

PRESIDENT's TEXTUAL PROPOSAL
Ministerial consultations on cooperative implementation under Article 6 of the Paris Agreement (Art 6.2, Art 6.4 and Art 6.8)

Version 2 of 13 December 12:00 hrs

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

Also recalling the Paris Agreement in its entirety, including its preamble,

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,

1. *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;
2. *Requests* the Subsidiary Body for Scientific and Technological Advice (SBSTA) to undertake further work to develop and recommend a draft decision on the following elements of the work programme, on the basis of the annex, for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) at its second session (2019) as an integral part of the work programme:
 - (a) [Permanent] [Relevant] 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);
 - (b) Reporting arrangements for the framework that may be required;
3. *Also requests* the governance of the framework referred to in section III (Governance of the framework) of the annex (hereinafter referred to as the A6.8 governance) to work on focus areas of the work programme activities that may include, inter alia, the following, for consideration and adoption by the CMA at its second session (2019):
 - (a) Joint mitigation and adaptation for the integral and sustainable management of forests;
 - (b) Social ecological resilience;
 - (c) Avoidance of greenhouse gas emissions;
 - (d) Ecosystem-based adaptation;
 - (e) Integrated water management;
 - (f) Energy-efficiency schemes;
4. *Invites* Parties and observers to submit to the secretariat, by 30 March 2019, their views and information on the following matters:
 - (a) [Permanent] [relevant] institutional arrangements for the framework referred to in paragraph 2(a) above, including their functions, membership and rules of procedure;
 - (b) Reporting arrangements for the framework that may be required referred to in paragraph 2(b) above;
 - (c) Focus areas of the work programme activities referred to in paragraph 9(a)(i) of the annex and existing activities in the focus areas that are considered to be non-market approaches (NMAs) in

accordance with the provisions in section II (Non-market approaches under the framework) of the annex;

- (d) Examples of potential activities that are considered to be NMAs in accordance with the provisions in section II (Non-market approaches under the framework) of the annex (e.g. Adaptation Benefit Mechanism and Environmental Balance Index);
 - (e) Tools referred to in paragraph 9(b) of the annex, including how to operationalize them;
5. *Requests* the secretariat to prepare a technical paper on the matters referred to in paragraph 4(a)–(e) above, for consideration by the SBSTA at its fiftieth session [and the A6.8 governance at its first session];
6. *Also requests* the secretariat to organize a workshop on the matters referred to in paragraph 4(a) and (b) above and a workshop on the matters referred to in paragraph 4(c)–(e) above, to be held together and in conjunction with the fiftieth session of the SBSTA and ensuring broad participation of relevant experts, subject to the availability of financial resources, and to prepare reports on the workshops for consideration by the SBSTA at its fifty-first session [and the A6.8 governance at its second session];
7. *Decides to:*
- (a) Review annual reports from the A6.8 governance and provide guidance to it, where appropriate;
 - (b) Undertake a review of the work programme at its seventh session (2024) to enhance the effectiveness of the work programme in implementing the framework, taking into account relevant inputs including from the A6.8 governance and the outcomes of the global stocktake, and adopt a decision on the outcome of the review at the same session;
8. *Takes note of* the estimated budgetary implications of the activities to be undertaken by the secretariat referred to in this decision and *requests* that the actions called for in this decision be undertaken subject to the availability of financial resources.

Annex

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

I. Principles

1. In addition to Article 6, paragraphs 8 and 9, of the Paris Agreement¹, and decision 1/CP.21, paragraph 39, the following further principles 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 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, and identifies opportunities to enhance linkages and create synergies, inter alia, between mitigation, adaptation, finance, technology development and transfer, and capacity-building;
- (b) NMAs under the framework:
 - (i) Are not reliant on market-based approaches;
 - (ii) Do not include transactions or quid pro quo operations;
 - (iii) Provide a basis for collective action;
 - (iv) Avoid duplication with the work of subsidiary and constituted bodies under the Convention, the Kyoto Protocol and the Paris Agreement.

II. Non-market approaches under the framework

2. Each NMA under the framework:
- (a) Aims to achieve the aims of NMAs referred to in Article 6, paragraph 8(a), (b) and (c) in an integrated, holistic and balanced manner in the context of Article 6, paragraph 8;
 - (b) Assists in the implementation of NDCs of participating Parties;
 - (c) Involves more than one participating Party;
 - (d) Does not involve the creation, issuance and transfer of any internationally transferred mitigation outcomes referred to in the guidance on cooperative approaches referred to in Article 6, paragraph 2;
 - (e) Promotes sustainable development and poverty eradication of a participating Party in accordance with Article 6, paragraph 8;
 - (f) [Involves a [developed country] Party engaging in a cooperative approach referred to in Article 6, paragraph 2 (hereinafter referred to as a cooperative approach), or an Article 6, paragraph 4, activity referred to in the rules, modalities and procedures for the mechanism established by Article 6, paragraph 4 (hereinafter referred to as an Article 6, paragraph 4, activity), being recognized for the finance, technology transfer and/or capacity-building support it contributes in the course of the cooperative approach or Article 6, paragraph 4, activity, if the mitigation outcomes are not transferred and used only by the host [developing country] Party of the cooperative approach or Article 6, paragraph 4, activity towards its NDC. The recognition of the support provided by the [developed country] Party is proportional to the mitigation outcomes retained by the host Party in its engagement in the cooperative approach or Article 6, paragraph 4, activity.]

¹ References to "Article" are to Articles of the Paris Agreement, unless otherwise specified.

III. Governance of the framework

Option A

3. The framework and the work programme will be implemented by the Subsidiary Body for Scientific and Technological Advice (SBSTA) at its first and second sessional period meeting each year, with its first meeting taking place at its fiftieth session.

4. The SBSTA will consider establishment of permanent institutional arrangements for the framework for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) at its second session (2019).

Option B

5. [An open-ended working group] [A forum for the framework (hereinafter referred to as the NMA forum)] is hereby established to implement the framework and the work programme.

6. The [open-ended working group] [NMA forum] will be convened by the Chair of the Subsidiary Body for Scientific and Technological Advice (SBSTA) and will operate in accordance with the procedures applicable to contact groups and under the guidance of the Chair of the SBSTA. The [open-ended working group] [NMA forum] will meet in conjunction with the first and second sessional period meeting of the SBSTA each year, with its first meeting taking place in conjunction with the fiftieth session of the SBSTA.

7. The SBSTA will make recommendations on establishment of [permanent] [relevant] institutional arrangements for the framework for consideration and adoption by the CMA at its second session (2019).

IV. Modalities of the work programme

8. The modalities of the work programme may include, where appropriate:

- (a) Workshops;
- (b) Regular meetings with public and private sector participants, including technical experts, business, civil society organizations and financial institutions, and the subsequent publication of the outcomes of the regular meetings;
- (c) Submissions from Parties, observer organizations and public and private sector participants;
- (d) Technical papers and synthesis reports prepared by the secretariat;
- (e) Coordination, where needed, between the governance of the framework referred to in section III (Governance of the framework) above (hereinafter referred to as the A6.8 governance) and relevant bodies, institutional arrangements and processes under the Convention, the Kyoto Protocol, the Paris Agreement, related to, inter alia, mitigation, adaptation, finance, technology development and transfer, and capacity-building.

V. Work programme activities

9. The work programme comprises, inter alia, the following activities that will be implemented starting in 2019:

- (a) [Identifying] [Matching needs and] opportunities regarding NMAs, in accordance with Article 6, paragraph 8, and the provisions in section II (Non-market approaches under the framework) above, including on:
 - (i) Areas of focus of the work programme activities for consideration and adoption by the CMA;
 - (ii) Examples, lessons learned and case studies to promote NMAs;
 - (iii) Opportunities for replication of successful NMAs, including in the local, sub-national, national and global context;
 - (iv) Opportunities for enhancing the existing linkages, creating synergies, and facilitating coordination and implementation of the NMAs, including in the local, sub-national, national and global context;

- (v) Opportunities for leveraging and generating mitigation and adaptation co-benefits that assist in the implementation of NDCs;
 - (vi) [Approaches to incorporating the 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;]
- (b) Developing and implementing tools, including:
- (i) A UNFCCC web-based platform that registers, exchanges information on NMAs and supports the [identification of] [matching needs of and] opportunities for participating Parties to develop and implement NMAs including finance, technology development and transfer and capacity-building;
 - (ii) Tools to address possible negative social and economic impacts of activities under Article 6;
 - (iii) Tools to promote the contribution of NMAs to sustainable development and poverty eradication.

VI. Reporting

10. The progress and outcomes of the work programme will be reported, based on information including from the work programme activities and modalities of the work programme referred to in section IV (Modalities of the work programme) and V (Work programme activities) above, respectively, by the A6.8 governance to each session of the CMA, including, as relevant:

- (a) Recommendations of conclusions on the opportunities to enhance NMAs, including on:
 - (i) The results of the activities referred to in paragraph 9(a) and (b) above;
 - (ii) How to enhance existing linkages and create synergies and how to facilitate coordination and implementation of the NMAs for consideration and adoption by the CMA;
- (b) Recommendations 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 on how to enhance support to NMAs;
- (c) Recommendations to enhance the effectiveness of the work programme in implementing the framework.

11. Where the SBSTA concludes that there is a need for new reporting arrangements for the framework, it will make recommendations for such reporting for consideration and adoption by the CMA at its second session (2019).]
