



**Ad Hoc Working Group on Long-term Cooperative Action
under the Convention****Fifteenth session, part two
Doha, 8 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 third 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 third 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 Bonn, Germany, on 18 May 2012, during the first part of the fifteenth session of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention. The workshop addressed, through presentations, subsequent question and answer sessions and general discussion, the following issues: the diversity of nationally appropriate mitigation actions (NAMAs); their underlying assumptions; methodologies, sectors and gases covered; the global warming potential value used; the support needed for NAMA implementation; and the estimated mitigation outcomes.

* The second part of the session will be held in conjunction with the eighteenth session of the Conference of the Parties. The opening and closing dates of the fifteenth session, part two, of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention 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, in-session 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 requested the secretariat to organize the in-session workshops, referred to in paragraph 1 above, in conjunction with the thirty-sixth sessions of the subsidiary bodies and to prepare written workshop summary reports.²

3. The COP invited developing country Parties, with a view to providing input to the workshops, to submit to the secretariat, by 5 March 2012, subject to availability, more information relating to nationally appropriate mitigation actions, including underlying assumptions and methodologies, sectors and gases covered, global warming potential values used, support needed for the implementation of these actions and estimated mitigation outcomes.³ The secretariat received four such submissions, three from Parties and one from a group of Parties and they were compiled in document FCCC/AWGLCA/2012/MISC.2.

B. Organization of the workshop

4. The workshop took place in conjunction with the thirty-sixth sessions of the subsidiary bodies at the Hotel Maritim, Bonn, Germany, and was held on 18 May 2012.

5. The workshop was chaired by Mr. Gary William Theseira (Malaysia). After the introductory remarks by the Chair of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention, Mr. Aysar Tayeb (Saudi Arabia), presentations were made by 12 Parties comprising 11 developing country Parties and a developed country Party. An observer organization, namely Climate Action Network International, also made a presentation. The presentations were organized in three sessions, each of which was followed by a question and answer session. The agenda for the workshop, including the list of presenters, is provided in the annex. After the workshop, all presentations were made available on the UNFCCC website.⁴

6. The workshop addressed a range of issues relating to NAMAs by developing country Parties, as outlined in paragraph 7 below.

II. Summary of the proceedings

7. The workshop addressed, through Parties' presentations and subsequent question and answer sessions, the following issues:

¹ Decision 2/CP.17, paragraph 33.

² Decision 2/CP.17, paragraph 36.

³ Decision 2/CP.17, paragraphs 34 and 35.

⁴ Available at <http://unfccc.int/meetings/bonn_may_2012/workshop/6660.php>.

- (a) Diversity of NAMAs;
- (b) Underlying assumptions;
- (c) Methodologies, sectors and gases covered;
- (d) Global warming potential values used;
- (e) Support needed for NAMA implementation;
- (f) Estimated mitigation outcomes.

8. In addition, Parties also provided the following information:

(a) NAMAs are being prepared and implemented in the context of wider national action plans and long-term development strategies. For example, a Party mentioned that a climate change action plan is embedded into its five-year national development plan. Another Party mentioned that its carbon intensity target for 2020 had been embedded in its five-year development plan to ensure that the actions needed to achieve that target would be implemented;

(b) Institutional arrangements, instruments and incentives, including national funds and regulatory and legislative frameworks, are being put in place to facilitate the implementation of NAMAs. A Party mentioned that its UNFCCC Focal Point Ministry takes the lead in the coordination and execution of activities with technical support provided by the National Climate Change Committee, and sectoral institutions (Ministries of Finance, Agriculture, Energy, Education, Forestry and Environment). Another Party mentioned that an interministerial committee has been established to execute its national policy on climate change, which contains principles, objectives and a direction for addressing climate change;

(c) Institutional arrangements are being put in place to conduct domestic measurement, reporting and verification (MRV) of NAMAs. A Party shared information on an MRV system to assess the implementation of its emission trading scheme (ETS). Another Party elaborated on a system to assess the achievement of its NAMA on an annual basis, in order to determine whether new policies and measures are needed to achieve it. Further a Party stated that its Government is currently developing processes to better assess the implementation of its NAMAs and its mitigation outcome.

9. Multi-stakeholder, participative process-based approaches are being used in developing action plans. A Party provided detailed information on how the results of such a process was used to further fine tune its 'business as usual' emission scenario, and to identify, evaluate and validate the most viable and cost-effective NAMAs.

10. A few Parties, which made presentations in previous workshops, shared information on the progress made in the implementation of their NAMAs. A Party mentioned that since communicating its NAMA to the secretariat in 2010, its domestic policies had improved to support implementation. Another Party shared lessons learned through the process of using the template presented at a previous workshop, which was used to obtain information from relevant ministries in the process of developing NAMAs.

11. Furthermore, the following issues were highlighted by some presenters:

(a) It is possible to de-link economic growth from an increase in emissions. For example, a Party mentioned that its economic growth has not resulted in a growth in deforestation;

(b) There are benefits to applying common accounting rules in delivering mitigation ambition and facilitating support in the implementation of NAMAs. Such rules would assist developing country Parties in calculating their greenhouse gas (GHG)

inventories and quantifying their emission reductions from NAMAs. It was added that robust information would facilitate the NAMA registry's matching function and showcase countrywide emission reduction achievements;

(c) A number of developing countries, which account for about 25 per cent of global emissions, have not yet submitted their NAMAs and, therefore, there is a need to encourage and support these Parties in preparing and sharing information on their NAMAs;

(d) Collaboration with civil society organizations and the private sector brings benefits, for example, a Party highlighted the use of public finance to leverage private sector investment;

(e) During the question and answer sessions, one intervention stated that the presentations from Parties clearly show that developing country Parties are taking ambitious action through the implementation of their NAMAs. A call was made for developed country Parties to drop the conditions underlying their targets. Another Party mentioned that NAMAs by developing country Parties are expected to reduce more emissions than developed country Party targets and urged developed country Parties to raise their level of ambition to the level demanded by science and equity.

A. Diversity of nationally appropriate mitigation actions

12. As in previous workshops, presentations showed that NAMAs are diverse in scale, scope, means of support and co-benefits resulting from their implementation.

13. The NAMAs presented were at different stages of development, some in initial planning; others at the final stage of development, which are ready to seek support for their implementation; and others are already being implemented.

14. The diversity in sources of support was also portrayed in the presentations. Some Parties were seeking international support for the implementation of their NAMAs and stated that implementation is contingent on the effective provision of finance, technology and capacity-building. Other Parties mentioned that they are using domestic resources but that they would require international support to enhance the implementation of their NAMAs. Finally, a few Parties mentioned that they are implementing NAMAs using domestic resources.

15. In terms of scope, the NAMAs presented covered the following issues:

(a) National-level goals, including emission reductions below 'business as usual' emissions, emission reductions below the base year and a carbon intensity target;

(b) Sectoral programmatic NAMAs such as renewable energy and energy efficiency targets;

(c) Individual projects, including at the community level.

16. A Party presented its national target and outlined the individual activities that are being implemented to contribute towards meeting it.

17. Another Party presented its low-emission development strategy, which included sectoral, year-by-year emission reduction targets together with an emissions trading law. The Party's ETS and the precursor to its ETS, called the target management system, will include an implementation plan and a performance evaluation system with third party verification.

18. A further Party presented its pilot programmes, which are undertaken with a view to establishing a national voluntary emissions trading scheme. This scheme will entail

government regulations and an MRV system with third party verification. To that end, it is establishing comprehensive statistical systems for GHGs at the national, local and enterprise levels, which includes evaluation of local government performance in reducing emissions. The piloting phase includes low-carbon industrial parks and communities, in which the latter aims to provide sustainable housing to low-income families.

19. Another Party stated that its Government intends to put in place a renewable energy and energy efficiency act.

20. A group of Parties presented voluntary actions, which aim to promote transformational activities in the areas of renewable energy, energy efficiency, energy access and low-carbon development with countries making ambitious economy-wide goals and renewable energy targets.

B. Underlying assumptions

21. Presentations from the developing country Parties referred to some of the underlying assumptions associated with their NAMAs as follows:

(a) Assumptions regarding the provision of support, in particular, that the implementation of NAMAs is contingent on the effective provision of finance, technology and capacity-building support provided by developed country Parties;

(b) Assumptions of a technical nature, including information on indicators such as gross domestic product and population growth, and their impact on carbon intensity targets, and the basis for estimating 'business as usual' emissions.

22. A Party stressed the importance of transparent information and assumptions to understand the impact of NAMAs in reaching any goal of limiting global temperature increase. In particular, it referred to the process of developing 'business as usual' scenarios, and to data sources, and assumptions on national indicators, estimations of emissions intensity, the share of non-fossil fuels in the energy matrix and other matters.

23. Another Party raised a concern regarding the overestimation of emission reductions from NAMAs in the forestry sector that are linked to the approach of setting baselines.

C. Methodologies, gases and sectors covered

24. In accordance with their national circumstances, Parties presented NAMAs in a diverse range of sectors, including agriculture, land use, land-use change and forestry, energy, transport, residential and commercial buildings, and waste and industry.

25. The gases that would be addressed by the NAMAs included carbon dioxide (CO₂), methane and nitrous oxide, with carbon dioxide being the most common.

26. As regards methodologies, a Party mentioned that in the absence of guidelines for MRV of NAMAs, it will apply methodologies developed for the clean development mechanism to ensure the environmental integrity of their NAMAs.

D. Global warming potential value used

27. A Party mentioned that it was using a global warming potential value consistent with what was used in its national communications.

E. Estimated mitigation outcomes

28. A number of Parties presented quantitative economy or sector wide targets.⁵
29. A Party mentioned that its special climate change programme (2009–2012) has already reduced its emissions by 44.51 Mt CO₂ eq/year as at March 2012 and that it is on its way towards achieving the target of reducing 50.66 Mt CO₂ eq/year with respect to its 2012 target.
30. Parties also mentioned that their implementation efforts articulate several activities and actions, which may or may not translate directly into emission reductions. However, significant results in terms of emission reductions were achieved.
31. Party presentations also touched upon a diverse range of co-benefits that would result from the implementation of their NAMAs. Some of the co-benefits that were highlighted included poverty alleviation, access to sustainable energy, energy security, increased food security, improved local air quality, reduced social conflict, conservation and enhancement of biodiversity, capacity-building, creation of jobs, etc. A Party talked about its plan to diversify its energy system into one that is reliable, efficient, affordable and environmentally sustainable with the focus on providing access to sustainable energy to address rural development and access to water.

F. Support needed for implementation

32. With regard to providing support to develop and implement their NAMAs, Parties expressed the following views:
- (a) Greater commitment to international financial support for NAMA preparation and implementation in 2012–2015 is needed to enable effective mitigation actions in developing country Parties;
 - (b) Technical, financial and capacity-building support is needed to enable developing countries to, among other matters:
 - (i) Develop and implement low emission development strategies;
 - (ii) Estimate mitigation outcomes of individual NAMAs as well as the impact of these NAMAs on national emissions;
 - (iii) Determine the reference year or level;
 - (iv) Analyse the incremental cost of investments;
 - (v) Determine projected national and sectoral greenhouse gas emissions;
 - (vi) Establish domestic MRV systems.

Such support could also aim at covering a broader set of metrics, including progress in implementing actions, health benefits and sustainable development.

33. Parties also presented estimates of financial support needed for the implementation of their NAMAs. Some Parties provided estimates of the total international support needed for the implementation of their NAMAs, whereas other Parties provided details on the support needed for various activities, including how much they are seeking from international sources, how much will be contributed domestically and how much has already been secured through specific international funds. For example, one Party stated

⁵ Please refer to the Party presentations on the UNFCCC website at http://unfccc.int/meetings/bonn_may_2012/workshop/6660.php.

that it requires USD 120 million to implement its NAMAs. Another Party presented a preliminary estimation of USD 4–5 billion that would be needed for the implementation of its NAMA. Yet another Party stated that the total cost of one of its NAMAs is USD 166 million and, out of that, they are seeking USD 46 million in grant aid from international sources of support while the rest would come from domestic sources.

34. Some presenters listed barriers to implementation, including long payback periods, lack of local capital for long-term investment, dependence on foreign companies for the maintenance of technologies, lack of investment from the local banking sector in capital intensive projects, etc.

35. Parties also mentioned opportunities for South–South cooperation, particularly in the case of reducing emissions from the forestry sector, in which some developing countries have best practices and technology that could be shared.

36. A Party proposed to extend the mandate of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention to provide support to developing country Parties in the preparation and implementation of their NAMAs.

37. Most Parties are already collaborating with bilateral and multilateral donors in the implementation of a wide range of activities related to the preparation and implementation of NAMAs. A presentation pointed to concrete channels for providing financial support for the implementation of NAMAs in the small island developing States (SIDS). These were SIDS Dock – Sustainable Energy Initiatives for SIDS, the Pacific Islands Greenhouse Gas Abatement through Renewable Energy Project and the Barbados Declaration on Achieving Sustainable Energy for all SIDS.

Annex

Workshop agenda

3 p.m.–6 p.m.

Opening

- Opening remarks by the Chair of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention;
- Organization of the workshop by the workshop chair.

Session I

- Brazil;
- Alliance of Small Island States;
- Gambia;
- Republic of Korea;
- Questions and answers.

Session II

- Bangladesh;
- Georgia;
- African States;
- China;
- Questions and answers.

Session III

- Chile;
- Malawi;
- Mexico;
- European Union;
- Questions and answers;
- Presentation by Climate Action Network International.

Discussion and closing remarks by the chair of the workshop (5.30 p.m.–6 p.m.)

- General discussion moderated by the chair of the workshop.