



## Concept note

# Improving the Energy Sector Statistics in Developing Countries for an Effective Enhanced Transparency Framework under the Paris Agreement

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This note outlines the concept of the in-country capacity building activities proposed by the GHG Support Unit of the UNFCCC secretariat to provide, upon request, direct technical support to developing country Parties to improve their national energy statistics and energy balances in order to meet the reporting requirements with regard to GHG inventories and mitigation under the enhanced transparency framework (ETF) of the Paris Agreement.

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## I. Background

The United Nations Framework Convention on Climate Change (UNFCCC) is the focus of the global political process to address climate change. The UNFCCC secretariat is an international treaty body institutionally linked to the United Nations that supports the UNFCCC, the Kyoto Protocol and the Paris Agreement by a range of activities including, among others, the development of technical expertise and capacities to support the developing country Parties to meet their reporting requirements.

The Transparency Division of the UNFCCC secretariat seeks to fulfill response to developing country Parties expressing ongoing challenges surrounding the development and maintenance of sustainable and robust national greenhouse gas (GHG) inventory management systems and GHG inventories, by effectively applying the 2006 Intergovernmental Panel on Climate Change (IPCC) guidelines for national GHG inventories to serve as a basis for effective implementation of the enhanced transparency framework (ETF) under the Paris Agreement.

Despite the flexibility provisions enshrined in the Paris Agreement and detailed in the modalities, procedures and guidelines (MPGs) adopted by Parties at COP 24, many developing country Parties expect the efforts for the transition to be considerable. The enhanced depth and scope of reporting under the ETF of the Paris Agreement constitutes a significant challenge for all developing country Parties.

Aiming at responding to the requests received from developing country Parties for support to the preparation of their national GHG inventories through the implementation of the 2006 IPCC Guidelines, the Secretariat seeks to assist those countries to improve their capacities in the energy sector, since national GHG inventories constitute one of the core components of the information to be communicated under the ETF, with the energy sector being key for all countries. According to the latest available data,<sup>1</sup> the energy sector accounts for more than 70% of total CO<sub>2eq.</sub> emissions

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<sup>1</sup> UNFCCC database.

(excluding AFOLU) from developing countries. As a result, the energy sector deserves greater attention for this sector to play a meaningful role in overall national development whilst contributing significantly to combating climate change.

Furthermore, since the energy statistics collected in support of energy policy also serve the national GHG inventories compilation, which are usually managed by various institutions, the national GHG inventory management system needs to ensure that appropriate institutional arrangements are established and functional in order to ensure a coordinated approach to appropriate data collection and management. Strong linkages will ultimately allow to optimize the use of scarce resources allocated to data at the national level, enhance comparability and harmonization of different datasets, and enhance the overall transparency and quality of energy statistics for the benefit of national GHG inventories, domestic environmental and climate policies and internationally.

The UNFCCC secretariat seeks to provide a coordinated approach to energy data collection, GHG estimates development and reporting, establishment of a sound basis for targeted mitigation actions and policies, as well as contributing to strengthen the collaboration between various relevant institutions at the national level. The secretariat also intends to expand its collaboration with the International Energy Agency (IEA) and the Energy Statistics Section of the United Nations Statistics Division (UNSD) to enhance synergies amongst the three organizations to provide the support requested from developing countries.

## **II. Objective and expected outcome**

The main objective of this initiative is to improve the institutional arrangements and the technical capacity of developing country Parties in order for them to improve and maintain their national energy statistics and balances as a means to reinforcing transparency in reporting national GHG inventories and mitigation actions in accordance with the reporting requirements under the ETF of the Paris Agreement.

In particular, the initiative is designed to address national circumstances of developing countries regarding their energy statistics and energy balance, and their connection with the requirements for the energy sector of the national GHG inventories.

Upon completion of the targeted assistance, developing countries that have undergone this capacity building exercise will have further enhanced their understanding and knowledge of the transparency, accuracy, completeness, comparability and consistency (TACCC) principles of the 2006 IPCC Guidelines, issues surrounding the national energy statistics (approaches for data collection, archiving, sharing, improvement needs, etc.), and will have also identified gaps and capacity-building needs to be addressed in order to get ready for the implementation of the ETF with regard to the energy sector.

## **III. Approach**

The assistance will only be made available to countries that have first volunteered to the UNFCCC secretariat for and undergone a Quality Assurance (QA)<sup>2</sup> of their GHG inventory management system and GHG inventories, and will have requested further assistance in order to improve their energy statistics. The assistance will be organized in three phases:

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<sup>2</sup> 24 countries as at May 2021.

(i) The **preparatory phase** will include the gathering and analysis of information arising from the QA, as well as the eventual follow-up work performed with the support of the UNFCCC secretariat concerning the implementation of the QA recommendations pertaining to the institutional arrangements and the development of a detailed national GHG inventory improvement plan. Based on this information, a baseline describing the situation on the onset of the technical assistance will be developed and key indicators will be identified and used later to track progress in the implementation of the assistance. A template/document will be designed taking into account the 2006 IPCC Guidelines, the reporting requirements with regard to data collection and management to document all the issues, findings, recommendations for the improvement of the national energy statistics.

(ii) The **training phase** will be organized in the form of a one week long in-country workshop [*agenda and training materials to be developed*]. The workshop will include presentations on energy statistics requirements for the full implementation of the 2006 IPCC Guidelines for national GHG inventories, internationally recognized methodologies and best practices in the collection, calculation/development of energy statistics/data, as well as a review of the existing national energy statistics/data and provision of targeted recommendations for their improvement. The aim will be to strengthen the technical capacities of developing countries and assist them to prepare high quality national GHG inventories for the energy sector, as well as to track the progress achieved in the formulation and quantification of mitigation actions in the energy sector.

The training will be organized in the form of plenary sessions involving representatives of the national and regional statistical offices, relevant ministries and GHG inventory teams from the country. The training will also engage participants in interactive discussions and exercises designed based on the results of the analysis performed during the preparatory phase.

(iii) The **follow-up phase** will be organized in the form of tailored coaching aimed to assist the requesting countries to implement the recommendations and translate the training received into actions. The aim will be to engage energy statistics focal point and GHG inventory team in the country, to facilitate their collaboration and to synergize their activities in collecting and maintaining good quality energy activity data to support the development of national GHG inventories.

#### **IV. Target audience**

The target audience of these capacity building activities are the national GHG inventory coordinators and energy sector leads from developing country Parties, as well as the energy statistics focal point at the national statistical offices and ministries.

A pilot activity will be implemented, with one country, during the Q4/2021. This pilot activity will also be used to gather additional information to refine the approach for delivering the most relevant and efficient technical assistance.

#### **V. Modalities**

The UNFCCC secretariat will organize and coordinate all the activities under this project and will be responsible for the funding of the activities. The IEA and UNSD will provide in-kind support in the form of staff time required for the preparation and implementation of the activities to be agreed upon, as well as the required training materials for the energy statistics and energy balance. Qualified resource persons from IEA and UNSD will be involved as and if necessary.

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