

WORK OF THE AWG-LCA

Informal overview note by the Chair

5 September 2012

This note brings together the work of the informal additional session of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) held in Bangkok, Thailand, from 30 August to 5 September 2012, in the form of an informal overview note by the Chair. It reflects the exchanges on the various topics on the AWG-LCA agenda and possible ways of how issues may be addressed. It does not represent consensus by Parties regarding the content, form or way forward, including on possible decision text. The note draws from views, interventions and options presented by Parties, including submissions and written inputs, in their consideration of the various agenda items. It is intended to assist Parties in their reflection on progress made and remaining challenges.

Table of Contents

<p>A shared vision for long-term cooperative action, including a long-term global goal for emission reductions, to achieve the ultimate objective of the Convention, in accordance with the provisions and principles of the Convention, in particular the principle of common but differentiated responsibilities and respective capabilities, and taking into account social and economic conditions and other relevant factors (agenda item 3(a))</p>	3
<p>Measurable, reportable and verifiable nationally appropriate mitigation commitments or actions, including quantified emission limitation and reduction objectives, by all developed country Parties, while ensuring the comparability of efforts among them, taking into account differences in their national circumstances (agenda item 3(b)(i))</p>	6
<p>Nationally appropriate mitigation actions by developing country Parties in the context of sustainable development, supported and enabled by technology, financing and capacity-building, in a measurable, reportable and verifiable manner (agenda item 3(b)(ii))</p>	8
<p>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 (agenda item 3(b)(iii))</p>	9
<p>Cooperative sectoral approaches and sector-specific actions, in order to enhance implementation of Article 4, paragraph 1(c), of the Convention (agenda item 3(b)(iv))</p>	16
<p>Various approaches, including opportunities for using markets, to enhance the cost-effectiveness of, and to promote, mitigation actions, bearing in mind different circumstances of developed and developing countries (agenda item 3(b)(v))</p>	19
<p>Economic and social consequences of response measures (agenda 3(b)(vi))</p>	23
<p>Enhanced action on adaptation (agenda item 3 (c))</p>	25
<p>Enhanced action on technology development and transfer to support action on mitigation and adaptation (agenda item 3(d))</p>	26
<p>Enhanced action on the provision of financial resources and investment to support action on mitigation and adaptation and technology cooperation (agenda item 3(e))</p>	28
<p>Enhanced action on capacity-building (agenda item 3(f))</p>	30
<p>Review: further definition of its scope and development of its modalities (agenda item 4)</p>	31
<p>Other matters (agenda item 5)</p>	34
<p>Parties included in Annex I to the Convention undergoing the process of transition to a market economy (agenda item 5(a))</p>	
<p>Parties included in Annex I to the Convention whose special circumstances are recognized by the Conference of the Parties (agenda item 5(b))</p>	

A shared vision for long-term cooperative action, including a long-term global goal for emission reductions, to achieve the ultimate objective of the Convention, in accordance with the provisions and principles of the Convention, in particular the principle of common but differentiated responsibilities and respective capabilities, and taking into account social and economic conditions and other relevant factors
(agenda item 3(a))

Framing elements

- Reference to relevant decisions
- Other references as needed

(Textual options previously presented by Parties are available in FCCC/AWGLCA/2011/CRP.39)

The corresponding context to reach a global goal and a timeframe of peaking

Option 1: Context should be discussed in relation to the global goal and global peaking

Option 2: Context needs to be discussed first

- Understanding context and its linkage with a global goal and a timeframe for peaking
- Best available science/science development: evidence, addressing uncertainty, integration of physical and social science and humanities
- A matter of survival related to negative impacts of climate change (vulnerability to extreme climate events, rise of sea level, impacts of response measures on socioeconomic development, as well as poor health care and hunger derived from poverty)
- National circumstances and vulnerabilities, stage of development and prioritized policy objectives (population, income level, energy endowment, efficiency, ecosystem, etc.)
- Equitable access to sustainable development, historical responsibility and mitigation targets for Annex I - midterm targets (40-50 per cent by 2020) and more than 100% reduction by 2050
- Long term goal for future technologies:
 - Delink carbon/GHG emissions with development and/or low carbon/GHG intensity;
 - Adaptation technologies
 - International Joint R&D
 - Speed up application of low carbon/GHG technologies by transfer of climate friendly technologies
 - Enabling environment: policy and institutional arrangements
- Long term goal for supporting finance:
 - Guiding financial flow into mitigation of and adaptation to climate change by policy and institutional arrangements
 - Amount, distribution, and governance
 - Public private partnerships

- Long term goal for adaptation
- Long term goal for capacity building (policy infrastructure, institutional arrangements, and human resources)
- The link between the implementation of commitments by developing country Parties and implementation of commitments by developed country Parties in relation to provision of means of implementation to developing country Parties (Article 4.7)
- The rights of Mother Earth
- Other items

Identification of a global goal for substantially reducing global emissions by 2050 and a time frame for the global peaking of the GHG emissions

- Understanding the global goal for reducing global emissions by 2050:
 - Nature and types of global goals (e.g., reflected by range of indicators)
 - Option 1: aspirational
 - Option 2: binding/operational
 - The roles of setting up different types of global goals (temperature rise, radiative forcing, concentration, emission cut against level in base year or BAU scenario, etc.) and the associated uncertainties
- Options for a global goal for reducing global emissions by 2050:
 - Option 1: Number(s): at least 50 % compared to 1990 level / 85 / 80-90% reduction by 2050 / 350 ppm consistent with the pathways for reducing GHG emissions required to achieve the long term global temperature goal, including or excluding target allocation between Annex I and Non-Annex I Parties, and the corresponding context¹
 - Option 2: Range of number(s); including or excluding target allocation between Annex I and Non-Annex I Parties and the corresponding context¹
 - Option 3: A process or mechanism to determine the number(s) or a range of the number(s) and the corresponding context¹
 - Option 4: As much as required to achieve the long term global temperature goal and the corresponding context¹
- Understanding the time frame for peaking:
 - Drivers of the emission trajectories: determinants of the feature of emission trajectories (including the level and timeframe of peaking)
 - Options for pathways to reach global peaking
 - The corresponding impacts of different emission reduction pathways on:
 - Emissions, concentration, radiative forcing, and temperature rise,
 - Socioeconomic aspects:
 - Macroeconomics (growth rate, employment, inflation, and international balance)
 - Burden sharing of abatement and opportunity costs

¹ The corresponding context would be already defined for option 1 under the above heading on the corresponding context to reach the global goal and timeframe of peaking.

- Benefit sharing of sustainable and low carbon/GHG economy (emerging market, new engine for recovering from the recession, etc.)
- The time frame for peaking will be longer in developing countries
- Options for the time frame for global / and national emissions peaking:
 - Option 1: as soon as possible but not later than 2020 and their subsequent decline, and the corresponding context¹
 - Option 2: by 2020 and their subsequent decline, and the corresponding context¹
 - Option 3: by 2015 and their subsequent decline, and the corresponding context¹
 - Option 4: as soon as possible and their subsequent decline, and the corresponding context¹

(Some textual options, including quantitative and qualitative goals and related context, previously presented by Parties are available in FCCC/AWGLCA/2011/CRP.39; others might be found from IPCC AR4 or other peer reviewed scientific literature)

Other elements

- Option 1: Consider other elements or suggestions under shared vision (IPR, response measures, and trade)
- Option 2: Do not consider other elements or suggestions under shared vision

Measurable, reportable and verifiable nationally appropriate mitigation commitments or actions, including quantified emission limitation and reduction objectives, by all developed country Parties, while ensuring the comparability of efforts among them, taking into account differences in their national circumstances (agenda item 3(b)(i))

- Recognition that deep cuts in global greenhouse gas emissions are required according to science
- Acknowledgement of the gap and urgency to close it
- Urge developed country Parties to increase the ambition of their targets
- Acknowledgment of the role of biennial reports and international assessment and review in measuring the progress towards achievement of targets and their contribution to the efforts to enhance ambition
- Acknowledgment of the value of ex ante information to enhance transparency and comparability provided through Parties' submissions and during workshops
- Acknowledgment of the need to elaborate rigorous, robust and transparent approaches to measure progress towards achievement of targets
- Acknowledgment of the on-going work under the subsidiary bodies on MRV

- Summary/synthesis of the process of clarifying developed country Parties' targets including providing information through the secretariat's webpage;
- Continuation of the process of clarifying developed country Parties' mitigation targets possibly during the COP in Doha, and in the years until the beginning of biennial reporting and international assessment and review under the SBSTA or SBI, including the following action:
 - Standing invitation to submit further information on assumptions and conditions related to the individual targets contained in document FCCC/SB/2011/INF.1/Rev.1
 - Interactive workshop once a year, for example during the sessions of the subsidiaries bodies in Bonn following a decision to be taken by COP 18
 - Update of the technical paper

- Continuation of exploring methodological aspects of measuring the progress towards achievement of targets of developed country Parties under the SBSTA to promote comparability
- Development of approaches for accounting for developed country Parties and as appropriate also for other Parties

- Further consideration of comparability of mitigation efforts by developed country Parties and as appropriate also for other Parties

- Removing conditions around pledges of developed country Parties, moving to the high range of the pledge and present targets as a single number
- Conversion of developed countries' targets into carbon budgets or QELROs
- Avoid duplication of work in the LCA with work ongoing under other bodies such as ADP
- Formalization of pledges, for example through a COP decision

Nationally appropriate mitigation actions by developing country Parties in the context of sustainable development, supported and enabled by technology, financing and capacity-building, in a measurable, reportable and verifiable manner (agenda item 3(b)(ii))

- Reiterate invitation to developing country Parties that have not done so, to submit NAMAs
- Reiterate the need for developed country Parties to provide enhanced support

- Continue the process of understanding of the diversity of NAMAs in the period up to 2014, on the basis of paragraph 34 of decision 2/CP.17, under the SBs.
- Reiterate invitation to developing country Parties to submit additional information as requested by paragraph 34 of decision 2/CP.17
- Compile, in a structured manner, information provided by developing country Parties on NAMAs in their submissions and through the in-session workshops.

- Request the relevant body under the Convention to develop guidelines for MRV of support

- Work to clarify methodological issues relating to the elements identified in paragraph 34 of decision 2/CP.17, taking into account the diversity of NAMAs.

- Take stock of existing capacity building initiatives in support of the preparation and implementation of NAMAs.
- Organize regional technical workshops to build capacity for, and exchange lessons learned in, the preparation and implementation of NAMAs
- Prepare a handbook to support preparation and implementation of NAMAs which respects the diversity of these actions, provides flexibility and avoids standardization.

(Possible framing elements with references to past decisions of the COP may be incorporated.)

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
(agenda item 3(b)(iii))

Framing elements

- Reference to relevant decisions;
- Other references as needed.

Guiding principles

- Reference to the principles, guidance and provisions set out in decision 1/CP.16 and its appendix I and decision 2/CP.17, such as:
 - Environmental integrity;
 - Transparency;
 - Respect for national sovereignty;
 - Participation in REDD-plus activities is voluntary;
 - Promotion of broad country participation in all phases.
- Additional guiding principles such as simplicity, etc ?

Enabling conditions

- What elements need to be included in a total package of enabling conditions ?
- Adequate and scaled-up financing for phases 1 and 2 is critical to ensure implementation of phase 3.
- Strengthening policy, legislative and institutional frameworks, including addressing drivers.
 - Capacity-building should be included in these frameworks
- Transparent and effective governance, including fiduciary arrangements.
 - How to ensure transparent fund management in the governance framework ?
- Elements identified in 1/CP.16, paragraph 71 to be developed, such as forest reference emission levels/ forest reference levels, a national strategy or action plan, a national forest monitoring system, system for providing information on how safeguards are being addressed and respected.
- Importance of addressing and respecting safeguards.
- Addressing risks associated with investments in results-based REDD-plus actions.
- Additional enabling conditions?
 - Reaffirming and recognizing the diversity of financing options as referred to in decision 2/CP.17
 - What enabling conditions need to be developed at national and international levels ? Revision of domestic policy of developed countries to incentivize private sector participation?
 - Non-carbon benefits should be recognized as part of enabling conditions
 - Addressing displacement of emissions and risks of reversals and additionality of actions

- Development of new approaches such as an incentive level or crediting level to serve as baseline for payments
- Development of a Joint Mitigation and Adaptation Mechanism which includes a bottom-up process
- Political will and interagency coordination

Signal

- Type of signal necessary to trigger the scaling up of financing of and investments in results-based REDD-plus actions?
- Higher emission reduction ambitions by developed countries and price of carbon necessary to incentivize scaling up of financing and investments in results-based REDD-plus actions?
- Further work to be referred to the subsidiary bodies?

Additional issues requiring further exploration:

- What is meant by “results-based” actions?
 - Payment for verified emission reductions and removals
 - Setting of an accounting period and pricing of carbon
 - The use of proxies for performance-based results ?
- How to advance the understanding of what the “plus”-part of REDD-plus activities entail?
 - Afforestation/reforestation activities included as part of enhancing forest carbon stocks
- What types of institutional arrangements need to be established (e.g. national and international REDD+ registries, technical panel or regulatory body)? What guidance is needed from the UNFCCC process for such arrangements?
- Options on institutional arrangements which are not mutually exclusive:
 - Links with the Green Climate Fund (GCF)
 - A specific REDD-plus window under the GCF
 - A specific window for the Joint Mitigation and Adaptation Mechanism under the GCF
 - What guidance can be provided to the GCF Board on REDD-plus financing? What signal can the REDD-plus discussions provide to the GCF Board ?
 - Links with the new market mechanism being considered under the AWG-LCA
 - What is meant by “appropriate”?
 - How to ensure consistency between REDD-plus financing and the new market mechanism and that REDD-plus would be captured in the development of the new market mechanism?
 - Links between REDD-plus financing and other finance-related issues, such as:
 - Finance, including long-term finance (LTF).
 - Framework for various approaches.
 - A REDD-plus Board
 - REDD-plus units/ REDD-plus credits
 - What is a “REDD-plus unit”? What is a “REDD-plus credit”?

- Quality of REDD-plus units to be guaranteed by implementation of the safeguards and ensuring environmental integrity?
 - Request the SBI to determine the pricing of REDD-plus units?
 - Do REDD-plus credits relate to market-based performance only or to non-market based performance as well?
 - A registry as a tool to keep track of REDD-plus units
 - What is the role of national and international registries ? How are they linked ? What happens when units are transferred across national borders ?
 - Should there be a link between REDD-plus registry with NAMAs registry? How can such a link be established?
 - Request the SBSTA to develop guidance for the registry and guidance for reporting of monitored emissions and removals achieved from results-based actions ?
 - A Carbon Reserve Bank and a regulatory body under the COP
 - What are the role of these institutional arrangements? For example, the regulatory body to oversee the new market mechanism and ensure the sufficient functioning of the carbon market, ensure pricing and floor prices ? To create a reserve account?
 - Creation of a mechanism for settlement of disputes ?
 - What mechanisms are needed to address risks and reversals ?
 - Creation of an international fund to manage REDD-plus risks
 - Insurance mechanism for addressing risks: how can one be designed ?
 - Creation of a guarantee mechanism as reserves
 - Establishment of REDD-plus units at national and/or subnational levels
 - A UNFCCC Review Body
 - Request SBSTA to provide guidance on the review of reports on outcomes of results-based actions ?
 - Which existing institutions under the Convention would be relevant for ensuring financing of REDD-plus results-based actions?
- Credit for early action?
 - What is meant by early action ?
 - How does early action affect the financing of phases 1 and 2 on readiness ?
 - What should be the start date of early action ? Should the start date be flexible taking into account national circumstances and a country's phase of implementation ?
- Should the UNFCCC process provide guidance on private sector participation ? How to ensure and catalyze their involvement?
 - Providing a signal to welcome and encourage private sector involvement in the full implementation of REDD-plus actions
 - Enabling conditions needed for private sector participation, such as risk management, strong compliance, structural reforms, strong implementation of safeguards
 - Recognize the role of the private sector in addressing the drivers of deforestation and forest degradation
 - Further exploration of the following:

- How to enhance coordination between the public and private sectors;
 - What role can the domestic private sector play in the REDD-plus implementing country ?
 - The role of the private sector investments outside the carbon markets
- Whether results-based REDD-plus payments should go beyond carbon benefits to include non-carbon benefits?
 - Recognition that carbon benefits and non-carbon benefits cannot be unbundled from each other
 - Results-based payments should cover both carbon and non-carbon benefits. Would the payment for implementation of safeguards cover payments for non-carbon benefits ?
 - Request SBSTA to consider a work programme on methodological and technical aspects of assessing co-benefits ?
- Further clarification on how the Joint Mitigation and Adaptation Mechanism can be elaborated as part of consideration of non-market approaches?
 - Incorporation of some elements of REDD-plus, that are non-market related, into the Joint Mechanism
 - Consideration of the linkages between the Joint Mechanism and the Nairobi Work Programme
 - Request the SBSTA to initiate, as a specific work stream, consideration of the linkages between mitigation and adaptation, the methodological aspects and institutions for the Mechanism?
 - Request SBSTA to develop the architecture for the Joint Mechanism

Elements for Doha decision

Proposal by the facilitator based on the updated and elaborated informal note

(Framing elements)

Recalling decisions 2/CP.13, 4/CP.15, 1/CP.16, 2/CP.17, 12/CP.17 and [x/C.18] in promoting, encouraging and catalysing the activities referred to in decision 1/CP.16, paragraph 70 and the provision of adequate and predictable support, including financial resources and technical and technological support to developing country Parties;

Recognizing that significant efforts and actions to reduce deforestation and to maintain and conserve forest carbon stocks in developing countries are already being taken outside of the Convention process,

Recognizing the national, bilateral and multilateral support that are being provided outside of the Convention process for the implementation of activities referred to in decision 1/CP.16, paragraphs 70 and 73,

(Guiding principles)

Affirms that the principles, guidance and provisions set out in decision 1/CP.16 and its appendix I and decision 2/CP.17 continue to govern and guide the modalities and procedures for financing the results-based actions referred to in decision 1/CP.16, paragraph 73 contained in this decision;

Notes the need to promote broad country participation in the full implementation of results-based actions referred to in decision 1/CP.16, paragraph 73;

Reaffirms the diversity of results-based finance provided to developing country Parties that is new, additional and predictable that may come from a variety of sources, public and

private, bilateral and multilateral, including alternative sources as referred to in decision 2/CP.17, paragraph 65;

(Signal)

Affirms the importance of continuing and scaling-up new and additional results-based finance from developed country Parties for the full implementation of results-based actions;

Option 1

Recognizes that higher ambition of developed country Parties' economy-wide emission reduction targets and price of carbon is necessary to incentivize scaling-up of financing and investments in the full implementation of results-based actions referred to in decision 1/CP.16, paragraph 73;

Option 2

Recognizes that demand for and price of carbon is necessary to incentivize scaling-up of financing and investments in the full implementation of results-based actions referred to in decision 1/CP.16, paragraph 73;

Option 3

Encourages the private sector and private organizations to contribute to the full implementation of results-based actions referred to in decision 1/CP.16, paragraph 73;

(Enabling conditions)

Agrees that enabling conditions for scaling-up and facilitating access to results-based finance and ensuring the full implementation of results-based actions, taking into account national circumstances and respective capabilities and recognizing national sovereignty, should be in place and/or developed by Parties:

(a) Adequate and scaled-up financing for the early phases of actions referred to in decision 1/CP.16, paragraph 73;

(b) Strengthened policy, legislative and institutional frameworks that addresses drivers of deforestation and forest degradation referred to in decision 1/CP.16, paragraph 72;

(c) Transparent and effective governance, including fiduciary and relevant institutional arrangements;

(d) Elements identified in decision 1/CP.16, paragraph 71, decision 12/CP.17 and decision [x/CP.18];

(e) Full implementation of results-based REDD+ actions should be in accordance with methodological guidance set out in decisions 4/CP.15, 1/CP.16, 12/CP.17 and [x/CP.18];

(f) Measures to address displacement of emissions and risks of reversals;

(g) New approaches such as an incentive level to serve as a baseline for results-based payments;

(h) a Joint Mitigation and Adaptation Mechanism;

(i) (other enabling conditions ...)

Agrees that results-based payments should be based on fully measured, reported and verified emission reductions and removals and enhancement of forest carbon stocks expressed in tonnes of carbon dioxide equivalent;

(Institutional arrangements - Options on institutional arrangements noted below are not mutually exclusive)

Decides to:

Option 1

Establish new institutional arrangements to fulfil the functions to be defined by the Subsidiary Body for Implementation (*refer to relevant paragraph under issues requiring further exploration*);

Option 2

Requests the Green Climate Fund Board to establish a REDD-plus window for the financing of REDD-plus in all phases, referred to in decision 1/CP.16, paragraph 73;

Option 3

Establish a range of new institutional arrangements to record and track fully measured, reported and verified emission reductions and removals and enhancement of forest carbon stocks, to avoid double counting and to address risks of reversals, including:

- A REDD-plus Board;
 - To govern the REDD-plus window to be established by the GCF Board;
 - To work under the guidance and authority of the COP and ensure transparency and consistency with modalities and procedures of existing multilateral and bilateral agencies.
 - To protect developing country parties against market failure through tools such as supporting appropriate price floors.
- REDD-plus registries at the national level and at the international level under the authority of the Conference of the Parties;
 - A national registry to record verified emission reductions and removals that it holds, transfers or cancels and to avoid double counting;
 - An international registry to record and track verified emission reductions and removals and to avoid double counting. To also track units across international borders;
- A Carbon Reserve Bank and a regulatory body under the Conference of the Parties
 - Oversee the new market mechanism;
 - Ensure the efficient functioning of the carbon market;
 - Ensure pricing and floor prices;
 - Create a reserve account;
 - Create a mechanism for settlement of disputes.
- A review body under the Convention
 - To review, in accordance with guidance to be developed by the SBSTA, the performance reports on outcomes of results-based actions submitted by developing country Parties.

Option 4

Use and/or establish links with existing or newly establish institutional arrangements and/or financing channels under the Convention to ensure consistency in reporting, recording and tracking and technical analysis:

- Green Climate Fund;
- Long-term finance;
- Registry for nationally appropriate mitigation actions by developing country Parties
- International consultation and analysis;

Option 5

Use new financial approaches, mechanisms and frameworks under the Convention, including a framework for various approaches referred to in paragraph 80 and the new market mechanism referred to in paragraph 83 of decision 2/CP.17;

Option 6

A combination of any of the options noted above which will depend on the scope and nature of the functions of the institutions needed.

(Non-market alternative)

Option 1

Agrees to establish a joint mitigation and adaptation mechanism for the integral and sustainable management of forests under the guidance and authority of the Conference of the Parties, in accordance with decision 2/CP.17, paragraph 67;

Option A

Requests the Green Climate Fund to establish a specialised window for the joint mitigation and adaptation mechanism;

Requests the SBSTA to develop the architecture for the joint mitigation and adaptation mechanism;

Option B

Requests the SBSTA in developing the guidance for the joint mitigation and adaptation mechanism to be consistent with any guidance from ongoing work on adaptation under the Convention and be in accordance with any future decisions relating to adaptation by the Conference of the Parties;

Option 2

Recognizes the ongoing work on adaptation under the Convention and its relevance for joint mitigation and adaptation approaches;

Recognizes the multiple benefits from the implementation of the joint mitigation and adaptation approach;

Encourages bilateral and multilateral financing channels to support the activities using non-market based approaches, such as joint mitigation and adaptation approaches;

(Issues requiring further exploration)

Requests the [SBI] [SBSTA], at its [nnth] session to develop modalities and procedures for the new institutional arrangements referred to above and ways to address risks, and to report on the progress made, including any recommendations for a draft decision on this matter, to the Conference of the Parties at its [yyth] session;

Requests the [SBI] to define functions of the necessary new and/or existing institutional arrangements to guide and support the financing of full implementation of results-based actions referred to in decision 1/CP.16, paragraph 73 and the outcomes of these actions;

Requests the [SBSTA], at its [mmth] session, to consider the need for guidance and methodologies for assessing the co-benefits and non-carbon benefits arising from the full implementation of results-based actions referred to in decision 1/CP.16, paragraph 73 and to assess the potential of including co-benefits and non-carbon benefits as part of results-based payments;

Agrees that fully measured, reported and verified results based actions and their verified emission reductions and removals and enhancement of forest carbon stocks occurring during the period from year [2xxx] should be eligible for results-based payments;

Cooperative sectoral approaches and sector-specific actions, in order to enhance implementation of Article 4, paragraph 1(c), of the Convention (agenda item 3(b)(iv))

General Framework²

Option 1

The Conference of the Parties,

Recalling the commitments under the Convention, in particular Article 4, paragraphs 1, 3, 5, 7, 8 and 9,

Reaffirming the objective, principles and provisions of the Convention, in particular its Article 2, Article 3, paragraphs 1, 2, and 5, and Article 4, paragraphs 1(c), 3, and 7,

Taking into consideration the historical responsibilities of Parties included in Annex I to the Convention in their contribution to climate change,

Affirming that cooperative sectoral approaches and sector-specific actions shall not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade, more specifically on the trade from developing country Parties,

Reaffirming that food security is important and should not be compromised by sectoral approaches and sector specific actions,

Affirming that cooperative sectoral approaches and sector-specific actions shall not limit the ability of developing country Parties to pursue economic and social development and poverty eradication, and, to that end, that it is essential that cooperative sectoral approaches and sector-specific actions are undertaken in a manner that is supportive of an open international economic system,

Reiterating the importance of promoting and enhancing cooperative action on the development and transfer of environmentally sound technologies to developing country Parties now, up to and beyond 2012, in order to achieve the objective of the Convention,

- Decides that cooperative sectoral approaches and sector-specific actions shall enhance the implementation of Article 4, paragraph 1(c), of the Convention, in accordance with the Bali Action Plan.
- Also decides that cooperative sectoral approaches and sector-specific actions shall be consistent with the provisions and principles of the Convention, in particular the principle of equity, common but differentiated responsibilities, Article 4, paragraphs 3, 5 and 7, and the promotion of a supportive and open international economic system.
- Further decides that cooperative sectoral approaches and sector-specific actions shall take fully into account differences in geographic, economic and social conditions and specific national development priorities and circumstances, in particular of developing country Parties, in accordance with equity and common but differentiated responsibilities and in the light of the fact that economic and social development and poverty eradication are the first and overriding priorities of developing country Parties.
- Agrees that cooperative sectoral approaches and sector-specific actions shall not lead to new commitments for developing country Parties, nor create barriers and distortions in international trade, in particular for the exports of developing country Parties.

² *Some Parties are of the view that "No text is needed" under paragraph 74.*

Option 2

Decides that cooperative sectoral approaches and sector-specific actions shall enhance the implementation of Article 4, paragraph 1(c), of the Convention, in accordance with decision 1/CP.13.

Option 3

Recognizes that it may be useful for Parties to pursue cooperative sectoral approaches and sector-specific actions.

Option 4

Decides after consideration in accordance with paragraph 74 of decision 2/CP.17 that a general framework for cooperative sectoral approaches and sector specific actions is not appropriate.

International aviation and maritime transport³**Option 1**

1. Decides that all Parties included in Annex I to the Convention shall pursue limitation or reduction of emissions of greenhouse gases not controlled by the Montreal protocol from civil aviation and maritime bunker fuels, working exclusively through the International Civil Aviation Organization and the International Maritime Organization, respectively.

2. Also encourages that while pursuing the limitation and reduction of emissions of greenhouse gases from international aviation and maritime transport, the ICAO and the IMO shall work in accordance with the principles and provisions of the Convention, in particular the principles of equity and common but differentiated responsibilities

3. Affirms that cooperative sectoral approaches in the international aviation and maritime transport shall enhance the implementation of article 4. 1. c of the Convention in order to increase the promotion and cooperation in the development, application and diffusion, including transfer, of technologies, practices and processes

4. Agrees that civil aviation and maritime transport constitute essential sectors for the achievement of the overriding priorities of economic and social development of developing countries and that restrictions on the development in these sectors will hinder development priorities of developing countries.

5. Decides that all Parties included in Annex I to the Convention, in pursuing limitation and reduction of emissions of greenhouse gases from civil and maritime transport, shall refrain from unilateral actions that are not consistent with the principles and provisions of the Convention and its Kyoto Protocol;

6. Decides that any actions related to limitation or reduction of emissions of greenhouse gases not controlled by the Montreal protocol from civil aviation and maritime bunker fuels that are not part of a global framework, can only be pursued with the mutual consent of all Parties involved and affected.

Option 2

Agrees that measures to address the emissions of greenhouse gases not controlled by the Montreal Protocol from international aviation and maritime transport should be undertaken through global measures under the International Civil Aviation Organization and the International Maritime Organization, respectively, while taking into account the principles and provisions of the Convention.

³ *Some parties are of the view that "No text is needed" on paragraph 78*

Option 3

1. Decides that the limitation or reduction of emissions of greenhouse gases not controlled by the Montreal Protocol from international aviation and maritime transport should be pursued working through the International Civil Aviation Organization and the International Maritime Organization.
2. Urges Parties that are also members of the International Civil Aviation Organization and the International Maritime Organization to work cooperatively in order to develop and concur on globally applicable, multilateral measures to limit and reduce emissions of greenhouse gases.
3. Invites the International Civil Aviation Organization and the International Maritime Organization to report on progress at future sessions of the UNFCCC.

Option 4

The Conference of the Parties,

Agrees that international aviation and maritime transport should contribute to achieving the long term global goal agreed in decision 1.CP16 and to reducing the current pre-2020 ambition gap.

Further agrees to pursue the limitation and reduction of emissions of greenhouse gases not controlled by the Montreal Protocol from international aviation and marine bunker fuels, working through the International Civil Aviation Organization and the International Maritime Organization, respectively.

Stresses that the carbon pricing of global aviation and maritime transportation through market based measures would generate the necessary price signal to efficiently achieve more emission reductions from these sectors and could generate large financial flows as identified by the UN Secretary General's High-level Advisory Group on Climate Change Financing,

Urges Parties to step up efforts in International Civil Aviation Organization to reach a globally applicable agreement that would secure 10% reduction of greenhouse gas emissions from 2005 level by 2020 in the aviation sector,

Also urges Parties to step up efforts in International Maritime Organization to reach a globally applicable agreement that would secure 20% reduction of greenhouse gas emissions from 2005 level by 2020 in the maritime sector.

Invites the International Civil Aviation Organization and the International Maritime Organization to report on progress at future sessions of the UNFCCC.

Option 5

Agrees that the limitation or reduction of emissions of greenhouse gases not controlled by the Montreal Protocol from international aviation and maritime transport should be pursued working through the International Civil Aviation Organization and the International Maritime Organization.

Various approaches, including opportunities for using markets, to enhance the cost-effectiveness of, and to promote, mitigation actions, bearing in mind different circumstances of developed and developing countries (agenda item 3(b)(v))

A framework for various approaches

Preamble:

- Contribution to the ultimate objective of Convention;
 - Relevant Convention provisions (e.g. Article 4, paragraph 2(a));
 - Relevant COP decisions;
 - Relationship with Kyoto Protocol mechanisms;
 - Sustainable development must not be negatively impacted;
 - Recognition of sovereign right of Parties, independently and jointly, to develop and implement various approaches;
1. Purposes of the framework:
 - To enhance the integrity of various approaches:
 - (i) By setting robust standards;
 - (ii) By establishing common rules for tracking mitigation outcomes;
 - (iii) By prohibiting the double counting of mitigation outcomes;
 - To provide transparency in the use by Parties of various approaches;
 - To enable the (voluntary) certification of various approaches;
 - To guide the development of various approaches:
 - (i) By building capacity;
 - (ii) By providing a platform for cooperation among Parties;
 2. Scope of approaches included under the framework:
 - (a) Approaches that transfer mitigation outcomes across national borders;
 - (b) Market-based approaches and non-market-based approaches;
 3. Principles:
 - (a) Convention principles;
 - (b) Cancun/Durban provisions (including net decrease and/or avoidance);
 - (c) Enhancement of the cost-effectiveness, and promotion, of mitigation actions;
 - (d) Transparency;
 - (e) Sustainable development, technology transfer, capacity building;
 - (f) Avoid creation of perverse incentives at national levels;
 - (g) Allow for continuous improvement of various approaches;
 4. Standards for promoting environmental integrity:
 - (a) What standards:

- (i) Guidance for defining segments, sectors, subsectors, technologies and policies, as well as the scope of activities;
 - (ii) Requirement for mitigation (reductions, removals, avoided emissions) to be real, permanent, additional, and verified;
 - (iii) Requirements regarding the quality of emissions-related data;
 - (iv) Prevention of leakage;
 - (v) Measurement, reporting, and verification;
 - (vi) Avoidance of double counting;
 - (b) How to uphold standards;
 - (c) Role of standards (binding, facilitative, etc.);
5. Accounting:
- (a) Common accounting rules;
 - (b) International carbon units:
 - (i) Definition;
 - (ii) Criteria for issuance;
 - (c) Movements of units across national boundaries;
6. Tracking:
- (a) National registries:
 - (i) Functions;
 - (ii) Conditions;
 - (iii) Means for interconnectivity;
 - (b) International registry/transaction log;
 - (c) Other technical tools;
7. Reporting;
8. Possible conditions on the use of various approaches and their units:
- (a) Existence of mitigation commitments/targets;
 - (b) Supplementarity;
9. Institutional arrangements:
- (a) Regulatory board;
10. Financing of framework activities, share of proceeds;
11. Further work.

The new market-based mechanism

- 1. Purpose of the NMM: as set out in decision 2/CP.17, paragraph 83;
- 2. Scope of the NMM:
 - (a) Definition of types of activities;
 - (b) Relationship with framework for various approaches;
- 3. Principles:

- (a) Convention principles;
 - (b) Cancun/Durban provisions;
 - (c) Reference to sustainable development;
 - (d) Common rules and standards;
 - (e) Robust carbon market;
4. Voluntary participation:
- (a) Sovereign right for each Party to choose whether to participate;
 - (b) Sovereign right for each Party to set up its own institutional arrangements;
 - (c) Means to enable participation in a fair and equitable manner;
5. Complementarity with other means of support:
- (a) Relationship with Kyoto Protocol mechanisms;
 - (b) Relationship with nationally appropriate mitigation actions;
 - (c) Relationship with other mechanisms;
6. Stimulation of mitigation across broad segments of the economy:
- (a) Definition and selection;
 - (b) Criteria for setting boundaries;
 - (c) Assessment of the risk of carbon leakage;
7. Safeguarding of environmental integrity:
- (a) What standards:
 - (i) Guidance for defining segments, sectors, subsectors, technologies and policies, as well as the scope of activities;
 - (ii) Requirement for mitigation (reductions, removals, avoided emissions) to be real, permanent, additional, and verified;
 - (iii) Requirements regarding the quality of emissions-related data;
 - (iv) Prevention of leakage;
 - (v) Measurement, reporting, and verification;
 - (vi) Avoidance of double counting;
 - (vii) Length of crediting period;
 - (b) How to uphold standards;
8. Net mitigation benefit (net decrease and/or avoidance):
- (a) Means to achieve this:
 - (i) Baselines, thresholds, target-setting (including criteria to determine and procedures to approve);
 - (ii) Own contribution;
9. Units:
- (a) Issuance;
 - Tracking;
10. Conditions:

- Conditions applicable to a Party where units originate;
 - (i) Technical conditions;
 - Conditions applicable to a Party where units are used:
 - (i) Assist developed countries to meet their legally binding mitigation commitments;
 - (ii) Supplementarity;
 - (iii) Technical conditions;
 - Supply – demand situation;
11. Governance and market functioning and regulation:
- (b) Under the guidance and authority of the COP;
 - (c) Supervisory body;
 - (d) Participation of private sector;
 - (e) Creation and transmission of incentives;
 - (f) Share of proceeds;
 - (g) Reporting and review;
 - (h) Transparency in decisions and processes;
 - (i) Financing the administration of the NMM;
 - (j) Conformity checks on:
 - (i) Additionality;
 - (ii) Baselines;
 - (iii) Methodologies;
 - (iv) Monitoring;
 - (v) Verification;
 - (vi) Conformity checks through an international transaction log;
12. Pilot phase;
13. Further work:
- Adoption of modalities and procedures in Doha:
 - (i) Comparable with modalities and procedures for Kyoto mechanisms;
 - Finalization of technical details under SBSTA in 2013.

Economic and social consequences of response measures (agenda 3(b)(vi))

Note: The options below are not necessarily mutually exclusive.

Option A (Framing elements)

- Recalling article 4, paragraphs 8, 9 and 10 of the Convention; Article 2, paragraph 3 and Article 3, paragraph 14 of the Kyoto Protocol; decisions 5/CP.7, 9/CP.7, 1/CP.10, 1/CP.13, 1/CP.16, 2/CP.17, 8/CP.17, 31/CMP.1 and 5/CMP.7,
- The importance of the objective of the Convention, and the relevant principles and provisions of the Convention related to economic and social consequences of response measures, in particular its Articles 2, 3, and 4,
- The need to give full consideration to what actions are necessary, including actions related to funding, insurance and the transfer of technology, to meet the specific needs and concerns of developing country Parties arising from the impact of the implementation of response measures and that economic and social consequences of actual and potential response measures is an important issue for all developing countries,
- An open barrier-free rules-based trading system is a crucial component of a supportive and open international economic system,
- Developing countries require assistance to assess the scope and magnitude of the negative consequences of the implementation of response measures,
- The adverse impacts of response measures constitute an additional burden that developing countries shall not have to bear as they could undermine their economic and social development,
- Responses to climate change should be coordinated with social and economic development in an integrated manner, with a view to avoiding adverse impacts on the latter, taking into full account the legitimate priority needs of developing countries for the achievement of economic and social development and the eradication of poverty,
- The liberalisation of trade in goods and services necessary for climate change mitigation and adaptation is essential to address climate change,
- The World Trade Organisation is the competent body for multilateral trade rule-making,
- Parties, which are Members of the World Trade Organisation, have the responsibility to respect their World Trade Organisation obligations when they adopt measures to address climate change,
- The need to reach an agreed outcome to enhance the effective, full and sustained implementation of the Convention, in accordance with the Bali Action Plan, in relation to economic and social consequences of response measures;
- Acknowledging the progress made through establishment of the Forum to implement the work programme on impacts of implementation of response measures;
- The invitation to Parties to submit views on matters related to the elements of work included in the work programme to implement the impact of implementation of response measures under the Forum can include unilateral measures;

- In reviewing the Forum on the impacts of implementation of response measures at the thirty-ninth session of the Subsidiary Bodies, Parties can recommend to the COP that the Forum consider issues outside its current work programme, including unilateral measures.

Option B (Further elements)

Unilateral measures

Option 1:

- Developed country Parties shall not resort to any form of unilateral measures against goods and services from developing country Parties on any grounds related to climate change, including protection and stabilization of climate, emissions leakage and/or cost of environment compliance; recalling the principles and provisions of the Convention, in particular Article 3, paragraphs 1, 4 and 5, Article 4, paragraphs 3,5 and 7, and taking into account the principles of equity, common but differentiated responsibilities and respective capabilities and the obligations of the developed country Parties to provide financial resource, transfer technology and provide capacity building support to the developing country Parties.
- [...] to undertake discussions to identify parameters that constitute means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade.

Option 2:

- Parties should cooperate to promote a supportive and open international economic system that would lead to sustainable economic growth and development in all Parties, particularly developing country Parties, thus enabling them better to address the problems of climate change. Measures taken to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade.

Option C

- No text

Enhanced action on adaptation (agenda item 3 (c))

Note: The options below are not necessarily mutually exclusive.

Option A (Framing elements)

- Reference to relevant decisions;
- Reference to relevant provisions of the Convention;
- Acknowledgement of the Cancún Adaptation Framework (CAF) that includes: (i) national adaptation plans (NAPs); (ii) work programme on loss and damage; and (iii) the Adaptation Committee;
- Recognition of progress made in addressing enhanced action on adaptation under the CAF, including through the decisions made in Durban (COP 17 outcome);
- Acknowledgement that adaptation is a continuous process that will require effective and sustained efforts for its implementation;
- Recognition that the Adaptation Committee will play a key role in implementing the CAF;

Option B (Further elements)

Additional work proposed, including to be undertaken by the Adaptation Committee, includes the following:

- Recommendations needed on means of implementation for adaptation (finance, including for 2012-2020, technology and capacity building);
- Recommendations on interlinkages between institutions and programmes established under the Convention, on finance, technology and capacity-building to facilitate support for adaptation;
- A process to develop recommendations on means to incentivize the implementation of adaptation actions, including finance, technology and capacity-building;
- Further guidance on the role of institutional bodies and/or programmes, as per the Cancún and Durban outcomes, in strengthening the catalytic role of the Convention;
- Considerations on NAPs for developing country Parties that are not LDCs;
- Recommendations on activities to strengthen, and where necessary, establish regional centres and networks, as well as an international centre;
- Recommendations on activities to strengthen, and where necessary, establish and/or designate national level institutional arrangements;
- Activities to facilitate and enhance national and regional adaptation actions;
- Role of the Convention in encouraging multilateral bodies, the public and private sectors and civil society in supporting adaptation in a coherent and integrated manner;
- Recommendations on activities to promote economic diversification to build resilience, including a work programme with the objective of improving progress on economic diversification;

Option C

- No text.

Enhanced action on technology development and transfer to support action on mitigation and adaptation (agenda item 3(d))

Note: The options below are not necessarily mutually exclusive.

Option A (Framing elements)

- Acknowledging the achievement made on technology since Bali including the establishment of the Technology Mechanism comprising the TEC and the CTCN and the agreed arrangements to enable it to become fully operational in 2012 as well as progress made in the selection of the host of the CTC by SBI 36 and the implementation of the work plan of the TEC for 2012-2013;
- Recalling decision 2/CP.17, paragraph 142 that requested the TEC and the CTCN to establish procedures for preparing a joint annual report to the COP;
- Recalling that the COP at its seventeenth session requested each thematic body to elaborate its modalities on linkages with other relevant bodies including decision 2/CP.17, paragraph 99 (the Adaptation Committee), 3/CP.17 paragraph 17 (the GCF Board), and 4/CP.17, paragraph 6 (the TEC);
- Noting the initial ideas of the TEC on its modalities on linkages with other relevant institutional arrangements under the Convention including the advisory board of the CTCN, the Adaptation Committee, the board of the GCF, and the Standing Committee presented at the thirty-sixth sessions of the SBI and the SBSTA;
- Further noting that the TEC will consult with relevant institutional arrangements, once they become operational in order to seek their views and mutual agreement on the proposed linkage modalities and will report on the results of its consultations for consideration by COP18;

Option B (Further elements)

Relationship between the TEC and the CTCN

- *Option 1:* The COP through the SBs will define at its XX session the relationship between the TEC and the CTCN, taking into consideration the joint report of the TEC and the CTCN on this matter;
- *Option 2:* The AWG-LCA will further clarify the relationship between the TEC and the CTCN in order to ensure coherence and synergy among them;

Additional functions of the Technology Executive Committee and the Climate Technology Centre and Network

Option 1:

- The COP will consider possible additional functions of the TEC and the CTCN at its XX session, taking into account the outcomes of the implementation of the work plan of the TEC and the CTCN and the reports on activities and performance of their respective functions presented to each session of the COP;

Option 2:

- The AWG-LCA will consider possible additional functions of the TEC and the CTCN;
- The TEC is requested to examine effective mechanisms that promote access to affordable environmentally sound technologies reducing the burden due to the IPRs and recommend mechanisms which reward innovators and increase the dynamic of global innovation while helping developing country Parties to take early and effective mitigation and adaptation actions for consideration by COP19;

- The TEC is requested to analyse and recommend further activities to expand technologies in the public domain and promote research and further independent innovation by developing countries;
- The CTCN is requested to provide advice and support, including capacity-building, on conduct of technology assessment of new and emerging technologies, in accordance with decision 1/CP.16, paragraph 128(e) and 123(a)(i);
- The CTCN is requested to elaborate its role set out in paragraph 135(a) of decision 2/CP.17 in identifying currently available climate friendly technologies for mitigation and adaptation that meet the key low carbon and climate resilient development needs of Parties to the UNFCCC;

Linkages with the financial mechanism and other thematic bodies

- The COP will define at its XX session linkages between the Technology Mechanism and the financial *mechanism*, taking into consideration recommendations from the TEC, the CTCN, the GCF Board and the SC;

Intellectual property rights

Option 1: no text

Option 2:

- To consider technology related IPRs issue as a barrier to development and transfer of technologies under the UNFCCC process and to draw upon advice and expert input from the work of relevant organizations such as WIPO and WTO TRIPS;
- To organize a forum to consider cooperative actions on technology development and transfer of technologies and know-how for adaptation and mitigation, including the issue of IPRs;
- To invite Parties to cooperate to undertake a range of measures to address IPRs issue, as appropriate;

Option C

No text.

Enhanced action on the provision of financial resources and investment to support action on mitigation and adaptation and technology cooperation (agenda item 3(e))

Note: The options below are not necessarily mutually exclusive

Option A (Framing elements)

- Reference to relevant decisions.
- Acknowledgement of the progress made by the LCA on finance issues through the establishment of the Green Climate Fund, the operationalization of the Standing Committee and the implementation of the work programme on Long Term Finance.
- Acknowledgement of the information provided on Fast Start Finance and the importance of the lessons learned from the Fast Start Finance period.
- Other references as needed.

Option B (Further elements)

Continuity of climate finance during the period between 2013 and 2020

- Developed country Parties reiterate their commitment to significantly scale up new and additional, predictable, adequate and sustainable financing provided to developing countries from the amount allocated for fast start finance to reach a minimum level of US 100 billion annually by 2020, taking into account a balanced allocation between adaptation and mitigation.
- Developed country Parties to improve direct and facilitated access to resources, and ensure equitable geographical distribution and balanced allocation between adaptation and mitigation in the understanding that the main sources of funding will be public sources, with supplementary financing from other sources including alternative sources.
- Commitment by developed countries to mobilize jointly new and additional resources amounting to USD [XX] billion a year by 2015.
- Continue to assess and review the needs of developing country Parties for financial resources and technology, including the identification of options for the mobilization of resources to address climate and change and its adverse effects.
- Loans shall not be used as a condition to access grant funding through the operating entities of the financial mechanism of the Convention.

Fast Start Finance

- Request the secretariat to prepare an assessment of lessons learned from fast start finance, taking into account the work of the long term finance work programme, which should consider the following elements:
 - How resources are new and additional
 - The nature of the resources, loans and/or grants
 - Channels for provision of resources
 - Balanced allocation between adaptation and mitigation

- Prioritization of funding
- Accessibility of resources

Monitoring, review and verification

- Reiterate the importance of MRV of support and acknowledges on going work in other bodies.
- Request the Standing Committee to develop guidelines for the measurement, reporting and verification of support provided to developing country Parties and invites Parties to submit their views on the development of such guidelines.
- Developed country Parties to report annually on the joint mobilization of new and additional resources amounting to USD [XX] billion a year by 2015, including through biennial update reports and taking into account lessons learned from Fast-Start-Finance.
- Undertake a review of the amount to be provided by developed country Parties to developing country Parties, based on assessment reports of the needs of developing country Parties both for mitigation and adaptation.
- Request the secretariat to support the work of the Standing Committee as regards assessment of financing and investment flows, taking into account all sources of information, the financial needs identified by developing countries, national communications and other reports or assessments conducted under the Convention.

Arrangements between the Green Climate Fund and the COP

- Option 1: Establishing a dialogue between the Board of the Green Climate Fund and the COP with a view to conclude the arrangements between the GCF and the COP.
- Option 2: Standing Committee to develop the arrangements to be concluded at COP 19 taking into account the following elements:
 - an outline of the main accountability elements of the arrangements.
 - requesting the Board to develop modalities for funding.
 - the Board jointly with the COP determine procedures for determining aggregate funding requirements of the GCF.
 - independent assessment of the overall performance of the Fund.
- Option 3: The Board of the Green Climate Fund prepares a draft of the arrangements as part of its report to be considered by COP 18.

Option C

- No text.

Enhanced action on capacity-building (agenda item 3(f))

Note: The options below are not necessarily mutually exclusive.

Option A (Framing elements)

- Reference to relevant decisions
- Acknowledgment of the Durban Forum on Capacity-building
- Acknowledgment of progress made

Option B (Further elements)

- Launch a two-year work programme under the Subsidiary Body on Implementation to further enhance the monitoring and review of the effectiveness of capacity-building and to develop operational impact indicators and modalities for evaluation of capacity building activities and support provided by developed Parties to developing country Parties.
- SBI to present its recommendations on performance and impact indicators and evaluation modalities for adoption by the Conference of the Parties at its nineteenth session.
- The Green Climate Fund and other designated operating entities of the financial mechanism of the UNFCCC to provide financial resources to developing countries to support the implementation of the work programme.

Option C

- No text.

Review: further definition of its scope and development of its modalities (agenda item 4)

Framing elements

- Recalling the ultimate objective of the Convention, contained in its Article 2,
- Recalling decisions 1/CP.16, in particular paragraph 4 of decision 1/CP.16, which recognized the need to consider strengthening the long-term global temperature goal of holding the increase in global average temperature below 2°C above pre-industrial levels on the basis of the best available scientific knowledge, including in relation to a global average temperature rise of 1.5°C, and that this will require:
 - Collection of data relating to observed and projected impacts of climate change, including impacts associated with warming of 1.5°C or 2°C;
 - Analysis of these impacts and an assessment of factors relevant to whether the observed current and projected impacts would constitute dangerous anthropogenic interference with the climate system,
- Noting further that any assessment of the adequacy of the long-term temperature goal must be underpinned by robust science and that the scientific integrity of the Review will determine its success,
- Recalling decisions 2/CP.17, paragraphs 157-167, in particular paragraphs 160 and 162, which specify the considerations and inputs to be taken into account during the first review from 2013 to 2015,
- Affirming that the review is not a review of the Convention itself / and that it aims at assessing the implementation of commitments under the Convention,
- Also affirming that the review can only be understood in the context of such a review leading to the achievement of the objectives of the Convention under Article 2, with a view to identifying gaps to achieving the ultimate objective of the Convention and enabling the full, effective and sustained implementation of the Convention,
- Reaffirming that the review shall be guided by the principles of the Convention, especially the principles of equity and common but differentiated responsibilities and respective capabilities, and shall be conducted in accordance with the relevant provisions of the UNFCCC, especially Articles 4.1, 4.2(b), 4.2(d), 4.3, 4.5, 4.7, 4.8, 7.2(a), 7.2 (e), 10.2(a), 10.2(b), 12.1, 12.2 of the Convention,

Further definition of the scope of the review

- Option 1: Reaffirming that the review should/[must periodically assess the adequacy of the long-term global goal, in the light of the ultimate objective of the Convention, and overall progress towards achieving it, in accordance with the relevant principles and provisions of the Convention;
- Option 2:
 - Decides that the review should assess:
 - The adequacy of the long-term global goal, in the light of the ultimate objective of the Convention, and the overall progress made towards achieving it, in accordance with the relevant principles and provisions of the Convention;

- The adequacy of the implementation of the commitments under the Convention, in particular the adequacy and effectiveness of the binding and ambitious emission reduction commitments of Parties included in Annex I to the Convention, and the commitments of Parties included in Annex II to the Convention for the provision of financial resources and the transfer of technology and capacity-building to developing countries, given that the extent of adaptation costs is contingent on meeting the necessary emission reduction commitments;
- The adverse social and economic impacts on developing country Parties of climate change and response measures to combat climate change;
- *Second review*: Reaffirming that the review should/must periodically assess the adequacy of the long-term global goal, in the light of the ultimate objective of the Convention, and overall progress towards achieving it, in accordance with the relevant principles and provisions of the Convention and agrees to consider further defining the scope for the second review;

Further definition of the expert consideration of inputs

- *Option 1*: Decides to establish a review expert group at COP 18 to provide technical support to the Review in its technical assessment and preparation of synthesis reports phase, and requests the review expert group to:
 - Commence its substantive work no later than early 2014, noting that by April 2014, all of the IPCC Working Group Reports will be publicly available;
 - Meet as many times as necessary, including intersessionally, in order to complete its work and make its assessment/synthesis reports available for consideration by the ADP in early 2015 in order to inform final negotiations on a new Protocol under the Convention / a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties;
 - The review expert group will report to the COP;
 - Requests the Secretariat to organize the meetings of the review expert group, to support its work, and to disseminate its work product, as required;
- *Option 2a*: Decides to establish a joint SBSTA/SBI contact group to facilitate the assistance from the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI), as referred to in paragraph 162 of Decision 2/CP.17;
- *Option 2b*: A joint contact group of the SBSTA and SBI, supported by workshops and other in-session activities / scientific expert meetings open ended for all Parties, as appropriate, organized under these subsidiary bodies, upon agreement and supervision by Parties, preferably during the session or back to back with sessions to consider the inputs referred to in paragraph 161 of decision 2/CP.17;
- Other guidance to the expert consideration of inputs:
 - Decides that the review shall be conducted transparently and with the full participation of the Parties, which shall be ensured through the provision of adequate funding support from the UNFCCC Secretariat's budget for the participation and representation of all developing country Parties in all phases of the review and in all activities, meetings, workshops, and sessions of the SBI and SBSTA that are part of the review process;

- Effectiveness and efficiency of the Review process:
 - Preparations for the review should be conducted in an effective and efficient manner in order to avoid duplication of on-going work. Therefore, the Conference of the Parties and the Subsidiary Bodies may wish to take into account the results of work conducted under the Convention, its Kyoto Protocol and its Subsidiary Bodies in preparing for the review;
- Adequate consideration of inputs:
 - SBSTA and SBI Chairs / The COP should organise the work of the review in a flexible and appropriate manner in line with decision 2/CP.17, allowing for an adequate and timely consideration of the inputs as they become available / information gathering and compilation;
 - Requests SBSTA and SBI chairs with the support of the secretariat to take the necessary steps in 2013 for SBSTA and SBI to start the consideration of inputs without delay at their thirty-eighth session;

Other elements

- Information gathering and compilation phase
 - *Option 1*: Length of the phase is continuous throughout the 1st review (2013-2015);
 - *Option 2*: Decides that the information gathering and compilation phase referred to in paragraph 164 of decision 2/CP.17 shall be undertaken continuously during the period from the start of the review in 2013 to not later than six (6) months before the conclusion of the review in 2015;
 - *Option 3*: Requests the subsidiary bodies, beginning in 2013 until the end of 2014, to gather and compile information relevant for conducting the Review, including the sources listed in paragraph 161 of decision 2/CP.17;
 - Also requests the subsidiary bodies to identify information gaps and, where necessary, make requests for the preparation of additional inputs and studies that would be useful for conducting the Review;
 - Sources of information as determined in 2/CP.17, paragraph 161;
 - Requests the subsidiary bodies to make full and updated compilations of “information from various sources” available to the review expert group at regular intervals, beginning in late 2013 in order to inform the initial work of the review expert group in early 2014;⁴
 - Invite Parties to provide information they deem relevant to the review through submissions;
- Ensuring prompt start and timely finalization of the review:
 - The first review should start in 2013 and should be concluded in 2015, when the Conference of the Parties shall take appropriate action based on the review.
 - Requests SBSTA and SBI chairs with the support of the secretariat to take the necessary steps in 2013 for SBSTA and SBI to start the consideration of inputs without delay at their thirty-eighth session.

⁴ The reference to the review expert group is relevant for option 1 under the heading Technical assessment and preparation of synthesis reports phase.

Other matters (agenda item 5)

Parties included in Annex I to the Convention undergoing the process of transition to a market economy

(agenda item 5(a))

The Vice Chair of the AWG-LCA has initiated consultations with concerned Parties on views presented on this matter by a group of Annex I Parties undergoing the process of transition to a market economy.

Parties included in Annex I to the Convention whose special circumstances are recognized by the Conference of the Parties

(agenda item 5(b))

The Vice Chair of the AWG-LCA has initiated consultations with concerned Parties on views presented by Turkey on this matter.
