

22 November 2011

English only

UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

**Ad Hoc Working Group on Long-term Cooperative Action  
under the Convention**

**Fourteenth session, part four**

**Durban, 29 November 2011—\***

Agenda item 3

**Preparation of a comprehensive and balanced outcome to be presented to the Conference of the Parties for adoption at its seventeenth session to enable the full, effective and sustained implementation of the Convention through long-term cooperative action now, up to and beyond 2012, pursuant to the results of the thirteenth and sixteenth sessions of the Conference of the Parties and recognizing that the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention includes both implementation tasks and issues that are still to be concluded**

Agenda item 4

**Review: further definition of its scope and development of its modalities**

Agenda item 5

**Continued discussion of legal options with the aim of completing an agreed outcome based on decision 1/CP.13, the work done at the sixteenth session of the Conference of the Parties and proposals made by Parties under Article 17 of the Convention**

Agenda item 6

**Other matters**

**Ideas and proposals on the elements contained in paragraph  
1 of the Bali Action Plan**

**Submissions from Parties**

**Addendum**

1. In addition to the 12 submissions contained in document FCCC/AWGLCA/2011/MISC.9, 10 further submissions have been received.

---

\* The fourth part of the session will be held in conjunction with the seventeenth session of the Conference of the Parties (COP). The Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) will present the results of its work to the COP for consideration as per decision 1/CP.16, paragraph 143. The closing date of the session of the AWG-LCA will be determined in Durban.

**FCCC/AWGLCA/2011/MISC.9/Add.1**

GE.11-64907

**Please recycle** 

2. In accordance with the procedure for miscellaneous documents, these submissions are attached and reproduced\* in the language in which they were received and without formal editing.

---

\* These submissions have been electronically imported in order to make them available on electronic systems, including the World Wide Web. The secretariat has made every effort to ensure the correct reproduction of the texts as submitted.

## Contents

	<i>Page</i>
1. African Group (Submission received 24 October 2011).....	4
2. Australia (Submission received 21 October 2011).....	10
3. Brazil (Submission received 24 October 2011).....	17
4. China (Submission received 9 November 2011).....	24
5. Japan (Submission received 24 October 2011).....	31
6. Poland and the European Commission on behalf of the European Union and its member States* (Submission received 28 October 2011).....	39
7. New Zealand (Submission received 24 October 2011).....	52
8. Singapore (Submission received 24 October 2011).....	56
9. Switzerland (Submission received 24 October 2011).....	63
10. United States of America (Submission received 21 October 2011).....	75

---

\* This submission is supported by Albania, Croatia, Iceland, Montenegro, Serbia and the former Yugoslav Republic of Macedonia.

## Paper no. 1: African Group

### Input by Africa Group on mitigation nonpapers

[http://unfccc.int/meetings/ad\\_hoc\\_working\\_groups/lca/items/6223.php](http://unfccc.int/meetings/ad_hoc_working_groups/lca/items/6223.php)

Recalling its proposals in documents FCCC/AWGLCA/2011/CRP.19 and FCCC/AWGLCA/2011/CRP.20, the Africa Group hereby provides further input on text under consideration by the AWG-LCA on agenda items 3.2.1 and 3.2.2. Flexibility and restraint has been exercised in again presenting proposals of importance to the Group, in the context of the texts prepared by the co-facilitators, where these are not fully reflected.

Specific textual inputs are indicated between inverted commas (“...”), and structural suggestions in ***bold italics***, for each text.

#### 3.2.1 Nationally appropriate mitigation commitments or actions by developed country Parties

##### *Discussion on matters relating to paragraphs 36-38 of the Cancún Agreements*

[At the end of the paper, include a new section]

#### **“Textual Proposals**

##### **Level of ambition and contribution by Annex I Parties to the global goal**

10. *Decides* to establish, in order to understand pledges, a process on Annex I Parties’ quantified emission limitation and reduction commitments (QELRCs), building on the workshops held during 2011 and the technical paper mandated by decision 1/CP.16 and prepared by the Secretariat;
11. *Agrees* that QELRCs for Annex I Parties that are not party to the Kyoto Protocol shall be translated assigned amounts or carbon budgets under the Convention, representing an amount of tons of CO<sub>2</sub>-eq over a period of time in a manner that is comparable to QELRCs undertaken by Annex I Kyoto Parties under the Kyoto Protocol. Carbon budgets shall be reflected in legally binding form;

##### **Comparability among Annex I Parties targets, compliance and rules**

*Pursuant* to decisions 1/CP.13 and 1/CP.16;

12. *Agrees* the comparability of efforts among Annex I Parties shall be established through the process of international assessment and review, operationalized through the review panel (see IAR), which shall assess:
  - a. Comparability of commitments (QELRCs);
  - b. Comparability of compliance and consequences of the multi-lateral review under IAR;
  - c. Comparability of multi-laterally agreed rules for accounting of assigned amounts (carbon budgets), LULUCF and mechanisms. “

##### *Possible elements of draft decision for adoption of the guidelines for biennial reports of developed country Parties*

***Place brackets around the words ‘(to be defined)’ in paragraphs 30 and 33*** and add the text “[as defined in Appendix 1 to this decision]”

In paragraph 32, replace ‘Parties can’ in the first line with “Parties shall”; and add the text at the end, replacing the full stop (after ‘specific sectors’ with a comma and adding “technologies and, for activities with multiple benefits, providing a separate amount of finance for climate change”

Add a new paragraph after para 32, “

33. Developed country Parties shall report the underlying assumptions and methodologies in producing the numbers filled into the common reporting format for finance in a rigorous, robust and transparent manner.”

[At the end of the paper on biennial reports, include the following table and its notes]

“Appendix 1

Indicative common reporting format (CRF) table for enhanced reporting by Annex I Parties on finance

Define New & Additionnal :									
Recipient country	Funded actions*	Activity	Amount of financial support provided for one given year (in original currency and USD)**		ODA financial support counted towards ODA commitments	Amount of financial support anticipated (in original currency and USD)	Sector	Financial channels through which the support has been provided***	The financial instrument****
			Pledged	Disbursed					
	Adaptation								
	Mitigation								
	Capacity building								
	Technology development and transfer								
	Development of reports by non-Annex I Parties including inventories, biennial reports, biennial report updates, national inventory reports and national adaptation plans								

\*For programs and activities with multiple components, specify the support or portion of support for each component

\*\* Precise whether the financial support is for incremental or full costs, consistent with Article 4.3 of the Convention

\*\*\* Examples:

- UNFCCC Financial Mechanism
- GEF
- other multi-lateral channels
- regional channels

- bi-lateral channels
  - international private investment flows including leveraged funds, international bank lending, public debt, portfolio equity holdings, foreign direct investment
- \*\*\*\* Grants; loans (concessional portion and market-interest) ; guarantees; equity; leveraged funds”

**Possible elements of draft decision for adoption of modalities and procedures for international assessment and review**

*In the heading of Section IV, add an option to title this section [“Multilateral review Process”]*

Add a new sub-paragraph after 10(b)

“Supplementary information on achievement of quantified economy-wide emission reduction targets, including the role of land use, land-use change and forestry, and carbon credits from market-based mechanisms.”

Add new paragraphs after the existing para 11

12. IAR shall be undertaken annually, ensuring that the progress in achieving quantified emission limitation and reduction commitments for individual Annex I Parties is undertaken every 2 years;

13. The multi-lateral review process under the SBI shall constitute the review of IAR, shall assess progress in the achievement of QELRCs, and consequences may flow from the review

Add a new sub-paragraph after 14(i)

j. a review of comparability of efforts among Annex I Parties, leading to a report to the COP and CMP for consideration and possible action;

Add new paragraphs after the existing para 14.

14. If the IAR process finds that a Annex I Party is not on a pathway to meet its QELRC, it shall:

- a. Engage in a facilitative process to engage the Party concerned and assist it in taking remedial action or, failing that;
- b. Lead to consequences, including suspension of eligibility from mechanisms and increases in the QELRC of the Party.



## *Discussion on matters relating to paragraphs 48-51 of the Cancún Agreements*

[At the end of the paper, include a new section]

### **“Textual Proposals**

12. Agrees that the registry shall be structured in a manner that allows for the full range of diversity of nationally appropriate mitigation actions.”

#### *Possible elements of draft decision to be included in the Registry*

***In paragraph 8, place brackets around ‘(a)’ in the first sentence; and brackets around the second sentence.*** Add further sentences at the end of the paragraph:

“Only nationally appropriate mitigation actions submitted by non-Annex I Parties expressly for the purpose of inclusion in the registry shall be so included by the Secretariat. Document FCCC/AWGLCA/2011/INF.1 shall be updated when new aggregate nationally appropriate mitigation actions have been submitted by developing country Parties pursuant to paragraph 50 of the Cancún Agreements.”

#### *Possible elements of draft decision text for adoption of modalities and procedures for international consultation and analysis*

***In paragraph 2(h), place brackets around the words ‘contained in document FCCC/AWGLCA/2011/INF.1’, and add immediately before the bracketed phrase the words “domestically supported” ... mitigation actions.***

In paragraph 16(b), add the words “as part of national communications from Parties not included in Annex I to the Convention.”

After paragraph 16, add a new paragraph

“ICA shall be undertaken biennially, ensuring that the progress in implementing mitigation actions for individual Annex I Parties is undertaken every 4 years.”

***In paragraph 17, place brackets in sub-para (a) around the words ‘One to three hours session of’, and in (b) around the words ‘within a specified time period, for example, two weeks’***

In paragraph 18(b), add at the end “in consultation with the Party concerned”

**Submission under the Cancun Agreements | 21 October 2011**  
**Text proposals on agenda items 3.2.1 and 3.2.2 | AWG-LCA**

**I. Overview**

---

Australia thanks the Chair, Vice-Chair and Facilitators for their efforts and welcomes the opportunity to provide text proposals on agenda items 3.2.1 and 3.2.2.

Attached are specific, concise drafting proposals to the Co-Facilitators' non-papers covering:

- Paras 36-38 and paras 48-51 (at Attachment A)
- International Assessment and Review (IAR) and International Consultation and Analysis (ICA) (at Attachment B)
- Registry (at Attachment C)

Australia also welcomes the Co-Facilitators' non-papers on biennial reports for Annex I and non-Annex I Parties and considers that these notes should form the basis for negotiations in Durban.

**II. Matters relating to paras 36-38 and 48-51 of the Cancun Agreements**

---

Australia considers that issues relating to paras 36-38 and paras 48-51 fall into three main elements: clarification, accounting and transparency, and ambition. These elements could provide a useful structural basis for the text, as follows:

- *Clarification and understanding of quantified economy-wide emission reduction targets and nationally appropriate mitigation action*, covering
  - A request to Parties to make further submissions, in a standard template of additional information regarding their targets and actions; and
  - Regular updates to the INF documents in paras 36 and 49 to reflect this new information.
- *Accounting and transparency*, covering
  - High level principles and guidance for a common accounting framework consisting of common elements, coupled with flexibility to allow countries to maximise their mitigation efforts and take account of national circumstances and capabilities; and
  - A work program to develop these common elements.
- *Ambition*, covering
  - An acknowledgement that current efforts by developed and developing countries are not sufficient to meet the 2 degrees or lower global goal;
  - Recognition that further work on clarification of targets and actions, as well as biennial reports and IAR and ICA, will help build the confidence developed and developing countries need to scale up ambition. As will establishing the registry focused on facilitating matching support to actions seeking support; and
  - Establishment of a process to scale up individual targets and actions over time, linked to the 2013-2015 Review.

Drafting proposals for these elements are at [Attachment A](#).

### **III. Modalities and procedures for IAR and ICA**

---

Australia considers the Co-Facilitators' non paper to be a useful basis for negotiations. Australia's drafting proposals on IAR and ICA are aimed at enhancing international understanding and transparency of the mitigation efforts of Parties. They seek to ensure processes are facilitative, flexible, robust and designed to maximise the capacity-building and information-sharing potential of the elements agreed in Cancun.

IAR and ICA are framed as two-step processes of expert review or analysis, feeding into international assessment or consultations.

Drafting proposals for these elements are at [Attachment B](#).

### **IV. Registry**

---

Australia considers that a registry decision at Durban should focus on facilitating the matching of support with actions seeking support.

The attached text proposal aim at a decision that establishes a practical, user-friendly design for the registry and provides necessary guidance on implementation. As a first step, the Secretariat is requested to set up a prototype, while a continuing work plan will allow for finalisation of modalities and guidelines. Swift progress on the registry will help deliver on the Cancun Agreements to match actions seeking international support with finance, technology and capacity-building.

Drafting proposals for this element are at [Attachment C](#).

**Decision X/CP.17**

**Clarifying, consolidating and enhancing nationally appropriate mitigation targets and actions**

*The Conference of the Parties,*

*Recognizing* that climate change represents an urgent and potentially irreversible threat to human societies and the planet, and thus requires to be urgently addressed by all Parties,

*Further recognizing* that such urgent action includes deep cuts in global greenhouse gas emissions according to science, and as documented in the Fourth Assessment Report of the Intergovernmental Panel on Climate Change, with a view to reducing global greenhouse gas emissions so as to hold the increase in global average temperature below 2 °C above preindustrial levels,

*Recalling* the nationally appropriate mitigation targets and actions submitted by developed and developing country Parties in the context of paragraphs 36 and 49 of 1/CP.16,

*Urging* Parties to take all steps necessary to fulfil those targets and actions,

*Aware of* the need to increase mitigation ambition and achieve the peaking of global and national greenhouse gas emissions as soon as possible in order to achieve the long term global goal, while recognizing that the time frame for peaking will be longer in developing countries,

*Recognizing* that the transparency and comparability of nationally appropriate mitigation targets and actions can drive ambition through providing Parties with confidence that they are part of a wider global effort, and in that context, *welcoming* the work already undertaken to enhance mutual understanding of the assumptions and conditions underlying Parties' targets and actions,

**I. Clarifying and recording nationally appropriate mitigation targets and actions**

1. *Notes* the nationally appropriate mitigation targets and actions contained in FCCC/SB/2010/INF.1.Rev.1 and FCCC/AWGLCA/2010/INF.1 submitted pursuant to paragraphs 36 and 49 of 1/CP.16 and *agrees* to establish an efficient and transparent process to record and regularly update these documents to provide new and additional information about targets and actions;
2. *Requests* Parties that are implementing, or will implement, nationally appropriate mitigation targets and actions, including those submitted in the context of paragraphs 36 and 49 of 1/CP.16, to submit complete and current information on those targets and actions to the secretariat by 29 February 2012 for compilation into updated documents based on FCCC/SB/2011/INF.1.Rev.1 and FCCC/AWGLCA/2011/INF.1, including, as appropriate:
  - (a) the reference value of the target or action (such as the base year, reference year, and/or business-as-usual and GDP trajectory);
  - (b) the gases and sectors covered by the target or action;
  - (c) the averaging or commitment period of the target or action;

- (d) the global warming potential values used (if different from those listed in the Fourth Assessment Report);
  - (e) all relevant assumptions including the role of land-use, land-use change and forestry, and market mechanisms; and
  - (f) any other relevant information;
3. *Requests* Parties, where possible, to submit the information requested in paragraph 2 in the templates contained in appendix X;
  4. *Agrees* such information should relate to targets or actions that are being implemented, or will be implemented. Information on targets or actions that are contingent on international support or other conditions will be recorded in the registry in accordance with paragraph 56 of 1/CP.16;
  5. *Further requests* Parties, where relevant and appropriate, to submit to the secretariat for compilation into updated INF documents, by February 2013, 2014, and 2015, any updated or new information on nationally appropriate mitigation targets or actions, taking into account the desirability of enhanced transparency and comparability of targets or actions. Where a Party does not submit updated or new information in accordance with this paragraph, the information previously submitted by a Party to the secretariat will be contained in the subsequent INF document, unless a Party expressly notifies the secretariat of its intention to withdraw the previously submitted information;

## **II. Transparency and accounting**

6. *Recognises* that the transparency and comparability of Parties nationally appropriate mitigation targets and actions, including the assumptions and methodologies underlying such targets and actions, builds confidence and trust amongst Parties which facilitates concerted and enhanced global ambition;
7. *Agrees* that transparency and comparability is best facilitated through a common accounting framework for defining targets and actions.<sup>1</sup> Such a framework should include common elements together with sufficient flexibility to promote participation, innovation and take account of national circumstances and capacities;
8. *Accordingly decides* on a work program to further enhance the transparency and comparability of the information communicated under paragraph 2, including the development of a common accounting framework, taking into account:
  - (a) Developments and updates in existing rules, guidelines and processes in national communications and national inventories;
  - (b) Developments in guidelines on biennial reports;
  - (c) Developments and elaborations in any IPCC good practice guidances;
  - (d) Differing national circumstances and capacities of Parties.

---

<sup>1</sup> This may include a consolidation of accounting rules for national communications and biennial reports, and any amendments thereto.

The Parties will present the outcomes of this work program at COP 18, with a view to deciding a common accounting framework that facilitates the environmental integrity, transparency, and comparability of nationally appropriate mitigation targets and actions.

9. *Decides* that Parties should establish a process with the aim of quantifying or estimating the projected net emissions impact of their nationally appropriate mitigation targets and actions, taking into account any common accounting framework developed under paragraph 8 and further information contained in Parties' first biennial reports. The quantifications or estimations will be used for the purpose of tracking progress to achieving the global goal including under paragraph 10, and will further promote the transparency of targets and actions.

### **III. Achieving the global goal: increasing ambition in the context of the review**

10. *Decides* to establish a Party-driven process for submitting, as appropriate, new or enhanced nationally appropriate mitigation targets and actions following the conclusion of the review in 2015, with a view to increasing ambition over time, taking into account the findings and recommendations of the review, and different national circumstances, capacities and priorities.

## **Attachment C**

### **Decision X/CP.17 – Registry**

*Recalling* paragraphs 53-59 of Decision 1/CP.16,

11. *Invites* developing country Parties to submit to the secretariat information on nationally appropriate mitigation actions for which they are seeking international support, using the template included in Annex Y. Information submitted should include a brief description of:
  - (g) The participants in the development and/or implementation of the nationally appropriate mitigation action, including contact information;
  - (h) The proposed action, including the type of activity, location, estimated costs, estimated emission reductions and anticipated time frame for implementation; and
  - (i) The type and amount of support sought, and details of any domestic or international support already in place or secured;
12. *Invites* developed country Parties, relevant UNFCCC bodies, the entity or entities entrusted with the operation of the financial mechanism, and multilateral, bilateral or other public, private or non-governmental organisations that are in a position to do so to submit to the secretariat information on finance, technology and capacity-building support available and/or provided for nationally appropriate mitigation actions, using the template included in Annex Z. Information submitted should include, at minimum, a brief description of:
  - (a) The source of support, including contact information;
  - (b) The support available, including the type, amount or description of services;
  - (c) The eligibility criteria or process for provision of support, including any criteria relating to the type of activity eligible for support, location, scale of emission reductions or time frame for implementation;
13. *Requests* the Secretariat to set up a registry prototype that records information submitted in accordance with paragraphs 1 and 2 above to facilitate the matching of support to nationally appropriate mitigation actions. In setting up the registry prototype, the Secretariat should ensure that:
  - (a) Information in the registry is presented in a simple, public and easy to access format;
  - (b) The design allows users to search the registry contents in order to best facilitate matching;
  - (c) The design minimises ongoing data management and maintenance requirements;

14. *Decides* to continue the work programme for the development of modalities and guidelines for facilitation of support to nationally appropriate mitigation actions through a registry with a view to:

- (a) Finalising modalities and guidance on the format and content of inputs to the registry, registry use and accessibility, and arrangements to enhance matching of actions to support by registry users;
- (b) Establishing arrangements for the modification, updating and maintenance of the registry by the Secretariat, to ensure that registry content remain current;
- (c) Determining on the need for a review of the registry prototype and templates for inputs, including through consultation with Parties and other registry users on the registry's effectiveness.



**WORK OF THE AWG-LCA CONTACT GROUP**

**Agenda item 3.2.1**

**Nationally appropriate mitigation commitments or actions by  
developed country Parties**

**Discussion on matters relating to paragraphs 36.38 of the Cancun**

**Agreements**

**version of 14 October 2011 @ 6PM**

*Co-facilitator.s summary*

**[General]**

1. Parties had a constructive discussion on the matters relating to paragraphs 36.38 of the Cancun Agreements,<sup>1</sup> including the quantified economy-wide emission reduction targets put forward by developed country Parties which are currently compiled in document FCCC/SB/2011/INF.1/Rev.1, and also the level of ambition of efforts by developed country Parties.
2. Many Parties recognize the existence of an .ambition gap. and reiterated the importance of the level of ambition of efforts. Views on the context of consideration of this issue differed among Parties. [Some Parties preferred to frame the consideration of this issue in a broader context and on the basis of the best available scientific knowledge as referred to in paragraph 4 of decision 1/CP.16, encompassing all Parties with a significant share of emissions, whereas] others preferred to contain this consideration for the developed country Parties alone, thus reflecting the explicit urging for increased ambition from developed country Parties expressed in paragraph 37 of decision 1/CP 16. Some Parties noted that the overall level of ambition [and accounting] is central to any outcome in Durban and many Parties highlighted the importance for a Durban outcome of common accounting rules for developed country Parties..
3. A few Parties noted that the discussion on the level of ambition is linked to the discussion on the review process which is being considered separately under the AWGLCA.

**[Quantified economy-wide emission reduction targets]**

4. Many Parties welcomed the workshops organized by the secretariat to clarify the assumptions and the conditions related to the attainment of quantified economy-wide emission reduction targets of developed country Parties. Parties also welcomed the reports by the Co-Chairs of the workshops.

5. There were a number of proposals on how to take forward the quantified economy-wide emission reduction targets currently referred to in document FCCC/SB/2011/INF.1/Rev.1. The list below is not an attempt to identify areas of convergence or divergence as there was no convergence of views by Parties on this matter, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussions:

- (a) Understanding better the targets already put forward, including nonconditional domestic targets by developed country Parties; this could be accomplished by establishing a process which could include a call for submission of information, including on accounting, in a structured format that could feed into updating the technical paper on developed country targets;<sup>2</sup>
- (b) [Understanding the aggregate effects of actions of both developed country Parties and developing country Parties;]
- (c) Establishing a process to update document FCCC/SB/2011/INF.1/Rev.1;
- (d) Establishing a common template based approach for recording the pledges and assumptions as well as accounting elements.
- (e) [Transforming, for developed country Parties [that are Parties to the Kyoto Protocol,] the pledges into quantified economy-wide emission reduction commitments [targets] (QERCs) [(QELROs)] for the second commitment under the Kyoto Protocol; and establishing a strong comparability framework and compliance system for those mitigation commitments presented outside of the Kyoto Protocol;]
- (f) Transforming pledges into assigned amount/carbon budget under the Convention for [developed country Parties only][both developed and developing country Parties];
- (g) Setting .non-conditional domestic targets.

**[Level of ambition]**

6. Views and proposals made by Parties on how to increase the level of ambition are listed below. The list below is not an attempt to identify areas of convergence or divergence, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussion:

- (a) Enhancing domestic efforts by developed country Parties;
- (b) Removing conditionalities around the pledges and moving to the upper range of the pledges;
- (c) Establishing a common accounting framework;
- (d) Establishing a compliance and international assessment and review (IAR) process;

- (e) Developing a framework and criteria for the formulation of low emissions development strategy;
- (f) [Further developing the global [carbon] market but ensuring the environmental integrity];
- (g) Addressing the surplus AAUs in the context of the Kyoto Protocol and establishing stricter LULUCF rules;
- (h) [Removing fossil fuel subsidies and/or reporting thereof];
- (i) [Pursuing .green growth. domestically and enhancing investment in green sectors by developed country Parties;]
- (j) [Setting renewable targets for developed country Parties;]
- (k) Demonstrating that enhancing the level of ambition is economically feasible;
- (l) Development and implementation of low carbon development strategies;
- (m) [Supporting implementation of NAMAs by developing countries;]
- [(n) Addressing emissions of hydrofluorocarbons, and emissions from international aviation and maritime transport[, and asking related international organizations to implement this];]
- (o) Updating the technical papers.

#### **[Accounting framework]**

7. Many Parties highlighted the importance of a common accounting framework, the need to ensure comprehensive coverage of all sources and all sinks across all sectors addressing metrics, coverage and rules, and how such an accounting framework could relate to transparency and the understanding of [targets] commitments.

8. Other Parties emphasized that the accounting framework could depend on the national circumstances so long as there is a transparent and rigorous reporting framework. Overall, there was no convergence of views on the common accounting rules and framework.

#### **[Way forward]**

9. A number of views and proposals were made by Parties on how to take forward the discussions on matters relating to paragraphs 36-38 in the lead up to Durban. The list below is not an attempt to identify areas of convergence or divergence, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussions:

- (a) Establishing a process, in the form of organizing workshops and updating technical papers in a structured manner, to understand better the overall effects of mitigation commitments or actions by

developed country Parties [and national appropriate mitigation actions by developing country Parties;]

(b) Understanding the scale of the ambition gap, and identifying options to address it; this could be achieved through process/workprogramme including preparing technical papers by the secretariat and organizing workshops;

(c) Establishing a process to develop a common accounting rules and framework in Durban;

[(d) Creating a common space to discussion the level of ambition covering both developed and developing country Parties];

(e) Converting the summary by co-facilitators on paragraphs 36-38 of decision 1/CP.16 into decision text as soon as possible.

## **WORK OF THE AWG-LCA CONTACT GROUP**

### **Agenda item 3.2.2**

#### **Nationally appropriate mitigation actions by developing country Parties**

#### **Discussion on matters relating to paragraphs 48-51 of the Cancun agreements**

**version of 14 October 2011 @ 18:00**

*Co-facilitator.s summary*

#### **[General]**

1. Parties had a constructive discussion on matters relating to paragraphs 48 - 51 of the Cancun Agreements (decision 1/CP.16), including: the understanding of the aim of achieving deviation in emissions relative to .business as usual. emissions in 2020; whether and how to take forward the mitigation actions currently compiled in document FCCC/AWGLCA/2011/INF.1; formats and processes envisaged for Parties who may wish to voluntarily inform the Conference of the Parties of their intention to implement nationally appropriate mitigation actions (NAMAs); the future work required to understand the diversity of mitigation actions submitted, underlying assumptions and any support needed for their implementation; and how to advance the work in lead up to Durban and beyond.

#### **[Deviation in emissions relative to .business as usual. emissions in 2020]**

2. Some Parties considered that the aim of achieving a deviation in emissions relative to .business as usual. as called for in paragraph 48 of the Cancun Agreements, should be considered in a broader context encompassing all Parties addressing the need for global emissions reductions. Others [stated that their understanding was that the concept of] indicated that decision 1/CP 16 urges an increase of ambition regarding specifically developed country Parties [did not apply to developing country Parties, but rather], while what **decision 1/CP 16 underlines regarding** [applies to] developing countries is the understanding of diversity of nationally appropriate mitigation actions. Some parties emphasized the relevance and high ambition expressed in NAMAs already put forward by developing country Parties.

3. Some Parties reiterated that the invitation in paragraph 50 provides an opportunity to regularly update document UNFCCC/AWGLACA/2011/INF.1 and that Parties should be encouraged to submit new or updated information on mitigation actions. It was stated that this could be done annually or as frequently, as Parties submit information on new NAMAs and/or submit new information related to the actions already communicated. Other Parties stated that the invitation in paragraph 50 to developing country Parties to submit information on NAMAs is voluntary and as such the update of such information, **as determined by developing country Parties**, should happen in the registry, as defined in decision 1/CP 16..

4. Some Parties stated the need to ensure that future accounting rules/systems are applicable to both developed and developing countries, stating also that these accounting rules should be flexible to allow

countries to maximize on their mitigation efforts. Others recalled that insuring comparability through common accounting rules reflects specifically mitigation by developed country Parties.

5. Views and proposals made by Parties on enhanced action by developing countries, in the context of achieving a deviation in emissions below .business-as-usual., are listed below. The list below is not an attempt to identify areas of convergence or divergence, as there is no convergence on this matter, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussion:

- o Understand the current nationally appropriate mitigation action, their underlying assumptions, diversity and effects;
- o Understand the support needed for implementation and enhanced action;
- o Agree on a format to capture the necessary information;
- o Develop global options to raise collective ambition through enhanced cooperation;
- o Development and implementation of low carbon development strategies;
- o Supporting implementation of nationally appropriate mitigation actions by developing countries;
- o Developing a common accounting framework that can maximize global mitigation efforts;

**[Support needed for the implementation of NAMAs]**

6. Some Parties called for the strengthening of the concept of enablement (provision of finance, technology and capacity-building) provided for in paragraph 48 of the Cancun Agreements and mentioned that a decision on financing to support preparation and implementation of NAMAs is necessary, including support for institutional arrangements at the national level. Many Parties stated that it is necessary to step up support for enhanced action on mitigation by developing countries.

Some called for the set (Comment: the text has break in continuity here.) of implementation system for NAMAs.

7. Some Parties mentioned that paragraph 52 should be discussed jointly with the paragraphs 48 -51. For these Parties provision of support could potentially unlock the desire to increase ambition, even though the paragraphs 48 - 51 do not specifically talk about increase in ambition by developing countries. The significance of the registry as an instrument to facilitate increased level of mitigation actions was seen as important. Other parties also stated that developing countries are already contributing to global mitigation efforts and that developing countries will continue to implement mitigation actions in the context of their sustainable development and according to their national circumstances.

**[Understanding the diversity of mitigation actions]**

8. Many Parties welcomed the workshops organized by the secretariat to understand the diversity of mitigation actions submitted. Some, however, stated that the workshops are not enough and there is the need to go beyond that.

9. A number of Parties called for more comprehensive information on the mitigation actions of developing countries, with the aim of understanding the diversity of actions, the effects of the actions as well as information on and assumptions underlying mitigation actions. There were several proposals for increasing the understanding of the diversity of NAMAs of developing country Parties. [Some] Many (Comment: This was a view expressed by the G77) Parties stated that .diversity. is a characteristic of nationally appropriate mitigation actions by developing countries and is not a shortcoming or a problem to be solved.

10. The list below is not an attempt to identify areas of convergence or divergence, as there is no convergence on this issue, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted up to and during the discussions related to understanding diversity of mitigation actions:

- o Further submission of information from Parties on the mitigation actions referred to in document FCCC/AWGLCA/2011/INF.1 using a common format. The information called for included clarifications on which sectors and gases were included in the mitigation actions, as well as other elements of factual information;

- o The use of a common template for NAMAs which was submitted by one Party;

- o Enhanced reporting of information on NAMAs through national communications and biennial update reports, as well as the process of international consultation analysis (ICA) will also offer greater understanding of the diversity in NAMAs;

- o Holding technical workshops in 2012 to deepen the understanding of methodologies and assumptions underlying the NAMAs;

- o Request the Intergovernmental Panel on Climate Change (IPCC) to develop methodologies and guidelines to assess the effectiveness of mitigation actions.

11. Some Parties cautioned against the use of any form of standardized template as that could undermine the understanding of diversity in mitigation actions and national appropriateness.

## **China's submission on the Agenda item 3.2.1 of AWG-LCA 14**

This submission is prepared according to the invitation from AWG-LCA 14.3 in Panama City for comments on co-facilitator's summary of *Discussion on matters relating to paragraphs 36-38 of the Cancun Agreements*, non-paper by the facilitator of *Possible elements of draft guidelines for biennial reports of developed country Parties*, and non-paper by the facilitator of *Possible elements of modalities and procedures for international assessment and review*, which are updated by the co-facilitators on 14 October 2011.

### **PART A. Comments on co-facilitator's summary of Discussion on matters relating to paragraphs 36-38 of the Cancun Agreements**

**Paragraph 2.** Delete the bracketed part, and replace "others preferred to contain this consideration for the developed country Parties alone" by Cancun language, that is paragraph 37 "Developed country Parties" should "increase the ambition of their economy-wide emission reduction targets, with a view to reducing their aggregate anthropogenic emissions of carbon dioxide and other greenhouse gases not controlled by the Montreal Protocol to a level consistent with that recommended by the Fourth Assessment Report of the Intergovernmental Panel on Climate Change".

**Paragraph 3.** Bracket this part.

**Paragraph 4.** Add "according to previous discussion" between the highlighted "as there was no convergence of views by Parties" and "on this matter".

**Paragraph 5(b).** Delete "both" and "and developing country Parties".

**Paragraph 5(e).** Replace "quantified economy-wide emission reduction targets (QELROs)" by "quantified economy-wide emission reduction commitments".

**Paragraph 5(f).** Delete "only" [both developed and developing country Parties]".

**Add a new paragraph after paragraph 5 and ranked 6** (, and change the ranks afterwards):  
"Many parties required the comparability of efforts among Annex I Parties to be ensured by the process of international assessment and review, including the comparability of mitigation ambition, comparability of the legal form of mitigation commitments, comparability of accounting rules, comparability of compliance and consequences."

**Paragraph 6(g).** Delete this part.

**Paragraph 6(i).** Move the word "domestically" to the end of this part.

**Paragraph 6(m).** Delete this part.

**Paragraph 8.** Add "according to previous discussion" to the end.

**Paragraph 9(a).** Bracket "in the form of organizing workshops and updating technical papers in a structured manner," and delete "and national appropriate mitigation actions by developing country Parties".



**Paragraph 9(b).** Bracket “this could be achieved through process/workprogramme including preparing technical papers by the secretariat and organizing workshops;”

**Paragraph 9(d).** Delete “both” and “and developing country Parties”.

**Paragraph 9(e).** Bracket this part.

**PART B. Comments on non-paper by the facilitator of Possible elements of draft guidelines for biennial reports of developed country Parties**

**Paragraph 1(c).** Delete the repeated “of the ambition”.

**Paragraph 2.** Delete “[for five-year increments]”.

**Title II.** Add “and” between “inventory” and “trends”.

**Paragraph 5.** Add “latest” before “Intergovernmental Panel on Climate Change and the accounting rules”.

**Paragraph 7.** Delete “, as appropriate”.

**Paragraph 7(a).** Delete “limitation and” in the last line, and delete “, [if applicable]”.

**Paragraph 8.** Bracket “on the role” and “in achieving its emission reduction target”. Replace “internationally agreed accounting rules” by “accounting rules adopted by COP XX”. Replace “include the following:” in the last line by “be consistent or comparable to the accounting approach under the Kyoto Protocol”.

**Paragraph 8(a)(b)(c).** Delete these parts.

**Paragraph 9.** Bracket “in achieving its economy-wide emission reduction target”.

**Paragraph 11.** Restate the sectors from the fourth line as: “energy industries, energy use in manufacturing industries and construction, transport, other energy use, fugitive emissions from fuels, carbon dioxide transport and storage, industrial process, agriculture, forestry and other land use, waste and others”.

**Paragraph 17.** Bracket “towards achievement of its target” and “that contribute to or deduct from the achievement of the emission reduction target”.

**Paragraph 19(b).** Delete sub-items (i) and (ii), and add “accounted consistently or comparably to the approach under the Kyoto Protocol” to the end.

**Paragraph 19(d)(e)(f).** Bracket these parts.

**Paragraph 21.** Replace “national accounting methods for LULUCF” by “with the accounting methods for LULUCF adopted by the COP XX”.

**Paragraph 25(c).** Bracket “and their anticipated total effect or use of credits from market-based mechanisms or from LULUCF”.

**Paragraph 27.** Add “new and additional” before “financial” in the first line.

**Paragraph 30.** Add “for the transfer of technology” before “and for capacity-building in the areas of mitigation and adaptation”, and add “and for preparing national communication, biennial update report, national inventory” after that.

**Paragraph 30. Add sub-item (b)** after (a): “Through other channels, for which how the financial support is contributing to assist developing country Parties to mitigate GHG emissions, adapt to the adverse effects of climate change, for the transfer of technology, for capacity-building in the areas of mitigation and adaptation, and for preparing national communication, biennial update report, national inventory must be indicated”, and move sub-items (b)(c)(d)(e) to sub-sub-items (i)(ii)(iii) and (iv), and bracket sub-sub-items (iv) of private funds.

**Paragraph 32.** Delete “[developed by the Organisation for Economic Co-operation and Development’s Development Assistance Committee (DAC)]. Parties should use the DAC codes for categorizing support by specific sectors.]”.

**Paragraph 36.** Delete “investment in mitigation activities under international market-based mechanisms.] [Information should be included on”, and bracket “the UNFCCC and”.

**Paragraph 37.** Replace “environmentally-sound” by “climate-friendly”, and delete “[Such measures could include participation in multilateral technology initiatives, such as the Renewable Energy [and Energy Efficiency Partnership] or the Asian-Pacific Partnership on Clean Development and Climate]”.

**Paragraph 40(b).** Bracket “South-South”.

#### **PART C. Comments on non-paper by the facilitator of Possible elements of modalities and procedures for international assessment and review**

**Paragraph 4 in the chapeau.** Delete “[or will be determined by the Party’s share of global greenhouse gas (GHG) emissions.]”.

**Paragraph 1(a).** Delete “[non-intrusive][non-confrontational],”, and replace “economy-wide emission reduction targets” by “economy-wide emission reduction commitments”.

**Paragraph 1(d).** Delete this part.

**Paragraph 1(e) and 1(g).** Replace “economy-wide emission reduction targets” by “economy-wide emission reduction commitments”.

**Paragraph 1(j).** Bracket “and eligibility criteria to participate in market-based mechanisms”.

**Paragraph 1(k).** Delete this part.

**Paragraph 2(g).** Delete this part.

**Paragraph 3(a).** Delete this part.

**Paragraph 3(b).** Replace “economy-wide emission reduction targets” by “economy-wide emission reduction commitments”.

**Paragraph 3(c).** Replace “facilitate the [consideration of ][review]” by “ensure the”.

**Paragraph 3(d).** Replace “encourage” by “request”.

**Paragraph 3(e).** Add 3(e) after 3(d): “To address compliance by Annex I Parties.”

**Paragraph 4(c).** Replace “economy-wide emission reduction targets” by “economy-wide emission reduction commitments”.

**Paragraph 5.** Add “under UNFCCC” after “existing review process”.

**Paragraph 5(b) and 5(c).** Replace “economy-wide emission reduction targets” by “economy-wide emission reduction commitments”.

**Paragraph 6(b) and 6(f).** Delete these parts.

**Paragraph 7(b)(iii).** Bracket “towards the emission reduction target”, delete Option II, and add **7bis**: “The expert assessment should identify the consistency, completeness, and accuracy of greenhouse gases inventory of the concerned Party, annual progress of the mitigation targets as well as the overall progress, sectoral emission reduction effects, the contribution to achieve mitigation commitment by its domestic actions, good practice and shortfall on mitigation actions, potential problem in fulfilling its commitment and relative solution suggestion, the audit result of supports to developing countries.”

**Paragraph 8.** Delete Option 1 to 4.

**Paragraph 12(b) and 12(c).** Delete these parts.

**Add new 12(a),** and re-rank 12(a) as 12(b): “SBI review. During the first session of SBI each year, SBI will conduct a review towards each Annex I Party on the progress and potential problems on fulfilling its commitment, the comparability of efforts, and result in a draft assessment report. The SBI draft review report will be published on UNFCCC website.”

**Re-arrange the re-ranked 12(b)** as: “Intersessional written communication. Annex I Party should assess the problems indicated by SBI in the draft review report, and make the response through the Secretariat by written report. The response report will be published on UNFCCC website as soon as the Secretariat receives it. Meanwhile, the Secretariat will receive written comments from other Parties on these SBI draft review report, and these written comments will also be published on UNFCCC website.”

**Re-arrange the 12(e) and re-ranked as 12(c):** “Among Parties review. During the end-of-year session of SBI each year, Annex I Parties will go to an among Parties review. The among Parties review will take place by verbal question and response manner. The review aims at improving the full implementation of the Convention by Annex I Parties, clarifying confusion through the mitigation progress.”

**Add new 12(d):** “SBI conclusion. During the end-of-year session of SBI each year, SBI will make conclusion for Annex I Parties, considering the draft review report, response report, and comments from other Parties. The conclusion will indicate the progress by each Annex I Party, including the existing and potential problems, and a progress rank of each, and the overall progress by Annex I Parties.

**Add new 12(e):** “Consequences. SBI will further consider the consequences for those Annex I Parties that face existing and potential problems for their achievement towards the commitments, including request those Annex I Parties to make solution to the problems and take the consequences under compliance mechanism to be established.”

**Title E:** Delete this part.

## **China's submission on the Agenda item 3.2.2 of AWG-LCA 14**

This submission is prepared as input to co-facilitator's non-paper on "possible elements of draft guidelines for biennial update reports from Parties not included in Annex I to the Convention", "Possible elements of modalities and procedures for international consultation and analysis" and "registry", co-facilitators' summary of discussion on matters relating to paragraphs 48-51 of the Cancun Agreements, which updated by the co-facilitators on 14 October 2011 on the website of UNFCCC.

### **Comments on Non-paper by the co-facilitator on possible elements of draft guidelines for biennial update reports from Parties not included in Annex 1 to the Convention**

#### **General Comments:**

In order to avoid duplicate reporting guidelines between Non-Annex I national communication and biennial update report as part of national communication, It is suggested to refer back to relevant paragraphs in 17/CP.8 to avoid inconsistency and confusion. It is also suggested to delete "objective" section, as the objective of national communication has been agreed in 17/CP.8. As part of national communication, there is no need to develop additional objectives for biennial update reports.

#### **Specific Comments:**

#### **Add the following paragraph as alternative to Para 1-4**

Parties not included in Annex I to the Convention, consistent with their capacities, data availabilities and the level of support received for reporting, should submit biennial update reports containing updated information of national greenhouse gas inventories, information on mitigation actions, finance technological and capacity-building needs and support received.

#### **Add the following paragraph under subtitle of "II National greenhouse gas inventory" as an alternative option to Para 5-23 and bracket Para 5-23**

Parties not included in Annex I to the Convention should submit updates of national greenhouse gas inventories according to paragraphs 8-24 in the guidelines for the preparation of national communication from Parties not included in Annex I to the Convention as contained in the annex to decision 17/CP.8. The scope of updates on national greenhouse gas inventories should be consistent with capacities, data availabilities and the level of support provided by developed countries parties for biennial update reporting.

#### **Add the following paragraph under subtitle of "III Mitigation Actions" as an alternative option to current option 1 and option 2, delete "Mitigation Actions" the subtitle and replace by "Measures to mitigate climate change"**

Parties not included in Annex I to the Convention should submit update information on measures to mitigate climate change according to paragraphs 40 in the guidelines for the preparation of national communication from Parties not included in Annex I to the Convention as contained in the annex to

decision 17/CP.8. The scope of updates on measures to mitigate climate change should be consistent with capacities, data availabilities and the level of support provided by developed countries parties for biennial update reporting.

**Add the following paragraph under subtitle of “IV Finance, technology and capacity-building needs and support” as an alternative option to current Para 26-28**

Parties not included in Annex I to the Convention should submit update information on finance, technology and capacity-building needs and support according to paragraphs 49, 52 and 54 in the guidelines for the preparation of national communication from Parties not included in Annex I to the Convention as contained in the annex to decision 17/CP.8. The scope of updates on finance, technology and capacity-building needs and support should be consistent with capacities, data availabilities and the level of support provided by developed countries parties for biennial update reporting.

**Add the following paragraph under the subtitle of “Submission”**

Parties not included in Annex I to the Convention should submit biennial update reports two years after submission of national communications. Parties not included in Annex I to the Convention should initiate the process for preparing biennial update report when funding on agreed full cost basis has been received. Least Developed Countries (LDCs) and Small Island Developing States (SIDS) may submit biennial update reports at their discretion.

**Comments on Non-paper by the co-facilitator on possible elements of modalities and procedures for international consultation and analysis**

The following elements should be integrated in option 2 in page 5.

**Input:**

The input for international consultation and analysis are biennial update reports submitted by Parties not included in Annex I to the Convention

**Process:**

- 1, SBI will appoint a team of technical experts to conduct international consultation and analysis with Parties concerned. The selection of technical experts will reflect regional balance.
- 2, The experts will consult with Parties concerned with the objective of improving the process of preparation of biennial update reports from non-Annex I Parties by providing technical advice and support to non-Annex I Parties.
- 3, The experts will conduct centralized technical analysis on biennial update report submitted by Parties not included in Annex I to the Convention.

4, The experts will prepare a technical summary report to SBI based on consultation and analysis.

Output:

The output of ICA will be the summary report prepared by technical experts authorized by SBI. The report will be noted by SBI.

**Japan's submission on mitigation  
(Agenda item 3.2.1 and 3.2.2)**

**I. Overarching comments on mitigation**

Japan reiterates its willingness to share with all countries the goal of achieving at least 50% reduction of global emissions by 2050, recognizing the 2 degrees global goal as confirmed in the Cancun Agreements.

To achieve these goals, it is necessary to expeditiously adopt a new comprehensive legally-binding document which establishes a fair and effective international framework with participation of all major economies.

Although it seems difficult to promptly realize this ultimate objective, it is important to make a significant progress at Durban to this end, through defining clear steps.

In concrete, following elements are particularly important to be decided at Durban, in relation to mitigation;

➤ **Operationalization of the Cancun Agreements as a basis for post-2012 climate regime and a comprehensive framework**

A robust MRV system and newly established mechanisms such as the Green Climate Fund, the Adaptation Framework, the Technology Mechanism and new market mechanisms need to be operationalized in a balanced manner, as these mechanisms will serve as a basis for post-2012 climate regime and for a comprehensive framework.

➤ **Mitigation efforts**

It is important for all major emitters to steadily implement their pledges without waiting for the establishment of a comprehensive framework.

Launching a process to clarify and update mitigation targets/actions of all major emitters anchored under the Cancun Agreements by using a common template would be a useful and practical step forward.

➤ **Enhanced MRV**

In order to ensure transparency of mitigation efforts of all major emitters, the establishment of a robust MRV system is indispensable. Parties should decide the guidelines of the biennial (update) reports and on modalities and procedures of IAR/ICA at COP17, based on which Parties submit the 1<sup>st</sup> biennial (update) reports in 2013.

➤ **Rule-based mechanism**

Discussion on rule-based mechanism in a post-2012 climate regime and in a comprehensive framework should be initiated under the AWG-LCA. In addition to above-mentioned newly establishing mechanisms and robust MRV system, utilizing some elements of the Kyoto Protocol with necessary improvements should be taken into account.

Regarding the issue of accounting rules including market mechanisms, Japan believes accounting rules in post-2012 climate regime and in a comprehensive framework should be applicable to both developed and developing countries and designed to ensure environmental integrity and transparency, as well as flexibility to accommodate each country's circumstances and to maximize mitigation efforts.

➤ **Toward comprehensive framework**

Discussion to adopt a new comprehensive legally-binding document should be initiated as soon as possible. With inputs from the biennial (update) reports and IAR/ICA, the Fifth Assessment Report of the IPCC, lessons learned from the 1<sup>st</sup> commitment period of the Kyoto Protocol and all other available information, the 2013-2015 review process should be conducted so as to make valuable inputs to the discussion.

➤ **Other key drivers for achieving global mitigation**

Parties should recognize the importance of technology innovation. Parties should also make progress in transfer and promotion of low carbon technology and establishment and effective use of new market mechanisms. Parties should decide to continue support for developing countries beyond 2012, especially for vulnerable countries such as LDCs, Africa, and SIDS.

## **II. Comments on non-papers:**

Please refer to attachments for comments on non-papers by the co-facilitators:

- Attachment 1: Matters relating to paragraphs 36-38 of the Cancun Agreements (Agenda item 3.2.1)
- Attachment 2: Matters relating to paragraphs 48-51 of the Cancun Agreements (Agenda item 3.2.2)
- Attachment 3: Guidelines for the biennial reports of developed country Parties (Agenda item 3.2.1)
- Attachment 4: Modalities and procedures for international assessment and review (Agenda item 3.2.1)
- Attachment 5: Guidelines for the biennial update reports from Parties not included in Annex I to the Convention (Agenda item 3.2.2)
- Attachment 6: Modalities and procedures for international consultation and analysis (Agenda item 3.2.2)
- Attachment 7: Elements of draft decision to be included in the Registry (Agenda item 3.2.2)



**WORK OF THE AWG-LCA CONTACT GROUP****Agenda item 3.2.1****Nationally appropriate mitigation commitments or actions by developed country Parties****Discussion on matters relating to paragraphs 36.38 of the Cancun Agreements****version of 14 October 2011 @ 6PM***Co-facilitator.s summary***[General]**

1. Parties had a constructive discussion on the matters relating to paragraphs 36-38 of the Cancun Agreements<sup>2</sup>, including the quantified economy-wide emission reduction targets put forward by developed country Parties which are currently compiled in document FCCC/SB/2011/INF.1/Rev.1, and also the level of ambition of efforts by developed country Parties.

2. Many Parties recognize the existence of an “ambition gap” and reiterated the importance of the level of ambition of efforts. Views on the context of consideration of this issue differed among Parties. [Some Parties preferred to frame the consideration of this issue in a broader context and on the basis of the best available scientific knowledge as referred to in paragraph 4 of decision 1/CP.16, encompassing all Parties with a significant share of emissions, whereas] others preferred to contain this consideration for the developed country Parties alone. Some Parties noted that the overall level of ambition and accounting is central to any outcome in Durban.

3. A few Parties noted that the discussion on the level of ambition is linked to the discussion on the review process which is being considered separately under the AWGLCA.

**[Quantified economy-wide emission reduction targets]**

4. Many Parties welcomed the workshops organized by the secretariat to clarify the assumptions and the conditions related to the attainment of quantified economy-wide emission reduction targets of developed country Parties. Parties also welcomed the reports by the Co-Chairs of the workshops.

5. There were a number of proposals on how to take forward the quantified economy-wide emission reduction targets currently referred to in document FCCC/SB/2011/INF.1/Rev.1. The list below is not an attempt to identify areas of convergence or divergence as there was no convergence of views by Parties on this matter, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussions:

- (a) Understanding better the targets already put forward, including nonconditional domestic targets by developed country Parties; this could be accomplished by establishing a process which could include a call for submission of information, including on accounting, in a structured format that could feed into updating the technical paper on developed country targets;<sup>3</sup>
- (b) [Understanding the aggregate effects of actions of both developed country Parties and developing country Parties;]
- (c) Establishing a process to update document FCCC/SB/2011/INF.1/Rev.1;
- (d) Establishing a common template based approach for recording the pledges and assumptions as well as accounting elements.

---

<sup>2</sup> FCCC/CP/2010/7/Add.1.

<sup>3</sup> FCCC/TP/2011/1.

- (e) [Transforming, for developed country Parties [that are Parties to the Kyoto Protocol,] the pledges into quantified economy-wide emission reduction targets (QELROs) for the second commitment under the Kyoto Protocol; and establishing a strong comparability framework and compliance system for those mitigation commitments presented outside of the Kyoto Protocol;]
- (f) Transforming pledges into assigned amount/carbon budget under the Convention for [developed country Parties only][both developed and developing country Parties];
- (g) Setting “non-conditional domestic targets”

#### **[Level of ambition]**

6. Views and proposals made by Parties on how to increase the level of ambition are listed below. The list below is not an attempt to identify areas of convergence or divergence, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussion:

- (a) Enhancing domestic efforts by developed country Parties;
- (b) Removing conditionalities around the pledges and moving to the upper range of the pledges;
- (c) Establishing a common accounting framework;
- (d) Establishing a compliance and international assessment and review (IAR) process;
- (e) Developing a framework and criteria for the formulation of low emissions development strategy;
- (f) [Further developing the global [carbon] market but ensuring the environmental integrity];
- (g) Addressing the surplus AAUs in the context of the Kyoto Protocol and establishing stricter LULUCF rules;
- (h) [Removing fossil fuel subsidies and/or reporting thereof];
- (i) [Pursuing “green growth” domestically and enhancing investment in green sectors by developed country Parties;]
- (j) [Setting renewable targets for developed country Parties;]
- (k) Demonstrating that enhancing the level of ambition is economically feasible;
- (l) Development and implementation of low carbon development strategies;
- (m) [Supporting implementation of NAMAs by developing countries;]
- (n) Addressing emissions of hydrofluorocarbons, and emissions from international aviation and maritime transport[, and asking related international organizations to implement this];
- (o) Updating the technical papers;
- (p) Establishing fair and effective legally binding framework in which all major emitters including major developing country Parties participate.

#### **[Accounting framework]**

7. Many Parties highlighted the importance of a common accounting framework, the need to ensure comprehensive coverage of all sources and all sinks across all sectors addressing metrics, coverage and rules, and how such an accounting framework could relate to transparency and the understanding of targets.

8. Other Parties emphasized that the accounting framework could depend on the national circumstances so long as there is a transparent and rigorous reporting framework. Some Parties pointed that accounting framework has to be applicable to all major emitters, including both developed and developing country Parties. Overall, there was no convergence of views on the common accounting rules and framework.

**[Way forward]**

9. A number of views and proposals were made by Parties on how to take forward the discussions on matters relating to paragraphs 36-38 in the lead up to Durban. The list below is not an attempt to identify areas of convergence or divergence, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussions:

(a) Establishing a process, in the form of organizing workshops and updating technical papers in a structured manner, to understand better the overall effects of mitigation commitments or actions by developed country Parties and national appropriate mitigation actions by developing country Parties;

(b) Understanding the scale of the “ambition gap” and identifying options to address it; this could be achieved through process/workprogramme including preparing technical papers by the secretariat and organizing workshops;

(c) Establishing a process to develop a common accounting rules and framework applicable for all major emitters including major developing country Parties in Durban;

(d) Creating a common space to discussion the level of ambition covering both developed and developing country Parties;

(e) Converting the summary by co-facilitators on paragraphs 36-38 of decision 1/CP.16 into decision text as soon as possible.

## **WORK OF THE AWG-LCA CONTACT GROUP**

### **Agenda item 3.2.2**

#### **Nationally appropriate mitigation actions by developing country Parties**

#### **Discussion on matters relating to paragraphs 48-51 of the Cancun agreements**

**version of 14 October 2011 @ 18:00**

#### *Co-facilitator.s summary*

##### **[General]**

1. Parties had a constructive discussion on matters relating to paragraphs 48 - 51 of the Cancun Agreements (decision 1/CP.16), including: the understanding of the aim of achieving deviation in emissions relative to .business as usual. emissions in 2020; how to clarify and take forward the mitigation actions currently compiled in document FCCC/AWGLCA/2011/INF.1; common [templates][formats] and processes envisaged for Parties who may wish to voluntarily inform the Conference of the Parties of their intention to implement nationally appropriate mitigation actions (NAMAs); the future work required to understand the diversity of mitigation actions submitted, underlying assumptions and any support needed for their implementation; and how to advance the work in lead up to Durban and beyond.

##### **[Deviation in emissions relative to .business as usual. emissions in 2020]**

2. Some Parties considered that the aim of achieving a deviation in emissions relative to .business as usual. as called for in paragraph 48 of the Cancun Agreements, should be considered in a broader context encompassing all Parties addressing the need for global emissions reductions. Others stated that their understanding was that the concept of ambition did not apply to developing country Parties, but rather what applies to developing countries is the understanding of diversity of mitigation actions.

3. Some Parties reiterated that the invitation in paragraph 50 provides an opportunity to regularly update document UNFCCC/AWGLCA/2011/INF.1 and that Parties should be encouraged to submit new or updated information on mitigation actions using a common template which is also used to clarify their actions currently compiled in UNFCCC/AWGLCA/2011/INF.1 and comparable to a template to be used for explaining developed countries Parties' targets and actions. It was stated that this could be done annually or as frequently, as Parties submit information on new NAMAs and/or submit new information related to the actions already communicated. Other Parties stated that the invitation in paragraph 50 to developing country Parties to submit information on NAMAs is voluntary and as such the update of such information should happen in the registry.

4. Some Parties stated the need to ensure that future accounting rules/systems are applicable to both developed and developing countries, stating also that these accounting rules should be flexible to allow countries to maximize on their mitigation efforts.

5. Views and proposals made by Parties on enhanced action by developing countries, in the context of achieving a deviation in emissions below .business-as-usual., are listed below. The list below is not an attempt to identify areas of convergence or divergence, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussion:

- o Understand the current nationally appropriate mitigation action, their underlying assumptions, diversity and effects;
- o Understand the support needed for implementation and enhanced action;
- o Agree on a common [template][format] as mentioned in paragraph 3 above to capture the necessary information;
- o Develop global options to raise collective ambition through enhanced cooperation;
- o Development and implementation of low carbon development strategies;
- o Supporting implementation of nationally appropriate mitigation actions by developing countries;
- o Developing a common accounting framework that can maximize global mitigation efforts;
- o Enhanced reporting of information on NAMAs through national communications and biennial update reports, as well as the process of international consultation analysis (ICA) ;
- o Addressing emissions of hydrofluorocarbons, and emissions from international aviation and maritime transport, and asking related international organizations to implement this;
- o Establishing a fair and effective legally binding framework in which all major emitters including major developing country Parties participate.

#### **[Support needed for the implementation of NAMAs]**

6. Some Parties called for the strengthening of the concept of enablement (provision of finance, technology and capacity-building) provided for in paragraph 48 of the Cancun Agreements and mentioned that a decision on financing to support preparation and implementation of NAMAs is necessary, including support for institutional arrangements at the national level. Many Parties stated that it is necessary to step up support for enhanced action on mitigation by developing countries. Some called for the set of implementation system for NAMAs.

7. Some Parties mentioned that paragraph 52 should be discussed jointly with the paragraphs 48 - 51. For these Parties provision of support could potentially unlock the desire to increase ambition, even though the paragraphs 48 - 51 do not specifically talk about increase in ambition by developing countries. The significance of the registry as an instrument to facilitate increased level of mitigation actions was seen as important. Other parties also stated that developing countries are already contributing to global mitigation efforts and that developing countries will continue to implement mitigation actions in the context of their sustainable development and according to their national circumstances.

#### **[Understanding the diversity of mitigation actions]**

8. Many Parties welcomed the workshops organized by the secretariat to understand the diversity of mitigation actions submitted. Some, however, stated that the workshops are not enough and there is the need to go beyond that.

9. A number of Parties called for more comprehensive information on the mitigation actions of developing countries using a common [template][format] as mentioned in paragraph 3 above, with the aim of understanding the diversity of actions, the effects of the actions as well as information on and assumptions underlying mitigation actions. There were several proposals for increasing the understanding of the diversity of NAMAs of developing country Parties. Some Parties stated that .diversity. is a characteristic of nationally appropriate mitigation actions by developing countries and is not a shortcoming or a problem to be solved.

10. The list below is not an attempt to identify areas of convergence or divergence nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted up to and during the discussions related to understanding diversity of mitigation actions:
- o Further submission of information from Parties on the mitigation actions referred to in document FCCC/AWGLCA/2011/INF.1 using a common [\[template\]](#) format [as mentioned in paragraph 3 above](#). The information called for included clarifications on which sectors and gases were included in the mitigation actions, as well as other elements of factual information;
  - o The use of a common template for NAMAs which was submitted by one Party;
  - o Enhanced reporting of information on NAMAs through national communications and biennial update reports, as well as the process of international consultation analysis (ICA) will also offer greater understanding of the diversity in NAMAs;
  - o Holding technical workshops in 2012 to deepen the understanding of methodologies and assumptions underlying the NAMAs;
  - o Request the Intergovernmental Panel on Climate Change (IPCC) to develop methodologies and guidelines to assess the effectiveness of mitigation actions.
11. Some Parties cautioned against the use of any form of standardized template as that could undermine the understanding of diversity in mitigation actions and national appropriateness.

## WORK OF THE AWG-LCA CONTACT GROUP

### Agenda item 3.2.1

#### Nationally appropriate mitigation commitments or actions by developed country Parties

#### Discussion on matters relating to paragraphs 36-38 of the Cancún Agreements

version of 14 October 2011 @ 6PM

*Co-facilitator's summary*

EU COMMENTS: ADDITIONS, DELETIONS, STRUCTURAL CHANGES;

PROPOSED DRAFT DECISION TEXT IS **HIGHLIGHTED**.

#### [General]

1. Parties had a constructive discussion on the matters relating to paragraphs 36-38 of the Cancun Agreements<sup>4</sup>, including the quantified economy-wide emission reduction targets put forward by developed country Parties which are currently compiled in document FCCC/SB/2011/INF.1/Rev.1, and also the level of ambition of efforts by developed country Parties.

*(EU comment: paragraphs 2 and 3 could be in a separate section under a header "Ambition gap").*

2. Many Parties recognize the existence of an "ambition gap" and reiterated the importance of the level of ambition of efforts. Views on the context of consideration of this issue differed among Parties. [Some Parties preferred to frame the consideration of this issue in a broader context and on the basis of the best available scientific knowledge as referred to in paragraph 4 of decision 1/CP.16, encompassing all Parties with a significant share of emissions, whereas] others preferred to contain this consideration for the developed country Parties alone. Some Parties noted that the overall level of ambition and accounting is central to any outcome in Durban.

#### **PROPOSED DRAFT DECISION TEXT ON THE RECOGNITION OF THE "AMBITION GAP"**

1. *Recalls* decision 1/CP.16 that deep cuts in global GHG emissions are required according to science with a view to reducing global average temperature below 2°C above pre industrial levels;

---

<sup>4</sup> FCCC/CP/2010/7/Add.1.

2. *Takes* note of the proposals for mitigation commitments and actions currently put forward by Parties and *calls* on Parties to take steps without delay towards the implementation of mitigation policies, with a view to progress towards achieving the 2°C objective;

3. *Acknowledges* that these proposals do not add up to the necessary level of ambition to achieve the objective established in the Cancún Agreements (decision 1/CP.16) to hold the increase in global average temperature below 2°C compared to pre-industrial levels, and that a significant gap of [X Gt / X% – note: cf. updated UNEP report on the mitigation gap] remains to be bridged between the mitigation commitments and actions put forward by Parties to 2020 and this objective;

4. *Urges* Parties to consider the adequacy of their proposals in light of the overall global efforts required for cost-effective global emissions pathway that is consistent with the 2°C objective;

3. A few Parties noted that the discussion on the level of ambition is linked to the discussion on the review process which is being considered separately under the AWGLCA.

#### **[Quantified economy-wide emission reduction targets]**

4. Many Parties welcomed the workshops organized by the secretariat to clarify the assumptions and the conditions related to the attainment of quantified economy-wide emission reduction targets of developed country Parties. Parties also welcomed the reports by the Co-Chairs of the workshops.

5. There were a number of proposals on how to take forward the quantified economy-wide emission reduction targets currently referred to in document FCCC/SB/2011/INF.1/Rev.1. The list below is not an attempt to identify areas of convergence or divergence as there was no convergence of views by Parties on this matter, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussions:

(a) Understanding better the targets already put forward, including non-conditional domestic targets by developed country Parties; this could be accomplished by establishing a process which could include a call for submission of information, including on accounting, in a structured format that could feed into updating the technical paper on developed country targets<sup>5</sup>;

(b) ~~Understanding the aggregate effects of actions of both developed country Parties and developing country Parties;~~

(c) Establishing a process to update document FCCC/SB/2011/INF.1/Rev.1;

(d) Establishing a common template based approach for recording the pledges and assumptions as well as accounting elements.

---

<sup>5</sup> FCCC/TP/2011/1.



- (e) [Transforming, for developed country Parties [that are Parties to the Kyoto Protocol,] the pledges into quantified economy-wide emission reduction targets (QELROs) for the second commitment under the Kyoto Protocol; and establishing a strong comparability framework and compliance system for those mitigation commitments presented outside of the Kyoto Protocol;]
- (f) Transforming pledges into assigned amount/carbon budget under the Convention for [developed country Parties only][both developed and developing country Parties];
- (g) Setting non-conditional domestic targets.

**PROPOSED DRAFT DECISION TEXT ON "PROCESS TO CONTINUE WORK ON DEVELOPED COUNTRIES' QUANTIFIED ECONOMY-WIDE EMISSION REDUCTION TARGETS":**

1. *Recognizing* that developed countries should continue to take the lead in combating climate change, by committing to ambitious legally-binding quantified emission reduction commitments. They should commit to collectively reducing their emissions of GHGs in the order of 30% by 2020 compared to 1990 levels. In accordance with the findings of the IPCC AR4, to reduce emissions in line with the globally agreed objective to keep temperature increase below 2°C, developed countries as a group should reduce their GHG emissions by 25-40 per cent below 1990 levels by 2020;
2. *Calls* on developed country Parties to consider the adequacy of their individual proposals in light of the overall global efforts required for a cost-effective global emissions pathway that is consistent with the 2°C objective, and to submit strengthened proposals by [XX/XX/2012].
3. *Requests* the Secretariat to prepare a revised FCCC/SB/2011/INF.1 document, structuring it in table format so as to reflect up-to-date information on developed country Parties' quantified economy-wide emission reduction targets, including their emissions trajectory, base year, coverage of gases, coverage of sectors, metrics, Global Warming Potential values; credits and debits in the LULUCF sector, use of market-based mechanisms, and rules for banking, building also on document FCCC/TP/2011/1.
4. *Requests* the secretariat to organize further in-session workshops in the context of the work programme above, and to prepare structured written reports, with the objective to pursue further dialogue to clarify assumptions and conditions related to individual targets, with a view to further inform the negotiation process on developed country Parties' quantified economy-wide emission reduction targets;
5. *Further decides* that these workshops will be made more specific and streamlined, focusing on detailed questions to be circulated in advance of each workshop, especially to collect missing information in relation to the points outlined in paragraph 3 above;
6. *Decides* that these workshops shall include the participation of Parties, observers and international organizations

7. *Agrees* that, based on the further submissions and exchanges in workshops, the abovementioned INF document will be updated on an annual basis and serve *inter alia* as an input to the 2013-2015 review.

**[Level of ambition]**

6. Views and proposals made by Parties on how to increase the level of ambition are listed below. Some Parties are of the view that Parties should agree, in Durban, on the identification of such a list of options, and initiate a process to examine these options with a view to a decision by COP18. The list below is not an attempt to identify areas of convergence or divergence, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussion:

- (a) Enhancing domestic efforts by developed country Parties;
- (b) Removing conditionalities around the pledges and moving to the upper range of the pledges;
- (c) Establishing a common accounting framework;
- (d) Establishing a compliance and international assessment and review (IAR) process;
- (e) Developing a framework and criteria for the formulation of low emissions development strategy;
- (f) [Further developing the global [carbon] market but ensuring the environmental integrity];
- (g) Addressing the surplus AAUs in the context of the Kyoto Protocol and establishing stricter LULUCF rules;
- (h) [Removing fossil fuel subsidies and/or reporting thereof];
- (i) [Pursuing green growth, domestically and enhancing investment in green sectors by developed country Parties;]
- (j) [Setting renewable targets for developed country Parties;]
- (k) Demonstrating that enhancing the level of ambition is economically feasible;
- (l) Development and implementation of low carbon development strategies;
- (m) [Supporting implementation of NAMAs by developing countries;]
- (n) Addressing emissions of hydrofluorocarbons[, and asking related international organizations to implement this];
- (n-bis) Addressing emissions from international aviation and maritime transport[, and asking related international organizations to implement this];
- (o) Updating the technical papers;
- (p) Encouraging over-performing on or stepping up of the current mitigation proposals in each country;
- (q) Encouraging those countries that have not yet done so to formulate pledges;

(r) Increasing mutual trust to achieve a collaborative step-up of the level of ambition in all countries.

**PROPOSED DRAFT DECISION TEXT ON "PROCESS TO INCREASE THE LEVEL OF AMBITION":**

*(NOTE: this text also covers the way forward mentioned under paragraph 9(b) below)*

8. *Recognizes* the need to increase the overall level of ambition in order to close the "ambition gap";

9. *Decides* to establish a process to discuss how to bridge the "ambition gap" and prepare a decision for COP18 on solutions to that end, based, inter alia, on the options outlined below and *notes* that Parties should, in the process, strive to reach a shared understanding of the mitigation potential of these options, individually and collectively:

a. Encouraging over-performing on or stepping up of the current mitigation proposals in each country;

b. Encouraging those countries that have not yet done so to formulate pledges;

c. Increasing mutual trust to achieve a collaborative step-up of the level of ambition in all countries;

d. Enhancing and broadening the global carbon market;

e. Providing appropriate support for nationally appropriate mitigation actions;

f. Addressing emissions from international aviation and maritime transport;

g. Addressing emissions from hydrofluorocarbons;

h. [other options]

10. *Requests* Parties and observer organizations to submit their views on options to increase the level of ambition, including on the issues above, before [XX/XX/2012],

11. *Decides* that the abovementioned process will be assisted by workshops with expert input, and technical papers to be compiled by the Secretariat focusing on, inter alia:

a. current information on the scale of the emissions gap;

b. various options to increase the level of ambition, including based on the abovementioned submissions, and emission reduction potentials associated with these options, including an update to the technical papers on mitigation potentials (FCCC/TP/2008/10) and on analysis of possible means (FCCC/TP/2008/2);

c. international cooperation as well as support to developing countries to incentivize the implementation of additional mitigation actions.

**[Accounting framework]**

7. Many Parties highlighted the importance of a common accounting framework, the need for this common accounting framework to be robust, rigorous and transparent, the need to ensure comprehensive coverage of all sources and all sinks across all sectors addressing metrics, coverage and rules, and how such an accounting framework is a prerequisite for transparency and the understanding of targets; addressing comparability; assessing the performance of Parties in meeting their targets; keeping track of the aggregate performance towards meeting the objective of staying below 2°C; and underpinning a robust carbon market. Some Parties are of the view that the Kyoto Protocol accounting framework is a reference in this context, although it needs further improvement.

8. Other Parties emphasized that the accounting framework could depend on the national circumstances so long as there is a transparent and rigorous reporting framework. Some Parties are of the view that ex-ante transparency on accounting rules is indispensable to ensure predictability and integrity. Overall, there was no convergence of views on the common accounting rules and framework.

**PROPOSED DRAFT DECISION TEXT ON "ACCOUNTING FRAMEWORK":**

*(NOTE: this text also covers the way forward mentioned under paragraph 9(c) below)*

1. Decides to establish a rigorous, robust and transparent international accounting system for GHG emissions and emission reduction efforts, based on common rules, methodologies and tools, in order to ensure comparability of mitigation efforts, and to enable to keep track of overall progress in a coherent manner;
2. Agrees that Parties should seek to build closely on the multilaterally agreed rules, methodologies and tools currently in place;
3. Decides that common rules, methodologies and tools need to be defined, building on the Kyoto Protocol accounting system, inter alia on the following elements:
  - a. Metrics and coverage:
    - i. The target being accounted for, noting that a single figure by 2020 will need to be identified for developed countries;
    - ii. The emission reduction trajectory towards the 2020 emission reduction target, with the identification of annual targets reflecting annual emission reductions expected over the period of accounting;
    - iii. The definition of a base year, with 1990 as the reference;
    - iv. The gases covered, with the Kyoto basket of gases as the reference;
    - v. The sectors covered, building on the sectors identified in the Kyoto Protocol and 2006 IPCC guidelines;
    - vi. The metric of accounting, using tonnes of CO<sub>2</sub>eq
    - vii. The Global Warming Potential, using the IPCC Fourth Assessment Report values;
    - viii. The inventory methodologies, using the IPCC 2006 guidelines;

- b. Rules for allowable additions and subtractions of other accountable elements:
- i. Rules for the accounting of emissions and removals from Land Use, Land Use Change and Forestry;
- ii. Rules for market-based mechanisms, defining credits resulting from such mechanisms and how they can be accounted towards a Party's performance;
- iii. Rules for banking;
- c. Instruments and tools
- i. Units materialising the allowance to emit GHGs;
- ii. International tracking system for cross-border movements of units;
- iii. National registries to track the use and trade of units for each Party;
- 4. Requests the [subsidiary body] to develop modalities and rules for the abovementioned international accounting system and to propose a decision to the Conference of Parties for adoption at its eighteenth session;
- 5. Notes that the modalities for measuring, reporting and verification, including those relating to national communications and biennial reports from Annex I and Non-Annex I countries, International Assessment and Review and International Consultation and Analysis should take into account the agreed abovementioned accounting system.

#### **[Way forward]**

9. A number of views and proposals were made by Parties on how to take forward the discussions on matters relating to paragraphs 36-38 in the lead up to Durban. The list below is not an attempt to identify areas of convergence or divergence, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussions:

- (a) Establishing a process, in the form of organizing workshops and updating technical papers in a structured manner, to understand better the individual and overall effects of mitigation commitments or actions by developed country Parties and national appropriate mitigation actions by developing country Parties; (*EU COMMENT: cf. proposed draft decision texts on the "process to further understand quantified economy-wide emission reduction targets" and in section "Level of ambition" above*).
- (b) Understanding the scale of the "ambition gap" and identifying ways to bridge this gap, based on a list of options to be agreed in Durban (cf. section "Level of ambition" above) to address it; this could be achieved through process/work programme including preparing technical papers by the secretariat and organizing workshops; (*EU COMMENT: cf. proposed draft decision text on the "ambition gap" and in section "Level of ambition" above*).
- (c) Establishing a process to develop a common accounting rules and framework in Durban, and identifying, in Durban, the key elements of such a common accounting system, on which common accounting rules need to be defined; (*EU COMMENT: cf. proposed draft decision text in section "Accounting framework" above*).

- (d) Creating a common space to discuss the level of ambition covering both developed and developing country Parties; (*EU comment: this point could be grouped with point 9(b)*).
- (e) Converting the summary by co-facilitators on paragraphs 36-38 of decision 1/CP.16 into decision text as soon as possible.

### **Agenda item 3.2.2**

#### **Nationally appropriate mitigation actions by developing country Parties**

#### **Discussion on matters relating to paragraphs 48-51 of the Cancun agreements**

**version of 14 October 2011 @ 18:00**

*Co-facilitator's summary*

EU COMMENTS: ADDITIONS, DELETIONS, STRUCTURAL CHANGES

PROPOSED DRAFT DECISION TEXT IS **HIGHLIGHTED**.

#### **[General]**

1. Parties had a constructive discussion on matters relating to paragraphs 48-51 of the Cancún Agreements (decision 1/CP.16), including: the understanding of the aim of achieving deviation in emissions relative to "business as usual" emissions in 2020; how to take forward the mitigation actions currently compiled in document FCCC/AWGLCA/2011/INF.1; formats and processes envisaged for Parties who may wish to voluntarily inform the Conference of the Parties of their intention to implement nationally appropriate mitigation actions (NAMAs); the future work required to understand the diversity of mitigation actions submitted, underlying assumptions and any support needed for their implementation; and how to advance the work in lead up to Durban and beyond.

#### **[Deviation in emissions relative to "business as usual" emissions in 2020]**

2. Some Parties considered that the aim of achieving a deviation in emissions relative to "business as usual" as called for in paragraph 48 of the Cancun Agreements, should be considered in a broader context encompassing all Parties addressing the need for global emissions reductions. Others stated that their understanding was that the concept of ambition did not apply to developing country Parties, but rather what applies to developing countries is the understanding of diversity of mitigation actions.

*(EU comment: EU proposed draft decision text on the recognition of Ambition Gap , and on the options and process to address the ambition gap, in the context of the co-facilitator's summary on matters relating to paragraphs 36-38 of the Cancún agreements. We see this text as relevant for all parties including developing countries in the context of paragraphs 48-51 of the Cancun agreements).*

3. Some Parties reiterated that the invitation in paragraph 50 provides an opportunity to regularly update document UNFCCC/AWG-LCA/2011/INF.1 and that Parties should be encouraged to submit new or updated information on mitigation actions. It was stated that this could be done annually or as frequently, as Parties submit information on new NAMAs and/or submit new information related to the actions already communicated. Other Parties stated that the invitation in paragraph 50 to

developing country Parties to submit information on NAMAs is voluntary and as such the update of such information should happen in the registry.

**PROPOSED DRAFT DECISION TEXT ON NAMAS IN THE CONTEXT OF THE DEVIATION:**

1. *Invites* developing countries to implement nationally appropriate mitigation actions with the aim to achieve a substantial deviation below the currently predicted emissions growth rate in the order of 15 to 30% by 2020 as a group respecting the principle of common but differentiated responsibilities and respective capabilities.
2. *Invites* developing country Parties, in particular those that have not submitted any proposals so far, to communicate by [XX/XX/2012] updated information on the nationally appropriate mitigation actions they intend to implement.

4. Some Parties stated the need to ensure that future accounting rules/systems are applicable to both developed and developing countries, stating also that these accounting rules should be flexible to allow countries to maximize on their mitigation efforts. Some parties stated that common rigorous, robust and transparent ex-ante accounting frameworks are important. Whilst common accounting rules are clearly essential for quantified emission reductions targets taken by developed countries, common accounting frameworks fitted to the essential diversity of developing countries commitments could be also relevant for developing countries. They would inter alia contribute to: understand better pledges, enable to compare mitigation efforts, enable to keep track of overall progress by all Parties toward the long-term goal in a coherent manner and avoid any "double counting" of emission reductions in the context of new market-based mechanisms.

*(EU comment: the text below should also be seen in this context of the text proposed by the EU relating to the need for a common accounting framework for developed countries in the context of the co-facilitator's summary on matters relating to paragraphs 36-38 of the Cancún agreements ).*

**PROPOSED DRAFT DECISION TEXT ON "ACCOUNTING FRAMEWORK":**

*1. Recognises the diversity of NAMAs put forward by developing countries so far, and the fact that NAMAs are of different types; in this context recognises that there is a need to enhance understanding and transparency, inter alia on the following elements,*

*a. Metrics and coverage;*

*b. Rules for allowable additions and subtractions of other accountable elements;*

*c. Instruments and tools*

*d. [Assumptions]*

*2. Agrees to continue to explore elements of common accounting, building closely on the multilaterally agreed rules, methodologies and tools currently in place, in order to further enhance understanding and transparency.*



5. Views and proposals made by Parties on enhanced action by developing countries, in the context of achieving a deviation in emissions below .business-as-usual., are listed below. The list below is not an attempt to identify areas of convergence or divergence, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussion:

- Understand the current nationally appropriate mitigation action, their underlying assumptions, diversity and effects;
- Understand the support needed for implementation and enhanced action;
- Agree on a format to capture the necessary information;

*(EU agrees to the three points above. Cf. EU textual proposals below on the continuation of work on NAMAs)*

- Develop global options to raise collective ambition through enhanced cooperation;
- Development and implementation of low carbon development strategies;
- Supporting implementation of nationally appropriate mitigation actions by developing countries;
- Developing a common accounting framework that can maximize global mitigation efforts;

*(EU agrees to the four points above. Cf. EU textual proposals on these topics in the context of the co-facilitator's summary on the discussion relating to paragraphs 36-38 of the Cancún agreements)*

#### **[Support needed for the implementation of NAMAs]**

6. Some Parties called for the strengthening of the concept of enablement (provision of finance, technology and capacity-building) provided for in paragraph 48 of the Cancun Agreements and mentioned that a decision on financing to support preparation and implementation of NAMAs is necessary, including support for institutional arrangements at the national level. Many Parties stated that it is necessary to step up support for enhanced action on mitigation by developing countries. [Some called for the set of implementation system for NAMAs. *(EU comment: meaning unclear)*]

*EU agrees that understanding better the need for support is part of process to clarify actions, as well as to enhance actions and refers to its textual proposals below on the continuation of work on NAMAs)*

7. Some Parties mentioned that paragraph 52 should be discussed jointly with the paragraphs 48-51. For these Parties provision of support could potentially unlock the desire to increase ambition, even though the paragraphs 48-51 do not specifically talk about increase in ambition by developing countries. The significance of the registry as an instrument to facilitate increased level of mitigation actions was seen as important. Other parties also stated that developing countries are already

contributing to global mitigation efforts and that developing countries will continue to implement mitigation actions in the context of their sustainable development and according to their national circumstances.

*(EU considers that the registry issue should be addressed as part of discussions on the non-paper by the co-facilitators on the registry)*

#### **[Understanding the diversity of mitigation actions]**

8. Many Parties welcomed the workshops organized by the secretariat to understand the diversity of mitigation actions submitted. Some, however, stated that the workshops are not enough and there is the need to go beyond that.

9. A number of Parties called for more comprehensive information on the mitigation actions of developing countries, with the aim of understanding the diversity of actions, the effects of the actions as well as information on and assumptions underlying mitigation actions. There were several proposals for increasing the understanding of the diversity of NAMAs of developing country Parties. Some Parties stated that "diversity" is a characteristic of nationally appropriate mitigation actions by developing countries and is not a shortcoming or a problem to be solved.

10. The list below is not an attempt to identify areas of convergence or divergence nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted up to and during the discussions related to understanding diversity of mitigation actions:

- Further submission of information from Parties on the mitigation actions referred to in document FCCC/AWGLCA/2011/INF.1 using a common format. The information called for included clarifications on which sectors and gases were included in the mitigation actions, as well as other elements of factual information (e.g. type of NAMAs – (i) absolute target compared to a base year, (ii) deviation from BAU, (iii) intensity target, (iv) list of actions, (v) others; reference year; baseline level if relevant; metrics; GWP values; conditions and assumptions; link to support and carbon market; emission reduction goal or expected emission reductions when available);
- The use of a common template for NAMAs which was submitted by one Party;
- Enhanced reporting of information on NAMAs through national communications and biennial update reports, as well as the process of international consultation analysis (ICA) will also offer greater understanding of the diversity in NAMAs;
- Holding technical workshops in 2012 to deepen the understanding of methodologies and assumptions underlying the NAMAs, with these workshops made more specific and streamlined, focusing on detailed questions, to be circulated in advance of each workshop (e.g. type of action – (i) absolute target compared to a base year (ii) deviation from BAU (iii) intensity target (iv) list of actions (v) others); sector; assumptions and conditions; link to support and

carbon market; emission reduction goal or expected emission reductions when available);

- [Request the Intergovernmental Panel on Climate Change (IPCC) to develop methodologies and guidelines to assess the effectiveness of mitigation actions.]

11. Some Parties cautioned against the use of any form of standardized template as that could undermine the understanding of diversity in mitigation actions and national appropriateness. Some Parties highlighted that standardized template accommodating the diversity of actions by developing countries are useful to elaborate and implement these actions, and could help to mobilise support or to enhance these actions.

**PROPOSED DRAFT DECISION TEXT ON CONTINUATION OF WORK ON NATIONALLY APPROPRIATE MITIGATION ACTIONS BY DEVELOPING COUNTRIES:**

1. *Requests* the Secretariat to prepare a revised FCCC/AWGLCA/2011/INF.1 document, structuring it in a table format so as to reflect up-to-date information on developing country Parties' NAMAs, including their type of NAMAs (absolute target compared to a base year, deviation from BAU, intensity target, list of actions, others);
2. *Requests* the secretariat to organize further in-session workshops in the context of the work programme above, and to prepare structured written reports, with the objective to pursue further dialogue to clarify assumptions and conditions related to NAMAs by individual developing countries, with a view to further inform the negotiation process on developing country Parties' NAMAs;
3. *Further decides* that these workshops will be made more specific and streamlined, focusing on detailed questions, to be circulated in advance of each workshop, especially on the type of NAMAs (absolute target compared to a base year, deviation from BAU, intensity target, list of actions, others); reference year; baseline level if relevant; gases; sectors; metrics; GWP values; conditions and assumptions, incl. support, mechanisms; national institutional and legal framework, including LEDS;
4. *Decides* that these workshops shall include the participation of Parties, observers and international organizations
5. *Agrees* that, based on the further submissions and exchanges in workshops, the abovementioned INF document will be updated on an annual basis and serve inter alia as an input to the 2013-2015 review

## NEW ZEALAND SUBMISSION

### *AWG - LCA . Nationally Appropriate Mitigation Actions and Transparency Provisions*

October 2011

This submission responds to the invitation to Parties to submit their views on the in-session material reflecting the work undertaken by the Ad Hoc Working Group on Long-term Cooperative Action under the Convention at the third part of its fourteenth session (AWG-LCA 14.3).

New Zealand views mitigation and the transparency provisions as central to a successful outcome in Durban at COP 17. To that end we submit the following inputs:

#### **Mitigation**

1 New Zealand recognises there are a number of ways countries could increase their level of ambition, including through the means outlined in the co-facilitator's summary of discussion on matters relating to paragraphs 36-38 of the Cancun Agreements<sup>6</sup>. However, we believe that ambition by individual countries cannot be independent of what others are doing, and therefore it will evolve over time. A foundation for increased ambition is transparency of actions and their effects, thus the most valuable contribution we can make at this time is to increase the transparency of countries' actions and begin regular reporting of greenhouse gas emissions by all countries, in particular major emitters. This will demonstrate the aggregate level of action and promote confidence that all countries are doing their fair share.

2 While it is New Zealand's preference to see a future comprehensive multilateral agreement emerge quickly, we also acknowledge that there is likely to be a transitional period until we reach that agreement. During this transition period we need to maximise transparency of mitigation action, while providing Parties with the flexibility to undertake diverse actions that reflect their national circumstances.

3 With regard to pledges already on the table, developed countries should identify which accounting rules are to be applied, and which market mechanisms are being employed. While recognising the diversity of mitigation actions by developing countries, there is still a need to better understand assumptions and to estimate the expected aggregate emissions reduction outcome.

4 A structured approach would be useful to help clarify both developed and developing country targets and actions included in the INF documents (annexed to decision 1.CP/16). This approach should take account of the diversity of national circumstances and actions and enable both

---

<sup>6</sup> [http://unfccc.int/files/meetings/ad\\_hoc\\_working\\_groups/lca/application/pdf/co-facilitators\\_summary\\_14\\_oct\\_for\\_web.pdf](http://unfccc.int/files/meetings/ad_hoc_working_groups/lca/application/pdf/co-facilitators_summary_14_oct_for_web.pdf)

flexibility and the identification of commonality. We see this as being useful to advance the negotiations, and to provide certainty to carbon markets (and the public) about ongoing mitigation action.

5 We also propose a complementary exercise of establishing a work programme to define and develop an accounting framework, including the use of market mechanisms. Such an accounting framework would need to accommodate national circumstances. This work programme would examine how much of the accounting framework is “common”, the degree of flexibility taking into account national circumstances, and how it would provide environmental integrity and transparency at the country level. COP 17 should agree to the work programme and invite submissions from Parties to allow the work to begin early in 2012. The work programme should aim to complete its task by COP 18.

## **Transparency**

### *Reporting*

6 New Zealand recognises a sense of urgency (which is shared by many other Parties) for COP 17 to agree guidelines on both biennial update reports from developing country Parties and biennial reports from developed country Parties. To that end, in August 2011, New Zealand submitted draft guidelines for biennial update reports from developing country Parties.

7 To help facilitate a decision, we include in this submission draft decision text on biennial (update) report guidelines for both developed and developing countries. These decisions include crucial elements for Parties to consider, including: confirming the first submission date and frequency of reporting; potential flexibilities according to national circumstances; how recent the data reported needs to be; and an agreed date for reviewing the guidelines.

8 We have also resubmitted proposed templates for biennial update reports from developing countries, as we believe reporting in tabular format will help to streamline the reports. Given that reporting by developed countries is more mature than for developing countries, the use of templates or tabular formats is already included in national communications and national inventory reports. Further use of templates should also be applied to biennial reports from developed countries.

9 As per New Zealand’s previous submission we believe that biennial update reports should be submitted in English. This is because executive summaries of non-Annex I Parties’ national communications are submitted in English. Given that the biennial update report is expected to be short and succinct (similar to an executive summary) with much of the information presented in tabular format, English should be the language of submission for biennial update reports.

10 We note with caution the attempt to pre-empt decisions by Parties on legal form and accounting through these reporting guidelines. Accounting is different from reporting, and requires separate consideration. We support the use of the approach in paragraph 7 of the draft guidelines

for biennial reports from developed countries<sup>7</sup>, in which reporting relative to the target would be done according to an agreed accounting framework, which should be adopted at COP 18. We suggest a process to clarify pledges together with a work programme to agree an accounting framework by COP 18.

11 In agreeing the guidelines in section VI, Parties should ensure that the resulting guidance for reporting on the provision of support is practicable. For example distinguishing between mitigation, adaptation and ‘other activities’, as proposed in paragraph 27, may sound simple in theory, but in practice, support could deliver benefits to mitigation as well as other co-benefits. We believe reporting on the provision of support would be best done using a tabular format.

12 New Zealand recognises that reporting biennially is a step change from the present system and that many developing countries could benefit from increased support to help facilitate this change. All developing countries need to report (with flexibility for LDCs and SIDS) and New Zealand supports the early mobilisation of funding and decisions to bring this about.

#### *Analysis and review*

13 New Zealand would like to reinforce the importance of analysis and review processes to promote confidence in the mitigation actions and reporting by all countries.

14 We note that the co-facilitators’ non-paper on international assessment and review (IAR) has several references to compliance. While important, compliance is related to the legal form of an agreement, and therefore is not an issue to be determined through IAR. New Zealand does not see a role for compliance in the IAR process.

15 The **scope of IAR** is clearly articulated in decision 1.CP/16. Paragraphs 44 and 46(d) define the scope of IAR as being an assessment and review of:

*“emissions and removals related to quantified economy-wide emission reduction targets ... including the role of land use, land-use change and forestry, and carbon credits from market-based mechanisms”*

This does not include the provision of support to developing countries, nor does it include any reference to a “supplementary review” process. As such, New Zealand requests that all sections relating to these issues be bracketed in the revised version of the co-facilitators’ text.

16 In paragraphs 63 and 64 of 1.CP/16, Parties decided that all developing countries would produce biennial update reports, and that international consultations and analysis (ICA) of these reports would be conducted. Therefore, ICA is not a voluntary process.

17 Likewise, decision 1.CP/16 (in paragraphs 63 and 64) is clear about the **scope of the ICA process**, as being:

---

<sup>7</sup> [http://unfccc.int/files/meetings/ad\\_hoc\\_working\\_groups/lca/application/pdf/non-paper\\_3.2.1\\_v8\\_for\\_web2.pdf](http://unfccc.int/files/meetings/ad_hoc_working_groups/lca/application/pdf/non-paper_3.2.1_v8_for_web2.pdf)

*“biennial reports... information considered should include the national greenhouse gas inventory report, information on mitigation actions, including a description, analysis of the impacts and associated methodologies and assumptions, progress in implementation and information on domestic measurement, reporting and verification, and support received;”*

New Zealand reiterates that information on domestic measurement, reporting and verification is included in the scope of ICA, and hence agree that reporting on domestic measurement, reporting and verification should be included in biennial update reports.

18 The overriding **aim of the ICA process** is provided in paragraph 63 of decision 1.CP/16, that is: “to increase transparency of mitigation actions and their effects”. Therefore New Zealand requests that paragraph 3 of the co-facilitators’ text should be up front, the first objective listed in section I: Objectives of ICA.

19 The **process of ICA** is also made clear in decision 1.CP/16, that ICA will achieve its goals “through analysis by technical experts in consultation with the Party concerned and through a facilitative sharing of views”. New Zealand’s view is that the order of procedure is made clear in this text: technical expert analysis, followed by a facilitative sharing of views.

**Submission from Singapore to the Ad-hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) relating to Facilitate**  
**Agenda Items 3.2.1 and 3.2.2**

This submission is prepared as a follow-up to the discussions at the Panama session of the AWG-LCA in October 2011 on the invitation to Parties to make textual submissions in response to the co-facilitators' draft non-papers on the items relating to a work programme for the development of modalities and guidelines listed in document FCCC/AWGLCA/2010/L.7 on Nationally Appropriate Mitigation Commitments or Actions by developed country Parties (Agenda 3.2.1) and on Nationally Appropriate Mitigation Actions by developing country Parties (Agenda 3.2.2).

Proposed Amendments to Non-paper by the co-facilitators on possible elements of draft guidelines for biennial update reports from Parties not included in Annex I to the Convention (172 kB) (version of 14 October 2011 at 16:30)

Para	Suggested Amendments	Remarks
3	<i>Invitation to the GEF and <del>to Annex II and other Parties</del> <b>developed country parties and other developed country Parties in Annex II</b> for provision of support for preparation of biennial update reports</i>	Amended to reflect Convention language.
1	Parties not included in Annex I to the Convention (non-Annex I Parties) shall submit reports on biennial basis as a component of their national communication and biennial update reports <b>in years which Parties are not required to submit their national communications</b> . Least Developed Countries (LDCs) and Small Island developing States (SIDS) may submit biennial update reports at their discretion	Current formulation seems to apply that two separate reports are needed in years when Parties submit their national communications.
2	Non-Annex I Parties will implement these guidelines consistent with their capabilities and the level of support provided <b>by developed country Parties</b> .	
3 (c)	<del>To facilitate provision of information on mitigation actions, and their effects.</del>	To delete 3(c) and combine with revised 3(f) below, taking reference from para 60 of 1CP/16.
3 (d)	To facilitate the presentation of information on finance, technology and the capacity building support required [and received] <del>for the</del>	The presentation of information on support received and required is not limited to only information



	<del>preparation of biennial update reports</del>	on support for the preparation of biennial update reports.
3 (f)	To enable enhanced reporting by non-Annex I Parties <b>on mitigation actions and their effects, and support received, with additional flexibility to be given to the least developed country Parties and small island developing states.</b> <del>in accordance with their capacities and respective capabilities, and the availability of support</del>	To be amended to take reference from para 60 of 1/CP.16.
7	Non-Annex I Parties <b>which have not previously reported on their national greenhouse gas inventories</b> should submit summary information tables of <del>previously reported inventory or inventories</del> <b>for previous submission years</b> (for example for years 1994 and 2000)	Reporting on previously reported data should only be necessary for Non-Annex I Parties who have not previously reported on their national greenhouse gas inventories.
26	Non-Annex I Parties [shall] [should] also provide up-to-date information on financial resources, technology transfer, capacity-building, and technical support received from the Global Environment Facility (GEF), <del>Annex II Parties, any other Parties,</del> <b>developed country parties and other developed country Parties in Annex II</b> , or bilateral and multilateral institutions, for activities relating to climate change and related financial, technical and capacity building needs, including for the preparation of the current biennial update report. The information should be based on the most recent information available and should cover two more recent years since the submission of the last report	Amended to reflect Convention language.
4 (f)	<del>[Information on domestic measurement reporting and verification]</del>	Reporting on domestic MRV system goes beyond the scope of the BUR.

Non-paper by the co- facilitators on possible elements of modalities and procedures for international consultation and analysis (version of 14 October 2011 at 16:30).

Para	Suggested Amendments	Remarks
1 (b)	To increase the transparency of [domestically funded] nationally appropriate mitigation actions of developing country Parties [supported by	The ICA is an integral part of the MRV of support. The biennial update report includes

Para	Suggested Amendments	Remarks
	developed countries] [and their effects] and the financial, technological and capacity-building support provided by developed country Parties.	information on support received and the ICA should be able to verify this information.
1 (e)	<del>To promote continuous learning and improvement in implementing mitigation actions</del>	Objective 1(e) is a repetition of 1(d)
1 (g)	To assist Parties in <del>addressing</del> identifying technical difficulties faced in preparation of the biennial [update] reports and to provide recommendations, upon request, on how Parties may improve subsequent biennial update reports.	The current text seems to imply that the technical panel of experts will help to solve the technical difficulties faced by Parties. It would be more realistic to limit the scope of recommendations to how Parties may improve subsequent reports.
2 (b)	<i>2(b) alt.</i> To take note of a Party's mitigation actions and check if these mitigation actions are effective in achieving their objective(s) based on information submitted in the biennial update reports.	It would be difficult for the technical panel of experts to analyse whether Parties' actions are implemented based on information submitted by Parties alone. Instead, the experts should focus on checking for accuracy and/or completeness of information submitted.
4	<i>4 (alt)</i> Facilitate the universal participation of developing country Parties in the ICA process, through the provision of support by developed country Parties, and taking into account specific national and sectoral circumstances, and with additional flexibility to be given to the least developed country Parties and small island developing states.  <del>Prioritize the ICA process for all developing country Parties that submit biennial [update] reports in the first round of reporting. In subsequent rounds of biennial [update] reporting, frequency of the ICA process could be differentiated based on the frequency of submission of biennial [update] reports, which could be based on a Party's [share of global GHG emissions][strong progress in</del>	Amendment to reiterate the principle of universal participation, drawing reference from para 3(b) of the draft BUR guidelines, and acknowledging the need for additional flexibilities for LDCs and SIDS. The proposal to introduce criteria for differentiation among developing country Parties will be contentious and may delay the implementation of the ICA process.

Para	Suggested Amendments	Remarks
	<del>implementation of mitigation actions or recently updated biennial report] and their capabilities. SIDS and LDCs may undergo ICA as a group of Parties at their discretion.</del>	
11	<del>Two to three experts, of which at least one will be from a non-Annex I country and one from an Annex I country will focus on the analysis of national GHG inventories.</del>	It is not clear why there is a need to stipulate the number of experts to focus on analysis of national GHG inventories. Nonetheless, if the decision is to do so, the number of experts should be even numbers, with equal representation from Annex I Parties and Non-Annex I Parties.
13	Where necessary, experts will be authorized <b>may request</b> to meet directly with Party representatives, request additional documentation or information from the Party and, <b>where consent is given</b> , conduct in-country visits, as necessary.	Given that the ICA process should be conducted in consultation with the Party concerned, there is value in allowing the experts to meet with Party representatives. However, the reference “will be authorized” is inappropriate and it is not clear whose authorisation would be provided. In line with respecting a Party’s national sovereignty, it would be more appropriate to use the reference “may request”.
15	The output of the technical analysis by the technical experts team will be an analysis report. Prior to finalizing the report, the draft analysis report prepared by the expert team will be shared with the Party concerned for review and comment with the aim of resolving any difference of opinion between the expert teams and the Party on the report. The final analysis report, incorporating comments from the Party, should be made available at least two, and preferably four, weeks before the next session of the COP <b>SBI</b>	The ICA process is conducted under the SBI.

Non-paper by the co-facilitators on Registry (version of 14 October 2011 at 16:00)

Para	Suggested Amendments	Remarks
2	The registry will be developed as a dynamic, user-friendly web-based searchable platform that facilitates matching of support to individual mitigation actions and recognizes <del>recorded</del> nationally appropriate mitigation actions <b>by recording them in a section of the registry</b> upon request.	The recognition function of the registry is accomplished by recording the NAMAs in a section of the registry.
7	<b>Option 2<sup>8</sup> (option to paragraph 7)</b>  A separate part of the registry will record <del>the following</del> information on [domestically funded] [domestically funded and internationally supported] mitigation actions submitted by developing country Parties for the purpose of their recognition, upon the request by developing country Parties. Based on national circumstances, non-Annex I Parties are encouraged to provide, to the extent their capacities allow, information on programmes and measures implemented or planned <sup>9</sup> which contribute to mitigating climate change by addressing anthropogenic emissions by sources and removals by sinks of all GHGs not controlled by the Montreal Protocol, including, as appropriate, relevant information by key sectors on methodologies, scenarios, results, measures and institutional arrangements.	The registry should be flexible enough to capture the diversity of developing country Parties' mitigation actions and should not dictate the types of information developing country Parties may wish to submit.  Proposed text takes reference from paragraph 40 of Annex to decision 17/CP.8 (guidelines for NatComms for Non-Annex I parties)

Non-paper by the facilitator on possible elements of draft guidelines for biennial reports of developed country Parties (version of 14 October 2011 at 17:00)

Para	Suggested Amendments	Remarks
7 (a)	The emission reduction target expressed as a per cent reduction in emission levels, the base year and base year level of emissions against which the per cent emission reduction is set, <b>the methodology used for its calculations</b> , the year in which the target	To allow for comparability.

<sup>8</sup> Paragraph 40 of annex to the decision 17/CP.8

<sup>9</sup> Such as measures being considered by the government for future implementation

	is to be achieved [, emission reduction trajectory and target converted into quantified emission limitation and reduction and assigned amount], [if applicable]	
27	Developed country Parties shall provide information on their provision of financial, technological and capacity-building support to developing country Parties in a complete, consistent, transparent, accurate and comparable manner. In reporting such information, to the extent possible, Parties should distinguish between support provided for mitigation activities, adaptation activities and other activities (such as capacity-building).	To increase transparency and comparability of financial, technological and capacity-building support.
32	[In reporting information, in accordance with paragraphs 30 and 31, Parties can categorize funding as related to mitigation or adaptation according to the criteria [to be agreed by the Conference of the Parties][developed by the Organisation for Economic Co-operation and Development.s Development Assistance Committee (DAC)]. Parties should use the DAC codes for categorizing support by specific sectors.]If Parties decide to categorize funding using a different methodology, they shall specify such methodology in their biennial report.	To increase the transparency and comparability of reported information
32	bis Each developed country Party shall specify whether the financial contributions reported at the time of submission of the biennial report are pledged/planned, committed, allocated by a national governing body, or disbursed to the recipient.	To facilitate transparency on the status of developed country Parties' financial contributions.

Non-paper by the facilitator on possible elements of modalities and procedures for international assessment and review (version of 14 October 2011 at 17:00)

Para	Suggested Amendments	Remarks
1 (e)	<del>To build confidence that the implementation of mitigation actions of developed country Parties are in line with their quantified economy-wide emission reduction targets</del>	Similar to 1(g)
2 (c)	To promote ensure accuracy, completeness, comparability, consistency and transparency in the	

	review of information	
3 (c)	To facilitate the [consideration of][review] comparability of effort among developed country Parties.	The IAR aims to facilitate comparability of effort among developed country Parties.
4 (b)	[An [assessment][review] of developed country Parties' implementation of the Convention, and for promoting compliance by developed countries Parties with their commitments under the Convention, which is conducted under the auspices of the Subsidiary Body for Implementation;]	To reflect similar language in the Decision 24/CP.7 (Procedures and mechanisms relating to compliance under the Kyoto Protocol)
5	IAR will [review][assess] and [assess][review] <del>based on</del> building upon the existing review process] for each developed country Party the following:	The IAR should be an enhancement on the current review process.
14d	<i>Additional bullet 14(d)</i> Additional information/ answers provided by the Party before or during the Review.	These inputs should also be considered as part of the outputs of the review.

**Input to co-facilitators' summary on matters relating to  
paragraphs 36-38 of the Cancun agreements**

AWG-LCA 3.2.1.

Switzerland appreciates the opportunity to provide input to the co-facilitators' summary relating to paragraphs 36-38 of the Cancun agreements.

**General remarks**

- In view of the urgent climate challenge, it is important that significant steps forward are taken in Durban on the following elements (*in relation to agenda item 3.2.1, para 36-38*):
  - Initial identification of the current level of ambition resulting from current pledges of developed country parties and the “global ambition gap” in view of the 2-degrees target. Initiation of a process fostering increase in the level of **ambition** of single Parties as well as the global effort. Options and ways to increase the level of ambition in developing country Parties should be investigated along with corresponding support needed for possible implementation.
  - Agreement on a format including *key questions* and a process to the aim to **clarify the current pledges** of Parties. The key questions and structure of the formats between developed and developing country Parties may differ from each other as mitigation action of the latter are much more divers.
  - Initiation of work towards a **accounting framework** under the Convention for all Parties taking into account the different circumstances and capabilities of Parties.
- Regarding the little time remaining for negotiations, Switzerland encourages the co-facilitators' to issue by 18 November 2011 a new version of their summary including draft text elements. Thereby, the new issuance may benefit from a clear structure around the main elements which are ambition, clarification of pledges and accounting. Further, mainstreaming of proposals contained in the summary and elaboration of clear options where divergent views occur would help to move discussions forward. In this context, a revised version of the draft decision text submitted by Switzerland on 2 October 2011 is included in this submission.
- The table (following page) sets the above outlined views on mitigation in the context of the overall Swiss perspective on the pathway towards the future climate regime. The table presents possible objectives, steps and schedule for Durban and beyond till the conclusion of a comprehensive agreement with participation of all Parties.

	<b>MITIGATION PLEDGES - CLARIFICATION AMBITION AND ACCOUNTING</b>	<b>MITIGATION PLEDGES – FORM</b>
<b>STEP 1: COP16 (2010)</b>	<b>Global long-term goal &amp; anchoring of current pledges of Parties &amp; recognition of the ambition gap:</b> <ul style="list-style-type: none"> <li>• Recognition of 2-degrees-target</li> <li>• Pledges: mixed unilateral / conditional, unclear underlying assumptions</li> <li>• Recognition of existing ambition gap</li> </ul>	<b>Decision for a Pledge-Review-System:</b> <ul style="list-style-type: none"> <li>• Note taken of voluntary pledges</li> <li>• Work programme for guidelines for biennial (update) reports, IAR and ICA</li> </ul>
<b>STEP 2: COP17 (2011)</b>	<b>Identification of current/potential ambition &amp; clarification of pledges &amp; set the scene for environmental integer accounting rules:</b> <ul style="list-style-type: none"> <li>• Initial identification of existing ambition gap</li> <li>• Request to Parties to raise their pledges according to science, including those Parties who have not yet submitted any pledges to the UNFCCC</li> <li>• Process for elaboration of options and ways to increase the level of ambition</li> <li>• Agreement on a format and <i>key questions</i> for clarification of conditions and assumptions of current pledges <ul style="list-style-type: none"> <li>➤ Template / technical paper</li> </ul> </li> <li>• Agreement on environmental integer accounting rules for future instrument(s) and thereby lay the foundation for higher ambition</li> </ul>	<b>Operationalisation of Pledge-Review-System:</b> <ul style="list-style-type: none"> <li>• Adoption of guidelines for Review system (biennial, IAR, ICA)</li> <li>• Reference to pledges in .INF document</li> </ul> <b>Clarification of the outcome of further work on the legal form(s) of the new climate regime:</b> <ul style="list-style-type: none"> <li>• Establishment of an ad hoc group mandated (Durban mandate) to elaborate (a) legally binding instrument(s) for consideration to the COP18/19, including all Parties respecting CBDR in their commitments</li> <li>• Agreement on continuation of the Kyoto Regime and the related commitments</li> </ul>
<b>STEP 3: COP18 (2012)</b>	<b>Raise in level of ambition &amp; clarification of global ambition and ways for its increase &amp; agreement on a accounting framework:</b> <ul style="list-style-type: none"> <li>• Raise the level of ambition</li> <li>• Identify any remaining ambition gap</li> <li>• Clarified pledges: unilateral vs. conditional, underlying assumptions</li> <li>• Agreement on a accounting framework for all Parties, respecting national</li> </ul>	<b>Decision on the form of the new climate regime:</b> <ul style="list-style-type: none"> <li>• Stocktaking in the process of the ad hoc group on the Durban mandate and further guidance to the ad hoc group for its continued work</li> <li>• Continued commitments under the Kyoto Protocol</li> </ul>



	circumstances and capabilities	
<b>STEP 4: 2015</b>	<b>Raise in level of ambition based on review &amp; operationalise the accounting framework:</b> <ul style="list-style-type: none"> <li>• Strengthen the long-term goal based on the review</li> <li>• Raise the level of ambition accordingly</li> <li>• Adopt accounting rules under the Convention</li> </ul>	<b>Operationalisation of the new climate regime</b>

*Specifics towards the co-facilitators' summary, issued 14 October @ 18:00*

Para 5a:

Parties have introduced specific key questions which need to be clarified around current targets. These key questions should be included in the summary.

Key questions regarding pledges of developed country Parties include:

- land use, land-use change and forestry activities and harvested wood products;
- Consideration of bunker fuels;
- use of carbon credits from the market-based mechanisms;
- carry-over of surplus AAUs;
- GWP values and gases;
- assumptions in projections
- any conditions related to ambition of the pledge

Para 9:

Proposals how to take forward the discussions on matters relating to paragraphs 36-38 haven been made not only in the lead up to Durban but include processes to be initiated in Durban and steps to be taken beyond.

### ***Draft decision X/CP.17 – elements on mitigation (3.2.1.)***

#### *The Conference of the Parties*

*Emphasizing* the need for deep cuts in global greenhouse gas emissions and early and urgent undertakings to accelerate and enhance the implementation of the Convention by all Parties on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities;

*Acknowledging* that the largest share of historical global emissions of greenhouse gases oriented in developed country and that, owing to this historical responsibility, developed country Parties must take the lead in combating climate change and the adverse effects thereof;

#### *Pledges*

*Recalling* the quantified economy-wide emission reduction targets committed to by Parties included in Annex I to the Convention as communicated by them and contained in the document FCCC/SB/2010/INF.1/REV.1.

#### *Ambition*

*Recognizes* that there is an ambition gap of [*identification of ambition gap*] between the aggregate reduction of anthropogenic emissions of carbon dioxide and other greenhouse gases not controlled by the Montreal Protocol by developed country Parties and the recommendations of the Fourth Assessment Report of the Intergovernmental Panel on Climate Change in view to limit global temperature increase below 2 degrees Celsius;

*Urges* developed country Parties to increase the ambition of their economy-wide emission reduction targets, with a view to reducing their aggregate anthropogenic emissions of carbon dioxide and other greenhouse gases not controlled by the Montreal Protocol to a level consistent with that recommended by the Fourth Assessment Report of the Intergovernmental Panel on Climate Change;

*Requests* the secretariat to update the document FCCC/SB/2010/INF.1/REV.1 on the basis of Parties' submissions;

*Decides* to launch work on options and ways to increase the level of ambition of Parties and the aggregate global effort. Thereby, options and ways to increase the level of ambition in developing country Parties should be accompanied, where relevant, by specifications on corresponding support needed for implementation of enhanced actions;

#### *Clarification of pledges*

*Urges* developed country Parties to clarify their targets in relation to land use, land-use change and forestry activities and harvested wood products, consideration of bunker fuels, use of carbon credits from the market-based mechanisms, carry-over of surplus AAUs, GWP values, gases, assumptions in projections and conditions related to the ambition of the pledge, and submit the information in the format of the annexed template [annex X] to the secretariat for compilation into a technical paper by XXX or as soon as possible;

*Acknowledges* the work undertaken in the workshops pursuant to paragraph 38 of 1/CP.16;

#### *Accounting*

*Recognizes* that a common accounting rules are key in ensuring environmental integrity and allowing transparency and comparability of mitigation efforts;

*Decides* to launch a work programme to elaborate an accounting framework under the Convention, respecting the different national circumstances and capabilities;

[MRV]

[LCDS]

## **Input to co-facilitators' summary on matters relating to paragraphs 48-51 of the Cancun agreements**

### **AWG-LCA 3.2.2.**

Switzerland appreciates the opportunity to provide input to the co-facilitators' summary relating to paragraphs 48-51 of the Cancun agreements.

#### ***General remarks***

- In view of the urgent climate challenge, it is important that significant steps forward are taken in Durban on the following elements (*in relation to agenda item 3.2.2, para 48-51*):
  - Initial identification of the deviation from business as usual resulting from current pledges of developing country Parties, in the context of the “global ambition gap” in view of the 2-degrees target. Initiation of a process fostering increase in the level of **ambition** of single Parties as well as the global effort. Options and ways to increase the level of ambition in developing country Parties should be investigated along with corresponding support needed for possible implementation.
  - Agreement on a format including *key questions* and a process to the aim to **clarify the current pledges** of Parties. The key questions and structure of the formats between developed and developing country Parties may differ from each other as mitigation action of the latter are much more divers.
  - Initiation of work towards a **accounting framework** under the Convention for all Parties taking into account the different circumstances and capabilities of Parties.
- Regarding the little time remaining for negotiations, Switzerland encourages the co-facilitators' to issue by 18 November 2011 a new version of their summary including draft text elements. Thereby, the new issuance may benefit from a clear structure around the main elements which are ambition, clarification of pledges and accounting. Further, mainstreaming of proposals contained in the summary and elaboration of clear options where divergent views occur would help to move discussions forward. In this context, a revised version of the draft decision text submitted by Switzerland on 2 October 2011 is included in this submission.
- The table (following page) sets the above outlined views on mitigation in the context of the overall Swiss perspective on the pathway towards the future climate regime. The table presents possible objectives, steps and schedule for Durban and beyond till the conclusion of a comprehensive agreement with participation of all Parties.

	<b>MITIGATION PLEDGES - CLARIFICATION AMBITION AND ACCOUNTING</b>	<b>MITIGATION PLEDGES – FORM</b>
<b>STEP 1: COP16 (2010)</b>	<b>Global long-term goal &amp; anchoring of current pledges of Parties &amp; recognition of the ambition gap:</b> <ul style="list-style-type: none"> <li>• Recognition of 2-degrees-target</li> <li>• Pledges: mixed unilateral / conditional, unclear underlying assumptions</li> <li>• Recognition of existing ambition gap</li> </ul>	<b>Decision for a Pledge-Review-System:</b> <ul style="list-style-type: none"> <li>• Note taken of voluntary pledges</li> <li>• Work programme for guidelines for biennial (update) reports, IAR and ICA</li> </ul>
<b>STEP 2: COP17 (2011)</b>	<b>Identification of current/potential ambition &amp; clarification of pledges &amp; set the scene for environmental integer accounting rules:</b> <ul style="list-style-type: none"> <li>• Initial identification of existing ambition gap</li> <li>• Request to Parties to raise their pledges according to science, including those Parties who have not yet submitted any pledges to the UNFCCC</li> <li>• Process for elaboration of options and ways to increase the level of ambition</li> <li>• Agreement on a format and <i>key questions</i> for clarification of conditions and assumptions of current pledges <ul style="list-style-type: none"> <li>➤ Template / technical paper</li> </ul> </li> <li>• Agreement on environmental integer accounting rules for future instrument(s) and thereby lay the foundation for higher ambition</li> </ul>	<b>Operationalisation of Pledge-Review-System:</b> <ul style="list-style-type: none"> <li>• Adoption of guidelines for Review system (biennial, IAR, ICA)</li> <li>• Reference to pledges in .INF document</li> </ul> <b>Clarification of the outcome of further work on the legal form(s) of the new climate regime:</b> <ul style="list-style-type: none"> <li>• Establishment of an ad hoc group mandated (Durban mandate) to elaborate (a) legally binding instrument(s) for consideration to the COP18/19, including all Parties respecting CBDR in their commitments</li> <li>• Agreement on continuation of the Kyoto Regime and the related commitments</li> </ul>
<b>STEP 3: COP18 (2012)</b>	<b>Raise in level of ambition &amp; clarification of global ambition and ways for its increase &amp; agreement on a accounting framework:</b> <ul style="list-style-type: none"> <li>• Raise the level of ambition</li> <li>• Identify any remaining ambition gap</li> <li>• Clarified pledges: unilateral vs. conditional, underlying assumptions</li> <li>• Agreement on a accounting framework for all Parties, respecting national</li> </ul>	<b>Decision on the form of the new climate regime:</b> <ul style="list-style-type: none"> <li>• Stocktaking in the process of the ad hoc group on the Durban mandate and further guidance to the ad hoc group for its continued work</li> <li>• Continued commitments under the Kyoto Protocol</li> </ul>

	circumstances and capabilities	
<b>STEP 4: 2015</b>	<b>Raise the level of ambition based on review &amp; operationalise the accounting system:</b> <ul style="list-style-type: none"> <li>• Strengthen the long-term goal based on the review</li> <li>• Raise the level of ambition accordingly</li> <li>• Adopt accounting rules under the Convention</li> </ul>	<b>Operationalisation of the new climate regime</b>

*Specifics towards the co-facilitators' summary, issued 14 October @ 18:00*

Para 4:

The paragraph does currently not reflect the call for a process to elaborate an accounting framework under the Convention.

Para 5, forth sub-bullet:

Parties have further called for initiation of a process fostering increase in the level of ambition of single Parties as well as the global effort, including consideration of the options and ways to increase the level of ambition listed in the summary on paragraphs 36-38. Thereby, options and ways to increase the level of ambition in developing country Parties may be investigated along with corresponding support needed for possible implementation.

Para 10, first sub-bullet:

Parties have introduced specific key questions which need to be clarified around current pledges. These key questions should be included in the summary.

Key questions regarding pledges of developing country Parties include:

- Estimated emission reductions from BAU or another baseline in tCO<sub>2</sub>e;
- Scope of NAMAs (economy wide / sectoral / subsectoral);
- Type of NAMAs (policies, measures, subsidies' reforms);
- Legal framework of mitigation actions;
- Assumptions regarding use and potential of market mechanisms;
- Underlying assumptions in BAU and reduction projections, including bunker fuels;
- quantified and specified support needed for implementation;



### *Draft decision X/CP.17 – elements on mitigation (3.2.2.)*

The Conference of the Parties,

Recognizing that developing country Parties are already contributing and will contribute to a global mitigation effort in accordance with the principles and provisions of the Convention, and could enhance their mitigation actions, depending on the provision of finance, technology and capacity-building support, provided by developed country Parties;

Reaffirming that social and economic development and poverty eradication are the first and overriding priorities of developing country Parties, and that the share of global emissions originating in developing countries will grow to meet their social and development needs;

#### Pledges

Recalling the nationally appropriate mitigation actions that will be implemented by developing country Parties in the context of sustainable development, supported and enabled by technology, financing and capacity building, as communicated by them and contained in the document FCCC/AWGLCA/2011/INF.1;

#### Ambition

Recognizes that there is an ambition gap of [identification of ambition gap] between the global aggregate reduction of anthropogenic emissions of carbon dioxide and other greenhouse gases not controlled by the Montreal Protocol and the recommendations of the Fourth Assessment Report of the Intergovernmental Panel on Climate Change in view to limit global temperature increase below 2 degrees Celsius;

Urges Parties who have not yet communicated nationally appropriate mitigation actions to do so according to their responsibilities and respective capabilities, to the secretariat by XXX or as soon as possible;

Invites developing country Parties to increase the ambition of their NAMAs, with a view to reducing their aggregate anthropogenic emissions of carbon dioxide and other greenhouse gases not controlled by the Montreal Protocol to a level consistent with that recommended by the Fourth Assessment Report of the Intergovernmental Panel on Climate Change;

Requests the secretariat to update the document FCCC/AWGLCA/2011/INF.1 on the basis of Parties' submissions on new or enhanced nationally appropriate mitigation actions ;

Decides to launch work on options and ways to increase the level of ambition of Parties and the aggregate global effort. Thereby, options and ways to increase the level of ambition in developing country Parties should be accompanied, where relevant, by specifications on corresponding support needed for implementation of enhanced actions;

#### Clarification of pledges

Urges developing country Parties to clarify their nationally appropriate mitigation actions regarding estimated emission reductions from BAU or another baseline in tCO<sub>2</sub>e, scope (economy wide / sectoral / sub-sectoral), type (policies, measures, subsidies' reforms), the legal framework of the NAMAs, assumptions regarding use and potential of market mechanisms, underlying assumptions in BAU and emission reduction projections, including bunker fuels, and quantified and specified support needed for implementation of these actions, and submit the information in the format of the annexed template [appendix X] to the secretariat for compilation into a technical paper by XXX or as soon as possible;

Acknowledges the work undertaken in the workshops pursuant to paragraphs 51 of 1/CP.16;

Accounting

Recognizes that a common accounting rules are key in ensuring environmental integrity and allowing transparency and comparability of mitigation efforts;

Decides to launch a work programme to elaborate an accounting framework under the Convention, respecting the different national circumstances and capabilities;

[Registry]

[MRV]

[LCDS]

## **Discussion of matters relating to paragraphs 36-38 of the Cancun Decisions**

### **Comments of the United States**

*Note: The U.S. proposed striking all section headings, which is preferred. If headings retained, we would like our proposed alterations on the headings to be reflected.*

#### **[General]**

1. Parties had a constructive discussion on the matters relating to paragraphs 36-38 of the Cancun Agreements,<sup>1</sup> including the quantified economy-wide emission reduction targets put forward by developed country Parties which are currently compiled in document FCCC/SB/2011/INF.1/Rev.1, and also the level of ambition of efforts by developed country Parties.
2. Many Parties recognize the existence of an “ambition gap” in global emissions, and reiterated the importance of the level of ambition of efforts. Views on the context of consideration of this issue differed among Parties. {Some Parties preferred to frame the consideration of this issue in a broader context and on the basis of the best available scientific knowledge as referred to in paragraph 4 of decision 1/CP.16, encompassing all Parties with a significant share of emissions, whereas} others preferred to contain this consideration for the developed country Parties alone. Some Parties noted that the overall level of ambition and accounting is central to any outcome in Durban. Some Parties noted that ambition and accounting had been addressed in specific ways in the Cancun decisions. A number of Parties noted that matters associated with ambition and accounting cannot be successfully addressed in two separate tracks, and that further consideration would be appropriate in a setting common to Annex 1 and non-Annex 1 Parties.
3. ~~A few~~ Some Parties noted that the discussion on the level of ambition is linked to the discussion on the review process which is being considered separately under the AWGLCA, and that one option for dealing with ambition is at the conclusion of the review.

#### **[Enhanced Information on Quantified economy-wide emission reduction targets]**

4. Many Parties welcomed the workshops organized by the secretariat to clarify the assumptions and the conditions related to the attainment of quantified economy-wide emission reduction targets of developed country Parties. Parties also welcomed the reports by the Co-Chairs of the workshops.
5. There were a number of proposals on how to take forward the quantified economy-wide emission reduction targets currently referred to in document UNFCCC/SB/2011/INF.1/Rev.1. The list below is not an attempt to identify areas of convergence or divergence as there was no convergence of views by Parties on this matter,

nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussions:

- (a) Understanding better the targets already put forward, ~~including nonconditional domestic targets by developed country Parties~~; this could be accomplished by establishing a process which could include a call for submission of information, including on underlying assumptions in Parties' accounting of emissions with respect to their targets, in a structured format/common template that could ~~feed into updating the technical paper on developed country targets~~ be included in an INF document, with periodic updates as appropriate. Such information could include, inter alia:
  - the reference value of the target or action (such as the base year, reference year, and/or business-as-usual and GDP trajectory);
  - the gases covered by the target or action;
  - the sectors covered by the target or action;
  - the global warming potential values used (if different from AR4);, and relevant assumptions, including the role of land-use, land-use change and forestry, and market mechanisms;
- ~~(b)~~ [Understanding the aggregate effects of actions of both developed country Parties and developing country Parties;] *[NOTE: This is more appropriate under the section on "level of ambition"]*
- (c) Establishing a common template based approach for recording the pledges and assumptions as well as accounting elements;
  - dbis Enhanced reporting of information on targets and actions through national communications and biennial update reports, as well as the process of international assessment and review (IAR); (NOTE: parallel to 48-51)
  -
- (d) ~~[Transforming, for developed country Parties [that are Parties to the Kyoto Protocol,] the pledges into quantified economy-wide emission reduction targets (QELROs) for the second commitment under the Kyoto Protocol; and establishing a strong comparability framework and compliance system for those mitigation commitments presented outside of the Kyoto Protocol;] [NOTE: The Convention does not address KP issues].~~
- (e) ~~[Transforming pledges into assigned amount/carbon budget under the Convention for developed country Parties only][both developed and developing country Parties];~~
- ~~(g) Setting "non-conditional" domestic targets.~~

**[Level of ambition/deviation from business as usual]**

6. Views and proposals made by Parties on how to increase the level of ambition are listed below. The list below is not an attempt to identify areas of convergence or divergence, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussion. Some Parties noted that, to the extent that specific elements of this list are addressed, they would need to be considered together with elements under paragraphs 48-51.

*[NOTE: The US indicated in Panama that this list should either be eliminated or have an option for an identical list in documents covering paragraphs 36-38 and 49-51. We provide the option of a single, inclusive list in the second instance; please bracket all items if any items are bracketed.]*

- (a) [Enhancing domestic efforts by developed country and developing country Parties;]
- (a.bis) [Continuing workshops under paragraph 38 and 51 to better understand targets and actions of developing and developed country parties.]
- (b) [Removing conditionalities around ~~the pledges~~ targets and actions and moving to the upper more ambitious range of ~~the pledges~~ targets and actions;]
- (c) [Establishing a common accounting framework for developed and developing countries;]
- (d) [Establishing ~~a compliance and~~ international assessment and review (IAR) process;]
- (dbis) [Considering issues pertaining to graduation of Parties into Annex I and Annex II]
- (e) [Developing a framework ~~and criteria~~ for the formulation of low emissions development strategy for developed and developing countries;]
- (f) [Further developing the global [carbon] market but ensuring the environmental integrity];
- (g) [Addressing the surplus AAUs in the context of the Kyoto Protocol and establishing stricter LULUCF rules;]
- (h) [Removing fossil fuel subsidies and/or reporting thereof for developed and developing countries];
- (i) [Pursuing green growth, domestically and enhancing investment in green sectors by developed and developing country Parties;]
- (j) [Setting renewable targets for developed and developing country Parties;]
- (k) [Demonstrating that enhancing the level of ambition is economically feasible;]
- (l) [Development and implementation of low carbon development strategies;]
- (m) [Supporting implementation of NAMAs by developing countries;]
- (n) [Addressing global emissions of hydrofluorocarbons, and emissions from international aviation and maritime transport[, and asking related international organizations to implement this];
- (o) [Updating the technical papers.]

*From the co-facilitator's paper on paragraphs 49-51:*

- (p) [Understand the current nationally appropriate mitigation action, their underlying assumptions, diversity and effects;]

- (q) ([Understand the support needed for implementation and enhanced action;]
- (r) [Agree on a format to capture the necessary information;]
- (s) [Develop global options to raise collective ambition through enhanced cooperation;]
- (t) [Development and implementation of low carbon development strategies;]
- (u) [Supporting implementation of nationally appropriate mitigation actions by developing countries;]
- (v) [Developing a common accounting framework that can maximize global mitigation efforts;]
- (w) [Holding technical workshops in 2012 to deepen the understanding of methodologies and assumptions underlying the NAMAs mitigation actions;]

#### **[Accounting framework]**

7. Many Parties highlighted the importance of a common accounting framework, the need to ensure comprehensive coverage of all sources and all sinks across all sectors addressing metrics, coverage and rules, and how such an accounting framework could relate to transparency and the understanding of targets.
8. Other Parties noted that the Convention reflects an approach with respect to matters relating to accounting, and emphasized that the accounting framework could depend on the national circumstances so long as there is a transparent and rigorous reporting framework. Many Parties noted the importance of any approach pertaining to accounting as covering both developed and developing country Parties. Overall there was no convergence of views on the common accounting rules and framework.

#### **[Way forward]**

9. A number of views and proposals were made by Parties on how to take forward the discussions on matters relating to paragraphs 36-38 in the lead up to Durban. The list below is not an attempt to identify areas of convergence or divergence, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussions:

- (a) ~~Establishing a~~ Continuing a process, in the form of organizing workshops and updating technical papers in a structured manner, to understand better the overall effects of mitigation commitments or actions by developed country Parties and national appropriate mitigation actions by developing country Parties;

(abis) Elaborating a process for Parties to provide enhanced information on targets and actions contained in INF.1 documents.

- (b) Understanding the scale of the “ambition gap” and identifying options to address it; this could be achieved through process/workprogramme including preparing technical papers by the secretariat and organizing workshops involving both developed and developing countries;
- (c) Establishing a process to develop a common global accounting rules and framework in Durban;
- (d) Creating a common space to discussion the level of ambition covering both developed and developing country Parties;
- (e) ~~Converting the summary by co-facilitators on paragraphs 36-38 of decision 1/CP.16 into~~ Developing and considering decision text as soon as possible in the context of Party discussions in Durban.

**Ad Hoc Working Group on Long-term Cooperative Action**  
**Agenda item 3.2.1**  
**Discussion of matters relating to paragraphs 48-51 of the Cancun Decisions**

**Comments of the United States**

*Note: The U.S. proposed striking all section headings, which is preferred. If headings are retained, we would like our proposed alterations on the headings to be reflected.*

**[General]**

1. Parties had a constructive discussion on matters relating to paragraphs 48 - 51 of the Cancun Agreements (decision 1/CP.16), including: the understanding of the aim of achieving deviation in emissions relative to “business as usual” emissions in 2020; the overall ambition of developing country targets; how to take forward the mitigation actions currently compiled in document UNFCCC/AWGLCA/2011/INF.1; formats and processes envisaged for Parties who may wish to voluntarily inform the Conference of the Parties of their intention to implement nationally appropriate mitigation actions (NAMAs); ~~the future work required to understand~~ the diversity of mitigation actions submitted, underlying assumptions and any support needed for their implementation; and how to advance the work in lead up to Durban and beyond.

**[Ambition/~~and~~ Deviation in emissions ~~relative to “business as usual” emissions in 2020~~]**

1.bis. Many Parties recognize the existence of an “ambition gap” in global emissions and reiterated the importance of the level of ambition of efforts. Views on the context of consideration of this issue differ among Parties. {Some Parties prefer to frame the consideration of this issue in a broader context and on the basis of the best available scientific knowledge as referred to in paragraph 4 of decision 1/CP.16, encompassing all Parties with a significant share of emissions, whereas} others prefer to contain this consideration for the developed country Parties alone. Some Parties consider that the overall level of ambition and accounting is central to any outcome in Durban. Others noted that ambition and accounting were both addressed in specific ways in the Cancun decisions. A number of Parties noted that neither ambition nor matters associated with accounting can appropriately or successfully be addressed in two separate tracks, but that any further consideration would need to be in a setting common to Annex 1 and non-Annex 1 Parties.

2. Some Parties considered that the aim of achieving a deviation in emissions relative to “business as usual” as called for in paragraph 48 of the Cancun Agreements, should be considered in a broader context encompassing all Parties addressing the need for global emissions reductions. Others stated that their understanding was that the concept of ambition did not apply to developing country Parties, but rather what applies to developing countries is the understanding of diversity of mitigation actions. Still others stated the view that Cancun does not mandate international actions with respect to consideration of Party actions beyond the workshops specified in paragraphs 38 and 51, and considered that these paragraphs do not constrain the nature of the consideration of Party actions in the future to the issues specified in those paragraphs.



3. Some Parties reiterated that the invitation in paragraph 50 provides an opportunity to regularly and voluntarily update document UNFCCC/AWGLCA/2011/INF.1, as actions supported and recognized should fall under the scope of actions to be undertaken by developing country Parties, and that Parties should be encouraged to submit new or updated information on mitigation actions as appropriate. It was stated that this could be done annually or as frequently, as Parties submit information on new NAMAs and/or submit new information related to the actions already communicated. Other Parties stated that the invitation in paragraph 50 to developing country Parties to submit information on NAMAs is voluntary and as such the update of such information should happen in the registry.

4. Some Parties stated the need to ensure that future accounting rules/systems are applicable to both developed and developing countries, stating also that these accounting rules should be flexible to allow countries to maximize on their mitigation efforts.

5. Views and proposals made by Parties on how to increase the level of ambition enhanced action by developing countries, in the context of achieving a deviation in emissions below business as usual, are listed below. The list below is not an attempt to identify areas of convergence or divergence, nor is it intended to be comprehensive. Some Parties noted that, to the extent that specific elements of this list are addressed, they would need to be considered together with elements under paragraphs 36-38.

9. *[NOTE: The US indicated in Panama that the list in the co-facilitators' note for paragraphs 36-38 should either be eliminated, or have an option in both documents 36-38 and 48-51 that are identical. We provide the option of a single, inclusive list; please bracket all items if any items are bracketed.]*

- (b) [Enhancing domestic efforts by developed country and developing country Parties;]
- (a.bis) [Continuing workshops under paragraph 38 and 51 to better understand targets and actions of developing and developed country parties.]
- (b) [Removing conditionalities around the pledges targets and actions and moving to the upper more ambitious range of the pledges targets and actions;]
- (c) [Establishing a common accounting framework for developed and developing countries;]
- (d) [Establishing a compliance and international consultations and analysis (ICA) process;]
- (dbis) [Considering issues pertaining to graduation of Parties into Annex I and Annex II]
- (e) [Developing a framework and criteria for the formulation of low emissions development strategy for developed and developing countries;]
- (f) [Further developing the global [carbon] market but ensuring the environmental integrity];
- (g) [Addressing the surplus AAUs in the context of the Kyoto Protocol and establishing stricter LULUCF rules;]
- (h) [Removing fossil fuel subsidies and/or reporting thereof for developed and developing countries];
- (i) [Pursuing green growth, domestically and enhancing investment in green sectors by developed and developing country Parties;]
- (j) [Setting renewable targets for developed and developing country Parties;]
- (k) [Demonstrating that enhancing the level of ambition is economically feasible;]
- (l) [Development and implementation of low carbon development strategies;]
- (m) [Supporting implementation of NAMAs by developing countries;]
- (n) [Addressing global emissions of hydrofluorocarbons, and emissions from international aviation and maritime transport[, and asking related international organizations to implement this];
- (o) Updating the technical papers.
- [Holding technical workshops in 2012 to deepen the understanding of methodologies and assumptions underlying the NAMAs mitigation actions;] [From paragraph 10 below]

- (p) [Understand the current nationally appropriate mitigation action, their underlying assumptions, diversity and effects;]
- (q) [Understand the support needed for implementation and enhanced action;]
- (r) [Agree on a format to capture the necessary information;]
- (s) [Develop global options to raise collective ambition through enhanced cooperation;]
- (t) [Development and implementation of low carbon development strategies;]
- (u) [Supporting implementation of nationally appropriate mitigation actions by developing countries;]
- (v) [Developing a common accounting framework that can maximize global mitigation efforts;]

### **[Accounting framework]**

5bis. Many Parties highlighted the importance of a common accounting framework, the need to ensure comprehensive coverage of all sources and all sinks across all sectors addressing metrics, coverage and rules, and how such an accounting framework could relate to transparency and the understanding of targets.

5ter. Other Parties noted that the Convention reflects an approach with respect to matters relating to accounting, and emphasized that the accounting framework could depend on the national circumstances so long as there is a transparent and rigorous reporting framework. Many Parties noted the importance of any approach pertaining to accounting as covering both developed and developing country Parties. Overall there was no convergence of views on the common accounting rules and framework.

### **[Support needed for the implementation of NAMAs]**

6. Some Parties called for the strengthening of the concept of enablement (provision of finance, technology and capacity-building) provided for in paragraph 48 of the Cancun Agreements and mentioned that a decision on financing to support preparation and implementation of NAMAs is necessary, including support for institutional arrangements at the national level. Many Parties stated that it is necessary to step up support for enhanced action on mitigation by developing countries; it was noted that these issues are being taken up under relevant agenda items of the AWG/LCA. Some called for the set of implementation system for NAMAs.

7. Some Parties mentioned that paragraph 52 should be discussed jointly with the paragraphs 48 -51. For these Parties provision of support could potentially unlock the desire to increase ambition, even though the paragraphs 48 - 51 do not specifically talk about increase in ambition by developing countries. The significance of the registry as an instrument to facilitate increased level of mitigation actions was seen as important. Other parties also stated that developing countries are already contributing to global mitigation

efforts and that developing countries will continue to implement mitigation actions in the context of their sustainable development and according to their national circumstances.

**[Understanding the diversity of Enhanced information on mitigation actions]**

8. Many Parties welcomed the workshops organized by the secretariat to understand the diversity of mitigation actions submitted. Some, however, stated that the workshops are not enough and there is the need to go beyond that.

9. A number of Parties called for more comprehensive information on the mitigation actions of developing countries, with the aim of understanding the diversity of actions, the effects of the actions as well as information on and assumptions underlying mitigation actions. There were several proposals for increasing the understanding of the diversity of NAMAs of developing country Parties. Some Parties stated that “diversity” is a characteristic of nationally appropriate mitigation actions by developing countries and is not a shortcoming or a problem to be solved. Others noted that “understanding diversity” is only related to the workshops held this year, and is not a basis on which to carry forward further work on developing country actions.

10. The list below is not an attempt to identify areas of convergence or divergence nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted up to and during the discussions related to understanding diversity of mitigation actions:

- (f) Understanding better the targets already put forward, including nonconditional domestic targets by developed country Parties; this could be accomplished by establishing a process which could include a call for submission of information, including on underlying accounting assumptions, in a structured format/common template that could feed into updating the technical paper on developed country targets be included in an INF document, with periodic updates as appropriate. Such information could include, inter alia:
  - the reference value of the target or action (such as the base year, reference year, and/or business-as-usual and GDP trajectory);
  - the gases covered by the target or action;
  - the sectors covered by the target or action;
  - the global warming potential values used (if different from AR4);, and
  - relevant assumptions, including the role of land-use, land-use change and forestry, and market mechanisms;
- (g) Including updates to document FCCC/LCA/2011/INF.1 to reflect updated information;
- (h) Establishing a common template based approach for recording the actions and assumptions as well as accounting elements;
- (i) [Further submission of information from Parties on the mitigation actions referred to in document FCCC/AWGLCA/2011/INF.1 using a ~~common~~ structured format/common template. The information called for included clarifications on which sectors and gases were included in the mitigation actions, as well as other elements of factual information and assumptions;]  
(NOTE: See 10 (a) above for substitute text)

- (j) [The use of a common template for NAMAs mitigation actions which was submitted by one Party;] (*NOTE: see 10 (a) above for substitute text.*)
- (k) [Enhanced reporting of information on NAMAs mitigation actions through national communications and biennial update reports, as well as the process of international consultation analysis (ICA) will also offer greater understanding of the diversity in NAMAs mitigation actions and associated methodologies and assumptions;]
- (l) [~~Holding technical workshops in 2012 to deepen the understanding of methodologies and assumptions underlying the NAMAs mitigation actions~~;] *NOTE: This is more appropriately considered under paragraph 5 above*
- (m) [~~Request the Intergovernmental Panel on Climate Change (IPCC) to develop methodologies and guidelines to assess the effectiveness of mitigation actions~~.]

11. Some Parties cautioned against the use of any form of standardized template as that could undermine the understanding of diversity in mitigation actions and national appropriateness.

**[Way forward]**

9. A number of views and proposals were made by Parties on how to take forward the discussions on matters relating to paragraphs 49-51 in the lead up to Durban. The list below is not an attempt to identify areas of convergence or divergence, nor is it intended to be an exhaustive list, but rather a compilation of proposals that Parties submitted during the discussions:

- (f) - Continuing ~~establishing~~ a process, in the form of organizing workshops and updating technical papers in a structured manner, to understand better the overall effects of mitigation commitments or actions by developed country Parties and national appropriate mitigation actions by developing country Parties;
- (abis) Elaborating a process for Parties to provide enhanced information on targets ~~and pledges~~ contained in INF.1 documents.
- (g) Understanding the scale of the “ambition gap” and identifying options to address it; this could be achieved through process/workprogramme including preparing technical papers by the secretariat and organizing workshops involving both developed and developing countries;
- (h) Establishing a process to develop a common global accounting rules and framework in Durban;
- (i) Creating a common space to discussion the level of ambition covering both developed and developing country Parties;
- (j) Developing and considering decision text as soon as possible in the context of Party discussions in Durban.