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Ad Hoc Working Group on Long-term Cooperative Action under the Convention

Twelfth session

Tianjin, 4–9 October 2010

Item 2 (b) of the provisional agenda

Organizational matters

Organization of the work of the session

Scenario note on the twelfth session

Note by the Chair*

I. Introduction

1. The twelfth session of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) will be held in Tianjin, China, from 4 to 9 October 2010.
2. This short session of six working days will be the last session to be dedicated to the ad hoc working groups alone before the sixteenth session of the Conference of the Parties (COP), where meetings of six bodies¹ will require delegates' attention.

II. Outcome of the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention

3. The AWG-LCA has been requested by the COP to present the outcome of its work to the COP for adoption at its sixteenth session. With COP 16 rapidly approaching, the AWG-LCA needs to turn its full attention to what is achievable in the time remaining and to the content of the outcome to be presented to the COP.
4. Delegates have repeatedly stated their determination to prevent a repetition of the situation at COP 15 in Copenhagen, where the AWG-LCA forwarded the results of its work to the COP for consideration and adoption with a large number of unresolved issues. The

* This document was submitted after the due date owing to the short interval between the eleventh and twelfth sessions of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention.

¹ At its ninth session, the AWG-LCA decided that its thirteenth session will be held in conjunction with the sixteenth session of the COP for as long as necessary (FCCC/AWGLCA/2010/3, para. 25).

Chair is fully committed to the objective of the AWG-LCA presenting to COP 16 a negotiated outcome that is sufficiently close to being fully agreed for the COP to address any unresolved issues. The twelfth session of the AWG-LCA is crucially important in this effort.

5. The AWG-LCA may not be able to resolve all issues before it in the time remaining. For this reason, focus should be put on those elements that lend themselves to a resolution within the time available, bearing in mind the need to achieve balance.

III. The negotiating text

6. At its eleventh session, the AWG-LCA established drafting groups to undertake work on the text to facilitate negotiations among Parties.² The results of the work of these drafting groups are contained in the negotiating text for consideration by Parties at AWG-LCA 12. This negotiating text is contained in document FCCC/AWGLCA/2010/14.

7. The text is now richer in substance and reflects more accurately the perspective of Parties on the issues. At the same time, many challenges remain and a significant number of issues still need to be resolved and differences overcome. Large parts of the text were heavily negotiated by Parties in 2009. The extensive work undertaken on these elements of the text should reduce the work needed to reach agreement on them. It is the responsibility of Parties to seek an agreement – through negotiations and willingness to bridge differences and through finding common ground and compromise – on an outcome that can be presented to COP 16 for adoption.

8. The Chair proposes that the AWG-LCA work towards presenting a balanced set of draft decisions to the COP for adoption at its sixteenth session. The Chair will consult informally with negotiating groups during this session, in coordination with the Presidency of COP 16, on the elements of the outcome.

9. As indicated at the closing plenary of AWG-LCA 11, the Chair has undertaken an analysis of the issues in the negotiating text and, in a number of cases, has made suggestions on how negotiations at AWG-LCA 12 could be advanced. This analysis is included in annex I to this scenario note. It is not intended to be an exhaustive list of all issues in the text, but rather is intended to help Parties to embark on negotiations and not meant to be prescriptive.

IV. Organization of the work of the session

10. The opening plenary meeting will be held on Monday, 4 October. It is essential to initiate work on the text as expeditiously as possible. For that reason, and given the shortage of time, the Chair proposes that the AWG-LCA responds to calls from Parties at the last session that only groups of Parties make brief opening remarks and that individual Parties refrain from requesting the floor.³

11. As needed, Parties will have an opportunity for brief interventions in order to share information about initiatives taken since the last session that are of relevance to the negotiations under the AWG-LCA and about the outcomes of such initiatives.

12. The closing plenary will be held on Saturday, 9 October.

² FCCC/AWGLCA/2010/8.

³ Delegates who intend to make opening remarks on behalf of a group of Parties are kindly requested to inform the secretariat in advance by sending an email to <secretariat@unfccc.int>.

13. A contact group, to be established, will organize the work on the text by establishing drafting groups. This contact group is open to all Parties and observer organizations and will be chaired by the Chair of the AWG-LCA.

14. The Chair proposes the continuation of four drafting groups, working, as at AWG-LCA 11, on: A shared vision for long-term cooperative action (this drafting group would also address the review); enhanced action on adaptation; enhanced action on mitigation; and finance, technology and capacity-building.

15. The Chair proposes that the groups address the paragraphs as outlined in the following table:

<i>Drafting group</i>	<i>Chapters and paragraphs in the negotiating text</i>
A shared vision for long-term cooperative action; review	Chapter I, paragraphs 1–4 quinquies, 12 and 68–71
Enhanced action on adaptation	Chapter I, paragraph 5–6 bis and 13; chapter II
Enhanced action on mitigation	Chapter I, paragraphs 7–7 bis and 14–59; chapters VI, VII, VIII and IX
Finance, technology and capacity-building	Chapter I, paragraphs 8–11 and 60–67; chapters III, IV and V

16. A number of issues appear in, or relate to, several sections of the text and could potentially be treated in more than one group. In these cases, a clear division of labour is necessary in order to avoid duplication of effort and loss of valuable negotiating time and to ensure that the issue is properly addressed and overall coherence maintained:

(a) For example, in the case of a shared vision for long-term cooperative action, the expression of a shared vision for elements of the Bali Action Plan relates to the chapters and sections in which the respective elements of the Bali Action Plan are considered in detail. Therefore, the Chair proposes the division of labour as outlined in paragraph 15 above.

(b) In the case of measurement, reporting and verification of support, the following division of labour is proposed:

- Measuring and reporting of the provision of support will be addressed by the drafting group on mitigation in the context of reporting by developed country Parties;
- Measuring and reporting of the support received will be addressed by the drafting group on mitigation in the context of reporting by developing country Parties;
- The verification of support provided will be addressed by the drafting group on finance, technology and capacity-building.

17. Following calls from Parties at AWG-LCA 11, this scenario note contains an initial timetable of the meetings of the AWG-LCA plenary, contact group and drafting groups, subject to changes as needs arise, which is presented in annex II.

18. The drafting groups will organize additional work, as necessary, on specific issues or subsections in the text through spin-off groups with clearly defined and time-bound tasks. The Chair will seek assistance from delegates to facilitate the work of the drafting groups and spin-off groups as needed.

19. Targeted informal consultations on a limited number of specific issues will be held to complement the work of the drafting groups. This will include an informal consultation, open to all Parties, to consider issues that have been raised by Parties included in Annex I to the Convention undergoing the process of transition to a market economy and Parties whose special circumstances are recognized by the COP.

20. Progress made in negotiating elements for the balanced set of COP decisions will be captured in draft texts made available during the session. After the session, a negotiating text will be compiled for consideration at AWG-LCA 13 in Cancun containing the draft texts as well as those paragraphs from the negotiating text, prepared for the present session, that were not addressed, to ensure that everything remains on the table.

21. In the light of the progress made at AWG-LCA 12, the Chair will assess, in consultation with the incoming COP President, what steps the Chair could take to facilitate progress at AWG-LCA 13 towards agreement on an outcome to be presented at COP 16.

Annex I

Overview of issues in the negotiating text¹ and suggestions to advance negotiations

I. A shared vision for long-term cooperative action (chapter I, paras. 1–12, of the negotiating text)

1. The long-term global goal for emission reductions and associated considerations (paras. 1–4 bis).
2. Expression of a shared vision for elements of the Bali Action Plan (paras. 4 ter–11).

These issues, by their nature, relate to the chapters and sections in which the respective elements of the Bali Action Plan are considered in detail.

Suggestions on how to advance negotiations:

Parties may wish to:

- Consider the long-term global goal for emission reductions with a view to reducing the options.

II. Enhanced action on adaptation (chapter I, paras. 5–6 bis and 13, and chapter II of the negotiating text)

3. The scope of enhanced action on adaptation (chapter II, para. 1; chapter I, paras. 5–6 bis).
4. Institutional arrangements for enhanced action on adaptation (chapter II, paras. 7–11; chapter I, para. 13).
5. Addressing loss and damage in developing countries (chapter II, paras. 4 (e), 8 (options 1 and 2); chapter I, para. 13 (b)).
6. Medium- and long-term adaptation plans for the least developed countries (chapter II, para. 5; chapter I, para. 13 (d)).
7. Reporting on enhanced action on adaptation (chapter II, para. 12 (options 1 and 2)).

Suggestions on how to advance negotiations:

Parties may wish to consider:

- The functions of proposed institutional arrangements for adaptation and of strengthened existing arrangements, taking into account the review of the Nairobi work programme;
- What steps can be taken in Cancun to address loss and damage associated with climate change impacts in developing countries;
- Whether reporting functions would cover action, support, or both.

¹ FCCC/AWGLCA/2010/14.

III. Enhanced action on mitigation

A. Nationally appropriate mitigation commitments or actions by developed country Parties (chapter I, paras. 14–27, of the negotiating text)

8. The nature, form, scale of and arrangements to inscribe individual commitments or actions (paras. 14–16, 20).
9. Relationship between economy-wide emission limitation and reduction commitments/targets under the Convention and those under the Kyoto Protocol (paras. 16–17).
10. A collective goal for emission reductions and its possible level (para. 18).
11. Approach to comparability of effort, historical responsibility, etc. (paras. 15, 19).
12. The principles/terms of reference for developing guidelines on measurement reporting and verification (MRV) for mitigation actions/commitments by developed country Parties and their relation to the current system of reporting and review (paras. 21–27).
13. Reporting of finance, technology and capacity-building support provided to developing countries, through national communications, as well as the verification of the information (para. 23 (a), (b) (v)). (Also see issue No. 46 below.)

Suggestions on how to advance negotiations:

Parties may wish to consider:

- What elements of the existing reporting and review system and what new elements should be a part of a system for MRV of enhanced nationally appropriate mitigation commitments or actions by developed country Parties;
- Aspects of MRV-related issues that could be agreed upon in Cancun to enable development of modalities for a MRV system;
- The scale of and arrangements to inscribe individual commitments or actions.

B. Nationally appropriate mitigation actions by developing country Parties (chapter I, paras. 28–51, of the negotiating text)

14. Arrangements for recording information on nationally appropriate mitigation actions (NAMAs) by developing country Parties; facilitating support to NAMAs by developing country Parties and matching support with actions; MRV of supported actions; and financing support for implementation of NAMAs and the enabling activities, as well as relationships to finance, technology and capacity-building mechanisms (paras. 29 ter–33 bis, 44–46, 48–48 bis, 49–50).
15. Content and frequency of national communications, content of biennial reports and associated guidelines (paras. 37–40).
16. International consultation and analysis and associated guiding principles and guidelines (paras. 41–43 septies).
17. Arrangements to inscribe individual mitigation actions and related information (paras. 29–29 bis, 34).
18. Recording and reporting of finance, technology and capacity-building support received by developing countries (paras. 35, 38 (e), 39 (d)). (Also see issue No. 46 below.)

Suggestions on how to advance negotiations:

Parties may wish to:

- Determine what arrangements are needed for recording information on NAMAs and support, including support for developing NAMAs;
- Elaborate the steps required to register mitigation actions, including the inscription of such information in appendix II of the negotiating text and to identify what information needs to be provided on such actions, including information to enable matching of support to NAMAs;
- Determine what policy guidance, including elements of guidelines, the Cancun conference can provide for development of guidelines for measurement, reporting and verification of developing country actions and international consultations and analysis, and develop a work programme for implementation.

C. Policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries (chapter I, paras. 52–53 (options 1 and 2), and chapter VI of the negotiating text)

19. The scope of, and activities under, REDD-plus (chapter I, options 1 and 2, para. 53, and chapter VI, options 1 and 2, para. 3).
20. Principles and safeguards for REDD-plus (chapter VI, options 1 and 2, para. 1 (a–l); option 1, subparas. (c) bis, (d) bis, (e) bis, (h) bis; options 1 and 2, para. 2).
21. Financing options for different phases and activities of REDD-plus, including offsets and the role of market-based mechanisms in financing REDD-plus; and results-based approach for REDD-plus activities (chapter VI, options 1 and 2, paras. 1 (j), 1 (k), 8, 9, 12, 13, 14; option 1, paras. 1 bis, 12 bis, 12 ter).
22. Relationship between REDD-plus and NAMAs, and associated MRV of actions and support, and whether subnational-level implementation would be allowed (chapter VI, options 1 and 2, paras. 1(i), 5 (a–c), 8, 10, 11, 14).

Suggestions on how to advance negotiations:

Parties may wish to:

- Elaborate the provisions necessary for launching the REDD-plus readiness phase as well as other aspects of REDD-plus that could be agreed upon in Cancun.

D. Cooperative sectoral approaches and sector-specific actions (chapter I, paras. 54–57, and chapter IX of the negotiating text)

23. General elements for cooperative sectoral approaches (chapter I, para. 54).
24. Process and principles for developing sector-specific actions on international bunker fuels (chapter I, paras. 55–56).
25. Work programme for specific actions in agriculture (chapter I, para. 57, chapter IX).

Suggestions on how to advance negotiations:

Parties may wish to:

- Elaborate necessary provisions to launch a work programme on agriculture;
- Continue considering cooperative action to reduce emissions from international bunker fuels.

E. Various approaches, including opportunities for using markets, to enhance the cost effectiveness of, and to promote, mitigation actions (chapter I, paras. 58–58 ter, and chapter VIII of the negotiating text)

26. Guiding principles for measures at the international level to enhance the cost-effectiveness of mitigation, and engage the private sector in such efforts (chapter VIII, para. 1).

27. The opportunities for new market mechanisms (chapter VIII, paras. 2–3; chapter I, para. 4 quarter, 58–58 ter).

Suggestions on how to advance negotiations:

Parties may wish to:

- Consider principles for measures at the international level to enhance cost-effectiveness of mitigation;
- Consider opportunities for new market instruments and their relationship to existing instruments.

F. Economic and social consequences of response measures (chapter VII; chapter I, para. 59–59 bis (and preceding two paras.); as well as chapter I, paras. 7–7 bis)

28. Assistance to affected developing country Parties (chapter VII, pp. 9, para. 1; chapter I, paras. 7, 59).

29. The role, form, scope and functions of any institutional arrangements envisioned, and the involvement of stakeholders (chapter VII, para. 4; chapter I, para. 59).

Suggestions on how to advance negotiations:

Parties may wish to:

- Elaborate steps that can be taken at the Cancun conference to establish a forum and/or other institutional arrangements or enhance cooperation under existing bodies to address the consequences of response measures.

IV. Enhanced action on the provision of financial resources and investment (chapter I, paras. 10, 60–64, and chapter III of the negotiating text)

30. Provision of resources by developed country Parties for the period 2010–2012 (chapter III, para. 4).

31. Scale and sources of financing (chapter III, paras. 1–3, 5–7; chapter I, para. 10).

32. Establishment of a new fund as an operating entity of the financial mechanism of the Convention (chapter III, paras. 8–13; chapter I, para. 60).

33. Establishment of a new body of the financial mechanism or strengthening of existing institutions/bodies under the Convention to enhance coherence, coordination, efficiency and effectiveness of the financial mechanism (chapter III, para. 14–14 quater).

34. Provisions of MRV of support and possible institutional arrangements (chapter I, paras. 62–63). (Also see issue No. 46 below.)

35. Review of institutional arrangement between financial mechanism of the Convention and the Global Environment Facility (chapter III, para. 15).

Suggestions on how to advance negotiations:

Parties may wish to consider:

- How to make available information regarding the provision of resources by developed countries for the period 2010–2012;
- The arrangements necessary for an expeditious establishment of the new fund, including its design;
- How to improve coherence, coordination, efficiency and effectiveness in the provision of climate financing through the Financial Mechanism of the Convention and other delivery channels.

V. Enhanced action on technology development and transfer (chapter I, paras. 8–9, 65, and chapter IV of the negotiating text)

36. Relationship between the Technology Mechanism and the ‘financial arrangements’ as well as arrangements for reporting to the Conference of the Parties/Subsidiary Body for Scientific and Technological Advice/Technical Executive Committee (chapter IV, paras. 4, 6, 7 (c), 7 (e), 10, 11 (e)).
37. Role of the Technology Mechanism in supporting enhanced national action on adaptation and nationally appropriate mitigation actions (chapter IV, paras. 7, 11).
38. Mandate, composition and reporting arrangements of the Technology Executive Committee and Climate Technology Centre and Network (chapter IV, paras. 8, 12).
39. Intellectual property rights (chapter IV, paras. 4 (f), 7 (f), 7 (h), 13).

Suggestions on how to advance negotiations:

Parties may wish to:

- Consider para. 10 of chapter IV of the negotiating text to capture the discussions at the tenth and eleventh sessions of the AWG-LCA on relationships between the Technology Mechanism and the ‘financial arrangements’;
- Elaborate the mandate, composition and reporting arrangements of the Technology Executive Committee and the Climate Technology Centre and Network.

VI. Enhanced action on capacity-building (chapter I, paras. 11, 66 bis–67, and chapter V of the negotiating text)

40. Scope, objectives and principles of capacity-building (chapter V, paras. 1–4).
41. Institutional arrangements for capacity-building, including provision of finance (chapter I, para. 67; chapter V, paras. 5, 6).
42. Monitoring and review of capacity-building action and support (chapter I, para. 67 (c); chapter V, paras. 7–8). (Also see issue No. 46 below.)

Suggestions on how to advance negotiations:

Parties may wish to consider:

- A process to identify the capacity-building needs, additional to the capacity-building needs that will be provided for in a Cancun outcome, and the steps that will need to be taken in order to address those identified additional needs.

VII. Review (chapter I, paras. 68–71, of the negotiating text)

43. Arrangements to periodically review the long-term global goal and overall progress in implementing the Convention.

VIII. Issues that appear in various chapters of the negotiating text

44. International trade measures.

This issue is addressed in the context of: a shared vision (chapter I, para. 12); cooperative sectoral approaches (chapter I, paras. 54–55, 55 quarter); REDD-plus (chapter VI, para. 12 (c)); consequences of response measures (chapter VII, para. 2; chapter I, para. 59, option 3); various approaches (chapter VIII, pp. 3, in option A and para. 1); and agriculture (chapter IX, pp. 5, and para. 2; chapter I, alternative to para. 57).

45. Treatment of Parties included in Annex I undergoing the process of transition to a market economy and Parties with special circumstances.

This issue is addressed in the context of chapter I, pp. 16; shared vision (chapter I, paras. 2–3, 5); capacity-building (chapter I, para. 66 bis and 66; chapter V, para. 1 bis); adaptation (chapter II, para. 6, option 2); finance (chapter III, paras. 2, 14 (h)).

46. Measurement, reporting and verification of support.

This issue is addressed in the context of: mitigation by developed countries (chapter I, para. 23 (a), (b) (v), (c)); mitigation by developing countries (paras. 35, 38 (e), 39 (d)); finance (chapter I, paras. 62–63, chapter III, 14 (f–g)); and capacity-building (chapter I, para. 67 (c), and chapter V, paras. 7–8).

Suggestions on how to advance negotiations on measurement, reporting and verification of support:

Parties may wish to:

- Elaborate provisions for reporting information on financial, technological and capacity-building support provided by developed countries, including a process for developing guidelines for measurement and reporting;
- Elaborate provisions for reporting information on financial, technological and capacity-building support received by the developing countries, including a process for developing guidelines for measurement and reporting, in the context of reporting by developing countries;
- Identify process/institutions for verifying/reviewing the provision of support, starting with the provision of financial resources.

Annex II

Initial timetable of the meetings of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention plenary, contact group and drafting groups¹

Monday, 4 October 2010

a.m. Opening plenary

15:00–16:30 Contact group on item 3 of the provisional agenda

16:30–18:00 Adaptation drafting group
Finance, technology and capacity-building drafting group

Tuesday, 5 October 2010

10:00–11:30 Mitigation drafting group
Finance, technology and capacity-building drafting group

11:30–13:00 A shared vision for long-term cooperative action; review drafting group
Mitigation drafting group
Adaptation drafting group

15:00–16:30 Mitigation drafting group
Finance, technology and capacity-building drafting group

16:30–18:00 Mitigation drafting group
Adaptation drafting group
Finance, technology and capacity-building drafting group

Wednesday, 6 October 2010

10:00–11:30 A shared vision for long-term cooperative action; review drafting group
Mitigation drafting group
Finance, technology and capacity-building drafting group

11:30–13:00 Mitigation drafting group
Adaptation drafting group
Finance, technology and capacity-building drafting group

¹ This preliminary schedule has been prepared in order to provide delegations with an overview for planning purposes. The preliminary schedule is based on the assumption that the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) will establish a contact group and drafting groups as proposed in this scenario note. The information is indicative and subject to change, depending on the requirements of the negotiating process. Please consult the Daily Programme, published during the session, and the CCTV monitors for a detailed and up-to-date schedule of the work of the AWG-LCA.

15:00–16:30 Mitigation drafting group
Finance, technology and capacity-building drafting group

16:30–18:00 Contact group on item 3 of the provisional agenda

Thursday, 7 October 2010

10:00–11:30 Mitigation drafting group
Finance, technology and capacity-building drafting group

11:30–13:00 Mitigation drafting group
Adaptation drafting group

15:00–16:30 Adaptation drafting group
Finance, technology and capacity-building drafting group

16:30–18:00 A shared vision for long-term cooperative action; review drafting group
Mitigation drafting group
Finance, technology and capacity-building drafting group

Friday, 8 October 2010

10:00–11:30 Adaptation drafting group
Finance, technology and capacity-building drafting group

11:30–13:00 Mitigation drafting group
Adaptation drafting group
Finance, technology and capacity-building drafting group

15:00–16:30 A shared vision for long-term cooperative action; review drafting group
Mitigation drafting group

16:30–18:00 Mitigation drafting group
Finance, technology and capacity-building drafting group

Saturday, 9 October 2010

10:00–11:30 Adaptation drafting group
Finance, technology and capacity-building drafting group

11:30–13:00 A shared vision for long-term cooperative action; review drafting group
Mitigation drafting group

p.m. Closing plenary
