



NEW ZEALAND

Submission to SBSTA on the work programme under the framework for non-market approaches referred to in Article 6, paragraph 8, of the Paris Agreement April 2022

Context

1. In fulfilment of the mandate in paragraph 6(a), (b), (c) and (d) of Decision 4/CMA.3, the SBSTA Chair has invited Parties to submit their views and information on:
 - a) views and information on the focus areas of the work programme activities and existing relevant non-market approaches to be facilitated under the framework;
 - b) examples of potential focus areas of non-market approaches to be facilitated under the framework (e.g. adaptation benefit mechanism);
 - c) views on the UNFCCC web-based platform referred to in paragraph 10 (b) (i) of the annex, including how to operationalise it (e.g. functions, form, target users, information to be contained thereon, timeline for development and implementation, and lessons learned from existing relevant tools, including under the Convention, the Kyoto Protocol and the Paris Agreement);
 - d) Views on the schedule for implementing the work programme activities.
2. This submission addresses these elements.
3. New Zealand recognises that cooperation is underway amongst many Parties in many different forms. The purpose of Article 6.8 is not to direct or legitimise non-market approaches (NMAs) to cooperation. Article 6.8 is intended to add value to Parties' efforts by providing a means to facilitate, accelerate and enhance cooperation. New Zealand seeks to ensure the work programme activities incentivise cooperation, leading to greater action and ambition.
4. In this context, we understand 'facilitation' to mean increasing the ease of undertaking cooperation, 'acceleration' to mean doing more and faster, and 'enhancement' to mean increasing participation and impact. In effect, the A6.8 Framework can make it easier to cooperate to achieve maximum impact. In particular, the A6.8 Framework can improve the visibility of cooperation, draw out best practice and lessons learned, and inform and guide efforts to replicate arrangements for future and planned cooperation.

Views and information on the focus areas of the work programme activities and existing relevant non-market approaches to be facilitated under the framework

5. In considering work programme activities, we must recall section 1 of the Annex of Decision 4/CMA.3, which envisages that NMAs will aim to assist in implementation of NDCs and contributing to achieving the long-term temperature goal of the Paris Agreement. This means the work programme activities should contribute to Parties increasing the ambition of their NDCs over time.
6. NMAs are a broad construct, not involving market-based cooperation or transfer of mitigation outcomes. The plethora of existing cooperation available means there are numerous examples of existing cooperation on which the work programme can focus.
7. New Zealand sees valuable opportunities for the work programme activities to focus on:
 - identifying high-impact cooperation models;
 - drawing on experience of cooperation to share information and best practice;
 - how to replicate and implement successful arrangements, and;
 - how to accelerate and enhance outcomes.

In respect of the proposal to identify high-impact precedents for non-market cooperation, there may be value in setting out the full existing taxonomy of non-market approaches. This may provide a useful structure for addressing successful models under the A6.8 Framework. We suggest the process of identifying non-market approaches should be open, inclusive, and continuous rather than time bound. Narrow definitions will serve to dampen ambition.

8. Using the A6.8 Framework can also increase accountability. The voluntary identification and development of non-market approaches to cooperation under A6.8 demonstrates Parties' commitment to the cooperation and will encourage their follow-through. That said, if the A6.8 Framework is to incentivise engagement in non-market approaches it should not create additional obligations, should not duplicate existing processes, nor over-burden Parties and actors looking to engage.
9. New Zealand recalls that the short, inclusive list of focus areas for the work programme activities was intended to reinforce the breadth of potential and avoid prioritising any type of cooperation above others. This short list does not preclude the development of additional focus areas in future. New Zealand views it as a helpful starting point for the work programme, but not a barrier to interested Parties engaging in cooperation across a broad range of areas as soon as possible.

Examples of potential focus areas of non-market approaches to be facilitated under the framework

10. New Zealand sees value focusing on cooperation that addresses:
 - access to new technologies;
 - access to information;
 - increased capability;
 - affordable low emissions alternatives; and
 - over-reliance on existing fossil based infrastructure and fossil fuel subsidies.

11. These barriers are common across countries, and action to address them can be enhanced through non-market cooperation. Using models such as the *Friends of Fossil Fuel Subsidy Reform* (FFFSR), countries across the global north and south can take action together.
12. New Zealand has an interest in cooperating with other Parties in the development of solutions that reduce or remove barriers to accessing new low emissions technologies, particularly by small economies. Cooperation on this issue could, over time, contribute to incentives for low emissions alternatives and support behaviour change.

Views on the UNFCCC web-based platform referred to in paragraph 10(b)(i) of the annex, including how to operationalise it (e.g. functions, form, target users, information to be contained, timeline for development and implementation, and lessons learned from existing relevant tools, including under the Convention, the Kyoto Protocol and the Paris Agreement)

13. The web-based platform has potential to be a valuable tool in enhancing cooperation. It can bring together ideas for, and examples of, non-market approaches, allowing Parties, stakeholders and civil society to easily engage and share information. New Zealand has a number of suggestions about this platform:
 - to avoid duplication and maximise reach, the web-based platform will need to link to other relevant websites and platforms. Many existing cooperation arrangements have websites, and it will be important to facilitate access to these to identify synergies and co-benefits;
 - to support equitable access and dissemination, information should be easily searchable by any end user, and be easy to consume by non-technical audiences including governments, NGOs, civil society and the private sector;
 - to maximise utility, the platform should include new, ongoing and past cooperation, highlighting best practice and lessons learned;
 - participants in non-market approaches to cooperation may wish to include open invitations to create, join, or contribute to such approaches;
 - the web-based platform should be updated regularly as opportunities for cooperation are identified or developed. But we emphasise that cooperation need not wait for the completion of the web-based platform or publication of information about approaches on it.

Views on the schedule for implementing the work programme activities

14. New Zealand recognises that engaging in non-market approaches to cooperation is an important element of implementing Article 6 through which linkages between mitigation, adaptation, and sustainable development can be facilitated and strengthened. The schedule for implementing the work programme activities should be efficient. While cooperation can and will continue independent of this work-stream, the sooner the A6.8 Framework is implemented, the sooner Parties can reap the facilitation, acceleration and enhancement opportunities it offers.

Conclusion

15. New Zealand looks forward to engaging with other Parties on these important issues at the upcoming session of the Subsidiary Bodies in June 2022.