STRATEGIC DIRECTION FOR THE FUTURE OF THE PMR

BACKGROUND AND UPDATE

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Timeliness of Discussions on Future of the PMR

- PMR has evolved into a **key platform** in a broad context of climate change mitigation policies and action.

- An effort to ensure that the **PMR’s impacts are maximized and sustained over time**.

- **Two aspects** of strategic direction discussions:

  1. **Immediate actions** for enhancing the PMR support (up to 2020 – with existing funding)
  2. **Long-term actions** for the second round of the PMR (beyond 2020 – subject to additional funding in the future)
Discussions were initiated in May 2013 (at PA6 in Barcelona)

Follow-up discussions on PMR strategic direction was held in October 2013 (at PA7 in Marrakech)

Discussions were continued in November 2014 (at PA10 in Santiago)
Proposed Options for Scaling-up the PMR

1. **Deepening** readiness support to countries

2. **Broadening** the reach and scope of the PMR*

3. **Supporting piloting and implementing** of the new market-based instruments* and other instruments

4. Preparing for the **second round of resource mobilization** in order to provide long-term and systematic support

*It was recognized that these two options would likely require additional resource mobilization
Deepening Readiness Support: Progress to Date

- The upstream policy work was launched in May 2014 at PA9 in Cologne

- The technical work program was scaled-up in its scope and reach
A new category of PMR participants – Technical Partner – was introduced to allow participation of Kazakhstan, California, and Quebec.

New implementing country – Tunisia – joined the PMR.

Activities and knowledge products on private sector readiness were scaled-up.
Piloting and implementing of New Market-based Instruments and other mechanisms: Progress to Date

- The World Bank began consultations on the possible creation of a fund to pilot scaled-up greenhouse (GHG) emission reduction crediting programs.

- The PMR supports design and implementation of ETS, Carbon tax as well as other innovative instruments.
Second Round of Resource Mobilization: Progress to Date

Strategic direction discussion was continued at PA10 in order to:

1. Discuss ways for the PMR to leverage several external developments (“carbon pricing momentum”) and take into account insights gained from the early years of operations

2. Further elaborate on the ideas for the future of the PMR that are expected to feed into the discussions on the second round resource mobilization
Summary of PA Feedback

(I) A number of observations and requests around:

(a) Taking stock of past and present PMR activities focusing on the implementation (piloting) of MRPs
(b) Reassessing the PMR’s original objectives
(c) Providing clarity on the links and interactions between the PMR upstream policy analysis support and the activities in the countries’ MRPs

(II) Written feedback from Finland, Japan and the UK highlighting:

(a) Need for the current processes to be strengthened (e.g. the effectiveness of grant agreements and execution)
(b) Requests for an in-depth projection of the PMR funding for the coming years
(c) Need for the discussions on the strategic direction to be country- and demand-driven
PA agreed that PMR strategic discussion is an ongoing and participative exercise which needs to be carried out regularly

- Discussion on options for deepening the PMR support at PA11 and, based on the PA feedback, endorsement of process at PA12

- Call for additional ideas on other options for strengthening the PMR support, including broadening its reach
Thank You for Your Attention

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