

# Capitalizing On Transparency to Accelerate Climate Action

### **Discussion Paper**

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Center for Climate and Energy Solutions

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#### A. Summary

- 1. Given a challenging political environment, the Paris Agreement (**PA**) is facing scrutiny about its effectiveness and impact. But it is indeed working as intended by reflecting back what the global community is doing to combat climate change and pointing the way forward as to what more needs to be done collectively. Given geopolitical and economic headwinds, it is critical to narrate the positive impact of the PA—starting with what Parties are accomplishing domestically.
- 2. This paper provides an overview of the enhanced transparency framework (*ETF*)—the PA's reporting and review process. The ETF is designed to be non-intrusive and non-punitive, making it a good process to generate productive conversations among Parties to improve the implementation of their nationally determined contributions (*NDCs*), including through enhanced international cooperation to overcome emerging common challenges.
- 3. The discussion paper further explores: (i) how the efficacy of one of the components of the ETF, the facilitative, multilateral consideration of progress (FMCP), can be maximized to highlight challenges and trigger dialogue on how they might be overcome; and (ii) key issues and opportunities that could be taken forward by the Brazilian COP30 Presidency, Parties, and/or civil society organizations (CSOs).

#### **Questions for consideration**

- How can the FMCP be best used to help identify common challenges for implementation and capacity-building, in a manner that enhances international cooperation towards the achievement of NDCs?
- In what ways can Parties leverage the FMCP process to build a narrative that drives greater momentum on climate, and how can these opportunities be used to build mutual trust among Parties?
- How can Parties, the UNFCCC Secretariat, and civil society organizations elevate the potential positive role of the FMCP in the UNFCCC process?

#### **B.** Assessing Progress Under the Paris Agreement

#### The Paris Agreement is Working, Despite the Geopolitical Context

- 4. With the PA nearing its ten-year anniversary, there is understandably considerable interest in assessing whether the PA is working, including what effect it has had in mitigating and reducing the impacts of climate change. In the current geopolitical and economic context, it is critical that the positive impact the PA is having on climate action and on the lives and livelihoods of people around the world is narrated. NDCs and policies enacted since the adoption of the PA have lowered global temperature projections by 1 degree Celsius compared to before 2015,¹ showing that the PA is working as it was intended: as a mirror, reflecting back to us what governments and electorates are willing to do at a global level.² It is more important now than ever that this mirror shows us the power of the United Nations Framework Convention on Climate Change (*UNFCCC*) platform and sends a unified signal of togetherness and commitment to the multilateral process.
- 5. A shift in the dynamics of how Parties engage with the PA and cooperate with each other could move the climate regime from incremental gains to the necessary transformational level of action. Transitioning from zero-sum confrontational negotiations to constructive dialogue, celebrating each other's wins, and building capacity to handle challenges could greatly enhance international cooperation towards transformational action and make the benefits of climate action clear to stakeholders around the world.
- 6. Building a strong and coherent narrative is critical. The PA's enhanced transparency framework, particularly the FMCP, provides an opportunity for Parties to showcase their progress and build narratives of action.

#### **Overview: The Enhanced Transparency Framework**

- 7. The guiding principles of the ETF require conducting the transparency regime in a "facilitative, non-intrusive, and non-punitive manner that is respectful of national sovereignty and will avoid placing undue burden on Parties." Transparent reporting and universal participation are intended to "build mutual trust and confidence among Parties" and "promote effective implementation" to achieve the objectives of the PA.<sup>3</sup>
- 8. All Parties, regardless of development status, are held to the same scope, frequency, and level of detail of reporting under the PA, though developing country Parties—particularly least developed countries (*LDCs*) and small island developing states (*SIDS*)—have some flexibility in application in light of their capacity. This approach allows all Parties, regardless of capacity, to participate in an iterative learning and improvement process.
- 9. In practice, this means all Parties must regularly publish biennial transparency reports (BTRs), which provide updates on progress made towards achieving their NDCs, including efforts to limit emissions and any financial, technology development and transfer, and capacity-building (FTC) support provided and optional updates on adaptation efforts and FTC needed or received.<sup>4</sup> As of April 11, 2025, 101 Parties had submitted BTRs.<sup>5</sup>
- 10. There are two levels of review for BTRs. The first level, known as the technical expert review (*TER*), is designed to be an independent assessment of a Party's BTR, with independent expert reviewers tasked with identifying areas for improvement and, for developing country Parties, any possible capacity-building needs.



11. The second review, or FMCP, comprises a multilateral Party-to-Party review session. Where the goal of the TER is to assess a given Party's individual BTR report, the aim of the FMCP is for a Party to have an open dialogue on successes and challenges with respect to the implementation of their NDC.

## Leveraging the Facilitative, Multilateral Consideration of Progress to Share Narratives of Climate Action

- 12. Article 13 of the PA states that "each Party shall participate in a facilitative, multilateral consideration of progress with respect to efforts under Article 9, and its respective implementation and achievement of its nationally determined contribution." 6
- 13. The FMCP comprises two phases, with the entire process lasting around four months. In the first phase, Parties pose written questions to those being reviewed, who then have several weeks to make formal replies. The second phase of FMCP entails an in-person working group session where Parties give oral presentations on their progress and respond to questions in real time. LDCs and SIDS can request additional time to respond to written questions and may also choose to collectively participate in the working group session.<sup>7</sup>
- 14. During the in-person working group session, scheduled Parties formally present their progress towards the implementation and achievement of their NDCs and, if applicable, any FTC support provided to developing countries. This process builds on experience and feedback from similar modalities under the UNFCCC. Like all other elements of the ETF, the FMCP is to be conducted in a manner that is consistent with the ETF principles and be non-intrusive and non-punitive towards Parties.<sup>8</sup>
- 15. Through their FMCP presentations, Parties have a platform to highlight their domestic actions, which should, in theory, build collective confidence that Parties are contributing what they can to achieving the PA goals. The group setting allows Parties to learn from each other's experience and gather best practices, while also incentivizing Parties to emphasize their action and ambition in the best light possible. As such, the FMCP could present a unique opportunity to build momentum within the climate regime, as well as domestically, and highlight opportunities to enhance international cooperation and the benefits of climate action. The FMCP also presents an opportunity to highlight challenges and trigger dialogue on how they might be overcome.
- 16. The first session of the FMCP is to be held during the 62<sup>nd</sup> session of the Subsidiary Body for Implementation meetings (*SBI62*) in June 2025. The first three Parties to have submitted BTRs in 2024 and finished their subsequent TERs—Guyana, Panama, and Andorra—will be the first to complete their FMCP presentations and questions.<sup>9</sup>
- 17. To allow participation by all Parties, the FMCP will take place over a two-year period. Timing is staggered based on the order in which Party BTRs were submitted and their respective TERs completed, and sessions are held during the respective SB or COP meetings.
- 18. The modalities, procedures, and guidelines (*MPGs*) agreed upon at COP24 note that even if a Party does not submit a BTR within twelve months of the due date—in the first cycle, the deadline was December 31, 2024—the Secretariat will make arrangements for the Party concerned to participate in the FMCP process nonetheless.<sup>10</sup> Other climate transparency reports, such as National Communications (*NCs*) or Adaptation Communications (*AdComs*), can be used as the basis for evaluation, but no Party is exempt from FMCP, and failure to submit a BTR will not absolve Parties of the need to present on their NDC progress.

#### C. Assessing Challenges and Opportunities for the FMCP

#### **Challenges**

- 19. To many, the FMCP likely seems to be a niche technical process with the sole purpose of satisfying the requirement to comply with review. Prior review sessions similar to the FMCP but under the Convention<sup>11</sup> were largely attended by transparency experts and did not generate great interest from media or Parties. This misperception misses the real potential of the FMCP to drive narratives about the success of the UNFCCC and PA.
- 20. Participation is limited: only Parties are permitted to submit or ask questions in the FMCP, though the sessions are accessible to registered UNFCCC observer organizations. While media and non-registered observer organizations are not permitted to be present in the in-person working group session, they have access to an online portal and documentation of the proceedings.
- 21. After June 2025, the number of participating Parties is expected to quickly rise. Projections show nearly fifty Parties will need to complete the process during each relevant meeting of the SBs, beginning as soon as COP30. Thought must be given on how to evolve the FMCP into a sustainable format.
- 22. The FMCP offers an opportunity for countries to learn from one another's experiences with implementing climate policies. However, transparency review sessions are mostly followed by transparency experts, not policymakers in charge of domestic implementation. Therefore, Parties often fail to learn from each other's responses. The peer-to-peer function of the FMCP could be strengthened by ensuring spaces are created for actual engagement between practitioners and implementers.

#### **Opportunities**

- 23. The COP29 Presidency has raised the political profile of transparency and the BTR deadline through multiple initiatives, including ministerial engagement and celebration of the Parties that were able to submit BTRs prior to arriving in Baku. It also established the Baku Global Climate Transparency Platform to ensure that political support continues to flow to transparency initiatives, though it will need to identify future objectives to retain its relevance. Parties could usefully prioritize and enhance the political visibility of the ETF process, particularly the FMCP, leveraging it to encourage open dialogue and to build a narrative around national case studies on climate action.
- 24. Bearing in mind the mandates and limitations of the ETF, there are several possible opportunities for different actors to elevate the profile of the FMCP:
  - Given the timing of its BTR submission and subsequent TER report, Brazil could participate in the FMCP in Belém, leading by example at its own COP. The Presidency could elevate the political profile of transparency, while further emphasizing the importance of NDC implementation by showcasing progress toward Brazil's NDC 3.0.
  - Ministers or other high-level Party stakeholders could agree to conduct their respective Parties' presentations during the FMCP, rather than by technical negotiators, heads of delegation, or state representatives. Allowing ministers to highlight their countries' achievements could increase exposure for Party presentations and result in greater participation. A collective agreement by ministers to give presentations could garner even more attention. Recognizing, however, that ministers are unlikely to have the deep technical capacity to respond to transparency-related questions, technical negotiators and ministry officials could be engaged to cover the question-and-answer portion of the FMCP session.



- All Party groups could make best efforts to have a representative attend the FMCP presentations and question-and-answer sessions, as challenges and best practices identified could generate useful conversations, that could extend beyond the FMCP session. For example, countries facing comparable issues might discuss policy design, cooperative solutions, or possibly financing avenues.
- Parties could make presentations more accessible and understandable to public audiences. Since
  the presentations will be posted to the online platform, Parties can strategically use their
  presentation to showcase how the PA is working for, and relevant to, their countries by
  highlighting examples of implementation in their national context.
- The peer-to-peer function of the FMCP could be strengthened by creating space for actual
  engagement between practitioners and implementers, either before or during the FMCP itself.
  For example, Parties could engage in peer-to-peer exchanges during the SBs and in the months
  following, and the result of the exercise could be presented during the subsequent FCMP session.
- Logistically, the FMCP could be scheduled to allow for maximum attendance. Similarly, the COP schedule could be arranged to allow as many Parties as possible to attend, much like the approach taken to schedule the High-Level National Statements delivered during the COPs.
- CSOs and other non-Party stakeholders should place greater importance on the FMCP. Ensuring
  high attendance and participation by CSOs will greatly incentivize Parties to come prepared to
  showcase real examples of success. Also, because observers cannot pose questions, Parties could
  proactively meet with their CSOs in advance of the FMCP to take questions and feedback.

#### D. References

<sup>&</sup>lt;sup>13</sup> "Baku Global Climate Transparency Platform," *COP29 Azerbaijan Presidency*, accessed April 4, 2025, https://cop29.az/en/pages/baku-global-climate-transparency-platform-concept.



<sup>&</sup>lt;sup>1</sup> International Energy Agency [hereinafter IEA], *Net Zero Roadmap: A Global Pathway to Keep the 1.5°C Goal Within Reach, 2023 Update* (Paris, France: IEA, September 2023), <a href="https://www.iea.org/reports/net-zero-roadmap-a-global-pathway-to-keep-the-15-0c-goal-in-reach">https://www.iea.org/reports/net-zero-roadmap-a-global-pathway-to-keep-the-15-0c-goal-in-reach</a>

<sup>&</sup>lt;sup>2</sup> Center for Climate and Energy Solutions [hereinafter C2ES], *The Paris Agreement: A moment for reflection* (Washington, D.C.: C2ES, January 2025), <a href="https://www.c2es.org/document/the-paris-agreement-a-moment-for-reflection/">https://www.c2es.org/document/the-paris-agreement-a-moment-for-reflection/</a>.

<sup>&</sup>lt;sup>3</sup> United Nations Framework Convention on Climate Change [hereinafter UNFCCC], *Paris Agreement*, Article 13, ¶1 (December 12, 2015), https://unfccc.int/sites/default/files/english paris agreement.pdf.

<sup>&</sup>lt;sup>4</sup> UNFCCC, Modalities, Procedures and Guidelines for transparency framework for action and support referred to in Article 13 of the Paris Agreement [hereinafter MPGs], Decision 18/CMA.1 (March 19, 2019), https://unfccc.int/sites/default/files/resource/CMA2018\_03a02E.pdf.

<sup>&</sup>lt;sup>5</sup> UNFCCC, First Biennial Transparency Reports, accessed March 25, 2025, <a href="https://unfccc.int/first-biennial-transparency-reports">https://unfccc.int/first-biennial-transparency-reports</a>.

<sup>&</sup>lt;sup>6</sup> UNFCCC, Paris Agreement, Article 13.

<sup>&</sup>lt;sup>7</sup> UNFCCC, MPGs, Decision 18/CMA.1, Annex, ¶ 194.

<sup>&</sup>lt;sup>8</sup> UNFCCC, MPGs, Decision 18/CMA.1, Annex, ¶¶ 189-196.

<sup>&</sup>lt;sup>9</sup> "First working group session of the Facilitative, Multilateral Consideration of Progress (FMCP)," *UNFCCC*, accessed April 4, 2025, <a href="https://unfccc.int/First\_session\_FMCP">https://unfccc.int/First\_session\_FMCP</a>.

<sup>&</sup>lt;sup>10</sup> UNFCCC, MPGs, Decision 18/CMA.1, Annex, ¶ 198.

<sup>&</sup>lt;sup>11</sup> The FMPC process builds on experiences under the prior transparency regime established under the Convention, namely the facilitative sharing of views (*FSV*) and the multilateral assessment (*MA*).

<sup>&</sup>lt;sup>12</sup> UNFCCC, MPGs, Decision 18/CMA.1, Annex, ¶¶ 192-193.