



Subsidiary Body for Scientific and Technological Advice

Thirty-eighth session

Bonn, 3–14 June 2013

Agenda item 12(b)

Market and non-market mechanisms under the Convention

Non-market-based approaches

Non-market-based approaches

Draft conclusions proposed by the Chair

1. The Subsidiary Body for Scientific and Technological Advice (SBSTA) initiated the work programme to elaborate non-market-based approaches, in accordance with decision 1/CP.18, paragraph 47, with a view to recommending a draft decision to the Conference of the Parties (COP) at its nineteenth session (November 2013).
2. The considerations of the SBSTA were informed by the views submitted by Parties and admitted observer organizations¹.
3. The SBSTA agreed to continue its consideration of this matter at SBSTA 39 (November 2013) with a view to recommending a draft decision on the scope and other elements of the work programme for non-market-based approaches for adoption at COP 19.
4. In order to facilitate further discussion, the SBSTA agreed to consider non-market-based approaches proposed by Parties in relation to, inter alia, the following questions:
 - (a) What is understood by the term non-market-based approach? What does it mean in the context of addressing climate change?
 - (b) What is the scope of the activities to be considered under non-market-based approaches?
 - (c) Based on an example, or examples, of a specific approach or approaches, explain the following:
 - (i) How does the approach fit the description of a non-market-based approach under the UNFCCC?
 - (ii) How does the non-market-based approach “enhance the cost-effectiveness of, and promote, mitigation actions, bearing in mind different circumstances of

¹ FCCC/SBSTA/2013/MISC.12 and Add.1 and FCCC/SBSTA/2013/MISC.13.

developed and developing countries”, as set out in the mandate to elaborate a framework for various approaches?²

(iii) What are the benefits of using the non-market-based approach instead of a market-based approach?

(iv) Is there any other process to address the non-market-based approach within the UNFCCC or elsewhere? If not, should the UNFCCC take action in this regard?

(v) What are the potential means of implementation to facilitate the non-market-based approach?

5. To further conduct its work programme as referred to in paragraph 1 above, the SBSTA:

(a) Invited Parties and admitted observer organizations to submit to the secretariat, by 2 September 2013, further views on the elements of the work programme for non-market-based approaches and specific examples of non-market-based approaches, while reflecting on the questions referred to in paragraph 4 above, and it requested the secretariat to make the submissions available on the UNFCCC website;

(b) Requested the secretariat to organize a workshop, prior to SBSTA 39, while ensuring broad participation of developing and developed countries, with the aim of advancing the work of the SBSTA towards fulfilling the mandate provided in decision 1/CP.18, paragraph 47, by considering, inter alia, the possible responses to the questions listed in paragraph 4 above, and taking into account the submissions referred to in paragraph 5(a) above, and requested the secretariat to prepare a report on the outcome of the workshop and to make it available for consideration at SBSTA 39.

6. The SBSTA took note of the estimated budgetary implications of the activities to be undertaken by the secretariat pursuant to paragraph 5 above. The SBSTA requested that the actions of the secretariat called for in these conclusions be undertaken subject to the availability of financial resources.

² Decision 1/CP.18, paragraphs 41–46