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

Submission of Grenada on behalf of The Alliance of Small Island States

Views on issues relating to modalities for the operationalization of the work programme and a possible forum on response measures for consideration by the SBI and the SBSTA at the thirty-fourth sessions of the subsidiary bodies

April 2011

Grenada welcomes the opportunity to present the views of the 43 members of the Alliance of Small Island States (AOSIS), in response to the invitation to Parties to submit to the Secretariat, by 28 March 2011, their views and information on issues relating to modalities for the operationalization of the work programme and a possible forum on response measures referred to in document FCCC/AWGLCA/2010/L.7, paragraph 93, for consideration by the SBI and the SBSTA at the thirty-fourth sessions of the subsidiary bodies.

AOSIS wishes to state that social, environmental and economic impacts of response measures are an important issue, dealt with under the mitigation building block of the Bali Action Plan and are separate from adaptation to the adverse effects of climate change.

The Cancun Agreements contain provisions to help better understand both positive and negative impacts of response measures and address this important concern for developing countries in a more structured, coherent and efficient way, through a work programme under the Subsidiary Bodies and the possible establishment of a forum.

Pursuant to decision 1/CP.16, paragraph 93, the chairs of SBSTA and SBI will convene a forum on the impact of the implementation of response measures at the thirty-fourth and thirty-fifth sessions of the subsidiary bodies with the objective of developing a work programme, with a view of adopting at the seventeenth session of the COP, modalities for the operationalization of the work programme and a possible forum on response measures. The opportunity of establishing a forum, its mandate, modalities and ways of operation are therefore still to be agreed upon.

I. Work programme on the impact of response measures:

A work programme on the social, environmental and economic impact of response measures should encompass the following elements that can be addressed through in-session and/or inter-sessional technical workshops:

- Assessment of the specific impacts of already implemented and planned response measures on the economies of SIDS and LDCs, taking fully into account their unique circumstances and constraints.
- Assessment of social, environmental and economic impact of "cleaner" fossil fuel technologies such as carbon capture and storage, especially when implemented in developing countries.
- Exploration of the potential positive impacts of response measures (Para 92 of the Cancun Agreements), in order to maximise them in the context of sustainable development and economic diversification, taking into account the growing literature on green growth.

• Enhancing capacity and support at national and regional level for developing countries, in particular SIDS and LDCs, to better assess, model and monitor actual and potential social, environmental and economic impact of response measures.

AOSIS acknowledges that both IMO and ICAO are undertaking studies to evaluate and model potential impacts of possible mechanisms and measures to regulate emissions from international transport (air and maritime), including, inter alia: the potential incidence of levies/taxation; auctioning of emission credits in trading schemes for these sectors; potential impacts of the inclusion of aviation and maritime sectors into the European Trading Scheme; and assessment of and lessons learned from impacts of taxation measures already implemented with respect to aviation, such as the UK Air Passenger Duty (APD).

We encourage IMO/ICAO to continue to undertake relevant studies and to provide timely updates of their progress to SBSTA at appropriate junctures, including the reports and findings from such studies.

II. Possible forum on the impact of response measures:

AOSIS is of the view that establishing a forum on the impact of the implementation of response measures will have added value if it becomes the central and unique space for discussing impacts of implementation of response measures.

The mandate of a possible forum could include:

- Providing the space for all Parties to share information and lessons learned about impacts of the implementation of response measures;
- Facilitating technical collaboration among Parties and experts on tools, including modelling
 and methodologies to evaluate the potential and actual positive and negative impacts of
 response measures;
- Making recommendations to the COP on further work needed to continue assessing impacts of current and enhanced response measures in the context of deeper emission reduction targets.

Operation and modalities for a possible forum on response measures:

- The forum should be open to all Parties;
- Relevant International Organizations, Civil Society Organizations, including the private sector and Non-Governmental Organizations should be allowed to actively participate in accordance with the UNFCCC practices and guidelines;
- The forum would meet twice a year in conjunction with the SBs;
- The forum would report annually to the COP on its activities and progress of its work including on availability to developing country Parties of means for assessment and monitoring of impacts of response measures and make recommendations on further work needed to continue improving understanding of impacts of response measures.