addressing/including nature-based solutions, just transition, short-lived climate pollutants (Climate Finance Study)

TASK 3: DEVELOPMENT OF CONCEPTUAL FRAMEWORK FOR MONITORING, REPORTING AND VERIFICATION (MRV) AT THE NATIONAL LEVEL



- Propose governance structure for the suggested MRV framework
- Overview of data needs, data sources, inputs and outputs as well as stakeholders for each proposed Module of the MRV system
- Focus on already existing IT systems with MRV relevance as well as existing legislation
- Evaluate developing a list of performance indicators that will ensure monitoring and reporting of CCM, CCA and NDCs
- Development of input and output templates for CCA, CCM and NDCs reporting
- Ensure QA/QC of the GHG Inventory
- Governance structure consists of seven reporting modules – **NDC, GHG Inventory, Policies and Measures (PAMs), Projections and Scenarios, Adaptation to Climate Change, Climate Finance and National Reporting**
- Develop IT tool for MRV system, which will include local authorities and other relevant stakeholders

TASK 4: CAPACITY BUILDING/TRAINING PROGRAMME



- Thematic workshops and stakeholder consultations with different stakeholders (such national, provincial and local governments, businesses, industry, academia, CSOs, media etc.)
- Information sharing and awareness raising materials for general public and different target groups
- Expert assistance in solving issues of relevance to the project's goals to the UNDP, the Ministry of Environmental Protection and other key stakeholders
- At least 6 capacity-building events/trainings with the practical testing of the MRV IT system and its modules, using self-study materials

DELIVERABLES



- Comprehensive report on current national policy and institutional frameworks in the climate change field
- Comprehensive document of revised NDCs for the Republic of Serbia
- Proposal for Conceptual Framework for Monitoring, Reporting and Verification (MRV) at the national level
- Proposal for Design of IT tool (including web platform) for MRV system
- Modalities, procedures and guidelines for transparency framework and support referred to in Article 13 of the Paris Agreement - Institutional, procedural and legal requirements and recommendations for setting up a national system for the functioning of Serbia's MRV IT tool
- Also Plan for Capacity Building for MRV IT tool and MPGs self-studying materials
- Fully functional MRV-IT system, including the web platform**

Regulatory frameworks



UNFCCC:

- 2015 Paris Agreement and Decision 18/CMA.1 – Modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement, decisions agreed at COP26, including Decision -/CMA.3

EU:

- Regulation (EU) 2018/1999 on EU Governance and the Implementing Regulation (EU) 2020/1208 on structure, format, submission process and review of information pursuant to Regulations (EU) 2018/1999 and (EU) 749/2014.

SERBIA:

- Zakon o klimatskim promenama (Law on Climate Change)

MPG

**Implementing
Regulation**

By-laws

Paris Agreement and transparency requirements



- The 2015 Paris Agreement has established universal and harmonised **M**easurement, **R**eporting, and **V**erification (MRV) provisions for tracking climate change action, a common system of transparency that now applies to all countries. This is central to effectively implementing the Nationally Determined Contributions (NDCs) submitted under the Agreement, that Parties are requested to prepare and communicate every five years, from 2020 onwards.
- The current division to Annex I and non-Annex I countries will disappear in 2024 and the reporting requirements will be the same for developing and developed countries, with some flexibilities for developing countries in light of their capacities. However, the countries that decided to apply the flexibility option in their **Biennial Transparency Report (BTR)**, will need to explain the constraints and provide the timeframe in which these will be resolved.

UNFCCC CONVENTION & KYOTO PROTOCOL

(current system)

ANNEX I PARTIES	NON-ANNEX I PARTIES
NATIONAL COMMUNICATIONS (NC)	
quadrennial	
BIENNIAL REPORTS (BR)	BIENNIAL UPDATE REPORTS (BUR) including National Inventory
biennial	biennial
NATIONAL INVENTORY (incl. National Inventory Report)	
annual	

in-depth review	
quadrennial	
INTERNATIONAL ASSESSMENT AND REVIEW (IAR) ⇒ Technical review ⇒ <i>Multilateral assessment</i>	INTERNATIONAL CONSULTATION AND ANALYSIS (ICA) ⇒ Technical analysis ⇒ Facilitative sharing of views
biennial	biennial
Review of National Inventory (incl. National Inventory Report)	
annual	

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UNFCCC CONVENTION & PARIS AGREEMENT

(starting with 2024)

DEVELOPED PARTIES	DEVELOPING PARTIES
NATIONAL COMMUNICATIONS (NC)	
quadrennial	
BIENNIAL TRANSPARENCY REPORT (BTR) Flexibility to those developing country Parties that need it in the light of their capacities	
biennial	
NATIONAL INVENTORY (incl. National Inventory Report)	
annual	biennial

in-depth review	
quadrennial	
TECHNICAL EXPERT REVIEW Facilitative, multilateral consideration of progress	
biennial	
Review of National Inventory (incl. National Inventory Report)	
annual	biennial

All Parties
NDC
Global stocktake

Current reporting obligations and reporting obligations under the Paris Agreement

Paris Agreement and transparency requirements

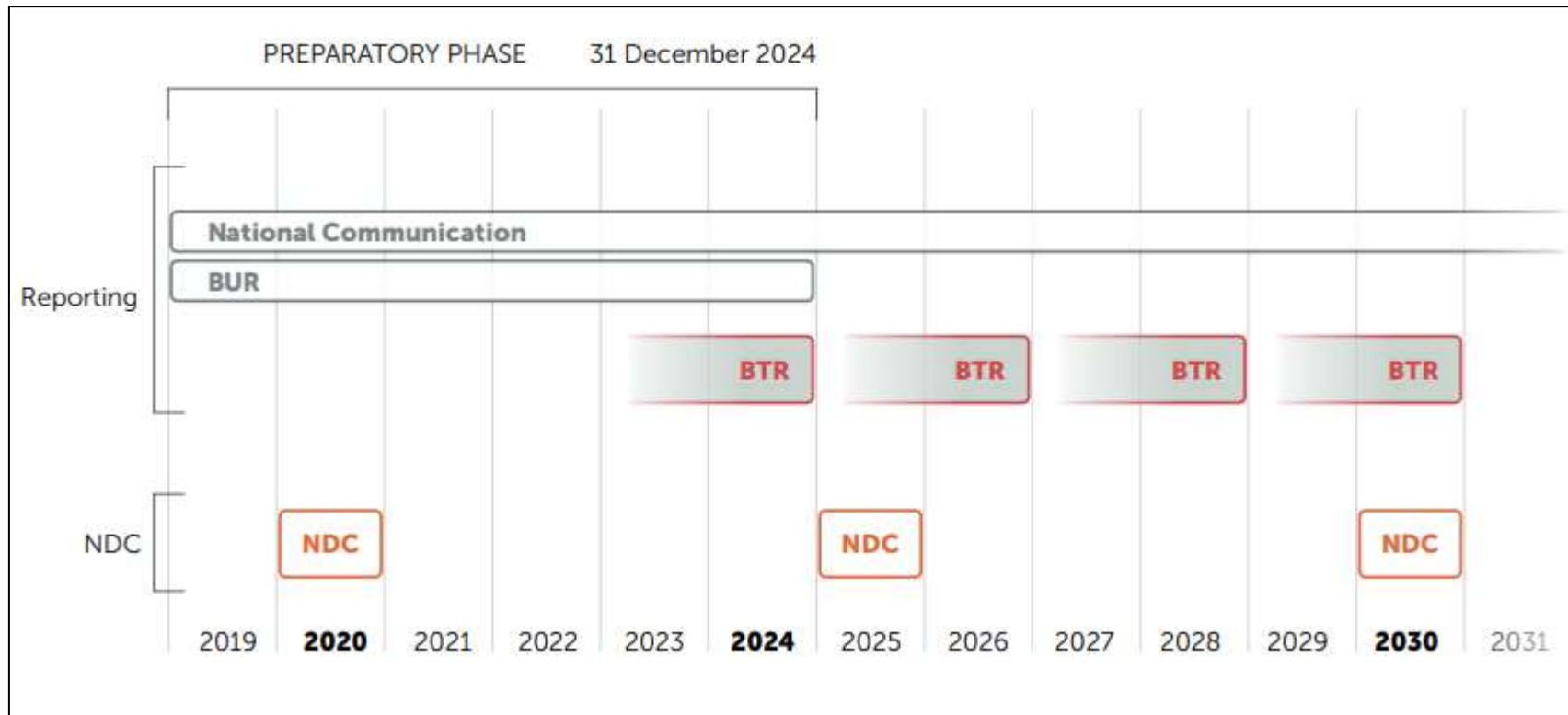


- Article 13 of the Paris Agreement established this enhanced transparency framework (ETF) both for action—post-2020 climate change commitments, or NDCs—and support, with flexibility for countries to take account of their different capacities. Each country will regularly provide a national inventory report of emissions and removals (MRV of GHG Emissions), as well as information necessary to track progress made in implementing and achieving targets of policies and measures, projections and its NDC (MRV of Mitigation Actions). Countries are also expected to provide information on climate impacts and adaptation, as well as information on financial, technology transfer, and capacity-building support provided, needed, and received (MRV of Support).
- Accompanying details regarding the kind of information that should be tracked and reported, and the methods to be used, are still to be finalised.

Paris Agreement and transparency requirements



- The MRV system under the UNFCCC so far will be superseded by the ETF for the period after 2024.



Source: UNEP DTU Partnership (2019): Unfolding the reporting requirements for Developing Countries under the Paris Agreement's Enhanced Transparency Framework. Figure 1. Timeline for the introduction of the BTR, with the deadlines for BTR and NDC submissions

Decision 18/CMA.1 – framework for transparency of action, in line with Art. 13 of Paris Agreement



- Purpose:
- to provide a clear understanding of climate change action, including clarity and tracking progress towards achieving Parties' individual nationally determined contributions (NDCs) under Article 4, and Parties' adaptation actions under Article 7, including good practices, priorities, needs and gaps, to inform the global stocktake under Article 14
- to provide clarity, in line with Article 13 on support provided and received by relevant individual Parties in the context of climate change actions under Articles 4, 7, 9, 10 and 11, and to provide a full overview of aggregate financial support provided, to inform global stocktake under Article 14

EU GOVERNANCE REGULATION OF THE ENERGY UNION AND CLIMATE ACTION



This Regulation establishes a governance mechanism to:

- a) **implement strategies and measures designed to meet the objectives and targets** of the Energy Union and the long- term Union greenhouse gas emissions commitments consistent with the Paris Agreement, and for the first ten-year period, from 2021 to 2030, in particular the Union's 2030 targets for energy and climate;
- b) **stimulate cooperation between Member States**, including, where appropriate, at regional level, designed to achieve the objectives and targets of the Energy Union;
- c) **ensure the timeliness, transparency, accuracy, consistency, comparability and completeness of reporting** by the Union and its Member States to the UNFCCC and Paris Agreement secretariat;
- d) **contribute to greater regulatory certainty** as well as contribute to greater investor certainty and help take full advantage of opportunities for economic development, investment stimulation, job creation and social cohesion.

EU GOVERNANCE REGULATION OF THE ENERGY UNION AND CLIMATE ACTION



Based on:

- long-term strategies,
- integrated national energy and climate plans covering ten-year periods starting from 2021 to 2030,
- corresponding integrated national energy and climate progress reports by the Member States and integrated monitoring arrangements by the Commission.

Ensures:

- effective opportunities for the public to participate in the preparation of those national plans and those long-term strategies

EU GOVERNANCE REGULATION OF THE ENERGY UNION AND CLIMATE ACTION



- In light of the 2050 climate-neutrality objective, by 2030 greenhouse gas emissions should be reduced and removals enhanced, so that net greenhouse gas emissions, that is emissions after deduction of removals, **are reduced economy-wide and domestically by at least 55% by 2030 compared to 1990 levels.**
- This new 2030 Union climate target is a subsequent target for the purposes of point (11) of Article 2 of Regulation (EU) 2018/1999, and therefore replaces the 2030 Union-wide target for greenhouse gas emissions of 40% set out in that point.
- This is now enshrined in a Regulation on establishing the framework for achieving climate neutrality (European Climate Law) and amended Regulation (EU) 2018/1999

OUTCOMES OF COP 26 IN GLASGOW



- 151 countries had submitted new or updated NDCs by 2030. The UNFCCC analysis shows they put the world on track for 2.5 C of warming by the end of the century
- Taken into account countries' commitments to reach net-zero emissions by around mid-century, analysis shows temperature rise could be kept to around 1.8 or 1.9 degrees C
- The **Glasgow Climate Pact** calls on countries to “revisit and strengthen” their 2030 targets by the end of 2022 to align them with the Paris Agreement’s temperature goals. It also asks all countries that have not yet done so to submit long-term strategies to 2050, aiming for a just transition to net-zero emissions around mid-century (https://unfccc.int/sites/default/files/resource/cop26_auv_2f_cover_decision.pdf)

OUTCOMES OF COP 26 IN GLASGOW



- Decision also asks nations to consider further actions to curb potent non-CO2 gases, such as methane, and to “**phase down unabated coal**” and “**phase-out fossil fuel subsidies.**” It also recognised the need for support towards **just transition**
- COP 26 also completed the technical negotiations on the **Paris Agreement Rulebook**, which fixes the transparency and reporting requirements for all Parties to track progress against their emission reduction targets. The Rulebook also includes the **Article 6** mechanisms, which set out the functioning of international carbon markets to support further global cooperation on emission reductions.
- In Glasgow, countries were encouraged to use **common timeframes** for their national climate commitments.

OUTCOMES OF COP 26 IN GLASGOW



- On **climate finance**, the agreed text commits developed countries to double the collective share of adaptation finance within the \$100 billion annual target for 2021-2025, and to reach the \$100 billion goal as soon as possible. Parties also commit to a process to agree on long-term climate finance beyond 2025.
- The COP also decided to establish a dialogue between parties, stakeholders and relevant organisations to support efforts to avert, minimise and address **loss and damage** associated with climate change.
- Countries also agreed to operationalize and fund the **Santiago Network on Loss and Damage**, established at COP25 in Madrid, and to catalyse the technical assistance developing countries need to address loss and damage in a robust and effective manner.

OUTCOMES OF COP 26 IN GLASGOW



- On **adaptation** , COP26 adopted the Glasgow-Sharm el-Sheikh work programme for the Global Goal on Adaptation (GGA). This will take place between 2022 and 2024 — to help improve assessment of progress toward the adaptation goal and enable its implementation — through regular workshops and work on methodologies to assess progress.
- Countries also decided that 5% of proceeds must go toward funding adaptation under traditional market mechanisms (Article 6.4)
- COP 26 also recognised the importance of **nature** for both reducing emissions and building resilience to the impacts of climate change

OUTCOMES OF COP 26 IN GLASGOW



- [Global Forests Finance Pledge](#)
- the EU announced a [Just Energy Transition Partnership](#) with South Africa
- the [Global Methane Pledge](#), a joint EU-US initiative which has mobilised over 100 countries to cut their collective methane emissions by at least 30% by 2030, compared to 2020 levels
- a pledge by 141 countries (as of November 10) to [halt and reverse forest loss and land degradation](#) by 2030 (backed by \$18 billion in funding, including \$1.7 billion dedicated to support indigenous peoples).
- A group of 46 countries, including the U.K., Canada, Poland and Vietnam made commitments to [phase out domestic coal](#), while a further 29 countries including the U.K., Canada, Germany and Italy committed to end new direct international public support for unabated fossil fuels by the end of 2022 and redirect this investment to clean energy.

RELEVANT DECISIONS



- Decision -/CP.26 Glasgow Climate Pact
- Decision -/CMA.3 Guidance operationalizing the modalities, procedures and guidelines for the enhanced transparency framework referred to in Article 13 of the Paris Agreement

(https://unfccc.int/sites/default/files/resource/cma3_auv_5_transparency_0.pdf)

- Decision -/CMA.3 Common time frames for nationally determined contributions referred to in Article 4, paragraph 10, of the Paris Agreement

DECISION -/CMA.3 GUIDANCE



- **Annex I** Common reporting tables for the electronic reporting of the information in the **national inventory reports** of anthropogenic emissions by sources and removals by sinks of greenhouse gases **The common reporting tables (CRT)** for the electronic reporting of the information in the national inventory reports of anthropogenic emissions by sources and removals by sinks of greenhouse gases are available at <https://unfccc.int/documents/311076>
- **Annex II*** **Common tabular formats** for the electronic reporting of the information necessary to track progress made in implementing and achieving **nationally determined contributions** under Article 4 of the Paris Agreement (including structured summary)

DECISION -/CMA.3 GUIDANCE



- Appendix to Annex II **Reporting format** for the description of a Party's **nationally determined contribution** under Article 4 of the Paris Agreement, including updates
- Annex III **Common tabular formats** for the electronic reporting of the information on **financial, technology development and transfer and capacity-building support provided and mobilized, as well as support needed and received**, under Articles 9–11 of the Paris Agreement
- Annex IV* Outline of the **biennial transparency report**, pursuant to the modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement (annex to decision 18/CMA.1)
- Annex V* Outline of the **national inventory document**, pursuant to the modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement¹
- https://ec.europa.eu/commission/presscorner/detail/en/IP_21_6021
- <https://mingor.gov.hr/vijesti/zavrse-na-klimatska-konferencija-cop26-u-glasgowu/8492> (*short summary by the Croatian Ministry of economy and sustainable development*)



Thank you for your attention

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