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UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

SUBSIDIARY BODY FOR SCIENTIFIC AND TECHNOLOGICAL ADVICE

Eighth session

Bonn, 2-12 June 1998

Item 8 of the provisional agenda

SUBSIDIARY BODY FOR IMPLEMENTATION

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MECHANISMS FOR COOPERATIVE IMPLEMENTATION

Responses to questionnaire relating to cooperative implementation mechanisms

Submissions by intergovernmental and non-governmental bodies

Note by the secretariat

Addendum

1. In addition to the questionnaire responses already received and contained in document FCCC/1998/SB/MISC.2, two additional responses have been received.
2. These submissions are attached and, in accordance with the procedure for miscellaneous documents, are reproduced in the language in which they were received and without formal editing.

FCCC/1998/SB/MISC.2/Add.1

GE.98-

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- Workshops:

- a) The Policy Framework Working Group (O).
- b) The Markets Design Working Group (O).
- c) Meetings of the Greenhouse Gas Emissions Trading Policy Forum (O).
- d) Regional workshops (P).
- e) National workshops (P).

(B) The Clean Development Mechanism

- Technical Studies:

Topics:

- Technical aspects of the implementation of the CDM (P).
- Financial aspects of the implementation of the CDM (P).
- Legal and institutional aspects of the implementation of the CDM (P).

- Workshops:

- Regional workshops for developing countries (P).

4. UNFCCC intergovernmental process.

- Study on relevant principles, modalities, rules and guidelines for verification, reporting and accountability for emissions trading.

Draft available by June 1998.

- Study on non-compliance and enforcement issues in greenhouse gas emissions trading.

Draft available by October 1998.

Non-governmental community.

- International legal framework for a plurilateral greenhouse gas emissions trading system.

Draft available in Spring 1999.

Questionnaire

Ongoing and planned activities related to the three cooperative implementation mechanisms

Kindly return the questionnaire to the UNFCCC secretariat by 19 May 1998 at the latest. Contact address: Ms. Christine Zunkeller, Manager, Cooperative Implementation, UNFCCC Secretariat. (tel: 49-228-815-1620, fax: 49-228-815-1999 and email: czunkeller@unfccc.de) Thankyou for your cooperation.

Name of Organization: INTERNATIONAL ACADEMY OF THE ENVIRONMENT

Contact person/responsible officer (address): Dr. Francisco Szekely

N.B: Kindly mark for each entry whether the activity is 'ongoing' (O) or 'planned' (P).

1. Which mechanism(s) are you working on (if several, please state in order of priority)?

1. CDM / 2. Joint Implementation / 3. GHG Emissions

2. Which area of work are you engaging in? Kindly state by mechanism.

- general policy/strategy
- methodological issues and options (such as baselines, monitoring and verification, certification)
- institutional requirements and options
- project identification/development
 - mitigation
 - adaptation
- capacity-building/training
- potential impact and implications of mechanism(s)
- linkages among the mechanisms

3. What type of work are you carrying out? Kindly differentiate by mechanism, if applicable, and state the resources available.

- Technical studies/topics
- Workshops
- Technical cooperation (project development, training)
- Other (please specify): Publications

4. What is the use to be made of the work and when will it be delivered? Kindly state the mandate. - Delivered by October 1998.

- UNFCCC intergovernmental process (SB/COP)
- Other inter-governmental process (please specify)
- Non-governmental community.



Climate Change in the Global Economy Programme (CCGE)

International Academy of the Environment

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Located in Geneva Switzerland, IAE supports high-level decisionmakers to integrate sustainable development principles into the policymaking process. IAE's approach to this challenge embodies four types of activities in the field of Climate Change: policy-relevant research seeking innovative approaches to sustainable development problems; policy dialogues engaging high-level experts in discussions of critical issues; training seminars aimed at building the capacity of concerned specialists; and dissemination of information deriving from these endeavors.

Research themes of the CCGE programme

CDM & JI

The theme will contribute to the development of operational elements of future CDM and JI regimes. It will examine methodologies to objectively assess the additionality of greenhouse gas emission reductions, approaches to credit sharing and complementarity, and screening procedures to ensure that projects generate economic, environmental, and social benefits for the host country that meet or exceed agreed standards. For CDM and JI activities in the energy sector, varied approaches to designing these elements will be analysed with respect to their ability to simultaneously maximise: incentives for sponsor country investment and host country participation, global efficiency and cost-effectiveness, and international equity and burden-sharing in global mitigation activity.

Carbon Sequestration

The objectives of this theme are to provide policy-makers with information that will enable them to take well-informed decisions whether they should engage in afforestation and reforestation CDM and JI activities. This will be achieved by identifying and prioritise gaps in knowledge or researchable issues that will permit a better understanding of sustainable development implications of carbon sequestration.

Emission Trading

This theme will mainly focus on the *national* implications of an international emission trading system. Analyses of the links between domestic policies and measures, and an international trading system are made examining how modified existing and/or new domestic measures should be implemented for the international emission trading system to work. It also studies the involvement of the private sector in the international trading of emissions, examining the costs/benefits of directly involving the private sector in international trading, in collaboration with national governments. Finally, attention is given to defining institutional and other capacities (national/international) that will be needed to monitor and will be liable for international trading by private entities.

Carbon Taxes

This theme focuses on the implications of carbon taxes in a global economic context. In particular, the theme studies two main topics. First it evaluates the impacts of carbon/energy taxes in countries that have already implemented them, in terms of reduced emissions, competitiveness, distribution of revenues, and employment. Secondly it examines the linkages between carbon/energy taxes and other domestic instruments, e.g. voluntary agreements, as well as the linkages between carbon taxes and emissions trading system at the international level.

Voluntary Measures

Voluntary initiatives for GHG reduction constitute a policy tool based on actions usually involving public/private collaboration, for the purpose of climate change mitigation. They are generally seen as *complementary* to regulatory and economic mechanisms, rather than as alternatives to such policy measures; the perceived advantage of voluntary initiatives lies in their cost-effectiveness and flexibility. The objective of this theme is to discover how voluntary industry initiatives can serve as a viable policy tool for GHG reduction. By examining in what proportion with other policy tools (regulation, economic mechanisms) they can be used, and in what socio-economic context, i.e. are certain cultures, industries more conducive to their use, the theme will show how voluntary measures can be a sustainable policy tool.

Non-fuel Society

This theme considers a compromise sustainable development scenario where economic development is based on competitive and equitable energy supply, and needs are met through technologies and production systems requiring both lower energy input and higher utilisation of renewable resources. By exploring the interfaces between scientific knowledge/technology, policies and consensus, from the renewable energy perspective, with solar energy as initial focus, the theme will determine under which circumstances can the contribution of renewables be increased and, consequently, emissions limited.