



THE CLIMATE GROUP

Subnational governments at the forefront of climate action

Proposals to add references to the subnational level of governance in the AWG-LCA negotiating text for COP16 (FCCC/AWGLCA/2010/14)

The role of subnational governments in tackling climate change

Subnational governments from all over the world have demonstrated in a number of ways that their contribution and leadership is essential to help achieve the ultimate objectives of the UNFCCC. In fact, according to UNDP, 50% to 80% of adaptation and mitigation actions necessary to tackle climate change are or will be implemented at the subnational or local level of governance.

Subnational governments are particularly well placed for identifying the needs and the strengths of their societies in the battle against climate change. Either through power-sharing arrangements or constitutional attribution of powers, they are often responsible for the development and implementation of laws, policies, strategies, standards, programs, and fiscal mechanisms in areas that directly influence GHG emissions levels and deal with the impacts of climate change; such as energy,

the environment, transport, industry, agriculture, land and resource management, as well as civil security. Subnational governments also make investment decisions in and for their economies that directly affect the level of global greenhouse gas emissions.

In the last few years, subnational governments have concretely shown that they take their climate change responsibilities very seriously. In fact, their accomplishments in this area have grown tremendously in sophistication, effectiveness and importance. The important lessons being learned at the subnational level can often feed into and improve national policy and shape more ambitious and innovative responses to climate change.



Mitigation policies being put forward at the subnational level

- GHG emission reduction and renewable energy targets
- Energy policies (e.g., smart grids and meters, RES, feed-in tariffs, energy efficiency codes and standards)
- Clean transportation policies (e.g., vehicle efficiency, emissions and fuel standards, electric vehicle strategy)
- R&D policies for green, low-carbon and sequestration technologies
- Smart growth policies, green building codes, home and business weatherization programs
- Sustainable forest and agriculture practices
- Climate-friendly purchasing/procurement policies
- Waste reduction and recycling strategies
- Fiscal and budgetary measures to support these initiatives

While putting their climate change policies in place, subnational governments are committed to working in collaboration with central governments, cities and other local authorities, businesses, NGO's and financial institutions, and to tailoring their actions to the particular circumstances of populations and regions. Furthermore, subnational governments have initiated and participated in regional and international partnerships to support the broader implementation of climate change policies and legislation, the exchange of best practices, growth in new green technologies, low carbon technology transfers

and cap and trade programs. In the spirit of common but differentiated responsibilities and respective capabilities, subnational governments from developed countries have also reached out in solidarity to other subnational governments in developing countries to help build their capacities to adapt to climate change and monitor/mitigate the emissions of greenhouse gases, notably through subnational cooperation agreements.

Subnational governments seek international recognition for their work on climate change

It follows that subnational governments have the power to play an important role in the global effort to tackle climate change and in the world's transition to a low carbon future. In this respect, the term «stakeholder», which appears from time to time in negotiating texts, is far from being appropriate to describe the depth and the scope of subnational involvement and contribution to the work of the UNFCCC.

Subnational governments appreciate the fact that they are occasionally explicitly mentioned in the negotiating text for COP16, through references to subnational action plans and strategies as well as to subnational capacities and skills. **They, therefore, ask the Parties to keep these references intact, but they are looking for more.**

Subnational governments take the view that a future UNFCCC accord should provide them with official recognition, and make additional references of their role, where warranted.

They are convinced that such recognition would provide them with incentives and encouragement to expand their commitments in the fight against climate change. Parties are thus invited to take the proposals below under serious consideration

Proposals to add references to the subnational level of governance in Chapter 1

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The Conference of the Parties

Further recognizing the important complementary role that subnational governments play in initiating, developing and implementing policies and actions necessary to help achieve the objectives set out in the Convention.

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B. Enhanced action on adaptation and its associated means of implementation

Establishes

13. Pursuant to the provisions on enhanced action on adaptation presented in chapter II, the Adaptation Framework [for Implementation], with the objective of enhancing action on adaptation **at all levels of government**, including through international cooperation, for coherent consideration of matters relating to adaptation under the Convention, containing the following elements:

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C. Enhanced action on mitigation and its associated means of implementation

1. Nationally appropriate mitigation commitments or actions by developed country Parties of the Convention and the shared vision.]

[Agrees] [Decides] that

21. [Developed country] [All] [Annex I] Parties [shall] [will] prepare [low-emission] [zero-emission] plans [by 15 April 2013] **taking into consideration subnational actions as appropriate** [[, including norms for sustainable production and consumption in all relevant sectors] [for long-term emission [limitations and] reductions [as appropriate to their national circumstances] [so as to contribute to the achievement of a long-term aspirational and ambitious global goal for emission reductions]]]

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29 ter. [Hereby establishes a mitigation mechanism in order to technically support the development of and ensure the provision of financial, technological and capacity building support for implementation of nationally appropriate mitigation actions. On request by non-Annex I Parties the mechanism will, inter alia:

(d) Facilitate the sharing of knowledge, experience and good practice at local, **subnational**, national, regional and international levels and disseminate such information.

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2. Nationally appropriate mitigation actions by developing country Parties

[Agrees][Decides] that

48. ...As such, non-Annex I] [Developing country] Parties will prepare low-emission development plans[, which are indispensable to sustainable development, **taking into consideration subnational action as appropriate...**

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E. Enhanced action on development and transfer of technology*Decides to*

65. Establish a Technology Mechanism pursuant to the provisions on enhanced action on technology development and transfer in support of action on adaptation and mitigation at **all levels of government** as presented in chapter IV, that will be guided by a country-driven approach and be based on national circumstances and priorities, consisting of:

- (b) A Climate Technology Centre and Network to support and accelerate the diffusion and transfer of environmentally sound technologies for mitigation and adaptation **at all levels of government** to developing country Parties through the provision of technical assistance and training with its full mandate and composition as elaborated in chapter IV and its modalities to be adopted by the Conference of the Parties at its seventeenth session.

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G. Review

69. This review should take into account:

- (c) An assessment of the overall aggregated effect of the steps taken by the Parties, **including those taken by subnational governments**, in order to achieve the ultimate objective of the Convention;

The role of subnational governments on adaptation

Subnational governments have exclusive responsibilities or share responsibilities with their central governments on a whole range of areas relating to adaptation such as;

- Risks and vulnerabilities identification and assessment, including for forests and ecosystems
- Development and implementation of risk prevention and risk reduction strategies and action plans
- Disaster relief (such as compensation and rehabilitation policies), cleanup and reconstruction
- Information gathering about climate conditions, variability and trends to help reduce unpredictability
- Air and water quality monitoring and management
- Health care
- Public security
- Education and public awareness campaigns



Subnational governments have often the necessary skills, leadership, and expertise to help communities adapt to climate change, strengthen resilience and, in extreme situations, rebuild those communities after disaster has struck. They also have the capacity to respond quickly to a climate change crisis, notably because they are close to the affected populations and have the most intimate knowledge of their needs.

In addition, risk patterns and trends are often specific to a particular locality or region. In developing a strategic and systematic approach to reducing vulnerabilities, reducing disaster risks and building the capacity of nations to adapt to climate change, the Hyogo Framework for Action 2005-2015 has recognized that fact, and suggested that responsibilities

and resources for disaster risk reduction be decentralized to subnational and local authorities as appropriate. The Hyogo Framework further recommended developing not only national but also subnational systems of risk and vulnerability indicators in order to better assess the social, economic and environmental impacts of potential disasters.

Last, it is important to note that subnational governments, particularly in developed countries, are sharing or are willing to share their experiences, technologies and best practices on adaptation in a North-South context and among themselves. They would, however, welcome an international agreement on climate change that would foster further cooperation in that regard.

Proposals to add references to the subnational level of governance in Chapter II: Enhanced actions on adaptation

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[The Conference of the Parties

1. [Agrees that adaptation to the adverse effects of climate change [and/or to the impact of the implementation of response measures] is a challenge faced by all Parties and that enhanced action and international cooperation on adaptation **at all levels of government** is urgently required to enable and support the implementation of adaptation actions aimed at reducing vulnerability and building resilience in developing country Parties, taking into account the urgent and immediate needs of developing countries that are particularly vulnerable to the adverse effects of climate change, especially the least developed countries and small island developing States, and further taking into account the needs of countries in Africa affected by drought, desertification and floods;]

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4. *Invites* all Parties to enhance adaptation action under the Adaptation Framework [for Implementation] taking into account their common but differentiated responsibilities and respective capabilities, and specific national and regional development priorities, objectives and circumstances, [and whereby developing country Parties shall be supported by developed country Parties and in accordance with paragraph 6 below], to undertake, **in collaboration with subnational governments**, inter alia:
 - (e) Enhancing climate change related disaster risk reduction strategies, considering the Hyogo Framework for Action where appropriate; early warning systems; risk assessment, and management and sharing and transfer mechanisms such as insurance [, compensation and rehabilitation]; at local, **subnational**, national, subregional and regional levels, as appropriate, to address loss and damage associated with climate change impacts in those developing countries that are particularly vulnerable to the adverse effects of climate change [and/or to the impact of the implementation of response measures];

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6. *Option 1:*

Decides that developed country Parties shall provide developing country Parties, especially those that are vulnerable, with long-term, scaled up, adequate, new and additional to official development assistance commitments and predictable and grant-based finance from public sources in the order of at least [x billion] [x per cent of the gross domestic product of developed country Parties] as part of the repayment of their climate debt and their historic responsibility based on greenhouse gas emissions, as well as with support for technology, insurance and capacity-building to implement urgent, short-, medium- and long-term adaptation actions, plans, programmes and projects at local, **subnational**, national, subregional and regional levels, in and across different economic and social sectors and ecosystems, including the activities referred to in paragraph 4 above;

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7. Option 1:

Decides to establish an Adaptation Committee under the Convention in order to provide coherence in the implementation of the enhanced action on adaptation under the Convention, which shall operate, inter alia:

- (c) To receive, evaluate and recommend technical adjustments in the developing country Parties' applications for financial support, upon request, for the implementation of adaptation projects, programmes and actions **at all levels of government**; and to provide technical advice on the channels through which the projects, programmes and actions can be funded in the most expedited manner;
- (e) To function as the Technical Panel of the Financial Mechanism Board and to provide advice and technical recommendations to the Financial Mechanism for the reviews and assessment of adaptation projects, programmes and actions **at all levels of government** submitted to the Financial Mechanism for consideration of funding;

Option 2:

Decides to strengthen, enhance and better utilize existing institutional arrangements and expertise under the Convention in order to support the implementation of the Adaptation Framework [for Implementation], by:

- (a) Facilitating the provision of scientific advice and technical support to Parties, respecting the country-driven approach, including for:
 - (i) Risk, vulnerability and adaptation assessments, and adaptation planning **at all levels of government**;
- (b) Strengthening, consolidating and enhancing the sharing of information, knowledge, including traditional knowledge, experience and good practices, at local, **subnational** national, regional and international levels, consistent with the relevant international agreements;
- (c) Encouraging regional and international organizations and institutions to enhance adaptation action, including through the creation of partnerships between a range of stakeholders **and between subnational governments** in developed and developing country Parties, as appropriate, to promote coherence, facilitate enhanced coordination, and avoid duplication of efforts;

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- 13.** [*Invites* relevant multilateral, international, regional, and national organizations, **subnational governments**, the public and private sectors, civil society and other relevant stakeholders to undertake and support enhanced action on adaptation at all levels, as appropriate, in a coherent and integrated manner, building on synergies among activities and processes, and to assist in the implementation of the Copenhagen Adaptation Framework [for implementation];]



Subnational governments and international financing

Fully aware of the cost of inaction around climate change, subnational governments are also truly convinced that strong, early action on climate change will bring about important benefits for their economies and their societies, notably through the emergence of low carbon and less resource intense technologies. And those that can afford it are willing to invest substantial human and financial resources to make the necessary changes happen. They also welcome the chance to exchange their skills and experiences towards the building of a global green economy.

Indeed, many subnational governments in developed countries often have broad direct and indirect taxation powers to finance the mitigation and adaptation projects they wish to initiate, develop and implement within their own borders and beyond. However, while certain subnational governments in developing countries may have those powers and have the same level of

ambition to tackle climate change, the funds they can raise are often insufficient to finance these types of projects or they lack matching financial support to complete them. It is therefore important that subnational governments from developing countries have access, through their national governments or directly when the latter give their approval, to the existing funds of the Convention or any proposed new funds in order to enhance North-South and South-South actions on climate change.



Proposals to add a reference to the subnational level of governance in Chapter III: Enhanced action on the provision of financial resources and investment

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Decides that

8. A new fund shall be established [under the Convention] [as an operating entity of] [to operate] the financial mechanism of the Convention [under the guidance and accountable to the COP] [to support projects, programmes, policies and other activities related to mitigation, [including REDD-plus], [including carbon capture and storage,] adaptation, capacity-building, and technology development and transfer **at all levels of government**, pursuant to the provisions presented in chapter III] [with the objective of implementing commitments in Article 4.3, 4.4, 4.5 [and 4.8] and 4.9 of the Convention within the context of Article 4.7].

The role of subnational governments on technology development and transfer

Subnational governments, like national governments, are well positioned to tap into the reservoirs of engineering and manufacturing firms and facilities as well as academic and research institutions that are operating within their territories to encourage the sharing of scientific and technological



skills, knowledge and best practices, services, processes and applications, products and materials with developing countries. Moreover, subnational governments can enter into cooperation agreements with private sectors companies that hold green or low-carbon technology patents and proprietary rights that can be offered for carrying out adaptation and mitigation projects in developing countries.

In addition, subnational governments often do provide incentives to the private sector and forge partnerships with it to accelerate the innovation, development and diffusion of environmentally sound technologies. International cooperative action on the development and transfer of these technologies for mitigation and adaptation purposes should therefore open the door as much as possible to subnational involvement.

Proposals to add references to the subnational level of governance in Chapter IV: Enhanced actions on technology development and transfer

- Page 42 *The Conference of the Parties*
- Confirming* the importance of promoting and enhancing **subnational**, national and international cooperative action on the development and transfer of environmentally sound technologies to developing country Parties to support action on mitigation and adaptation now, up to and beyond 2012, in order to achieve the ultimate objective of the Convention,
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- Page 42 Objective
- 1.** *Decides* that the objective of enhanced action on technology development and transfer is to support action on mitigation and adaptation **at all levels of government** in order to achieve the full implementation of the Convention;
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- Pages 42-43 **4.** *Decides* that, pursuant to paragraph 7 (c) below, activities and/or outcomes of activities eligible for technological, financial and capacity-building support, including relevant actions referred to in paragraphs 12 and 13 below, shall be determined by country-driven processes based on national circumstances and priorities, with a view to ensuring overall efficiency and effectiveness in meeting such outcomes, and may include, but not be limited to, those that achieve:
- (h) Development and implementation of national **and subnational** technology plans for mitigation and adaptation;
-
- Pages 43-44 Technology Executive Committee
- 7.** *Decides* that the Technology Executive Committee is hereby defined and shall have the following functions:
- (d) Promote collaboration on the development and transfer of technology for climate mitigation and adaptation between governments, **including subnational governments**, industry, non-profit organizations, and academic and research communities;
- (i) Catalyze the development and use of technology road maps or action plans at international, regional, and national **and subnational** levels through cooperation by relevant stakeholders, particularly governments and relevant organizations or bodies, including the development of best practice and guidelines, as facilitative tools for action on mitigation and adaptation;
-
- Pages 44-45 Climate Technology Centre and Network
- 11.** *Decides* that the Climate Technology Centre, supported by its regional units and by the Climate technology network, will:
- (d) Establish a Climate Technology Network with a view to:
- (i) Enhancing cooperation with **subnational**, national, regional and international technology centres and relevant national **and subnational** institutions;
- (ii) Facilitating international partnerships **with all levels of governments and** among public and private stakeholders to accelerate the innovation and diffusion of environmentally sound technologies to developing country Parties;
-
- Page 47 Cooperative action on technology
- 15.** *Also encourages* Parties, in the context of Article 4, paragraphs 1(c) and 5, of the Convention and consistent with their respective capabilities and national circumstances and priorities, to engage in bilateral and multilateral cooperative activities on technology development and transfer in order to, inter alia:
- (d) Support **subnational**, national and regional capacity-building;

The role of subnational governments in capacity-building

The United Nations Development Program (UNDP) and other UN agencies have responded to an increasing number of requests from subnational governments in the developing world who need assistance in assessing and managing the physical and socioeconomic impact of climate change by creating the Territorial Approach to Climate Change (TACC) program. This initiative seeks to enhance the capacity of subnational governments from developing countries to develop, amongst other things, territorial climate plans, to help them implement their climate change responses. It also provides guidance to public authorities on how to choose and design the most appropriate policies and financing schemes to implement priority measures. The TACC program draws

upon the experience, skills and institutional strengths of subnational governments in developed countries, and on their ability to induce the participation of private businesses that have developed expertise in green technologies as well as the participation of NGOs and aid partners that are familiar with the conditions on the ground. The Climate Group and nrg4SD both count among their members subnational governments that have joined TACC and that have capacity-building projects in the works for the coming years. The TACC program is a perfect example of Northern and Southern subnational governments' willingness to collaborate with one another in the fight against climate change.



Proposal to add references to the subnational level of governance in Chapter V: Enhanced action on capacity-building

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4. Option 2:

[Also decides that action on capacity-building should be enhanced in order to strengthen, as appropriate, subnational, national or regional capacities, skills, capabilities and institutions as appropriate, in order to address emerging capacity-building needs in the areas of adaptation, mitigation and technology development and transfer, as outlined [under the agreed outcome of the building blocks of the Bali Action Plan] [under the agreed outcome for the enhanced implementation of the Convention] through, inter alia:]

- (c) Developing and/or strengthening **subnational**, national and/or regional networks for the generation, sharing and management of information and knowledge, including local and indigenous knowledge, experiences and best practices of developing countries, through, inter alia, South–South and triangular cooperation;
- (e) Strengthening climate change communication, education, training and public awareness at all levels, including at the **subnational**, local and community levels, taking into account gender issues;



The role of subnational governments on issues relating to REDD+

Subnational governments often have the responsibilities, tools and expertise for developing and implementing plans and strategies to promote conservation, the sustainable management of forests and the enhancement of forest carbon stocks. In some countries, subnational governments have considerable if not exclusive jurisdiction over natural resources, and there can simply be no robust forest monitoring system, effective forest related mitigation programs or reforestation action strategies without their full participation. Indeed, on occasions, forest covered areas are so vast that, without subnational governments' detailed knowledge of them and of land use changes, central governments would struggle to adequately keep track of deforestation and forest degradation, and to efficiently plan to prevent further damages in the future.

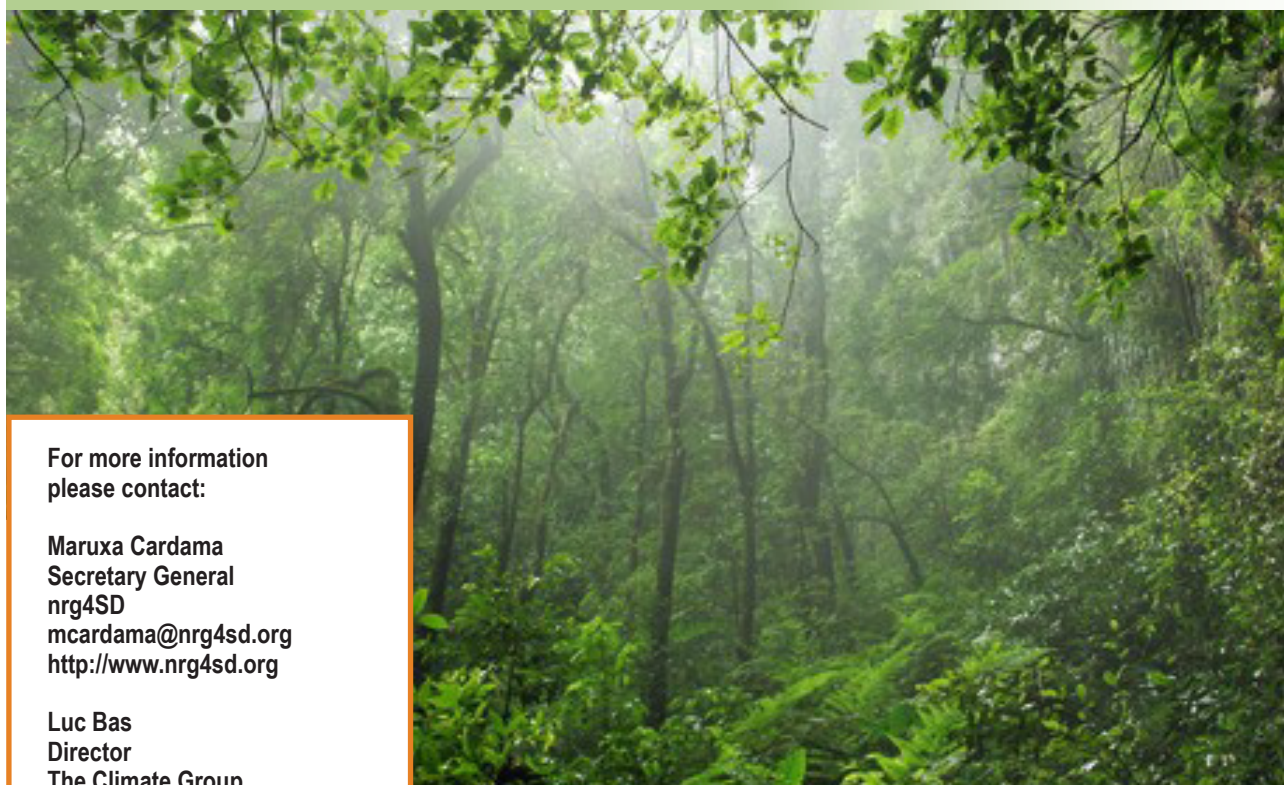


Proposal to add a reference to the subnational level of governance in Chapter VI: Policy approaches and policy incentives on issues relating to REDD+

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13. [Requests Parties, [relevant international organizations, **subnational governments** and stakeholders] to ensure coordination of the activities referred to in paragraph 12 above, including of the related support, particularly at the country level;]



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Nrg4SD

The Network of Regional Governments for Sustainable Development, nrg4SD is an international organisation representing over 600 subnational governments, namely federated states and regional governments, at the global level. The network promotes understanding, collaboration and partnerships in sustainable development and seeks greater international recognition of subnational government's important contribution towards sustainable development. A member of the Forum Global d'Associations de Régions (FOGAR), nrg4SD is the voice of FOGAR in the field of sustainable development.

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The °Climate Group

The Climate Group is an independent, not-for-profit organisation working internationally with government and business leaders to advance smart policies and technologies, cut global emissions, and accelerate a low carbon economy. Through its States and Regions Program, it acts as a catalyst for leading subnational governments in this regard. Its global coalition of over 80 leading companies, states, regions and cities around the world recognizes the economic and environmental imperatives of taking decisive action now. The Climate Group was founded in 2004 and has operations in Australia, China, Europe, India and North America.

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