

Draft elements for SBI agenda sub-item 17 (b) / SBSTA agenda sub-item 9(b)

Modalities, work programme and functions under the Paris Agreement of the forum of the impacts of the implementation of response measures

Informal note by the co-facilitators

These draft elements have been prepared by the co-facilitators of the negotiations on this agenda item under their own responsibility, on the basis of the deliberations by Parties at this session and the views they have submitted. These elements are preliminary and should not be considered as final in any way; they do not prejudge further work or prevent Parties from expressing their views in the future. It is recognized that the outcome of deliberations on this item will form part of the overall outcome under the PAWP.

I. Introduction / Mandate / Purpose

Potential element a:

Article 4, paragraph 15, of the Paris Agreement states that, in implementing the Agreement, “the concerns of Parties with economies most affected by the impacts of response measures, particularly developing country Parties, should be taken into consideration”.

Decision 1/CP.21, paragraph 33, states that the “forum on the impact of the implementation of response measures, under the subsidiary bodies, shall continue, and shall serve the Agreement”.

Decision 1/CP.21, paragraph 34, states that the SBI and the SBSTA “shall recommend, for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its first session, the modalities, work programme and functions of the forum on the impact of the implementation of response measures to address the effects of the implementation of response measures under the Agreement”

Decision 11/CP.21, paragraph 1, also states that the Improved Forum “shall provide a platform allowing Parties to share, in an interactive manner, information, experiences, case studies, best practices and views, and to facilitate assessment and analysis of the impact of the implementation of response measures, with a view to recommending specific actions”.

Potential element b: no Introduction / Mandate / Purpose

II. Preamble

Potential element a:

All developing country Parties face economic and social consequences of response measures (actual and potential) in different ways. Thus, it is fundamental to give full consideration to what actions are necessary to meet the specific needs and concerns of developing country Parties arising from the impact of the implementation of response measures, in accordance with the principles and provisions of the Convention, in particular its articles 3.1, 3.4, 3.5., 4.1. g) and h), 4.3, 4.5, 4.7, 4.8, 4.9 and 4.10, and articles 2.3 and 3.14 of the Kyoto Protocol, as well as relevant COP decisions, such as decisions 5/CP.7, 1/CP.10, 1/CP.13, 1/CP.16, 2/CP.17, 8/CP.17, 1/CP.18, 15/CMP.1 and 31/CMP.1.

Potential element b: no preamble

III. Cross-cutting and overarching considerations/Principles and scope

13 November @ 4:46pm

Potential element a: Cross-cutting and overarching considerations/Principles and scope

- i. Action-oriented
- ii. Permanence
- iii. Facilitative
- iv. Inclusiveness – all Parties and observers
- v. Continuity of the improved forum
- vi. Build on lessons learned of the improved forum
- vii. Flexibility of the work programme/Dynamic approach to the work programme
- viii. Minimize/no overlaps with existing work in relevant international organisations including UNFCCC
- ix. Interactive approach
- x. Transparency and presumption of openness of meetings and documents
- xi. Taking into account the goal of gender balance in the forums work, as well as in external experts invited into the forums work
- xii. Location of implementation of response measures: in developed and developing countries
- xiii. Location of impacts of response measures
 - developed and developing countries
 - National and cross border
- xiv. Strengthen cooperation
 - minimizing adverse impacts on Parties with economies most affected by the impacts of response measures, particularly developing country Parties
 - maximizing positive impacts/co-benefit
 - address negative impacts
- xv. Serve all Parties and enable the transition to low GHG emissions economies
- xvi. Separate the technical and political process
- xvii. Modalities to be aligned with the functions and the work programme

Potential element b: Cross-cutting and overarching considerations/Principles and scope

- i. No Cross-cutting and overarching considerations/Principles and scope

Potential element c: Cross-cutting and overarching considerations/Principles and scope

- i. No reference to dynamic approach to work programme

IV. Linkages

Potential element a:

- i. The forum (TEG) will look at NDCs and other policies of developed countries to draw examples, monitor progress and recommend improvement and assistance

13 November @ 4:46pm

- ii. Under its functions to CMA, Secretariat will look at NDCs and prepare a paper on the annual status of reporting on the impacts of Response Measures
- iii. The forum to inform the Global Stock take at its first meeting

Potential element b: no Linkages

V. Functions

Potential element a: Functions

- i. Identify and understand impacts;
- ii. Platform for sharing of understanding, best practices, lessons learned and experiences;
- iii. Develop tools and methodologies to assess impacts;
- iv. Provide recommendations to COP and CMA and/or CMP;
- v. Implementation, supervision, and monitoring of the implementation of measures to address impacts;
- vi. Contribute to the achievement of the long-term goal in Article 4.1 of the Paris Agreement; help parties increase mitigation ambitions, while taking into consideration negative impacts of response measures; inform and assist parties in the transition towards a low-emission society;
- vii. Facilitate linkage to financial, technology and capacity-building mechanisms under the Paris Agreement;
- viii. Build synergies and cooperation with other organizations, both inside and outside the UNFCCC and Paris Agreement, international organizations, multinational organizations and external experts;
- ix. Serve as an enabler for action in the context of domestic mitigation actions implementing NDCs.

Potential element b: Functions

Under the functions of the forum under the Paris Agreement, the following should be considered with respective technical work to be carried by the TEG to inform the forum.

- i. Promoting understanding of the cross border impact of the implementation of response measures on a sustainable transition in developing countries;
- ii. Provide a platform for Parties to share, in an interactive manner, information, experience, case studies, best practices and views;
- iii. Raising awareness and enhancing the capacity of Parties to assess, address, manage, monitor and report on the impacts of implementation of response measures;
- iv. Identify, develop and promote methods, methodologies and frameworks needed to assess and address the impacts of the implementation of response measures;
- v. Create new or mobilize existing national capacities for strengthening monitoring and reporting systems;
- vi. Showcasing national approaches to implement climate actions and sustainable development;

13 November @ 4:46pm

- vii. Cooperation at various levels, including at bilateral level, with regional and multilateral organizations, experts and institutions, on the adverse economic and social consequences of response measures on developing countries;
- viii. Recommendation of specific actions and functions of the forum.

Potential element c: Functions

- i. Potential element I excluding implementation of measures

Potential element d: Functions

- i. Functions adequately described in decision 1/CP.21 para. 34

VI. Components of the work programme

Potential element a: Components of the work programme

- a. Long-term components of the work programme

Potential sub-element i: Long-term components of the work programme

- i. Current components/future components
 - Just transition of the work force and creation of decent work and quality jobs
 - Economic diversification and transformation
- ii. Beyond current components
 - International trade, human rights, youth, gender, migrants, indigenous peoples, people in vulnerable situations, intergenerational equity etc
 - Further exploring synergies with the sustainable development goals

Potential sub-element ii: Long-term components of the work programme

- Trade to be discussed under WTO

- b. Medium to short term components of the work programme

- i. Assess and analyse the impacts of the implementation of response measures to minimize the adverse impacts and maximize the co-benefits;
- ii. Monitor and report on the impacts of the implementation of response measures to minimize the adverse impacts and maximize the co-benefits;
- iii. Address the impacts of the implementation of response measures, address support for co-benefits.

- c. Potential detailed elements

Potential sub-element i: potential detailed elements

- ⇒ Build awareness, capacity
- ⇒ Promote and develop guidelines, inventory, methodologies and tools
- ⇒ Develop case studies
- ⇒ Collaborate and coordinate with other organizations, agendas
- ⇒ Report and inform on response measures

13 November @ 4:46pm

- ⇒ Promote collaboration, coordination and dialogue
- ⇒ Build (financial, technology and capacity building support) economic and social resilience and assist to sustainable development of developing countries against negative impacts of response measures
- ⇒ Exchange experiences, information and assessments of national, regional and international (cross border impacts)
- ⇒ Enhance information sharing on the impacts of the implementation of response measures

Potential sub-elements ii: potential detailed elements

- ⇒ Carry out systematic and comprehensive assessments or analysis to understand cross border impacts of response measures on developing countries and identify types of measures of significance requiring urgent action to address; especially ways to minimize adverse the impacts of response measures. Understand how the impact of response measures relates to a sustainable transition to a low GHG society;
- ⇒ Establish dialogues on assessment and analysis of adverse impacts of response measures, including unilateral ones, in terms of their consequences for, inter alia, trade, investment, employment, income, economic growth rates and living standards in developing countries; and explore ways to minimize adverse impacts of response measures;
- ⇒ Development of methodologies and modeling tools (CGE based or Hybrid) for the assessment and analysis of adverse impacts of response measures, including unilateral ones, in terms of their consequences for, inter alia, trade, investment, employment, income, economic growth rates and living standards in developing countries;
- ⇒ Developing sector-specific case studies for the agriculture sector, trade and financial, manufacturing and energy-intensive industries, the oil and gas industries and the tourism sector aimed at sharing success stories, lessons learned and addressing the barriers for implementation of diversification strategies for sectors and industries vulnerable to or impacted by response measures;
- ⇒ Capacity building of countries to use the methodologies and tools including modelling tools on existing tools and/or the tools developed by forum through regional training programs;
- ⇒ Capacity-building related to economic modelling, studies, methodology development, scenario-setting and technology transfer to assist developing country Parties in addressing the negative economic and social consequences of response measures;
- ⇒ Development of specific guidelines for developed countries on how to report on actions and impacts related to the implementation of response measures, in such a way as to promote actions to minimize adverse impacts;
- ⇒ Development of system or program to record measures, examine and review their impacts comparatively (domestic versus cross-border impact);
- ⇒ Guidelines for monitoring and reporting of impacts and measures undertaken to address / minimize the negative impacts of implementation of response measures;
- ⇒ The work areas may also include Trade, export development, investment, industrial development and value chain integration, cities, health, gender, youth, inclusive growth;

13 November @ 4:46pm

- ⇒ Further the work areas should be flexible and open for revision at later point of time as the agenda as Parties evolve their understanding and new issues crop up.

Potential sub-element iii: potential detailed elements

- ⇒ Combination of i and ii

Potential sub-element iv: potential detailed elements

- ⇒ Potential detailed elements to be developed after the broader thematic focus is decided

Potential element b: Components of the work programme

- i. Current components
 - Just transition of the work force and creation of decent work and quality jobs
 - ⇒ Understanding the impact of all mitigation action on employment creation and unemployment, including on individual economic sectors in a way that informs national policy options which achieve best possible outcomes
 - ⇒ Ensure an appropriate focus at the subnational level while taking into account potentials for regional synergies between countries
 - Economic diversification and transformation
 - ⇒ Understanding how to maximise economic growth and assist achievement of sustainable development goals while maximising mitigation action through achieving low-cost mitigation action.
 - ⇒ Helping drive increases of private investment flows which help countries meet their NDCs and helps meet the overall goals of the Paris Agreement
 - ⇒ Recognising the different needs, stages of economic development and levels of economic diversification are taken account in and considered in functions and modalities
- ii. Beyond current components
 - Human rights, youth, gender, migrants, indigenous peoples, people in vulnerable situations, intergenerational equity etc
- iii. Assess and analyse the impacts of the implementation of response measures
- iv. Address the impacts of the implementation of response measures
- v. Monitor and report on the impacts of the implementation of response measures
 - Potential detailed elements
 - ⇒ Build awareness, capacity and resilience
 - ⇒ Promote and develop guidelines, inventory, methodologies and tools
 - ⇒ Develop case studies
 - ⇒ Collaborate and coordinate with other organizations, agendas
 - ⇒ Report and inform on response measures
 - ⇒ Promote collaboration, coordination and dialogue

VII. Modalities

- a. Governance under joint SBI/SBSTA agenda item, reporting to COP, CMP and CMA
 - i. Continuation of the current functioning
 - With no TEG

13 November @ 4:46pm

- With TEG established on a permanent basis
 - With TEG established ad-hoc, with more than one TEG operating in parallel if decided by SBs
 - With TEG established on ad-hoc basis as considered necessary by the SBs
- ii. Continuation of the current functioning, with separation between three pillars
- Contact group
 - The forum
 - TEG
- iii. In-session, interactive Forum which is inclusive of both Parties and outside experts
- b. Detailed modalities

Potential sub-element i: detailed modalities

- i. Technical studies and reports
- ii. Share experiences, best practices and views
- iii. Reviews
- iv. (Ad hoc) TEG
- v. Guidelines
- vi. Case studies, concrete examples, best practices
- vii. Pilot projects
- viii. Workshops (in session and inter-sessional)
- ix. Joint work with external organizations
- x. Regional training workshops
- xi. Work of the forum to be undertaken in-session to be inclusive
- xii. Use of external inputs

Potential sub-element ii: all text above without (ad hoc) TEG