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Agenda item 3.2.2

Nationally appropriate mitigation actions by developing country Parties

Second workshop on nationally appropriate mitigation actions submitted by developing country Parties, underlying assumptions, and any support needed for implementation of these actions, as requested by decision 1/CP.16, paragraph 51

Report by the co-chairs of the workshop^{*1}

I. Mandate

1. The Conference of the Parties (COP), by its decision 1/CP.16, paragraph 51, requested the secretariat to organize workshops to understand the diversity of mitigation actions submitted by developing country Parties, underlying assumptions and any support needed for the implementation of these actions, noting different national circumstances and the respective capabilities of these Parties.
2. The first such workshop took place on 4 April 2011 in Bangkok, Thailand, in conjunction with the first part of the fourteenth session of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA).²

II. Organization of the workshop

3. The second workshop took place on 10 June 2011 in Bonn, Germany, in conjunction with the second part of AWG-LCA 14.

* This document was submitted after the due date owing to the short interval between the second and the third parts of the fourteenth sessions of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention.

¹ This report has been prepared by the co-chairs, under their responsibility, at the request of Parties.

² The report of this workshop (FCCC/AWGLCA/2011/8) and the presentations are available at <http://unfccc.int/meetings/awg/items/5928.php>.

4. The workshop was co-chaired by Mr. Christian Pilgaard Zinglensen (Denmark) and Mr. José Alberto Garibaldi Fernandez (Peru). After brief introductory remarks by the co-chairs, presentations were made by nine Parties: six developing country Parties and three developed country Parties. One observer organization also made a presentation. The presentations were organized in four sessions, each of which was followed by a question and answer (Q&A) round. The agenda for the workshop, including the list of presenters, is provided in the annex.

5. After the workshop, all presentations were made available on the UNFCCC website,³ and an informal summary was produced by the co-chairs. Parties requested the co-chairs to prepare, under their responsibility, a written report on the workshop.

III. Summary of the proceedings

6. Consistent with its mandate, the workshop addressed, through Parties' presentations and subsequent Q&A sessions, the following issues:

- (a) Diversity of nationally appropriate mitigation actions (NAMAs);
- (b) Underlying assumptions relating to NAMAs;
- (c) Support needed for their implementation.

7. Parties acknowledged that developing country Parties were already taking significant steps to address climate change and implementing a wide range of measures to reduce their greenhouse gas (GHG) emissions. As in the first workshop, Parties made presentations to provide clarification on assumptions related to their NAMAs and the support needed for their implementation. A Party that has not yet submitted NAMAs to the secretariat also made a presentation focusing on the planning process that is under way nationally to identify its NAMAs.

8. In addition, Party presentations and the subsequent Q&A sessions touched upon various other issues related to the planning, implementation and transparency of NAMAs, relevant support and international cooperation, and the contribution of NAMAs in meeting the ultimate objective of the Convention. Parties also engaged in a discussion about the way forward for the workshop process and linkages to the formal negotiations.

9. A number of Parties highlighted the critical importance of international cooperation and sharing lessons learned in addressing the sustainable development needs of developing country Parties and in meeting the objective of the Convention. Parties presented information on bilateral and multilateral cooperation already under way to assist developing country Parties in the process of the preparation and implementation of their NAMAs. A Party highlighted the need for further dialogue between donors and recipients to understand the support needs of developing country Parties that would allow the significant mitigation potential in these countries to be tapped. It was added that tapping this potential would create economies of scale, reducing the costs of mitigation actions in developing country Parties and contributing towards global efforts in addressing rising emissions and closing the global emission reduction gap.

10. A Party presented information on a national process that was put in place to identify its NAMAs. This included the development of a template, which was used by the coordinating ministry to obtain information, to develop NAMAs, from relevant

³ <http://unfccc.int/meetings/ad_hoc_working_groups/lca/items/5988.php>.

ministries through minister-to-minister communication. The information requested included an explanation of how identified actions were in line with sectoral policies, an overview of the potential emission reduction, the costs involved and how the measurement, reporting and verification of the actions would be conducted. It was mentioned that this process was also useful in assessing capacity gaps and in providing a basis for initiating discussion with potential donors.

11. A number of Parties mentioned the usefulness of taking a streamlined approach to presenting information on NAMAs, potentially in the form of a standard format, and stated that this could have implications for the registry. However, it was acknowledged that owing to the diversity of NAMAs, different elements of information would be relevant for different types of NAMAs. A Party stated that there were three basic types of NAMAs and outlined the different elements of information that would be relevant to be reported for each type. Another Party mentioned the difficulty of developing NAMAs because of the absence of common criteria.

12. A Party talked about its initiative of designing a permanent national GHG inventory system and noted its usefulness in the process of identifying NAMAs and in projecting future emissions. Another Party mentioned that it is in the process of developing reference (baseline) scenarios that will inform the development of its national framework for measurement, reporting and verification. Legal and institutional arrangements, including the need for domestic regulations, were identified as critical factors in setting up national systems for measurement, reporting and verification. A Party mentioned that it is engaged in defining a pilot system and that support has been secured from multilateral and other sources of funding to assist it in setting up this system.

13. A Party stated the importance of robust national systems for measurement, reporting and verification in order to have a clear picture of 'business as usual' (BAU) emission levels, mitigation options and support needs, with a view to mobilizing support and reporting information transparently. It was also said that developing such a national system is a learning-by-doing process that will need to be undertaken in parallel with the development of national policies. Parties also engaged in discussion about the content of biennial update reports and how an international consultation and analysis process could potentially be conducted.

A. Diversity of nationally appropriate mitigation actions

14. Developing country Parties presented information on a diverse range of NAMAs, including information on the national development strategies in the context of which their NAMAs were being prepared and implemented.

15. The range of NAMAs presented included the following: economy-wide emission reduction targets; deviation from BAU emission levels; emission reductions from the base year; and individual mitigation measures in a wide range of sectors, namely energy, industry, land use, land-use change and forestry, transport, building, and agriculture and livestock. One Party talked about addressing forest fire as its NAMA. It added that emissions from forest fire constitute 80 per cent of its total GHG emissions and that this problem is getting worse as its climate is becoming drier. The Party also outlined the activities that its government is undertaking to address this problem.

16. The need to consider mitigation actions in a holistic, coherent and strategic manner was highlighted. Doing so, it was mentioned, would ensure a harmonized approach to implementing actions and would bring about coherence in climate change activities undertaken nationally. Parties made clear the linkages between development

goals and mitigation actions and acknowledged the importance of mainstreaming climate change into national planning processes and development strategies. A number of Parties stated that their NAMAs are being developed and implemented in the context of wider national sustainable development strategies, with the aim of moving their economies onto a low carbon path. A Party mentioned that its national climate change action plan is being developed to operationalize climate change activities and to mainstream climate change into the national planning process and eventually into national development plans. One Party stated that it is developing a climate-resilient green growth initiative and is in the process of putting in place institutional structures that will be needed to address climate change in a holistic manner.

17. Parties also presented information on a wide range of policy measures and tools aimed at implementing their NAMAs and in meeting the objectives of their sustainable development strategies. These included the following: emission trading schemes, such as renewable energy and energy efficiency certificates; the development of financial instruments and market-based mechanisms; and putting in place relevant institutional arrangements.

18. Some Parties also highlighted the co-benefits of implementing mitigation actions. Some of the co-benefits mentioned were the following: improved health through improved quality of air and water; the creation of jobs; the contribution to poverty reduction; improved food security; reducing the vulnerability of, and building the resilience of, economies; improved balance of payments; and biodiversity conservation.

B. Underlying assumptions related to nationally appropriate mitigation actions

19. A number of presentations from developing country Parties pointed to the underlying assumptions associated with their NAMAs. Several Parties emphasized the importance of sharing information on assumptions and approaches, including with regard to targets linked to BAU and “intensity”.

20. Some Parties presenting their NAMAs in the form of deviation from BAU emission levels provided information on emission projections looking forward to both 2020 and 2030. They explained how their BAU emission levels were defined and shared information on base years. It was mentioned that both top-down and bottom-up methods were used to calculate BAU emission levels. GHG emissions growth projections were also presented by sector, with some Parties explaining that they had calculated baseline and BAU emissions across sectors. Information was also shared on the gross domestic product growth rates used to arrive at the BAU emission levels.

C. Support needed for the implementation of nationally appropriate mitigation actions

21. Parties indicated a range of support needs, including institutional capacity-building support and technical, financial and technological support for the planning and implementation of NAMAs. Parties acknowledged that the diversity of mitigation actions and different capabilities of developing country Parties meant that a diverse range of support would be needed for the planning and implementation of NAMAs. A Party mentioned that it envisaged such support coming from a combination of loans,

funds and equity and from the microfinance sector – a sector, it was said, that is growing and could potentially play a role in supporting the implementation of NAMAs.

22. Some Parties highlighted the value of improving the understanding of the cost of implementing the NAMAs presented, including through information on the proportion of NAMAs expected to be financed domestically and the proportion that would require international support. Some Parties stated that they were in the preliminary stages of developing their NAMAs and therefore had not yet calculated the level of support needed and hence were not able to indicate what percentage of NAMAs would be implemented using domestic resources and what percentage would require international support. It was added that market mechanisms would also be needed to generate financial resources to implement NAMAs, but, similarly, the percentage of resources that could be mobilized through markets was not known.

23. One Party made a reference to the need to address regional balance in the provision of support for planning and implementing NAMAs. Another mentioned that since NAMAs are a new concept, not much international support is readily available for their implementation at present. Some Parties also mentioned the challenges that some developing country Parties face in accessing financial and technical support. Parties highlighted the need for strengthening national institutional structures, including strengthening national and regional capacity for planning and implementing NAMAs, in order to address this challenge. A Party mentioned that in order to assist developing countries to move beyond autonomous efforts, barriers to the implementation of NAMAs would need to be lifted.

24. A Party spoke about its initiatives through which support is already being provided for the implementation of NAMAs in developing country Parties. It was mentioned that support was also provided for enabling activities, such as preparing low-emission development strategies, putting in place a national system for measurement, reporting and verification, and setting up market mechanisms.

25. A Party also talked about the need for new market-based mechanisms to enhance support for the implementation of NAMAs. It was added that the benefits of such mechanisms would be that they would drive the implementation of mitigation actions in a cost-effective manner and would foster large-scale climate investments.

26. A Party highlighted the need to address the relationship between supported NAMAs and clean development mechanism projects in order to avoid double counting of emission reductions.

D. Way forward to advance the workshop process

27. Parties acknowledged the usefulness of the workshops in facilitating an exchange of views among Parties. It was stated that the workshop process provides an essential space to enhance the understanding of NAMAs and to discuss how best the future international framework can contribute to their implementation. Several Parties stated that this process needs to continue and that future workshops could be organized thematically and could focus on, inter alia, the support needs of developing country Parties for the implementation of their NAMAs, on understanding baselines and on a common reporting format for the provision of financial support. However, some Parties also mentioned that owing to the limited time available for formal negotiations in the run-up to COP 17, it would be important to consider time constraints and to ensure that the workshops do not take time away from formal negotiations and that there is balance between the time allocated to workshops and that allocated to formal negotiations.

28. Some Parties expressed the need to encourage other developing country Parties to participate in future workshops and to present information on their NAMAs that have been communicated to the secretariat. Parties also added that those developing country Parties that have yet to communicate their NAMAs to the secretariat should be encouraged to do so.

29. It was suggested that understanding of the mitigation actions submitted could be further enhanced through the submission of additional information on NAMAs. A technical paper by the secretariat was proposed in this context.

30. The AWG-LCA requested the secretariat to prepare a written report on the workshop, under the authority of the co-chairs of the workshop, and to make it available as soon as possible after the second part of the fourteenth session of the AWG-LCA.⁴

⁴ FCCC/AWGLCA/2011/9, paragraph 26.

Annex

Workshop agenda

10.45 a.m. to 1 p.m.

Opening

- Organization of the workshop by the co-chairs.

Session I

- Chile;
- Ethiopia;
- Alliance of Small Island States;
- Questions and answers.

Session II

- Viet Nam;
- Kenya;
- European Union;
- Questions and answers.

Break

3 p.m. to 6 p.m.

Session III

- Bolivia (Plurinational State of);
- Norway;
- United States of America;
- Questions and answers.

Session IV

- Observer organization: Climate Action Network International;
- Questions and answers.

Discussion

- Nationally appropriate mitigation actions, underlying assumptions and any support needed for implementation of these actions;
- Way forward.

Closing remarks by the co-chairs
