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Item 5 of the provisional agenda

**“BEST PRACTICES” IN POLICIES AND MEASURES AMONG PARTIES INCLUDED
IN ANNEX I TO THE CONVENTION**

Submissions from Parties

Note by the secretariat

1. At its sixth session, the Conference of the Parties, by its draft decision on “good practices” in policies and measures, invited Parties to submit views by 31 March 2001 on the terms of reference for the workshop on “good practices” in policies and measures (FCCC/CP/2000/5/Add. 1 and FCCC/2000/5/Add. 3 (vol. IV)).

2. Three such submissions* have been received. In accordance with the procedure for miscellaneous documents, these submissions are attached and reproduced in the language in which they were received and without formal editing.

* Some submissions have been reformatted in order to save paper (but without altering the text) and some were scanned in order to make them available on electronic systems, including the world wide web. The secretariat has made every effort to ensure the correct reproduction of the texts as submitted.

FCCC/SBSTA/2001/MISC.2

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SUBMISSION NO. 1: CHINA

On the terms of reference for the workshop on Good practices in policies and measures among Parties included in Annex I to the Convention

Document FCCC/CP/2000/CRP.6, Paragraph 7, invited Parties to submit views on the terms and reference for the workshop on Good practices in policies and measures among Parties included in Annex I to the Convention. China considers that the workshop should focus on the following aspects.

1. To continue to facilitate information sharing and experience exchanging among Annex I Parties on policies and measures, as referred to Art. 2.1(a), that have been implemented or planned, and take into account national circumstances.

2. To enhance transparency in reporting on policies and measures in the national communications of Parties included in Annex I to the Convention through, as appropriate, criteria and quantitative parameters, and consider issues of methodology and national circumstances.

3. To explore the ways that could help to assess the effectiveness in limiting and reducing GHG emission of policies and measures undertaken or planned by the Annex I parties.

4. To promote the information sharing that Annex I Parties have striven to implement policies and measures in such a way as to minimize adverse effects, including the adverse effects of climate change, effects on international trade, and social, environmental and economic impacts on developing country Parties, as referred to in Art.2.3 of the Protocol.

5. To further elaborate the elements for reporting information on demonstrable progress in Art.3.2 of the Protocol, and the guidelines for review it.

SUBMISSION NO. 2: SAMOA
ON BEHALF OF THE ALLIANCE OF SMALL ISLAND STATES (AOSIS)

**TERMS OF REFERENCE FOR THE WORKSHOP ON 'GOOD PRACTICES' IN
POLICIES AND MEASURES**

Samoa, on behalf of the Alliance of Small Islands States (AOSIS) welcomes this opportunity to submit its views on the terms of reference for the workshop on 'good practices' in policies and measures. This submission should be seen in conjunction with earlier submissions by AOSIS on policies and measures. The experience gained at the workshop devoted to "best practices" in policies and measures should also be considered, so that points of convergence do not have to be debated anew. AOSIS reserves the right to make further submissions and contributions to these discussions.

AOSIS strongly believes that the development and implementation of domestic policies and measures form the cornerstone of the implementation of Annex I Party obligations under the Framework Convention on Climate Change and the Kyoto Protocol. Cooperation and the exchange of information and experience among Parties are vital in this process. They help Annex I Parties to improve the effectiveness of their individual and joint policies and measures to address climate change and can overcome real and perceived barriers to adopting and implementing certain policies and measures. A transparent exchange of information furthermore allows for an evaluation of how the domestic measures that an Annex I Party has put in place will contribute to that Party achieving its obligations. Given the long lead time necessary for controlling greenhouse gas emissions, and the disappointing performance of many Annex I Parties thus far in putting in place effective domestic measures, this kind of early warning system will be essential for assessing and comparing Parties' performance under the Convention, as well as under the Protocol.

AOSIS sees the organization of the first workshop under draft decision FCCC/CP/2000/CRP.6 as a welcome opportunity to improve the exchange of information and experience on policies and measures. In order to do so, the group believes that the discussions in this first workshop should in particular focus on:

- The assessment of the strengths and weaknesses of specific policies and measures, as well as the circumstances responsible for their success and failure;
- Methodologies to quantify the individual and combined effectiveness of specific policies and measures in reducing greenhouse gas emissions;
- Enhancing the transparency in Annex I Party reporting on domestic policies and measures, in particular with a view to elaborating guidelines for reporting on demonstrable progress;
- Facilitating further cooperation between two or more Parties in the adoption and implementation of effective policies and measures.

AOSIS looks forward to working with other Parties on finalizing the terms of reference of this workshop at SBSTA 14 with a view to holding the workshop before SBSTA 15, as required by the draft decision.

SUBMISSION NO. 3: SWEDEN
ON BEHALF OF THE EUROPEAN COMMUNITY, ITS MEMBER STATES, HUNGARY,
BULGARIA, CROATIA, CZECH REPUBLIC, ESTONIA,
LATVIA, ROMANIA, SLOVAKIA, SLOVENIA AND POLAND

**TERMS OF REFERENCE FOR THE WORKSHOP ON “GOOD PRACTICES”
IN POLICIES AND MEASURES UNDER ARTICLE 2.1 OF THE
KYOTO PROTOCOL**

Sweden, on behalf of the European Community, its Member States and and Bulgaria, Croatia, Czech republic, Estonia, Hungary, Latvia, Poland, Romania, Slovakia and Slovenia welcomes the opportunity to submit information on the terms of reference for the first workshop under the decision on “good practices” in policies and measures among Parties included in Annex I to the Convention (FCCC/CP/2000/CRP.6).

Article 2.1 of the Kyoto Protocol requires Annex I Parties to implement policies and measures in accordance with their national circumstances with the aim of achieving their Kyoto targets. As national circumstances vary considerably, policies and measures to abate greenhouse gas emissions may differ significantly. Exchange of experiences and sharing information are, therefore, important to enhance the individual and combined effectiveness of policies and measures. The Conference of the Parties is tasked to consider ways to facilitate co-operation among Parties in this area.

According to the draft decision on “good practices” at the Sixth Conference of Parties (FCCC/CP/2000/CRP.6, paragraph 6), the UNFCCC secretariat is requested to make available information on policies and measures implemented or planned by the Parties, and to organise the first workshop. The terms of reference to the workshop shall be agreed by the SBSTA at its fourteenth session. The secretariat is also requested to report the initial results of the work taken under this draft decision to the SBSTA at its fifteenth session.

A workshop on “good practices” was held in Copenhagen on 11-13 April 2000. The EU and other Parties mentioned above wishes to acknowledge the valuable sharing of information and exchange of experiences resulting from this workshop. Several generic issues emerged from the discussion during the workshop, such as the importance of national circumstances, the value of sharing information, the need to find cost-effective solutions and the need to improve the data quality and transparency of methodologies.

Objectives of the workshops

The EU and other Parties mentioned above believes that the first workshop under the draft decision at COP6 (FCCC/CP/2000/CRP.6) to be organised by the UNFCCC secretariat should be followed by several workshops. In order to exchange information and enhance the individual and combined effectiveness of policies and measures, these workshops should aim at:

- Contributing to the improvement of transparency, effectiveness and comparability of information (quantitative and qualitative) regarding the impacts of implemented policies and measures;
- Contributing to the exchange of experiences on “good practices” in policies and measures taking account of national circumstances;
- Developing and exchange information on methodologies to assess the effects of policies and measures and to enhance transparency in reporting on policies and measures;
- Facilitating the identification of further options for co-operation between two or more Parties;
- Contributing to the elaboration of evaluation methodologies, including an indicative list of quantitative parameters, for information on demonstrable progress towards the fulfilment of the Kyoto commitments.

The workshop should be organised within the following framework:

- Involve all Parties, as well as the private sector, regional and local authorities and non-governmental organisations; provisions should be developed to strengthen the participation of non-Annex I countries;
- Be carried out at an expert level;
- Encourage co-operation with other organisations that are already undertaking work within this field.

Scope of the first workshop

The EU and other Parties mentioned above takes the view that the first workshop should be dedicated to the industry and transport sectors. For each sector, the focus should be on exchanging experiences of evaluation of the effects of policies and measures in those sectors.

The EU and other Parties mentioned above further suggests that the workshop should:

- Focus on methodologies for assessment and evaluation of the quantitative effects of various policy instruments, such as taxes, regulations, subsidies, voluntary agreements, regional planning, information etc when discussing both general methodologies and methodologies within the transport and industry sector;
- Examine the aspects of national circumstances influencing the success or failure of implemented policies and measures;
- Consider aspects of cost-efficiency and short- or long-term effects, including environmental impacts;
- Assist in the evaluation of information concerning policies and measures in respect of demonstrable progress.

A. Sectors covered

The industry sector is suggested because it is energy-intensive and often export-oriented, and therefore to a large extent subject to international competition. Due to the potential effects on competitiveness and leakage effects, governments are reluctant to impose national environmental regulations in this sector. Exchanging experiences on the effects of policies and measures implemented in one or more countries may thus contribute considerably to reducing emissions within this sector. In addition, policies and measures within the industry sector could generate other environmental benefits, such as reducing air pollution.

The transport sector is important since the emissions from this sector are the fastest growing amongst all sectors.¹ In addition, policies and measures within the transport sector could generate ancillary benefits, such as reducing air pollution and noise.

Transportation is to a large extent a border-crossing activity and vehicles are traded as a commodity on the world market. The effectiveness of implemented policies and measures in one country can be largely affected by actions undertaken in other countries. As in the industry sector, exchanging experiences on the effects of policies and measures implemented in one or more countries is of great importance.

B. Methodologies for assessment and evaluation

Methodologies for assessing and evaluating policies and measures play an important role in improving national climate strategies and reducing greenhouse gas emissions. Exchanging experiences among Parties on such methodologies will be helpful to facilitate the achievement of the Kyoto Protocol.

Exchanging experiences on methodologies for the assessment and evaluation of the effects of policies and measures will also help Parties to identify strengths and weaknesses of specific measures and to highlight national circumstances that may have led to the success or failure of a policy. Such an exchange of experience should help the future direction of policies and measures.

Parties should be invited to present concrete examples of assessment and evaluation of the effects of different policy instruments in the industry and transport sectors. Presentations of general methodologies of assessment and evaluation should also be made.

Finally, all Parties should consider hosting and contributing to financing of the first workshop. Joint arrangements between two or more Parties are strongly supported by the EU and other Parties mentioned above.

The EU and other Parties mentioned above hopes that it will be possible to hold the first workshop before COP7 in October 2001.

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¹ "Climate Change – Environmental Signals 2000", European Environmental Agency, 2000.