DRAFT TEXT on

SBI 59 agenda item 10 SBSTA 59 agenda item 9

Matters relating to the forum on the impact of the implementation of response measures serving the Convention, the Kyoto Protocol and the Paris Agreement

Version 2/12/2023 23:32

1. The SBSTA and the SBSTA convened at these sessions a meeting of the forum on the impact of the implementation of response measures.

2. The SBSTA and the SBI recommended a draft decision on this matter for consideration and adoption by the Conference of the Parties at its twenty-eighth session, the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its eighteenth session and the Conference of the Parties serving as the meeting of the Parties to the Section at its fifth session (for the text of the draft decision, see document FCCC/SB/2023/L.X/Add.X).

Draft decision -/CP.28 -/CMP.18 -/CMA.5

Review of the functions, work programme and modalities of forum on the impact of the implementation of response measures

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

Recalling Article 4 of the Convention,

Also recalling Article 2 and Article 3, paragraph 14, of the Kyoto Protocol,

Reaffirming Article 4, paragraph 15, of the Paris Agreement,

Recalling decisions 1/CP.21, 7/CP.24, 4/CP.25, 19/CP.26, 20/CP.27, 3/CMP.14, 4/CMP.15, 7/CMP.16, 7/CMP.17, 7/CMA.1, 4/CMA.2, 23/CMA.3 and 23/CMA.4,

Having considered the review of the functions, work programme and modalities of the forum on the impact of the implementation of response measures,

1. *Take note* of the views expressed by Parties during the review of the functions, work programme and modalities of the forum;

2. *Take note* of the discussions and views expressed by some Parties on the lack of case studies available in the developing countries and on the need for support to develop and use tools and methodologies to assess and analyze the impacts of the implementation of response measures;

3. *Also take note* of the views expressed by Parties that the forum has not effectively performed its functions and that the work of the Katowice Committee on Impacts has been constrained by the prescriptive modalities;

4. *Further take note* of the necessity for maintaining a balance while performing each function of the forum;

5. *Recall* that the modalities, work programme and functions of the forum on the impact of the implementation of response measures were adopted¹ to address the effects of the implementation of response measures by enhancing cooperation amongst Parties on

¹ See decision 7/CMA.1.

understanding the impacts of mitigation actions and the exchange of information, experiences, and best practices amongst Parties to raise their resilience to these impacts;²

6. *Recall* that the Katowice Committee on Impacts shall support the forum on the impact of the implementation of response measures to implement the work programme;³

{Functions of the forum}

7.

Option 1:

Agree that the functions of the forum⁴ remain relevant and therefore the forum shall have the following functions:

(a) Place holder for existing functions from 7/CMA.1

Option 2:

Decide that the forum shall have the following functions:

(a) Provide a platform allowing Parties and non-Party stakeholders to share, in an interactive manner, information, experiences, case studies, best practices and views, and to facilitate assessment and analysis of the impact of the implementation of response measures, including the use and development of modelling tools and methodologies, with a view to recommending specific actions;

(b) Provide recommendations to the subsidiary bodies on the actions referred to in paragraph (a) above for their consideration, with a view to recommending those actions, as appropriate, to the Conference of the Parties, the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol and the Conference of the Parties serving as the meeting of the Parties to the Parties Agreement;

(c) Provide concrete examples, case studies and practices in order to enhance the capacity of Parties, in particular developing country Parties, to maximize the positive and minimize the negative impact of the implementation of response measures;

(d) Enhance developing countries resilience and adaptability to the impacts of the implementation of response measures;

(e) Address the effects of the implementation of response measures under the Convention, the Kyoto Protocol and the Paris Agreement, including by, inter alia:

(i) enhancing cooperation among Parties, stakeholders, external organizations, experts and institutions;

(ii) enhancing the capacity and the understanding of Parties of the impacts of mitigation actions and;

(iii) enabling the exchange of information, experience and best practices among Parties to raise their resilience to these impacts and to maximize the positive impacts;

(f) Provide hands-on capacity building to Parties to identify, quantify and address the impact of response measures;

(g) Create Response Measures Technical Expert Teams that will assist Parties in producing a report of the impact of response measures on the respective Party;

(h) Identify and quantify the negative impact of CMA and COP decisions on developing countries and identify gaps in the tools available to mitigate the negative impacts of the impact of these decisions on developing country Parties;

² See decision 1/CP.21, para. 34.

³ See decision 7/CMA.1, annex, para 4.

⁴ See decision 7/CMA.1, annex, para. 1.

(i) Promote action to minimize the adverse impacts and maximize the positive impacts of the implementation of response measures;

(j) Address the impacts of the outcomes and results of implementation of each Global Stock take cycle, with a view to minimizing negative impacts and maximizing positive impacts, especially on developing country Parties;

(k) Prepare information annually for the technical assessment component of the global stocktake related to the impacts of the implementation of response measures (decision 19/CMA.1, paras. 8 and 24);

(1) Address and assess the impacts of international climate-related policies on developing countries, explore ways to reduce the negative impacts on parties especially developing countries;

(m) Respond and take into consideration the relevant outcomes of different processes under the Paris Agreement;

(n) Facilitate analysis, including the identification and quantification, of sectoral, national, subnational impacts, and cross-border impacts of the implementation of response measures;

(o) Consider the annual report of the KCI;

8. The forum shall convene global annual regional dialogues to serve as a platform for exchanging views, best practices, lessons learned, share views on latest findings on the impacts of implementation of response measures

{Functions of the KCI}

9. *Decide* that the Katowice Committee of Impacts shall support the forum on the impact of the implementation of response measures to implement its work programme by undertaking the technical work required by the functions and deliver the work programme and the associated workplans, and forward recommendations to the COP,CMP,CMA, through:

(a) Conduct technical analysis and develop reports on economic diversification, just transition, and assessing the impacts of response measures to inform the forum's discussions;

(b) Recommend approaches, methodologies and case studies on the impacts of the implementation of response measures;

(c) Develop methodological tools and provide technical guidance to quantify and assess the impacts of response measures, to assist developing countries;

(d) Develop a toolbox to identify, analyse and asses the positive and negative impacts of response measures and make this UNFCCC toolbox available to all Parties;

(e) Provide technical assistance and capacity building to developing countries to assess impacts and prepare biannual reports on the impacts of the implementation of response measures;

(f) Facilitate collaboration with relevant experts, organizations and initiatives working on modelling, measuring and monitoring impacts of response measures;

(g) Keep the forum appraised of latest technical knowledge, data, methodologies and tools related to understanding response measure impacts;

{Work programme}

10.

Option 1:

Agree that the four areas the work programme⁵ of the forum remain relevant and therefore the work programme comprises the following areas of work in order to address the concerns of all Parties, particularly developing country Parties:

(a) Place holder for existing areas of work programme

Option 2:

Decide the following areas of work programme of the forum in order to address the concerns of all Parties, particularly developing country Parties, SIDS and LDCs:

(a) Economic diversification and transformation;

(b) Just transition of the workforce and the creation of decent work and quality jobs;

(c) Assessing and analysing the impacts of the implementation of response measures, with the view to address negative impacts;

(d) Assess and address the outcomes of the COP, the CMP and the CMA;

(e) Develop tools to identify the negative impacts of response measures as a result of national and international actions;

(f) Identify tools and measures currently available to address the negative impacts of response measures as well as gaps and make recommendations on addressing those gaps;

(g) Facilitating the development and application of tools and methodologies to assess the impacts of the implementation of response measures, in all the economic sectors in which countries are focusing their mitigation measures to reach their climatic commitments;

(h) Develop tools to quantify the impact of response measures;

(i) Provide assistance to developing country Parties to develop a bi-annual report on the negative impact of response measures;

(j) Building capacity for development and deployment of methodologies and tools, in particular of developing country Parties, to inform and support national climate change mitigation and sustainable development priorities and policies;

(k) Co-benefits of climate actions;

(l) Lack of implementation of response measures;

(m) Institute a process for reporting of assessment and analysis of measures taken to minimize the negative impact of the implementation response measures;

(n) Enhance capacity and understanding of Parties, on the assessment and analysis of the impacts of implementation of climate change related unilateral cross-border measures, and to explore ways to minimize the negative impacts to parties, especially developing countries;

Option 3:

Decide the following areas of work programme of the forum in order to address the concerns of all Parties, particularly developing country Parties:

(a) Economic diversification and transformation;

⁵ See decision 7/CMA.1, annex, para. 2.

(b) Assessing and analysing the impacts of the implementation of response measures;

(c) Facilitating the development of tools and methodologies to assess the impacts of the implementation of response measures.

11. *Take note* of the need to consider policy issues of concern of Parties in implementing the work programme;

{Modalities of the forum}

12.

Option 1:

Agree to replace the forum with a contact group and that the contact group will consider the annual report of the KCI

Option 2:

Decide that the forum shall meet twice a year in conjunction with the sessions of the subsidiary bodies and will be convened under a joint agenda item of the subsidiary bodies and at least two times intersessionally to conduct its functions;

12bis. *Decide* that the response measures forum shall be equipped with the required structural framework to respond to the rapidly evolving climate change mitigation policies, supported by the needs of developing countries, best available science and advancements in technology with a view of enabling developing countries to address specific measures relevant to their nationally driven context and enhancing resilience to the impacts of mitigation policies. The forum, therefore, shall become actionable to address impacts of the implementation of response measures;

12ter. *Decide* that the forum shall assess the outcomes of the COP, the CMP and the CMA including the GST and support parties efforts to minimize the negative impacts of response measures by:

(a) Raising awareness and enhancing the capacity of Parties to assess, address, manage, monitor and report on the impacts of implementation of response measures;

(b) Identify, develop and promote methods, methodologies and frameworks needed to assess and address the impacts of the implementation of response measures;

(c) Create new or mobilize existing national capacities for strengthening monitoring and reporting systems on response measures;

 (d) Cooperation at various levels, including at bilateral level, with regional and multilateral organizations, experts and institutions, on the adverse economic and social consequences of response measures on developing countries;

{Modalities of the KCI}

13.

Option 1:

Decide that the Katowice Committee on Impacts shall make decisions regarding its meetings, including their timing, duration and frequency, and develop and implement its workplan using appropriate modalities that enable it to perform its function effectively;

13bis. *Also decide* that the Katowice Committee on Impacts shall report to the COP, the CMP and the CMA;

13ter. Further decide that the Katowice Committee on Impacts shall be composed of:

- (a) two/three members from each of the five United Nations regional groups;
- (b) one/two member from the least developed countries;
- (c) one/two member from the small island developing States;
- (d) two/three members from relevant intergovernmental organizations;
- (e) one member from each constituency under the UNFCCC;

13quater. *Request* the KCI to enhance its efforts in engaging non-Party stakeholders in the implementation of its workplan;

Option 2:

Decide that the Katowice Committee of Impacts shall support the forum on the impact of the implementation of response measures to implement its work programme and shall report to the COP,CMP,CMA in accordance with the following terms of reference:

(a) The Katowice Committee of Impacts shall meet four times a year (intersessional and in conjunction with the SBs), for 4 days per meeting;

(b) The Katowice Committee of Impacts shall be composed of 14 members, with two members from each of the five United Nations regional groups, one member from the least developed countries, one member from the small island developing States and two members from relevant intergovernmental organizations;

(c) Members shall serve in their expert capacity and should have relevant qualifications and expertise in the technical and socioeconomic fields related to the areas of the work programme of the forum;

(d) Members identified in paragraph 4(b) above shall be nominated by their respective groups. The Chairs of the Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice shall be notified of these appointments;

(e) Members identified in paragraph 4(b) above shall serve a term of two years and shall be eligible to serve a maximum of two consecutive terms in office;

(f) The Katowice Committee of Impacts shall elect, on a consensus basis, two members from among its members identified in paragraph 4(b) above to serve as Co-Chairs for a term of two years each, taking into account the need to ensure equitable geographical representation;

(g) If one of the Co-Chairs is temporarily unable to fulfil the obligations of the office, any other member designated by the Katowice Committee of Impacts shall serve as Co-Chair;

(h) Meetings of the Katowice Committee of Impacts shall be open to attendance, as observers, by all Parties and accredited observer organizations unless otherwise decided by the KCI;

(i) The KCI shall operate on the basis of consensus of its members;

(j) Members of the Katowice Committee of Impacts shall prepare an annual report for consideration of the Conference of the Parties, the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement; 14. *Decide* that the forum and the Katowice Committee of Impacts shall meet in hybrid format to allow both in-person and virtual participation;

15. *Agree* that the modalities⁶ to carry out the work programme of the forum remain relevant, therefore the following modalities, among others, may be used:

(a) Building awareness and enhancing information-sharing through the exchange and sharing of experience and best practices;

- (b) Preparing technical papers, case studies, concrete examples and guidelines;
- (c) Development of national, regional, and sector specific case studies
- (d) Development of tools and methodologies
- (e) Receiving input from experts, practitioners and relevant organizations;

(f) Expert Teams to provide support for Parties in developing their response measures reports

(g) Expert Teams to undertake reviews to identify and quantify the negative impact of CMA and COP decisions on developing countries and identify gaps in the tools available to mitigate the negative impacts of the impact of these decisions on developing country Parties;

(h) Organizing workshops;

(i) Development of monitoring mechanisms for policies and measures to assess, address (avoid, remedy, mitigate) negative consequences for developing countries;

16. Place holder to elaborate a mandate to revise rules of procedures of the KCI

17. *Request* the subsidiary bodies, with the support of the Katowice Committee on Impacts, to develop a plan for implementing the recommendations adopted in decisions 20/CP.27, 7/CMP.17 and 23/CMA.4 for consideration and adoption at COP 29, CMP 19 and CMA 6 (November 2024), and *agree* that the forum shall track its progress in implementing future mandates from the COP, the CMP and CMA to the forum;

{Annual report 2023}

18. *Welcome* the annual report of the Katowice Committee of Experts on the Impacts of the Implementation of Response Measures for 2023;⁷

19. *Adopt* the recommendations forwarded by the forum contained in sections # below, which pertain to activities 2, 8 and 9 of the workplan of the forum and its Katowice Committee on Impacts;⁸

20. *Invite* Parties, observer organizations and stakeholders to implement the recommendations contained in sections **##** below, as applicable;

21. *Request* the forum and its Katowice Committee on Impacts and the secretariat to implement the recommendations contained in sections $\frac{\#}{\#}$ below, as applicable;

Section *##* Place holder for recommendations from KCI annual report 2023 for activities 2, 8 and 9

⁶ See decision 7/CMA.1, annex, para. 5.

⁷ FCCC/SB/2023/6.

⁸ Contained in annex II to decisions 4/CP.25, 4/CMP.15 and 4/CMA.2.

{Midterm review of the workplan of the forum and its Katowice Committee on Impacts}

22. Place holder for midterm review

{Forum's workplan}

23. *Note with appreciation* the technical sessions on implementing activities 7–8 of the workplan and *express gratitude* to the experts who contributed to the work of the forum and its Katowice Committee on Impacts in 2023;

24. *Also express gratitude* to the Economic and Social Commission for Asia and the Pacific, the International Labour Organization and the United Nations Development Programme and the United Nations Economic and Social Commission for Asia and the Pacific for providing in-kind, financial, administrative and substantive support that contributed to the success of the regional workshop on activity 3 of the workplan held from 12 to 14 September 2023 in Bangkok;

25. *Take note* of the estimated budgetary implications of the activities to be undertaken by the secretariat referred to in paragraphs xx above;

26. *Request* that the actions of the secretariat called for in this decision be undertaken subject to the availability of financial resources.