Japan's submission on Article 6, paragraph 8, of the Paris Agreement

September 2022

<Introduction>

Japan welcomes the opportunity to submit its views and information, on the basis of the paragraph 4 of SBSTA56 conclusion (FCCC/SBSTA/2022/L.11) on the work programme under the framework for non- market approaches (hereinafter referred to NMAs) in Article 6, paragraph 8 (Article 6.8), of the Paris Agreement. Given the wide range of activities which could be covered by the Article 6.8, it is useful for Parties to continuously exchange views on NMAs this time.

Japan submitted its views and information on existing initiatives, examples of potential additional focus areas, the UNFCCC web-based platform, and the Schedule, in February 2022. In addition, Japan made a presentation on the Cleaner Energy Future Initiative for ASEAN (CEFIA) in the in-session workshop at SB56, which aims to facilitate joint efforts between the public and private sectors towards the energy transition and decarbonization in the ASEAN region.

Japan recognizes that the Glasgow Committee will develop and recommend a schedule for the implementation of the NMAs work plan at COP27. Japan would like to continue to contribute to the discussion of Article 6.8, based on the implementation of existing NMA experience.

<Our views>

In response to the invitation by the paragraph 4 of the SBSTA56 conclusion (FCCC/SBSTA/2022/L.11), Japan presents its views on:

a. The elements of a draft decision on the schedule for implementing the activities of the work programme under the framework for non-market approaches (NMAs) referred to in Article 6, paragraph 8, of the Paris Agreement.

It is important to ensure that the progress and outcome of the work programme should be reviewed at the SBSTA64 (June 2026) and the SBSTA65 (November 2026), and be for consideration and adoption by CMA.8 (November 2026) in accordance with paragraph 10, the decision 4/CMA.3.

Therefore, Japan support the two-phased approach in which the Phase 1 (2022-2023) is focused on identification of NMAs and Phase2 (2024-25) is focused on implementing measure, as mentioned in the Informal note¹ by the co-chairs of the 1st meeting of the Glasgow Committee. For the Phase 1, the work programme should be elaborated with the focus on identification of NMAs, including designing function of the web-based platform. An annual in session workshop could be organized by the UNFCCC secretariat so that Parties can further deepen understandings

¹ the Informal note by the co-chairs of the 1st meeting of the Glasgow Committee https://unfccc.int/documents/510591

on the identified NMAs and measures. For the Phase 2, a reporting process should be included where each stakeholder shares the progress on how NMAs contributes to the implementation of NDCs.

While taking into account the outcomes from the WS and the submissions on NMAs in 2022 and 2023, the outcomes of the global stocktake (GST) at COP 28 in 2023, and biennial reports submitted by Parties in 2024, Parties should conduct a review of the work programme in 2026 as referred to the paragraph 10 of decision 4/CMA3.

b. The specifications for the UNFCCC web-based platform referred to in paragraph 8(b)(i) of the annex to decision 4/CMA.3.

Rather than structuring a large standalone system for the UNFCCC web-based platform for recording and exchanging information on NMAs, Parties should make effective use of existing platforms and promote the interactions and synergies among them. It is important that web-based platform be a user-friendly tool for identification and implementation of NMAs, according to the above schedule. Therefore, the specifications for the UNFCCC web-based platform should include the web-linkage with existing NMAs. The CEFIA Digital Platform (refer to the URL below) is already available, and could be useful as one of the components of the UNFCCC web-based platform. (https://www.cefia-dp.go.jp/ja/portal/jpn)

c. <u>Actions that facilitate the implementation of nationally determined contributions and can</u> be identified, developed and implemented through the framework for NMAs.

As each country has various pathways in light of its own situation, it is important to pursue diverse and realistic approaches that utilize a wide range of energy sources and technologies. Through NMAs, Japan can promote international technical cooperation and GHG emission reductions focused on regional situations, which may also contribute to implementing NDCs in developing country Parties.

For example, under the CEFIA, each ASEAN country will develop and improve policy and institutional frameworks through the implementation of concrete projects (Flagship Projects), such as projects to promote energy efficiency and to introduce more renewable energy.

d. NMAs related to initiatives, programmes and activities.

Japan has promoted another NMA, which is related to energy transitions in Asian countries led by the Ministry of Economy, Trade, and Industry (METI). The METI has been supporting energy transitions in Asian countries. In order to achieve net-zero emissions of the world, it is necessary to address various transition pathways that utilize a wide range of technologies and energy sources, taking into account each country's needs for economic growth, economic and geographical diversity, energy policies, etc.

For example, Japan has been supporting Indonesia, Thailand, and Vietnam in developing

roadmaps for energy transitions and long-term strategies toward net-zero emissions in response to the needs of each country. In addition, Japan has promoted the introduction of specific decarbonization technologies in Asian countries. For instance, in India and Indonesia, Japan also started a feasibility study on ammonia co-firing at thermal power plants aiming for single fuel firing in the future. Regarding transition finance, financial institutions in Japan, Asia, Europe, and the U.S. are working to formulate guidelines and make recommendations to their respective governments. These institutions published an interim report this April and planning to release deliverable this September.

e. How NMA initiatives and programmes, consistent with the framework for NMAs have addressed the elements of chapter II, paragraph 3(e), of the annex to decision 4/CMA.3 and other relevant criteria determined by the participating Parties, as relevant.

Regarding the elements of paragraph 3(e), through one of the flagship projects of CEFIA, Japan promotes the use of distributed electricity supply systems that combine renewable energy sources, and energy storage batteries to provide electricity to people in vulnerable local communities of isolated islands. The project will enable such communities to achieve decarbonization and improvement of resilience.

Additionally, as referred to in paragraph 3 of decision 4/CMA.3, initial focus areas of the work programme activities include "adaptation, resilience and sustainability". Thus, NMAs that are related to those are effective to address elements above.