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BAKANLIĞI

On behalf of:

Federal Ministry
for the Environment, Nature Conservation,
Building and Nuclear Safety

of the Federal Republic of Germany

giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH

Planning for the introduction of ETS and national MRV systems

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MRV
CAPACITY DEVELOPMENT
PROJECT - TURKEY

Overview

- General planning issues
- Planning process: Key questions to be addressed for each type of system
- Planning tools
- Stepwise implementation
    - South Africa Example
    - Ghana Example
    - EU-ETS Example

General planning issues

- Unclear objective and scope for the MRV/ETS system (domestic and international)
- Lack of clarity on roles and responsibilities
- Weak coordination between national and subnational stakeholders
- Lack of clarity on timeframes
- Lack of an assessment/improvement process
- Weak or no formal institutional arrangements in place
- Lack of clarity on budget
- High costs due to short term requests and re-work

I do not know what I am supposed to do!

What should we do and by when?

Data Supply Agreements? MOUs?

We need this for yesterday!

General planning issues

- When introducing an ETS and/or MRV national system in the country, planning is required to understand the amount of resources (i.e., time, human, financial) that will be needed.
- Some things to have in mind for an efficient planning:

Understand and know the technical aspects of an ETS and MRV system
Know the risks and uncertainties beforehand
Understand the possible scenarios
Allow a buffer when estimating resources
Understand your budget for the short-term, medium-term and long-term
Go from the general to the specific, and from the specific to the general

Planning process: General key questions to be addressed

- Do you understand your international obligations/commitments?
- What is the objective of the MRV/ETS system you plan to implement?
- Is there any legal basis to support your system?
- Do you understand the roles and responsibilities required for the system, so that there is no doubt within the team?
- Do you know what capacity building needs you have?
- Do you know what is the best approach to formalize the relationship with data providers?
- Have you defined the procedures to collect and measure/monitor data?
- Have you defined quality control and quality assessment checks?

Planning process: key questions to be addressed for an ETS

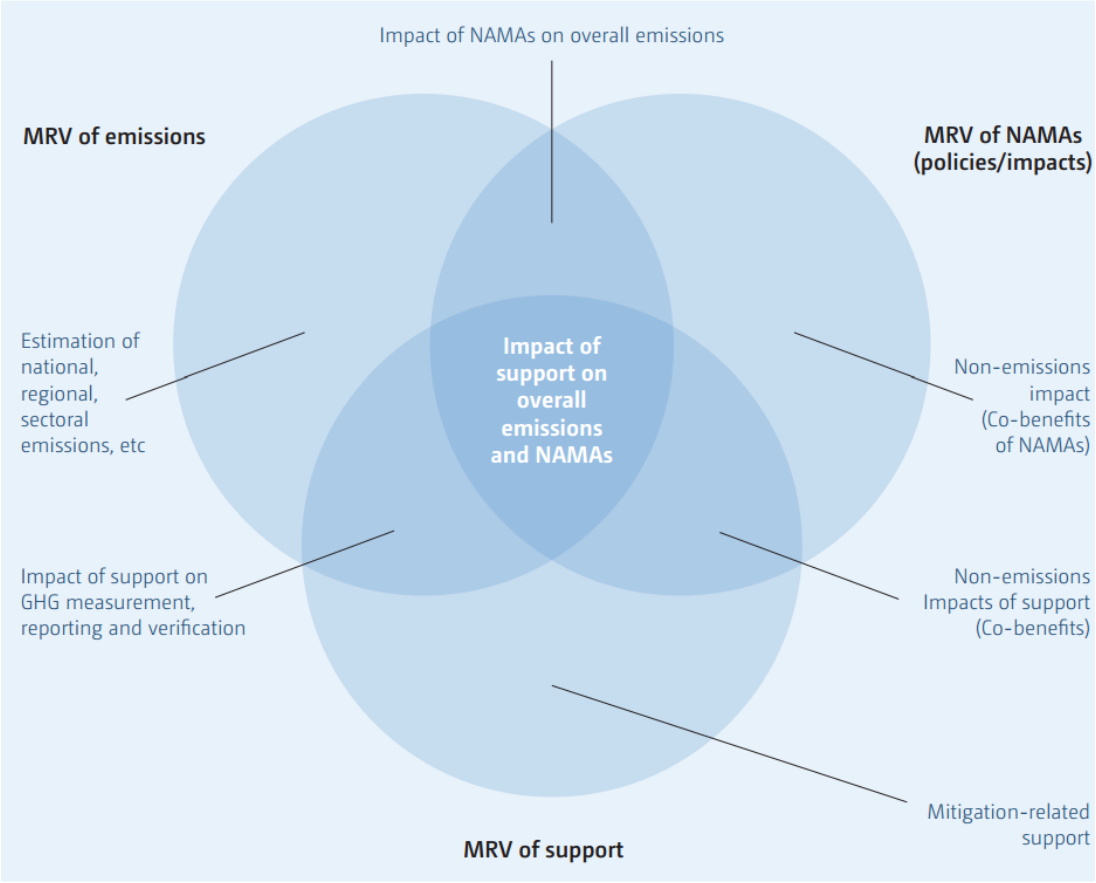
- What will be the scope of the ETS?
- Have you defined which sectors will be included in the ETS?
- Have you defined a minimum threshold for mandatory reporting?
- What will be the reporting frequency?
- Who is going to be the lead institution of the ETS?
- Do you have a legal basis for the ETS?
- Who is going to be the accreditation entity for the ETS?
- Are there any existent validation/verification bodies in the country that could participate in the ETS?
- Do you need capacity building? Who is going to deliver it?

Planning process: Key questions to be addressed for a domestic MRV system

- Which MRV elements should it cover (MRV of emissions, MRV of mitigation actions, MRV of support, MRV of REDD+)?
- Do you understand the UNFCCC reporting requirements?
- Have you defined the roles and responsibilities for the domestic MRV system?
- Who will be in charge of the international MRV system?
- How much funding will you need for each system per year?
- Have you allocated the budget available?
- What data outputs should the different MRV elements deliver?
- How will the MRV elements will work together?

Planning process: Key questions to be addressed for a domestic MRV system

Source: UNFCCC MRV Handbook. Figure 12. Retrieved from https://unfccc.int/files/national_reports/annex_i_natcom_/application/pdf/non-annex_i_mrv_handbook.pdf



Planning process: Key questions to be addressed for a domestic MRV system

What is measured:

- GHG emissions and removals by sinks;
- Emission reductions (or enhancement of removals by sinks) associated with mitigation actions compared to a baseline scenario;
- Progress in achieving climate change mitigation and adaptation (i.e. GHG emission reductions or enhancement of sinks and reduction in vulnerability), achievement of sustainable development goals and co-benefits;
- Support received (finance, technology and capacity-building);
- Progress with implementation of the mitigation actions.

What is reported:

- Data on GHG emissions and removals by sinks (inventory as part of the national communication and inventory update report as part of the BUR);
- Data on emission reductions (or enhancements of removals by sinks) associated with mitigation actions compared to a baseline scenario (BURs, national communications);
- Progress with implementation of the mitigation actions (BURs, national communications);
- Key assumptions and methodologies;
- Sustainability objectives, coverage, institutional arrangements and activities (in the national communications and BURs);
- Information on constraints and gaps as well as support needed and received.

What is verified:

- All quantitative and qualitative information reported, in the BUR, on national GHG emissions and removals, mitigation actions and their effects, and support needed and received;
- Data may be verified through national MRV and through ICA, where appropriate.

Source: UNFCCC MRV Handbook. Box 5. Retrieved from https://unfccc.int/files/national_reports/annex_i_natcom_/application/pdf/non-annex_i_mrv_handbook.pdf

Planning tools

- Strategic planning relies on a number of methods and tools to define and interpret information for comparing alternatives and understand the key steps to follow, but there are a series of key ideas you should know when using planning tools such as:

Disorganized thinking is caused by not using planning tools

The use of planning tools will keep the system focused and organized across time

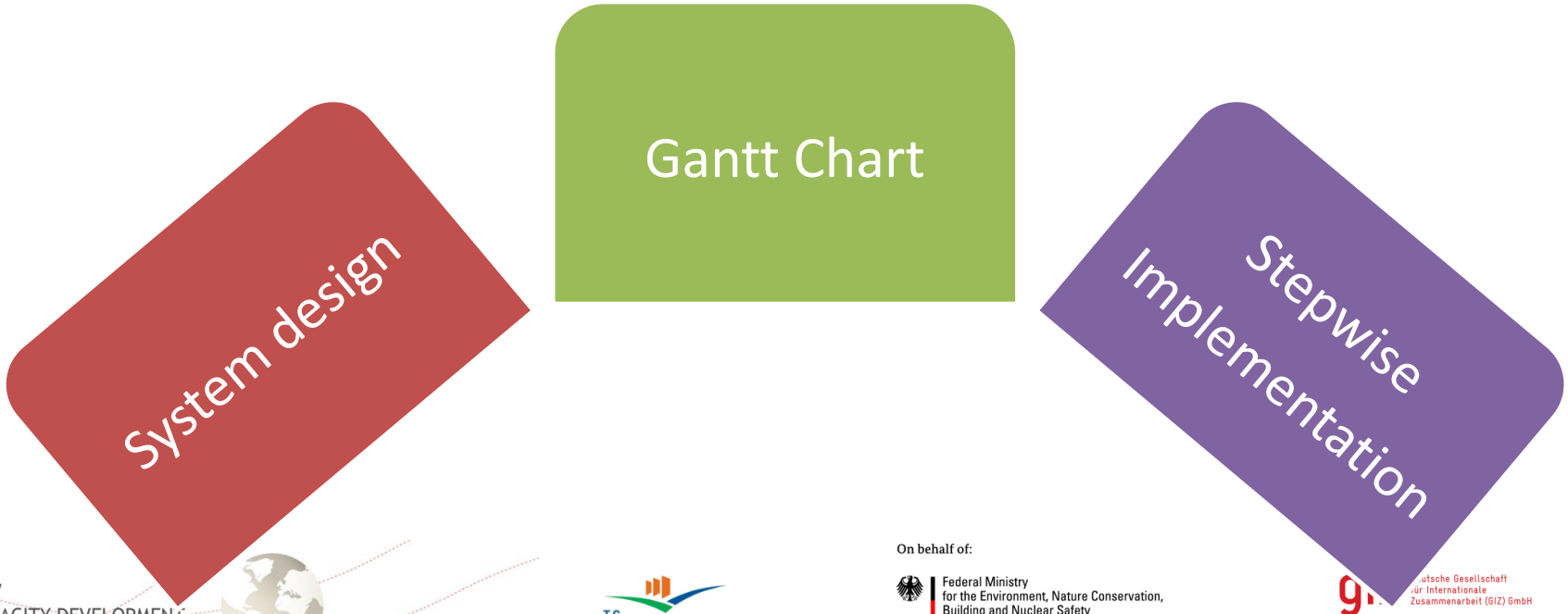
The planning tools should serve your process, not control it

It is often easy to allow the tools to become ends in themselves

Source: http://www.fao.org/docrep/w3210e/w3210e07.htm

Planning tools

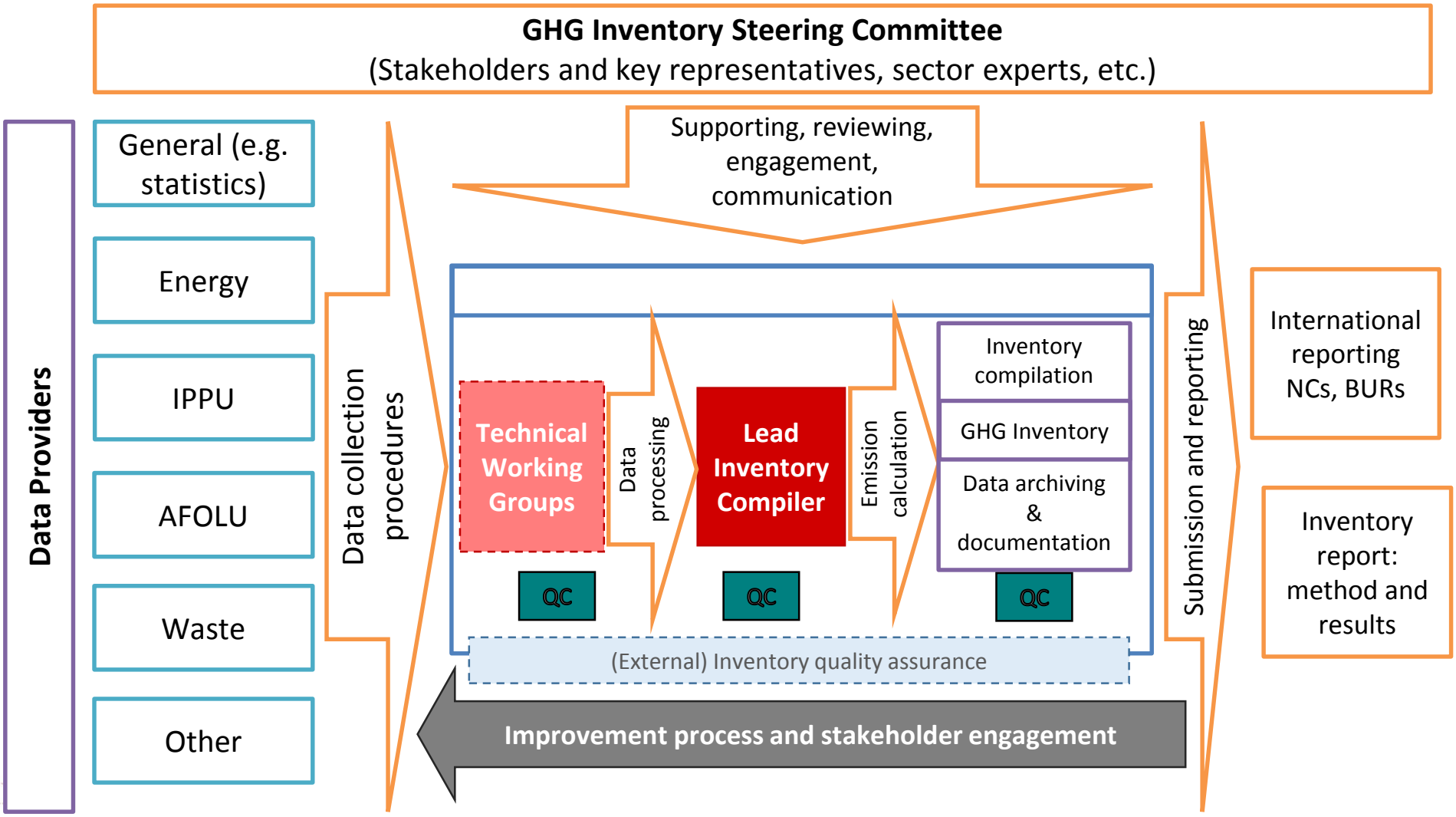
- Any project management tool may help as a planning tool for the introduction of an ETS or MRV system. Their use depends on the need of the stakeholder.
- Some examples are shown in the following slides.

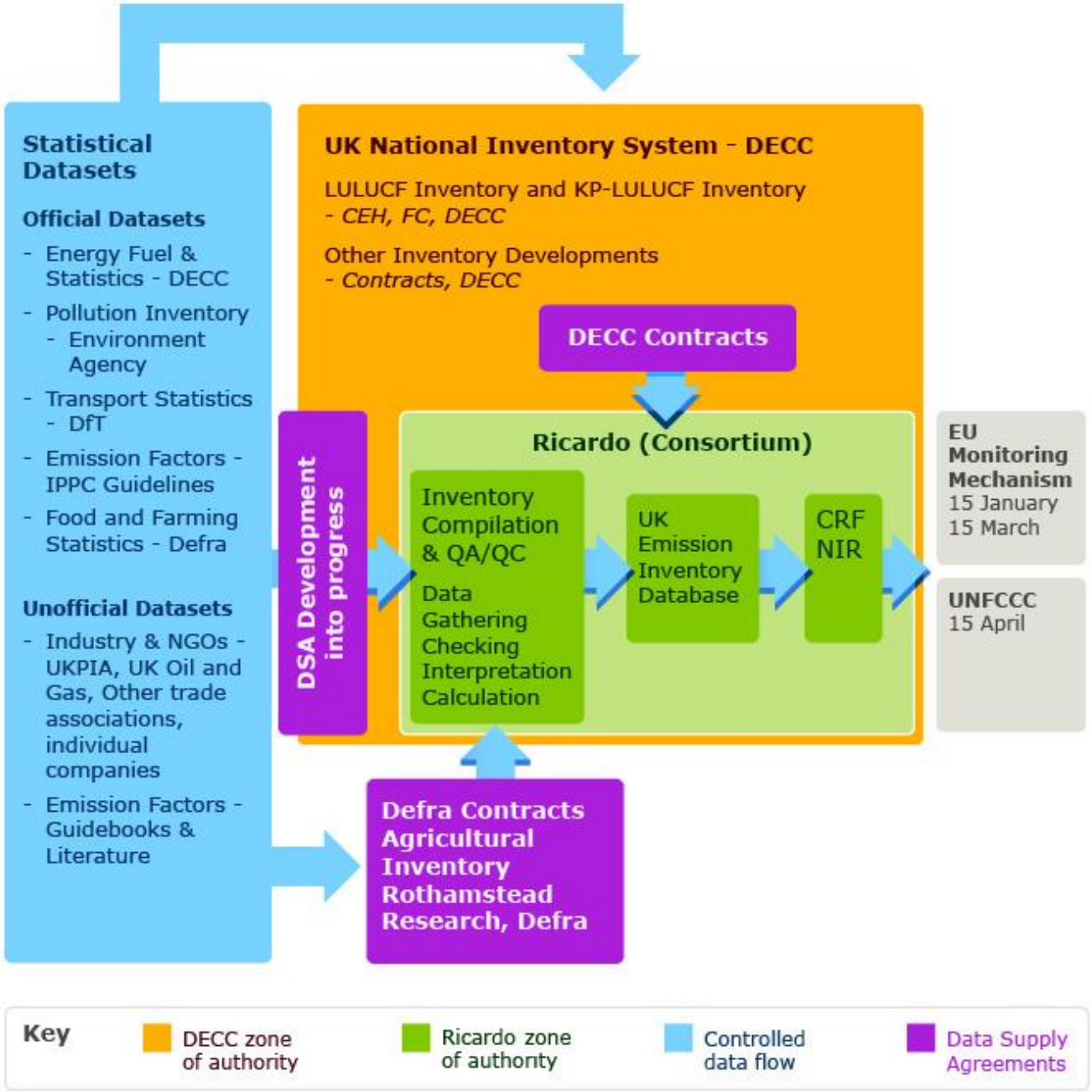


Planning tools: System design

- Pros:
  - A system design allows you to show the possible stages and roles/responsibilities of the system and processes.
  - It also helps to have a clear and brief representation of your process which may also include timelines
  - It should be drafted as a “live document” to be updated every time improvements or changes are made
  - Shows a clear image of the system so that everyone can understand it
  - Presents all the stakeholders involved and the stage of when they participate in the system
- Cons:
  - Does not give a detailed explanation of the process
  - Might be misleading if changes occur and the diagram is not updated

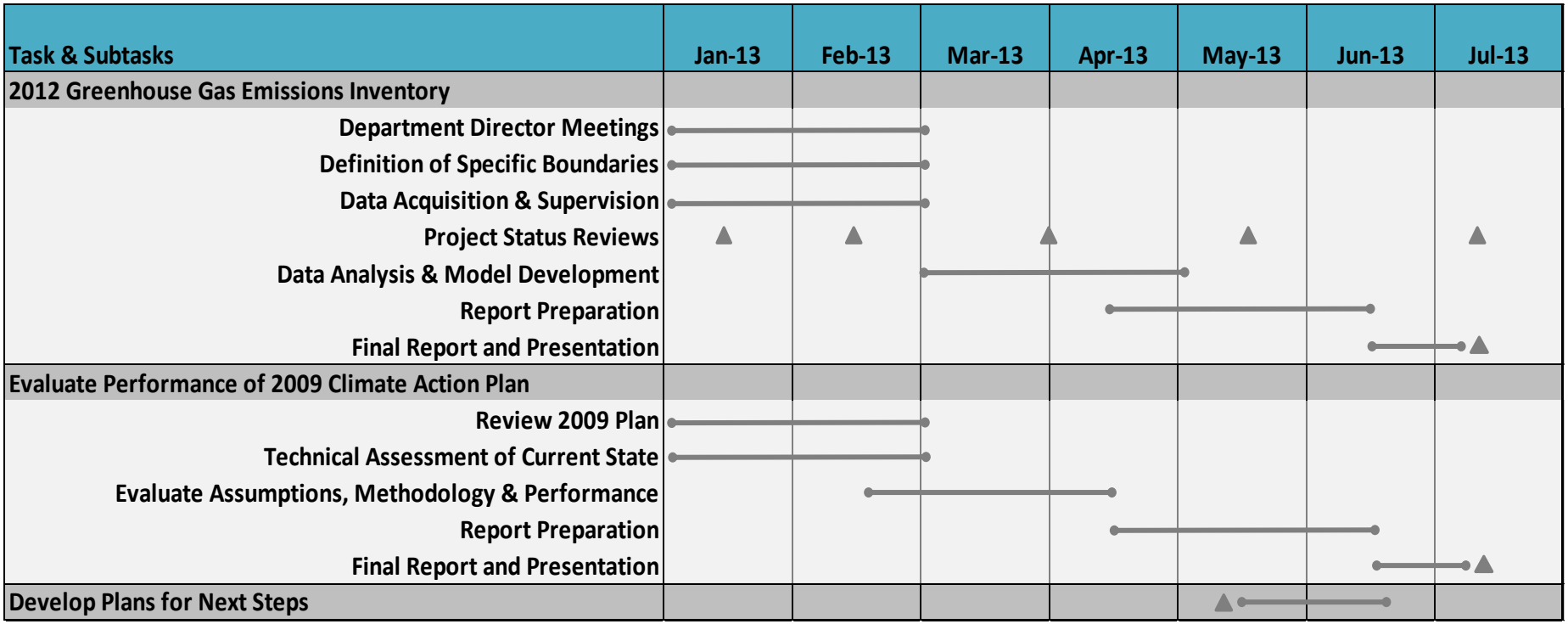
Planning tools: System design (Example: MRV of emissions)





Planning tools: System design (Example: MRV of emissions)

Planning Tools: Gantt Chart



Planning tools: Gantt chart

- Pros:
  - Shows the different activities required and how long they will take in a very straightforward manner.
  - Helps to plan the timescale of a project.
  - Helps to plan, coordinate and track specific tasks of a project.
  - Might be used to estimate resources required for the task.

- Cons:
  - It requires a detailed work breakdown. If a task is missing, the Gantt chart will not show it.
  - Works well with short timescale, it becomes harder to oversee when the chart includes longer tasks.

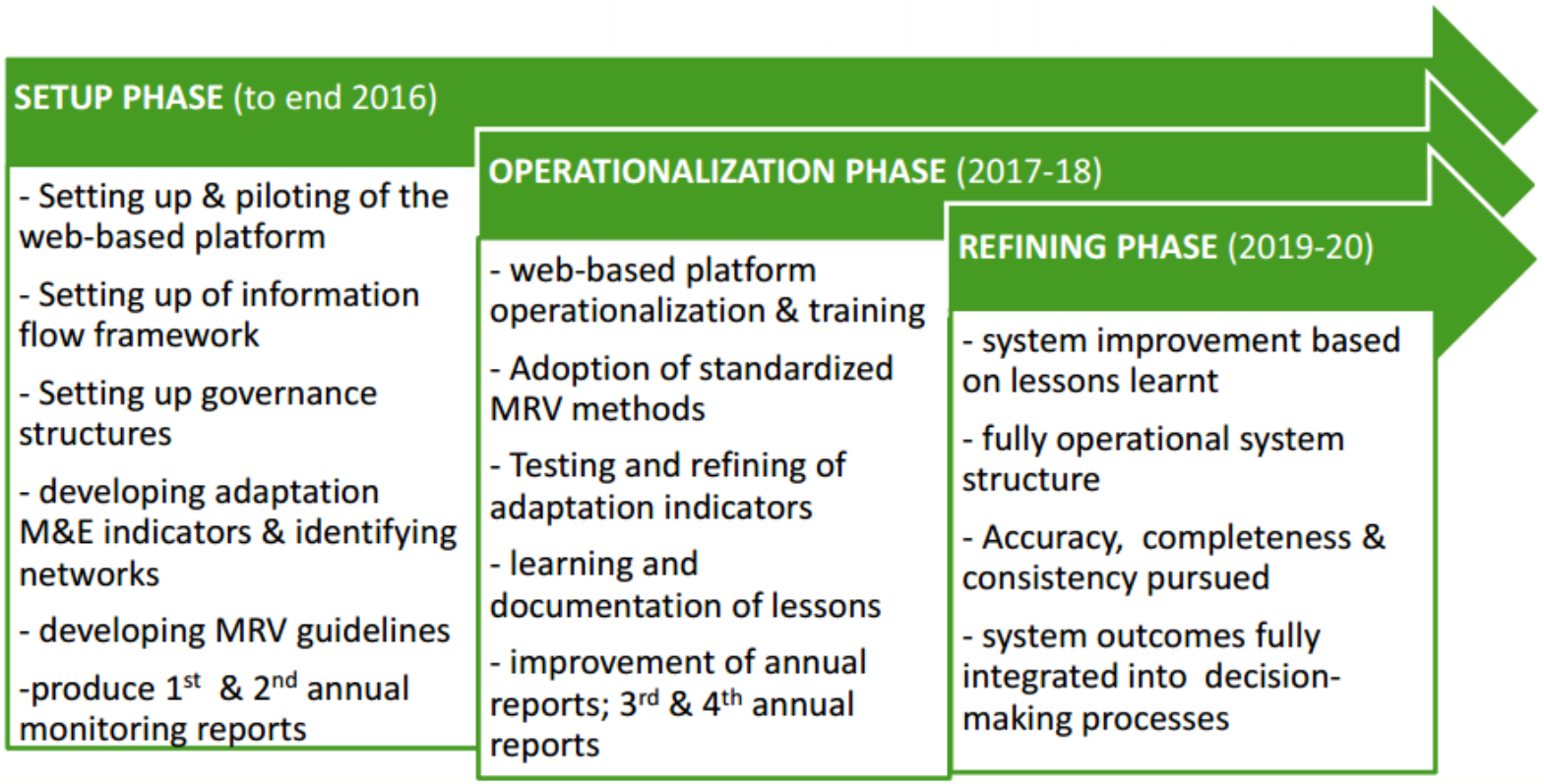
Stepwise implementation

- Many case studies shown that a stepwise or phased implementation is useful to keep track of all resources, understand challenges and barriers, have a process improvement step, and present clear information from the tasks described in planning tools.
  - Illustrative Example: An MRV system needs to be implemented according to country priorities due to resources restrictions. It is important to understand which MRV elements are more and less important in the short-term, medium-term, and long-term. National circumstances should also be considered when presenting a phased implementation, as data might not be available from the start, capacity building might be required, data management systems will need to be designed/adapted, policies might be required to achieve the sustainability of the system, etc.

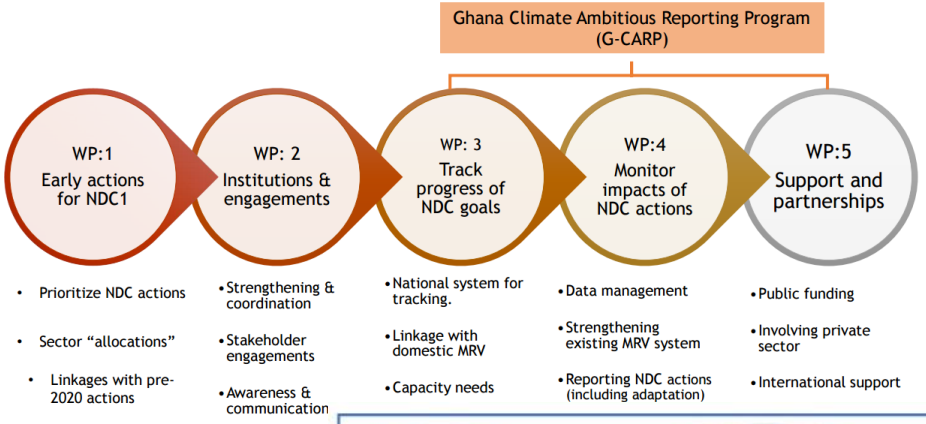
Case Study: South Africa's M&E System

- The implementation of South Africa's M&E system is presented as a phased chart where activities are shown in brief detail but in a clear manner.

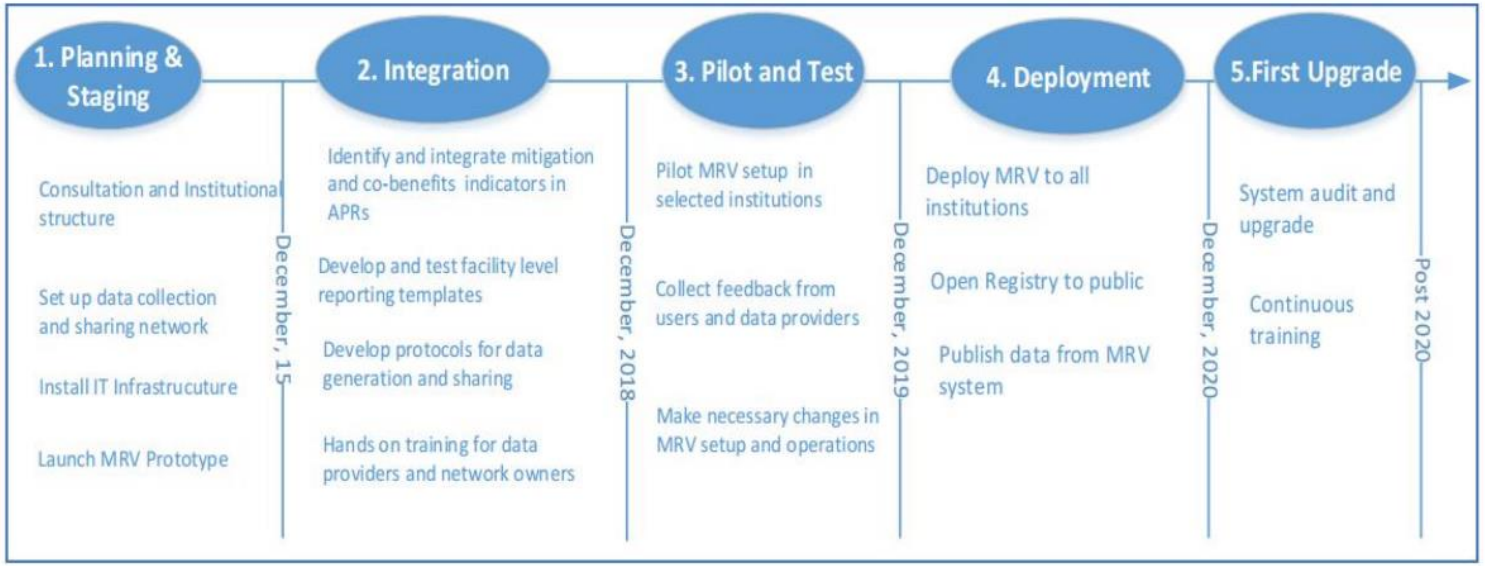
Source: South Africa's Climate change M&E system Retrieved from: https://mitigationpartnership.net/sites/default/files/thapelo_letete-south_africa.pdf



Case Study: Ghana's Ambitious Climate Reporting Programme



Source: Integrated reporting and robust MRV for NDCs monitoring: learning from what came before – lessons from Ghana. Retrieved from: https://mitigationpartnership.net/sites/default/files/ghana_ndc_mrv_webninar_tutu.pdf



Case Study: EU-ETS Improvement of MRV provisions over time

2005-2007: First Phase	• MRV provisions with much room for interpretation • Legal interpretation at Member State level • Key energy-intensive sectors included
2008-2012: Second Phase	• MRV provisions fine-tuned based on lessons from first phase – room for interpretation remains • Legal interpretation at Member State level • 2011 aviation sector included • 2008 revised EU ETS Directive provides legal basis for MRV requirements in third phase to be based on EU Regulations and foresees further sectors to be included
2013-2020: Third Phase	• MRV requirements based on two EU-Regulation – directly applicable in Member States • EU-Regulations based on lessons learned in previous phases • EU-Regulation complemented by guidance – room for interpretation considerably reduced • Additional sectors included

Thank you for your attention!

Any Questions?

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