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Operationalising the Paris Agreement Transparency Framework beyond Katowice

Auteur

Alexandra Deprez

Research Fellow, International climate governance

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Alexandra Deprez led from 2014 to 2016 IDDRRI's policy research and outreach on the Paris Agreement's Transparency Framework. She also negotiated on behalf of Costa Rica (in the AILAC negotiating coalition) the Paris Rulebook's transparency section at COP23 and COP24.

Media headlines at the recent UN climate negotiations in Bonn, Germany were taken by highly politically-charged topics—the reception of the 1.5 C° IPCC report and the very slow progress on the Paris Agreement's 'markets' negotiations. Yet away from the limelight, other delegates kept negotiating topics that may at first sight appear banal and overly technical, yet whose good resolution is absolutely essential to ensure the successful implementation of the Paris Agreement. One such crucial topic is operationalising the

Agreement's Transparency Framework, including developing the Common Reporting Tables (CRT) for Parties to report their greenhouse gas inventories, and Common Tabular Formats (CTF) to track progress toward implementing and achieving their NDCs.

To understand its importance, we could view the Transparency Framework negotiation process as a three-step collective construction of a house: (1) at COP21, Parties reached agreement on the fundamental structural elements (listed in Article 13 of the Agreement), (2) at COP24, they concurred on the specific construction materials to be used ([the Katowice Rulebook's Transparency Modalities, Procedures and Guidelines \(MPGs\)](#)), and (3) in the run-up to COP26 they are now developing the specific blueprints to turn the structure into a reality (e.g. the CRT and CTF). Therefore, unsound CRT and CTFs could put at risk the structural integrity of the Transparency Framework's operationalisation.

Yet why exactly does this technical element matter so much in the broader scheme of international climate governance? To understand this, a refresher may be useful.

Refresher: why is the Transparency Framework a key element of the Paris Agreement, and what is the underlying tension

The Paris Agreement—contrary to the unsuccessful Kyoto Protocol—made no pretense that emission reductions could be imposed ‘top-down’ on (developed) country Parties, and that sanctions would force them to behave. Rather, in the Paris Agreement, *all* countries agreed to contribute to the collective effort to reduce GHG emissions in line with limiting global warming to well below 2°C, yet each nationally determining their contribution (NDCs), therefore taking into account their different starting points and capacities.

As written in a 2015 [IDDRI Working Paper](#) that [proved highly influential](#) in shaping the Agreement's Transparency Framework, trust is the glue that holds the Agreement together, and the Transparency Framework is an important guarantor of this trust. Indeed, the reporting and review processes that compose the Framework will provide assurance to that their peers are fulfilling their commitments, therefore incentivising them to do so as well. Specifically, starting in 2024, all Parties will have to report at least biennially on their GHG emissions and sinks,¹ and on policies implemented to progress toward and achieve their NDCs. This information is then reviewed by a Technical Expert Review, followed by a Facilitative Sharing of Views among Parties on progress towards their commitments.

This publically available information on whether Parties are or not fulfilling their commitments will—at least in theory—allow renegade countries to feel pressured by their peers, chastised by negative media-limelight, and confronted with their own citizens' climate action demands. This information will also be a key input into the Global Stocktake, which will assess every five years Parties' collective progress toward the Paris Agreement's objectives (including the goal to keep global temperature rise well below 2°C goal).

Yet because of the Transparency Framework's strategic importance, it is a prime site for tensions over how to express differentiation among Parties' responsibilities—who does what—which have irrigated UNFCCC negotiations throughout the past two decades. Up to COP21, differentiation was practically black or white: there were two separate reporting and review processes for developed and developing countries. This meant that for example China—now the world's largest GHG emitter and second largest economy—was held to the same standard of transparency and rigor than a minor emitter such as Guatemala.

The crux of the matter at Paris was to develop one universal system which could accommodate a more nuanced differentiation among countries. Despite being highly politically charged, Parties ultimately agreed to do just this in Article 13 of the Agreement, which establishes “an enhanced transparency framework for action and support, with built-in flexibility” for “those developing country Parties that need it in the light of their capacities.”

Operationalising transparency flexibility in the Katowice Rulebook

After COP21 came the time for operationalising the Transparency Framework. Parties conducted this over the following three years, through their negotiations on the Framework's Modalities, Procedures and Guidelines (MPGs) that were finalised at COP24 in the Katowice Rulebook.

As described by [Sue Biniaz in an IDDRI Brief](#), A main issue in this process was determining the who, the what, and the when of developing countries' reporting flexibilities. While these flexibilities are essential to enable developing countries to step-up their reporting within the Transparency Framework, blanket and un-bounded flexibilities across the entire MPGs would have *de facto* amounted to creating two bifurcated systems, and could have put in question the quality of reporting.

At COP24, Parties succeeded in developing Transparency MPGs that ensure relatively rigorous reporting by all Parties in one unified transparency framework, all while providing flexibilities to developing country Parties that need them. Indeed, flexibilities (1) are detailed element by element (rather than blanket flexibilities), (2) primarily focus on GHG emission reporting, and (3) are bounded (that is, choosing flexibility on one reporting element does not give the license to report anything or nothing at all). In line with the Paris Agreement, developing countries self-determine their flexibility, as well as for how long they consider this flexibility applies to them (no time-limit is set for phasing-out flexibilities). Developing country Parties are kept accountable regarding their use of flexibilities by having to clearly indicate those they use and clarify their capacity constraints, and all Parties are to improve their reporting over time.

Looking ahead to COP25

After COP24, an observer might therefore think “wonderful, now *everything* has been resolved on transparency.” Yet while the Katowice Rulebook's MPGs represent the bulk of operationalising the Transparency Framework, negotiators still have to work to create the specific blueprints to translate the MPGs into reality. After COP24, transparency negotiators are notably working to:

- Develop CRTs and CTFs (by COP26);
- Develop training programs for Technical Expert Review reviewers (by COP26);
- Detail the Transparency Framework's links with the Paris Agreement's market and compliance mechanisms;
- Envision how to manage greater reporting volumes and meet developing countries' capacity needs for stepping up their reporting, amidst a tight UNFCCC budget.

While in the Bonn negotiations several proposals emerged to once again try to create a *de facto* bifurcation between developed and developing countries (by for example proposing two separate sets of CRTs and CTFs), the seasoned transparency negotiators are surely up to the task to reject any proposals not in line with the Paris Agreement. They can also count on the high levels of trust and collegiality that exist among transparency negotiators, despite Parties' different positions.

It is therefore possible to hope for successful outcomes ahead. That said, in the run-up to COP25 civil society must continue to keep pressure on Parties to settle only on the most ambitious and rigorous possible operationalisation of the Transparency MPGs: indeed, rigorous reporting and review are absolutely essential for keeping Parties accountable to each other and the world at large, maintaining trust among Parties, and ensuring successful Global Stocktakes and rising successive NDCs.

Since COP24, delegates are being put face to face with negotiating the most concrete elements that will operationalise the Paris Agreement. The rubber thus now hits the road: the upcoming negotiations will reveal whether the Paris Agreement is a tangible process guiding Parties onto ambitious collective decarbonisation, or just a mirage on the road towards climate chaos.

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¹ Specifically, starting in 2024 developing country Parties will have to report inventory data every two years rather than every four as they have had to date, while developed country Parties will continue reporting yearly.