



Subsidiary Body for Scientific and Technological Advice
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**Informal document containing the draft elements of the draft
decision on the work programme under the framework for
non-market approaches referred to in Article 6, paragraph 8,
of the Paris Agreement**

Informal document by the Chair

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Introduction

A. Mandate

1. Article 6, paragraph 8, of the Paris Agreement recognizes the importance of integrated, holistic and balanced non-market approaches being available to Parties to assist in the implementation of their nationally determined contributions (NDCs). Article 6, paragraph 9, defines a framework for non-market approaches. By decision 1/CP.21, paragraphs 39 and 40, the Conference of the Parties requested the Subsidiary Body for Scientific and Technological Advice (SBSTA) to undertake a work programme under the framework for non-market approaches and to recommend a draft decision on that work programme for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its first session.

2. At SBSTA 47, to facilitate the deliberations at SBSTA 48, the SBSTA requested the SBSTA Chair to prepare an informal document containing the draft elements of the draft decision on the work programme based on prior submissions by Parties under this agenda sub-item and the third iteration of the informal note prepared by the co-chairs of the relevant agenda item¹ (hereinafter referred to as the third iteration note).

B. Scope

3. The annex to this informal document contains the draft elements of the draft decision on the work programme prepared by the SBSTA Chair on the basis of the above mandate (hereinafter referred to as the draft elements of the draft decision).

C. Approach

4. The SBSTA Chair has developed the draft elements of the draft decision based on the third iteration note and previous submissions from the Parties under this agenda sub-item.

5. The draft elements of the draft decision have, in relation to the third iteration note, sought to:

- (a) Streamline the structure, including removing duplication, without removing elements;
- (b) Bring the elements of each issue together to facilitate discussions at SBSTA 48;
- (c) Develop the language for the implementation of elements from the third iteration note, without developing full text;
- (d) Clarify options and the potential further elements to be considered.

6. In the draft elements of the draft decision, all paragraphs and sub-paragraphs have been numbered sequentially to make it easier for Parties to identify substantive content of the options when using the informal document to facilitate discussions at SBSTA 48.

7. Generally, throughout the draft elements of the draft decision, curly brackets containing italicized text (“*{curly brackets containing italicized text}*”) are used to provide information about the relevant element.

8. Where the draft elements of the draft decision contain options, these are labelled as “**Option A**”, “**Option B**”, etc. To assist navigation of the text, options are followed by a brief indicative narrative, in curly brackets and in bold, italicized text (“***{narrative of the option}***”).

9. Where an element/option has several potential sub-elements, the note “*{potential list below}*” is included just before the list begins, in order to show Parties that they need to consider each sub-element independently, and not as a group of sub-elements. The note “*{further potential list below}*”

¹ http://unfccc.int/cooperation_support/cooperative_implementation/items/9644.php and http://unfccc.int/documentation/documents/advanced_search/items/6911.php?preref=600009936.

is used in a similar manner for sub-sub-elements. That note is not used where the sub-elements are a suite and are needed together.

10. Where it appears that further development of a potential element/option would be required for implementation, the following note is made: “*{further development may be required for implementation}*”, and in some cases, further possible action or examples are identified in order to help Parties identify what further development might include.

11. Where, within a sentence, there are alternatives or choices that may be selected, a forward slash (“/”) has been used to indicate those alternatives in the sentence, so that the sentence remains readable as a whole. However, where there is “and/or”, this means “and” as well as “or”.

12. Where there is provision for a certain number of events to be organised, members to be appointed, etc. the draft elements of the draft decision use “X”, “Y”, “Z” etc. to indicate choices that would need to be taken.

13. The selection of certain options may have implications for other options in other sections of the draft elements of the draft decision. In order to keep the document manageable, not all consequential implications for other parts of the draft elements of the draft decision are indicated. In certain cases, some options are incompatible with some other options in other sections and, where this is particularly acute, the draft elements of the draft decision identify that in curly brackets.

14. Furthermore, the draft elements of the draft decision cannot assess all the possible ways in which options found in different parts of the text might be combined.

15. The draft elements of the draft decision also use the phrase “**the A6.8 governance**” as a device for governance of the framework for non-market approaches, and solely for the purposes of keeping the draft elements of the draft decision short and readable (and without prejudice to later definition at a later stage by the SBSTA).

D. Possible actions by the Subsidiary Body for Scientific and Technological Advice

16. The SBSTA may wish to consider this informal document, and refine and elaborate the draft elements of the draft decision contained herein.

Annex

Draft elements of the draft decision on the work programme

I. Preamble

Option A *{list of preambular paragraphs}* *{potential list below}*

Pp1 Recognizing the need to ensure that non-market approaches under the framework for non-market approaches defined in Article 6, paragraph 8, of the Paris Agreement, hereinafter referred to as non-market approaches (NMAs), to aim to promote mitigation and adaptation ambition,

Pp2 Also recognizing the need to ensure that NMAs provide incentives for progression beyond participating Parties' then current nationally determined contributions,

Pp3 Further recognizing the need to ensure that NMAs support participating Parties in meeting their mitigation objectives,

Option B *{no list of preambular paragraphs}*

{no text required}

II. Principles

Option A *{list of principles}*

1. The following principles to guide the implementation of the framework for non-market approaches referred to in Article 6, paragraph 9, of the Paris Agreement¹ (hereinafter referred to as the framework) and the work programme under the framework for non-market approaches referred to in decision 1/CP.21, paragraph 39 (hereinafter referred to as the work programme) *{potential list below}*:

- (a) Principles for the framework *{further potential list below}*:
 - (i) Provide opportunities for sharing experience and best practices;
 - (ii) Preserve national prerogatives in relation to sustainable development in the implementation of NMAs;
 - (iii) Provide enhanced support to developing countries through finance and capacity-building for the implementation of NMAs;
 - (iv) Operate within the context of Article 6 as a whole;
- (b) Principles for NMAs that are under the framework *{further potential list below}*:
 - (i) NMAs to contribute to the objectives of the Paris Agreement referred to in its Article 2;
 - (ii) In accordance with Article 6, paragraph 1, Parties may participate in NMAs on a voluntary basis;
 - (iii) In accordance with Article 6, paragraph 1, NMAs allow for higher ambition of participating Parties in their mitigation and adaptation actions;
 - (iv) Pursuant to Article 6, paragraph 1, NMAs should promote environmental integrity;
 - (v) In accordance with Article 6, paragraph 8, NMAs are integrated, holistic and balanced and are to assist in the implementation of nationally determined contributions (NDCs);

¹ References to "Article" are to articles of the Paris Agreement, unless otherwise specified.

- (vi) In accordance with Article 6, paragraph 8, NMAs promote sustainable development and poverty eradication;
- (vii) In accordance with Article 6, paragraph 8(a), NMAs to aim to promote mitigation and adaptation ambition;
- (viii) In accordance with Article 6, paragraph 8(b), NMAs to aim to enhance public and private sector participation in the implementation of NDCs;
- (ix) In accordance with Article 6, paragraph 8(c), NMAs to aim to enable opportunities for coordination across instruments and relevant institutional arrangements;
- (x) In accordance with the preamble to the Paris Agreement, NMAs should not infringe human rights and other rights;
- (xi) NMAs should provide incentives for progression beyond participating Parties' then current NDCs pursuant to Article 4, paragraph 3;
- (xii) NMAs should maintain harmony among environmental, social and economic dimensions of sustainable development, taking into consideration Article 4, paragraphs 7 and 15;
- (xiii) NMAs should assist participating Parties in implementing the objectives of their NDCs;
- (xiv) Parties participating in NMAs to ensure that the NMAs do not duplicate work under the Convention, the Kyoto Protocol, the Paris Agreement or other multilateral forums;
- (xv) NMAs are not reliant on market-based approaches but may provide incentives for domestic mitigation actions in the form of payments without transfer of units;
- (xvi) NMAs should ensure manageable sustainable development transition for all Parties;
- (xvii) NMAs should avoid unilateral measures and employ non-discriminatory practices.

Option B {list of preambular principles}

{see Option A of section I above}

Option C {no principles}

{no text required}

III. Definitions

2. For the purpose of this decision on the work programme under the framework for non-market approaches referred to in decision 1/CP.21, paragraph 40 (hereinafter referred to as this decision), the definitions contained in Article 1 and the provisions referred to in Article 17 to apply. Furthermore, {potential list below}:

- (a) An “**internationally transferred mitigation outcome**” and “**ITMO**” have the meaning given to it in the guidance on cooperative approaches referred to in Article 6, paragraph 2;
- (b) A “**nationally determined contribution limitation quotient unit**” has the meaning given to it in the rules, modalities and procedures for the mechanism established by Article 6, paragraph 4.

{further definitions may be required for implementation}

IV. Objectives/purposes

A. Framework

3. The objectives/purposes of the framework are {potential list below}:

- (a) To contribute to the objectives of the Paris Agreement as set out in its Article 2;
- (b) To allow for higher ambition of Parties in their mitigation and adaptation actions and to promote sustainable development and environmental integrity as referred to in Article 6, paragraph 1;
- (c) To promote NMAs as referred to in Article 6, paragraph 9.

B. Work programme

4. The objectives/purposes of the work programme are to consider how to enhance linkages and create synergy between, inter alia, mitigation, adaptation, finance, technology transfer and capacity-building and how to facilitate the implementation and coordination of NMAs as referred to in decision 1/CP.21, paragraph 39.

V. Scope of the framework

A. Non-market approaches under the framework

1. Aims of non-market approaches as referred to in Article 6, paragraph 8(a), (b) and (c)

5. Each NMA to:

Option A {meet all the aims}

- (a) aim to achieve all of the aims of NMAs referred to in Article 6, paragraph 8(a), (b) and (c).

Option B {meet at least one of the aims}

- (b) aim to achieve at least one of the aims of NMAs referred to in Article 6, paragraph 8 (a), (b) and (c).

Option C {apply in the context of Article 6, paragraphs 2 and 4}

- (c) apply in the context of Article 6, paragraph 2, and Article 6, paragraphs 4–7.

Option D {no reference to the aims}

{no text required}

2. Voluntary cooperation between Parties in the implementation of their NDCs

6. Each NMA to {potential list below}:

- (a) Involve more than one participating Party in voluntary cooperation that is bilateral, regional or multilateral;
- (b) Involve more than one participating Party and public and private sector participant(s);
- (c) Encourage voluntary cooperation between Parties;
- (d) Aim to assist in the implementation of NDCs of the participating Parties.

3. Relationship with internationally transferred mitigation outcomes referred to in Article 6, paragraph 2

7. Each NMA not to {potential list below}:

- (a) Create or issue any ITMOs/nationally determined contribution limitation quotient units;
- (b) Transfer any ITMOs;
- (c) Involve any market-based approaches.

4. Integrated, holistic and balanced nature of NMAs

8. Each NMA to *{potential list below}*:
- (a) Cover more than one of each of the following areas: mitigation, adaptation, finance, technology transfer and capacity-building;
 - (b) Avoid duplication with the work of subsidiary and constituted bodies under or related to the Convention, the Kyoto Protocol and the Paris Agreement and other multilateral forums;
 - (c) Aim to promote sustainable development and poverty eradication in accordance with Article 6, paragraph 8.

VI. Governance of the framework

Option A *{SBSTA agenda item}*

9. The Subsidiary Body for Scientific and Technological Advice (SBSTA) to implement the framework and the work programme at its first/second/first and second sessional period meeting each year, with its first meeting taking place at its *X* session.

Option B *{task force}*

10. A task force for the framework (hereinafter referred to as the task force) is hereby established to implement the framework and the work programme.

11. The Chair of the SBSTA to convene the task force, which will meet twice a year in conjunction with the sessions of the SBSTA *{further development may be required for implementation, including when the task force will meet for the first time}*.

12. The task force to comprise *X* members as follows:

- (a) *X* members from Parties to the Paris Agreement, with balanced regional representation, appointed by the President of the Conference of the Parties (COP)/elected by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA);
- (b) *X* members from social organizations nominated by Parties, with balanced regional representation;
- (c) *X* members from the Board of the Green Climate Fund (GCF), the Technology Executive Committee (TEC) and the Paris Committee on Capacity-building *{further development may be required for implementation, including consideration of members from the other operating entities of the financial mechanism}*.

13. Two co-chairs of the task force to be appointed, one being a member from a developing country Party and one from a developed country Party.

{further development may be required for implementation, including functions of the task force, rules of procedure, budget and workplan, and membership issues such as nomination, qualifications and term of office, quorum and participation of observers}

Option C *{permanent forum held in conjunction with the meetings of the subsidiary bodies}*

14. A forum for the framework (hereinafter referred to as the forum) is hereby established to implement the framework and the work programme.

15. The Chair of the SBSTA to convene the forum, which will meet in conjunction with the first/second/first and second sessional period meeting of the SBSTA.

{further development may be required for implementation, including when the forum will meet for the first time}

Option D *{existing committees and structures (e.g. Adaptation Fund, Standing Committee on Finance) with or without expansion of their terms of reference}*

16. The existing constituted bodies under the Convention, the Kyoto Protocol and the Paris Agreement that carry out activities relevant to the work programme activities under the framework to:

- (a) Implement the relevant work programme activities under the framework, to the extent possible within their existing terms of reference and the availability of their financial resources; and/or
- (b) Review their terms of reference and work programme activities, where necessary, with a view to enabling them to carry out the relevant work programme activities under the framework in the context of the implementation of the framework and the work programme and, where appropriate, recommend draft revisions to their terms of reference and work programme for consideration and adoption by the COP, the CMA, or the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP), as appropriate, at its X, Y and Z session, respectively.

{further development may be required for implementation, including processes whereby the COP, the CMP or the CMA request the relevant existing bodies to implement the related work programme activities under the framework and/or to review their terms of references based on recommendations from the SBSTA}

Option E {Committee for the Future}

17. The Committee for the Future is hereby established. The Committee for the Future to implement/supervise the framework and the work programme, under the authority and guidance of the CMA.

{further development may be required for implementation, including functions of the Committee for the Future, rules of procedure, budget and workplan, and composition of the Committee for the Future including membership, nomination, qualifications and term of office, and on chairs, quorum and participation of observers. In addition, on how often the Committee for the Future will meet and when it will meet for the first time}

Option F {Party determines its own governance structures}

18. Any Party may establish its own governance arrangements for the framework in order to implement the framework and supervise its national work programme under the framework within the Party.

19. In order to facilitate the implementation, each participating Party is encouraged to voluntarily develop its national work programme, determine NMAs within the Party and report on the implementation of the NMAs in accordance with paragraph 30 below *{see option B of section IX (Reporting)}*.

{further development may be required for implementation, including in relation to other sections of this draft decision}

Option G {through the work programme, jointly by the SBSTA and the SBI, in consultation and with existing UNFCCC bodies}

20. The Subsidiary Body for Implementation (SBI) and the SBSTA to jointly coordinate the framework and the work programme, including through the technical examination process on mitigation referred to in decision 1/CP.21, paragraph 109 and that on adaptation referred to in decision 1/CP.21, paragraph 124.

{further development may be required for implementation, including any decisions to enable the technical examination process post-2020. In addition, on how, when and how often the SBI and the SBSTA will jointly meet}

21. The secretariat to, in consultation with the Technology Executive Committee (TEC) and the Climate Technology Centre and Network and in accordance with their respective mandates, conduct the technical examination process on mitigation.

{further development may be required for implementation, including reporting from the secretariat to the SBI and the SBSTA}

22. The Adaptation Committee to, in consultation with the Standing Committee on Finance, the TEC, the Least Developed Countries Expert Group (LEG) and observer constituencies and with support from the secretariat, conduct the technical examination process on adaptation.

{further development may be required for implementation, including how the terms of reference of the Adaptation Committee would be revised if they do not cover relevant work programme activities under the framework and reporting from the Adaptation Committee to the SBI and the SBSTA}

Option H {no organizational arrangements for the framework}

{no text required}

VII. Modalities of the work programme

Option A {collective approach}

23. The governance of the framework referred to in section VI above (Governance of the framework) (hereinafter referred to as the A6.8 governance) to, in implementing the work programme activities referred to in section VIII (Work programme activities), apply the following modalities of the work programme, as appropriate *{potential list below}*:

- (a) Workshops;
- (b) Regular meetings with public and private sector participants, including technical experts, business, civil society organizations and financial institutions, and the subsequent publication of the outcomes of the regular meetings;
- (c) A web-based repository of submissions from Parties, observer organizations and public and private sector participants;
- (d) A public web-based platform that facilitates identification of opportunities to enhance linkages and create synergies between, inter alia, mitigation, adaptation, finance, technology transfer and capacity-building;
- (e) A public web-based platform that aims to match the needs of participating Parties and public and private sector participants for the development and implementation of NMAs with the support offered by other Parties and other public and private sector participants;
- (f) A public web-based registry for the Adaptation Benefit Mechanism;
- (g) A public web-based registry for the environmental balance index;
- (h) Technical papers and synthesis reports prepared by the secretariat;
- (i) Coordination, where needed, between the A6.8 governance and the forum on the impact of the implementation of response measures referred to in decision 1/CP.21, paragraph 33 *{further development may be required for implementation}*.

Option B {national approach} {potential list below}

24. Parties voluntarily developing and implementing national work programmes in accordance with paragraphs 18 and 19 above and public and private sector participants developing and implementing NMAs within the Parties may make submissions on their work programmes to the SBSTA, as appropriate *{see Option F of section VI (Governance of the framework)}*.

Option C {negative list of the modalities of the work programme}

25. The A6.8 governance to, in implementing the work programme activities referred to in section VIII (Work programme activities), refrain from applying the following modalities of the work programme *{further development may be required for implementation}*:.:

Option D {decide modalities after decision on the work programme}

26. The SBSTA to develop and recommend draft modalities of the work programme for consideration and adoption by the CMA at its second session (November 2019), taking into account recommendations from the A6.8 governance.

VIII. Work programme activities

A. Stepped activities

27. The A6.8 governance to implement the following stepped activities in the period *X–Y* with a view to achieving the objectives/purposes of the work programme referred to in section IV. B (Work programme) *{potential list below}*:

(a) STEP 1: Identify areas of focus by:

Option A *{outputs of the technical examination process}*

(i) drawing on the outputs of the technical examination processes on mitigation and adaptation.

Option B *{guidance for the areas of focus}*

(ii) developing guidance for the areas of focus.

Option C *{guidance for the areas of focus plus identifying the specific areas in this decision}*

(iii) developing guidance for the areas of focus, including *{further potential list below}*:

- a. Joint mitigation and adaptation for the integral and sustainable management of forests;
- b. Social ecological resilience;
- c. Avoidance of greenhouse gas emissions;
- d. Ecosystem-based adaptation;
- e. Integrated water management;
- f. Energy efficiency schemes;

(b) STEP 2: Identify existing activities in the areas of focus that are considered to be NMAs in accordance with section V.A above (Non-market approaches under the framework);

(c) STEP 3: Identify existing linkages, synergies, coordination and implementation in relation to those NMAs, and identify, record and evaluate the positive and other experience from those NMAs *{further development may be required for implementation}*;

(d) STEP 4: Identify opportunities to enhance the existing linkages, create synergies, and facilitate coordination and implementation of NMAs, including in the local, national and global context *{further development may be required for implementation}*;

(e) STEP 5: Assess the results of the previous steps and develop and recommend conclusions on how to enhance existing linkages and create synergies for consideration by the CMA at its *X* session *{further development may be required for implementation, including whether to recommend conclusions on how to facilitate the implementation and coordination of NMAs}*;

(f) STEP 6: Take action to enhance linkages and create synergies while avoiding duplication of its activities with those under the subsidiary and constituted bodies under or related to the Convention, the Kyoto Protocol and the Paris Agreement and other multilateral forums *{further development may be required for implementation, including whether to take action to facilitate the implementation and coordination of NMAs}*.

B. Cross-step activities

28. In implementing the stepped activities referred to in section VIII.A (Stepped activities), the A6.8 governance to, where appropriate, also implement the following cross-step activities that contribute to implementing one or more other step(s) referred to above *{potential list below}*:

(a) Identifying, developing and implementing tools, including *{further potential list below}*:

(i) A public web-based platform that aims to match the needs of participating Parties and public and private sector participants for the development and implementation of

- NMAs, including finance, technology transfer and capacity-building, with the support offered by other Parties and other public and private sector participants;
- (ii) A UNFCCC web-based platform to register, officially recognize and exchange information on NMAs;
 - (iii) A web-based clearing house mechanism to enable participating Parties and public and private sector participants to identify opportunities for collaboration in developing and implementing NMAs;
 - (iv) A public list of activities that should not form a part of the work programme activities;
 - (v) Tools to address possible negative social and economic impacts of activities under Article 6;
 - (vi) Tools to measure and monitor the implementation of NMAs in the context of sustainable development and poverty eradication;
- (b) Identifying and sharing relevant information, best practices, lessons learned and case studies for the development and implementation of NMAs, including on *{further potential list below}*:
- (i) Opportunities for replication of successful NMAs;
 - (ii) Enabling environments and policy frameworks for the development and implementation of NMAs;
 - (iii) Successful cross-cutting policy and regulatory approaches to developing and implementing NMAs;
 - (iv) Barriers to and incentives for:
 - a. Enhancing the engagement of and addressing the needs of the private sector, exposed and impacted sectors and communities in NMAs;
 - b. Achieving a just transition of the workforce;
 - (v) Measures related to education, training, public awareness, public participation and public access to information to promote greater mitigation and adaptation ambition;
 - (vi) Approaches to leveraging and generating mitigation and adaptation co-benefits;
- (c) Developing and implementing the Adaptation Benefit Mechanism;
- (d) Developing and implementing the work programme of the Committee for the Future, including arrangements for the environmental balance index.

IX. Reporting

Option A {reporting by the A6.8 governance to the CMA}

29. The A6.8 governance to report to each session of the CMA on the progress and outcomes of the work programme, including *{potential list below}*:

- (a) A summary of the best practices for developing and implementing NMAs;
- (b) A summary of the support available to Parties for developing and implementing NMAs;
- (c) Recommendations to the GCF and other financial institutions on how to enhance support to NMAs.

Option B {reporting by Parties on the implementation of NMAs under Article 13}

30. A Party involved in implementing NMAs, to report on the implementation in accordance with Article 13, including, as relevant *{potential list below}*:

- (a) How the NMAs promoted mitigation and adaptation ambition in its NDC, enhanced public and private sector participation in the implementation and enabled opportunities for coordination across instruments and relevant institutional arrangements;

- (b) Confirmation that implementation of the NMAs did not involve any transfer of ITMOs;
- (c) How the NMAs contributed to sustainable development and poverty eradication;
- (d) Information on support provided, received and needed on finance, technology transfer and capacity-building for implementing the NMAs.

Option C {both Option A and B}

{see Options A and B above}

Option D {decide reporting after decision on the work programme}

31. The SBSTA to develop and recommend draft modalities for the reporting under the framework for consideration and adoption by CMA at its second session (November 2019) taking into account recommendations from the A6.8 governance.

Option E {use other relevant reporting modalities under the Paris Agreement}

{further development may be required for implementation}

Option F {no reporting under the framework}

{no text}

X. Review

A. Review of annual report

32. The CMA to review the report from the A6.8 governance referred to in section IX (Reporting) on an annual basis and provide guidance, where appropriate *{applies for Options A and C in section IX (Reporting)}*.

B. Review of the work programme

33. The CMA to review this decision, including the work programme's objectives/purposes and governance/modalities/activities:

Option A {provide recommendations to Parties after the periodic review}

- (a) and provide guidance to the A6.8 governance every *X* years, beginning at its sixth session (November 2023), taking into account recommendations from the A6.8 governance and the outcomes of the global stocktake.

Option B {review in 2023 in order to improve effectiveness with a view to adopting a decision on the outcome of the review}

- (b) by no later than its sixth session (November 2023) with a view to adopting a decision on the outcome of the review by no later than at that session *{further development may be required for implementation}*.
