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

Submission by the Republic of Nauru on behalf of the Alliance of Small Island States (AOSIS)

Views on matters referred to in paragraphs 83 and 84 of decision -/CP.17: Work programme to elaborate modalities and procedures for a new market-based mechanism, operating under the guidance of the COP

21 March 2012

AOSIS welcomes the opportunity to present its views on matters referred to in paragraphs 83 and 84 of decision -/CP.17 (Report of the Outcomes of the AWG-LCA). This submission builds on AOSIS's earlier submissions on the establishment of one or more market-based mechanisms to enhance the cost-effectiveness of, and to promote, mitigation actions (FCCC/AWGLCA/2011/MISC.2 at pp. 40-47) and on possible non-market-based mechanisms (FCCC/AWG/LCA/2011/MISC.3 at 6-8).

1. Background

In Durban the COP defined "a new market-based mechanism, operating under the guidance and authority of the Conference of the Parties, to enhance the cost-effectiveness of, and to promote, mitigation actions, bearing in mind different circumstances of developed and developing countries, which is guided by decision 1/CP.16, paragraph 80, and which, subject to conditions to be elaborated, may assist developed countries to meet part of their mitigation targets or commitments under the Convention" (decision -/CP.17, para. 83).

By paragraph 84 of the same decision, the COP requested the AWG-LCA to "conduct a work programme to elaborate modalities and procedures for the mechanism referred to in paragraph 83 . . .with a view to recommending a decision to the Conference of the Parties at its eighteenth session." The COP solicited the views of Parties on the matters set out in paragraphs 83 and 84, including their experiences, positive and negative, with existing approaches and mechanisms as well as lessons learned. See -/CP.17, para. 85.

Paragraph 80 of decision 1/CP.16, referenced in paragraph 83 of decision -/CP.17, and adopted in Cancun, provides that the new market-based mechanism is to be guided by:

(a) Ensuring voluntary participation of Parties, supported by the promotion of fair and equitable access for all Parties;
(b) Complementing other means of support for nationally appropriate mitigation actions by developing country Parties;
(c) Stimulating mitigation across broad segments of the economy;
(d) Safeguarding environmental integrity;
(e) Ensuring a net decrease and/or avoidance of global greenhouse gas emissions;
(f) Assisting developed country Parties to meet part of their mitigation targets, while ensuring that the use of such mechanism or mechanisms is supplemental to domestic mitigation efforts;
(g) Ensuring good governance and robust market functioning and regulation.

The Parties have undertaken to maintain and build upon existing mechanisms, including those established under the Kyoto Protocol in developing and implementing the new mechanism (decision 1/CP.16, para. 83).

2. The new market-based mechanism must complement existing Kyoto mechanisms, not replace these mechanisms

In AOSIS's view, it is essential to retain the existing Kyoto Protocol mechanisms (CDM, JI and international emissions trading). At the same time, it is also necessary to develop a new market based mechanism that can incentivize far deeper emission reductions in developing country Parties that those currently available through the CDM, without requiring developing countries to take Annex I Party status under the Kyoto Protocol.

The new market-based mechanism agreed under the Convention should bridge the gap between the project-by-project participation in emissions trading available to developing countries through the CDM, and the economy-wide emissions trading available to developed countries under the Kyoto Protocol. It must also deliver substantial net global emission reductions, rather than just offsets that do not actually reduce global emissions.

To complement existing mechanisms, the new market mechanism should:

- be adopted in the context of legally-binding economy-wide emission reduction commitments for Kyoto Parties and legally-binding economy-wide targets from non-Kyoto Annex I Parties;
- be hosted in developing countries only;
- address sectoral emissions of developing country Parties;
- secure real, measurable, verifiable and additional, long-term global emission reductions below a baseline;
- be structured to deliver substantial net global emission reductions, well beyond mere offsetting;
- maintain and extend the existing system for the international accounting of emissions and emission reductions developed under the Kyoto Protocol;
- maintain and extend the Kyoto Protocol's provisions for reporting and review, and eligibility requirements;
- ensure environmental integrity through stringent baselines and other means, to give confidence to the international carbon market and ensure that the environment sees substantial net emission reductions as a result of the use of the mechanisms;
- avoid double counting of emission reductions, by crediting emission reductions achieved in part to developing country host Parties and by assigning a serial number to each tonne of emissions reduced; and
- generate units that may be used to assist Annex I Parties in achieving their ambitious, legally-binding economy-wide emission reduction commitments taken under the Kyoto Protocol or for non-Kyoto Parties, their legally-binding, quantified, economy-wide legally-targets inscribed under the Convention.

3. New market-based mechanism must deliver substantial, measurable, net global emission reductions, moving beyond offsetting in order to help reach global goals

Global emissions must be reduced by 10-14 billion tonnes annually by 2020 to achieve global goals. Over 100 Parties to the UNFCCC have expressed their support for a temperature limitation to well below 1.5 degrees Celsius above pre-industrial levels, and long-term stabilization of greenhouse gas concentrations in the atmosphere at well ***below 350 parts per million*** of carbon dioxide equivalent. To achieve these goals, ***more than an 85% reduction*** in global emissions is needed below 1990 levels by 2050.

Current pledges are in line with 3.5 degrees of warming by 2100, with temperatures continuing to rise thereafter – a level of warming that will devastate small island developing states, LDCs and vulnerable countries in Africa. To keep warming to a 1.5 degree target, it has been said that annual global emissions need to drop to roughly ***44 billion tonnes*** of CO2-equivalent emissions per year by 2020 from business as usual emission levels.[1] If the pledges that have now been presented are aggregated, with their associated accounting provisions taken into consideration, expected global emissions leave a ***gap of roughly 11 billion tonnes*** of emission reductions to be closed in 2020.[2]

According to the IPCC's Fourth Assessment Report, a ***25-40%*** reduction in emissions is needed from Annex I Parties by 2020, ***together with*** a substantial reduction below business as usual emissions (estimated at ***15-30% below BAU***) in developing country Parties even to limit temperature increases to 2.0 to 2.4 degrees above pre-industrial levels, together with a peaking of global emissions by 2015.

Given the insufficient mitigation ambition brought forward to date, the new market-based mechanism must be structured to incentivize and deliver a ***substantial net reduction*** in global emissions, ***rather than a mere re-allocation of mitigation effort among Parties or an erosion*** of what can be delivered by Annex I and Non-Annex I pledges standing separately. A poorly-structured market-based mechanism will only increase the ***overlap*** between what current developed and developing country pledges achieve in terms of emission reductions, undermining, rather than supporting, the achievement of global goals. However, a well-structured market based mechanism can encourage broad developing country participation and deliver substantial net global emission reductions.

Abatement potential exists to achieve the required level of emission reductions.[3] However, a strong carbon price signal is needed to drive reductions at this scale. For this, deeper and broader emission reduction targets are needed from all Parties.

---

[1] See "Bridging the Emissions Gap", UNEP, November 2011, available online at: www.unep.org/publications/ebooks/bridgingemissionsgap/ See also Climate Action Tracker Briefing Paper, 10 January 2011, "Cancun Climate Talks - Keeping Options Open", C. Chen, B. Hare, M. Hagemann, N. Höhne, S. Moltmann, M. Schaeffer (Climate Analytics, PIK, Ecofys), available at http://www.climateactiontracker.org/briefing_paper_cancun.pdf.

[2] Id. According to "Bridging the Emissions Gap", even if all higher "conditional" pledges were implemented and all loopholes available to Annex I Parties were eliminated (such as use of surplus AAUs and lenient LULUCF accounting rules), in the most optimistic scenario a mitigation gap of 6 billion tonnes of CO2-equivalent emission reductions would still remain.

[3] According to a 2010 McKinsey study, in 2020 technical measures costing below €80 per tonne produce an abatement potential of 19 gigatonnes of CO2-equivalent. More than 10 GT could be achieved at negative cost by 2030. See Impact of the financial crisis on carbon economics, Version 2.1 of the Global Greenhouse Gas Marginal Abatement Cost Curve (McKinsey & Company, August 2010) http://www.mckinsey.com/clientservice/sustainability/pdf/Impact_Financial_Crisis_Carbon_Economics_GHGcostcurveV2.1.pdf

4. Opening new opportunities to developing countries to participate in sectoral trading or sectoral crediting

The natural next step in the evolution of the Kyoto Protocol, and the climate change regime as a whole, is to create clear ***opportunities and financial incentives*** for developing country Parties to participate in international emissions trading and crediting mechanisms if they so choose, on an economy-wide or sectoral basis.

A number of developing country Parties, including AOSIS member countries, have pledged economy-wide or sectoral emission reductions or limitation targets as NAMAs under the Convention. Certain of these Parties have indicated that they require financial support to achieve these commitments, which could be facilitated through direct participation in international emissions trading. Other developing countries may wish to benefit financially from participation in an international emissions trading scheme, if this participation could be undertaken voluntarily, and on a sectoral, rather than an economy-wide, basis.

However, opportunities are currently limited for developing countries that wish to do so to participate in emissions trading at the international level under the Kyoto Protocol or through the UNFCCC process, without taking Annex I Party status and listing an economy-wide emission reduction or limitation target.

Nevertheless, gradual participation in international emissions trading using the model that has developed under Article 17 of the Kyoto Protocol can assist developing country Parties in improving their national capacity to assess and monitor emissions, and assist these Parties in accessing mitigation financing at a greater scale. This in turn can assist in achieving nationally appropriate mitigation actions and broader sustainable development goals (e.g., energy efficiency, energy security, reduced dependency on fossil fuel imports).

Where developing countries now wish to participate in international emissions trading themselves, voluntarily, on a sectoral or economy-wide basis, this interest should be supported through the international climate change regime. Financial and technical support should be provided to improve the quality of inventories, develop consideration of possible sectoral baselines and facilitate eligibility for participation. Different sectors might be phased in for interested countries over time, once reliable inventories are available and the necessary eligibility criteria are satisfied. This will provide greater access to mitigation financing for developing country Parties, support expansion of the international carbon market and support sustainable development.

In the context of ***sectoral trading***, access to financing to support mitigation efforts could be provided up front, through the issuance of tradable AAU-equivalent units. Overachievement of targets could produce excess units that could be sold into the market, as under the Kyoto Protocol, where stringent baselines have been set substantially below business as usual emission trajectories.

Where developing countries wish to participate voluntarily in international emissions trading, but do not wish to propose binding emission reduction or limitation targets, ***sectoral crediting*** may present another approach to incentivize emission reductions. Credits might be issued for reductions successfully achieved at the end of a given period, where targets are set well below business as usual emission baselines and these targets are overachieved.

AOSIS's 'Proposed Protocol to Enhance the Implementation of the United Nations Framework Convention on Climate Change' contemplates the broadening of participation in the market-based mechanisms in this manner. See FCCC/CP/2010/3.[4] Under the AOSIS proposal, if a Non-Annex I Party were to voluntarily propose a national emissions limitation target for the assessment period 2013 to 2017 or subsequent assessment period, the COP would determine whether the proposal would contribute to the achievement of Article 2 of the Convention and the shared vision for a long-term goal. This consideration would take into account the need to ensure consistency and transparency with regard to the measurable, reportable and verifiable nature of any targets agreed.

In the case of a positive determination, the COP would take the necessary action to inscribe this target in an Annex Z of a Protocol to the Convention in the form of a national or sectoral voluntary emission limitation target, expressed as a percentage of base year or period. "***Inscribed amounts***", akin to assigned amounts, would be calculated on the basis of methodologies, rules and procedures used to calculate and record the assigned amount of Annex I Parties to the Kyoto Protocol pursuant to Articles 3, 5, 7 and 8 of the Kyoto Protocol. See AOSIS Proposal, Article 4.6(c).

With any sectoral mechanism, the potential for leakage across sectors and countries, the issue of sectoral boundaries, and the relationship of sectoral targets to national targets must be addressed.

5. Developing country sectors for inclusion in the new market-based mechanism

Under Article 4.1(c) of the Convention, developing country Parties have agreed to promote the development and application of technologies, practices and processes that control, reduce and prevent emissions in all relevant sectors, including the energy, transport, industry, agriculture, forestry and waste management sectors.

A number of developing country Parties have pledged sectoral reductions in some of these areas or economy-wide emission reduction or limitation targets as nationally-appropriate mitigation actions (NAMAs).

The most promising sectors for inclusion in the new market-based mechanism from developing country Parties are those in which:

1) substantial emission reductions need to be achieved;
2) data is readily available;
3) the degree of uncertainty in emission estimates is low;
4) substantial potential to contribute to the host country's sustainable development is present; and
5) it can be shown that real and additional reductions in emissions that would otherwise have occurred to the atmosphere can be achieved.

According to the IPCC, in 2004 energy supply was responsible for roughly 26% of global emissions; industry 19.4%, forestry 17%, agriculture 14%, transport 13%, residential,

[4] First submitted on 12 December 2009 (see FCCC/AWGLCA/2009/MISC.8), resubmitted on 28 May 2010 (FCCC/CP/2010/3).

commercial and service sectors 8% and waste 3% (see Figure TS.2).[5] Global energy use and supply are the main drivers of GHG emissions; estimates of CO2 emissions from agriculture and forestry have a high level of uncertainty.[6]

These considerations support the initial creation of opportunities for voluntary developing country participation in sectoral trading and crediting approaches within the energy sector (power generation) and for industrial emissions (e.g., oil refineries, natural gas facilities, iron and steel production, cement production).

The power generation sector is well-suited to a sectoral approach. This sector typically has few players in each country, significant investments will be needed, and data is more likely to be readily available to governments than in other sectors. For certain industrial sectors, such as iron and steel production and cement production, reliable data is likely to be available and opportunities for realizing emission reductions are well-known.

The transport sector is another sector that may be amenable to inclusion. Again, substantial investment will be required. Care will be needed to ensure that real emission reductions are achieved and that double counting with other sectors does not occur.

6. Developing country eligibility requirements for participation in the new market mechanism

Any new mechanism that generates units that can be used to assist Annex I Parties in achieving a portion of their quantified economy-wide emission reduction commitments or targets must be structured in a way to maintain the environmental effectiveness and environmental integrity of the international trading system, and to ensure that the units that may be used by Annex I Parties against their economy-wide emission reduction commitments and targets truly reflect additional emission reductions that are permanent, measurable and verifiable.

For this reason, Non-Annex I Parties wishing to participate in any new voluntary sectoral trading or sectoral crediting mechanism must satisfy certain eligibility criteria. They must:

- present a sectoral or economy-wide target that is significantly below business as usual projections;
- present an adequate time series of sectoral or economy-wide emissions, based on a consistent methodology, reported according to agreed IPCC methodologies;
- allow a technical review of baselines, targets and inscribed amounts at the international level by sectoral experts, drawn from the UNFCCC roster of experts, which could be facilitated by the Consultative Group of Experts on Non-Annex I Communications;
- have in place a national system or national arrangements for the estimation of anthropogenic emissions by sources and removals by sinks;
- report regularly on sectoral emissions and national emissions;
- maintain inscribed amount and/or units, once issued, in the international transactions log;
- put procedures in place to avoid double counting of emission reductions; and
- subject their relevant inventories to review.

[5] See IPCC Fourth Assessment Report (2007), Working Group III, Technical Summary at 27, 29 and Figure TS.2b, http://www.ipcc.ch/publications_and_data/ar4/wg3/en/figure-ts-2.html
[6] Id at 27.

Other criteria may also require satisfaction, not to prevent participation, but to ensure secure the environmental integrity of any units to be credited or traded.

Technical and institutional support for each of the above elements could be facilitated by a reconstituted Consultative Group of Experts on Non-Annex I Communications when that entity's mandate is renewed. See AOSIS Submission on the CGE (March 2012)

Use of the international transaction log (ITL) can facilitate the establishment, maintenance, transfer and tracking of any new units created through the new mechanism, relieve developing country Parties of the immediate burden of establishing their own national registries and help avoid the double counting of emission reductions.

7. Developed country eligibility requirements for participation in the new market mechanism

The eligibility requirements that now exist under the Kyoto Protocol for Annex I Party participation in the generation, acquisition and transfer of Kyoto units are designed to ensure transparency and environmental integrity.

These same eligibility requirements must apply equally where Annex I Parties wish to acquire units created through the new market mechanism to assist them in meeting part of their quantified economy-wide emission reduction commitments under the Protocol (for Kyoto Parties) or targets under the Convention (for non-Kyoto Annex I Parties). Annex I Parties must, among other things:

- have an internationally-legally-binding, single number, economy-wide emission reduction commitment (Kyoto Parties) or target (non-Kyoto Parties);
- have calculated and recorded their assigned amount for the commitment period (Kyoto Parties) or have calculated and recorded a proxy assigned amount or inscribed amount for the commitment period (non-Kyoto Parties);
- have in place a national system or national arrangements for the estimation of anthropogenic emissions by sources and removals by sinks;
- have in place a national registry;
- submit annual GHG inventories for an in-depth review at the international level;
- submit supplementary information to demonstrate progress toward achieving economy-wide emission reduction commitments and targets;
- submit information on annual holdings of Kyoto units and any new mechanism units;
- put procedures in place to avoid the double counting of emission reductions; and
- subject their annual inventories to a review at the international level consistent with the Article 8 review now in place for Kyoto Protocol Parties (which includes adjustments) and subject their inventories to a compliance procedure that determines whether holdings of units are sufficient to cover commitment period emissions.

Additional eligibility criteria may also be needed to ensure transparency and environmental integrity. Annex I Parties that do not satisfy the above eligibility criteria must not be permitted to participate in the new market-based mechanism under the Convention.

8. Modalities to ensure that the new market-based mechanism generates substantial net global emission reductions

A substantial gap exists between the mitigation ambition currently in place from the pledges brought forward by all Parties and what is needed to reach climate change goals. Heavy reliance on offsetting mechanisms will only increase the global mitigation gap, compared to a situation in which developing countries and developed country Parties each achieve their pledged emission reductions outside an offsetting context. Offsetting mechanisms also have further potential to worsen the mitigation gap, where there is a risk that traded units do not truly reflect measurable, additional and permanent emission reductions.

For these reasons, the new market mechanism must be designed to deliver substantial net global emission reductions.

Although a new market mechanism has been established under the UNFCCC, it has not yet been determined whether this mechanism will provide for the issuance of internationally-recognized units or credits that are fully fungible with Kyoto accounting units, or on what basis any new units might be available for use in meeting Annex I Party economy-wide emission reduction commitments under the Kyoto Protocol or targets under the Convention (for example, if at a discount rate to ensure net global emission reductions).

A range of modalities might be envisaged to ensure a net decrease in global emissions through participation in the new market-based mechanism. These include, among others:

- **Conservative baselines,** set at a fixed percentage below verified BAU projections (e.g., 20% or 30% below BAU projections)
- **Sectoral baselines set below absolute emissions**, averaged over a fixed time period preceding the trading/crediting period (e.g., average 2008-2010 emissions) for emission reductions to be delivered over a fixed timeframe (e.g., 2013-2017)
- **Discounting of units generated or traded**, at a rate that will ensure that the units generated lead to, or the units traded reflect, a substantial net benefit to the environment
- **Setting aside a portion of units generated for the benefit of the environment** through the international transactions log (e.g., W% set aside for the environment; X% available for acquisition through the international transactions log; Y% credited to host Party emission reduction goals; Z% contributed to the Adaptation Fund).

9. Share of the proceeds for adaptation

The automatic flow of CERs to the Adaptation Fund under the Kyoto Protocol, through a share of the proceeds, has generated essential adaptation funding.

A share of the proceeds of any new market-based mechanism under the Convention must also be directed to the Adaptation Fund, to support the adaptation needs of countries particularly vulnerable to the adverse impacts of climate change. This treatment will be consistent with extending the share of proceeds across all Kyoto Protocol mechanisms for Kyoto Parties.

10. Lessons learned from the Kyoto Protocol: importance of common accounting rules, multilaterally-agreed baseline methodologies, centralized institutions at the international level, and a centralized technical review and compliance procedure

The Kyoto Protocol contains a well-defined common accounting system for Annex I Party inventories. Without this common accounting system, the international community would have little confidence that the emission reductions represented by Kyoto units represent real, measurable and verified emission reductions and little confidence that governments are meeting their emission reduction commitments. This confidence is provided through, among other things:

- common accounting rules, agreed and applied at the international level;
- technical reviews and adjustments of sectoral and economy-wide inventories;
- inscription of assigned amounts for each commitment period, transparently established and reviewed at the international level;
- clearly defined units, representing reductions or allocations over a fixed timeframe;
- a centralized international transactions log, maintained by the secretariat;
- compilation and accounting reports of international units held by Parties, prepared annually by the secretariat;
- a transparent system for proposing and establishing baseline and monitoring methodologies at the international level;
- international standards for accreditation of designated operational entities and international standards for validation and verification of emission reductions;
- the opportunity for public comment on proposed methodologies and baseline methodologies; and
- a compliance system that ensures that Parties satisfy eligibility criteria and that facilitates the accounting of emissions and holdings of units against assigned amounts.

It is clear from experience under the Kyoto Protocol that to ensure environmental integrity, any accounting units used to meeting Annex I Party commitments or targets ***must be established at the international level***, using common accounting rules, and must be tracked, monitored and verified at the ***international level*** to ensure additionality, permanence, and avoid double counting. It is also essential that these units be traded through ***UNFCCC institutions***, to enable an ongoing assessment of holdings of units, progress toward global goals and supplementarity.

Units that are generated on the basis of national programmes, bilateral offset mechanisms or regional emissions trading programmes, established and operated outside the Kyoto and UNFCCC processes, and without full UNFCCC control, cannot be given international recognition and used to meet an Annex I Party's internationally-legally binding economy-wide emission reduction commitments or target. Differences in these programmes' goals, scopes, methodologies, protocols, rules and review processes and timeframes would only serve to undermine progress toward a global carbon market, undermine public confidence in international emissions trading, and undermine the environmental integrity of the emissions pledged and committed to by Parties.

11. Work programme on the new market-based mechanism

A work programme is needed to consider important design issues related to the achievement of substantial net emission reductions and to consider how existing and future UNFCCC and Kyoto

Protocol institutions may most effectively be used to create, monitor, verify, track and transfer units created through the new market-based mechanism.

This work programme should include:

- technical papers and inputs from the secretariat,
- inputs from the CDM Executive Board,
- in-session workshops and
- submissions of views from Parties and admitted Observer organisations.

Technical papers from the Secretariat, for discussion at the May session and subsequent sessions, could assist the Parties by identifying:

- developing country mitigation potential in key sectors;
- options for achieving substantial net emission reductions and their quantitative implications for net global emission reductions (e.g., discounting, set aside of units, conservative baselines set X% below BAU, etc.) and the impacts on the gap in mitigation ambition that may result from each;
- information on the status of the development of sectoral baselines under the CDM;
- options for avoiding the double counting of emission reductions;
- institutional options, given the institutions now in place under the Protocol, for facilitating the generation, transfer and acquisition of units, verifying emission reductions and reporting to the COP.

In-session workshops could consider:

- design issues related to the achievement of substantial net global emission reductions
- sectoral coverage, with an emphasis on environmental integrity;
- oversight issues, building on the Marrakech Accords;
- processes for the technical review of proposed targets, baseline methodologies and emission reductions achieved;
- institutional issues;
- means to avoid double counting of emission reductions;
- possible approaches to the allocation of emission reductions between host country and investor participants;
- the possible contribution of the new market-based mechanism to closing the gap in mitigation ambition.

12. Trial period for the new market mechanism – early start

An early start to the new market-based mechanism to be hosted in interested developing country Parties could give these Parties the policy certainty needed to invest in sectoral reductions and draw financing for nationally-appropriate mitigation actions. Developing countries that wish, on a voluntary basis, to present economy-wide or sectoral emission reduction targets to raise revenue through the international carbon market, for use in their domestic mitigation efforts, should be supported in this process.

An early start could also assist interested developing country Parties in improving their inventory systems – particularly in sectors that are most suited to participation in emissions trading. This will also contribute to the biennial update reporting process. First biennial update reports are due in 2014, addressing inventories at least as recent as 2010.

To gauge the interest of developing country Parties in access to the new-market based mechanism, it may be helpful for the COP or SBI to:

- invite interested developing country Parties to identify, by COP 18, possible domestic sectors they may wish to propose for participation in voluntary sectoral trading or crediting schemes at the international level
- invite interested developing country Parties to propose targets for emission reductions in sectors that are particularly suited to permanent, measurable and verifiable emission reductions (power generation, industrial emissions, transport), supported by historical inventory information that are capable of review by technical experts.

It may also be helpful for the COP or SBI to encourage the Consultative Group of Experts on Non-Annex I National Communications to work with Parties, at their request, in improving their inventory systems in sectors that they feel may be suited to participation in emissions trading, with the assistance of experts from the UNFCCC roster of experts, upon a Party's request and as funding permits. See AOSIS Submission on the CGE (March 2012).