



Submission on the challenges to implement the enhanced transparency framework

Argentina on behalf of ABU

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Argentina, Brazil and Uruguay (ABU) welcome the opportunity to present views on how to address the challenges that developing country Parties face in implementing the enhanced transparency framework (ETF) in a sustainable manner, including the establishment and enhancement of national reporting systems within their respective national governments.

ABU has been a leading group in reporting under the UNFCCC, as the three countries have reported up to four Biennial Update Reports (BUR) and several National Communications. This demonstrates a great engagement with the reporting commitments in place and also evidences the group's historical experience in preparing proposals, and the implementation and effective and transparent financial execution of projects related to enabling activities.

ABU strongly believes that appropriate financial, technology development and transfer, and capacity building support is critical for developing country Parties to properly comply with the report requirements under the UNFCCC and to implement the ETF. From the group's point of view, the main challenges faced in implementing the ETF in a sustainable manner regarding financial support are related to the delays that occur in the processes to access funds that threaten the continuity of processes taken by the countries to sustain their workflows and present their reports in a timely manner. At the moment, requesting and receiving financial support usually takes more time than expected, given that for each reporting cycle the country needs to elaborate a new proposal, which needs to go through a long process of approvals. Moreover, the last support received needs to be concluded in order to receive new funds.

Delays in accessing the funds generate gaps between projects, affecting the provision of support. In this regard, the group has experienced delays in the access and disbursement of funds in more than one occasion. This has consequently affected the timeline, the quality and the implementation of improvements, which in time impacts on the elaboration and submission of reports. Likewise, the impediments and barriers to accessing the funds on time translate into significant challenges to retain the highly specialized technical team that is part of the national reporting system. Since technical teams cannot be replaced easily, this has proven to be a key element to guarantee that the reports include information from different stakeholders and the Party's vision. Furthermore, the GEF's executing and implementing agencies are another stage in accessing support that add delays to the review and approval of proposals.

Under the ETF, countries need to report the information according to the agreed reporting requirements on a biennial basis, as established in decision 1/CP.21. Given that reporting



must be done on a continuous basis, ABU strongly believes that the financial support that enables the elaboration of Biennial Transparency Reports (BTR) should also be available and ready to be disbursed on a continuous basis, through a simple, brief, and streamlined process, which would reduce the administrative burden of countries, the Global Environmental Facility (GEF) and the implementing agencies. The GEF and the implementing agencies should design those processes and work together with countries to avoid gaps between projects and reduce difficulties to maintain a technical and management team.

ABU's proposal to enhance the process to access financial support is to create a Program within the GEF to allow developing countries to access the corresponding funds through a continuous, simplified and streamlined request process. A simplified form to request funds is a possible improvement and could be the option to operationalize the Program. The form presented by the country could include information on how it has been used the last funds received, regarding the technical implementation as well as the financial execution. Moreover, it could incorporate a brief description of the planned activities and expected outcomes of the next cycle. Countries could apply to the Program once a certain amount of funds from the previous cycle has been executed, which would avoid receiving requests from countries that still have a great amount of funds available while also allowing to avoiding gaps of funds between cycles.

Furthermore, another additional option to streamline the application process is that the GEF promotes and enables national accredited entities to request funds related to enabling activities for those countries that prefer this modality. For ABU this could reduce the administrative burden imposed on countries and implementing agencies, which could improve their performance for those countries that still need to present proposals through an implementation agency. Additionally, the national accredited entities usually allow the adjustment of procurement processes to be in line with the national circumstances of countries, which could enhance the execution of funds.

Additionally, ABU considers that it is of the utmost importance to maintain the financing provided to developing country Parties through the Capacity-Building Initiative for Transparency (CBIT) projects provided by the GEF. While the funds allocated to the BTRs only cover the elaboration of reports, the CBIT projects aim to build institutional and technical capacities to enhance and improve the national reporting systems within their respective governments, including the collection and reporting of information on greenhouse gas (GHG) inventories and tracking the progress of Nationally Determined Contributions (NDCs), as well as in mitigation, adaptation, and the support needed and received. For ABU it is important that the agencies implementing BTRs and CBIT projects are aligned in their procurement processes.

Finally, ABU calls for the GEF to review the available resources for the preparation of the BTRs for developing countries to meet the obligation under Article 13 of the Paris Agreement. Considering the quantitative and qualitative leap related to the requirements established by the modalities, procedures and guidelines approved by Decision 18/CMA.1, and in comparison with the actual reporting requirements under the



UNFCCC, the current amounts do not seem to be sufficient to maintain a team for the elaboration of the BTRs and the related communication and review activities on an ongoing basis.