

## Mutual Learning Program for Enhanced Transparency (MLP) Reporting of mitigation actions in the Energy Sector under Art.13 Armenia- Japan-Kazakhstan-Serbia-Türkiye

### Summary report

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### Background information

- The Mutual Learning Program for Enhanced Transparency (MLP), implemented and funded by the Ministry of the Environment, Japan (MOEJ), aims to assist countries to prepare their Biennial Transparency Reports (BTRs) under the Enhanced Transparency Framework of the Paris Agreement through mutual learning of practices. The MLP is managed by the Institute for Global Environmental Strategies (IGES) and Mitsubishi UFJ Research and Consulting (MURC) in close collaboration with the Capacity Building Initiative for Transparency - Global Support Programme<sup>1</sup> (CBIT-GSP).
- In 2024, representatives of five countries, namely Armenia, Japan, Kazakhstan, Serbia and Türkiye successfully completed the MLP for reporting mitigation actions in the energy sector. Over the five months' program, the five countries had three meetings and completed two exercises. Experts from these countries have developed their reporting exercises (e.g. common tabular format (CTFs) 1, 2, and 5) as part of their BTR preparation. Prior to each technical meeting, the experts exchanged and reviewed each other's exercises, and shared their questions and comments.

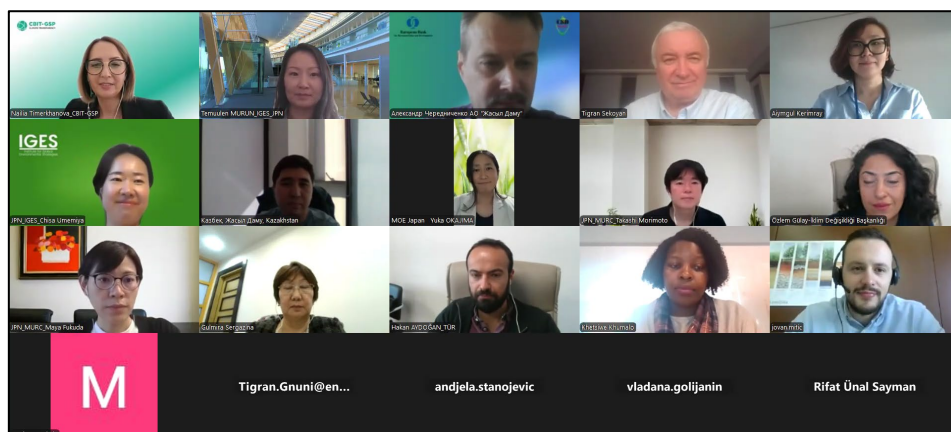


Figure 1. Group photo at the follow-up meeting

<sup>1</sup> Capacity Building Initiative for Transparency - Global Support Programme (CBIT-GSP), <https://climate-transparency-platform.org/about>

## MLP overview

- The MLP<sup>2</sup> is for pairs of countries and organisations to learn and practice reporting exercises, namely developing common tabular formats (CTFs) 1, 2 and 5. The output of the MLP can be used as the basis for actual reporting of BTRs. The MLP is for those who directly engage with preparation of BTRs and is particularly useful for understanding how to apply the Enhanced Transparency Framework (ETF) implementation rules to develop reporting based on national data and assumptions.
- For the first reporting exercise<sup>3</sup>, countries developed CTF 5 and its methodologies and assumptions for estimating GHG emission reductions of mitigation actions, using MLP templates A and B. For the second exercise<sup>4</sup>, experts drafted CTF 1 and 2, identifying the indicators for tracking implementation and achievement of their Nationally Determined Contribution (NDC). After submitting each reporting exercise, participants reviewed each other's CTFs, and then shared comments and questions. At the meetings, representatives of the five countries presented their deliverables and shared their answers to the questions raised by other experts. In-depth technical discussion helps countries to understand other countries' methodologies and approaches, and to mutually learn from each other's reporting practices.

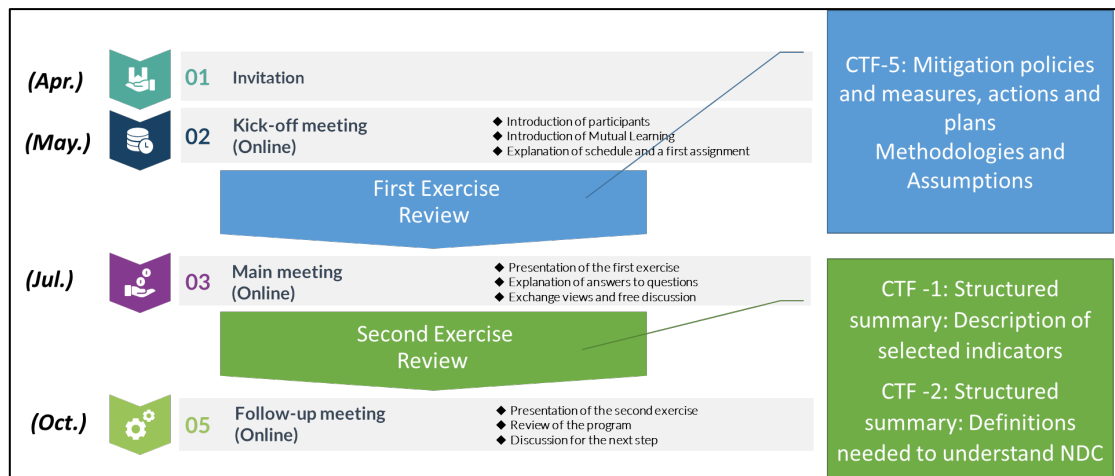


Figure 2. Overall work plan of MLP

<sup>2</sup> The Mutual Learning Program for Enhanced Transparency (MLP), <https://www.iges.or.jp/en/projects/transparency/mlp>

<sup>3</sup> First exercise, Template A, <https://www.iges.or.jp/en/pub/mlp-1st-exercise-template/en> and Template B, <https://www.iges.or.jp/en/pub/mlp-1st-exercise-template-b/en>

<sup>4</sup> Second exercise, <https://www.iges.or.jp/en/pub/mlp-2nd-exercise-template/en>

## MLP Exercise 1. Discussion at the main meeting

- Although countries faced several challenges (e.g. lack of human capacity, limited experience and knowledge of developing methodologies, limited data) all participating countries completed the CTF 5, and some countries submitted methodologies and assumptions for estimating greenhouse gas (GHG) emission reductions from mitigation actions (MAs). This methodology part is challenging for all countries since there are no common international guidelines.
- Countries' reporting exercise for energy included the following characteristics and features:
  - All countries identified and prioritized MAs in the energy sector. As shown in Table 2, the main similar MAs for energy are: to increase renewable energy sources (e.g. solar PV), to improve energy efficiency (e.g. commercial and residential buildings, street lighting), to reduce transmission and distribution loss, and to reduce emissions in transportation (e.g. fuel switching and electronic vehicles)
  - Some CTF 5 included values for expected GHG emission reductions from MAs but no values on achieved GHG emission reductions. This is mainly because they lack the monitoring and tracking systems and arrangements to collect data. Some have not reported either of these values due to lack of expertise on developing methodologies and assumptions.
  - Some experts reported emission reductions of each MA by comparing BAU and with policy scenarios based on methodologies taken from GHG inventories. Assumptions are based on sector research studies, national strategies and expert judgements.
  - Using models was also reported in estimating GHG emission reductions by adjusting the model for the local context. Some experts noted that it was challenging to make adjustments when selecting mitigation measures and technologies if the modelling is based on an optimization approach.
- Participants highlighted that it was useful to learn different approaches presented for CTF 5 by other countries. As there were similar MAs, it was possible to learn from each other's methodologies. Receiving feedback, clarification and comments on the exercise helped to improve the quality of the reporting. This included:
  - Reporting aspects: ensuring flexibility for GHG emission reductions, MAs for conditional vs. unconditional targets;
  - Methodology aspects: assumptions and their rationale, selection of methodologies, emission factors, lack of data and expertise for developing methodologies.

Table 1. Examples of mitigation actions in the energy sector reported in CTF 5

Types	Selected MAs
Renewable Energy	Increase the introduction of renewable energy including large and medium scale solar PV power plants
Transportation	Diffusion of next-generation vehicles Improvement of fuel efficiency Promoting fuel switching to electricity Improving transport strategies for public transport Promotion of electric and hybrid vehicles
Improvement of energy efficiency (commercial and residential buildings)	Promotion of the introduction of facilities and equipment with high energy-saving performance De-risking and scaling-up investment in energy efficient buildings Introducing energy efficient street lighting Improvement of energy efficiency of new and existing buildings
Improvement of energy efficiency (reduction of distribution losses)	Upgrade of distribution networks
Cross-cutting sectors	Energy development
Carbon trade	Introduction of other carbon pricing instruments
Improvement of energy efficiency (Heating and Industry sectors)	Improvement of energy efficiency Increased use of renewable energy sources in district heating systems

## MLP Exercise 2. Discussion at the follow-up meeting

- All MLP participating countries have been making progress with regard to submitting their BTR1 on time, i.e. before the end of 2024. Countries are expected to include the exercises which they performed in the MLP (e.g. CTF 1, 2 and 5) in their first BTRs.
- All participants have submitted and developed CTF 1 and 2 for Exercise 2, and reviewed each other's draft tables. The review process has increased the quality of the reported information, such as selecting an indicator for tracking NDC and its definition.
- In CTF 1, countries have different indicators for tracking NDC such as total GHG emissions, net GHG

emissions, GHG emissions economy-wide, depending on their NDC types. Table 2 shows some examples of indicators that countries drafted.

- For CTF 2, experts submitted the definition needed to understand each indicator shown in Table 2. Some participants were asked to clarify if the indicators include or exclude contributions from Land use, land-use change, and forestry (LULUCF) sector or indirect CO<sub>2</sub> emissions. The experts discussed that if net GHG emissions are used as the indicator for NDC tracking, the definition is easier to understand because it excludes the LULUCF sector. However, some participants mentioned CTF 4 has three different cells for indicators, contribution from LULUCF sector, and ITMOs. Therefore, it may be better to report removals from LULUCF in a different cell than the indicator in CTF 4. Participants have highlighted that it is vital to carefully report CTFs for considering interlinkages between each CTF.

Table 2. Examples of indicators and their definitions reported in CTF 1 and 2

Indicators	Information for the reference point(s), level(s), baseline(s), base year(s) or starting point(s)	Definition needed to understand each indicator
GHG emissions economy-wide	1990	GHG emissions on the scale of the entire economy
GHG emissions economy-wide	Reference year: 1990 Base Year: 2010	GHG emissions economy wide (without LULUCF)
Net GHG emissions	BAU projections	Net GHG emissions (excluding LULUCF)
Total GHG emissions	Base year: FY 2013	Total GHG emissions selected as an indicator are the economy-wide national total GHG emissions, including indirect CO <sub>2</sub> and excluding LULUCF.
Net GHG emissions	1990	Economy-wide, all sectors included.

- The information and data from the first BTRs will be used as the basis for developing the next NDC. Some countries expressed the challenge that different institutional units are responsible for preparing BTRs and NDC 3.0. Therefore, it is important to collaborate with these units/teams to update the next NDC as the first BTR shows a country's emission reduction level and effectiveness of mitigation measures. Conversely, collaboration is needed to prepare the second BTRs in order to facilitate the reporting of necessary information and data from the updated NDCs.
- Participants indicated that the MLP was very useful as experts were able to have a peer-to-peer discussion and conduct practical exercises to learn how to improve the way they report on mitigation

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actions. Reviewing each other's draft and receiving feedback was helpful to improve their own CTFs; in particular, they noted that they learned a lot from reviewing methodologies and assumptions of GHG emission reductions.

- Although MLP has a straightforward approach of learning, with step-by-step virtual meetings, it is also important have face-to-face meetings so that technical experts can discuss in-depth and interact with each other more casually.
- For future collaboration, countries highlighted working on other sectors for CTF 5 (e.g. agriculture and waste), methodologies and practices on climate finance tracking, refining methodologies for estimating emission reductions, reviewing the first BTRs and discussing possible improvements for the next BTRs, as well as expanding the range of participating countries.