

PROPOSAL BY THE G77 AND CHINA ON A DRAFT DECISION ON AGENDA ITEM 3 OF COP (Forum and work programme on the impact of the implementation of response measures), Warsaw, 19TH Conference of the Parties

The Conference of the Parties,

Recalling decisions 5/CP.7, 1/CP.10, 1/CP.13, 1/CP.16, 2/CP.17, 8/CP.17, 1/CP.18 and 31/CMP.1, the objective, principles and provisions of the Convention, in particular Articles 3, paragraphs 1 and 5, and 4, paragraphs 1(g) and (h), 8, 9 and 10, of the Convention, and Articles 2, paragraph 3, and 3, paragraph 14, of the Kyoto Protocol,

Reaffirming that economic and social development and poverty eradication are the first and overriding priorities of developing countries, and that developing country Parties face economic and social consequences of response measures to climate change

Stressing the need for an effective mechanism for enhanced action to address the social and economic consequences of the implementation of response measures,

Acknowledging that the objective of enhanced action to deal with the social and economic consequences of the implementation of response measures is to address the negative social and economic consequences of response measures taken by developed country Parties on developing country Parties,

Affirming that Parties should cooperate fully to enhance understanding of the economic and social consequences of response measures, and further reaffirming the need to consider how existing channels, such as national communications and biennial reports by developed country Parties, could be improved and built upon,

Recalling the constructive discussions that took place during the meetings under the work programme on the impact of the implementation of response measures held in conjunction with the thirty-sixth, thirty-seventh, thirty-eighth and thirty-ninth sessions of the subsidiary bodies

Acknowledging that the work of the forum on the impact of the implementation of response measures has provided opportunities to engage in in-forum workshops, an expert meeting and valuable initial discussions by Parties, in order to improve the understanding of the impact of the implementation of response measures in the areas of the work programme referred to in decision 8/CP.17, paragraph 1.

Noting that the review pursuant to decision 8/CP.17, paragraph 5, indicates that it is important to improve the need for a more focused consideration of the effectiveness of the process and the substantive consideration of the issues,

Recognizing the need to focus future work under the forum on the impact of the implementation of response measures on expert input, the provision of concrete examples, case studies and practices, in order to enhance the capacity of developing country Parties to deal with the negative impacts of the implementation of response measures,

Welcoming the progress made in the work of the forum on the impact of the implementation of response measures convened under the Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice, and recognizing the need for Parties to continue to participate in the forum, including the sharing of views on policy issues of concern, such as unilateral measures,

Recognizing the need to give full consideration to what actions are necessary under the Convention, 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,

Affirming that there are still gaps in implementation related to how developed country Parties are implementing their policies and measures to respond to climate change in such a way as to avoid negative social and economic consequences for developing country Parties and that there is a need for further work, building on the forum on the impact of the implementation of response measures and its work programme,

1. *Decides* to hereby continue the forum on the impact of the implementation of response measures in order for it to provide a platform allowing Parties to share, in an interactive manner, information, experiences, case studies, best practices and views.

2. *Decides* that the forum shall be convened by the Chairs of the subsidiary bodies to implement the work programme included in the Annex A and meet twice a year in conjunction with the sessions of the subsidiary bodies.

3. *Reiterates* that the forum will be convened under a joint agenda item of the subsidiary bodies and will operate in accordance with the procedures applicable to contact groups.

4. Requests the subsidiary bodies to review, at their forty-third sessions (December 2015), the work of the forum, with a view to providing recommendations to the Conference of the Parties at its twenty-first session.

5. *Adopts* the modalities for the operationalization of the work programme on the impact of the implementation of response measures, which could include, as appropriate and subject to the availability of financial resources, convening workshops and meetings, receiving inputs from experts, practitioners and relevant organizations, and preparing reports and technical papers.

6. *Requests* participants in the forum to focus on enhancing understanding and building the capacity of developing countries to deal with the negative economic and social consequences of response measures on those countries through the provision of support and discussion of concrete examples, case studies and practices.

7. *Decides* to establish a Mechanism for Enhanced Action on Response Measures under the Conference of the Parties to facilitate implementation of enhanced action to address the negative social and economic consequences of response measures taken by developed country Parties on developing country Parties and to recommend specific actions, including in terms of support to developing countries, to avoid and minimize those consequences, and to deliver the functions as included in Annex B.

8. *Decides* that the forum will report to the mechanism and that the mechanism will make recommendations and report to the Conference of the Parties annually on its work with a view for adopting relevant decisions.

9. *Further decides* that the mechanism will report to the Conference of Parties on its review of its work, including functions and further actions that may be required, starting in COP 24 and every five years thereafter, with a view to provide recommendations and adopt relevant decisions.

10. *Decides* that the mechanism will meet for the first time in the first quarter of 2015.

11. *Decides* that the mechanism will engage and develop linkages and synergies with relevant work programmes, bodies and institutions under the Convention.

12. *Further decides* that the mechanism will collaborate with relevant intergovernmental, regional, national, and subnational level institutions, organizations, networks and centers.

13. *Requests* Parties to undertake the necessary arrangements at the fortieth sessions of the Subsidiary Bodies (June 2014) for the development of the terms of reference and the modalities of operationalization of the mechanism with the view to providing recommendations to the Conference of the Parties.

Annex A: Elements to be included in the new work programme of the forum

- Dialogue on assessment and analysis of adverse impacts of response measures, including unilateral ones, in terms of their consequences for, inter alia, employment, income, economic growth rates and living standards in developing countries; and explore ways to minimize adverse impacts of response measures
- Ways to strengthen multilateral cooperation, in opposition to unilateral measures
- Overview of progress on activities to address adverse economic and social consequences of response measures on developing countries made at various levels, including bilateral, regional and multilateral;
- Economic diversification and resilience-building in developing country Parties, to deal with the adverse impacts of response measures;
- Exchange of views on just transition and creation of decent work, in accordance with nationally defined development priorities and strategies;
- Dialogue on how developed countries report on actions and impacts related to the implementation of response measures, in such a way as to minimize adverse impacts;

Annex B: Functions of the mechanism (to be further elaborated in TORs)

- Development of methodologies and tools for the assessment and analysis of adverse impacts of response measures, including unilateral ones, in terms of their consequences for, inter alia, employment, income, economic growth rates and living standards in developing countries; and explore ways to minimize adverse impacts of response measures;
- Provision of specific support by developed country Parties to developing country Parties in terms of transfer of technology, financial resources and capacity-building, in order for the latter to be able to deal with the adverse economic and social effects of response measures;

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- Capacity building and support for developing countries for economic diversification and resilience-building to deal with the adverse impacts of response measures;
 - Capacity building and assessments on ways to ensuring a just transition and creation of decent work, in accordance with nationally defined priorities;
 - Capacity-building related to economic modelling, studies, methodology development, scenario-setting and technology transfer to assist developing country Parties in addressing the negative economic and social consequences of response measures;
 - Development of specific guidelines for developed countries on how to report on actions and impacts related to the implementation of response measures, in such a way as to minimize adverse impacts;
 - Cooperation at various levels, including at bilateral level, with regional and multilateral organizations, experts and institutions, to address adverse economic and social consequences of response measures on developing countries;
 - Secretariat to develop a structured and user friendly repository of information on response measures.