

DRAFT TEXT

on

SBSTA 51 agenda item 12(c)

Matters relating to Article 6 of the Paris Agreement:

Work programme under the framework for non-market approaches referred to in Article 6, paragraph 8, of the Paris Agreement

Version 3 of 9 December 18:30 hrs

Draft CMA decision on the work programme under the framework for non-market approaches referred to in Article 6, paragraph 8, of the Paris Agreement

[The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement,

Recalling the objective, referred to in decision 1/CP.21, paragraph 39, of the work programme under the framework for non-market approaches referred to in Article 6, paragraph 8, of the Paris Agreement,

Recognizing that the work programme under the framework for non-market approaches referred to in Article 6, paragraph 8, of the Paris Agreement is to be implemented in the context of the Paris Agreement in its entirety, including its preamble,

1. *Emphasizes* the importance of non-market approaches to enable voluntary cooperation among Parties in implementing their nationally determined contributions to allow for higher ambition in their mitigation and adaptation actions;

2. *Adopts* the work programme under the framework for non-market approaches referred to in Article 6, paragraph 8, of the Paris Agreement (hereinafter referred to as the work programme) as contained in the annex;

3. *Requests* the Subsidiary Body for Scientific and Technological Advice **and the Subsidiary Body for Implementation** to undertake further work on the work programme with respect to [institutional arrangements for the framework for non-market approaches referred to in Article 6, paragraph 9, of the Paris Agreement (hereinafter referred to as the framework), referred to in paragraph 5 of the annex,] [other institutional arrangements for the framework, referred to in paragraph 8 of the annex,] [the rules of procedure of the task force for the framework, referred to in paragraph 10 of the annex,] with a view to making recommendations for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its [third] [fourth] session (November [2020] [2021]);

4. *Requests* the governance of the framework referred to in chapter III of the annex (Governance of the framework) (hereinafter referred to as the A6.8 governance) to develop a schedule, by the end of 2020 at the latest, for implementing the work programme activities referred to in chapter V of the annex (Work programme activities), which may contain the timeline and specific deliverables for each activity, with a view to supporting the effective implementation of the work programme **[, for consideration and adoption by the CMA at its third session];**

5. *Also requests* the A6.8 governance to identify focus areas of the work programme activities referred to in paragraph 14(a)(i)a of the annex **[, for consideration and adoption by the CMA at its third session]** which may include, inter alia,:

- (a) Joint mitigation and adaptation for the integral and sustainable management of forests;
- (b) Social ecological resilience;
- (c) **[Avoidance of greenhouse gas emissions;]**
- (d) **Reduction of** emissions by sources **and enhancement of removals;**
- (e) **[Ecosystem-based adaptation;]**

- (f) [Integrated water management];
- (g) Energy-efficiency schemes;
- (h) [Mechanisms that support adaptation].
6. *Encourages* Parties and public and private sector stakeholders to actively engage in the research, development and implementation of non-market approaches;
7. *Invites* Parties and observers to submit via the submission portal:
- (a) Views and information, by 30 March 2020, on:
- (i) The focus areas of the work programme activities and existing relevant non-market approaches to be facilitated under the framework;
- (ii) Examples of potential non-market approaches to be facilitated under the framework (e.g. avoidance of greenhouse gas emissions [and mechanisms that support adaptation]);
- (iii) The tools referred to in paragraph 14(b)(i) of the annex, including how to operationalize them (e.g. functions, form, target users, information to be contained therein, timeline for development and implementation, relevant lessons learned from other existing tools, including under the Convention, the Kyoto Protocol and the Paris Agreement);
- (iv) The schedule for implementing the work programme activities;
- (b) Views and information, by 30 March [2020] [2021], on the [[other] institutional arrangements for the framework, including functions, membership and rules of procedure, referred to in paragraph 3 above] [the rules of procedure of the task force for the framework, referred to in paragraph 3 above];
8. *Requests* the secretariat to prepare a technical paper on:
- (a) The matters referred to in paragraph 7(a) above, taking into consideration submissions on the matters, for consideration by the A6.8 governance at its [fifty-second session] [1st meeting];
- (b) [The matters referred to in paragraph 7(b) above, taking into consideration submissions on the matters, for consideration by the Subsidiary Body for Scientific and Technological Advice at its [fifty-second] [fifty-fourth] session (June [2020] [2021])];
9. *Also requests* the secretariat to:
- (a) Organize [an in-session] workshop[s], ensuring broad participation of relevant experts, on:
- (i) The matters referred to in paragraph 7(a) above, taking into consideration the submissions and technical paper on the matters, to be held in conjunction with the fifty-second session of the Subsidiary Body for Scientific and Technological Advice;
- (ii) [The matters referred to in paragraph 7(b) above, taking into consideration submissions and technical paper on the matters, to be held in conjunction with the [fifty-second] [fifty-fourth] session of the Subsidiary Body for Scientific and Technological Advice;]
- (b) Prepare reports on:
- (i) The workshop referred to in paragraph 9(a)(i) above for consideration by the A6.8 governance at its [fifty-third session] [2nd meeting];
- (ii) [The workshop referred to in paragraph 9(a)(ii) above for consideration by the Subsidiary Body for Scientific and Technological Advice at its [fifty-third] [fifty-fifth] session (November [2020] [2021]);]
10. *Decides* to review the report of the A6.8 governance and provide guidance on the framework and the work programme, where appropriate;
11. *Requests* the Subsidiary Body for Scientific and Technological Advice [and the Subsidiary Body for Implementation] to undertake a review of the work programme including the need for new reporting arrangements at [its] [their] sixtieth (June 2024) and sixty-first (November 2024) sessions with a view to enhancing the effectiveness of the work programme in implementing the framework, taking into account relevant inputs, including those of the A6.8 governance and the outcome of the global stocktake,

and to make recommendations for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement by no later than at its seventh session (2024);

12. *Takes note* of the estimated budgetary implications of the activities to be undertaken by the secretariat referred to in this decision;

13. *Requests* that the actions called for in this decision be undertaken subject to the availability of financial resources;

14. *Invites* Parties to make contributions to the Trust Fund for Supplementary Activities for operationalizing the work programme.

Annex

Work programme under the framework for non-market approaches referred to in Article 6, paragraph 8, of the Paris Agreement

I. Principles

1. The following principles, in addition to **the elements reflected in** Article¹ 6, paragraphs 8–9, and decision 1/CP.21, paragraph 39, guide the implementation of the framework for non-market approaches (NMAs) referred to in Article 6, paragraph 9, (hereinafter referred to as the framework) and the work programme under the framework for NMAs referred to in decision 1/CP.21, paragraph 39 (hereinafter referred to as the work programme):

- (a) The framework:
 - (i) Facilitates the use and coordination of NMAs in the implementation of Parties' nationally determined contributions (NDCs) in the context of sustainable development and poverty eradication;
 - (ii) Enhances linkages and creates synergies, inter alia, between mitigation, adaptation, finance, technology development and transfer, and capacity-building, while avoiding duplication with the work of the subsidiary and constituted bodies under the Convention, the Kyoto Protocol and the Paris Agreement;
- (b) NMAs facilitated under the framework **are identified by participating Parties and** provide a basis for voluntary collective actions that are not reliant on market-based approaches and that do not include transactions or quid pro quo operations;
- (c) The work programme aims to identify means of facilitating NMAs and enhancing linkages and creating synergies as referred to in paragraph 1(a)(i–ii) above.

II. Non-market approaches under the framework

- 2. Each NMA facilitated under the framework, in the context of Article 6, paragraph 8:
 - (a) Aims to:
 - (i) Promote mitigation and adaptation ambitions;
 - (ii) Enhance public and private sector participation in the implementation of NDCs;
 - (iii) Enable opportunities for coordination across instruments and relevant institutional arrangements;
 - (b) Assists participating Parties in implementing their NDCs in an integrated, holistic and balanced manner, including through, inter alia, mitigation, adaptation, finance, technology development and transfer, and capacity-building, as appropriate;
 - (c) Promotes sustainable development and poverty eradication in participating Parties.
- 3. Each NMA facilitated under the framework also:
 - (a) Involves more than one participating Party;
 - (b) Does not involve the **[**creation, issuance or**]** transfer of any mitigation outcomes;
 - (c) **[**May involve [developed country] Parties participating in cooperative approaches referred to in Article 6, paragraph 2, (hereinafter referred to as cooperative approaches), or Article 6, paragraph 4, activities referred to in decision X/CMA.2 (rules, modalities and procedures for the mechanism

¹ "Article" refers to an Article of the Paris Agreement, unless otherwise specified.

established by Article 6, paragraph 4, of the Paris Agreement) (hereinafter referred to as Article 6, paragraph 4, activities), being recognized for the finance, technology transfer and/or capacity-building support that they contribute in the course of the cooperative approaches or Article 6, paragraph 4, activities, if the mitigation outcomes are not transferred and used only by the host [developing country] Parties of the cooperative approaches or Article 6, paragraph 4, activities towards their NDCs. The recognition of the support provided by the [developed country] Parties is proportional to the mitigation outcomes retained by the host Parties in their engagement in the cooperative approaches or Article 6, paragraph 4, activities.]

III. Governance of the framework

Option A

4. The Subsidiary Body for Scientific and Technological Advice (SBSTA) will implement the framework and the work programme. Parties will meet at the first and second sessional period meeting of the SBSTA each year, starting from SBSTA 52 (June 2020).

5. The SBSTA will consider [establishing][whether further] institutional arrangements for the framework [are needed] and make recommendations for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) at CMA [3] [4] (November [2020] [2021]).

Option B

6. The NMA forum is hereby established to implement the framework and the work programme.

7. The NMA forum will be convened by the SBSTA [and SBI] Chair[s] and operate in accordance with the procedures applicable to contact groups and under the guidance of the SBSTA [and SBI] Chair[s]. It will meet in conjunction with the first and second sessional period meeting of the SBSTA [and SBI] each year, with its 1st meeting to take place in conjunction with SBSTA [and SBI] 52 (June 2020).

8. The SBSTA [and SBI] will consider establishing other institutional arrangements for the framework that [are additional to] [supersede] the NMA forum and make recommendations for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) at CMA [3] [4] (November [2020] [2021]).

Option C

9. A task force for the framework is hereby established to implement the framework and the work programme, under the authority and guidance of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA), including by:

(a) Addressing linkages between mitigation and adaptation, and matching them to the finance, technology development and transfer, and capacity-building needs of developing country Parties by building on existing processes and institutional arrangements, such as the Standing Committee on Finance (SCF), the Technology Executive Committee (TEC), the Climate Technology Centre and Network (CTCN), the Paris Committee on Capacity-building (PCCB) and the Local Communities and Indigenous Peoples Platform (LCIPP);

(b) Providing alternative opportunities for the voluntary cooperation of Parties other than cooperative approaches and Article 6, paragraph 4, activities.

10. The task force will operate in accordance with its rules of procedure set out in relevant decisions of the CMA. The task force will meet twice per year in conjunction with the first and second sessional period meeting of the subsidiary bodies each year, with its 1st meeting to take place in conjunction with SB 54 (May–June 2021).

11. The task force will comprise 13 members, with equal representation of developing and developed country Parties:

- (a) 1 member from each of the five United Nations regional groups;
- (b) 1 member from developed country Parties;

- (c) 1 member from developing country Parties;
 - (d) 1 member from the least developed country Parties;
 - (e) 1 member from small island developing States;
 - (f) 1 members from social organizations nominated by Parties;
 - (g) 1 members from each of the Boards of the Green Climate Fund, the TEC and the PCCB.
12. Two co-chairs of the task force will be appointed, with one being a member from a developing country Party and the other from a developed country Party. The chairs will serve for one year and shall not be re-elected more than once. The members will serve for a maximum of two years.

IV. Modalities of the work programme

13. The modalities of the work programme may include, as appropriate:
- (a) Workshops;
 - (b) Meetings with public and private sector stakeholders, including technical experts, businesses, civil society organizations and financial institutions, and publication of the outcomes of such meetings;
 - (c) Submissions from Parties, observers and public and private sector stakeholders;
 - (d) Technical papers and synthesis reports prepared by the secretariat;
 - (e) The coordination, where needed, of the governance of the framework referred to in chapter III above (Governance of the framework) (hereinafter referred to as the A6.8 governance) and relevant bodies, institutional arrangements and processes under the Convention, the Kyoto Protocol and the Paris Agreement related to, inter alia, mitigation, adaptation, finance, technology development and transfer, and capacity-building[and the impact of the implementation of response measures] [, including, inter alia, the SCF, the operating entities of the Financial Mechanism, the TEC, the CTCN, the PCCB, the LCIPP, the forum on the impact of the implementation of response measures and the KCI];
 - (f) [Consideration of relevant outputs of the technical examination process on mitigation, referred to in decision 1/CP.21, paragraph 109, and that on adaptation, referred to in decision 1/CP.21, paragraph 124.]

V. Work programme activities

14. The work programme will be initiated in 2020 with but not limited to the following activities:
- (a) Activities for identifying measures to enhance existing linkages, create synergies and facilitate coordination and implementation of NMAs:
 - (i) Identification of NMAs:
 - a. Identifying focus areas of the work programme activities;
 - b. Identifying existing NMAs under the framework in accordance with provisions referred to in chapter II above (Non-market approaches under the framework);
 - (ii) Identification of measures:
 - a. Identifying and evaluating positive and other experience of existing linkages, synergies, coordination and implementation in relation to NMAs;
 - b. Identifying measures for enhancing existing linkages, creating synergies and facilitating coordination and implementation of NMAs, including in the local, subnational, national and global context;
 - (b) Activities for implementing the measures:

- (i) Developing and implementing tools, including:
 - a. A UNFCCC web-based platform for recording and exchanging information on NMAs, supporting the identification of opportunities for participating Parties to develop and implement NMAs, including in relation to finance, technology development and transfer, and capacity-building[, and matching the opportunities and needs thereof];
 - b. [Tools for addressing possible negative social and economic impacts of activities under Article 6;]
 - c. [Tools for promoting the contribution of NMAs to sustainable development and poverty eradication;]
- (ii) Identifying and sharing relevant information, best practices, lessons learned and case studies for developing and implementing NMAs, including on how to:
 - a. Replicate successful NMAs, including in the local, subnational, national and global context;
 - b. Facilitate enabling environments and successful policy frameworks and regulatory approaches;
 - c. Address barriers to and promote incentives for: enhancing the engagement in NMAs and addressing the needs of the private sector, and vulnerable and impacted sectors and communities[and achieving a just transition of the workforce];
 - d. Leverage and generate mitigation [and adaptation] co-benefits that assist the implementation of NDCs;
 - e. [Incorporate mitigation co-benefits from adaptation actions and/or economic diversification as outcomes of cooperative approaches and/or Article 6, paragraph 4, activities that may be used towards NDCs.]

VI. Reporting

15. The progress and outcomes of the work programme will be reported on the basis of information resulting from[, inter alia, the modalities of the work programme and] the [implementation of the] work programme activities by the A6.8 governance at each session of the CMA, as appropriate, and including as inputs to the review of the work programme at CMA 6, including, as relevant:

- (a) The results of the implementation of the work programme activities;
 - (b) Recommendations on how to enhance existing linkages and create synergies and how to facilitate coordination and implementation of NMAs;
 - (c) Recommendations on how to enhance support for NMAs with respect to possible activities of relevant bodies, institutional arrangements and processes under the Convention, the Kyoto Protocol and the Paris Agreement related to, inter alia, mitigation, adaptation, finance, technology development and transfer, and capacity-building;
 - (d) Recommendations on enhancing the effectiveness of the work programme in implementing the framework, including the need for new reporting arrangements.]
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