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**CONTACT GROUP ON ENHANCED ACTION ON MITIGATION
AND ITS ASSOCIATED MEANS OF IMPLEMENTATION**

**Subgroup on paragraph 1 (b) (ii)
of the Bali Action Plan**

Nationally appropriate mitigation actions by developing country Parties

Non-paper by the facilitator

**I. Principles, objectives and nature of nationally
appropriate mitigation actions**

1. To enhance the implementation of Article 4.1 of the Convention, enabled and supported through enhanced implementation of commitments of developed country Parties and other Parties included in Annex II under Article 4.3, 4.4 and 4.5, in accordance with Article 4.7 of the Convention.
2. Abide by the principles of the Convention embodied in its Article 3, in particular the right to sustainable development enunciated in Article 3.4 and recognize that nationally appropriate mitigation actions by developing country Parties are taken in the context of sustainable development.
3. Nationally appropriate mitigation actions (NAMAs) by developing country Parties, as defined in the Bali Action Plan (decision 1/CP.13), paragraph 1 (b) (ii), are distinct from the mitigation commitments of developed country Parties under its paragraph 1 (b) (i), both in magnitude and in their legal nature and should not constitute binding obligations or targets for developing country Parties, or be used as a basis for differentiating between them.
4. The NAMAs by developing country Parties shall be different for different groups of countries, depending on the level of development of their economies [, particularly in the case of the least developed countries (LDCs) and small island developing States (SIDS,)] and on their respective capacities and specific national circumstances [, including limited opportunities that may be available for using alternative energy sources].
5. NAMAs by developing country Parties are voluntary and the extent [level] of mitigation [actions] [effort] will [depend on] [be commensurate with] [be contingent on] the effective provision of financial, technical and capacity-building support as embodied in Article 4.7 of the Convention.
6. Recalling Article 4.1 (b) of the Convention, NAMAs by developing country Parties should evolve over time as their respective national circumstances, economic development and respective capabilities change. The Conference of the Parties should review the circumstances of each Party periodically based on objective criteria.

* This non-paper supersedes non-paper 45.

7. The NAMAs by developing country Parties shall be formulated consistent with the levels of ambition needed to contribute to meeting the ultimate objective of the Convention.
8. To enhance the implementation of Article 12.4 of the Convention, developing country Parties may, on a voluntary basis, propose projects for financing, including specific technologies, materials, equipment, techniques or practices that will be needed to implement such projects, along with, if possible, an estimate of all incremental costs, of the reduction in emissions and increments in removals of GHGs, as well as estimates of the consequent benefits.
9. Parties' ability to reduce greenhouse gas emissions is affected by their access to alternative energy options; to this effect, pursuant to Article 4.10 of the Convention, the difficulties faced by developing country Parties in switching from fossil fuels to alternative-energy sources shall be quantified and taken into account to reflect their disadvantage in this regard.
10. International recognition should be given to developing country Parties that are undertaking mitigation actions domestically based on their own resources.

Option to paragraph 10

Recognition should also be given to the unilateral NAMAs that continue to be taken without being supported and enabled by technology, financing and capacity-building from developed country Parties.

II. Definition and scope of nationally appropriate mitigation actions

11. Nationally appropriate mitigation actions by developing country Parties are those voluntary actions determined and formulated at the national level, in the context of sustainable development, and enabled and supported through finance, technology and capacity-building from developed country Parties, in a measurable, reportable and verifiable manner.

Option to paragraph 11

Nationally appropriate mitigation actions by developing country Parties may include a range of actions, [for international recognition or support] which should be voluntary, conform with national development priorities, sustainable development agenda and poverty eradication, and be determined and formulated at the national level. They may consist of:

- (a) Actions enabled and supported by finance, technology and capacity-building from developed country Parties and other developed country Parties included in Annex II to the Convention;

Option to paragraph (a)

Actions enabled and supported by finance, technology and capacity-building;

- (b) Actions that are [unilateral] [domestically-funded] by developing country Parties;
- (c) Actions that are undertaken over and above those identified in subparagraph 11 (a) and (b) above based on emission reduction targets which may be eligible for emissions trading schemes. The Conference of the Parties will develop the modalities and guidelines for participation in international emissions trading.

Option 1 to paragraph (c)

Actions that are financed via carbon market mechanisms.

Option 2 to paragraph (c)

Actions pursued with the intention of generating credits to participate in carbon market(s)

12. NAMAs by developing countries shall aim to reduce greenhouse gas emissions.

Option 1 to paragraph 12

NAMAs by developing countries [shall aim to] [must] reduce greenhouse gas emissions and should result in aggregate substantial deviation from the baseline by 2020 and by 2050 which should be measurable, verifiable and reportable if enabled and supported by appropriate funding, technology transfer and capacity-building from developed country Parties

Option 2 to paragraph 12

NAMAs by developing countries shall aim to reduce greenhouse gas emissions and should result in substantial deviation from the baseline of the order of 15-30 per cent which should be measurable, verifiable and reportable.

13. Developing country Parties, [may] [shall] develop [and submit] low-emission [high growth sustainable] development plans and strategies [by 2012] and report them in their national communications]. Least developed countries and small island developing States may develop and submit such low-emission [high growth sustainable] development plans and strategies at their own discretion.

14. NAMAs should not generate offsets for developed country Parties.

III. Support and enabling activities for nationally appropriate mitigation actions by developing country Parties

A. Support for nationally appropriate mitigation actions

15. The development of low-emission [high growth] development strategies, the implementation of new mitigation actions and the strengthening of existing mitigation actions by developing country Parties shall, as appropriate, be supported by financing, technology and capacity-building.

16. Developed country Parties, including those included in Annex II to the Convention, shall provide new and additional financial resources and technology and institutional capacity-building support for NAMAs in accordance with Articles 4.3, 4.5, 4.7 and 11.5 of the Convention, over and above financial resources that have been provided to enable developing country Parties to implement their commitments under Article 4.1 of the Convention. Implementation of NAMAs shall be supported on the basis of agreed full incremental costs.

17. Support for NAMAs shall be mobilized from a range of sources and shall be provided through the financial mechanism under the Convention and through other multilateral, regional and bilateral funding sources, as appropriate.

18. Support provided through the registry should not be channelled solely to actions that achieve direct emission reductions. Support should be provided according to type of action.

19. The provision of support for NAMAs shall be guided by the following principles:

- (a) Be underpinned by the principles of equity and common but differentiated responsibilities;
- (b) Enable cost-effectiveness so as to ensure global benefits at the lowest possible cost;
- (c) Enable direct access to funding by the recipients and ensure the provision of new and additional, adequate and predictable financing resources for technology transfer;
- (d) Ensure recipient country involvement during the stages of identification, definition and implementation, making it truly demand-driven;
- (e) Ensure that support is based on the needs identified by developing country Parties;
- (f) Ensure that specific support is being provided for specific actions;
- (g) Support the development and enhancement of endogenous capacities and technologies of developing country Parties;
- (h) Ensure that the funds are spread evenly, ensuring equity, a fair distribution of benefits and an even spread across all economic sectors;
- (i) Provide incentives by linking supporting measures in technology and finance and capacity-building with efforts in measurement, reporting and verification.

B. Enabling activities for nationally appropriate mitigation actions

20. Enabling activities, such as preparation and elaboration of low-emission development plans and strategies and planning and elaboration of NAMAs, and related capacity-building, carried out by developing country Parties shall be supported on the basis of the agreed full costs.
21. Developing country Parties should establish a national coordinating body funded by the proposed financial and technology mechanism to build national institutional capacity and specific capacity related to NAMAs.
22. A low-emission [high growth sustainable] development strategy shall contain:
- (a) A long-term strategy for low greenhouse gas emissions development, up to 2050, including the emission pathway envisaged to be achieved through the implementation of a low-emission [high growth sustainable] development strategy;
 - (b) A description of all nationally appropriate mitigation actions that the Party has implemented or is planning to implement. This description shall:
 - (i) Indicate [unilateral] [domestically funded] NAMAs that are to be financed and implemented domestically;
 - (ii) Identify barriers to the implementation of domestically funded action, including identifying technology needs and barriers to technology deployment and diffusion, whose removal needs support;
 - (iii) Indicate action that, due to incremental costs, requires support, in the form of financing, technology or capacity-building for implementation;
 - (iv) Specify, when relevant, the type of support in terms of finance, capacity-building and technology it considers most appropriate to enable the implementation of the NAMA and when financial support is sought, an estimate of the amount of support required;

- (v) Specify when the use of a sectoral crediting mechanism or sectoral trading mechanism is proposed and the associated reference levels;
- (vi) Include measurement, reporting and verification;
- (vii) Provide an estimate, including methodology used, of the projected emission reductions as a result of the implementation of NAMA, or a set of NAMAs, over the lifetime of the NAMA(s).

Option to paragraph 22

(Options relating to low emission [high growth sustainable] development strategies contained in paragraph 45 of non-paper 28 or its successor.)

- 23. (Capacity-building activities may include the activities listed in non-paper 26, paragraph 30 (a) to (i)).
- 24. (Other options contained in paragraph 48 to paragraph 55 of non-paper 28 or its successor).

IV. Mechanism to [register] [record] and facilitate implementation of nationally appropriate mitigation actions by developing country Parties

Option 1

25. A mechanism to register and facilitate the implementation of NAMAs by developing country Parties (hereinafter referred to as the mechanism/registry/register) shall be established at the secretariat under the authority of the COP to enhance the implementation of relevant provisions of the Convention. It shall:

- (a) Pre-register indicative NAMAs seeking support;
- (b) Register voluntarily their unilateral NAMAS;

Option to paragraph 25 (b)

Developing countries may communicate their mitigation actions funded by domestic resources through national communications, on a voluntary basis;

- (c) Voluntarily submit proposals on indicative actions to a technical panel for technical analysis;
- (d) Developed countries to post information on sources and type of support available, such as types of actions that a developed country would like to support, area of expertise of developed countries, agencies that should be contacted;
- (e) Provide a platform for matching action and support for those NAMAs requiring support;
- (f) Register supported NAMAs and corresponding support in the [mechanism/registry/register] [national communications] [national schedule];
- (g) Register voluntarily [unilateral][domestically-funded] NAMAs in the [mechanism/registry/register] [national communications] [national schedule];
- (h) Register finance, technology transfer and capacity-building support;

- (i) Updating information on action and support in the [mechanism/registry/register] [national communication] [national schedule] for supported NAMAs and information on action for [unilateral][domestically-funded] NAMAs.

Option 2

The life cycle of unilateral NAMAs may consist of the following steps:

- (a) Registering voluntarily unilateral NAMAs in the [registry][national communications][national schedule];
- (b) Implementing registered NAMAs;
- (c) Measuring, reporting and verifying of supported action and support;
- (d) Updating information on action and support in the [registry][national communication][national schedule].

Option 3

26. The coordinating mechanism:

- (a) Shall include a register, which shall contain the following:
 - (i) NAMAs proposed in the context of Low-emissions [high growth sustainable] Development Plans and Strategies, including domestically funded NAMAs, NAMAs seeking support and NAMAs seeking support via a carbon market mechanism;
 - (ii) NAMAs that have undergone the technical analysis;
 - (iii) NAMAs for which support has been confirmed;
 - (iv) The information on the implementation of measured, reported and verified NAMAs;
 - (v) The information on measured, reported and verified support;
- (b) Shall be supported by a technical panel to conduct technical analysis of all proposed NAMAs;
- (c) Shall facilitate the matching of NAMAs seeking support with support through the financial mechanism, bilateral and multilateral sources, domestic funding and through the carbon market;
- (d) Shall continuously update the information in the register.

Option 4

27. Each Party shall establish, maintain and implement the contents of a national schedule to be contained in appendix 1 (annex III, paragraph 21 of document FCCC/AWGLCA/2009/INF.2), which shall include a long-term national emissions pathway, and nationally appropriate mitigation commitments and/or actions that are measurable, reportable and verifiable in quantitative terms. Commitments and actions registered in national schedules may be taken unilaterally, with the intention of accessing the carbon market and/or enabled by previously agreed support. LDCs are invited to establish a national schedule at their discretion.¹

28. Recalling Article 4.1 (b) of the Convention and recognizing that the levels of ambition expected of Parties will necessarily evolve over time as their respective national circumstances and capabilities change, with respect to developing country Parties whose national circumstances reflect greater responsibility or capability,²

- (a) For each such Party, its national schedule contained in appendix 1 includes nationally appropriate mitigation actions in the 2020/[] timeframe that are quantified (e.g. reduction from business as usual) and are consistent with the levels of ambition needed to contribute to meeting the objective of the Convention;
- (b) Each such Party shall formulate and submit a low-emission [high growth sustainable] development strategy for long-term net emission reductions by 2050, consistent with the levels of ambition needed to contribute to meeting the objective of the Convention;
- (c) Appendix 1 shall include date(s) by which each Party will commit to the type of action referred to in annex III A, (alternative to paragraph 28 of document FCCC/AWGLCA/2009/INF.2).

29. Other developing country Parties should implement nationally appropriate mitigation actions [, enabled and supported by finance, technology and capacity-building by developed country Parties] and develop low-emission [high growth sustainable] development strategies, consistent with their capacity.

30. Developing country Parties referred to in annex 1³ [should have] [shall achieve] [‘a no-lose target’] [sectoral] and economy-wide GHG emission intensity targets (GHG emissions per GDP) in a measurable way], with a view to substantially limiting the growth of GHG emissions in those developing countries that contribute substantially to global emissions of GHGs.

31. Developing country Parties may submit proposals for support of their nationally appropriate mitigation actions through (arrangements to be elaborated through work underway in the finance contact group).

32. Actions that have received support under paragraph 31 above will be recorded in a Party’s schedule as contained in Appendix 1.

¹ This paragraph should be read in conjunction with the proposal on national schedules contained in non-paper number 28.

² The proposing Party intends this paragraph to be read in conjunction with document FCCC/AWGLCA/2009/INF.2, annex III, paragraph 21.

³ Non-paper 26, annex I.

V. Option 1: Measurement, reporting and verification of support from developed countries for nationally appropriate mitigation actions by developing countries and measurement, reporting and verification of nationally appropriate mitigation actions by developing countries

Option 2: Measurement, reporting and verification of support for nationally appropriate mitigation actions by developing countries and measurement, reporting and verification of nationally appropriate mitigation actions by developing countries

33. An international institutional framework shall be established for measuring, reporting and verifying NAMAs and support provided by developed country Parties.

34. Measurement, reporting and verification of NAMAs and their desired outcomes shall apply only to actions that have been enabled and supported by measurable, reportable and verifiable finance and technology by Annex II Parties through the proposed financial mechanism.

Option to paragraph 34

NAMAs will be measured, reported and verified.

35. Guidelines for measurement, reporting and verification of actions by developing country Parties shall be established and approved by the COP.

36. Developing country Parties:

- (a) Shall develop and submit every X years, internationally reviewed national communications based on the existing expert review system;
- (b) Submit annual national emission inventories based on the inventory reporting guidelines.

37. Least developed countries and small island developing States may develop and submit emission inventories at their own discretion.

[Supported NAMAs]

38. NAMAs shall be measured at the national level in accordance with guidelines to be decided on by the COP, building on, inter alia, existing IPCC guidelines and involving regional centres and national experts.

39. NAMAs shall be reported to the Convention [in the national communication] [in the registry] [coordinating mechanism] in accordance with reporting guidelines and frequency of submissions to be decided upon by the COP, taking into account the principles of transparency, accuracy, consistency, comparability and completeness, and shall address, inter alia, achieved emission reductions.

40. NAMAs shall be verified at the national level. The methodologies of the national verification process should be open to international auditing. If necessary, and subject to agreement by the developing country Party undertaking the NAMA, domestic verification may also be confirmed by an international verification process, with due respect paid to the protection of confidential information.

Option to paragraph 40

NAMAs will be technically reviewed by the COP based on international guidelines and modalities to be decided by the COP.

41. Measurement and reporting of NAMAs and their achieved outcomes:
- (a) Shall indicate how implementation of NAMAs affects GHG trajectories at a national and/or sectoral level or the national baseline.

[Unilateral][Domestically-funded NAMAs]

42. [Unilateral][Domestically-funded] NAMAs [may] [shall] be reported in [national communications] [registry][coordinating mechanism][national schedules].

43. [Unilateral][Domestically-funded] NAMAs:

- (a) Shall be measured and reported by the host Party in accordance with the established guidelines;
- (b) Shall be reviewed by the Conference of the Parties.

Option to paragraph 43

[Unilateral][Domestically-funded] NAMAs shall not be subject to measurement, reporting and verification requirements.

NAMAs financed through a carbon market

44. NAMAs that are financed through a carbon market and their outcome in terms of emission reductions shall be verified, together with the corresponding support as measured and reported by [national level] institutions accredited by the COP in accordance with the same multilaterally agreed guidelines.

Option to paragraphs 33 to 44 above

45. (Other options contained in paragraphs 48-55 and Annex I of non-paper 28 or its successor).
46. Developed country Parties shall measure, report on NAMAs and have support for NAMAs verified in accordance with international guidelines, including the following:
- (c) Allocation and transfer of finance for means of implementation [granted [over and above ODA], in units of an agreed common currency];
 - (d) Technology transfer, including development, deployment, application and diffusion [in units established by the COP];
 - (e) The agreed full incremental costs of technology transferred to developing country Parties [in units of an agreed common currency];
 - (f) Support for capacity-building according to indicators [and in units] [established by the COP.]

47. Developed country Parties shall report on the measurement of support, including financial resources, transfer of technology and other actions, in their national communications submitted under

Article 12.3 of the Convention. Information on actions taken to fulfil commitments on financial resources, transfer of technology and other actions under the Convention shall be updated and verified [annually] [regularly]. The measurement and reporting of support shall be based on new methodologies for assessing their adequacy, predictability and effectiveness.

48. The support shall be verified under the registry in terms of contributions by developed [and developing] country Parties taking into consideration their responsibilities and respective capacities.

Option 1 to paragraph 48

The support shall be verified using international guidelines, reported in the international registry under the Convention and updated annually.

Option 2 to paragraph 48

The support shall be verified within the existing in-depth review of national communications from Annex I Parties.

Option 3 to paragraph 48

The provision of financial resources, transfer of technology and other forms of support by developed [and developing] countries taking into consideration their respective capacities] shall be verified by the Verification Group of the finance and technology mechanism(s) of the Convention in terms of contributions by developed [and developing] country Parties within their respective capacities.

49. Financial resources provided by Annex I Parties shall be measured, reported and verified when provided to the Financial Mechanism. Technology transfer and capacity-building shall be measured, reported and verified during the course, and following completion, of the associated NAMA.
