

DRAFT TEXTUAL PROPOSAL

on

SBI/SBSTA 48.2 agenda item 17 (b)/9(b)

Modalities, work programme and functions under the Paris Agreement of the forum on the impact of the implementation of response measures;

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Draft CMA adopting decision containing draft elements of the modalities, work programme and functions of the forum on the impact of the implementation of response measures under the Paris Agreement

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

I. Preamble

{Some Parties did not see a need to include a preamble}

Option 1

Recalling the objective of the Convention as set out in its Articles 2, 3, paragraph 5, 4, paragraph 8, and 12, paragraph 7, and the aim of the Paris Agreement as set out in its Article 2,

Also 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; relevant principles and provisions set out in Article 3, paragraphs 1, 4 and 5, and Article 4, paragraphs 1(g) and (h), 3, 5, 7, 8, 9 and 10, of the Convention; and Article 2, paragraph 3, and Article 3, paragraph 14, of the Kyoto Protocol,

Further recalling the purpose of the forum on the impact of the implementation of response measures, set out in decision 1/CP.21, paragraphs 33 and 34, and decision 11/CP.21,

Reaffirming Article 4, paragraph 15, of the Paris Agreement, which states that Parties shall take into consideration in the implementation of the Agreement the concerns of Parties with economies most affected by the impacts of response measures, particularly developing country Parties;

Reaffirming Article 2, paragraph 2, and in pursuit of the objectives of the Paris Agreement, guided by the principles of common but differentiated responsibilities and respective national capabilities in the light of different national circumstances, in addressing the specific needs and concerns of developing country Parties arising from the impact of the implementation of response measures,

Emphasizing that the Paris Agreement recognizes the specific needs and special circumstances of developing country Parties and their right to development,

Stressing that the impact of the implementation of response measures is an issue of mitigation and not of adaptation,

Recognizing that Parties, particularly developing country Parties, are affected not only by climate change but also by the socioeconomic impacts of measures taken in response to it, which have implications for trade-related development and economic transformation,

Emphasizing that developed country Parties, in taking the lead, play an important role in addressing climate change and the impacts of measures taken in response to it,

Reaffirming that Parties should cooperate to promote a supportive and inclusive international economic system that will lead to sustainable economic growth and development in all Parties, particularly developing country Parties, by ensuring that measures taken to combat climate change, including unilateral measures, should not constitute a means of arbitrary or

unjustifiable discrimination or disguised restriction on international trade that affects the right to development, particularly of developing country Parties,

Also reaffirming and enhancing arrangements for the provision to developing country Parties of technical, financial and capacity-building support, upon request, for compiling information on the implementation of response measures in accordance with Article 4 of the Paris Agreement,

{end of option 1}

Option 2

Recalling Article 4, paragraph 15, of the Paris Agreement, which states that Parties shall take into consideration in the implementation of the Agreement the concerns of Parties with economies most affected by the impacts of response measures, particularly developing country Parties,

Noting that the forum on the impact of the implementation of response measures should facilitate undertaking mitigation measures and increasing mitigation ambition towards achieving the aim under Article 4, paragraph 1, of the Paris Agreement, and, in this regard, *stressing* that the forum should serve as an enabler of action in the context of implementing domestic mitigation actions,

Recalling decision 8/CP.17, which established a forum on the impact of the implementation of response measures, and decision 11/CP.21, in which it was decided to continue and improve the forum,

Also recalling paragraphs 33 and 34 of decision 1/CP.21,

Recognizing that the forum should be facilitative and cooperative and avoid overlap with existing work of relevant intergovernmental and international organizations, including institutional arrangements under the Convention and the Paris Agreement,

Stressing that the forum should build on lessons learned and previous work under the improved forum on the impact of the implementation of response measures,

Recognizing that Parties may be affected not only by climate change but also by the impact of measures taken in response to it,

Acknowledging that there are both positive and negative impacts associated with measures taken to respond to climate change, and that the forum should facilitate discussion on ways to maximize the positive and minimize the negative impact of response measures,

Urging Parties, in implementing their policies and measures, to promote a just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities and strategies,

Acknowledging that response measures should be understood in the broader context of the transition towards low greenhouse gas emission and climate-resilient development,

Emphasizing that response measures should be understood in the broader context of promoting cooperation by all countries with a view to accelerating the reduction of global greenhouse gas emissions,

Taking into account the rights of indigenous peoples, local communities, migrants, persons with disabilities and youth, as well as health, gender equality, empowerment of women and intergenerational equity,

{end of option 2}

II. Operational paragraphs

1. *Decides* that the forum on the impact of the implementation of response measures, under the subsidiary bodies, shall continue in accordance with decision 11/CP.21 and shall serve the Paris Agreement in accordance with decision 1/CP.21, paragraph 33;

2. *Adopts* the modalities, work programme and functions under the Paris Agreement of the forum on the impact of the implementation of response measures contained in the annex;
3. *Requests* the subsidiary bodies, in order to advance the technical work under the forum on the impact of the implementation of response measures, to elaborate on forms of support arrangements for addressing the impact of the implementation of response measures;
4. *Decides* that the improved forum on the impact of the implementation of response measures serving the Paris Agreement shall provide recommendations for consideration by the subsidiary bodies with a view to recommending those actions to the Conference of Parties (COP), the Conference of Parties serving as meeting of Parties to the Kyoto Protocol (CMP), and/or Conference of Parties serving as meeting of Parties to the Paris Agreement (CMA) for adoption;
5. *Requests* the secretariat to support the implementation of the work programme of the forum on the impact of the implementation of response measures, taking note of the estimated budgetary implications of the activities to be undertaken by the secretariat, and requests that the actions of the secretariat called for in this decision be undertaken subject to the availability of financial resources.

{end of operational paragraphs}

Annex

Draft elements of the modalities, work programme and functions of the forum on the impact of the implementation of response measures under the Paris Agreement

I. Principles

{Some Parties did not see a need to include principles}

1. The forum on the impact of the implementation of response measures under the Paris Agreement, guided by the following cross-cutting and overarching considerations, should be:
 - (a) Action oriented – facilitating assessment and analysis of the implementation of the impact of response measures and considering what actions are necessary under the Convention and the Paris Agreement, including actions related to funding, insurance and technology transfer, to meet the specific needs and concerns of developing country Parties arising from the impact of the implementation of response measures, with a view to recommending specific actions and implementing concrete actions;
 - (b) Permanent – having institutional arrangements in place to ensure that it shall continue and serve the Paris Agreement, under the subsidiary bodies;
 - (c) Facilitative – assisting, by enhancing cooperation among Parties, with addressing the specific needs and concerns of Parties most affected by impact of the response measures, particularly developing country Parties with a view to minimizing adverse impacts, maximizing positive impacts and co-benefits of response measures;
 - (d) Interactive – promoting dialogue among stakeholders, including with relevant observers and external experts;
 - (e) Transparent – having open meetings and public documents.
 - (f) The forum will recognize the different needs, stages of economic development and levels of current and potential economic diversification of Parties and will be implemented to reflect the principle of equity and common but differentiated responsibilities and respective capabilities, in the light of different national circumstances.

II. Functions

2. **Option 1:** In addition to the function in decision 1/CP.21 the forum shall have the following functions:

- (a) Providing a platform for Parties to share, in an interactive manner, lessons learned, information, experience, case studies, best practices and views;
- (b) Providing a platform for Parties to cooperate concerning the obstacles and problems arising from the impact of the implementation of response measures, to address the needs of all Parties, in particular developing country Parties, by facilitating the assessment and analysis of impacts, taking into consideration all relevant policy issues of concern by providing support for identifying and understanding the impact of the implementation of response measures, with a view to recommending specific actions to the COP, the CMA and/or the CMP;
- (c) Enhancing the capacity of Parties to assess, address, manage, monitor and report on the impact of the implementation of response measures by facilitating linkages with financial, technological and capacity-building mechanisms under the Paris Agreement;
- (d) Building cooperation and collaboration at various levels, both under and outside the UNFCCC, with international organizations, regional organizations, experts and institutions on addressing the adverse economic and social consequences of response measures on developing country Parties;
- (e) Promoting action by developed country Parties to minimize adverse impacts of the implementation of response measures.
- (f) Collaborating and supporting arrangements under the Paris Agreement in relation to, inter alia, the global stocktake, transparency, compliance, Article 6 and nationally determined contribution;

{end of option 1}

Option 2

The functions of the forum are to address the effects of the implementation of response measures under the Paris Agreement by enhancing cooperation among Parties on understanding the impacts of mitigation actions under the Paris Agreement and the exchange of information, experience and best practices among Parties to raise their resilience to such impacts, in accordance with decision 1/CP.21, paragraph 34.

{end of option 2}

Option 3

The functions of the forum to include the provisions stated in decision 11/CP.21 and as elaborated in decision 1/CP.21, paragraph 34.

{end of option 3}

III. Work programme

Option 1

3. The work programme comprises the following areas of work in order to address the concerns of Parties with economies most affected by the impacts of response measures, particularly developing country Parties:

- (a) Economic diversification and transformation;
- (b) Just transition of the workforce and the creation of decent work and quality jobs;

Option 2

The work programme comprises the following areas of work in order to address the concerns of Parties with economies most affected by the impacts of response measures, particularly developing country Parties:

- (a) Economic diversification and transformation;
- (b) Just transition of the workforce and the creation of decent work and quality jobs;
- (c) The impacts of the implementation of response measures on economic development in relation to international trade and investment, value chain integration, inclusive growth, job creation and poverty reduction;
- (d) Study or assessment of the impacts of implementation of response measures, taking into consideration all relevant policy issues of concern;
- (e) Measures taken to minimize the impacts of implementation of response measures;
- (f) Developing tools and methodologies to assess impacts, and promoting understanding of cross-border impacts of the implementation of response measures on developing country Parties;
- (g) Developing modalities procedures and guidelines for provision of information on the social and economic impacts of response measures, as per decision 1/CP.21 paragraph 94 (f) related to transparency framework for action and support

4. **Option 1:** The detailed work programme includes:

- (a) Developing sector-specific case studies aimed at sharing success stories and lessons learned and addressing the barriers to implementing diversification strategies for sectors and industries vulnerable to or affected by response measures;
- (b) Capacity-building through regional training programmes to enable countries to use existing methodologies and tools and/or the tools developed by the forum, including modelling tools;
- (c) Developing 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 promote actions to minimize adverse impacts;
- (d) Examining and reviewing the impacts of response measures comparatively (domestic versus cross-border impacts);
- (e) Developing guidelines for monitoring and reporting impacts and measures undertaken to address or minimize negative impacts of the implementation of response measures;
- (f) Increasing private investment flows to help economic diversification;
- (g) Designing policies to facilitate trade competitiveness in line with the mitigation outcomes referred to in Article 4 of the Paris Agreement;
- (h) Maximizing the net positive effects of mitigation actions on employment creation, unemployment and underemployment, which could take into account key economic sectors and issues, and help inform national policy options to achieve optimal outcomes;
- (i) Bringing together stakeholders relevant to a just transition and the creation of decent work and quality jobs;
- (j) Developing training and retraining systems for workers affected by the implementation of mitigation outcomes.

Option 2

Following the finalization of the functions, work programme, and modalities of the response measures forum serving the Paris Agreement, the subsidiary bodies shall develop a six-year forum detailed work programme in line with the forum's work programme and modalities.

Option 3

Following the finalization of the functions, work programme, and modalities of the response measures forum serving the Paris Agreement, the subsidiary bodies shall develop a six-year forum detailed work programme in line with the forum's work programme and modalities.

At SB 50 the issue shall be discussed

{end of options for para 4}

IV. Modalities

A. Governance

Option 1

5. The forum will be convened under a joint agenda item of the SBI and the SBSTA and will operate in accordance with the procedures applicable to a contact group.

6. The forum shall meet in conjunction with the sessions of the SBI and the SBSTA.

7. The forum will determine six-year workplans with a review every six years, in line with its work programme and functions.

{end of option 1}

Option 2

Establish a permanent executive committee on the impact of implementation of response measures under the CMA, with a negotiating arm (forum under the Paris Agreement) and a permanent technical arm (group of experts). This executive committee shall be composed of xx members, to be elected by CMA, and shall develop its rules and procedures for approval by the CMA.

The committee and its arms shall meet in conjunction with the sessions of the SBI and the SBSTA, with additional meetings taking place between sessions, as appropriate.

The forum will determine 5-year workplans with a review every three years, in line with its work programme and functions.

{End of option 2}

B. Operational

8. **Option 1:** The forum will use the following modalities to implement its work programme:

- (a) Technical studies and reports;
- (b) Sharing of experience, best practices and views;
- (c) Reviews;
- (d) Technical expert groups;
- (e) Guidelines;
- (f) Case studies, concrete examples and best practices;
- (g) Pilot projects;
- (h) In-session workshops;

- (i) Intersession workshops;
- (j) Working with external stakeholders and organizations;
- (k) Regional training workshops.

9. The work programme shall be implemented by the following modalities:

(a) Produces technical studies and reports, reviews, guidelines, pilot projects that address the impacts of the implementation of response measures by developing recommendations to COP, CMP and CMA;

(b) Produces joint work with external organizations, guidelines, cases studies, assessments, capacity building to enhance cooperation among parties on understanding the impacts of mitigation action;

(c) Promotes sharing of experiences, best practices and exchange of information.

Option 2

The modalities of the improved forum on the impact of the implementation of response measures will be the same as per decision 11/CP.21.

{End of options for para 11}
