

## Work of the Spin-off group on Article 3ter on [Mechanism to support sustainable development] and related decision paragraphs

3 December 2015 at 14:00

*Explanatory Note: Two mechanisms are proposed below as (i) and (ii), each with the alternative option of no mechanism. The two mechanisms proposed are not presented as options to each other.*

### **PROPOSED MECHANISM 1**

#### **Option I:**

##### **A. DRAFT AGREEMENT**

#### **[Article 3 ter] (MECHANISM TO SUPPORT SUSTAINABLE DEVELOPMENT)**

*{To replace Article 3ter in compilation}*

1. [Establishes a multi window mechanism][Establishes a framework for sustainable development mechanisms][A mechanism to support sustainable development in [developing country] Parties is hereby established] under the authority and guidance of the CMA, shall be supervised by a body designated by the CMA, and shall aim to:
  - (a) Promote sustainable development in developing country Parties;
  - (b) Incentivise and facilitate participation in mitigation action by public and private entities authorised by a Party;
  - (c) [Enhance mitigation ambition by developing country Parties, by incentivising supplementary voluntary climate action, beyond their NDMC/NDMCC][Fully respect the mitigation contributions of participating Parties to ensure that the global mitigation effort is not undermined];
  - (d) [Provide for net global emission reductions through the cancellation of a share of units generated, transferred, used or acquired];
  - (e) [Assist Parties with a NDMC/NDMCC that reflects an absolute target in relation to a base year to fulfil their NDMC/NDMC, through the use of mitigation outcomes from mitigation activities in developing countries][Consider the variety and dynamics of national circumstances of Parties];
  - (f) [Ensure environmental integrity of Parties' cooperative mitigation actions, including ensuring that such mitigation shall not be claimed more than once, in accordance with accounting guidance elaborated under Article [3.10]].
2. The CMA shall ensure that a share of the proceeds from certified project activities are used to cover administrative expenses as well as to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation.
3. The CMA shall adopt modalities and procedures for the first window of the above mentioned mechanism building on the mechanism defined under [Article 12][Article 6] of the Kyoto Protocol and related decisions of the CMP.

##### **B. DRAFT DECISION**

46. The CMA shall adopt modalities and procedures for the above mentioned mechanism at its first session on the basis of:
  - (a) Voluntary participation approved by each Party involved;
  - (b) Real, measurable, and long term benefits related to the mitigation of climate change;
  - (c) Reductions in emissions that are additional to any that would occur in the absence of the certified activity;
  - (d) Certification of mitigation outcomes resulting from each mitigation activity by designated operational entities;
  - (e) Multiple windows for participation;
  - (f) Eligibility rules for participation that promote fair and equitable access for all Parties;

- (g) Experience gained with existing mechanisms and approaches adopted under the Convention and its related legal instruments;

46bis. Requests the IPC to recommend modalities and procedures for the mechanism to support sustainable development established under Article [3 ter] for adoption by the CMA at its first session.

**Option II:**

**A. DRAFT AGREEMENT**

**[Article 3 ter]** [\(MECHANISM TO SUPPORT SUSTAINABLE DEVELOPMENT\)](#)

No Article 3 ter

**PROPOSED MECHANISM 2**

**Option I:**

**A. DRAFT AGREEMENT**

**[Article 3 ter]** [\(MECHANISM TO SUPPORT SUSTAINABLE DEVELOPMENT\)](#)

*{To replace Article 3ter in compilation}*

1. Establishes a Mechanism to support holistic and integrated approaches to sustainable development in harmony with nature to be available to assist developing country Parties in fulfilling their NDMC/NDMCC including in a balanced manner mitigation, adaptation, provision of finance, technology transfer and capacity building. This mechanism shall be under the authority and guidance of the CMA, and shall be supervised by a body designated by the CMA, and aim to:
  - (a) Enhance of mitigation and adaptation ambition and the provision or mobilization of public financing technology transfer and capacity building in an integrated manner for climate action;
  - (b) Enhance non-market-based approaches and enable participation in joint cost-effective mitigation and adaptation actions by public and private entities acting under the responsibility of a Party.
  - (c) Support the implementation of the joint mitigation and adaptation approach for the integral and sustainable management of forests as an alternative policy approach to results-based payments.
  - (d) Fully respect mitigation contributions of participating Parties to ensure that the global mitigation effort is not undermined
2. The CMA shall adopt modalities and procedures for the mechanism referred above on its first session.]

**B. DRAFT DECISION**

46. Requests the CMA to recommend modalities and procedures for the mechanism to support sustainable development under [Article 3ter] for adoption by the CMA at its first session

**Option II:**

**A. DRAFT AGREEMENT**

**[Article 3 ter]** [\(MECHANISM TO SUPPORT SUSTAINABLE DEVELOPMENT\)](#)

No Article 3 ter.