



Technical paper¹

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¹The views expressed in this paper are those of the author and do not necessarily represent the views of the UNDP

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Brief overview of the Bonn June 2013 sessions

Main areas of progress

Governments gathered in Bonn, Germany, for the UNFCCC bodies' sessions from 03-14 June 2013. There were over 1,500 participants, representing governments, intergovernmental and non-governmental organizations, academia, the private sector, indigenous peoples and the media. Three bodies convened, including the 38th sessions of the Subsidiary Body for Implementation (SBI38) and the Subsidiary Body for Scientific and Technological Advice (SBSTA38), as well as the second part of the second session of the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP2).

The 38th session of the SBI was not able to pursue its work because disagreements over the agenda led to a suspended session for the entirety of the two week meeting. The adoption of the agenda was delayed as Parties were not able to compromise over a proposal from Belarus, the Russian Federation and Ukraine to include a new agenda item to discuss procedural and legal issues relating to the decision-making process. This proposal was in response to decision-making practices at previous COPs where some Parties were overruled when reaching a consensus (e.g. in Cancun, Durban, Doha). Whilst recognizing the importance of the issue, other Parties (including the G77 and China) did not want to include this on the SBI agenda, stating that it would overload the current agenda and it should instead be part of the agenda for the Conference of the Parties (COP).

After a series of informal consultations held by the SBI Chair, no agreement was reached on the agenda and as a result no progress was made on any of the issues planned to be discussed at this session. Currently the SBI is in charge of operationalizing the institutions that were created since Cancun for enhanced implementation of the Convention. These issues include Nationally Appropriate Mitigation Actions (NAMAs); National Adaptation Plans (NAPs); loss and damage mechanism; National Communications (NC); Technology Transfer; domestic Measurement, Reporting and Verification (MRV), the structured expert review for 2013-2015, finance issues, and others. Given that there are no scheduled Subsidiary Body sessions between now and the 19th session of the Conference of the Parties in Warsaw in November 2013, the lack of SBI work undertaken in Bonn puts at risk any progress at the COP.

However, certain work under the SBI, mandated previously, continued during this session, such as the Durban Forum on Capacity Building and the Article 6 Dialogue on Education, Training and Public Awareness.

At the same time, work has continued with good progress under the SBSTA. SBSTA achieved good progress, amongst others, on reducing emissions from deforestation and forest degradation in developing countries; the role of conservation and enhancement of forest carbon stocks (REDD+); a framework for various approaches including non-market and the new market based mechanism (NMM); agriculture; and several methodological issues. Most of the conclusions made have called for a series of submissions, technical synthesis papers and workshops to be undertaken before COP 19 to implement the established programmes of work. Further details in the conclusions are described below.

Two important areas, although joint with SBI, namely the 2013-2015 Review and Response Measures were able to continue through Workshops and Expert Dialogues. However, negotiation sessions related to these joint SBI and SBSTA agenda items did not take place in Bonn, resulting in no draft decision texts for Warsaw.

As part of the agreements at COP 17, Parties launched the ADP to develop a *“protocol, another legal instrument or an agreed outcome with legal force.”* This working group is now the main negotiating forum for all countries to decide upon the details of the 2015 Climate Change Agreement, which will result in a new, single legal instrument to limit greenhouse gas emissions below the agreed 2°C goal. The ADP has a dual mandate on the vision – to draw up a new global climate agreement that will cover all countries, to be adopted in 2015, and the ambition – to identify ways to achieve more ambitious global emission reductions in order to close the gap between current emission pledges and what is needed to hold global warming below 2°C. The work under the SBI, SBSTA, GCF, and the CTCN is also crucial for progress under the ADP.

The ADP sessions in Bonn continued its work through roundtable discussions and workshops to further discuss issues under the two workstreams: 1) the 2015 agreement, and 2) ambition gap for the pre-2020 period and increased mitigation ambition after 2020. Key messages emerging from the discussions so far are mainly on the second workstream, including the following:

- There was consensus that much is happening on the ground related to mitigation action, but that this activity is not sufficient to close the gap in reaching the goals. The recent UNEP report “Emission Gap Report 2012” served as a basis for these discussions;

- There is consensus that low emission development and sustainable consumption and production are key parts of the solution as well as different measures required in energy and other sectors;
- Countries have broadly discussed what the principles of the new agreement should be based on the principles of the Convention, i.e. common but differentiated responsibilities and respective capabilities, equity, historic responsibility of developed countries and for them to take a leading role, etc. Nonetheless, there is a divide on how to acknowledge the new geo-political situation, while allocating responsibilities;
- Delegates continue to highlight that the ADP negotiations should not try to renegotiate/rewrite the Convention, but have to take place under the Convention;
- Approaches for how the new targets will be developed is a key area of disagreement - whether top-down (preferred by developing countries), bottom-up, or a mix of the two “hybrid approach” (preferred by developed countries). Switzerland proposed a hybrid approach to burden sharing including: common rules and expectations; a consultative phase; and a common MRV system. The consultative phase to include: a compilation of pledges; comparison of pledges against the 2°C degree objective; and cooperation to address remaining gaps;
- Many countries support an agreement applicable to all, rules-based, predictable, robust, clear, enforceable and scientifically-sound, and taking into account long-term perspectives;
- Developing countries are particularly interested in strengthening the means of implementation needed, including financing from the GCF which is expected to be operational in 2014. To bridge the trust gap over the insufficient provision of means of implementation, the Republic of Korea proposed developing MRV for finance with clear definitions, baselines and scope.

In addition to roundtable discussions on key principles and perspectives of Parties, several **workshops** were held, including on Energy Transformation for the Pre-2020 Ambition and Enhancing Adaptation through the 2015 Agreement.

At the Energy Transformation for the Pre-2020 Ambition workshop, presentations were made by the Sustainable Energy for All initiative, the International Energy Agency and the Carbon Sequestration Leadership Forum. Parties agreed that there is a wide range of mitigation actions already being implemented in the energy sector at all levels, with opportunities to scale up and access untapped potential in renewable energy sources and energy efficiency. A transformation

towards less carbon-intensive and more efficient energy systems is required. Developing countries emphasized their need for support to make this shift. In particular, there is a need for robust and long-term policy and regulatory frameworks, enabling capacity and financial investment. Parties also emphasized the importance of co-benefits, such as reliable access to sustainable energy, cost savings, job creation, poverty alleviation, environmental protection, reduction of air pollution.

During the session on adaptation, Parties agreed that adaptation should be an integral part of a new agreement, while addressing it in the context of sustainable development and building on existing institutions. Countries stressed the need to have an equal balance between adaptation and mitigation with support for National Adaptation Plans (NAPs) and means of implementation. The Africa Group went as far as to propose inclusion of an “adaptation goal.” Several developing countries and small island states also emphasized the need to also incorporate loss and damage into the agreement, recognizing that this would address instances where adaptation is no longer feasible.

The work of the ADP will continue at COP 19, though no ambitious deliverables are expected given the scope of the current workplan. Parties are proposing that work will continue from a procedural point of view via submissions and technical workshops to further clarify the substance of the work of ADP. This will include a series of technical papers prepared/updated by the Secretariat. The first will be based on submissions expected from Parties and Observers on the form and nature of a legal agreement and proposals for making the ambition discussions concrete. A second technical paper will provide an overview of the established institutions built so far, and a third paper will focus on adaptation, its cause and benefits.

The current co-chairs of the ADP advised the succeeding co-chairs (Kishan Kumarsingh, Trinidad and Tobago and Artur Runge-Metzger, EU), who will take on their new role in Warsaw, that while the discussions and roundtable approach has provided good progress, it is time for Parties to build on this understanding and begin to dive directly into concrete negotiation via contact groups. There was agreement that an additional ADP meeting would be held in the first half of 2014.

To support the work of defining a 2015 Agreement, discussions continued on **the 2013-2015 Review**. This Review looks at both a scientific assessment of the Long Term Global Goal (LTGG) of 2°C and clarification of what it will take to achieve this LTGG. A structured expert

dialogue and corresponding in-session workshop was held to discuss the LTGG in Bonn. Presentations from WMO, IPCC and the Hadley Centre illustrated the latest science and existing models which could support negotiations, but also recognized that setting a standard or goal is a value judgment that goes beyond science. On overall progress made towards achieving the LTGG, several G77 countries and China emphasized that the Review should assess the implementation of commitments under the Convention, particularly emission trends of Annex I Parties in light of their mitigation efforts. Parties also disagreed on whether inputs should be provided only from the IPCC or involve additional sources as well.

Looking ahead to Warsaw

Warsaw has been labeled a “finance COP,” with expectations for concrete progress on decisions related to financial commitments and the financial mechanism under the Convention (with a ministerial roundtable at COP 19). There will be a high level ministerial dialogue on finance during the COP. Parties also have high expectations that an institutional mechanism for Loss and Damage will be established, as agreed in Doha. Nonetheless, substantial work will be needed between now and COP 19 in November to achieve these aims. Diplomatic engagement between Parties to resolve the issue related to the SBI agenda will be critical in order to continue productive work in Warsaw. At the same time, informal discussions will continue on the sidelines of other meetings in order to make some progress on critical issues. For example, Loss and Damage consultations will continue at the upcoming Loss and Damage expert meeting and Fourth Adaptation Committee meeting, both to be held in Fiji in September. The UNFCCC is also exploring a “crisis management plan” for how to provide sufficient time for SBI work in Warsaw. While expectations remain high that progress can be made at COP 19, disappointment and frustration at the political impasse seen in Bonn has certainly clouded the perspective of success in Warsaw.

Next meetings

A few days after these Bonn sessions a G8 Summit took place, agreeing a Communiqué with a special chapter on climate change (paragraphs 56-59, Annex I of this paper). (The full text can be found at <https://www.gov.uk/government/publications/2013-lough-erne-g8-leaders-communication>).

The COP19/CMP19 will take place in Warsaw, Poland from 11 to 22 November 2013. It was decided that Peru will host COP-20/CMP-10 in 2014, while Venezuela will be hosting the

traditional pre-COP with two parts, ministerial and civil society, in 2014. There will be an additional ADP meeting to be held in the first half of 2014. In 2014 the Secretary-General of the United Nations is convening a Summit to mobilise political will on the new agreement.

Ratification of the Doha amendment of the Kyoto Protocol

The United Arab Emirates (UAE) is the first Party to ratify the Doha amendment of the Kyoto Protocol and Norway announced that will do so shortly. It is necessary for 143 countries to ratify for the amendment to enter into force. Countries from the region have to undertake the necessary legal procedures for ratification. (Note: Belarus, the Russian Federation, and Kazakhstan may wish first to consider the effects on their economies, as well as the solution for the proposed SBI agenda item.)

Main issues for the countries from the region

1. Need to proceed the ratification of the Doha amendment of the Kyoto Protocol in a speedy manner for it to enter into force (*Note: does not apply to Belarus, the Russian Federation, Kazakhstan, Ukraine, see below*);
2. Those developing countries, which have not appointed their national designated entities (NDEs) for the development and transfer of technologies, are advised to do so in a speedy manner. This nomination should include the contact details of the representative who will perform the role of the NDE focal point in interacting or submitting their country requests for support from the CTCN. NDEs will serve as national entities for the development and transfer of technologies and act as focal points for interacting with the Climate Technology Centre regarding requests from developing country Parties about their technology needs. Links are to be found with the NAMA DNAs and NAPs, as the NAMAs and NAPAs will be the main channel for receiving assistance;
3. Those developing countries, which have not yet appointed their designated national authorities (DNA) for NAMA should do so ASAP, otherwise they will not be able to submit for funding. As a next step there is a need to develop rules and procedures for NAMA approval. It is highly recommended that existing CDM structures are used with some adjustments. This will speed up the process and allow the use of existing expertise. It is advisable that developing countries from the region urgently develop and submit as much as possible NAMAs for support. Further information and support could be provided by UNDP;

4. Those developing countries, which haven't submitted NAMAs under the Copenhagen Accord Appendix II, or wish to strengthen their mitigation voluntary commitments have to get ready and make the necessary estimation for the post 2020 period, as this will need to be submitted in 2014 in regard to the 2015 agreement;
5. Need to start developing/strengthen the national MRV systems;
6. There is new revision of the UNFCCC reporting guidelines on Annex I annual inventories, and revision of the guidelines for the review of developed country biennial reports and national communications, including national inventory reviews. On the last there is a workshop planned in October 2013 and submissions are invited by 15 July 2013. These revisions have to be followed by the national inventory teams;
7. There are number of submissions requested on various issues, which countries may wish to consider, mainly by September 2013 (for details see throughout the text);
8. As the SBI did not consider the agenda items in Bonn, the agenda item 16 "Parties not included in Annex I to the Convention whose special circumstances are recognized by the COP" (e.g. Turkey), was left for Warsaw, where given the outstanding work, it is in danger of not receiving proper attention. It may be worth leaving the agenda item for proper consideration at the next Bonn session in 2014.

Summary of some conclusions under SBI, SBSTA and ADP

Only some of the Bonn sessions deliberations are covered below, as there was not much progress on some of the substantial issues. Also the focus here is more on the issues of interest for the EE&CIS region.

Subsidiary Body for Implementation (SBI)

Adoption of the agenda

On the supplementary provisional agenda, Belarus, the Russian Federation, and Ukraine introduced a proposal for a new item on procedural and legal issues relating to decision making by the COP and CMP, in response to "deficiencies in the UNFCCC's application of UN system rules of procedure, norms and principles". The proposal was fully in line with the currently applied Rules of Procedure.

The representative of Russia (Oleg Shamanov) provided several times, in different formats, a clarification of the substance of issues in regard to the agenda. The proposal was to be introduced

as a sub-item under agenda item 17. The proposal was directed towards future meetings, keeping in mind the history of the process. He recalled past processes which he characterised as “unfortunate events.” He recalled the COPs at Doha, Durban, Cancun, Copenhagen and The Hague. This led to one of the most important countries which is the largest emitter of GHGs leaving the Kyoto Protocol, i.e. referring to the United States. With reference to the COP in Copenhagen, Russia said “we saw a neglect of technical details.” He said that the Russian President was amongst others who had worked on the Copenhagen Accord which contributed to what looked like a future agreement. Since the rules and norms of holding negotiations were not followed, it led to a failure. In reference to the new agreement to be concluded under the Ad hoc working Group under the Durban Platform (ADP), Russia said that 2015 was not far away. He said that “if we do not place the whole process in respecting procedures, and norms and principles, the adoption of the 2015 agreement could once again be in crisis and he did not want more countries to leave the process”. He wanted to see clarity in the following of procedures and as a part of SBI conclusions to:

- stress the importance of transparency;
- stress the importance of the basic principles of the UN Charter as reflected in Article 2;
- stress that the draft Rules of Procedure for the COP and subsidiary bodies have still not been officially adopted;
- clarify the meaning of ‘consensus’ (to ask the UN Secretary-General to give clarification on what the notion of ‘consensus’ means as practiced in the UN system);
- clarify the role of presiding officers and how they carry out their functions;
- clarify the role of the secretariat in supporting the presiding officers;
- All statements of Russia were supported by Ukraine and Belarus.

Although the issue was recognized as important and timely, after a series of consultations and discussions, Parties could not adopt the agenda, as although any Party has the right to propose new agenda items, however consensus is required for their inclusion on the agenda. Ukraine highlighted the “paradox” that while all parties recognized that their proposed agenda item was important, there was no agreement to include it on the agenda.

In order to ensure a smooth start to SBI in Warsaw some consultations should take place, as the work under the SBI is crucial for progress under the ADP.

Nevertheless, certain work under the SBI, mandated previously, continued during this session, such as the Durban Forum on Capacity Building and the Article 6 Dialogue on Education, Training and Public Awareness.

Durban Forum on Capacity Building

The Durban Forum on Capacity Building took place on 4 and 6 June, and participants heard presentations and discussed building capacity for: mitigation, adaptation, and gender and climate interlinkages. For more details, see: <http://www.iisd.ca/vol12/enb12571e.html> and <http://www.iisd.ca/vol12/enb12573e.html>.

During the discussions, participants addressed the extent of integration of capacity building in projects and the ability to support experts. On building capacity for mitigation, cases were presented on supporting small businesses in developing mitigation and adaptation solutions in Africa. UNDP presented on the Low Emission Capacity-building Programme and strengthening public sector capacity for the identification of NAMAs and LEDS and facilitating their uptake by the private sector. GEF supports capacity building as a foundational element integrated into projects. The US presented the Low-Emissions Development Strategies Global Partnership, which supports strategy development and provides a platform for donor collaboration with developing countries, NGOs and the private sector.

Dialogue on Implementation of the Doha Work Programme on Convention Article 6

The Dialogue on implementation of the Doha Work Programme on Convention Article 6 (education, training and public awareness) took place on 10 and 11 June 2013. For more details, see: <http://www.iisd.ca/vol12/enb12576e.html> and <http://www.iisd.ca/vol12/enb12577e.html>.

During discussion on strategic approaches and long-term planning of climate change education, delegates highlighted: capacity needs assessments; incorporating climate change into school curricula; and a bottom-up approach to assessing educational needs. On translating international policies into national action, participants emphasized the Doha work programme on Convention Article 6 as being at the core of coordinating national responses.

Subsidiary Body for Scientific and Technological Advice (SBSTA)

Nairobi Work Programme²

SBSTA Conclusions: (FCCC/SBSTA/2013/L.9): agrees to continue discussion of the NWP at SBSTA 39; requests the Secretariat to prepare a technical paper before SBSTA 39 and organize a technical expert meeting before SBSTA 40 on best practices and available tools for the use of indigenous knowledge and practices for adaptation, the application of gender-sensitive approaches, and tools for understanding impacts, vulnerability and adaptation; invites submissions from parties and relevant organizations by 2 September 2013 on how to enhance the relevance of the NWP.

Technology

SBSTA Conclusions: (FCCC/SBSTA/2013/L.11): commends UNEP, as the Climate Technology Centre (CTC) host, including convening the first meeting of the CTCN Advisory Board; encourages the CTCN Advisory Board to submit its report on modalities and procedures of the CTCN and its Advisory Board with a view to making a decision at COP 19; welcomes parties' nominations of their national designated entities (NDEs), underlines NDEs' essential role in the operationalization of the CTCN and encourages parties that have not yet nominated their NDEs to urgently do so; and requests the CTCN Advisory Board, in elaborating modalities and procedures of the CTCN, to consult with stakeholders, in particular NDEs, on: how technical support may be provided to NDEs on requests from developing countries; and how interaction is enabled between the CTC, NDEs and the CTCN.

Agriculture

This issue was first introduced as part of the sectoral mitigation approach, with this time the focus was shifted more on adaptation, pushed by the developing countries.

SBSTA Conclusions: (FCCC/SBSTA/2013/L.20): invites submissions from parties and observer organizations by 2 September 2013 on the current state of scientific knowledge on how to enhance the adaptation of agriculture to climate change impacts while promoting rural development, sustainable development and productivity of agricultural systems and food security in all countries, particularly developing ones. This should take into account the diversity of

² The Nairobi work programme (NWP) is undertaken under the SBSTA and its objective is to assist all Parties, in particular developing countries, including the LDCs and SIDS to: •improve their understanding and assessment of impacts, vulnerability and adaptation to climate change; and •make informed decisions on practical adaptation actions and measures to respond to climate change on a sound scientific, technical and socio-economic basis, taking into account current and future climate change and variability.

agricultural systems and the differences in scale as well as possible adaptation co-benefits. The SBSTA also requests the Secretariat to organize an in-session workshop at SBSTA 39 on the same issues and prepare a report on the workshop for consideration at SBSTA 40.

Methodological issues under the convention

Work programme on the revision of the guidelines for the review of developed country biennial reports and national communications, including national inventory reviews:

SBSTA Conclusions: (FCCC/SBSTA/2013/L.10): requests the lead reviewers to discuss options to improve cost-effectiveness, efficiency and practicality of the review process; concludes that the review of national communications should be conducted in conjunction with the review of biennial reports in the years when both are submitted and agreed that the same information would be reviewed only once; agrees that further discussions on the specific format and combination of reviews will be held during a workshop in October 2013; concludes that supplementing the expert review teams with a standing group of experts, or introducing service fees for review experts, could be explored; invites submissions by 15 July 2013, inter alia, on the scope, structure, timing, outline and publication of review reports, and specific views on key elements of the review guidelines for national communications and biennial reports.

General guidelines for domestic MRV of domestically supported NAMAs

SBSTA Conclusions: (FCCC/SBSTA/2013/L.19): initiates the process of the development of the guidelines and agrees to continue this process at SBSTA 39; will forward draft guidelines to COP 19. Some elements for guidance were drafted (in 2-3 options):

- Principles - to be general, voluntary, pragmatic, non-prescriptive, non-intrusive and country driven, take into account national circumstances and national priorities, respect the diversity of NAMAs, build on existing domestic systems and capacities, recognize existing domestic MRV systems and promote a cost-effective approach;
- Purpose - to provide general guidelines, for voluntary use by developing countries, to describe the domestic MRV of domestically supported NAMAs;
- Recognizing, using and reporting on domestic verification of NAMAs:
 - Option 1 - to utilize existing domestic systems,
 - Option 2 - to utilize existing domestic systems, or to establish, the institutions, entities, arrangements and systems

- Support [capacity-building] :
 - Option 1 - provide enhanced support to interested developing countries, including financial, technical and capacity-building support, and address specific capacity-building needs as determined nationally, including the training of domestic experts and local practitioners in applying the best available approaches.
 - Option 2 - Enhanced support to interested developing country Parties, including financial, technical and capacity-building support, and address specific capacity-building needs as determined nationally, including the training of domestic experts and local practitioners in applying the best available approaches should be ensured by developed country Parties and developed country Parties included in Annex II to the Convention by means of resources,
 - Option 3 - Developed country Parties and developed country Parties included in Annex II of the Convention provide new and additional financial resources at the agreed full cost to supporting communication of information on domestic MRV.

Revision of the UNFCCC reporting guidelines on Annex I annual inventories

SBSTA Conclusions: (FCCC/SBSTA/2013/L.15): advances its work on the draft Annex I inventory guidelines, including common reporting format (CRF) tables, and agrees to continue its discussions at SBSTA 39, with a view to forwarding a draft decision to COP 19; identifies the need to consider at SBSTA 39 the reporting of CO₂ emissions related to ammonia production and urea application, and supplementary guidelines on wetlands and invited parties to submit views on these matters; the completion of the CRF Reporter, at the latest in June 2014, is critical for parties to use for submission of their national inventories in 2015, and requests the Secretariat to continue to update the Reporter with a view to making it available to parties for testing in the fourth quarter of 2013; there may be differences in reporting emissions/removals from harvested wood products due to the alternative approaches to estimate the contribution of such products to annual emissions/removals, and agrees to continue discussions on this matter at SBSTA 39.

Greenhouse gas data interface³

³ greenhouse gas (GHG) data interface to present data in its modules, where applicable, in both physical units and carbon dioxide equivalent.

SBSTA Conclusions: (FCCC/SBSTA/2013/L.4): recognizes the need to make changes to the interface if COP19 adopts changes to the Annex I reporting guidelines; and agrees to consider further development of the GHG data interface at SBSTA 39.

Emissions from fuel used for international aviation and maritime transport

The IMO reported that mandatory energy efficiency measures for new ships recently entered into force.

SBSTA Conclusions:(FCCC/SBSTA/2013/L.18), the SBSTA takes note of the information received from ICAO and IMO on their ongoing work to address emissions from their respective sectors. It invites the ICAO and IMO to continue reporting to future sessions of the SBSTA.

The Framework for Various Approaches (FVA), non-Market-based approaches and New Market Mechanisms (NMM)

These items are considered as a package, the conclusions of SBSTA cover mainly:

- SBSTA initiated a work programme;
- Parties and observers to provide submissions by 2 September 2013 based on a number of questions but not limited to those, which the Secretariat will compile in a technical synthesis and to organize workshops prior to COP19, subject to availability of resources.

SBSTA conclusions on Framework for various approaches (FCCC/SBSTA/2013/L.6):

- initiated the work programme to elaborate a framework for various approaches, to continue at next session;
- considered: the role of the FVA, including its linkages with other relevant matters under the Convention and its instruments; the technical design of the FVA, including its elements and further steps in the work programme on this agenda item;
- invited Parties and admitted observer organizations to submit to the secretariat, by 2 September 2013, their views on a number of questions (the role of the FVA; the technical design of the FVA) and the Secretariat to prepare a technical synthesis and to organize a workshop before COP19.

SBSTA conclusions on Non-market-based approaches (SBSTA/2013/L.7):

- initiated the work programme to elaborate non-market-based approaches, with a view reaching a decision at COP19;

- in order to facilitate further discussion, the SBSTA agreed to consider questions, including (a) What is understood by the term non-market-based approach? What does it mean in the context of addressing climate change? (b) What is the scope of the activities to be considered under non-market-based approaches? (c) Based on an example, or examples, of a specific approach or approaches, explain the following: (i) How does the approach fit the description of a non-market-based approach under the UNFCCC? (ii) How does the non-market-based approach “enhance the cost-effectiveness of, and promote, mitigation actions, bearing in mind different circumstances of developed and developing countries”, as set out in the mandate to elaborate a framework for various approaches? (iii) What are the benefits of using the non-market-based approach instead of a market-based approach? (iv) Is there any other process to address the non-market-based approach within the UNFCCC or elsewhere? If not, should the UNFCCC take action in this regard? (v) What are the potential means of implementation to facilitate the non-market-based approach?;
- invited Parties and admitted observer organizations to submit to the secretariat, by 2 September 2013, further views on the elements of the work programme for non-market-based approaches and specific examples of non-market-based approaches, while reflecting on the questions above; the secretariat to organize a workshop, prior to SBSTA 39.

SBSTA conclusions on New Market-based Mechanism (FCCC/SBSTA/2013/L.8):

- initiated the work programme to elaborate modalities and procedures for the new market-based mechanism (NMM), for adoption at COP 19;
- considered the following: The role of the NMM, including its links with other relevant instruments; The technical design of the NMM, including its possible elements; Further steps in the work programme;
- Parties and admitted observer organizations to submit to the secretariat, by 2 September 2013, their views on the questions and the secretariat to prepare a technical synthesis and to organize a workshop, prior to SBSTA 39.

The questions: 1. On the role of the NMM: In which aspects is the NMM different from existing market-based mechanisms? Is there a relationship between a Party’s level of mitigation ambition and its use of the NMM and, if so, what is the appropriate relationship? What are the links between the NMM and other relevant matters under the Convention and its instruments? How can the consistency of the NMM with the objective, principles and provisions of the

Convention, with the science of climate change and with environmental integrity be ensured? 2. On the technical design of the NMM: Its operation under the guidance and authority of the COP: how should the COP exercise its guidance and authority over the NMM, what should the institutional arrangements for the NMM be, and what should the role of the UNFCCC be in relation to the individual Parties that implement the NMM? The voluntary participation of Parties in the mechanism: how should this be ensured, and how can the NMM incentivize wider Party participation? Standards that deliver real, permanent, additional, and verified mitigation outcomes, avoid double counting of effort and achieve a net decrease and/or avoidance of greenhouse gas emissions: what are these standards, how should they be developed and applied, and what lessons should be learned from other experience, including under the Kyoto Protocol? Requirements for the accurate measurement, reporting and verification of emission reductions, emission removals and/or avoided emissions: what are these requirements, how should they be applied, and what lessons should be learned from other experience, including under the Kyoto Protocol? Means to stimulate mitigation across broad segments of the economy, which are defined by the participating Parties and may be on a sectoral and/or project-specific basis: what are examples of such segments, how should the NMM stimulate mitigation within them, and on what basis should the participating Parties define them? Criteria, including the application of conservative methods, for the establishment, approval and periodic adjustment of ambitious reference levels (crediting thresholds and/or trading caps) and for the periodic issuance of units based on mitigation below a crediting threshold or based on a trading cap: what are these criteria and how should they be applied? Criteria for the accurate and consistent recording and tracking of units: what are these criteria, how should they be applied, what technical systems need to be in place and what lessons should be learned from other experience, including under the Kyoto Protocol?, Complementarity: should this be defined and ensured and, if so, how? A share of proceeds to cover administrative expenses and assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation: should there be a share of proceeds and, if so, how should it be structured and applied and at what level should it be set? The promotion of sustainable development: how can the NMM promote this? The facilitation of the effective participation of private and public entities: how should the NMM facilitate such participation and how can its incentives be structured appropriately? The facilitation of the prompt start of the mechanism: what measures should be taken to facilitate the prompt start of the NMM and what criteria should be in place? Eligibility criteria for the use of the mechanism: should there be such criteria and, if so, what are they and

how and to whom should they be applied? Role of the implementing Party: what should be the role of the implementing Party in the operation of the NMM? Governance: what measures can be taken to ensure the good governance of the NMM?

2013-2015 Review

As it was a joint item with SBI there was no contact group, but an in-session workshop took place. Participants addressed the adequacy of the long-term global goal in the light of the ultimate objective of the Convention and overall progress made towards achieving it, including consideration of the implementation of the commitments under the Convention. The next structured expert dialogue will take place in conjunction with SBSTA 39 where consideration of this issue will continue.

For more details, see: www.iisd.ca/vol12/enb12572e.html.

Work programme on clarification of developed country quantified economy-wide emission targets⁴

SBSTA Conclusions:(FCCC/SBSTA/2013/L.13): initiates the work programme; welcomes the information exchange during the in-session event on developed countries' quantified economy-wide emission reduction targets; and agrees to continue its consideration of the matter at SBSTA 39 with a view to reporting on progress to COP 19.

Ad hoc Working Group on the Durban Platform for enhanced action (ADP)

Progress on Workstreams 1 and 2

The implementation of all the elements of Decision 1/CP.17 (Durban Platform for Enhanced Action) includes Workstreams 1 (the 2015 agreement) and 2 (pre-2020 and post 2020 ambition). The work was structured around workshops and roundtables, with some expectation for contact groups to be established in Warsaw in order to move to negotiating format. Co-Chairs will prepare, based on the discussions at the first and second parts of the second session of the ADP and under their own responsibility a note on progress.

Conclusions: (FCCC/ADP/2013/L.2) (<http://unfccc.int/resource/docs/2013/adp2/eng/102.pdf>):

⁴ By 1/CP.18 (para.8), the COP decided to continue the process of clarifying the quantified economy-wide emission reduction targets of developed country Parties in form of a work programme under the SBSTA. The focus of the work programme continues to be the clarification of the targets, and with a specific view to (a) identifying **common elements for measuring the progress** made towards the achievement of the quantified economy-wide emission reduction targets; and (b) ensuring the **comparability of efforts** among developed country Parties, taking into account differences in their national circumstances. Parties also agreed that the work programme should include specific actions, such as focused expert meetings, technical briefings and submissions from Parties and observer organizations.

Agreed to convene at least one additional session in first half of 2014; invited Parties and observer organizations to make submissions, by 1 September 2013 under workstream 1 and workstream 2 - to further explore and elaborate specific ideas and proposals; drawing upon submissions a balanced, focused and more formal mode of work to be proposed for Warsaw; secretariat to prepare, and to make available by 30 October 2013, based on the submissions, two technical papers: a second version of the existing mitigation technical paper and a first version of a technical paper synthesizing submissions on the costs, benefits and opportunities for adaptation based on different drivers of climate change impacts, including the relationship between adaptation and mitigation; secretariat to prepare an overview of the mandates, as well as the progress of work under institutions, mechanisms and arrangements under the Convention, to inform the work of the ADP, including on linkages.

Green Climate Fund report to ADP

Progress in early 2013: At its third meeting, held in March 2013, the Board agreed to a number of key aspects on the Fund's business model framework, including that: a country-driven approach would be a core principle; the Fund would begin operating through accredited national, regional and international intermediaries and implementing entities; the Fund would focus initially on grants and concessional lending and employ additional financial instruments as necessary to effectively achieve its objectives, and the business model framework of the Fund would be further developed by commissioning analytical work that will underpin policy decisions at the June and September meetings.

Other key outcomes included: Finalisation of the Board's additional rules of procedure, which cover important issues such as rules for observer participation, the composition, selection and term of Board membership, and confidentiality and conflict of interest, and approving key steps for the establishment of the independent Secretariat, including processes for finalising the Headquarters Agreement with the Republic of Korea and selecting the Executive Director by June 2013.

Expectations for 2013:

1. Resource mobilization: A resource mobilization strategy will be considered in September, after which the Board will finalize its approach towards resource mobilization.
2. Modalities for readiness and preparatory support: Building on the discussions held at its March meeting, the Board will decide on the elements of the modalities for readiness and

preparatory support at its September meeting. Further elements of the business model framework will be considered in September 2013, including: Results management framework; Financial inputs; and Allocation.

3. Business Model Framework: The business model framework for the Fund will form the foundation for the how the Fund operates. In June 2013, the Board will work to take key policy decisions on the following aspects of the Fund's business model framework: Objectives, results and performance indicators; Country ownership; Structure and organization; Financial instruments; Private sector facility; Access modalities.

Annex I – G8 2013 Communiqué - chapter on climate change

Climate Change

56. Climate change is one of the foremost challenges for our future economic growth and well-being. We remain strongly committed to addressing the urgent need to reduce greenhouse gas emissions significantly by 2020 and to pursue our low carbon path afterwards, with a view to doing our part to limit effectively the increase in global temperature below 2°C above pre-industrial levels, consistent with science.

57. We will pursue ambitious and transparent action, both domestically and internationally, in the UNFCCC, complemented by actions addressed through other relevant fora, including but not limited to:

- the Major Economies Forum (MEF), where we will work with our partners to secure progress on the MEF Action Agenda and to overcome differences on the road to the global deal in 2015;
- the International Civil Aviation Organisation (ICAO), where we call for the agreement at the Assembly in September 2013 on an ambitious package related to both market-based and non-market based measures to address rising aviation emissions;
- the International Maritime Organisation (IMO), where we continue to work together on further measures to address the issue of shipping emissions;
- the Climate and Clean Air Coalition which we all committed to join at our last Summit, where we will build on the eight global initiatives already begun and further develop the scientific evidence base and private sector involvement.

58. We recognise climate change as a contributing factor in increased economic and security risks globally. The G8 has agreed to consider means to better respond to this challenge and its associated risks, recalling that international climate policy and sustainable economic development are mutually reinforcing.

59. In the UNFCCC we will work to ensure that a new protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all parties is adopted by 2015, to come into effect and be implemented from 2020. We also note with grave concern the gap between current country pledges and what is needed, and will work towards increasing mitigation ambition in the period to 2020. We reiterate our commitment to the developed countries' goal of mobilising jointly \$100billion of climate finance per year by 2020 from a wide

variety of sources in the context of meaningful mitigation actions and transparency on implementation and are advancing our efforts to continue to improve the transparency of international climate finance flows. We welcome the efforts of the Secretary-General of the United Nations to mobilise political will through 2014 towards a successful global agreement in 2015 during the Conference of the Parties that France stands ready to host. We look forward to the fifth Assessment Report of the International ⁵Panel on Climate Change (IPCC).

⁵ This is a mistake it is not International, but Intergovernmental Panel