



Submission by Portugal and the European Commission

On behalf of the European Union and its Member States

Subject: Implementation of Article 6.8 regarding the informal technical expert dialogues during the June session

16 June 2021

Implementation of Article 6.8

The EU and its member states would like to thank the SBSTA Chair for the encouragement to provide views on Article 6 technical expert dialogues.

We welcome the opportunity to address provisions for the Implementation of Article 6.8 and express our views specifically regarding the guiding question “How can we accelerate implementation of the framework?”.

We believe that non-market approaches (NMA) have a high potential to contribute in a coordinated and effective manner to the implementation of NDCs. In this regard, and recalling our submission on “Enabling ambition on Article 6”¹, it’s important to emphasize that cooperation through non-market approaches can deliver innovation and enable ambition, where such cooperation should be fostered and realized through a range of institutional arrangements and instruments, both inside and outside the UNFCCC.

The work programme under Article 6.8 represents an opportunity for Parties to explore cooperative approaches that have significant potential to promote mitigation and adaptation ambition, through integrated, holistic and balanced non-market approaches.

Therefore, we aim for progress on the work programme in 2021, which has to include a CMA decision, a further work programme as an Annex to that decision, and a work plan.

The work programme should be implemented as soon as possible under the guidance of the “NMA forum” (as proposed in the latest version of the Madrid text), in order to enhance linkages and create synergies between mitigation, adaptation, finance, technology transfer, and capacity-building, in the context of sustainable development, human rights protection and poverty eradication, and in order to facilitate the implementation and coordination of non-market approaches. We have to ensure that the work programme is complementary and facilitative, and to avoid duplication of work with other work streams.

The outcome of the work on Article 6 should deliver a balanced package of different approaches to cooperative action and the failure to agree on this balanced outcome during the last years has delayed the work programme on non-market approaches, and further consideration of arrangements and focus of the programme have also been delayed.

¹<https://www4.unfccc.int/sites/SubmissionsStaging/Documents/202106021558---PT-06-02-2021%20EU%20Submission%20on%20Enabling%20ambition%20in%20A6.pdf>



We are open to seeking to further refine the arrangements and focus of the work programme, and we also recognize that the latest iteration of the Madrid text, on Article 6.8, is a good basis for further discussions, which already includes essential elements to find a compromise and a landing ground at COP 26, in Glasgow.

Thus, and regarding the referred iteration text, we see merit in having further discussions on some issues such as the organizational arrangements (including its permanence) and the focus areas of the work programme activities listed in paragraph 5 and 7 of that draft decision. However, we should highlight that is premature to entertain specific institutional proposals, settings and arrangements, without clarity and prioritization of the issues to be addressed under the work programme, which means that any new discussion on governance should only happen after the implementation of the work programme.

Regarding further elaborations of our approach to ensure a rapid operationalization of the Articles 6.2, 6.4, and 6.8, we refer to our corresponding submission, dated 05/10/2021².

To finalize, we think that we should also recall some inputs made in the past, namely in 2016 and 2017, where parties have submitted their views on key elements for the implementation of Article 6.8 and 6.9 as very relevant parts of the preparation of the Article 6 rulebook. Thus, in our view, and based on our submission dated 06/10/2017, informed by other previous submissions (07/10/2016 and 21/03/2017), the structure for a successful design of the work programme could be the following:

A. Overarching issues

This section of the decision could be short and form a preamble to the work programme. It should be drafted once the work programme has been agreed, on the basis of agreed wording of the Paris Agreement.

B. NMAs under the framework

This section of the decision could provide the definitions needed to identify the relevant non-market approaches (NMAs) to be considered under the work programme. Such approaches are defined by their holistic, integrated and balanced non-market nature. Article 6(8) already defines the three 'aims' of these NMA: (a) 'promote mitigation and adaptation ambition', (b) 'enhance public and private sector participation', and (c) 'enable opportunities for coordination across instruments and relevant institutional arrangements'. In order to be relevant under this agenda item, an NMA should comply with all (a), (b) and (c). This section could also include a reference to the non-tradable nature of the outcomes and the request to avoid duplication of work under the UNFCCC and other fora.

²<https://www4.unfccc.int/sites/SubmissionsStaging/Documents/202105101017---PT-05-10-2021%20EU%20Submission%20Rapid%20Operationalization%20A6.pdf>



C. Organizational arrangements of the framework

This section of the decision should elaborate on the possible activities and institutional arrangements relevant for the framework to enhance linkages and create synergies between identified NMAs, while avoiding duplication. How this will be operationalized should be discussed and identified on the basis of the results of the work programme.

D. Functions of the framework

As indicated in Article 6(9), the function of the framework is to 'promote the NMA referred to in Article 6(8)'. This function could be accomplished through the fulfilment of the work programme and its 5 steps, as described in Section E below.

E. Work programme activities

In order to achieve the objective contained in Paragraph 39 of Decision 1/CP.21 and to promote the NMA, this section of the decision could list the different steps to be undertaken by the work programme. The work programme could follow the 5 steps below:

- Step 1: identify which are the existing non-market instruments relevant for this agenda item;
- Step 2: identify the existing linkages, synergies, coordination and implementation already occurring between those instruments and positive experiences;
- Step 3: identify opportunities for the enhancement of existing linkages, creation of synergies, coordination and implementation of non-market approaches;
- Step 4: assess the results of the previous steps and draw conclusions on how to enhance existing linkages and create synergies;
- Step 5: proceed to the practical enhancement of linkages and creation of synergies through some relevant governance of the framework for non-market approaches while avoiding duplication.

F. Organizational arrangements of the work programme

This section is key for the decision to be adopted by the CMA. Indeed, the core objective of this decision is to define the objective/deliverables, the five steps, the modalities and the timeline of the work programme described in Paragraph 39 of Decision 1/CP.21.

G. Transparency

One additional objective/deliverable of the work programme mentioned above could be to recommend guidance on transparency and reporting when Parties are using NMA under the framework.

H. Interlinkages

There are many interlinkages with other agenda items. However, duplication of work should be avoided. If duplication is identified, this should be addressed and referred to the agenda item where the topic is already being addressed.