



**Network of Regional Governments
for Sustainable Development**

21 February 2011

Mr. Daniel A. Reifsnyder
Chair AWG-LCA
UNFCCC
P.O. Box 260124
D-53153 Bonn
Germany
Via email: secretariat@unfccc.int

Dear Mr. Reifsnyder

Ref: nrg4SD's contribution to the invitation to submit views and information to the Cancun Agreement

It is my honour to leave with you some comments on the Cancun Agreement on behalf of the Network of Regional Governments for Sustainable Development nrg4SD.

For your information, nrg4SD is an international organisation representing subnational governments at the global level. The Network promotes understanding, collaboration and partnerships in sustainable development and seeks greater international recognition of the importance of the contribution which subnational governments make to sustainable development. nrg4SD was formed by the regional governments that attended the Johannesburg World Summit on Sustainable Development (2002), and was legally registered in 2004 as an "international non-profit-making association".

We have been present at every COP meeting since this time and are grateful for the fruitful collaboration we had last year with the AWG-LCA, following from our submission of proposals for amendments and the presentation of these to your colleague Vice-Chair Ms. Mukahanana-Sangarwe during UNFCCC sessions in Bonn in June 2010.

In COP 16 Cancun we had the opportunity of presenting the grass-roots actions of subnational governments in a side event jointly organised with the organisation The Climate Group; as well as at a series of parallel events jointly organised with the National Conference of Mexican Governors CONAGO, the National Association of State Environmental Authorities ANAAE and the State of Quintana Roo, which are members of nrg4SD. More information on our participation in Cancun is available from our website <http://www.nrg4sd.org/event/nrg4sd-unfccc-cop-16-cancun-december-2010>. We have also produced a document outlining the key role of subnational governments in climate action entitled "Subnational Governments: At the Forefront of Climate Action", which I am attaching for your reference.

In this context, we were delighted to see subnational governments reflected in COP 16 official texts. We are also very excited with the opportunities ahead of us on the way to COP 17 in order to capitalise on the numerous climate change initiatives already carried out on the ground by subnational governments and their partners and to consolidate the recognition of their role.

Again, thank you for the efforts of the AWG-LCA in reflecting the importance of subnational governments in climate action. We sincerely hope we can maintain our fruitful collaborations and remain at your disposal to provide any input to the works of your Group

If you require any further information on our comments for the current consultation, please do not hesitate to contact the nrg4SD secretariat (details below).

Yours sincerely,

A handwritten signature in black ink that reads 'Maruxa Cardama'. The signature is written in a cursive style and is underlined with a horizontal line.

Maruxa Cardama – Secretary General of nrg4SD



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**nrg4sd's contribution to the invitation to submit views and information
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28. Invites Parties and relevant organizations to submit to the secretariat, by 21 February 2011, views and information on what elements should be included in the work programme, including the following:

(a) Possible development of a climate risk insurance facility to address impacts associated with severe weather events;

The development of climate risk insurance to address impacts associated with severe weather conditions is a necessary tool, but it should be limited to non-recurring events. The increased cost of insuring recurrent episodes being very high, it would require other types of instruments or measures.

(b) Options for risk management and reduction; risk sharing and transfer mechanisms such as insurance, including options for micro-insurance; and resilience building, including through economic diversification;

Climate change should be understood as an additional stress factor within a context of global change. Many of the impacts we are experiencing are not only climatic, but also originate from our way of life and, consequently, stress global change. Two examples amongst others are changes in land use and new infrastructures. Implementing measures that only focus on climate solutions to problems that also have their origin in global change will not be effective.

For all of these reasons, territorial planning is one of the strategic bases on which climate change adaptation should be based. This will contribute to improving our resilience, not only in slow-onset climate change-related events, but also in the face of extreme weather phenomena.

Subnational governments have an important role in the development of territorial planning, since they have specific knowledge, are more familiar with the territory and its characteristics, and have the ongoing experience of working closely with territorial agents.

(c) Approaches for addressing rehabilitation measures associated with slow onset events;

Another line of action is the incorporation of climate change adaptation policies into sectoral planning, such as agriculture, energy, infrastructure, etc. Only by incorporating climate change adaptation policies into the totality of our actions will we be able to act in an effective and efficient manner. In this regard, it is necessary to assess and evaluate the impact of existing subsidies, since sometimes they can increase our vulnerability to climate change.

(d) Engagement of stakeholders with relevant specialized expertise;

Subnational governments are often responsible for the development and implementation of laws, policies, standards, programs and fiscal mechanisms in areas such as energy, the environment, transport and land use planning that have a direct impact on green-house-gas emissions levels and therefore allow to deal with the impacts of climate change.

Subnational governments are committed to working with central and local governments, financial institutions, businesses, NGOs, and other stakeholders in order to tailor their policies to the particular circumstances and strengths of their regions and populations. Subnational governments have specific and unique expertise in the above mentioned fields and are used to working closely with territorial agents.



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82. Invites Parties and accredited observer organizations to submit to the secretariat, by 21 February 2011, their views on matters referred to in paragraph 81 above;

The creation of a global market for emissions is proposed. A global emissions market would incorporate the major emission sources from energy intensive industries such as the production from fossil fuels, cement, the steel and paper industries, etc. In this way, the transfer of emissions from one country to another would be avoided, and technology transfer and best available technologies use would be favored.

Nevertheless, taking into account the different economic development situation amongst countries and in complement to a global emissions market, an economic instrument should be introduced in order to guarantee the promotion of technology transfer from Annex 1 to non-Annex 1 countries. This economic instrument could be articulated in the shape of taxes.

At a second stage, a global emissions market could incorporate the aviation and international shipping sectors, which present significantly high and increasing emissions that require global management instruments.

86. Invites Parties and accredited observer organizations to submit to the secretariat, by 21 February 2011, their views on matters referred to in paragraph 85 above; 87. Also invites Parties and accredited observer organizations to submit to the secretariat, by 21 February 2011, information on the evaluation of various approaches in enhancing the cost-effectiveness of, and promoting, mitigation actions, including activities implemented jointly under Article 4, paragraph 2 (a), of the Convention and any other relevant activities, for synthesis by the secretariat.

Some suggested approaches are:

- a) Assessing and evaluating the impact on greenhouse gases emissions of existing grants, which in many cases serve the purpose of one sector, but increase overall greenhouse gases emissions;
- b) Enhancing the standardisation of methods for assessing the carbon footprint;
- c) Improving the scientific base and technical content of tools for emissions accounting at different levels, be it within an organisation or a project, so that reductions can be reflected in the various national inventories, and
- d) Further disseminating existing initiatives on carbon footprint assessment so as to enhance mutual learning.

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