

## INFORMATION NOTE

### Workshop on the new market-based mechanism

#### I. Mandate and background

1. The Conference of Parties (COP) at its seventeenth session in Durban, South Africa, defined a new market-based mechanism, operating under the guidance and authority of the COP, to enhance the cost-effectiveness of, and to promote, mitigation actions, bearing in mind different circumstances of developed and developing countries, which is guided by decision 1/CP.16, paragraph 80, and which, subject to conditions to be elaborated, may assist developed countries to meet part of their mitigation targets under the Convention.
2. The COP requested the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) to conduct a work programme to elaborate modalities and procedures for the mechanism, with a view to recommending a decision to COP18. Parties and admitted observer organizations were invited to submit their views on these matters, including their experiences, positive and negative, with existing approaches and mechanisms as well as lessons learned, by 5 March 2012.<sup>1</sup>
3. The AWG-LCA was further requested to conduct one or more workshops with Parties, experts and other stakeholders, including an in-session workshop at its session to be held in conjunction with the thirty-sixth sessions of the subsidiary bodies, to consider the submissions received.<sup>2</sup>

#### II. General objectives and approach to the workshop

4. The objectives of the workshop are to consider the submissions made and to discuss the the new market-based mechanism referred to in paragraph 1 above.
5. The output from the workshop should facilitate deliberations on the new market-based mechanism under the AWG-LCA, by providing better understanding of the views submitted by Parties and observer organizations.
6. All Parties are invited to engage in, and contribute to, an interactive exchange at the workshop. The agenda will be structured so as to allow discussions about the issues highlighted in submissions. Participants are invited to make short and focussed presentations or interventions to highlight or clarify specific issues.
7. The workshop on the new market-based mechanism will be coordinated with the workshop on the framework for various approaches<sup>3</sup> insofar as topics and issues raised in the submissions are closely related or overlapping. The workshops will therefore be organized sequentially, and if possible, back-to-back, with each other.

#### III. Organization of work

8. The agenda of the workshop will be structured around the issues highlighted and proposals made in the submissions on a new market-based mechanism. The secretariat will provide

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<sup>1</sup> Submissions are available on the UNFCCC website at <unfccc.int/4578> (Parties), <unfccc.int/3714> (intergovernmental organizations) and <unfccc.int/3689> (non-governmental organizations).

<sup>2</sup> Decision 2/CP.17, paragraphs 83-86.

<sup>3</sup> See decision 2/CP.17, paragraphs 79-82. A separate information note is being issued

an overview of submissions made. Experts and other stakeholder organizations may be invited to clarify or complement discussions on specific aspects raised in the submissions. An agenda will be made available on the UNFCCC website in time before the workshop.

9. Parties wishing to make presentations are invited to contact the secretariat at <lcaworkshops@unfccc.int> by 16 April 2012.

#### **IV. Date and venue**

10. The workshop will take place on Saturday 19 May 2012, during the fifteenth session of the AWG-LCA to be held in Bonn, Germany.
11. The venue will be announced in due course.