

## Post-Paris COP21: 'Facilitative Sharing of Views', Transparency and Climate Action in Southeast Asia

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### SYNOPSIS

A key pillar of the Paris Agreement and an integral part of sustaining the success achieved at Paris COP21 is transparency. Biennial reporting currently forms the basis of understanding how countries are progressing towards their voluntary goals, and is central to achieving transparency. Embedded in the overall process of achieving a transparent environment is the thoughtful design of the reviewing, sharing and consultative process that is now rolled out. This policy brief examines Singapore and Vietnam's country experiences of undergoing the International Consultation and Analysis (ICA) process and draws insights about the strengths of this process, how other Southeast Asian countries can engage with it and leverage it for benefit.

### KEY POINTS

- For the purpose of achieving transparency in the spirit of shared, facilitative and collaborative engagement, various processes have begun to take shape after the success of the Paris Agreement.
- The processes that operationalise the transparency under the UN Framework Convention on Climate Change (UNFCCC) have merits in constructive engagement for developing countries in shaping domestic policies for meeting climate targets.
- Singapore and Vietnam have already become part of the processes and have undergone review and sharing sessions recently; Thailand, Malaysia and Indonesia are soon to become engaged having submitted their Biennial Update Reports (BURs) recently.
- Documenting the preliminary experiences of Singapore and Vietnam under the transparency processes will help facilitate other Southeast Asian countries' preparation of robust BURs and in gaining access to necessary technological and financial support.

### INTRODUCTION

The UN Framework Convention on Climate Change (UNFCCC) recently concluded its first round of Facilitative Sharing of Views (FSV), where 13 developing countries underwent a transparency process marking a milestone and new era in transparency in global climate change governance. For years, only developed countries were subject to scrutiny and assessments of their national greenhouse gas inventories and reports. Under the 2015 Paris Climate Agreement, all Parties will be subject to increasing degrees of transparency. Over 123 countries have yet to submit their first Biennial Update Reports (BURs) and it is

imperative that there is an understanding that greater transparency fosters more accountability to the global process and that this will encourage a collaborative and supportive environment to help each other achieve their climate targets. Parties to the UNFCCC are obliged to communicate to the Conference of the Parties (COP), through the UNFCCC Secretariat, information on the climate actions they have taken or envisage they will take to implement the Convention.

In 2007, through the Bali Action Plan, Parties agreed on the principal for measurement, reporting and verification (MRV) for all

countries. Subsequently, MRV frameworks were established by introducing biennial reporting of Parties' progress towards meeting their climate goals under the 2010 Cancun Agreements.

Developed countries have to submit Biennial Reports (BRs) and undergo a Multilateral Assessment (MA) as part of the International Assessment and Review (IAR) process, which is already into its second iteration since it began in January 2014. There are 43 Parties to the UNFCCC listed in "Annex I" classified as developed countries or "economies in transition" (EITs). All 43 countries' BRs were multilaterally assessed between 2014 and 2015. Developing countries undergo a separate process of submitting BURs and FSV, as part of the International Consultation and Analysis (ICA). Since the submissions started in December 2014, 32 countries have submitted their BURs and 13 have undergone a Facilitative Sharing of Views (FSV) process under the ICA. Using Singapore and Vietnam as case studies, the subsequent parts of this brief will walk the reader through the information sharing, review and subsequent facilitative process to substantiate the advantages of this new direction.

## **ANALYSIS**

### ***The Processes of IAR and ICA as Pillars of Transparency***

Both ICA and IAR consist of two stages: a country-level assessment undertaken by technical experts, followed by an open discussion with their peers about the efforts and progress made. But components within each stage vary between them. For example, guidelines for technical review of BRs by developed countries specify that they must include an assessment of timeliness and comparability for the IAR. The ICA however is focused on analysing the capacity-building requirements of developing countries.

The MA involves the engagement of other parties and stakeholders on the composed national reports to establish rigour and comprehensiveness involving detailed assessments of methodology, assumptions, and outputs. Meanwhile, the FSV is designed to identify capacity-building needs of developing countries in order to enhance transparency of mitigation actions.

The ICA process transforms a hard-nosed compliance approach to one of empathetic questioning and gentle facilitation. The UNFCCC defines the objective of the ICA process of increasing transparency of mitigation action and effects by being "non-intrusive, non-punitive and respectful of national sovereignty".

### ***Technical Analysis as Basis for Sharing***

The BURs form the basis of transparency and thus, a large part of the success for the new approach after COP21 depends on the quality of information provided by countries. Hence, after the submission of BURs, a Team of Technical Experts (TTE) is tasked with its review. Being done by experts who had to familiarize themselves with the mandates on how to conduct ICA to review communications by Parties (Decision 2/CP.17, Annex IV), the review lends credibility to the analysis and increases its acceptability to countries.

The technical analysis of the BUR submitted by Singapore on 8 December 2014 was conducted by the appointed TTE. A report by the UNFCCC commended Singapore for the comprehensiveness of the update with most elements of ICA guidelines being covered. Specific mention was made regarding the lack of information on constraints and gaps, financial, technical and capacity-building needs for Singapore's climate change activities. Singapore later informed the TTE in a communication about the benefits of other capacity-building exercises like GHG inventory preparation workshops, MRV methodologies, etc. and that it would strive to support an enhanced transparency approach in the next BUR submission.

A similar technical analysis of Vietnam's first BUR broadly concluded that Vietnam reported reasonably well on the key elements of information of the ICA guidelines. In particular, the analysis highlighted the substantive information provided in the sector-wise GHG inventory and the improvements made in the methodology. The analysis also noted that the reporting could be further enhanced in completeness by covering (a) emissions of F-gases and (b) international bunker fuels.

While other parts of the BUR review pointed out inadequacies in discussing the expected outcomes of certain policy enactments and the muted reporting on the implementation of Nationally Appropriate Mitigation Actions (NAMAs), it also noted Vietnam's progress in creating policy frameworks and institutions. The technical analysis, in general, lauded the structured approach to the BUR reporting and concluded that Vietnam had demonstrated a clear prioritization of actions and funding needs for its climate change activities.

### ***Facilitative Sharing as a Trusting and Collaborative Process***

Facilitative sharing is done at a workshop convened for all Parties for which there is a BUR and a technical summary report. The FSV will consist of a one- to three-hour session for each developing country Party or group of Parties. The exchange is open to all Parties, all of whom are allowed to submit written questions in advance. The session consists of a brief presentation by the Party or Parties concerned on their BUR, followed by oral questions and answers among Parties. The FSV is an important step under the ICA for developing countries to improve transparency and nudge countries forward. It also enhances the spirit of good intentions and openness as observers are allowed to attend, and the recordings of the FSV proceedings are available online.

Singapore and Vietnam were the second and third countries respectively to submit their BUR on 8 December 2014, ahead of the deadline of 31 December 2014. Both countries participated in the first FSV conducted from 20-21 May 2016 in Bonn, Germany. The Singapore delegation, led by the National Climate Change Secretariat (NCCS), gave a presentation on the progress of the country's mitigation actions towards achieving its pledge of 16 per cent below Business-as-Usual for 2020. Singapore also shared its approach on developing and implementing its mitigation actions, as well as how emissions are measured, reported, and verified in accordance to UNFCCC requirements. The delegation also explained its efforts to enhance reporting processes.

After Singapore's presentation, six countries, namely Australia, Canada, China, Japan,

United Kingdom and United States asked questions, which were related to the preparation of the national GHG inventory, mitigation opportunities, lessons from the implementation of mitigation actions, institutional arrangements, preparation of the BUR and the ICA process, and Singapore's capacity-building needs. During Vietnam's sharing, the delegation led by the Ministry of Natural Resources and Environment (MoNRE) announced that its national MRV system would be operational before 2020 and reported challenges for BUR preparation, including securing timely funding, and quantifying technological and capacity-building support. Vietnam also noted the importance of integrating the ICA process into domestic training and workshops on BUR preparation to facilitate wider participation of institutions in BUR preparation.

Seven countries, namely Malaysia, Japan, Australia, United States, Latvia, Czech Republic and Singapore, requested for clarifications. The questions for the Vietnam delegation focused on the creation of capacity and institutional arrangements for the preparation of the BUR, experience with the implementation of low-carbon technologies, constraints in and plans for the implementation of identified mitigation actions, the status of the NAMAs and domestic MRV system, and challenges faced in the ICA process.

### ***Lessons for Southeast Asian Countries***

Thailand, Malaysia and Indonesia recently submitted their BURs and have been scheduled for technical analysis. The experiences of the 13 countries that have undergone the entire process of ICA, including Singapore and Vietnam, can provide lessons and assurance for countries that may still be wary of the process. Malaysia, who asked a question after Vietnam's FSV presentation, said it was proud that two of its close Southeast Asian neighbours have submitted comprehensive BURs and gave impressive presentations.

Indeed, there will be much learning-by-doing along the way and Parties will shape the process through experience, including by actively seeking clarification from the UNFCCC Secretariat and by participating in

the transparency processes, such as that of the IAR for developed countries. Regional capacity-building workshops such as those organized officially by the UNFCCC serve as a platform for the exchange of views, lessons learned and experiences relating to the process and preparation of BURs. Bilateral workshops held jointly by Australia and Singapore on climate transparency in 2015 and 2016 also provided safe environments to allow national experts brainstorm solutions to problems and issues faced in their own experience and familiarizes national experts with the support available for reporting.

Certainly, the 13 pioneer countries that have undergone the full cycle of ICA can offer lessons on adopting a whole-of-government approach in compiling information for BURs, and how to tackle questions during the FSV, particularly for countries still at the initial stages of the ICA process. Sharing also helps the countries reflect on gaps and to improve their BUR preparation processes and report in the next cycle with lesser hurdles.

## CONCLUSION

Southeast Asian countries that have completed the full cycle of ICA can play a leadership role in climate multilateralism and to engage those that are having difficulties. To do this, effort must be made to evaluate the benefits of the ICA process as it begins to take shape so that all countries can quickly capitalize on available technological and financial support in implementing their climate targets. Further studies to compare the participation rates between MA and FSV are useful to help understand the benefits of peer-to-peer interactions and policy exchanges that could encourage countries to be more meticulous in the methodologies of their reports.

As acceptability of this transparency process grows, and as more countries begin their ICA cycles, the UNFCCC Secretariat has to look to Parties for guidance on how to best manage resources – time and money – needed for effort to be awarded well and optimally.

Finally, although these transparency processes are not linked to the Paris Agreement, they nevertheless provide an excellent guide to MRV. Ultimately, the

success of procedures and evaluation of BRs and BURs will help inform Parties to develop the new transparency process under the Paris Agreement.

## WHAT TO LOOK OUT FOR

- The next round of FSV scheduled on 10 and 11 November 2016 at COP22 in Marrakech, which will likely include Indonesia, Malaysia and Thailand.
- The next round of BURs due by end 2016, as consistency and improvements in quality of submissions would indicate the efficacy of the transparency processes.
- The Fourth Working Group Session (WGS) of MA developed countries, which generates information and promotes accountability on how developed countries are taking the lead in addressing climate change.
- The revision of the modalities and guidelines for ICA based on the experiences gained in the first round of ICA before 2017. Such revisions will feed into the development of common modalities, procedures and guidelines for the MRV of action and support under the Paris Agreement.

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