



INSTITUTIONAL ARRANGEMENTS

PARTNERSHIP FOR MARKET READINESS

MRV TRAINING WORKSHOP

BEIJING, CHINA

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➤ Purpose of clear institutional arrangements

- Enables policy to be operationalized for the program to achieve policy and program objectives, e.g., quality, transparency, consistency, efficiency...
- Enables program resources to be efficiently deployed, e.g., data processing, quality management and continuous improvement

➤ MRV program institutionalization (internal)

- Administrator management responsibilities
- Program capacities, e.g. system and resources



➤ Institutional arrangements supporting the MRV program

➤ Legal/governmental basis

- Government agencies, e.g. single vs. multi-agency
- Legislation and regulations, e.g., existing or new
- Tracking and enforcement



- **Institutional arrangements for mandatory GHG MRV program**
 - **Provide legal basis for reporting, including enforcement**
 - **Support efficient and effective program operation, e.g. resources and systems**
 - **Ensure the quality of the inventory data including the collection, processing, communication, and detailed record-keeping of data and information supporting the program.**

- **Program arrangements are also about the institutionalization of the regular process of inventory reporting, quality management, and continuous improvement.**

➤ Legal options

- Using existing legislation, as new regulations and codes
- Creating new legislation, e.g. if none exists or can be adapted to meet needs of policy.

➤ Government

- Existing government agency or combination of agencies – saves time and money on start up; may be required because of supporting legislation, e.g. existing data collection, access and security
- New government agency – avoids challenges of coordination

- **Program Administrator should establish MRV arrangements that fulfill the following general functions:**
 - Institutional, legal or procedural arrangements between all entities involved in GHG inventory reporting should be established at the start of the process and should be regularly maintained and reviewed to ensure their relevancy
 - Sufficient capacity is available for the timely collection and review of reported data
 - All staff involved have the technical competence to complete the assigned tasks
 - The GHG inventory reporting follows the relevant and applicable programmatic and technical requirements.

- **Program Administrator will be responsible for:**
 - **Implementing and maintaining legal or other authority to collect and disseminate data necessary for the preparation of the inventory**
 - **Establishing formal or informal agreements with collaborating entities that contribute data, research, estimate emissions or provide expert reviews**
 - **Ensuring inventory processes are in compliance with decisions from relevant GHG programs or regulations]**
 - **Defining and applying procedures and methodologies for collecting data, preparing inventory, communicating results, submitting report, and archiving**
 - **Liaising among stakeholders from various departments, agencies, institutions etc.**
 - **Ensuring the implementation of quality management processes.**

➤ Planning

- Based on program legal basis: objectives, roles, responsibilities, processes, resources

➤ Reporting/Operations

- Engaging with reporters and stakeholders, receiving and reviewing reports

➤ Management review

- Analyzing reports/data, assessing and improving program performance



- **A useful way of thinking about these different management approaches to is to consider the following dimensions:**
 - **Centralized vs. decentralized**
 - **In-sourced vs. out-sourced**
 - **Single agency vs. multi-agency**
 - **Integrated vs. separate**

➤ Centralized approach

- A lead agency, department or team may maintain a large degree of control and decision making authority over the inventory reporting process. A centralized approach will likely include few other institutions.

➤ Decentralized approach

- Many different teams and/or institutions that each work on different parts of the inventory and make their own decisions regarding methodologies and other issues.

- **The centralized approach is usually employed by countries and organizations where the responsible entity has:**
 - **the technical expertise to make methodological decisions**
 - **the administrative capacity actively manage the details of a complex project, and**
 - **the authority to dictate instructions to data suppliers and other stakeholders necessary to report GHGs.**

➤ In-sourced

- Most, or all, of the program tasks are performed by employees within the program.

➤ Out-sourced

- The work is completed by private consultants, research institutions, academic institutions, or non-governmental organizations.
- The decision on out-sourcing depends on whether your organization has sufficient capacity and capability to do all or most of the technical work itself. Often smaller organizations resort to extensive use of external assistance due to lack of expertise and the length of time necessary to build capacity within the specific timeframe.

➤ **Single agency**

- The lead body may be housed within a single department.

➤ **Multi-agency**

- The lead body may be composed of a multi-agency working group, committee or other structure.
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- **The multi-agency structure requires a very clear delineation of roles and responsibilities to ensure that there is a clear line of reporting and decision-making on GHG inventory issues.**

 - **Although the multi-agency approach may have some relative advantages as regards plurality in the decision-making process, in practice, it is often the case that one agency will have the overall coordinating role to avoid conflicts.**

- **Integrated:** The GHG inventory work may be integrated with the work on other pollutant inventories (e.g., air quality or toxic pollutants) and environmental reporting efforts.
- **Separate:** The GHG inventory team is independent from other government programs, whether GHG or otherwise.
- In most cases, the GHG inventory process is integrated with other inventory activities to ensure the best use of resources and utilize the available expertise.

- **Building human relations and good rapport between all individuals and institutions involved. Although often this is easier said than done, there are certain things that help build confidence among stakeholders:**
 - **Transparency and openness in the decision-making process through exchange of information and regular meetings to take stock and decide on next steps.**
 - **Making sure everybody understands that the GHG reporting process is a collective exercise and does not take away their current work responsibilities.**
 - **There are procedures in place to ensure that data confidentiality is respected.**
 - **Provision of training opportunities on technical aspects to help build capacity in different areas of the GHG reporting process.**

- **Ensuring high quality and objective inventory information**
- **Coordination of responses to requests for further information**
- **Fostering consistency in the estimation approaches across different departments, agencies, offices etc.**
- **Building the capability to manage inventory data following specific reporting requirements and processes at different levels (e.g., international, national, local, project)**
- **Development of training and hiring processes for meeting the ongoing needs of MRV program**

- **Institutional arrangements reflect the circumstances of the program**
 - Legal and government – national, sub-national, existing/new/hybrid
 - Trade-offs of existing groups – use resources but coordination is a challenge
- **Factors for Success**
 - Transparency, openness, clear management processes, training opportunities, KM tools
- **Benefits**
 - Quality/consistency, customer service, efficient use of resources, capacity can support related GHG program

FOR MORE INFORMATION ON THE PARTNERSHIP FOR MARKET READINESS (PMR),

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