

Submission of the Plurinational State of Bolivia to the UNFCCC

(June 2, 2021)

ENABLING AMBITION IN ARTICLE 6 INSTRUMENTS

The government of the Plurinational State of Bolivia submit its views regarding Article 6 of the Paris Agreement, and in particular with respect to enabling ambition in article 6 instruments. There are three key issues that Bolivia likes to refer for a decision in article 6, which are: balance, content and the process itself, in particular for the development of the Framework for Non-Market Approaches (FNMA).

BALANCE BETWEEN ALL ELEMENTS OF ARTICLE 6 (6.2, 6.4 AND 6.8)

In the Paris agreement, parties approved the development of three instruments for its implementation. However, after six years, there is a clear effort to develop article 6.2 and 6.4 while almost abandoning the discussion on the implementation of article 6.8. This is not a balanced approach or means to move forward, particularly that of a process based on trust, transparency and balance among all articles of the Paris Agreement. To this regard, we can no longer abandon article 6.8., a key instrument for the implementation of the Convention and its Paris Agreement.

As Bolivia, we consider that progress should move forward equally between articles 6.2, 6.4 and 6.8. This should result in a COP26 decision for the full and expedite implementation of the work programme regarding article 6.8, with the scope of concluding the discussion of NMA in the COP27. According to Bolivia, the three instruments of PA should move jointly. For Bolivia there is no hurry, we can wait for the approval of matters related to articles 6.2 and 6.4 until article 6.8 is also fully approved and operational.

The development of the work program for NMA, is of the utmost importance to the implementation of the NDCs, not only for Bolivia but for several other countries.

However, it is clear that the draft text proposal originated in the Madrid COP is acting contrary to the implementation of NMA, indicative of political pressure exercised by developed countries. An effective initiation for the work programme on the framework of NMA has been delayed thus far for 5 years. Furthermore, the discussion about NMA in Madrid is planning to postpone the conclusion of the work program in the year 2025. This implies 10 years to the development of a proposal already agreed upon in Paris, aspect which disallows the implementation of NMA, as an integral part of the agreement.

Clearly, this reflects an unbalanced approach in the development and implementation of the Paris Agreement, demonstrating a clear one sidedness, benefiting some instruments (in this case article 6.2 and article 6.4) in detriment of others (clearly NMA and article 6.8). As Bolivia, we stand resolute in not accepting this biased attitude towards agreed texts present in the Paris accord. To this end, we call upon the Presidency and the SBSTA chair to take urgent action in this matter. More so, we believe this will be conducive to regaining trust, transparency and commitment towards the integrity of article 6. Additionally, we are opposed

to the wording of the scenario note of the SBSTA chair, where it clearly states that we are to convene discussion during the June sessional period on articles 6.2 and 6.4, and if time allow to cover aspects implementing the article 6.8 framework, by which additional submissions will be invited. This is a continuous reflection of the neglect and unbalanced attitude towards the integrity of article 6.

The development of a NMA forum (as is pointed out in the draft text of Madrid) is counterproductive and clearly points to boycott the activation of this necessary mechanism by means of actions like: workshops, meetings with several stakeholders (public, private, technical experts, business, civil society organizations, financial, institutions, etc.); submissions from Parties, technical papers, and coordination with other bodies of the Convention, evidently showing an intention to delay the conclusion of the work programme. In so the reason behind demonstrates a determination to sideline NMA for many more years, much more than the 2025 stated in the Madrid draft text due to the methodology thus far presented. In this fact, the aforementioned text is not a sufficient means to achieving the implementation of the Paris Agreement and the NDCs. That is why we completely reject the draft text at hand. In this context, rule 16 will continue applying, because there is no consensus on this matter as of yet.

These actions are a clear demonstration of the use of foul means and a discriminatory approach towards NMA, undermining the trust and transparency necessary amongst parties.

Thus, certain questions arise: 1) Why is there such an unfair approach to set in motion NMA? 2) Why is there a bias approach to the development and implementation of instruments agreed upon in the Paris Agreement? 3) Why are obstacles being set forth in the development of mandates integral to the fulfillment of the Paris agreement? and finally 4) Will we move forward in such a way that we turn a blind eye towards agreed upon texts, nit-picking through only convenient matters in disregard towards agreed upon texts? Does this not obviously represent a lack of respect and transparency to the history and work thus placed in the Convention. Such a matter cannot become a precedent. Furthermore, for Bolivia, acting in such way and against the development of NMA, is indicative of modern colonialism and a lack of leadership in promoting the plurality of views necessary to achieve the objectives of the Convention.

In conclusion, we must be steadfast in emphasizing what is a clear mandate, to put in motion all instruments of the Paris Agreement with the same speed and through a balanced approach.

CONTENT AND LIMITES OF INSTRUMENTS RELATED TO ARTICLES 6.2 AND 6.4

The Paris Agreement didn't mention the development of market mechanisms in the context of article 6. We didn't agree upon putting in motion market mechanisms in this context. Article 6.2 is about cooperative approaches (internationally transferred mitigation outcomes), clearly not about markets. Also, article 6.4 is about a sustainable development mechanism, it is not about markets. As Bolivia we have supported a Paris Agreement which does not have a single mention on markets. We are concerned with the understanding of the UNFCCC secretariat highlighting markets in the context of article 6 in several places of the UNFCCC

webpage. Also, we do not agree with some parties' views regarding that the Paris Agreement has approved market mechanisms. This is completely misleading. We have to strictly abide by the text of the Paris Agreement where, as has been stated, there is no single mention to markets nor carbon trade. But, on the contrary, we have approved the development of a framework for non-market approaches. This is textual and there is no way means for confusion.

After many years of discussion about instruments to address climate change, we are still recycling previous instruments that did not have success in the fight against climate change. The instruments highlighted in article 6.2 and 6.4 of the Paris Agreement did not contribute to fight climate change. On the contrary, these are at the center of policies and instruments raising the temperature beyond one degree by 2010 and moving the world closer to 1.5 degrees in following years.

Bolivia has systematically opposed the commodification of nature, taking into account that this goes against a civilizational model which defends Mother Earth as a subject of law. Instead of promoting an anthropocentric world, where nature is at the service of human beings, we fight for a Cosmo-centric world, where nature and human beings are but a part of totality; the totality of Mother Earth and the cosmos which we derive and thrive in.

In this context, our responsibility as a Party, with a duty to Mother Earth, we must engage in placing limits to the implementation of instruments such as the Internationally Transferred Mitigation Outcomes (ITMO) and the Sustainable Development Mechanism (SDM) of the Paris Agreement. Therefore, Bolivia proposes setting limits to the transfer and use of ITMOs and SDM, as follows:

1. The ITMO and SDM must not be implemented following a market-based approach or a market-based framework.
2. The ITMO and SDM must not apply when a party or a group of parties, via a submission, understand that a particular use of these instruments has a strong potential in creating social or economic impacts, environmental risks, or attempts against the integrity of Mother Earth, all in the context of objectives and principles of the Convention.
3. The ITMO and SDM must apply to allow the transfer of a minimal amount (to be agreed upon) of carbon emission reductions with respect to the total tons of carbon dioxide equivalent reduced domestically by an interested party of the Convention.
4. The ITMO and SDM must take place only if helping parties to cut significantly the remaining carbon budget to keep the temperature below the 1.5 degrees, helping them to reduce the gap from the current 65 GT of carbon per year to less than 20 GT per year, means by which temperature will not increase beyond the 1.5-degree threshold.

ESTABLISHMENT OF A FRAMEWORK FOR NON-MAREKT APPROACHES (CONTENT OF FNMA)

For Bolivia, the scope of the programme for the development of the framework for NMA should follow the mandate of the Paris Agreement and decision 1/CP21. These documents have established two streams of work:

1. Linkages and synergies between, inter alia, mitigation, adaptation, finance, technology transfer and capacity building
2. Implementation and coordination of non-market approaches.

In this context the following tasks should be developed:

- a) The establishment of the actions under the scope of NMA (including a registry of those included in countries' NDC).
- b) The development of institutional arrangements.
- c) The establishment of coordination among relevant institutional arrangements (mitigation, adaptation, finance, technology development and transfer, capacity building and others) to support implementation of NMA.

Scope of the Framework for Non-Market Based Approaches (FNMA)

- a) Ensure that the purpose of the framework for non-market approaches (FNMA) is to contribute to integrated, holistic, and balanced approaches to assist Parties in the implementation of their NDCs in the context of sustainable development and poverty eradication, including through, inter alia, mitigation, adaptation, finance, technology transfer and capacity building;
- b) The FNMA is established through building upon existing processes, and ensuring the coordination across instruments, relevant institutional arrangements, committees and mechanisms under the Convention, to assist Parties in the integrated implementation of their NDCs through non-market approaches at the national, regional and international levels.
- c) The main purposes of the FNMA are the following:
 - Assist countries in the implementation of their NDCs in a holistic manner by facilitating adequate, timely, predictable, and integrated access to the provision of finance, technology transfer, and capacity building for mitigation and adaptation actions contained in their NDCs;
 - Contribute to mapping and registering the needs of countries in the implementation of their NDCs through non-market approaches and in assisting them in matching their needs with the means of implementation and monitoring the support provided to them for achieving their expected outcomes;
 - Strengthen the implementation of non-market approaches in Parties' NDC such as the joint mitigation and adaptation for the integral and sustainable management of forests, energy efficiency measures and a shift to renewables sources of energy, water adaptive capabilities, ecosystem-based adaptation, and integrated water management, among others;
 - Ensure the strengthening of capabilities in developing country Parties to access to the means of implementation required to undertake their NDCS through non-market approaches;
 - Establish an information-sharing process for the development and implementation of non-market approaches at the national, regional and international levels, including best practices and lessons learned in developing and implementing policies and initiatives;

- Support the development of tools for the implementation, measurement and monitoring of holistic and integrated approaches to address climate change in the context of sustainable development.
- d) The FNMA institutional process or facilitative mechanism will have regional balance, and should meet in parallel with the Subsidiary Bodies.

The institutional arrangements and operationalization of the Framework for Non-Market approaches (FNMA)

- The framework will be coordinated and operationalized through a Facilitative Mechanism on non-market-based approaches. The Facilitative Mechanism will be in charge of coordinating its implementation.
- Registration by interested parties of the public funding to be received for the implementation of their conditional and unconditional part of their NDCs, through the Green Climate Fund (GCF), through the use of non-market-based approaches (for example, the joint mitigation and adaptation approaches – JMA). Others approaches should be identified under the Platform of NMA.
- Registration of Parties of the objectives and goals (integrated and holistic) to be achieved through the NDCs’ implementation under NMA (see for example the indexes developed by Bolivia and included in its NDC).
- Identification through the framework of the type of integrated and balanced support to the holistic implementation of the NDC, including support from the different mechanisms under the UNFCCC: financial, technology and capacity building.
- The Facilitative Mechanism on NMA will be in charge of monitoring and reporting annually the provision of support to developing country Parties registered under the Platform for the implementation of their INDCs.

PROCESS FOR IMPLEMENTATION AND CONCLUSION OF THE WORK PROGRAM WITH REGARDS TO THE FRAMEWOWRK FOR NMA

There is the need of a very straightforward decision in order to move in a very expedite way in regards to article 6.8. We suggest the following for that decision:

- Decides to develop a work program on the framework for non-market approaches (FNMA) as referred to in paragraph 40 of decision 1/CP.21 to achieve the aim of paragraph 8 of article 6 of the Paris Agreement.
- Request the President of the Conference of the Parties to appoint a Task Force for the development of the work programme at its twenty-six sessions (COP26) to lead the work programme, under the leadership of two co-chairs, one from a developing country and one from a developed country and representation of the relevant entities of the Convention, including finance, technology and capacity building, to meet as needed for the development and conclusion of FNMA.
- Request the Subsidiary Body for Scientific and Technological Advice under the guidance of the Task Force to prepare decisions to operationalize the FMNA and its institutional arrangements along with all the matters referred to in Articles 6.8 and 6.9 of the Paris Agreement at its twenty seventh session (COP27).

In this regard, as Bolivia we are trying to be constructive and moving forward in a balance manner all key three instruments for the implementation of the Paris Agreement.