



Initiative for Climate Action Transparency - ICAT -

Achievements and Lessons Learned in the First Phase of ICAT Dominican Republic







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Achievements and lessons learned in the first phase of ICAT Brazil

Deliverable #1

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1. Introduction

1.1 The country context

The Dominican Republic is a country situated in Central America and the Caribbean, located in the central area of the Antilles. Over the past 25 years, the Dominican Republic has experienced a remarkable period of robust economic growth making it one of the fastest-growing economies in the Latin America and the Caribbean region. Tourism, remittances, foreign direct investment, mining revenues, free-trade zones, and telecommunications have helped make the DR one of the fastest-growing economies in the Latin America and the Caribbean (LAC) region, and as of 2019 the country was on track to realize its ambition of achieving high-income status by 2030. However, the global shock triggered by the COVID-19 pandemic has significantly impacted the Dominican Republic's economy, causing a sharp contraction in the second quarter of 2020 across critical sectors.¹

As a Small Island Development State, the Dominican Republic is highly vulnerable to climate hazards and change. The main natural hazards affecting the country are associated with extreme events, in particular hurricanes and tropical storms, but also droughts, floods, and forest fires.

The country has been an active player in the international climate regime, ratifying the Paris Agreement in September 2017, and committing to implement an Nationally Determined Contribution (NDC) aiming to reduce greenhouse gas (GHG) emissions by 25% below the base year emissions by 2030 (base year defined as 2010 emissions, 3.6 tCO2e per capita).

Dominican Republic submitted three National Communications (NatComs) and one Biennial Update Report (BUR) to the United Nations Framework Convention on Climate Change (UNFCCC). The NatComs were submitted in 2003, 2009, and 2017; whereas the BUR was submitted in May 2020.

In the Dominican Republic, climate change is in the political Constitution. In accordance with the Article 194 of the Constitution - Land use plan -, the formulation and execution of a land use plan that ensures the efficient and sustainable use of the Nation's natural resources is a priority of the State, in accordance with the need to adapt to climate change. In line with the Constitution, the Law 1-12 linked to the "National Development Strategy 2030", establishes that by 2030 the Dominican Republic aspires to become "A society with a culture of sustainable production and consumption, which manages risks, protection of the environment and natural resources with efficiency and equity, and promotes adequate adaptation to climate change".

Dominican Republic has developed a *National Adaptation Plan for climate change in the Dominican Republic 2015-2030 (PNACC RD)*, as well as a *Strategic plan for climate change (PECC) 2011-2030*. The PECC aims to strengthen and position the country both, at national and international level in regards to climate change, to achieve high national capacities to adapt to climate change, and to reduce greenhouse gas emissions while supporting economic growth in a sustainable way.

The Dominican Republic has two institutions that appear as focal points vis-à-vis the UNFCCC: the National Council for Climate Change and the Clean Development Mechanism (CNCCMDL) and the Ministry of Environment and Natural Resources. The CNCCMDL was created by Presidential Decree (601-08) in 2008. The mandate of CNCCMDL is to draft and implement laws, public policies and programs related to mitigation and adaptation, as well as to integrate multisectoral efforts to fight

¹ World Bank, 2020 - https://www.worldbank.org/en/country/dominicanrepublic







climate change. The CNCCMDL involves various national actors, such as ministries, commissions and public-private partnerships. The actors involved represent the consultative aspect of the CNCCMDL. In addition, there is an operational body to the CNCCMDL, that is, a Technical Directorate made of nine members.

The institutional framework that determines which institution has what functions on the environment and interaction with the UNFCCC, is established by a legal framework. The Ministry of the Environment and Natural Resources was created under the Law 64-00 and is responsible for all environmental issues, being the focal point of the respective International Conventions on environmental matters. In this context, it can be considered that this ministry is also the focal point for Climate Change, since the UNFCCC was celebrated within the framework of the Earth Summit (Rio 1992), although the Law 64-00 does not explicitly mention climate change. The National Council for Climate Change and the Clean Development Mechanism (CNCCMDL) was created under the decree 601-08, with a clear mandate to be the national focal point of all the activities related to climate change. The Ministry of the Environment and Natural Resources is a member of the CNCCMDL and acts as the secretary of the same.

Due to this legal situation, both institutions share responsibility for dealing with climate change issues. This is also reflected in the fact that both institutions continue to appear simultaneously as focal points before the UNFCCC. Additionally, the two entities have shared responsibilities in the establishment and implementation of the national MRV. In this context, the preparation of the Third National Communication for the United Nations Framework Convention on Climate Change (TNC) and the first Biennial Update Report (BUR) have been the shared responsibility of both institutions.

As of today, Dominican Republic has limited structures and processes in place for MRV related to GHG inventories, MRV of mitigation actions and MRV of support received and support needed. Regarding the development of GHG inventories, a significant progress has been the creation of the Department of Greenhouse Gas Inventories, through a resolution of the Ministry of Environment and Natural Resources. However, this department counts with few resources and there is no framework, which allows this department to coordinate and collect the data from the other organizations.

To carry out the preparation of the national greenhouse gas inventories, different projects and initiatives have provided support to strengthen the national capacities. All these initiatives have been implemented in synergy, in order to create a sustainable reporting system over time with the participation of all relevant stakeholders. However, there had never been one exercise to try to integrate all these initiatives in one comprehensive national MRV system. This has been one the objective of the ICAT project in Dominican Republic, mapping all the existing structures and processes related to MRV, and integrating them to establish a sustainable comprehensive national MRV system through a robust MRV legal framework.

1.2 Objectives and outcomes of ICAT Dominican Republic Phase 1 project

Dominican Republic has executed few initiatives regarding a national information system for MRV. However, those initiatives have usually been limited in scope, focusing largely on reporting through national communications and biennial update reports to fulfil the international reporting requirements.







In this context, there was a need for the establishment and implementation of a robust and sustainable MRV system, supported by a coherent regulatory framework, tools and long-term funding. This is where the ICAT project came in.

ICAT has taken advantage of different projects already implemented and their respective outputs. The Dominican Republic started working on its Measurement, Report and Verification (MRV) system for Climate Change in the year 2013, when the GIZ project "Information Matters" was launched. The country had already submitted two National Communication. However, a nationally based capacities to develop and maintain a national MRV system, and a sustained process for Greenhouse gas (GHG) emission Inventory, remained lacking. As a result, there was still a considerable gap between the inventory reports presented and the data available in the different sectors for the calculation of the emissions. In addition, there was also a gap in terms of the capacities needed for an institutionalized reporting to the United Nations Framework Convention on Climate Change (UNFCCC).

One of the initiatives implemented to overcome these gaps was the UNDP project *Third National Communication*, funded by the Green Environmental Fund (GEF), which included capacity-building sessions for the different stakeholders involved in the preparation of this report. In addition, the GIZ project *the Information Matters*, focused on creating the needed capacities for GHG reporting and the establishment of the MRV system. GIZ brought in international consultants specialized on climate reporting and MRV systems to conduct capacity-building workshops, creating awareness of reporting to the UNFCCC and guide the institutional team designated to work under the *Third National Communication* for the preparation of the inventory. As a result of the project, it was the first time that a GHG inventory was prepared directly by Dominican Republic institutions. The main output achieved through the implementation of the UNDP and GIZ projects has been the establishment of nationally based capacities for the development of international report under the UNFCCC framework.

In addition, within the *Information Matters* project, the institutions involved in the project designed a first draft of an MRV system structure. This bottom-up structure identifies the institutions that are data providers in their respective sectors. The structure identifies the National Statistical Office (ONE, for its acronym in Spanish) as the institution gathering and storing the data. ONE sends all the data to the Ministry of Environment, the coordinating institution, which will produce the report to be submitted to the UNFCCC Secretariat. The structure also identifies ONE as the institution that will run the quality assessment and control of the report and the CNCCMDL as responsible for the submission of the report to the UNFCCC.

At the beginning of the ICAT project, Dominican Republic could thus already count on some institutional arrangements for collecting data from different sectors and prepare international reports to be submitted to UNFCCC. However, to be fully effective, these arrangements were lacking additional arrangements related, among other, to the MRV of mitigation actions as well as the legal framework, which would define the responsibilities of the different institutions and enforce these institutions in their respective roles.

In this context, the overall objective of ICAT phase 1 in Dominican Republic was to support a participatory process to develop a proposal for a legal framework that mandates the establishment of a national transparency system. The legal framework would allow the Dominican Republic to create the conditions to comply with international commitments under the UNFCCC, specifically to respond to the requirements established under article 13 of the Paris Agreement. The transparency







system supported by the legal framework would allow the country to track progress of national climate change policies, including compliance with its Nationally Determined Contributions at the same time of enabling a reliable and consistent data provision practice to inform national policy making and assess implementation.

The legal framework developed under ICAT would be governing the national transparency system by enforcing data collection, data management and institutional arrangements for collecting, reporting and verifying the data at national level. This includes calculation/generation and compilation of reliable and robust data by key sectors; officialization and centralization of data by a relevant institution to be decided in the course of the process; data analysis and inventory development for reporting NDC progress and validation, report development and submission to the UNFCCC. The institutional arrangement provisions would provide roles and responsibilities to existing entities in order to make the transparency system fully functional and ensure that data flows consistently within institutions, across institutions, and between public and private actors.

To sum up, the main outputs of the ICAT Dominican Republic phase 1 project were:

Output 1: Analysis of the current situation and development of a full proposal for National MRV/Transparency System.

Output 2: Development of the draft text of the Decree to be submitted to the executive power.

2. Approach and key results

The objective of the ICAT phase 1 project in Dominican Republic was to support the development of a manageable and implementable national MRV framework, which pulls all relevant elements together and manages to get responsibilities mainstreamed across sectors and relevant institutions.

The official counterpart of the ICAT project in Dominican Republic was the National Council for Climate Change and the Clean Development Mechanism (CNCCMDL).

2.1 Development of a structure for the National MRV/Transparency System

The work started with an analysis of the current national context in regards to the institutional framework and legal framework for MRV of policies and actions. The objective was to identify the gaps to address in order to build an efficient and sustainable National MRV/Transparency System.

Starting from the results of the previous projects, including the *Information Matters* project, a mapping of existing relevant institutions that could play a role in the institutional arrangements to implement the MRV system has been developed. Based on the initial mapping, recommendations to improve the existing institutional arrangements and processes for MRV were proposed to the national stakeholders and a roadmap to implement the recommendations was developed. The purpose of developing a roadmap was to establish a clear process guiding the development of a full proposal for the National MRV/Transparency System and of the text for the supreme decree document. The mapping and the implementation of the roadmap have been based on a heavy consultative process, including meetings, workshops and seminars, both for socializing the inputs and validating the outputs, with representatives from key sectoral entities relevant for the establishment of the National MRV/Transparency System. All the entities, which have been included in the process and are part of the final proposal for the National MRV/Transparency System are listed in Annex 1.







At the end of the process, a full structure for a National MRV/Transparency System was developed.

The structure of the National MRV/Transparency System established in Dominican Republic is built on three components: MRV for the development of the GHG inventories, MRV of the mitigation actions and MRV of the support received and needed (Figure 1).

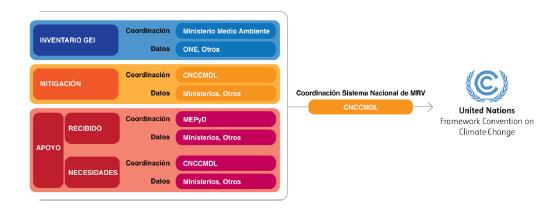


Figure 1: Structure of the National MRV/Transparency System in Dominican Republic.

Each component of the National MRV/Transparency System has then be subdivided in order to identify all the entities, which would be part of each of them (Figures 2, 3 and 4). All the details have been described in the corresponding deliverable developed under the ICAT project.



Figure 2: Structure for the MRV of GHG inventories.







Propuesta del Registro de las Acciones de Mitigación

Coordinador: Consejo Nacional para el Cambio Climático

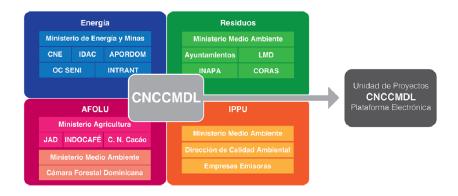


Figure 3: Structure of the MRV for the mitigation actions.

Propuesta del Reporte del Apoyo Recibido y Financiamiento para la Acción Climática

Coordinador: **MEPyD** - VM Cooperación Internacional

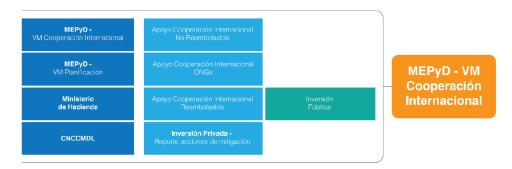


Figure 4: Structure of the MRV for the Support received and needed.

2.2 Development of a Decree proposal for the establishment of the National MRV/Transparency System

Based on the structure of the National MRV/Transparency System developed during the first part of the project, a proposal for a Decree establishing the system from a legal point of view was developed by the counterpart with the support of national lawyers.

The Decree establishes *The National System for Measurement, Reporting and Verification (MRV) of Greenhouse Gases of the Dominican Republic* for accounting of greenhouse gas emissions, mitigation actions, and financing and support with the aim to promote climate actions at national level. The system is led and coordinated by the Ministry of Economy, Planning and Development (MEPyD), the Ministry of Environment and Natural Resources, and the National Council for Climate Change and Clean Development Mechanism. The Decree defines the main roles and responsibilities of the key







entities, which are part of the system, in regards to collecting, compiling and reporting data and information, including for a national verification process to ensure the quality of the data.

The Decree was then submitted to the approval of the Executive Power. The Decree establishing The National System for Measurement, Reporting and Verification (MRV) was finally approved in October 2020 as Decree 541-20.

2.3 Strengthening the capacities of the Office for National Statistics

Considering the key role plaid by the Office for National Statistics (ONE) in collecting, compiling and verifying data in the National MRV/Transparency System, in particular for supporting the preparation of the national greenhouse gas inventories, it was decided to provide this institution with a training related to the preparation of these inventories. The focus of the training has been on developing the knowledge of the ONE experts on understanding the international context of MRV, as well as building the capacities of these experts in organizing a process for collecting and compiling the data for the preparation of national inventories.

3. Impacts of the project in the country

A key contribution of ICAT phase 1 is that the project enabled to organize a dialog around a national MRV system with all the national and sectoral entities related to the measurement, reporting and verification processes.

The dialog allowed building knowledge and raising awareness among all the stakeholders about the importance in establishing MRV institutional arrangements and processes, and how an MRV system could benefit the country for its international reporting commitments, but also for supporting the national processes for monitoring the implementation of national policies and actions.

The dialog has been the broadest process ever organized around the establishment of a national MRV system. By being transparent and inclusive the process allowed to take into account the views of the different stakeholders in building such a system, leading to the endorsement of the proposal for a full National MRV/Transparency System by all the parties. In addition, it allowed also clarifying the roles and responsibilities of the Ministry of Environment and Natural Resources and of the National Council for Climate Change and Clean Development Mechanism in regards to the collection and compilation of data as well as in regards to the preparation of the international reports and the successive Nationally Determined Contributions (NDCs).

Finally yet importantly, another key contribution of ICAT phase 1 is the support provided to the development of a presidential Decree establishing The National System for Measurement, Reporting and Verification (MRV) of Greenhouse Gases of the Dominican Republic, as per the institutional arrangements proposal built previously. The draft of the Decree developed with the support of ICAT was submitted to the approval of the Executive Power, which endorsed it as Decree 541-20 only few months later in October 2020. Through the endorsement of the Decree 541-20, ICAT allowed to equip Dominican Republic with a legal instrument enforcing the implementation of the MRV/Transparency System at national level.

Overall, the establishment of the National MRV/Transparency System and its enforcement through the Decree 541-20 will allow Dominican Republic to comply with the requirements established under







Article 13 of the Paris Agreement and fulfil its commitments regarding international reporting through a robust and sustainable national MRV system.

4. Lessons learned and recommendations

The process of developing the proposal for National MRV/Transparency System involved a large number of national and sectoral stakeholders. This transparent and deeply participative process promoted a large discussion among the stakeholders needed to think about how to structure such a system, and about the roles and responsibilities of the different stakeholders. This has contributed to the success of the proposal in being endorsed by all the key entities part of the system.

In order to ensure the effective and sustainable execution of a system based on institutional arrangements and processes, it is usually necessary to establish a legal framework to enforce the implementation of these processes. Therefore, Dominican Republic chose to use the ICAT project to develop a legal instrument, which would allow the enforcement of the National MRV/Transparency System previously developed.

The ICAT phase 1 ended with the development of the draft Decree establishing The National System for Measurement, Reporting and Verification (MRV) of Greenhouse Gases of the Dominican Republic. This Decree was finally approved by the Executive Power, ensuring the durability of the system.

However as it is now, the National MRV/Transparency System established remain "theoric" and additional work is needed to allow its operationalization. Further capacities need to be developed among the entities, which are part of the system, and tools and methodologies need to be provided to these entities to ensure coherent and high quality data.

Hence, the ICAT phase 2 project in Dominican Republic will extend the work done during the phase 1 by supporting the operationalization of the system.

The phase 2 will be built around two large components:

- 1) Strengthening the capacities of the entities that make up the National MRV/Transparency System by establishing a team of experts within each of the entities that make up the proposal within the decree that will be in charge within the national MRV system. The capacities of the expert teams of each entity will be developed so that they can assume the responsibilities identified.
- 2) Providing the entities that make up the National MRV/Transparency System with a toolbox, which will include sector guides that describe their roles and responsibilities, as well as guide about the Modalities, Procedures and Guidelines (MPG). The toolbox will also include tools related to the collection and compilation of data, in particular for GHG inventories, and methodologies related to the mapping of mitigation actions and to the development of sustainable development indicators in the context of the NDCs.







Annex 1 - List of stakeholders involved in the process

Actor	Rol	Legislación
Consejo Nacional para el Cambio Climático	 Prepara y coordina reportes internacionales (ej. BUR; CN, BTR); Registra y coordina las acciones de mitigación; 	Ley Orgánica de Administración Pública, no. 247-12
	 Reporta financiamiento del sector privado para el cambio climático (MRV Apoyo); Coordina Sistema de Transparencia 	Decreto 601-08, que crea el Consejo Nacional para el Cambio Climático,
Ministerio de Medio Ambiente y Recursos Naturales	 Dirección Cambio Climático Prepara y coordina Inventarios Nacionales de Gases de Efecto Invernadero 	Ley General de Medio Ambiente y Recursos Naturales, no. 64 - 00
	 Dirección Residuos Sólidos Recopila datos para el INGEI del sector residuos; Reporta acciones de mitigación del sector residuos 	
	 Viceministerio Recursos Forestales Recopila datos para el INGEI de	
	 Dirección de Calidad Ambiental Recopila datos para el INGEI del sector IPPU; Reporta acciones de mitigación del sector IPPU + 	
	Dirección de Calidad de Agua ■ Reporta acciones de mitigación de las aguas residuales	







	Viceministerio de Recursos Costeros y Marinos Reporta acciones de mitigación relacionadas a recursos costeros y marinos (AFOLU) Viceministerio de áreas Protegidas y Biodiversidad Reporta acciones de mitigación sobre recursos forestales (AFOLU)	
	dentro de la jurisdicción de áreas protegidas.	
Ministerio de Economía, Planificación y Desarrollo	 Viceministerio de Cooperación Internacional Recopila y Reporta el Financiamiento y Apoyo para ejecutar proyectos de cambio climático; 	Ley 496-06, que crea al Ministerio de Economía,
	 Reporta la cooperación internacional no reembolsable para el cambio climático 	Planificación y Desarrollo
	 Viceministerio de Planificación Reporta el financiamiento y apoyo de las Asociaciones sin fines de lucro para el cambio climático 	
Ministerio de Agricultura	 Prepara el INGEI de Agricultura (AFOLU); Recopila los datos de Agricultura y Ganadería para INGEI (AFOLU); Reporta las acciones de mitigación relacionadas a Agricultura 	Ley 8-65, que crea la Secretaría de Estado de Agricultura;
		Ley 532 de Promoción Agrícola y Ganadera
Ministerio de Energía y Minas	 Prepara el INGEI del sector Energía; Reporta acciones de mitigación del sector Energía 	Ley que crea el Ministerio de Energía y Minas, no. 100 – 13







Ministerio de Hacienda	Dirección General de Presupuesto (DIGEPRES) Reporta el gasto público destinado a cambio climático, dentro del MRV de Apoyo	Ley de Organización del Ministerio de Hacienda, no. 494 – 06
		Ley Orgánica de Presupuesto para el Sector Público, no. 423 – 06
	Dirección General de Crédito Público Reporta la cooperación internacional reembolsable	Ley de Organización
		del Ministerio de
		Hacienda, no. 494 –
		06
		Ley 6-06, de Crédito
		Público
Oficina Nacional de Estadísticas (ONE)	Oficializa y valida los datos suministrados por las demás instituciones, controlando la calidad para la preparación del INGEI (QC).	Ley 5096, sobre Estadísticas y Censos Nacionales
Dirección General de Ganadería	 Reporta datos para el INGEI de Ganadería; Reporta acciones de mitigación del sector ganadero; 	Decreto Ley 25902, que crea al







	 Recopila acciones de mitigación del sector ganadero de otros actores 	Ministerio de
		Agricultura;
		Ley 532 de
		Promoción Agrícola
		y Ganadera
Liga Municipal Dominicana	 Recopilar los datos para el INGEI (Residuos Sólidos) de los Ayuntamientos y Centros de Acopio; Reporte de las acciones de mitigación municipales relacionadas a los residuos 	Ley 49 – 38 que crea la Liga Municipal Dominicana;
		Ley 3896 que inviste de personalidad jurídica a la Liga Municipal Dominicana
Banco Central de la República Dominicana	 Recopila los datos para el INGEI (IPPU) de las diferentes industrias y sectores económicos y de producción 	Ley Orgánica del Banco Central, no. 6142
Instituto Nacional de Agua Potable (INAPA)	 Recopila y reporta los datos para el INGEI de las plantas de aguas residuales a nivel nacional; Reporta las acciones de mitigación relacionadas a las aguas residuales 	Ley que crea el Instituto Nacional de Agua Potable, no. 5994







Instituto Dominicano de Aviación Civil (IDAC)	 Recopila y reporta los datos para el INGEI (Energía) correspondiente a aviación; Reporta las acciones de mitigación relacionadas a aviación. 	Ley 491 – 06 que crea el Instituto Dominicano de Aviación Civil (IDAC)
Instituto Nacional de Tránsito y Transporte Terrestre (INTRANT)	 Recopila y reporta los datos para el INGEI (Energía) correspondiente a transporte terrestre; Reporta las acciones de mitigación relacionadas a transporte terrestre 	Ley de Movilidad, Transporte Terrestre, Tránsito y Seguridad Vial, no. 63 – 17
Autoridad Portuaria Dominicana (APORDOM)	 Recopila y reporta los datos para el INGEI (Energía) correspondiente al transporte marítimo; Reporta las acciones de mitigación relacionadas al transporte marítimo 	Ley que crea la Autoridad Portuaria Dominicana, no. 70 – 70
Comisión Nacional de Energía (CNE)	 Recopila y reporta los datos para el INGEI (Energía) correspondiente a la generación eléctrica; Reporta las acciones de mitigación relacionadas a la generación eléctrica 	Ley General de Electricidad, no. 125 – 05
Organismo Coordinador del Sistema Eléctrico Nacional Interconectado (OC – SENI)	 Recopila y reporta los datos para el INGEI (Energía) correspondiente a la generación eléctrica 	Ley General de Electricidad, no. 125 – 01
Corporación de Acueducto y Alcantarillados (CORAs/ CAASD)	 Reportan los datos para el INGEI (Residuos) correspondiente a las aguas residuales; Reporta las acciones de mitigación relacionadas a las aguas residuales 	Ley 5994 crea el Instituto Nacional de Aguas Potables y Alcantarillado (INAPA)







Observatorio de Cambio Climático – INTEC (Academia)	Valida los datos suministrados por las demás instituciones científicamente, asegurando la calidad para la preparación del INGEI (QA).	Ley que establece la Estrategia Nacional de Desarrollo, no. 1 – 12;
		Decreto 601-08, que crea el Consejo Nacional para el Cambio Climático

