

## ***Oral report to the Contact Group***

### **Various approaches (agenda item 3(b)(v))**

*24 May 2012 @ 17.10*

#### *Framing elements of the discussion*

- At Durban, the COP requested the AWG-LCA to conduct further work on the issue of various approaches:
  - To consider a framework for various approaches, as set out in decision 2/CP.17, paragraph 80;
  - To elaborate modalities and procedures for the new market-based mechanism, as set out in decision 2/CP.17, paragraph 84.
- Previously, at Cancun and Bali before that, the COP also provided guidance on these matters.

#### *Issues discussed*

- At this session in Bonn, Parties had the opportunity at workshops and at meetings of an informal group to exchange views on both a framework and the new market-based mechanism, including those expressed previously in submissions.
- There was a general sense that these experiences, particularly the workshops, have helped to foster greater technical understanding of the proposals that have been made in each area.
- There was also a sense that further discussion about the role of a framework for various approaches and the new market-based mechanism in the context of the international climate system would be helpful, although the view that work on technical elements could proceed in parallel with consideration of this role was also expressed.
- On a framework for various approaches, diverse views were presented, including the following:
  - Focused debate on the elements set out in paragraph 79 of the Durban decision (which referred to the need for robust standards that deliver real, permanent, additional and verified mitigation outcomes, for the avoidance of the double-counting of effort, and for the achievement of a net decrease and/or avoidance of greenhouse gas emissions), in relation to the consideration of various approaches, including market-based mechanisms, that countries are developing and implementing, so as to build a credible system and to manage possible risks;
  - A dedicated space for the consideration and elaboration of non-market-based mechanisms that countries are developing and implementing;
- On the new market-based mechanism, diverse views were presented, including the following:
  - The appropriate role of the new market-based mechanism, with Parties noting that the Durban decision referred to the use of the mechanism being subject to conditions to be elaborated;
  - The need to elaborate the modalities and procedures for the new market-based mechanism, with Parties noting that the Durban decision incorporated the elements set out in paragraph 80 of decision 1/CP.16, and also proposing specific elements of modalities and procedures that would be consistent with these principles.
- There was a general understanding among Parties that a significant amount of further work needs to be done this year on this issue.

#### *Further steps*

- Parties proposed that the following steps are useful in progressing the work before Doha:
  - To invite Parties and admitted observer organizations to submit to the secretariat, by 6 July 2012, further views on the matters referred to in decision 2/CP.17, paragraphs 79-80 and 83-84, as well as the matters referred to in decision 1/CP.16, paragraphs 80 and 84, including lessons learned, with suggestions for focused discussion;
  - To request the secretariat to prepare a technical paper, which draws from the information contained in submissions, the presentations and discussions at the workshops on various

approaches that were held in conjunction with AWG-LCA 15, and the discussions at the meetings of the informal group on various approaches during AWG-LCA 15;

- To focus discussions through workshops, where possible.

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