

This document explores various coordination and complementarity mechanisms both inside and outside the United Nations Framework Convention on Climate Change and the Paris Agreement that could be of reference for loss and damage funding arrangements.

The proposed considerations and approaches described in this paper do not constitute a recommendation by Technical Support Unit (TSU) nor reflect any particular views expressed by the TSU. The options are proposed for consideration by the Transitional Committee (TC) and does not prejudice the final recommendations of the TC.

The document complements the Synthesis Report and is produced in synergy with working papers developed by the TSU focusing on decisions 2/CP.27 and 2/CMA.4, paragraphs 5(a), 5(b) and 5(c). To minimise duplications, this paper cross references these documents on relevant topics.

Summary

1. Knowledge is the key to effective coordination and complementarity, and in the case of loss and damage funding arrangement, the vital first step for effective coordination and complementarity is the definition of the scope of activities established.
2. The existing coordination and complementing mechanisms both under and outside the Convention and the Paris Agreement were explored in this report to provide broad background on possible modalities for coordinating the overall mosaic of funding arrangements.
3. Examples of coordination and complementarity mechanisms covered in this report implied several key elements for consideration:
 - Shared vision and senior-level commitment:
Coordination or collaboration is the alignment of interest across the different entities, and as such a clear and shared vision or goal that all the entities involved can commit to is essential. In addition, senior-level commitment towards this vision is a vital driver to move forward a collaboration.
 - Scope, level and type:
The scope of coordination and complementarity can range from information sharing to joint programming, while the level or its scale can range from local operational level to international. In addition, the type of coordination and complementarity can range from financial to policy. Therefore, it is essential to consider appropriate levels and types depending on the vision and the goal of the coordination and complementarity.
 - Inclusive of key stakeholders:
Coordination or collaboration brings together the complementarity or additive resource of the entities involved. Without the key resource - whether funding, knowledge, technical capacity or others, coordination will face significant challenges.
 - Mutual benefits:
Mutual benefits or incentives are the drivers of successful and sustainable coordination and continued commitments. What can one entity offer to others and what will one entity need from them? Mutual benefits should be carefully designed and embedded in the coordination and complementarity mechanism.
 - Trust and transparency:
Trust is also the key to effective and efficient coordination and complementarity. For example, high-trust can reduce transaction costs, facilitate rapid knowledge exchange and enable prompt course correction, whereas coordination in a low-trust environment could result in the opposite.
 - Funding:
Funding procedures can incentivize coordination and collaboration rather than hinder it or create competition among actors. For example, funding arrangements can ask for multiple actors to apply jointly for funding programmes, thus augmenting the expertise, aligning priorities, targeting multiple sectors, and increasing the likelihood of meaningful and sustainable outcomes.

Introduction

Background

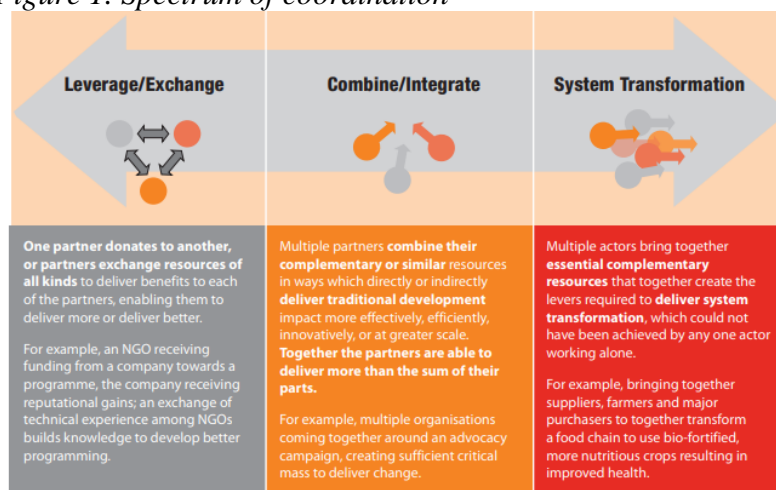
4. This working paper is being prepared by the Technical Support Unit (TSU) in response to the deliberations of the Transitional Committee (TC) during its first and second meeting, in particular its request during the second meeting to conduct further technical work on the understanding of the mandate to the TC with regards to decisions 2/COP.27 and 2/CMA.4, paragraph 5(d).¹ This working paper is produced for consideration by the TC at its third meeting.

5. The scope of the working paper by the TSU is to explore various coordination and complementarity mechanisms both inside and outside the United Nations Framework Convention on Climate Change and the Paris Agreement that could be of reference for loss and damage funding arrangements.

Approach

6. Knowledge is the key to effective coordination, and in the case of Loss and Damage funding arrangement, the vital first step for effective coordination and complementarity is the definition of the scope of activities established. Also, it is important to note that the scope of coordination and complementarity can range from information sharing to joint programming (Figure 1). The level of coordination and complementarity can range from the local operational level to the international level. In addition, the type of coordination and complementarity can range from financial to policy.

Figure 1. Spectrum of coordination



Source: UN DESA and TPI, 2020.

7. As such, this working paper aims to rather provide broad background on possible modalities for coordinating the overall mosaic of funding arrangements by illustrating the examples and the best practices in the existing coordination and complementing mechanisms. In order to achieve this goal, the existing coordination and complementing mechanisms both

¹ Available at https://unfccc.int/sites/default/files/resource/cp2022_10a01E.pdf and https://unfccc.int/sites/default/files/resource/cma2022_10_a01E.pdf

under and outside the Convention and the Paris Agreement will be explored with a focus on addressing loss and damage.

Coordination and Complementarity under the UNFCCC

8. The complementarity and coherence between climate funds have been ongoing since 2017 under the Green Climate Fund (GCF) Operational Framework on complementarity and coherence with other climate finance delivery channels (Operational Framework) as per Board decision B.17/04.² The Operational Framework includes: Board-level discussions on fund-to-fund arrangements; enhanced complementarity at the activity level; promotion of coherence at the national programming level; and complementarity at the level of delivery of climate finance through an Annual Dialogue.

9. Throughout the years, the engagement among climate funds, namely Adaptation Fund (AF), Climate Investment Funds (CIF), GCF and Global Environment Facility (GEF), has evolved including a dialogue among climate funds and bilateral initiatives including the Long-term Vision on Complementarity, Coherence, and Collaboration (LTV) between the GCF and the GEF and the GCF/AF scaling up framework, under the Climate Funds Collaboration Roadmap.

10. The Climate Funds Collaboration Roadmap has been under implementation for over two years to date and several of the proposed activities are well advanced. The heads of four funds expressed their satisfaction and appreciation for the continued collaboration led by the respective secretariats. The main topics covered under the roadmap include: indicators; programming, scaling-up and blended finance; knowledge management and capacity building; and, communications and outreach. To further enhance their collaboration under the joint roadmap, the funds have agreed to deepen some of the areas including exploring opportunities for strategic coherence and joint programming.

Long-term Vision on Complementarity, Coherence, and Collaboration between the GCF and GEF

11. The LTV between the GCF and the GEF is a roadmap for the two institutions to work together, developed in response to relevant guidance from the COP³, which was welcomed by the respective governing bodies of the two funds. The aim of the LTV is to define specific areas of cooperation, enhance the planning, implementation, effectiveness of the outcomes of

² <https://www.greenclimate.fund/sites/default/files/decision/b17/decision-b17-04-b17-a2.pdf>

³ For example, in Decision 8/CP.21, paragraph 14, the COP welcomed the efforts to date of the GEF to engage with the GCF and encouraged both entities to further articulate and build on the complementarity of their policies and programmes within the Financial Mechanism of the Convention. The subject of complementarity is also part of the review of the UNFCCC Financial Mechanism. Most recently, upon completion of the sixth review of the Financial Mechanism, the COP in November 2017 took note of the efforts made by the operating entities of the Financial Mechanism to enhance complementarity and coherence between them and between the operating entities and other sources of investment and financial flows in decision 11/CP.23 paragraph 2. Parties also requested that the operating entities of the Financial Mechanism continue to enhance complementarity and coherence in paragraph 3 of the same decision.

GEF and GCF investments – in line with their respective strategic investment plans – and support the implementation of joint initiatives and inform future programming for both funds.

12. The implementation and coordination of the LTV is facilitated and overseen by a joint LTV Steering Committee, with four representatives from the two Secretariats. The Steering Committee provides guidance and oversees joint planning, in order to facilitate enhanced joint planning for and generation of outcomes from GCF and GEF investments in line with their respective strategic investment plans. One of the first actions of the Steering Committee has been to commission a study on the policies and processes of the two funds, with the aim of mapping processes and identifying potential for streamlining operations and enhancing complementarity. The outcome of the study, summarizing relevant key insights and the recommendations produced through a third-party consultancy, was submitted to the sixty-fourth meeting of the GEF Council⁴. This study will be used by the two Secretariats as input for further stages of the LTV implementation.

13. The modalities of collaboration within the LTV framework include three key areas: (i) collaborative and coordinated programming; (ii) sharing of information, lessons learned and knowledge; and, (iii) communication and outreach.

14. Under collaborative and coordinated programming, the GEF and the GCF continued work to develop models for joint programming to seek country opportunities for blended, parallel and sequenced financing and to identify and jointly pursue important common themes for climate action, facilitated through seeking complementarity and coherence in major initiatives together, such as the Great Green Wall, E-Mobility, Amazon, Biodiversity, among others. For instance, A complementary proposal to support the adaptation outcomes had been brought to the GEF Council and GCF Board concurrently under an umbrella financing framework by the same implementing agencies.

15. The second important element in the context of coordinated programming relates to the facilitation of national investment planning. This is done to enhance access to funding for countries and make it easier to support the programming of funds in a coordinated fashion. One of the recent key developments under this pillar is the enhanced collaboration with the Taskforce on Access to Climate Finance, which aims to address climate-vulnerable countries' concerns by delivering concrete, system-wide changes in access to finance for climate action based on countries' own national plans and priorities. To this end, a partnership was formed with the Task Force on Access to Climate Finance to pilot and explore measures for joint programming. In particular, the GEF, GCF, and the Taskforce have initiated a joint effort to better align the GEF-GCF joint national investment planning support in five countries under the LTV with the Taskforce's work in five pioneer countries, namely Bangladesh, Fiji, Jamaica, Rwanda, and Uganda.

16. The second pillar is sharing of information, lessons learned and knowledge. The two funds have been collaborating to review and apply lessons learned in the area of project monitoring indicators, and other relevant aspects that facilitate implementation for countries and entities and agencies. GEF and GCF have also been collaborating to enhance mutual

⁴ [EN_GEF.C.64.08_Relations_Conventions_Other_International_Institutions.pdf \(thegef.org\)](#). The same document will be presented to the GCF Board at its thirty-seventh meeting.

understanding of the respective processes and results monitoring practices with a view to maximizing climate impact through strong project design across the climate funds.

17. Under the communication and outreach pillar, the two funds have worked together to facilitate the broad principles of the collaborative framework are included in the fund's respective programming directions, to provide clarity to partners and countries on areas where complementarity and coherence can support stronger project design. To this end, the two funds coordinated a joint communication and outreach engagement at various strategically important events, including COP27 and CBD COP15.

Operational Framework on Complementarity and Coherence with Other Climate Finance Delivery Channels

18. The Annual Dialogue of climate finance delivery channels is organized as an annual meeting to provide a forum for high-level discussions of common interest among the heads of multilateral climate finance organizations. The meeting provides a high-level opportunity for the funds' principals to reflect on past achievements and define priorities for collaboration of common interest. This meeting engages the GEF, the GCF, the AF, and the CIF, and is usually held on the sidelines of UNFCCC COP sessions.

19. Collaboration between the AF and the GEF includes the GEF Secretariat's co-review of AF proposals. The co-review does not just ensure complementarity between projects under two funds while avoiding duplicative work, but it also catalyzes knowledge exchange at the staff level through the co-review process.

20. In addition, the collaboration between AF and the GEF also includes consultations on themes of mutual interest. For example, the GEF Secretariat and AF Secretariat are collaborating on gender. Both secretariats exchange information on the developments in their gender work, and share lessons and experiences learned through their efforts of gender mainstreaming as well as gender-related knowledge gained. Furthermore, both are collaborating with the gender team of the UNFCCC Secretariat on gender work and UNFCCC-wide mandates under the Lima Work Programme, such as the recent meeting "Collective Impact Gathering" hosted by the UNFCCC Secretariat in New York on March 20 and 21, 2023.

21. Collaboration between GCF and AF continues through advancing on a structured approach to scaling up successful AF projects by mobilizing resources from the GCF; seeking a fast-track accreditation process to expedite the reaccreditation of entities that are accredited to both funds; and providing joint support to the Community of Practice for Direct Access Entities, among others.

22. Other initiative between the GCF and AF includes the joint support to the community of practice for direct access entities (CPDAE) which is an autonomous community made up of accredited National Implementing Entities (NIEs) of the Fund and accredited Direct Access Entities (DAEs) of the GCF.

Other Coordination and Complementarity Mechanisms Under UNFCCC

Warsaw International Mechanism (WIM)

23. The Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts (WIM) was established by COP19 to address loss and damage associated with impacts of climate change, including extreme events and slow onset events, in developing countries that are particularly vulnerable to the adverse effects of climate change. The work of the WIM is guided by its Executive Committee, in the implementation of its functions to promote implementation of approaches to address loss and damage associated with the adverse effects of climate change in a comprehensive, integrated and coherent manner.

24. The functions of the WIM include enhancing knowledge and understanding of comprehensive risk management approaches to address loss and damage associated with the adverse effects of climate change including slow onset impacts; strengthening dialogue, coordination, coherence and synergies among relevant stakeholders; as well as to enhance action and support, including finance, technology and capacity-building, to address loss and damage associated with the adverse effects of climate change, to enable countries to undertake actions.

25. The Executive Committee (Excom) of the WIM implements its workplan through coordination and collaboration with various stakeholders, including within its five thematic expert groups: Expert group on Slow Onset Events; Expert group on Non-economic Losses; Technical Expert Group on Comprehensive Risk Management; Task Force on Displacement; and Expert group on Action and Support.

26. Under its functions on strengthening dialogue, coordination, coherence and synergies among relevant stakeholders, the WIM provides leadership and coordination as well as oversight on the assessment and implementation of approaches to address loss and damage, in addition to fostering dialogue, coordination, coherence and synergies among stakeholders to promote cooperation and collaboration. The five-year workplans of the WIM Executive Committee outline actions to complement, draw upon the work of, and involve other bodies under and outside the Convention. The WIM Executive committee implements actions to promote stakeholder engagement through their involvement in the development of knowledge and in the dissemination of best practices. It also invites relevant actors to continue developing insurance mechanisms towards an integrated risk management approach.

27. Decisions of Parties have sought to strengthen the collaboration and coherence of the Excom with other constituted bodies, as well as operating entities of the Financial Mechanism. In decisions of 19/CMA.3, endorsed in 17/CP.26, for example, Parties encouraged the Excom to continue engaging with the SCF as well as ways to commence, continue, and/or explore enhanced collaboration with the operating entities of the Financial Mechanism. The Excom has also established liaison roles of members with constituted bodies and some of the operating entities of the Financial Mechanism, including the GCF.

Santiago Network

28. The Santiago network was established by Parties at COP25 as part of the WIM, to catalyze the technical assistance of relevant organizations, bodies, networks and experts, for the implementation of relevant approaches for averting, minimize and addressing L&D at the local, national and regional level, in developing countries that are particularly vulnerable to the adverse effects of climate change.

29. Its functions as outlined by the CMA at its third session (and endorsed by the COP at its 26th session) include contributing to the effective implementation of the functions of the WIM by catalysing technical assistance; catalysing demand-driven technical assistance for the implementation of relevant approaches to avert, minimize and address loss and damage in developing countries that are particularly vulnerable to the adverse effects of climate change; facilitating consideration of a wide range of topics relevant to loss and damage; facilitating and catalysing collaboration, coordination, coherence and synergies to accelerate action and delivery of effective and efficient technical assistance to developing countries; facilitating the development, provision and dissemination of and access to knowledge and information; as well as facilitating access to action and support, through catalysing technical assistance.

At COP27 in Sharm El-Sheikh, Parties adopted the terms of reference for the operationalization of the Santiago Network, under which its Advisory Board is mandated to ensure coherence and synergies with the five-year rolling workplan of the Executive Committee and the plans of action of the expert groups, task force and technical expert group of the Warsaw International Mechanism in its work programme.

Standing Committee on Finance

30. The Standing Committee on Finance (SCF) was established by the Conference of Parties (COP) to the UNFCCC at its sixteenth session, to assist the COP in exercising its functions in relation to the Financial Mechanism of the Convention. This involves improving coherence and coordination in the delivery of climate change financing; rationalization of the Financial Mechanism; mobilization of financial resources; and measurement, reporting and verification of support provided to developing country Parties.

31. At COP 21, Parties decided that the SCF shall serve the Paris Agreement in line with its functions and responsibilities established under the COP. Under its mandate to assist the COP and the CMA on rationalization of the Financial Mechanism, the SCF makes recommendations on how to improve the coherence, effectiveness and efficiency of the operating entities of the Financial Mechanism.

32. Furthermore, as part of its efforts to promote linkages and coherence, the SCF organizes an annual forum for communication and exchange of information among bodies and entities dealing with climate change finance. Since 2013, these forums have focused on various topics of increasing relevance to climate finance, such as Financial instruments that address the risks of Loss and Damage; Finance for Nature-based Solutions; and Financing Just Transition among others. These forums provide a platform for Parties and stakeholders to come together, including private sector, financial institutions and academia in order to exchange ideas on scaling up climate finance.

33. Based on the discussions of these forums, the SCF makes recommendations to the COP and CMA for follow-up action, and undertakes efforts to enhance the dissemination, use and ownership of the accumulated knowledge and expertise gathered through the forums.

Coordination and Complementarity of Various Arrangements

34. Multiple coordination mechanisms exist outside of the Convention that contribute to addressing loss and damage. They can be sector coordination or actor-type coordination, or a mix of both.

35. The humanitarian ecosystem has established elaborated coordination mechanisms at local, national and international levels that apply in the context of disasters. It focuses on specific sectors of delivery and it can have a multi-stakeholder approach.

36. Other sectors, such as disaster risk reduction and human mobility have also established coordination mechanisms for joint policy and programmatic approaches in the context of extreme weather events and slow onset events and processes.

37. Other actors, such as multilateral development banks (MDBs) and the insurance industry are also coordinating. For the insurance industry coordination is facilitated through networks and associations and it is undergoing an evolution, driven in large part by climate change (loss and damage in particular). The MDBs regularly engage with each other on climate policy matters; the creation of new financing instruments and systems (including carbon markets); technical assistance to clients; and, project co-finance.

Humanitarian System Coordination

Inter-Agency Standing Committee (IASC)

38. Created by the United Nations General Assembly resolution 46/182 in 1991, the Inter-Agency Standing Committee (IASC) is the longest-standing and highest-level humanitarian coordination forum of the United Nations (UN) system. It brings together the executive heads of 18 organizations and consortia to formulate policy, set strategic priorities and mobilize resources in response to humanitarian crises.

39. With members from within and outside the United Nations, the IASC strengthens collective humanitarian action through the implementation of a coherent, unified response. Towards that end, the IASC advocates for common humanitarian principles and makes strategic, policy and operational decisions with a direct bearing on humanitarian operations on the ground.

40. Climate change is included as a priority area in the [Inter-Agency Standing Committee \(IASC\) 2022-2023 Strategic Priorities](#). Following the recommendation of the [IASC Deputies Group](#) meeting in June 2022, an IASC sub-group on climate was created at the technical level, which would develop an IASC climate roadmap and contribute to joint advocacy, among others.

United Nations Country Team (UNCT)

41. The United Nations Country Team (UNCT) ensures interagency coordination and decision making at the country level and it is led by a Resident Coordinator, the representative of the UN Secretary-General in a given country. The UNCT is composed of representatives of the UN funds and programmes, specialized agencies and other UN entities accredited to a given country and it can also include representatives of the Bretton Woods institutions.

42. The main purpose of the UNCT is for individual agencies to plan and work together, as part of the Resident Coordinator system, to ensure the delivery of tangible results in support of the development agenda of the Government, including the UN Sustainable Development Cooperation Framework (UNSDCF). UNSDCFs are increasingly incorporating climate change considerations, including those related to loss and damage.

Humanitarian Country Teams (HCTs)

43. The Humanitarian Country Team (HCT) is established when a humanitarian crisis erupts or a situation of chronic vulnerability sharply deteriorates. An HCT is also established to steer preparedness activities, if no other adequate coordination mechanism exists. The HCT is led and chaired by a Humanitarian Coordinator (HC) and it is mainly composed of UN agencies, national and international non-governmental organizations (NGOs) and, sometimes the IFRC. In some situations, the UNCT becomes an HCT and the resident coordinator (RC) becomes the HC.

44. As the top inter-agency humanitarian leadership body in a country, the HCT's primary purpose is to provide strategic direction for collective inter-agency humanitarian response. The HCT's overall goal is to ensure that inter-agency humanitarian action alleviates human suffering and protects the lives, the livelihoods and dignity of people in need. The affected State retains the primary role in the initiation, organization, coordination, and implementation of humanitarian assistance within its territory. Whenever possible, the HCT operates in support of and in coordination with national and local authorities.

The Cluster System

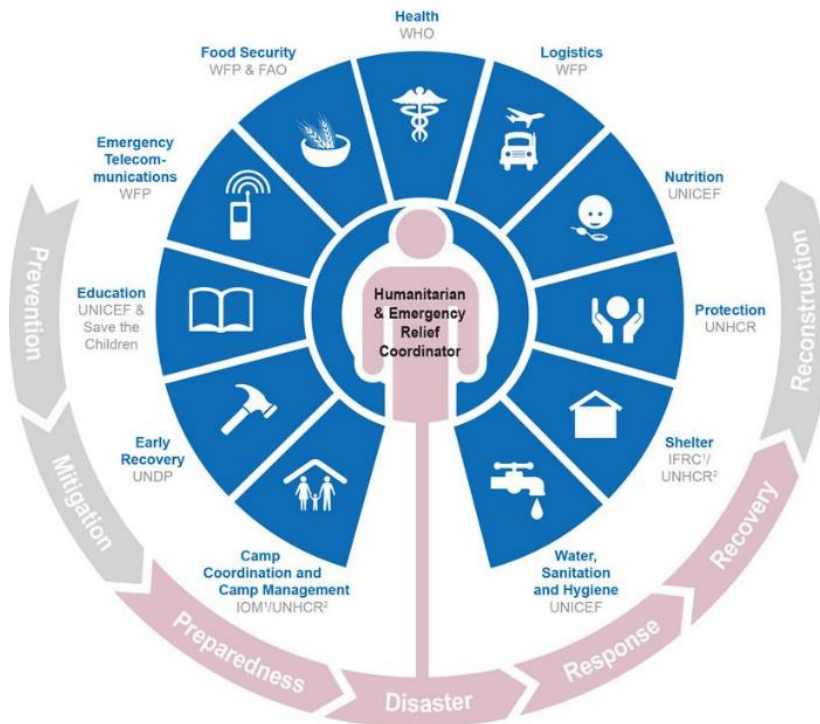
45. The humanitarian agencies typically respond to emergencies through a coordination structure known as the cluster system. The aim of the cluster approach is to strengthen system-wide preparedness and technical capacity to respond to humanitarian emergencies, and provide clear leadership and accountability in the main areas of humanitarian response. At country level, it aims to strengthen partnerships, and the predictability and accountability of international humanitarian action, by improving prioritization and clearly defining the roles and responsibilities of humanitarian organizations.

46. Clusters are groups of humanitarian organizations, both UN and non-UN, in each of the main sectors of humanitarian action, e.g. water, health and logistics.⁵ They are designated

⁵ These 11 sectoral clusters are camp coordination and camp management (led by the International Organization for Migration and UNHCR), early recovery (led by UNDP), education (led by the United Nations Children's Fund (UNICEF) and Save the Children), emergency telecommunications (led by the World Food Programme (WFP)), food security (led by WFP and the Food and Agriculture Organization of the United Nations (FAO)),

by the IASC and have clear responsibilities for coordination. The leading international entities of each cluster are responsible for bringing together both the national and international components of the response to humanitarian crises, in coordination with local authorities, to increase efficiency and effectiveness. In contexts where clusters are not formally activated, similar structures are put in place based on sectoral groups that mirror the cluster approach.

47. There is a coordinating structure called the Inter Cluster Coordination Group (ICCG) that coordinates with all active clusters. The ICCG reports to the HCT and operationalizes strategic decisions made by the HCT.



Central Emergency Response Fund (CERF)

48. CERF is one of the fastest and most effective ways to ensure that urgently needed humanitarian assistance reaches people caught up in crises. Established by the United Nations General Assembly in 2005 as the United Nations global emergency response fund, CERF enables humanitarian responders to deliver life-saving assistance whenever and wherever crises strike.

49. As an essential enabler of global humanitarian action, CERF’s Rapid Response window allows country teams to kick-start relief efforts immediately in a coordinated and prioritized response when a new crisis emerges. CERF’s window for Underfunded Emergencies helps scale-up and sustain protracted relief operations to avoid critical gaps when no other funding is available.

health (led by the World Health Organization), logistics (led by WFP), nutrition (led by UNICEF), protection (led by UNHCR), shelter (led by the International Federation of Red Cross and Red Crescent Societies and UNHCR) and water, sanitation and hygiene (led by UNICEF)

50. CERF promotes coordination and coherence. CERF funding is allocated to multiple organizations based on each organization's comparative advantage and in line with humanitarian partners' commonly agreed priorities. This promotes coordination among humanitarian actors, eliminates duplication and overlaps, prevents fragmented responses and supports the achievement of collective outcomes.

51. CERF fosters partnership building. CERF interventions support the involvement of implementing partners, particularly local organizations. Each year, approximately a quarter of CERF funds is implemented through a large network of local and international responders who have partnered with UN agencies.

52. Between 2006 and 2022, CERF allocated \$2.16 billion to address climate-related disasters. This amounts to 26.5% of annual CERF allocations on average. In 2022, the CERF financed half of all anticipatory action globally and covered over 65% of pre-arranged finance available for the approach in the humanitarian system.

Country-based Pooled Funds (CBPF)

53. CBPFs are established by the UN Emergency Relief Coordinator (ERC) when a new emergency occurs or when an existing humanitarian situation deteriorates. Contributions from donors are collected into single, unearmarked funds to support local humanitarian efforts. Funds are directly available to a wide range of relief partners at the front lines of the response through an inclusive and transparent process in support of priorities set out in crisis-specific Humanitarian Response Plans. This ensures that funding is available and prioritized at the local level by those closest to people in need, empowering humanitarian leadership and fostering collaboration and collective ownership of the emergency response.

54. CBPFs promote partnership and diversity in humanitarian efforts by supporting a variety of humanitarian organizations with resources to contribute to the response, and their engagement in Fund governance. CBPFs identify best-placed partners, be they local, national or international NGOs, the International Red Cross and Red Crescent Movement, or UN agencies, to deliver prioritized humanitarian action on the ground.

55. Since 2015, CBPFs have allocated an average of 10% of funds annually to respond to climate-related disasters and this amounts to US\$730 million.

Disaster Risk Reduction Coordination

56. The Sendai Framework specifically calls upon the UN system to support its implementation in a coordinated manner, laying down the principles, commitments, guidance and targets for the UN system to reduce the loss from disasters and support countries and communities in implementing the Sendai Framework. The UN Plan of Action on Disaster Risk Reduction for Resilience, endorsed by the UN Chief Executives Board, is being implemented by the UN and supported by two coordination mechanisms: the high-level UN Senior Leadership Group on Disaster Risk Reduction for Resilience and the UN Disaster Risk Reduction Focal Points Group at the working level.

57. The UN Senior Leadership Group on Disaster Risk Reduction for Resilience (UN SLG) is convened annually by the Special Representative of the Secretary-General on DRR. The UN SLG has members from more than 40 UN entities. The UN SLG aims to strengthen

UN system-wide coherence in the implementation of a risk-informed 2030 Agenda, the Sendai Framework, the Paris Agreement on Climate Change and other key international agreements.

58. The UN Disaster Risk Reduction Focal Points Group (UN DRR FPG) supports the UN SLG at technical level in implementing and advocating for the UN Plan of Action on DRR and monitoring its progress. The UN DRR FPG implements joint activities, meets bimonthly and has members from more than 40 UN entities.

Coordinated platform for Joint Assessments and Recovery Plans

59. A shared vision and senior level commitment for the coordination of joint assessments and recovery planning between the United Nations Development Group, World Bank and European Union is governed by the '2008 Joint Declaration on Post Crisis Assessments and Recovery Planning'.⁶ The declaration aims to mobilize the tripartite institutions' resources to harmonise and coordinate post-crisis response assessments and recovery frameworks, while ensuring that the process is government-led and government-owned. The latter is operationalized through the establishment of a national Post-Disaster Needs Assessment PDNA secretariat (after a crisis) that is chaired by a senior government official from Ministry of Planning or Ministry of Disaster Management to promote trust and transparency during the assessment.

60. The collaborative effort has resulted in over 80 joint assessments in response to mostly large-scale disaster events, with estimates for Damage and Loss and Recovery needs, inclusive of recovery plans, disaggregated by key sectors of the national economy as well as cross-cutting issues such as Governance, Disaster Risk Reduction, Employment and Livelihoods. The assessment covers both economic and non-economic losses as well as impacts on the most vulnerable groups. This comprehensive approach requires the involvement of a broad cross section of national stakeholders from all line ministries, private and public sectors. It also brings together the technical expertise of ten UN agencies anchored by UNDP, on behalf of the UN system. Multilateral Development Banks (ADB, IDB, CDB, IADB, AfDB) and donors and technical agencies such as Japan International Cooperation Agency also join the assessments on a case-by-case basis. In several regions, the assessments are done under the leadership of the Regional Intergovernmental Organization with some like the Secretariat for Pacific Community (SPC) are very active than others. The partnership also supports national governments in setting up institutions for recovery to lead the recovery efforts.

61. This partnership promotes mutual benefits since the sharing of in-country partnerships, technical expertise and funding resources allows for the timely quantification of damage and loss and recovery needs that Governments utilize to mobilize domestic and international resources for short to long term recovery. A repository of all the assessments and Recovery Frameworks is maintained and available online.⁷ The collaborative effort of multiple partners can provide data on Loss and Damage in support of the L&D Fund and funding arrangements.

⁶https://www.recoveryandpeacebuilding.org/content/dam/rpba/documents/docs/JointDeclaration_Sept2008.pdf?download

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<https://recovery.preventionweb.net/build-back-better/post-disaster-needs-assessments/country-pdnas#tabs-13869-3>

The Post-Disaster Needs Assessment (PDNA)

62. The Post-Disaster Needs Assessment (PDNA)⁸ is a mechanism for joint assessment and recovery planning following a disaster with the aim of resource mobilization. The main goal of conducting a PDNA is to assist governments to assess the full extent of a disaster's impact on the country and, on the basis of these findings, to produce an actionable and sustainable recovery strategy, including reconstruction, for mobilizing financial and technical resources. If necessary, the PDNA also allows to request additional external cooperation and assistance to implement it, given the affected country's capacities, financial, technical and institutional. The PDNA pulls together information on the socio-economic aspects of damages, effects (economic losses, disaster caused changes in service delivery, governance and risk), impacts and needs, as well as highlights recovery priorities from a human recovery perspective. The PDNA uses Damage and Loss Assessment (DaLA) method and the Human Recovery Needs Assessment (HRNA) approach.

63. In terms of coordination, the PDNA is an inclusive, government-led and government-owned process which builds on the capacity and expertise of national and international actors. A management team (high-level) and technical teams are established to carry out the PDNA. The High-Level Team, which would include the participation of the European Union, the World Bank and the UN, is to be led by the National Government. The High-Level Team receives support from a Coordination Team and sector teams. Moreover, the PDNA process is meant to involve the participation of the affected population, local authorities, civil society (NGOs and INGOs), donors and the private sector in assessing recovery needs and priorities, and in designing the Recovery Strategy.

Global Shield Financing Facility

64. The Global Shield Financing Facility seeks to help developing countries access more financing for recovery from natural disasters and climate shocks. The facility supports the Global Shield Against Climate Risks, a joint initiative launched by the G7 and V20 to better protect poor and vulnerable people from disasters by pre-arranging financing before disasters strike.

65. The Global Shield Financing Facility channels grants to developing countries through World Bank projects or through projects prepared by other participating partners, including UN agencies and multilateral development banks. It also works closely with key stakeholders, such as civil society organizations, risk pools, private sector and humanitarian partners.

The Global Shield Financing Facility finances integrated financial protection packages to those vulnerable to climate shocks and disasters. These financial packages will complement investments in climate adaptation and disaster risk reduction. Such packages also enable and mobilize private capital for improved financial resilience, by offering private financial solutions, including insurance and other risk transfer instruments such as catastrophe bonds.

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https://www.undp.org/sites/g/files/zskgke326/files/publications/PDNA%20Volume%20A%20FINAL%2012th%20Review_March%202015.pdf

Coordination among the Insurance Industry

66. The insurance industry is diverse, comprising not just of insurers and reinsurers, but donors, brokers, beneficiaries/customers, and regulatory and standard-setting actors, etc. It is dynamic, and operates at all levels, from the household and subnational levels to the international level, and across many sectors. While being an established industry, it is undergoing an evolution, driven in large part by climate change (loss and damage in particular).

67. Coordination in the industry is facilitated through networks and associations. Over the past few decades, these mechanisms have been supporting their members in being responsive to the growing needs brought on by stronger and more frequent climate extremes. Some comprise industry experts, and others, a combination of state and non-state actors. Moreover, membership and engagement criteria are diverse, and hosting arrangements are either stand-alone, or by an organization. Information from selected mechanisms are highlighted in this report.

68. Insurance entities collect and manage data relevant to their operations, however, there is little coordination within the insurance industry on how such data are collected, analyzed and utilized. A basic level of common agreed standards, complementarity with the official statistics, and provisions for data sharing is required. This includes both collection of historical impact data as well as projected losses in the future. While it is acknowledged that benefits can be derived from data sharing, some barriers were noted: concerns about intellectual property, contractual issues, and costs associated with standardization, etc.⁹ Complexities also arise when considering different types of insurance products (index and indemnity policies) and the scale or level of operation. As an example, index insurance can be available at the micro-level (for individuals), meso level (for risk aggregators, national organization, etc.), macro-level (contingent liabilities at the country level)¹⁰ and at the reinsurance level.

69. Collaboration within the insurance industry, especially at vertical levels – from micro-insurance to reinsurance – also need further strengthening. Similarly, collaboration between the insurance industry and the asset developers also remains limited. Such gaps have an implication on the insurance market which depends on the quantum of residual risk being transferred. Higher is the residual risk, higher will be the cost of insurance, which in turn has an implication on insurance penetration in a country, which also depends on the level of regulatory provisions as well as incentives. These are all a pointer to the need for greater synergy across different actors to enhance the effectiveness of insurance as a risk financing tool.

70. One of the mechanisms that facilitates public-private partners in the industry is the [Insurance Development Forum](#) (IDF). Work of the IDF is conducted, in part, through seven working groups; among them are the [Inclusive Insurance](#) and [Risk Modelling Steering Group](#). According to its [2022 report](#), IDF was active in 22 countries through 29 project projects supporting by the working groups. The projects were distributed across Asia, Africa

⁹ <https://www.wtwco.com/en-bm/insights/2021/02/data-sharing-models-in-the-insurance-industry> (accessed 26 July 2023)

¹⁰ <https://www.indexinsuranceforum.org/faq/what-macro-level-meso-level-and-micro-level-index-insurance> (accessed 26 July 2023)

and the Middle East, and Latin America, with over 18 million beneficiaries.¹¹ The majority of the membership (64%) is from the private sector, and the remaining members from the public sector and international organizations (26%) as well as civil society, academia and think tanks (10%). The use of Memoranda of Understanding (MOUs) for partnerships among IDF member companies was also noted.

71. The [International Cooperative and Mutual Insurance Federation](#) (ICMIF) convenes countries and insurers (particularly cooperative and mutual insurance organizations) to enhance collaboration, and facilitate access to tailored knowledge and information. ICMIF engages with its members to meet their respective needs, and to foster relationships (including with reinsurers).¹² ICMIF notes that it has been a springboard for joint ventures, commercial partnership and capital raising among its members, and is active in global policy dialogues as an advocate for the work of its members, particularly in achieving the Sustainable Development Goals (SDGs).

72. Membership in the [International Association of Insurance Supervisors](#) (IAIS) is a voluntary, with the aim of bringing together insurance supervisors and regulators across various jurisdictions (developed and developing countries) to support the development and implementation of principles, standards and guidance in the industry. IAIS facilitates capacity building initiatives, such as being a partner in the Climate Training Alliance (CAT), a portal for central banks and supervisors.

73. The [Sustainable Insurance Forum](#) (SIF) is another convening mechanism that also targets insurance supervisors and regulators. Both developed and developing countries along with partner organizations and networks are represented in SIF's [membership](#). The programme of work for 2021-2023 speaks directly to climate-related risks on insurability of assets, sustainability beyond climate change, and climate risk in actuarial processes.¹³ Support is provided by the UNDP and the IAIS.

74. The [Microinsurance Network](#) (MiN) is a non-profit collective of organizations and individual working to enhance to insurance, particularly for low-income consumers. The [membership](#) comprises over 500 experts and practitioners from over 70 countries, covering the private and public sectors, as well as academia, etc. It provides information on training relating to insurance, including courses and modules offered by its member organizations.

75. The [UNDP Insurance and Risk Finance Facility](#) designs solutions specifically for addressing insurance supply and demand, particularly to scale protection of populations at risk. The facility operates in five work areas: integrating insurance into development; inclusive insurance; sovereign risk finance; insuring natural capital; and insurance and investment. The partners of the facility include insurance entities, international organizations, and networks such as the ICMIF and MiN.

76. Regional insurance facilities often establish formal and informal partnerships for the exchange of information and expertise. An example of this took place at COP 27 – the CCRIF-SPC (Caribbean), African Risk Capacity (ARC) Ltd. and the Pacific Catastrophe Risk Insurance Company (PCRIC) signed an MOU for enhanced cooperation for, inter alia,

¹¹ The beneficiaries were estimated from a tripartite arrangement with the UNDP and BMZ.

¹² <https://www.icmif.org/about-icmif/> (accessed 25 July 2023)

¹³ <https://www.sustainableinsuranceforum.org/what-we-do/> (accessed 25 July 2023)

the development and sharing of best practices in parametric model development, data management, advocacy and capacity building.¹⁴

77. The delivery mechanisms of insurance products vary based on the nature of the insurance policy. As outlined above, to make insurance a viable tool collaboration across various levels is required. Insurance does not work in isolation and needs a vehicle to ensure its effectiveness. Social protection is one such vehicle for targeting low-income households in the aftermath of extreme events and serve as a convergence point for the delivery of insurance products. In particular, there are a growing number of case studies on the use of social protection schemes to rapidly deliver payouts from micro- and macro-insurance policies to vulnerable populations.¹⁵ In this regard, effective delivery of benefits rely on coordination among insurance players, relevant national and subnational entities and financial institutions on the ground.

Human Mobility Coordination

The United Nations Network on Migration

78. The United Nations Network on Migration (UNNM) brings together the technical expertise of UN partners and stakeholders globally and draws from the experiences of governments around the world to support Member States and stakeholders' efforts to implement the Global Compact for Safe, Orderly and Regular Migration (GCM), including in the context of disasters, climate change and environmental degradation. The UNNM is Coordinated with the International Organization for Migration (IOM) and is composed of 39 UN organizations. The UNNM has a dedicated workstream on climate change with a rolling workplan aiming at policy coherence among the GCM and the Paris Agreement. This workplan is also aligned with the UNFCCC-based Task Force on Displacement workplan.

79. To support the implementation of the GCM, the Migration Multi-Partner Trust Fund (Migration MPTF) was established. The Migration MPTF is the only pooled funding instrument in the field of migration. Funded programmes must have multiple UN agencies and stakeholders engaged and a strong government ownership, thus incentivizing coordination and collaboration. In countries with a UN Resident Coordinator, concept notes are submitted by the Resident Coordinator to ensure effective strengthening of the coherence of the UN system, and they must be endorsed by the government. This Fund has already allocated resources to programmes on human mobility and climate change.

The UN Secretary General Action Agenda on Internally Displaced Persons

80. Building on the report of the UN Secretary-General's High-Level Panel on Internal Displacement, the Secretary-General's Action Agenda on Internal Displacement sets out 31 commitments by the UN system to better resolve, prevent, and address internal displacement crises, including in the context of climate change.

¹⁴ <https://www.ccrif.org/news/ground-breaking-mou-signed-cop27-sees-global-risk-pools-join-forces-raise-visibility-and> (accessed 25 July 2023)

¹⁵ <https://www.preventionweb.net/news/climate-risk-insurance-mechanisms-and-social-protection-systems-mutually-reinforcing> (accessed 26 July 2023)

81. The Office of the Special Adviser on Solutions to Internal Displacement is leading the UN follow-up on the Action Agenda, working in close partnership with a Steering Group on Solutions to Internal Displacement consisting of UN organizations and the World Bank.

82. The Steering Group works both at a global and country-level to drive stepped-up action and a one-UN approach to solutions. The Steering Group assumes both operational and policy functions.

83. At the global-level, the group is chaired by the Special Adviser. At the country-level, member agencies provide predictable support to Resident Coordinators and actively participate in relevant solutions coordination mechanisms.

84. The Steering Group follows a hub and spokes model, including other stakeholders in its deliberations as necessary to link up to and mobilize other relevant actors from inside and outside the UN, including NGOs and multi-stakeholder forums.

85. Group 8 of this constituency focuses on furthering the SG Action Agenda commitments related to prevention of displacement crises, focusing on climate change and disasters.

The Refugee Coordination Model (RCM)

86. The Refugee Coordination Model (RCM) provides the model for leading and coordinating refugee operations at country level or sometimes regional level. It sets out the shared duty to refugees, an integrated humanitarian vision, and responsibilities. The RCM, led by a UNHCR Representative, coordinates UN and NGO partners as they prepare a refugee response plan, which serves as an advocacy tool and is used to raise resources. The RCM interacts with the humanitarian coordination model to develop a coordinated approach when refugees exist in a country experiencing a disaster or when population movements are mixed.

87. Increasingly, refugees are affected by the impacts of the losses and damages associated with climate change, resulting in the RCM having to be adjusted to these new situations.

Food Systems Coordination

UN Food Systems Coordination Hub

88. Climate change has been impacting most of the poor and hungry depend on agriculture for their livelihoods. These natural resource-based livelihoods are most affected by natural hazards making smallholder farmers, fishers and herders more vulnerable to shocks.

89. Data from 71 PDNAs conducted between 2008–2018 shows that agriculture continues to be a crucial sector when it comes to disaster impact. Over that period, agriculture – including crops, livestock, forestry, fisheries and aquaculture – absorbed 26% of the overall impact caused by medium- to large-scale disasters in low- and lower-middle-income countries.

90. The UN Food Systems Coordination Hub, hosted by Food and Agriculture Organization of the United Nations (FAO), was established following the call by the UN Secretary-General at the 2021 Food Systems Summit to serve countries through systemic, country-driven, customized support in translating their commitments into effective actions to reach sustainable food systems by 2030, leveraging the wider UN system’s capacities.

91. The Hub acts as a catalyst and connector inside the UN system in relation to food systems transformations’ contribution to the 2030 Agenda, ensuring strong links with key actors around human rights, climate, biodiversity, One Health, finance, and other key topics.

92. To accelerate food systems transformations, the Hub takes on an essential coordination role to bring together relevant UN agencies, coalitions, international financial institutions, the private sector and other actors of support to galvanize food systems knowledge and expertise in support of countries’ action.

Other Coordination and Complementarity of Various Arrangements

Joint MDB Coordination Framework for Climate Action

93. MDBs regularly engage with each other on climate policy matters; the creation of new financing instruments and systems (including carbon markets); technical assistance to clients; and project co-finance. Depending on the country, such engagement may be formalized (and under the auspices of the host government), while in other cases it can be more ad hoc. On global policy matters and issues of technical assistance, MDBs regularly coordinate because of the need to ensure consistency in approach. MDB climate teams meet on a regular basis at the technical and managerial levels, in some cases for very specific and time limited activities, while others (common definitions of what constitutes climate finance, development of new joint “Paris Alignment” framework) work can last over many years. The leadership of the MDB climate coordination group rotates among the MDBs on a regular basis.

UN Environmental Management Group

94. The [United Nations Environment Management Group](#) (UNEMG) was established in 1999 pursuant to the General Assembly resolution 53/242 as recommended by the Secretary-General in his report on Environment and Human Settlements (A/53/463). It is chaired by the Executive Director of United Nations Environment Programme (UNEP) and supported by a secretariat provided by UNEP. The UNEMG engages the Secretary-General and the United Nations System Chief Executives Board for Coordination to facilitate broad ownership in the United Nations at all levels. The scope of work the UNEMG falls under three pillars: collaboration on global environmental issues, supporting the SDGs and enhancing United Nations internal environmental and social sustainability.

95. The UNEMG develops system-wide strategies on the environment mainly through a consultative process within the UNEMG and is a key coordination body on the environment and human settlements. A [System Wide Framework of Strategies on the Environment](#) was prepared through a Consultative Process under the UNEMG as a collaborative framework to achieve greater synergy, collaboration and coherence across the UN system’s work on the environment to support Member States in the delivery of the environmental dimension of the

2030 Sustainable Development Agenda. The framework provides a shared vision to identify issues on the international environmental agenda that warrant cooperation and find ways of engaging its collective capacity in coherent management responses to those issues. The UNEMG and the common framework:

- Identifies the steps taken by individual UN Organisations to deepen the consistency of their strategies and activities with the 2030 Agenda, in support of the implementation of the 2030 Agenda,
- Facilitates a structured and timely exchange of relevant knowledge and information.
- Strengthens the UN systems' capacity and synergies to enhance the integration of the environment dimension of the 2030 Agenda by drawing on the experiences of others, exchanging good policy and practice, leveraging the research and data systems of UN system entities, and
- Identifies new opportunities for cooperation across the UN on environmental issues such as biodiversity, pollution.

96. Fifty-one agencies in the UNEMG are converging their strategies, sharing their experiences and showing what works and where more must be done that fosters trust and transparency. There are diverse examples of joint initiatives on loss and damage, climate refugees and financing. For example, the Inter-Agency Standing Committee Working Group on Climate Change and Human Mobility Advisory Group to UNFCCC Process.

Key Considerations

97. Knowledge is the key to effective coordination, and in the case of Loss and Damage funding arrangements, the vital first step for effective coordination and complementarity is the definition of the scope of activities established.

98. Having said that there are several key elements to consider as illustrated by the examples of coordination and complementarity mechanisms in the above. These are:

- Shared vision and senior-level commitment:
Coordination or collaboration is the alignment of interest across the different entities, and as such a clear and shared vision or goal that all the entities involved can commit to is essential. In addition, senior-level commitment towards this vision is a vital driver to move forward a collaboration.
- Scope, level and type:
The scope of coordination and complementarity can range from information sharing to joint programming, while the level or its scale can range from local operational level to international. In addition, the type of coordination and complementarity can range from financial to policy. Therefore, it is essential to consider appropriate levels and types depending on the vision and the goal of the coordination and complementarity.
- Inclusive of key stakeholders:
Coordination or collaboration brings together the complementarity or additive resource of the entities involved. Without the key resource - whether funding, knowledge, technical capacity or others, coordination will face significant challenges.

- **Mutual benefits:**
Mutual benefits or incentives are the drivers of successful and sustainable coordination and continued commitments. What can one entity offer to others and what will one entity need from them? Mutual benefits should be carefully designed and embedded in the coordination and complementarity mechanism.
- **Trust and transparency:**
Trust is also the key to effective and efficient coordination and complementarity. For example, high-trust can reduce transaction costs, facilitate rapid knowledge exchange and enable prompt course correction, whereas coordination in a low-trust environment could result in the opposite.
- **Funding:**
Funding procedures can incentivize coordination and collaboration rather than hinder it or create competition among actors. For example, funding arrangements can ask for multiple actors to apply jointly for funding programmes, thus augmenting the expertise, aligning priorities, targeting multiple sectors, and increasing the likelihood of meaningful and sustainable outcomes.