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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

Matters relating to Article 6 of the Paris Agreement

Proposal by the President

Draft decision -/CMA.3

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 framework for non-market approaches to sustainable development referred to in Article 6, paragraph 9, of the Paris Agreement,

Also recalling the tenth preambular paragraph of the Paris Agreement that takes into account the imperatives of a just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities,

Further recalling the eleventh preambular paragraph of the Paris Agreement, acknowledging that climate change is a common concern of humankind, Parties should, when taking action to address climate change, respect, promote and consider their respective obligations on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity,

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 is to be implemented in the context of the Paris Agreement in its entirety, including its preamble,

1. *Recognizes* the importance of integrated, holistic and balanced non-market approaches to enable voluntary cooperation being available to Parties to assist in the implementation of their nationally determined contributions, in the context of sustainable development and poverty eradication, in a coordinated and effective manner;

2. *Adopts* the work programme under the framework for non-market approaches referred to in decision 1/CP.21, paragraph 39, as contained in the annex;

3. *Decides* that initial focus areas of the work programme activities, referred to in paragraph 8(a)(i).a of the annex, include but are not limited to the following:

(a) Adaptation, resilience and sustainability;

(b) Mitigation measures to address climate change and contribute to sustainable development;

(c) Development of clean energy sources;

4. *Requests* the Glasgow Committee on Non-market Approaches to develop and recommend a schedule for implementing the work programme activities referred to in chapter V of the annex (Work programme activities), which may contain the timeline and expected outcomes for each activity, including specifications for the UNFCCC web-based platform referred to in paragraph 8(b)(i) of the annex, such as its functions, form, target users and information to be contained thereon, with a view to supporting the effective implementation of the work programme, for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session (November 2022);

5. *Encourages* Parties, public and private sector stakeholders and civil society organizations to actively engage in the research, development and implementation of non-market approaches;

6. *Invites* Parties and observers to submit via the submission portal¹ by 28 February 2022 views and information on:

(a) Existing relevant non-market approaches that may be facilitated under the framework in the initial focus areas referred to in paragraph 3 above that are in accordance with the provisions referred to in chapter II of the annex (Non-market approaches under the framework);

(b) Examples of potential additional focus areas of non-market approaches that may be facilitated under the framework (e.g. social inclusivity, financial policies and measures, circular economy, blue carbon, just transition of the workforce, adaptation benefit mechanism) and existing relevant non-market approaches that may be facilitated under the framework in the potential additional focus areas that are in accordance with the provisions referred to in chapter II of the annex (Non-market approaches under the framework);

(c) The UNFCCC web-based platform referred to in paragraph 8(b)(i) of the annex, including how to operationalize it (e.g. functions, form, target users, information to be contained thereon, timeline for development and implementation, and lessons learned from existing relevant tools, including under the Convention and the Paris Agreement);

(d) The schedule for implementing the work programme activities;

7. *Requests* the secretariat to prepare a synthesis report on the matters referred to in paragraph 6 above for consideration by the Glasgow Committee on Non-market Approaches at its 1st meeting (June 2022);

8. *Also requests* the secretariat to:

(a) Organize an in-session workshop, with the broad participation of relevant experts, on the matters referred to in paragraph 6 above, taking into consideration the submissions and synthesis report on the matters, to be held in conjunction with the fifty-sixth session of the Subsidiary Body for Scientific and Technological Advice (June 2022);

¹ <u>https://www4.unfccc.int/sites/submissionsstaging/Pages/Home.aspx</u>.

(b) Prepare a report on that workshop for consideration by the Glasgow Committee on Non-market Approaches at its 2nd meeting (November 2022);

9. *Decides* to review the report of the Glasgow Committee on Non-market Approaches and provide guidance on the framework and the work programme, as appropriate;

10. *Requests* the Subsidiary Body for Scientific and Technological Advice to review the work programme, including its activities, at its sixty-fourth (June 2026) and sixty-fifth (November 2026) sessions with a view to enhancing the effectiveness of the work programme, taking into account relevant inputs, including the outcomes of the global stocktake, and to make recommendations thereon 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 eighth session (2026);

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

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

13. *Invites* Parties to make contributions to the Trust Fund for Supplementary Activities for implementing the work programme.

Annex

Work programme under the framework for nonmarket 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, and the work programme under the framework referred to in decision 1/CP.21, paragraph 39:

- (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 between, inter alia, mitigation, adaptation, finance, technology development and transfer, and capacitybuilding, while avoiding duplication of the efforts under the framework with the work of the subsidiary and constituted bodies under the Convention and the Paris Agreement, taking into account the mandates of these bodies;
- (b) NMAs facilitated under the framework represent:
 - (i) Voluntary cooperative actions that are not reliant on market-based approaches and that do not include transactions or quid pro quo operations;
 - (ii) Integrated, innovative and transformational actions that have significant potential to deliver higher mitigation and adaptation ambitions;
 - (iii) Actions that support the implementation of NDCs of Parties hosting NMAs (hereinafter referred to as host Parties) and contribute to achieving the long-term temperature goal of the Paris Agreement;
- (c) The work programme, consistent with its objective referred to in decision 1/CP.21, paragraph 39, aims to identify measures to facilitate NMAs and enhance linkages and create synergies as referred to in paragraph 1(a) 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 ambition;
 - (ii) Enhance participation of public and private sector and civil society organizations in the implementation of NDCs; and
 - (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:

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

- (i) Mitigation, adaptation, finance, technology development and transfer, and capacity-building, as appropriate;
- (ii) Contribution to sustainable development and poverty eradication.
- 3. In addition, each NMA facilitated under the framework:
 - (a) Is identified by the participating Parties on a voluntary basis;
 - (b) Involves more than one participating Party;
 - (c) Does not involve the transfer of any mitigation outcomes;
 - (d) Facilitates the implementation of NDCs of host Parties and contributes to achieving the long-term temperature goal of the Paris Agreement;
 - (e) Is conducted in a manner that respects, promotes and considers respective obligations of Parties on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity, consistent with the eleventh preambular paragraph of the Paris Agreement;
 - (f) Minimizes and, where possible, avoids negative environmental, economic and social impacts.

III. Governance of the framework

4. The Glasgow Committee on Non-market Approaches is hereby established to implement the framework and the work programme by providing Parties with opportunities for non-market-based cooperation to implement mitigation and adaptation actions in their NDCs.

5. The Glasgow Committee will be convened by the Chair of the Subsidiary Body for Scientific and Technological Advice (SBSTA) and operate in accordance with the procedures applicable to contact groups and under the guidance of the Chair. It will meet in conjunction with the first and second sessional period meeting of the SBSTA each year, with its 1st meeting to take place in conjunction with SBSTA 56 (June 2022).

6. The SBSTA will consider whether institutional arrangements for the framework that will supersede the Glasgow Committee 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 its ninth session (2027).

IV. Modalities of the work programme

- 7. The modalities of the work programme may include, as appropriate:
 - (a) Workshops;
 - (b) Engagement with public and private sector stakeholders, including technical experts, businesses, civil society organizations and financial institutions;
 - (c) Submissions from Parties, observers and public and private sector stakeholders;
 - (d) Technical papers and synthesis reports prepared by the secretariat;
 - (e) The collaboration, where needed, of the Glasgow Committee with relevant bodies, institutional arrangements and processes under or related to the Convention and the Paris Agreement, taking into account their mandates.

V. Work programme activities

8. The work programme will be initiated in 2022 and include, but not be limited to, the following activities:

- (a) Identifying measures for enhancing existing linkages, creating synergies and facilitating 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 that are in accordance with the 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) Implementing measures:
 - Developing and implementing tools, with the assistance of the secretariat, including a UNFCCC web-based platform for recording and exchanging information on NMAs, including information identified through the work programme, and supporting the identification of opportunities for participating Parties to identify, develop and implement NMAs;
 - (ii) Identifying and sharing information, best practices, lessons learned and case studies in relation to 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;
 - c. Enhance the engagement in NMAs by the private sector, civil society organizations and vulnerable and impacted sectors and communities;
 - d. Leverage and generate mitigation co-benefits resulting from adaptation actions and /or economic diversification plans that assist the implementation of NDCs;
 - e. Promote cooperation on NMAs between Parties that supports the implementation of ambitious NDCs contributing to the achievement of the long-term temperature goal of the Paris Agreement, including in relation to the development of NMAs;
 - f. Estimate and report the impacts of NMAs on mitigation and adaptation;
 - g. Establish guidelines, procedures and safeguards to facilitate NMAs;
 - (iii) Identifying initiatives, programmes and projects for facilitating NMAs that support the implementation of NDCs to allow for higher mitigation and adaptation ambitions in NDCs by:
 - a. Establishing linkages with bodies, institutional arrangements and processes under or related to the Convention and the Paris

Agreement in relation to, inter alia, mitigation, adaptation, finance, technology development and transfer, and capacity-building, as appropriate;

b. Mapping the initiatives, programmes and projects at the local, subnational and national level, including those that support Parties in meeting the requirements for receiving support and provide capacity-building for the implementation of NMAs.

VI. Reporting

9. The progress and outcomes of the work programme will be reported at each session of the CMA, as appropriate, on the basis of information resulting from implementation of the work programme activities, which will also serve as inputs to the review of the work programme at CMA 7 (November 2025), with the report to include the following, as relevant:

- (a) 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 facilitate support for NMAs, including through engagement with relevant bodies, institutional arrangements and processes under the Convention and the Paris Agreement related to, inter alia, mitigation, adaptation, finance, technology development and transfer, and capacitybuilding;
- (d) Recommendations on work programme activities in implementing the framework.