

Inputs by Nepal on behalf of the Least Developed Countries Group for the Executive Committee's Draft Initial Two-Year Workplan for the Implementation of the Functions of Warsaw International Mechanism for Loss and Damage

The Least Developed Countries Group (LDC Group) welcomes the opportunity to provide inputs to the initial two-year workplan of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts (WIM).

The LDCs include 48 countries with the lowest indicators of socioeconomic development and suffer from extremely low adaptive capacity. As a result, climate change related extreme and slow-onset events are projected to have increasingly large effect on the territories and livelihoods of LDCs. The current international pledges by countries to reduce emissions fall short of what is needed to achieve the goal of limiting the global mean temperature increase to below 1.5° C relative to pre-industrial levels. But even if this limit is achieved through greater mitigation ambition, climate change-related impacts will dramatically increase in the years to come, disproportionately impacting the LDCs that have contributed little to the emissions that drive these impacts.

The Intergovernmental Panel on Climate Change's Fifth Assessment Report maintains that even at high levels of adaptation in a 2° C world, there will be residual impacts of climate change. For the LDC Group it is imperative that the WIM undertake concrete activities to catalyze and enhance action and mobilize financial and technical support to address loss and damage associated with climate change impacts in LDCs and other developing countries. The work required is far more than a committee alone can take on. Therefore, the workplan must set out a strategy for designing and developing the structures and arrangements required for the WIM to implement the functions outlined in paragraphs 5-7 of Decision 2/CP.19.

The LDC Group supports the inputs provided by the G77 and China dated 2 July 2014. In addition, the LDC Group would like to emphasize the following specific needs to be reflected in the work of the Warsaw International Mechanism over the longer term:

- **Technical and financial support to improve the collection, management, dissemination and analysis of data and information on loss and damage associated with climate change impacts:** Data and information on climate change across sectors and ecosystems as well as their management are lacking in many LDCs and where available it is often scattered. Possible activities under the workplan should enhance the capacity of LDCs to collect, manage, disseminate and analyze climate-related data, including training and capacity building for meteorologists and relevant scientists and platforms for sharing data. In order to improve the collection of data and information, LDCs will also require the provision of adequate technology and equipment and adapted training.
- **Technical and financial support and guidance to develop tools and methodologies for assessing loss and damage, especially on slow onset processes and non-economic losses:** This support could be provided through the technical facility established under the Mechanism to develop and provide appropriate tools and

methodologies as well as training for LDCs and developing countries' relevant actors to their usage and management.

- **Technical and financial support to further understand slow onset processes and implement approaches to address them:** LDCs are already experiencing loss and damage from slow onset climatic processes and need information about the range of tools that can be used to address slow onset processes as well as support to develop, implement and manage them in national contexts.
- **Support to understand non-economic losses and implement approaches to address them:** The technical paper on non-economic losses (FCCC/TP/2013/2) should be formulated with the objective of supporting LDCs and other developing countries understand what tools can be utilized to address non-economic losses. In this context, the workplan of the Executive Committee should also integrate activities to implement approaches to address non-economic losses. Possible activities include a toolkit for addressing non-economic losses and training and capacity building on implementation.
- **Financial and technical support to understand how risk transfer mechanisms (such as insurance mechanism) and risk retention mechanisms (such as social safety nets and contingency funds) can be implemented within comprehensive risk management frameworks:** While there is potential for utilizing risk transfer and risk retention mechanisms to address loss and damage in LDCs, more needs to be known about how these tools can be implemented within comprehensive risk management frameworks. In addition, technical and financial support will be needed to develop and implement and manage appropriate measures.
- **Support to implement national actions to address loss and damage:** Paragraph 6 of 3/CP.18 outlined a number of national actions that could be undertaken to address loss and damage. The workplan should include activities that will help LDCs and other developing countries to implement these actions. In addition the workplan should include activities that will identify, facilitate, and mobilize potential avenues for the delivery of technical and financial support to LDCs and other developing countries in order to implement activities to address loss and damage. Provision of finance through the appropriate channel is important for the implementation of these activities. Financial support could be provided through financial facility established under the Mechanism for the implementation of these activities.
- **Identify appropriate structures and arrangements to carry out the work of the WIM:** The workplan should include activities that identify appropriate structures and arrangements that will allow the WIM to carry out the workplan, fulfill its functions and mandate to address loss and damage in developing countries particularly vulnerable to climate change impacts, such as the LDCs.

To address these needs, the LDC Group suggests that the initial two year work plan includes the following specific activities:

- 1) Development of guidelines to help LDCs and other developing countries undertake risk assessments for sectors and livelihoods, across ecosystems, that are central to their economies, together with facilitated technical and financial support for the application of these guidelines;
- 2) Identification of gaps in key data needed to assess and project climate change impacts in LDCs from extreme weather events and slow onset events (including from desertification, glacier melting, drought, floods, sea level rise, ocean acidification etc) and to quantify and project resulting loss and damage;
- 3) Identification of regional bodies and other agencies and institutes that can provide this data to close these gaps;
- 4) Establishment of tools for sharing this information in a manner that can be readily accessed by regional and national decision makers, to support comprehensive risk management planning;
- 5) Identification of tools and methodologies for assessing loss and damage, especially from slow onset processes, as well as non-economic losses;
- 6) Establishment of a technical facility to provide information on risk management options, including risk transfer and risk sharing mechanisms such as insurance;
- 7) Establishment of a financial facility to identify and mobilize sustainable financial support. In addition to support the work of the Executive Committee, the objective of the financial facility would be to identify, mobilize and secure adequate, sustainable and long-term funding support for the tools needed to assess and address loss and damage in LDCs and other developing countries.
- 8) Identification of and establishment of a process for risk transfer, risk sharing, insurance premium payment and payout, rehabilitation and recovery after disaster or addressing potential permanent losses
- 9) Identification of institutional structures and linkages needed by the Warsaw International Mechanism to acquire the financial and technical means for its work in supporting the LDCs and other developing countries.

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