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

Fifteenth session, part two

Doha, 27 November 2012—*

Agenda item 3(b)(ii)

**Nationally appropriate mitigation actions by developing country Parties
in the context of sustainable development, supported and enabled by
technology, financing and capacity-building, in a measurable,
reportable and verifiable manner**

Report on the fourth workshop to further the understanding of the diversity of nationally appropriate mitigation actions by developing country Parties, underlying assumptions and any support needed for implementation of these actions

Note by the chair of the workshop

Summary

This report provides a summary of the fourth workshop to further the understanding of the diversity of nationally appropriate mitigation actions by developing country Parties, underlying assumptions, and any support needed for implementation of these actions. The workshop was held in Bangkok, Thailand, on 2 September 2012, during the informal additional session of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention. The workshop was composed of two moderated panel discussions. The first panel discussion addressed the following with regard to the nationally appropriate mitigation actions (NAMAs) of developing country Parties: their underlying assumptions and methodologies, the sectors and gases covered, the greenhouse gas potential values used and the estimated mitigation outcomes. The second panel discussion addressed issues related to the provision of support for the preparation and implementation of NAMAs.

* The second part of the session will be held in conjunction with the eighteenth session of the Conference of the Parties. The opening date of the fifteenth session, part two, of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention will be Tuesday, 27 November 2012. The closing date will be determined in due course.

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I. Introduction

A. Mandate

1. The Conference of the Parties (COP), at its seventeenth session, decided to continue, in 2012, workshops, in a structured manner, to further the understanding of the diversity of nationally appropriate mitigation actions (NAMAs) by developing country Parties as communicated and contained in document FCCC/AWGLCA/2011/INF.1, the underlying assumptions and any support needed for the implementation of these actions, noting different national circumstances and the respective capabilities of these Parties.¹
2. The COP invited developing country Parties, with a view to providing input to the workshops, to submit to the secretariat, subject to availability, more information relating to NAMAs, including their underlying assumptions and methodologies, the sectors and gases covered, the global warming potential values used, the support needed for the implementation of these actions and the estimated mitigation outcomes.² The secretariat received five such submissions, four from Parties and one from a group of Parties. These submissions were compiled in document FCCC/AWGLCA/2012/MISC.2 and Add.1.
3. At the first part of the fifteenth session of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA), Parties agreed to organize a focused workshop on specific NAMAs, structured in accordance with decision 2/CP.17, that paid particular attention to support needs, but was not limited to them.³

B. Organization of the workshop

4. The workshop took place in conjunction with the informal additional session of the AWG-LCA at the United Nations Conference Centre, the United Nations Economic and Social Commission for Asia and the Pacific, Bangkok, Thailand, and was held on 2 September 2012.
5. It was organized in two panel discussions (see chapter II). After the opening remarks by the facilitator, Mr. Gary William Theseira (Malaysia), each panel was introduced by its moderator, followed by interventions from the panellists and questions from participants. The agenda of the workshop, including the list of panellists, and questions for discussion are provided in the annexes.
6. This written workshop report was prepared by the chair of the workshop, under his responsibility and assisted by the secretariat. The information note, the informal workshop summary, and this report are available on the UNFCCC website.⁴

¹ Decision 2/CP.17, paragraph 33.

² Decision 2/CP.17, paragraphs 34 and 35.

³ Oral report on nationally appropriate mitigation actions by developing country Parties (agenda item 3(b)(ii)) presented to the contact group of the AWG-LCA at the first part of its fifteenth session (Bonn, Germany, 15–24 May 2012), available at http://unfccc.int/meetings/bonn_may_2012/session/6646.php.

⁴ http://unfccc.int/meetings/bangkok_aug_2012/workshop/7027.php.

II. Summary of the proceedings

A. Panel 1: underlying assumptions and methodologies, sectors and gases covered, global warming potential values used, and estimated mitigation outcomes

7. The first panel discussion addressed the underlying assumptions and methodologies, the sectors and gases covered, the global warming potential values used, and the estimated mitigation outcomes. It was moderated by Mr. John Christensen, head of the United Nations Environment Programme, Risoe Centre. The panel was composed of representatives of the European Union and its member States, Indonesia, Japan, Maldives, Mexico and South Africa.

8. In his introductory remarks, the moderator referred to information on NAMAs provided by Parties in their submissions, including the following:

- (a) The political, financial, economic, demographic and technological assumptions, noting the lack of detail in these assumptions;
- (b) Information on the gases covered and priority sectors;
- (c) The assumptions used in developing 'business as usual' (BAU) scenarios and models used to develop such scenarios;
- (d) The mitigation goals and measures to achieve them;
- (e) The linkages between proposed mitigation measures and national and/or sectoral policies and plans;
- (f) Estimated emission reductions and other indicators of implementation;
- (g) National measurement, reporting and verification systems and institutional arrangements planned for the implementation of NAMAs.

9. The moderator concluded his introduction by posing the following questions to the panellists and the workshop participants:

- (a) What assumptions should be considered while preparing a NAMA?
- (b) What are the main methodological challenges that need to be addressed in the preparation and implementation of NAMAs?
- (c) What are the main information gaps in the NAMAs communicated to the secretariat and what could the secretariat do to address these gaps?

1. Underlying assumptions

10. The following were the underlying assumptions raised during the panel discussion:

- (a) NAMAs are nationally appropriate, diverse, developed in the context of national development objectives and should contribute to national sustainable development and global emission reductions;
- (b) The implementation of NAMAs in developing countries is contingent on the effective provision of finance, technology and capacity-building support provided by developed country Parties. Support is also required for the setting up of national measurement, reporting and verification systems;
- (c) Developing country Parties have committed to implementing actions rather than to any specific outcomes. In this context, Parties may use, and report on, a range of

indicators of implementation and sustainable development. Nonetheless, Parties may also report on estimated mitigation outcomes, including greenhouse gas emission reductions;

(d) Parties could benefit from international dialogue on the identification and use of indicators of implementation based on national experiences. In this context, it was suggested that biennial update reports could identify these indicators and include information on their outcomes.

2. Methodological issues

11. Major methodological challenges to the preparation and implementation of NAMAs include the following:

(a) A lack of resources and institutional and human capacities for the identification and prioritization of mitigation actions, and the integration of these actions into broader national objectives and development plans;

(b) A lack of reliable and accessible data, and systems to manage such data;

(c) Difficulties in quantifying greenhouse gas emissions, in particular the high cost envisaged in setting up robust measuring, reporting and verification (MRV) systems;

(d) Understanding and eliminating barriers to implementing NAMAs;

(e) Defining boundaries and leakage, in particular when dealing with broader sectors of the economy;

(f) Developing multisectoral baseline scenarios;

(g) Enabling stakeholders to understand the technical and methodological issues around mitigation actions.

12. In addition to the methodological challenges listed in paragraph 11 above, it was stressed that the diversity of NAMAs poses a methodological challenge to developing a common methodology or standard. The clean development mechanism (CDM) can be seen as a source of methodologies for NAMAs; however, its project-based focus may limit its application to NAMAs that are similar in scope to CDM project activities. For this reason, developing country Parties could develop and use methodologies, which are in line with internationally accepted guidelines.

13. Some countries have set up national working groups to develop baseline scenarios. Such scenarios are important because they constitute the basis of the identification and prioritization of NAMAs, and assess their impacts. Transparency on the assumptions and methodologies used in developing these scenarios is beneficial in terms of attracting support and enhancing the ability of a country to manage the process of the preparation and implementation of NAMAs.

3. Estimated mitigation outcomes

14. In addition to addressing the questions posed by the moderator, a number of panellists provided the following information on the status of implementation of their NAMAs:

(a) A Party is in the process of implementing its emission reduction plan, which aims to reduce its emissions by 26 per cent by 2020 with 2005 being used as the base year. National resources would be utilized to achieve this goal. The Party noted that it would increase its ambition and reduce its emissions by 41 per cent if it received international support;

(b) Another Party noted that, in 2009, its special programme for climate change included a long-term vision of reducing emissions by 20 per cent below the BAU level in 2020. At the end of 2009, it submitted a pledge to the secretariat to reduce its emissions by 30 per cent below its BAU level by 2020, thus enhancing its level of ambition. The Party stressed that this reduction would depend on the provision of financial and technological support. Work is under way to evaluate which component of this goal can be achieved with national resources and which would require international support;

(c) Finally, a third Party stated that its mitigation actions are part of its national energy policy, which includes, inter alia, the goal of achieving an energy mix with at least 50 per cent of its energy generated from renewable sources by 2015, and generating about 90 per cent of its electricity from renewable technologies by the same year.

4. Other issues

15. In addition to views on the issues mentioned in paragraphs 10–14 above, the following points were raised during the panel discussion:

(a) Effective and efficient national financial schemes will facilitate the mobilization of the finance required to implement NAMAs in developing countries;

(b) Increasing ambition involves the challenge of implementing mitigation actions with high abatement costs;

(c) NAMA coordination offices could be set up to facilitate the implementation of NAMAs and related reporting requirements, approve NAMAs prior to their recording in the NAMA registry, and provide guidance to national implementing agencies and other actors interested in NAMAs;

(d) National capacity can be enhanced by involving national experts in the preparation and implementation of NAMAs;

(e) Crediting NAMAs would require a strong and stable market that generates demand. Double counting should be avoided whenever this mechanism is allowed to meet a national target or goal.

B. Panel 2: support needs

16. The second panel discussion addressed support needs for NAMAs in developing countries. It was moderated by Mr. Youba Sokona, Coordinator of the African Climate Change Centre at the United Nations Economic Commission for Africa. The panel was composed of representatives of Australia, the European Union and its member States, Mali, Philippines and Uruguay.

17. In his introductory remarks, the moderator noted that NAMAs were emerging as an important instrument in further engaging developing country Parties in the attempt to close the emissions gap and in enhancing their contribution towards the global effort to address climate change. He added that support in the form of finance, technology and capacity-building was essential in enabling developing country Parties to realize their mitigation potential. Furthermore, he stated that a wide range of developing country Parties had initiated the development and implementation of a diverse set of NAMAs with support from bilateral, multilateral, technical and academic institutions.

18. The moderator concluded his introduction by posing the following questions to the panellists and the workshop participants:

(a) What type of support has already been provided in the preparation and implementation of NAMAs?

(b) What type of support is lacking in terms of the provision of support and what could the secretariat do to make it available?

(c) What are the main obstacles that need to be addressed so that available sources of support could be channelled effectively to support the preparation and implementation of NAMAs?

19. The main points raised during the panel discussion included the following:

(a) Collaboration is ongoing between developing country Parties and bilateral, regional and multilateral organizations to support the design and/or strengthening of national institutional frameworks for the identification, preparation and implementation of NAMAs. Parties are also working with these agencies to develop low-emission development strategies and BAU and mitigation scenarios. Support is also being provided to increase national capacity for MRV;

(b) Parties are using national resources to design and implement NAMAs, however, the provision of international support is critical to the full realization of the mitigation potential of developing country Parties;

(c) Several initiatives to support the preparation and implementation of NAMAs have been established, however, they lack cohesion. Efforts to decrease the number of channels of support could lower the complexity and cost of dealing with multiple support sources;

(d) Most support programmes are directed at the design and development of NAMAs, with a few programmes supporting implementation;

(e) Initiatives to bring together NAMA developers and international public and private sources of financing could also be used to enhance and simplify the provision of support;

(f) Several Parties are in the process of developing NAMAs for submission to the registry. It was noted that this platform has the potential to facilitate the matching of NAMAs to the support available. To this end, the modalities for the facilitation of support through the registry need to be operationalized;

(g) Public finance should be used to leverage private-sector funding to the scale needed; for this reason, it is important to engage the private sector at the outset;

(h) Readiness activities and conducive investment frameworks will be crucial in enhancing the implementation of NAMAs;

(i) Financial needs should be assessed at the national and local levels where plans and programmes are formulated and implemented. The absorptive capacity of countries also needs to be considered when assessing financial needs;

(j) One participant mentioned that the development agency of his country has adopted a strategy of directing 50 per cent of its development aid (between EUR 4 and 5 billion per year) to climate-related cooperation. He noted that, despite the difficult economic situation and tight budgetary constraints, his country is on track to deliver its overall pledge for fast-start finance in 2012.

C. Possible next steps

20. Some Parties identified the following as the next steps to facilitate further discussion on NAMAs:

(a) The process of understanding the diversity of NAMAs remains important. Some Parties suggested this process should continue under the subsidiary bodies. Other Parties were of the view that this will happen under the biennial update reports and the process of international consultation and analysis;

(b) The Subsidiary Body for Scientific and Technological Advice could be requested to discuss methodological issues and information relating to different types of NAMAs;

(c) The secretariat could compile all the information communicated on NAMAs, including submissions from Parties and presentations made during workshops, into one document;

(d) Activities to build the capacity of developing country Parties could include the development of a handbook on the preparation and implementation of NAMAs, and the organization of regional capacity-building workshops.

Annex I

Workshop agenda

Workshop to further the understanding of the diversity of nationally appropriate mitigation actions by developing country Parties, underlying assumptions, and any support needed for implementation of these actions, 2 September 2012

3 p.m. to 3.10 p.m.

Opening remarks by the facilitator, Mr. Gary Theseira

3.10 p.m. to 4.30 p.m.

Panel 1. Underlying assumptions and methodologies, sectors and gases covered, global warming potential values used and estimated mitigation outcomes

- Introduction by the moderator, Mr. John Christensen, United Nations Environment Programme, Risoe Centre;
- Remarks by Parties: Indonesia, European Union, South Africa, Maldives, Mexico, Japan;
- Interventions from the floor.

4.30 p.m. to 5.45 p.m.

Panel 2. Support needs

- Introduction by the moderator, Mr. Youba Sokona, United Nations Economic Commission for Africa;
- Remarks by Parties: Uruguay, Philippines, Mali, European Union, Australia;
- Interventions from the floor.

5.45 p.m. to 6 p.m.

Concluding remarks by the facilitator, Mr. Gary Theseira

Annex II

Questions for discussion

Panel 1. Underlying assumptions and methodologies, sectors and gases covered, global warming potential values used and estimated mitigation outcomes

- What assumptions should be considered while preparing a nationally appropriate mitigation action (NAMA)?
- What are the main methodological challenges that need to be addressed in the preparation and implementation of NAMAs?
- What are the main information gaps in the NAMAs communicated to the secretariat and what could the secretariat do to address these gaps?

Panel 2. Support needs

- What type of support has already been provided (give examples) in the preparation and implementation of NAMAs?
 - What type of support is lacking in terms of the provision of support (give examples) and what could the secretariat do to make it available?
 - What are the main obstacles that need to be addressed so that available sources of support could be channelled effectively to support the preparation and implementation of NAMAs?
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