WWF Briefing Paper: Mitigation

1. LONG-TERM VISION AND GOAL

WWF asks

1. **The Objective section of the agreement must be underpinned by a reference to the goal of keeping aggregate global warming below 1.5 °Celsius above pre-industrial levels as called for by most vulnerable countries:** The temperature goal of "staying below 1.5 ºC increase" has to be clearly captured in Article 3 of the Core Agreement. Since the temperature target affects all areas of the agreement, not only mitigation, Article 3 should be moved to Section *C. General/Objective* in the agreement.

2. **The 1.5 °C target should be underpinned by four consistent long-term goals** (These are currently in Part III of the Co-Chairs text and should be moved to Part I and strengthened**):**

   - **Peaking of global emissions before 2020**: To capture the urgent need for action and preclude the idea that ambition can be postponed to the longer term. The current text in Part III will have to be revised from "as soon as possible" to "no later than 2020" in order to ensure that the agreement aligns with emissions trajectories that have a strong likelihood of keeping aggregate warming below 1.5 ºC.

   - **A 2050 global GHG emission reduction target of 80% below 1990 by 2050**: To give clear signals for investment and technology development in terms of the scale of necessary efforts (such a signal would be completely different if it is a "50%" reduction target for example.) The closest options are "40-70% below 2010" (IPCC AR5 number) and "zero". These will need to be revised and brought into Part I.

   - **Recognition of the finite carbon budget to ensure that we remain within its limits.** There is an option for an "emission budget" in Part III. Ideally it should be strengthened with specific numbers (400 – 850 GtCO2 for the period between 2011-

2050[1])) but if this does not get wide support from parties it is still acceptable as long as the qualitative condition (i.e. "consistent with 1.5 ºC" is included in the decision text)

- **Phasing out fossil fuel emissions and phasing in 100% renewables by 2050.** There is currently no text to capture this key goal, the closest option is "full decarbonisation"

3. **The Emission gap has to be recognized**: There has to be a clear recognition that the current collective efforts by Parties are not sufficient for staying below 1.5 ºC. Although there is an Article/Paragraph concerning this in the Preamble section in Part III, it should be in a COP decision (Part II) and should be a body text paragraph (not a preamble paragraph), because it is not (and should not be) a permanent status (therefore, should not be in the Core Agreement) but is an important recognition to be shared by Parties.

Key Text Proposals

Suggested changes are coloured in purple

Text	WWF Input
Part One **[*D. Mitigation*]** 3. **COLLECTIVE EFFORTS** ~~[~~[All~~]~~ Parties~~[~~, in accordance with ~~[~~Article 4 of the Convention~~ and their]common but differentiated responsibilities and respective capabilities [in the light of different national circumstances] and [on the basis of] equity,] [shall][should][other] [~~enhance mitigation ambition~~] [make [individual] efforts] ~~and~~ cooperate ~~[~~to ensure that the aggregate level of mitigation ~~[~~commitments~~]~~[contributions][actions] increases over time] [~~with a view~~]~~ to [achieving long-term emission reductions from all significant sources and sinks, in the context of Article 2 of the Convention~~]~~[stabilize greenhouse gas (GHG) concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system], ~~[~~consistent with~~]~~[including] holding the increase in global average temperature below 2 °C or 1.5 °C above pre-industrial levels [[and in the context of [equitable access to] sustainable development] [with [developed country Parties][Parties included in annex X] taking the lead by undertaking ambitious emission reductions and [Parties included in annex Y] providing finance, technology and capacity-building support to [developing country Parties][Parties not included in annex X]]	**Staying below 1.5 °C / 2 °C.** • This long-term vision of staying below 1.5 °C has to be held by "all" Parties, not just subset of them. • It would be better to keep the reference to Article 4 of the Convention in the current draft text because referring to Article 4 already gives an impression that long-term goal is part of Parties' "commitments." Article 4 of the Convention is about general "commitments" under the Convention. • It is not necessary to spell out all the principles: Article 4 of the Convention says, in its chapeau, "taking into account their common but differentiated responsibilities and their specific national and regional development priorities, objectives and circumstances" (Note: the expression is slightly different from Article 3.1's CBDR-RC). Hence, just referring to that without spelling out everything should suffice. • It is important to make a clear connection between this Article 3 and Article 2 of the Convention so that 2 °C and 1.5 °C can be interpreted as the direct indicator of the ultimate objective of the Convention (i.e. Article 2, avoiding dangerous climate change). • If differentiation has to be expressed, this Article should refer to Article 3 of the Convention rather than creating new expressions here (e.g. Article 3.1 refers to CBDR-RC and Article 3.4 refers to right to SD).

[1] IPCC AR5 Climate Change 2014: Synthesis Report. Page 68 Available at: http://www.ipcc.ch/pdf/assessment-report/ar5/syr/SYR_AR5_LONGERREPORT.pdf.

Text	WWF Input
~~[and the protection of the integrity of Mother Earth] [in accordance with the shared vision resulting from the Bali Action Plan]~~. *{para 17.1 opts 1, 2 and 3 GNT}*	• The agreement should recognise the role of the land sector (emissions and removals) for mitigation
Part Three ➔ Part Two **[A. Preamble]** Pp11 **EMISSIONS GAP** ~~[~~*Noting with grave concern* the significant gap between the aggregate effect of Parties' mitigation ~~pledges~~ commitments in terms of global annual emissions of greenhouse gases ~~up until 2020~~ and aggregate emission pathways consistent with having a likely chance of holding the increase in global average temperature below 2 °C or 1.5 °C above pre-industrial levels,] *{pp14 SCT}*	**Gap recognition.** • The recognition of the emission gap has to be <u>collectively acknowledged by all Parties.</u> • However, it does not have to be anchored in the core agreement because the gap is something we want to resolve as soon as possible. <u>In fact, the gap is one of the things that we do not want to "anchor" in the core agreement.</u> • Hence, the best place for this recognition is in a COP21 decision. • The existing language only talks about pre-2020 but it should be extended to the general. Level.

Part Three ➔ Part One
 	
[*D. Mitigation*]
6. **OPERATIONALIZING THE LONG-TERM MITIGATION GOAL** ~~[[~~In the context of the long-term objective referred to in Article 3 of the draft agreement,~~]~~ Parties' ~~[differentiated]~~ efforts ~~[shall][should][other]~~ take the form of:
 	
<u>Option 1</u>: **PEAKING** ~~[~~A peaking of global ~~[and national]~~ GHG emissions ~~as soon as possible~~ no later than 2020 ~~[recognizing that, in accordance with emissions peaking for [developed countries][Parties included in annex X] in 2015, those [countries][Parties] shall aim to reduce net emissions to zero by 2050][with full decarbonisation by 2050 for developed countries and a sustainable development pathway for [developing countries][Parties not included in annex X]] [with an aim of zero net emissions by 2050, in the context of equitable access to sustainable development]~~, noting that the time frame for peaking may be longer in ~~[~~developing countries~~][Parties not included in annex X] [in the context of equitable access to sustainable development] [, bearing in mind that social and economic development and poverty eradication are the first and overriding priorities of [developing countries][Parties not included in annex X]. [For developed countries, this goal should be quantitative and time-bound and for developing countries peaking should be aspirational.]~~ *{para 17.2 opt 1, opt(a) iv. and v., opt 1 a. opt (b), and para 17.2 opt 2 GNT}*
	Specific Long-term goal options
	
	• Article/Paragraph 6, which has concrete options for long-term goals, has to be brought into Part One.
	• Although the current text indicates three pieces of long-term goals as distinctive options (Option 1-3), all three (peaking, 2050 emission reduction target and carbon budget) have to be captured in the final agreement.
	• On peaking
	  ○ The current text does not refer to a specific timing, 2020, and thus it should be added in line with IPCC scenarios with high likelihoods of keeping warming below 1.5/2 °C.
	  ○ Differentiated timing for developing countries should be mentioned.
	  ○ Here, it is appropriate to use "developing countries" explicitly because this is only valid until the peaking time (i.e. 2020).
	• On the 2050 emission reduction target:
	  ○ A 2050 emission reduction target has to be shown clearly. 80% below 1990 by 2050 would be a strong outcome. If this is not agreeable with parties then the option of 40-70% reduction is preferred with an emphasis that the top end of the range should be the objective
	  ○ New language is required to capture "phasing out fossil fuels and phasing in 100% renewables," If we are unable to get this new text accepted then an alternative could be "full decarbonisation with 100% renewables" if this is more acceptable to Parties.
	• On carbon budget:
	  ○ As mentioned above, consistency with the 1.5 °C target is critical.
	  ○ The distribution of the budget should be done in

Text	WWF Input
Option 2: **ZERO EMISSIONS:** A long-term zero emission sustainable development pathway consistent with ~~[the findings of the best and latest available science][and the findings of the IPCC,]~~ ~~[and]~~ [a global reduction in GHG emissions ~~[to [net] zero][[~~of at least~~][40–70][50][70–95]~~ 80 per cent below the ~~[~~1990~~][2010]~~ level~~]~~ by 2050 ~~[and a continued decline in emissions thereafter] [and reaching [[near] zero][negative] emissions of CO_2 eq. [or below][and other long-lived GHGs by the end of the century] [by [the period 2060–2080][2100]][a stabilization of the concentration of GHGs in the atmosphere at or below 350 ppm of CO_2 eq]~~ [in accordance with common but differentiated responsibilities and respective capabilities~~][, historical responsibilities, capabilities, and the state of development, while addressing vulnerabilities and in a cooperative manner] [in the context of equitable access to sustainable development]~~ [, bearing in mind that social and economic development and poverty eradication are ~~the first and overriding~~ priorities ~~of~~ for developing countries~~][; developing countries to combine adaptation and mitigation to reduce climate change and its impacts]~~. *{para 17.2 opt 1 a. i. – iii. and vi. – viii. and 17.2 opt 1 c. GNT}* Option x: Phasing out fossil fuels/Full decarbonisation and phasing in 100% renewable energy by 2050 ***Option 3***: **EMISSION BUDGET:** A global emission budget ~~[informed by national estimates]~~ to be divided among all Parties in accordance with the principles and provisions of the Convention so as to limit global warming in this century to below 1.5 °C in accordance with the IPCC assessment. The distribution of the global emission budget should be undertaken in accordance with historical responsibilities, ecological footprint, capabilities and state of development.]~~{para 17.2 opt 1 b. GNT}~~	accordance with principles of the Convention. This already includes CBDR-RC and there is no need to invent new wording here to create additional controversy.

2. NATURE AND FORM OF MITIGATION COMMITMENTS

WWF asks

1. **Mitigation "commitments":** should be captured as "commitments" and not as "contributions" throughout the entire text. Mitigation commitments have to be "communicated", "implemented" and "regularly updated based on periodic science and equity reviews".

2. **Retain the "progression" principle to ensure that there is "no backsliding" in efforts.** This principle must clearly indicate that each Party will increase its mitigation ambition over time. Specific references to "type" (e.g. intensity target ➔ absolute target) and "scale" (e.g. 40% reduction ➔ 60% reduction) have to be made so that "progression" can be ensured in both these areas. As a fall-back position the Lima language could be acceptable but it would be less ideal (Each Party's mitigation commitment should "represent a progression beyond the current undertaking of that party).

3. **The Form of mitigation commitments has to be differentiated according to the "responsibilities" and "capabilities" of Parties:** Parties' mitigation commitments should be differentiated based on their levels of "responsibility" and "capability" in a manner that avoids pure "self-differentiation" while being more flexible than formal, new "annexes." This differentiation has to happen in the *forms* of mitigation commitments (e.g. 5-year cumulative emission amounts), absolute emission reduction target for a single year, intensity target, etc.). The scales of mitigation commitments (i.e. how deep the Party has to reduce its emissions) are also important but it is impossible to show differentiated levels of emission reduction beforehand in the text. Therefore the scale of emission reductions should be dealt with through an ex ante review, rather than attempting to establish standards *a priori*. More specifically, the *forms* have to be differentiated in the following ways[2]:

    - Developed countries and developing countries with similar high responsibility and capability must at least have economy-wide absolute emission reduction targets and eventually all parties should have five-year cumulative emission amounts.

    - Developing countries that are not LDCs or SIDs must at least have emission intensity targets, targets for emission reductions below baselines or any other form of targets that address the majority of their national emission sources and

[2] A key point here is that these are the sets *minimum* required form for each category:

sinks

- LDCs and SIDs: these Parties must have low-carbon development action plans.

4. **It must be explicit that all parties will converge towards the most robust form of mitigation commitments:** All Parties must strive for the most robust form of mitigation commitments - economy-wide five-year cumulative emission amounts.

5. Mitigation commitments (NDC's) themselves can remain outside of the Core Agreement as long as there is a legal connection and legal obligation for Parties to "communicate," and "implement" such commitments and to "review" them in line with the latest climate science and equity. Parties' mitigation commitments should be recorded in a document managed by Secretariat outside of the Core Agreement.

6. **There should be a provision that strongly encourages Developing Country Parties to indicate the necessary levels of support that they require in order for them to achieve higher ambition over and above their unilateral actions when they communicate their intended mitigation commitments.** Some parties may require additional support in the form of finance, technology transfer and capacity building in order to achieve higher ambition. Similarly there should be a provision that developed country Parties should indicate the levels of support they will provide (e.g. finance, technology and capacity building) and, where possible and appropriate, they should indicate the amount of emission reductions that they will realize over and above their domestic efforts

7. **Long-term decarbonisation plans for all countries:** Each Party should develop long-term plans to reduce emissions in addition to their short- and mid-term commitments. There should be flexibility for forms and nature of such plans in terms of responsibility and capability.

Key text proposals

Suggested changes are coloured with purple

Text	WWF Input
Part One ***[D. Mitigation]*** 4. INDIVIDUAL EFFORTS [***Option 1***: ~~{~~Each Party~~]~~[All Parties~~]~~ ~~{~~shall~~]~~~~[~~should~~]~~~~[~~other~~]~~ ~~{~~prepare,~~]~~ ~~{~~communicate,~~]~~ ~~{~~implement,~~]~~ ~~[~~maintain ~~[~~at all times~~]]~~ ~~[~~successive~~]~~ ~~[~~proposed~~]~~ ~~[~~nationally determined~~]~~ and regularly update based on review mitigation ~~{~~commitments~~]~~~~[~~contributions~~]~~~~[~~actions~~]~~~~[[~~, through successive and continuous commitment cycles with a common time frame, to be defined~~]~~ in accordance with the provisions of section J~~]~~ and their common but differentiated responsibilities and respective capabilities. . *{parts of para 21 opt 1 (chapeau), opt 2 (chapeau) and 4 (chapeau), para 26 and 27 opt 1 GNT}*	**Nature of mitigation commitments** • Parties must have mitigation commitments that are at least "communicated," "implemented" and "regularly updated based on review." • Option 1 has the closest wording for that but the CBDR-RC principle should be added. ○ It should be noted that there is similar language in Article 4 of the Convention: *"Article 4.1. (b) Formulate, implement, publish and regularly update national and, where appropriate, regional programmes containing measures to mitigate climate change by addressing...and measures to facilitate adequate adaptation to climate change."*

Part One
[D. Mitigation]
6. PROGRESSION [***Option 1***: ~~{~~All Parties~~]~~~~[~~~~[~~Developed country Parties~~]~~~~[~~Parties included in annex X~~]]~~ ~~{~~in accordance with ~~{~~their common but differentiated responsibilities and respective capabilities ~~and in the light of their national circumstances~~~~]~~~~[~~Article 4 of the Convention,~~]]~~ ~~[~~shall~~]~~~~[~~should~~]~~~~[~~other~~]~~ ~~[~~seek to~~]]~~ ~~{~~progressively~~]~~ enhance the level of ambition of their ~~[~~updated~~]~~~~[~~successive~~]~~ mitigation ~~{~~commitments~~]~~~~[~~contributions~~]~~~~[~~actions~~]~~[, as appropriate][such that it is of a ~~{~~type,~~]~~~~[~~ scope,~~]~~ ~~{~~scale~~]~~ ~~{~~and coverage~~]~~ ~~{~~more~~]~~~~[~~no less~~]~~ ambitious than those of~~]~~~~[~~beyond~~]~~ the ~~{~~previous~~]~~~~[~~current~~]~~ undertaking of that Party ~~[~~under this agreement or the Convention or its Kyoto Protocol~~]~~[, recognizing enhanced and ambitious actions from the Party's previous undertakings]~~[~~ Developed country Parties shall take on mitigation commitments for the post-2020 period that are more ambitious than emission reductions of at least 25–40 per cent below the 1990 level by 2020~~]]~~. *{para 19 opts 1, 2, 3, 5 and 6, para 21.4, and para 166 from Section J GNT}'*
 	
Option 2: ~~Each Party's mitigation [commitments][contributions][actions] [shall][should][other] represent a progression beyond the previous undertakings of that Party.]~~ *{para 21.13 GNT}*
	The principle of progression (no backsliding)
	• It is preferable to have more specificity, in the following two areas:
	  ○ "Types": more ambitious form of mitigation commitments (e.g. from an intensity target to an absolute emission reduction target).
	  ○ "Scale": more ambitious in terms of depth of emission cut.
	• At the minimum, the same formulation with the Lima decision has to be adopted (which is Option 2).

Part Three ➔ Part One **[C. General/Objective]** 1. **GUIDING PRINCIPLES** ~~[~~Actions to implement this Agreement, shall be guided by ~~[~~Article 3 of the Convention~~]~~ ~~[~~and~~]~~ the following: 1.4. ~~[[~~Parties with the greatest responsibility and highest capability ~~to demonstrate leadership][Leadership demonstrated by any Party to be recognised along with the need to incentivize and enable such leadership][In accordance with Article 4 of the Convention, [developed country Parties][Parties included in annex X] [shall][should][other]~~ take the lead ~~in fully implementing existing obligations and commitments under the Convention~~ in relation to emission reduction and the provision of financial, technology and capacity-building support ~~to [developing country Parties][Parties not included in annex X]].]~~ *{para 8 GNT}*	**Differentiation Principles** • Basic principles to put emphasis on "responsibility" and "capability" should be indicated in the General section and then specific provisions should be spelled out in the Mitigation section.
Part Three ➔ Part One ***[D. Mitigation]*** 7. **FEATURES OF INDIVIDUAL EFFORTS** ***Option 4***: Parties' mitigation ~~[~~commitments~~]~~[contributions][actions] ~~[~~shall~~]~~[should][other] be based on the following: *{para 21.5 opt 2 GNT}* ~~a. Common but differentiated responsibilities and respective capabilities, equity and national circumstances and capacities; {para 21.5 opt 2 GNT}~~ ~~b. Parties [shall][should][other] include one of the following options, in accordance with their common but differentiated responsibilities, national circumstances, development levels and capabilities, recognizing that the emissions of [developing countries][Parties not included in annex X] will grow to meet their social and development needs: a quantified, economy-wide, absolute emission limitation or reduction target in relation to a baseline year; a quantified, economy-wide emission limitation or reduction target relative to a projection of its emissions; a quantified, economy-wide emission limitation or reduction target relative to a unit of gross domestic product (GDP) in relation to a previous~~	**Differentiation in Forms of Mitigation Commitments** • Pure "self-differentiation" (Option 1) cannot be accepted. • Pure dichotomy (bifurcated) differentiation (Option 3) cannot be accepted, either. • To express nuanced differentiation, either Option 2 or 4 are preferable. Here Option 4 is used, though it is very messy. Categorization is introduced below: ○ Developed countries and developing countries with similar high responsibility and capability: must at least have economy-wide absolute emission reduction targets (ideally, all parties move forward to five-year **cumulative emission amounts**). ○ Developing countries must at least have emission intensity targets, emission reduction targets from baselines or any other form of targets that address the majority of their national emission sources and sinks ○ LDCs and SIDs must have low-emission development action plans. • The above categorization can be more nuanced and detailed but here simplicity is prioritized. • This differentiation of forms of mitigation commitments should be seen together with the "progressivity" principle and the general direction towards the most robust form of mitigation commitments over time.

~~year; a quantified, economy-wide emission limitation or reduction target per capita; or non-economy-wide actions:~~ *{para 21.5 opt 2 GNT}* i. ~~[~~[Developed country Parties~~]~~ and developing country Parties with similar responsibility and capability ~~[Parties included in annex X]~~ ~~[~~shall~~]~~~~[should][other]~~ take the lead ~~in accordance with Article 3, paragraph 1, and Article 4, paragraph 2, of the Convention~~ through, at least, quantified, economy-wide, absolute emission reduction ~~[~~targets~~]~~~~[commitments]~~; *{para 21.5 opt 2 GNT}* ii. ~~[~~Developing country Parties~~]~~~~[Parties not included in annex X], which have been provided with means of implementation,~~ [shall]~~[should][other]~~ prepare, communicate and implement a diversity of ~~enhanced net~~ mitigation ~~[~~commitments~~]~~~~[contributions][actions] in accordance with Article 3, paragraph 1, of the Convention and in the context of sustainable development~~, ~~ranging from economy-wide absolute limits on [net] emissions, relative emission reductions,~~ not less stringent than intensity targets, ~~NAMAs, low-emission development plans and strategies and sectoral mitigation plans and strategies taking into consideration paragraph X above~~ , emission reduction targets from baselines or any other form of targets that address majority of their national emission sources and sinks; *{para 21.5 opt 2 GNT}* 8. **LDCs/SIDS** [LDCs and SIDS ~~may~~ should ~~[~~prepare,~~]~~ ~~[~~communicate~~]~~ ~~[~~[and~~]~~ implement~~]~~ ~~[non-economy wide]~~ ~~[~~low-emission development~~]~~ ~~strategies,~~ action plans ~~or actions~~.] *{para 21.5 opt 2 b. viii., and para 21.1 opt 4 GNT}*	
Part Three ➔ Part One ***[D. Mitigation]*** 11. **INDIVIDUAL EFFORTS OVER TIME** ~~[~~[All]~~]~~ Parties' mitigation ~~[~~commitments~~]~~~~[contributions][actions]~~ ~~[~~shall~~]~~~~[should][other]~~ become quantified economy-wide emission reduction ~~[~~budgets~~]~~~~[targets] [commitments]~~ at some point in the future in accordance with ~~[~~their common	**Convergence towards the most robust form** ○ All of the mitigation commitments should converge toward the most stringent form, i.e., five-year **cumulative emission amounts**.

but differentiated responsibilities and respective capabilities~~, historical responsibilities] [national circumstances,] development levels and capabilities]~~.] *{para 21.5 opt 2 b. vi., para 21.9 GNT}*	
Part Three ➔ Part One ***[D. Mitigation]*** 12. **CONDITIONALITY** [***Option 1***: Each developing country Party ~~[~~shall~~]~~~~[should]~~~~[other]~~ communicate ~~[and implement]~~ mitigation ~~[~~commitments~~]~~~~[contributions]~~~~[actions]~~ specifying an unconditional portion, and may also include a conditional one. In the case of conditional commitments, Parties should specify the necessary level of support *{para 21.6 opt 3 GNT}*	**Specifying the need for support** • Some parties may not be able to present unconditional mitigation commitments at all and thus it would be difficult to oblige all Parties to present unconditional commitments. Hence Option 2 is out. • In case of conditional commitments, it is important to strongly encourage Parties to present the necessary level of support. • For the other side of coin (i.e. Parties' commitment for support), see Finance briefing paper.
Part Two ➔ Part One ***[D. Mitigation]*** 8. **LOW EMISSION STRATEGIES** ~~[~~All Parties ~~[shall]~~~~[~~should~~]~~~~[other]~~ develop ~~low emission strategies~~ decarbonisation plans with a time frame towards 2050 or later, ~~[with low emission strategies of [developed country Parties]~~~~[Parties not included in annex X] [shall]~~~~[should]~~~~[other]~~ ~~[having]~~~~[have] a time frame for zero emissions].]~~ *{para 17.2 opt 1 e., paras 35 and 36 GNT}*	**Long-term emission reduction plans** • Parties "should" develop decarbonisation plans. To give flexibility, not too many details are required in the core agreement though. • It may be necessary to have a separate decision to launch a process to create modalities of such plans but, as long as there is a provision in the core agreement, at the point of Paris this should be sufficient.

3. MECHANISMS (MARKET / NON-MARKET)

WWF asks

1. **Basic principles have to be captured in the Core Agreement:** Given time constraints and practical considerations, detailed rules for mechanisms should be left to later decisions. However, basic principles have to be established in the Core Agreement because Parties will use them without any constraints if there are no agreed general principles[3]. . Such principles have to include the following:

    - Net global mitigation (securing atmospheric benefits)
    - Avoiding double counting
    - Ensuring sustainable development benefits
    - Supplementarity to domestic action
    - Avoiding deprivation of low-cost mitigation opportunities from Parties with low capability

2. **The term "various approaches" should be used to encompass both market and non-market approaches**: "Various approaches" has been used to describe mechanisms in general, including both market-based and non-market-based approaches. Wording like this would be more useful than having either "market" or "non-market" only language.

[3] Currently, almost nothing is mentioned in Part I of the Co-Chairs Tool

Key text proposals

Suggested changes are coloured with purple

Text	WWF Input
Part Three ➔ Part One ***[D. Mitigation]*** [***Option 1*** *(paragraphs 14 - 19 below)*: 14. **USE OF MARKET MECHANISMS** [In ~~[[cooperating to achieve] [~~meeting their~~]~~ ~~[~~commitments~~][contributions][actions]]~~ ~~[promoting compliance]~~, Parties may make use of various approaches ~~[[economic instruments including] market mechanisms] [mitigation outcomes [transferred between Parties][achieved in other Parties]],~~ in accordance with [the provisions on transparency of action and support as contained in Section I~~]~~ ~~[accounting rules [, provisions] [and standards] [developed] [adopted by the governing body] [in particular][designed]]~~ to ensure: a. ~~[~~Environmental integrity~~][and the integrity of [commitments][contributions][actions]~~]; b. That double counting of effort is avoided; c. That ~~[cooperative arrangements deliver]~~ real, permanent, additional and verified internationally transferable mitigation outcomes ~~[~~are delivered~~]~~; d. That a net decrease and/or avoidance of emissions is achieved at global level; e. [That the use of various approaches ~~market mechanisms~~ is supplementary to domestic action~~]~~ ~~[and] [a cap will apply to ensure that mitigation commitments are the main domestic actions] [domestic action shall account for the majority of the emission reductions required to fulfil each Party's mitigation [commitments][contributions][actions]]~~; f. That use of various approaches ~~market mechanisms [shall]~~[should~~]~~ contribute to the sustainable development of the host country; ~~g. A [share of the proceeds][levy] from the use of market mechanisms is used to [assist developing country Parties that are particularly vulnerable to climate change to meet the costs of adaptation][generate resources]~~ h. That use of various approaches should not result in deprivation of low cost mitigation opportunities from the host country; *{para 39 chapeau of opt 1 i., 39.1 f. – h., 39.2, 39.4, and 39.6, para 39 chapeau of opt 2 and 39.1, para 39 opt 5 39.1 and 39.4, and para 194 Opt I opt 1 d. iv. from Section K GNT}* 17. **EXECUTIVE BODY** [*Decides* to define an executive body under the COP [by adopting its terms of	**Basic Principles** ✓ Basic principles for the use of "various approaches" should be set. ✓ To avoid "market vs. non-market" discussion, it would be better to use the encompassing word. ✓ Share of proceeds should be applied if it is market-based mechanism but may not be applicable to non-market-based approaches. Thus, the reference to share of proceeds should be removed here. ✓ It should be made sure the following principles are listed: ➢ Net global mitigation (securing atmospheric benefits) ➢ Avoiding double counting ➢ Ensuring sustainable development benefits ➢ Supplementarity to domestic action ➢ Avoiding deprivation of low-cost mitigation opportunities from Parties with low capacity

reference at COP 22].] *{para 160 from Section I GNT}*	
Part Two ***[D. Mitigation]*** 9. **[*Option 1*:** **9.2 ELABORATION OF RULES:** *Decides* that the COP [shall], for consideration and adoption by the governing body at its first session: ~~a. Create and strengthen synergies between cooperative arrangements and mechanisms established or to be established under the Convention, its related legal instruments and other relevant institutions;~~ *~~{para 39 opt 5 39.3 GNT}~~* b. Develop accounting rules for the use of various approaches ~~market mechanisms~~, with regard to mitigation contributions of all Parties, including for how to avoid double counting; *{para 39 opt 1 39.1 e. and 39.6 GNT}* c. Develop and adopt standards for implementing [*elements of Article/paragraph 14 of Part III*] and processes for ensuring that these standards are met ~~[and provide for a scaling up of effort]~~; *{para 39 opts 2 39.1 and 5 39.2 GNT}* 9.3. **NO ACCOUNTING AS CLIMATE FINANCE** [*Decides* that the resources for acquiring emission reductions that are accounted towards a mitigation ~~[contribution]~~[commitment~~][action]~~ of a Party shall not be accounted as international climate finance for support by that Party;] *{para 158 from Section I GNT}*	**Elaboration of rules later** ✓ The most important piece here is to leave the adoption of "modalities and procedures" of various approaches, following the principles set above to later sessions. ✓ Although it is better to define the scope of work ahead clearly, it is not critical at the point of Paris.

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