

**Ad Hoc Working Group on Long-term Cooperative Action to enhance
implementation of the Convention (AWG-LCA)
Submission by the Kingdom of Morocco**

Views on matters referred to in paragraphs 50 and 51 of decision -1/CP.18:
Work programme to elaborate modalities and procedures for a New Market-based
Mechanism, operating under the guidance of the COP

25 March 2013

The Conference of the Parties at its eighteenth session held in Doha invited Parties and accredited observer organizations to submit to the Secretariat, by 25 March 2013, their views on matters referred to in paragraphs 50 and 51 of decision -1/CP.18 related to the work programme to elaborate modalities and procedures for a New Market-based Mechanism (NMM), operating under the guidance of the COP, with a view to recommending a draft decision to the COP for adoption at its nineteenth session.

The kingdom of Morocco welcomes this opportunity and would like to submit the following views:

- 1) The post 2012 framework should consider new mechanisms that are market based or non market based to harness every single potential mitigation opportunity, with the purpose of achieving the overall objectives of preserving environmental integrity. It should include the sectoral, sub-sectoral and project-based approaches. However, it should be noted that economics should not prevail at the expense of environmental and social aspects.
- 2) The NMM should:
 - Build on existing experiences and lessons learned from the existing Kyoto protocol mechanisms.
 - Be defined and administered exclusively under the COP authority.
 - Contribute to raise the level of ambition in terms of GHG mitigation.
 - Open new opportunities to encourage developing countries to participate in the NMM.
 - Contribute to the adaptation funds at the same level as the Kyoto protocol mechanisms.
 - Promote the transfer and dissemination of low carbon technologies, products and services to individual recipient countries, and thus contribute to their sustainable development.
 - Be set up on simple access procedures with low transaction costs.
 - Ensure fair and equitable geographical distribution between individual recipient countries.
 - Allow the elaboration of simple and efficient MRV systems.
 - Ensure the establishment of clear procedures to avoid double counting of GHG emission reductions.

- 3) The NMM should be designed to contribute technically and financially to the implementation of NAMAs in recipient countries, mainly through the direct assignment of NAMAs' emission credits for the implementation of a mitigation policy instrument.
- 4) The NMM should benefit from a prompt start period, mainly through the implementation of pilot projects on a voluntary basis in recipient countries, to better understand the prerequisites for their participation in NMM.
- 5) Capacity building activities should be carried out in the recipient countries in order to:
 - Develop a common understanding regarding the opportunities and requirements of NMM.
 - Allow the recipient countries to be better prepared to fully participate in NMM.
- 6) The SBSTA is invited to consider the technical aspects that should govern the NMM, namely the definition of baselines, performance standards, levels of aggregation, MRV systems ... etc.
- 7) The UNFCCC Secretariat is requested to carry out an assessment of the performance of other market mechanisms, mainly the CDM in order to identify lessons learned with regards to the safeguard of the environmental integrity by these mechanisms.
- 8) Link with the Framework for Various Approach (FVA):
 - Various Approaches would encourage mainly the private sector to engage more in mitigation efforts. Therefore, all what has been suggested above for NMM remains valid for these approaches.
 - These approaches should be recognized by the Convention in accordance with a common framework for emissions accounting and should thus meet the requirements for transparency and consistency in terms of carbon reduction units.
 - These approaches should be governed by international rules and standards including the MRV system.
 - The environmental integrity by Various Approaches should achieve the same level expected by the NMM.