

Inputs on draft guidance for the operating entities of the Financial Mechanism by the Executive Committee of the Warsaw International Mechanism for Loss and Damage

For the draft guidance to the Global Environment Facility (GEF)

1) Request the LDCF/SCCF Council to consider including programming related to activities relevant to averting, minimizing and addressing loss and damage in developing country Parties across the strategic workstreams of the five-year rolling workplan of the Executive Committee, to the extent consistent with existing funding mandates and structures.

RATIONALE: LDCF/SCCF priority funding areas include agriculture and food security; natural resource management; water resources; disaster risk management and prevention; coastal zone management; climate information services; infrastructure; and climate change induced health risks, each of which is relevant to approaches to avert, minimize and address loss and damage.

2) Request the Global Environment Facility,¹ in its initiative to integrate the co-benefits of Nature-based Solutions (NbS) across Global Environment Facility programming, to include consideration of how NbS is relevant to the strategic workstreams of the five-year rolling workplan of the Executive Committee.

RATIONALE: There are NbS that are relevant to averting, minimizing and addressing loss and damage, such as the planting of mangroves in coastal areas, which not only protect coastal areas from erosion due to rising seas, increased tidal impacts and tropical cyclones, but also serve to mitigate greenhouse gas emissions and restore habitats on which coastal communities depend for their livelihoods. A case can be made that this single example covers each of the five workstreams in the Executive Committee's five-year rolling workplan, i.e., Slow onset events, Non-economic losses, Comprehensive risk management, human mobility, and action and support. *NB: NbS is a stated focus of the work of the LDCF.*

3) Request the Global Environment Facility to analyze and include information in its report to the COP on programming under its existing funding mandates and structures, including the use of the Country-support Programme and the Small Grants Programme, that is relevant to the strategic workstreams of the five-year rolling workplan of the Executive Committee with the aim of informing the work of the Executive Committee and its Action and Support Expert Group.

RATIONALE: It would be useful to help increase awareness and build capacity in developing countries as to what funding is available to them under the GEF to avert, minimize and address loss and damage. Therefore, this request to the GEF to analyse what funding is available under its existing mandates and structures, including Country-support and Small Grants programme funding is being used to fund relevant priorities under the Executive Committee's five-year rolling workplan, would serve as a first step toward building the awareness and capacity of developing countries to access this funding within the Executive Committee's work.

¹ References to the GEF or GCF here do not prejudice whether this guidance is directed to the board/council or the secretariat.

For the draft guidance to the Green Climate Fund (GCF)

1) Requests the Green Climate Fund, as an operating entity of the financial mechanism, to commence, to continue, and to explore potential ways of, as appropriate, enhancing the collaboration with the Executive Committee, including through relevant activities of the Expert Group on Action and Support to clarify how developing country Parties may access funding from the Green Climate Fund for the development of funding proposals related to the strategic workstreams of the five-year rolling workplan to the extent consistent with the existing investment, results framework and funding windows and structures of the Green Climate Fund.²

RATIONALE: As per decision 2/CMA.2, para 39 and noted by 2/CP.25, the Executive Committee was tasked to carry out this work in collaboration with the GCF. This is a counterpart guidance that requests the GCF to participate in this collaboration

2) Requests the Green Climate Fund to facilitate efficient access for activities relevant to averting, minimizing and addressing loss and damage in developing country Parties, to the extent consistent with the existing investment, results framework and funding windows and structures of the Green Climate Fund, and provide information thereon in their annual report.³

RATIONALE: As per decisions 12/CP.25, para 21 and 6/CMA.2, para 8. While the word ‘facilitate’ is used in both of the quoted paragraphs, the repetition of this request is intended to emphasize the urgency of the need of developing countries for access to funding for activities to avert, minimize and address loss and damage. Note, the 2020 and 2021 annual reports do not address this issue in detail.

3) Request the Green Climate Fund to:

- a) Continue, and strengthen efforts, to support developing countries through the readiness and preparatory support program, in line with existing modalities and frameworks, to implement activities relevant to averting, minimizing and addressing loss and damage to improve enabling conditions at the national level, including impact and vulnerability studies (to inform policy), data collection and analysis, development or amendment of policy and regulatory documents, capacity development of key institutions and strengthening social safety programmes;⁴
- b) Encourage Parties to enhance the use of the program referenced in a) above.

² Decision 2/CMA.2: https://unfccc.int/sites/default/files/resource/cma2_auv_6_WIM.pdf

38. “Takes note of decision -/CMA.2,6 paragraph 8, whereby the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement invited the Board of the Green Climate Fund to continue providing financial resources for activities relevant to averting, minimizing and addressing loss and damage in developing country Parties, to the extent consistent with the existing investment, results framework and funding windows and structures of the Green Climate Fund, and to facilitate efficient access in this regard, and in this context to take into account the strategic workstreams of the five-year rolling workplan of the Executive Committee”.

39. “Requests the Executive Committee, in collaboration with the Green Climate Fund, as an operating entity of the Financial Mechanism, to clarify how developing country Parties may access funding from the Green Climate Fund for the development of funding proposals related to the strategic workstreams of the five-year rolling workplan of the Executive Committee, consistently with paragraph 38 above, and to include information thereon in its annual reports”.

³ Decision 2/CMA.2: https://unfccc.int/sites/default/files/resource/cma2_auv_6_WIM.pdf

38. “Takes note of decision -/CMA.2,6 paragraph 8, whereby the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement invited the Board of the Green Climate Fund to continue providing financial resources for activities relevant to averting, minimizing and addressing loss and damage in developing country Parties, to the extent consistent with the existing investment, results framework and funding windows and structures of the Green Climate Fund, and to facilitate efficient access in this regard, and in this context to take into account the strategic workstreams of the five-year rolling workplan of the Executive Committee”.

⁴ See paragraph 52 in the Ninth Report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change https://unfccc.int/sites/default/files/resource/cp2020_05E.pdf and paragraph 38 in the Tenth Report of the Green Climate Fund to the Conference of the Parties to the United Nations Framework Convention on Climate Change <https://www.greenclimate.fund/sites/default/files/document/gcf-b29-03.pdf#page=18>

RATIONALE: It is up to the country applying under the readiness programme to determine what needs it has for strengthening institutional capacities, governance mechanisms, and planning and programming frameworks. So, if a country is not including loss and damage in its readiness applications, it may be that the national government lacks the awareness, capacity or information with respect to its needs for averting, minimizing and addressing loss and damage. It could be useful to help increase awareness and build capacity for the operating entities to analyse what readiness support is being used for and determine what aspects of the five-year rolling workplan's thematic areas are being/are not being funded and to request the GCF to make recommendations based on that analysis.

Reference: 9th GCF report para 52 and 10th GCF report para 38.

4) Requests the Green Climate Fund to consider how to most effectively support activities relevant to averting minimizing and addressing loss and damage with the aim of expediting support for averting, minimizing and addressing loss and damage, including through using the readiness programme, project preparation facility, and the 'request for proposals' modality, to the extent consistent with the existing investment, results framework and funding windows and structures of the Green Climate Fund, and to report on its progress thereon in its annual report to the COP, starting from 2022.

RATIONALE: This recommendation is intended to push the idea that the GCF needs to do more, faster without specifying a particular modality, avoiding micro-managing or being prescriptive. There are strong arguments for each of these approaches, which we hope the GCF will consider, as appropriate.