



Guidelines

For the private sector on the voluntary reporting of climate-related information to the Jordan Monitoring Reporting and Verification System

Introduction

Jordan was among the first group of developing countries to ratify the UNFCCC and proactively combat climate change. Jordan submitted its first Nationally Determined Contribution (NDC) under the Paris Agreement in 2015 and updated it in October 2021, raising its GHG emission reduction target from 14 percent to 31 percent under the Business as usual (BAU) scenario by 2030. The NDC includes an unconditional commitment to 5 percent reduction to be financed by the government own means , at an estimated cost of US\$ 565 million, and 26 percent reduction conditional upon the availability of and access to funding support, for a total estimated cost of US\$7.5 billion. Jordan's increased commitments are also reflected in more ambitious sector- specific targets, such as generating 35% of electricity from renewable energy and a 50% share of electric vehicles in the public fleet by 2030.

By 2024, according to the Enhanced Transparency Framework (ETF) established under the Paris Agreement, Jordan is mandated to transparently report on actions taken and progress in climate change mitigation, adaptation measures and support provided or received, as well as track progress on their NDC goals. The existing Multi-level Monitoring, Reporting, and Verification (MRV) system, currently operationalized across most government agencies, will serve as the cornerstone for transparently fulfilling the reporting requirements stipulated under the ETF.

Importance of the Reporting of climate-related information

Reporting climate data is crucial for Jordan's ambitious goals. It fosters:

- **Transparency:** Tracks progress towards national targets and showcases corporate commitment.
- **Informed decision-making:** Helps allocate resources effectively and address financing gaps.
- **Improved public policy:** Enables evaluation of effectiveness and strategic climate planning.
- **Competitive advantage:** Builds trust with stakeholders and opens access to green finance and partnerships.
- **Green finance access:** Transparent reporting unlocks opportunities for companies to attract climate-specific funding through green funds, markets, and partnerships, bolstering their competitiveness.

- **Investor attraction and confidence:** Reporting demonstrates responsible risk management and commitment to sustainability, enhancing investor confidence and influencing their decision-making positively.

Global trends and Jordanian initiatives underline the importance of this practice. Government of Jordan is already tracking the public climate expenditure as part of tracking NDC unconditional commitment. Moreover, Amman Stock Exchange (ASE), a member of the Sustainable Stock Exchanges (SSE) Initiative, issued Guidance for Sustainability Reporting in 2018. The Central Bank of Jordan in their Green Finance Strategy 2023-2028 highlight that new requirements might be issued in the medium term for the financial sector to start disclosing and reporting climate-related information both on green finance and climate risk management side.

By embracing transparent reporting, Jordan can position itself as a leader in sustainable development.

Objective of these guidelines

Unlocking the power of private climate action: These guidelines pave the way for voluntary reporting by businesses, fostering transparency and accelerating Jordan's progress towards its Nationally Determined Contribution (NDC) goals especially the progress on the conditional commitments.

While currently voluntary, the Ministry of Environment is highly encouraging companies with established information systems and existing climate action efforts to report its climate actions on the MRV system. This pilot phase lays the groundwork for a potentially broader reporting framework in the future. While reporting unlocks access to green finance opportunities, enhances investor confidence, and strengthens your company's reputation as a climate leader. We are actively exploring incentive structures to further encourage participation.

Consultations with industry chambers and banking associations during 2023 ensured stakeholder input and ongoing engagement. These guidelines will continue to be refined based on feedback and evolving needs.

Jordan's Multi-Level MRV System for Climate Action



Source: (Ministry of Environment of Jordan 2019; RSS 2019)

Jordan stands as a global leader in climate change monitoring and reporting with its unique, multi-tiered Monitoring, Reporting, and Verification (MRV) framework. Launched in 2021 and currently operationalized across more than 20 government agencies, this centralized repository serves as a comprehensive record of the nation's climate mitigation efforts, with potential expansion to encompass adaptation initiatives in the near future.

Key Features of Jordan's MRV System:

- **Centralized Data Hub:** Owned by the Ministry of Environment and developed with support from the World Bank's Partnership for Market Readiness, the MRV system functions as a central repository for all climate change mitigation data in Jordan.
- **Validation and Verification:** The system facilitates the validation and verification of data submitted by various agencies, ensuring its accuracy and reliability for securing access to climate finance and enabling future carbon finance instruments.
- **National Tracking and Reporting:** The MRV system provides comprehensive support for national efforts to track and report on climate change mitigation and adaptation progress across all

sectors. It generates standardized reports that offer transparent insights into the nation's climate action efforts.

- **Robust Legal Framework:** The establishment and operation of the MRV system is firmly supported by a robust legal framework in Jordan. The National Environmental Law (2017) and the Climate Change By-law (2019) both mandate the existence of the system, outlining its responsibilities and functionalities.
- **Multi-Level Data Collection:** The MRV system enables the collection of greenhouse gas (GHG) data at various levels, including national, sectoral, agency/fund, and project level. This granularity provides valuable insights into the specific contributions of different actors to national climate goals.
- **National Registry for Transparency:** The system is complemented by a National Registry, further enhancing transparency and coordination in climate change-related funding and projects. This facilitates the flow of financing towards sustainable initiatives.

Jordan's innovative MRV system stands as a beacon of transparency and accountability in the global fight against climate change. Its multi-level approach, robust legal framework, and emphasis on data accuracy offer valuable lessons for other nations seeking to effectively monitor and report on their climate action efforts.

Identifying Climate-Responsive Projects for MRV Reporting

Precise definitions of "climate finance," "climate-responsive investment," and "climate-responsive project" are crucial to ensure the integrity and value of information reported to the MRV system. Jordan has taken a proactive approach in this regard, the MoEnv issued the climate responsive project definition and eligibility criteria in 2021 under the Climate Change by law No. 79 (2019). Under these criteria, climate responsiveness encompasses climate change mitigation, adaptation, resilience, and short-term pollution.

Eligibility criteria for a project, program, or activity to qualify as 'climate responsive project' includes the following:

(a) It is listed in Jordan's Nationally Determined Contributions (NDC), National Adaptation Plan, National Communication, Climate Investment plans, climate change policy or climate change related strategy documents issued by the government

OR

(b) It fulfills one or more of the following conditions:

1. It reduces greenhouse gas emissions.
2. It reduces consumption of energy (fuel or electricity).
3. It reduces water consumption or/and improves food security.
4. It reduces pollution from burning of any type of fuel, waste, or other material.
5. It reduces methane emissions from waste, livestock, and other sources.
6. It installs any type of renewable energy or energy efficiency technology.
7. It contributes to strengthening the monitoring of health risks arising from climate change.
8. It improves efficiency or reduces loss or enable recycling of water.
9. It improves quality of infrastructure against extreme weather events common to Jordan (e.g., flash floods, landslides, extreme heat, etc.).
10. It increases afforestation, reforestation and improves land-use practices.
11. It implements education, training, capacity building, and awareness related to any of the items (i) - (vii) above

Until further notice from the Ministry of Environment, the private sector is requested to utilize the criteria for identifying climate-responsive projects for MRV reporting purposes.

To address any questions or uncertainties regarding project classification, financing, or investments as climate-responsive, the Ministry of Environment encourages open communication and seeks dialogue with stakeholders.

The Process of Private sector reporting to the MRV system

To report into the MRV system, interested companies will need to follow a three-step process.

Step 1: fill out the standard template with the information required for the MRV system, this template is found on the Ministry of Environment website: <https://moenv.gov.jo/Default/EN> (see Annex 1). or can be requested through the following link: mrv@moenv.gov.jo

Step 2: once the document is downloaded, companies will need to complete it and submit it to mrv@moenv.gov.jo .

Step 3. the focal point of the Ministry of Environment will review the information provided. If the data is correct, it will be entered into the MRV system. However, if further clarification is needed, the ministry of environment will contact the firm's focal point.

For any further information or any questions please contact to the following email: mrv@moenv.gov.jo

The MRV system will create an annual progress report with the information collected which will demonstrate progress towards NDC conditional commitments.

While submissions to the MRV system are welcome at any time, the Ministry of Environment, kindly requests that companies submit their information to: mrv@moenv.gov.jo annually for comprehensive

annual reporting purposes. This will ensure consistent data collection and facilitate accurate progress tracking.

Confidentiality and usage of the data collected

During the voluntary phase, no confidential information will be solicited or disclosed without express prior consent. Companies can be assured of the utmost discretion regarding sensitive data. The Ministry of Environment will only use the information for reporting purposes into the MRV system and will not otherwise use the Confidential Information for the benefit of itself or any other third party or in any adverse manner.

ANNEX – Requested Information Template

Please send the following information to mrv@moenv.gov.jo . Please use the form for each climate responsive project separately.

Information Required	Description
1. Company information:	<ul style="list-style-type: none"> • Name of the company • Type of company (e.g., Private Limited Company, Public Limited Company, Cooperative) • Sector • Focal point’s full name and email address <p>Information on climate-responsive project:</p> <ul style="list-style-type: none"> • Location • Project manager • Project description
2. Detailed info (used for estimation of emission reductions):	<ul style="list-style-type: none"> • Project sector (e.g., energy, transport, urban, agriculture) • Project Category/type (e.g., Renewable Energy/Energy Efficiency)
3. Project parameters	<ul style="list-style-type: none"> • Specific for each climate responsive project type, for example, MWh of generated electricity, amount of electricity and/or fuel consumption reduced due to increased energy efficiency
4. Milestones	<ul style="list-style-type: none"> • Main milestone dates of the projects: <ul style="list-style-type: none"> ○ Project implementation start date ○ Project implementation completion date ○ Project operational date
5. Funding	<ul style="list-style-type: none"> • Source of finance for implementing the climate responsive project • Funding type (loan, grant, equity) • Funding amount (JOD or any other relevant) • Financing instrument
6. Supporting documents	<ul style="list-style-type: none"> • Please attach any other supporting documents of the project when sending this information to mrv@moenv.gov.jo