

Parties consider framework for various approaches and new market-based mechanism for mitigation

Bangkok, 3 September (Dale Wen) – An “informal group” of the AWG-LCA met on 1 September to discuss agenda item 3b(v) on “various approaches, including opportunities for using markets, to enhance the cost-effectiveness of, and to promote, mitigation actions, bearing in mind different circumstances of developed and developing countries”.

The facilitator Ms. Alexa Kleysteuber of Chile presented four documents to the Parties, including two summaries from the workshops held on 31 August: the informal summary of the workshop on a framework for various approaches (FVA) and the informal summary of the workshop on the new market-based mechanism (NMBM), a table summarizing where we have been since the 13th meeting of the Conference of Parties to the UNFCCC (COP 13) that adopted the Bali Action Plan, through to COP 16 (Cancun), COP 17 (Durban), and the 15th session of the AWG-LCA (May 2012, Bonn), and an informal note with a list of elements for a FVA and NMBM by the AWG-LCA Chair Aysar Tayeb.

Switzerland, on behalf of the Environmental Integrity Group, said that we have moved forward with better understanding of ideas and positions about commonalities between us. It asked what elements of the work programme should be if we have to close AWG-LCA this year. It said the list of elements in the Chair's note can be used as basis to produce text for Doha.

Ecuador, on behalf of G77 and China, said that discussion of FVA is important, and should be dealt with under the COP. And the discussion on non-market approaches should be included as well. It said that the list is not complete and Parties should be able to add or delete elements that have been proposed.

The facilitator confirmed that this is not meant to be a complete list, and we can use the rest of the Bangkok session to get text on the table for Doha.

The European Union said that two workstreams on FVA and NMBM were mandated in Durban and they need two different approaches, which is reflected in the text. The EU said we need to elaborate on modalities and procedures. It also suggested a technical paper could be used to improve the structure of the informal note.

Brazil agreed with G77 that the list is not comprehensive, it can be used as a map to start discussions, however it is too premature to say that all elements are here, or elements that are here are necessary. It should not be an index of elements we foresee in any decision text. It also said that it is too premature for the Chair to prepare the text, there is a need to have more discussions among the Parties to decide whether the Parties or the Chair should come up with text. A technical paper at this stage can provide good material, but it is not in a position to use the technical paper for further deliberations yet, and need more study about how to use the paper.

New Zealand said some comments here echo the discussions in Bonn. As we want to leave here with what might be achievable in Doha, we should focus on what can be constructive discussions. We need to start to think about a Doha decision text realistically, focus on elements which are likely to get some sort of agreement, acknowledge others may need more political discussion and find a way to do that, to structure work for next year for both FVA and NMBM. It said that Parties should focus on the objectives in Doha, rather than spending too much time on wider discussions.

Australia echoed New Zealand's comment, saying that the objective is to get the momentum

going and get the structure in place for going forward, to address the question where is the new home for further work with the closure of AWG-LCA.

India associated itself with the G77 and Brazil. It said that we have not advanced to the stage where we can draw out where the decisions are likely, a more detailed discussion is welcome so we can advance Doha.

Japan acknowledged that the list is not comprehensive. It said that the first part, FVA, contains elements for decisions for COP18. The second part, NMBM, may not be consistent with the mandate. Durban decides to conduct the work program, and elements of the work program should not be discussed here in Bangkok.

Bolivia associated itself with the statement from G77. It said the framework should take into consideration guiding principles including environmental and equity principles. Non-commodification of Mother Earth is important. FVA should help developing countries to develop a model for sustainable development. More discussion on FVA is needed, especially development of non-market-based mechanisms, adding that Bolivia has proposed a climate justice mechanism as a non-market-based mechanism in its submission.

Norway said a technical paper would be very useful to guide us to Doha.

The facilitator said everyone wants some concrete elements to go forward for Doha, and she would like to get textual proposals from all Parties in the next few sessions.

Saudi Arabia associated itself with the G77 statement. It said Parties should reflect on how we have proceeded given the mandate of COP 17 to have a work programme: do Parties finish the work programme? To have a decision or not, should not have bearing on the closure of the AWG-LCA. Parties should not be under pressure to reach a decision at COP18 without completing the work programme. The text (that it said should be comprehensive and covers all elements) can be annexed to the decision.

Brazil said the bullet points in Chair's note can be used as a map to decide elements to be added or taken out. Before text proposal by the Parties, more work on the framework is needed as

suggested by Bolivia. Bolivia tried to put its views on the objective of framework, add principles for the framework, all these need to be listened to and taken into consideration.

The facilitator agreed with Brazil to have a map to streamline the discussion. She also asked Parties to work on elements on both FVA and NMBM, to start discussing what big headings could be under FVA and MBM, and where Parties could suggest text under those headings.

China said the note is a good start point. Before Parties populating the text, it is better to have a general exchange of views on the structure and ideas of what is to be expected in Doha. If the Parties think they won't be able to have detailed decisions in Doha, maybe they should have general discussions on what kind of outcome they can have.

New Zealand said to have general headings is a sensible way to go forward. Parties can have a quick discussion whether issues are political or technical to build a general structure.

Brazil said there are still huge differences among the Parties about principles of the framework, which need more exchange of views as there is no consensus so far.

Switzerland said that the EIG thinks a technical paper would be a good start to include all the views, to start populating the text.

The United States said as there are substantive different views in the room, it can be useful to start with a high level of abstraction in the note, to explore the table of contents to understand what an overall decision might look like without going into substantive discussion.

Mali said the list is not exhaustive. More discussion is needed to understand commonality, for example, what the FVA should do, to understand that this is under the authority of the COP.

Japan, Brazil, US and Australia also said that Parties should start discussion from the heading level.

The facilitator said the next session will start with the heading of the framework.

Four more sessions on the agenda item will be convened in Bangkok, only the last one will be open to observers.