

Submission by the Climate Land Ambition and Rights Alliance (CLARA) to the 5th meeting of the Glasgow Committee on Non-market Approaches under Article 6.8 of the Paris Agreement

March 2024 -- The international civil society and academic network Climate Land Ambition and Rights Alliance (CLARA) appreciates the opportunity to provide views in support of robust and timely implementation of the Article 6.8 mechanism, and specifically the opportunity to submit comments to the GCNMA in response to Decision 17/CMA.5, paragraph 14(a).

We focus here specifically on the **Themes for Spin-off Groups** at the SB meetings upcoming in June. CLARA suggests here four possible spin-off groupings. We conclude with a brief note regarding Article 6.8's unique position within the Paris Agreement and thus the particular importance of the Spin-off Groups we propose.

Spin-off Group #1: Strengthening Collaboration across Sectors

CLARA members would like to request the SBSTA Chair to convene a Spin-off Group focused on how Parties can pursue innovative finance and program development with the broadest range of public and private stakeholders, including philanthropic organisations. We note the potential for innovative finance and mobilization of <u>new and additional resources</u> as part of announcements at COP26 made by several Parties and by philanthropic contributors. This collaborative approach was also referenced by speakers representing the Ford Foundation and the Climate and Land Use Alliance at the in-session workshop during SB59.

Builds on:

- Decision 4/CMA.3, paragraph 1 which "recognizes the importance of integrated, holistic and balanced non-market approaches to enable voluntary cooperation".
- CLARA's <u>September 2023 submission</u> which detailed the terms 'integrated, holistic, and balanced'.
- Decision 17/CMA.5, paragraph 17 (b) and (c) on Capacity Building, to provide "Opportunities for interested Parties that are participating in non-market approaches to communicate with relevant stakeholders for enhancing cooperation and support in nonmarket approaches...[and] for the effective participation of Indigenous Peoples, local communities and other relevant stakeholders in the relevant work programme."
- Decision 1/CMA.5, paragraph 9 which *"reaffirms* that sustainable and just solutions to the climate crisis must be founded on meaningful and effective social dialogue and participation of all stakeholders, including Indigenous Peoples, local communities and governments, women, and youth and children, and *notes* that the global transition to low emissions and climate-resilient development provides opportunities and challenges for sustainable development and poverty eradication".

Spin-off Group #2: Aligning with the LCIP Platform activities and innovative finance

CLARA emphasizes the importance of deepening the interconnections between the Local Communities and Indigenous Peoples Platform and the non-market approaches now being launched under Article 6.8. Activities in current and future Strategic Plans of the LCIP Platform should be 'mainstreamed' for climate action *via* Article 6.8.

A related matter is the increased sophistication and readiness of financing vehicles, the governance structures of which advance cooperation between Parties, indigenous networks, and private finance (especially philanthropy). Among the examples of innovative finance that might be discussed in the Spin-off Group: the <u>Amazon Fund</u>, the <u>Pawanka Fund</u>, the <u>ForestPeoplesClimate</u> platform, the <u>Shandia Mechanism</u>, and <u>The Tenure Facility</u>.

Builds on:

 Decision 17/CMA.5, paragraph 15 (c)(ii) which emphasizes the importance of "including representatives of the Facilitative Working Group of the Local Communities and Indigenous Peoples Platform, for fostering the open exchange of information and articulating cooperation opportunities on specific non-market approaches proposed by interested Parties". We note below the importance of capacity building for enabling LCIPs' direct access to the web-based platform.

Spin-off Group #3: Joint Mitigation Adaptation (JMA) and forest protection

Since many of its member-groups are also active as Observers to the Convention on Biological Diversity, the CLARA network has repeatedly emphasized the importance of developing modalities for working synergistically with the Convention on Biological Diversity in advancing the protection and recovery of ecological integrity and resilience. Developing closer ties with the CBD would underline the fundamental synergies between climate crisis mitigation, biodiversity protection and ecosystem-based adaptation in the implementation of NMA activities.

CLARA also references the <u>Sectoral Guidance on Land Use from the Green Climate Fund</u>, and its central priorities to "Protect, Restore, and Sustainably Manage" forests and other ecosystems. We continue to call for the use of this hierarchy of action in the land-use sector and believe that anchoring the Article 6.8 mechanism on these principles will provide *both* the greatest mitigation benefit *and* allow for the highest value in terms of ecosystem and community resilience, hence JMA.

Builds on:

- Findings of the Sixth Assessment report of the IPCC that both adaptation and mitigation financing need to increase manyfold.
- Repeated calls for improvement of efforts to halt forest loss, and to completely eliminate deforestation by 2030 in the context of sustainable development and poverty eradication.
- Article 5 of the Paris Agreement, including the implementation of results-based payment approaches as appropriate. Reaffirming the importance of incentivizing non-carbon benefits associated with Article 5.
- Scientific guidance from joint IPCC-IPBES scientific workshops, including better integration of indigenous and traditional knowledge.

Spin-off Group #4: Web-Based Platform – Usability including Direct Access

We congratulate the Chair and Secretariat on the upcoming launch of the Article 6.8 webbased platform, at SB60. Still, we urge the SBSTA Chair to facilitate a Spin-off Group discussion to explore and install a tracking mechanism in the web-based platform to help monitor the implementation of NMA projects, not only for greater transparency and accountability but also to review and learn from such NMA projects to improve further the implementation of Article 6.8 of the Paris Agreement.

The next areas of discussion regarding the platform are a) **direct access**, which includes both opportunities for LCIP networks, subnational governments, plus youth and women's federations to formulate project ideas, and also for private finance to note areas of interest and potential support; and b) **capacity building**, including through workshops, seminars, and trainings, plus regional and South-South cooperation approaches.

Reducing the impediments and barriers to implement the non-market approach under Article 6.8 is essential to enhance support through financial resources from both public and private sources to achieve Parties' commitment under their NDCs and, most importantly, to raise ambitious climate actions to achieve the long-term temperature goal of the Paris Agreement.

CLARA emphasizes that non-market approaches allow for a much broader range of activities supported through international cooperation than is the case with the market-based approaches found elsewhere in Article 6, which focus solely on the generation of carbon credits for offsetting and trading. <u>NMAs should not be used as readiness for market mechanisms and a Spin-off group on this topic would be unhelpful</u>.

One of the key outcomes from the first Global Stocktake was the focus on the importance of international cooperation and collaboration. CLARA members clearly see the importance of overcoming barriers to multistakeholder engagement. We firmly believe that Article 6.8 non-market activities provide an absolutely critical pathway to genuine climate action, not based on offsetting, but rather on principles of common responsibility and mutual benefit. The listing of activities under the web-based platform, as well as in a Party's updated NDC, helps draw attention to the types of ambition that can be better supported through international cooperation.