



## **Heads of Delegations informal consultations on Loss & Damage**

### **Intercontinental Cairo Semiramis Hotel**

**Cairo, Egypt, 10–11 September 2022**

This event is the next in our series of efforts to convene the Chairs of Party Groupings, Heads of Delegation and active delegations in an informal setting to continue to exchange views on Loss and Damage. There are several dimensions to these discussions and our goal is to facilitate discussions on all fronts, to enable support towards the smooth adoption of the agendas of the COP and CMA and to advance negotiations.

We welcome the opportunity to convene the meeting in person to offer the much-needed atmosphere for a constructive and effective exchange of views. The first day will be devoted to discussions on finance for Loss and Damage, and the second day will focus on the Santiago Network for Loss and Damage (“Santiago Network”).

As the scale of Loss and Damage becomes increasingly visible,<sup>1</sup> momentum for Parties to agree to specific measures to address Loss and Damage and to fully and effectively implement those measures is growing. However, there remains important divergence between groups that need to be resolved.

#### **Objective**

A credible breakthrough on implementation to address the needs of affected communities is strongly anticipated and desired for COP 27. The objective of the HoDs meeting is to support further progress with the aim of reaching consensus around the UNFCCC Loss and Damage agenda and to deliver an ambitious outcome on Loss and Damage at COP 27. An ambitious outcome includes:

1. Agreement among Parties regarding the question of arrangements for Loss and Damage finance that best responds to calls for new and additional finance by developing countries;
2. Agreement on the institutional arrangements of the Santiago Network including a process for it to become fully operational before COP 28; and
3. Capturing Loss and Damage under cross-cutting matters such as the Global Stocktake and the New Collective Quantified Goal on climate finance.

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<sup>1</sup> See Annex 1.

## Attendees

Heads of Delegation representing the Chairs of Party Groupings, issue coordinators, and active delegations are invited to participate. The HoDs Consultations are open to any other Party expressing interest in taking part.

The HoDs will be conducted through group consultations; bilateral consultations will be organised on the margins if needed and as needed.

### 1. Bilateral consultations

Informal consultations were conducted and are ongoing, particularly on the Santiago Network, in an online format with the aim to further identify areas of convergence and divergence and ways forward.

### 2. HoD consultations

The 10-11 September HoDs consultations have been designed by the COP 27 Presidency in collaboration with the UNFCCC secretariat. They will be chaired by the COP 27 Presidency and other assigned moderators where required. They will be held on 10 and 11 September 2022 (2 days) in an in-person format in Cairo, Egypt. Presentations by those not attending the consultations in person will be in virtual format.

The consultations will provide a setting for Parties to deliberate on and explore areas of convergence and divergence constructively, working towards shared ideas and solutions for an ambitious outcome at COP 27. They will be structured around guiding questions that are designed to generate discussion but which are not intended to limit what Parties discuss.

The consultations are designed to facilitate Parties engaging in an informal and conversational manner to enable progress on challenging issues. Parties are encouraged to come prepared with concrete positions that enable them to make progress on challenging issues.

An informal summary of the meeting will be produced, in line with usual practice for other HoDs consultations.

## Structure

The structure of the HoD consultations will be:

Day 1:

- Session 1 Loss and damage finance
- Session 2 Other relevant issues

Day 2:

- Session 3 Santiago Network
- Session 4 The COP 27 outcome

## Program

<b>Day 1: Saturday 10 September 2022</b>	
09:00 – 09:30 (CEST)	<p><b>Opening</b></p> <ul style="list-style-type: none"> <li>• COP 27 Egypt Presidency (5 mins)</li> <li>• Mr. Archie Young, Lead climate negotiator, COP 26 UK Presidency (5 mins)</li> <li>• Mr. Tosi Mpanu-Mpanu, Chair, Subsidiary Body for Scientific and Technological Advice (5 mins)</li> <li>• Mr. Harjeet Singh, Head of Global Political Strategy, Climate Action Network International Secretariat (5 mins, virtual)</li> </ul>
09:30 – 11:00	<p><b>Setting the scene</b></p> <ul style="list-style-type: none"> <li>• General discussion on where we are and where we want to be on Loss and Damage.</li> <li>• Gaps in the current Loss and Damage ecosystem.</li> </ul>
11:00 -13:00	<p><b>Session 1.1: Finance current status</b></p> <p>Presentation from operating entities of the Financial Mechanism (GCF, GEF) and AF on how Loss and Damage is currently supported under the UNFCCC, obvious needs, gaps and lessons learned for the Loss and Damage negotiations.</p> <ul style="list-style-type: none"> <li>• Ms. Hong Thuy Paterson, Chief Financial Officer, Green Climate Fund Secretariat</li> <li>• Mr. Mahamat Assouyouli, Senior Climate Change Specialist, Adaptation Fund Secretariat (virtual)</li> </ul> <p><b>Followed by Q &amp; A</b></p>
13:00 – 14:00	<p><b>Lunch break</b></p>
14:00 – 15:30	<p><b>Session 1.2: Making progress at COP 27</b></p> <ol style="list-style-type: none"> <li>1. What are the essential elements for a COP 27 decision on Loss and Damage finance?</li> <li>2. What are the possible landing zones for COP 27 on Loss and Damage finance?</li> </ol>

15:30 – 16:00	<b>Coffee/tea break</b>
16:00 – 17:00	<p><b>Session 2 Other relevant issues</b></p> <ol style="list-style-type: none"> <li>1. Are there other relevant issues for a COP 27 decision on Loss and Damage that Parties need to discuss?</li> <li>2. Addressing each of the issues identified in turn: <ol style="list-style-type: none"> <li>a. What are the essential elements for a COP 27 decision on this issue?</li> <li>b. What are the possible landing zones for COP 27 on this issue?</li> </ol> </li> </ol>

<b>Day 2: Sunday 11 September 2022</b>	
09:00-09:15 (CEST)	<p><b>Session 3.1 Santiago Network: Opening</b></p> <p>Presentation about the overall status of negotiations about the Santiago Network.</p> <ul style="list-style-type: none"> <li>• Ms. Heidi White, Lead Santiago Network Project, Loss and Damage Collaboration (virtual)</li> </ul>
09:15 – 10:15	<p><b>Session 3.2 Santiago Network: Governance arrangements</b></p> <ol style="list-style-type: none"> <li>1. What are the options and solutions for the governance of the Santiago Network?</li> <li>2. What should be the roles and responsibilities of the governance arrangement?</li> </ol>
10:15 – 11:15	<p><b>Session 3.3 Santiago Network: Financing</b></p> <ol style="list-style-type: none"> <li>1. What should be the modalities for the management of funds provided for technical assistance under the Santiago Network and the terms for their disbursement?</li> <li>2. How should funding pledges made pursuant to paragraph 70 of decision 1/CMA.3 for the operation of the Santiago Network and for the provision of technical assistance be mobilized, and, if mobilized, can this funding be delivered before institutional arrangements are finalized?</li> </ol>
11:15 – 12:15	<p><b>Session 3.4 Santiago Network: Secretariat/Coordinating body</b></p> <ol style="list-style-type: none"> <li>1. What can we learn from secretariat/coordinating body arrangements both under and outside the Convention?</li> </ol>

	<ol style="list-style-type: none"> <li>2. What should be the roles and responsibilities of the secretariat/coordinating body?</li> <li>3. What should be the process for selecting the host of the secretariat/coordinating body?</li> </ol>
12:15 – 13:00	<p><b>Session 3.5 Santiago Network: Other considerations</b></p> <ol style="list-style-type: none"> <li>1. Noting the five elements that Parties have discussed in 2022 based on the COP 26 decision<sup>2</sup> and the aspects of the Santiago Network informally noted in Bonn,<sup>3</sup> are there any other relevant items for a COP 27 decision on the Santiago Network that should be discussed?</li> <li>2. What are the essential elements for a COP 27 decision on the Santiago Network?</li> <li>3. What are the possible landing zones for COP 27 on the Santiago Network?</li> </ol>
13:00 – 14:00	<b>Lunch break</b>
14:00 – 15:30	<p><b>Session 4: The COP 27 outcome</b></p> <p>What is your vision of the Loss and Damage outcome/package for COP 27 and what are its key elements?</p>
15:30 – 16:30	<p><b>Closing</b></p> <ul style="list-style-type: none"> <li>• COP 27 Egypt Presidency (5 mins)</li> <li>• Opportunity for Parties to make concluding statements</li> </ul>

<sup>2</sup> Decisions 19/CMA.3 and 17/CP.26, paragraph 10 (a).

<sup>3</sup> [https://unfccc.int/sites/default/files/resource/sb2022\\_L04E.pdf](https://unfccc.int/sites/default/files/resource/sb2022_L04E.pdf)  
[https://unfccc.int/sites/default/files/resource/Document\\_referred\\_to\\_in\\_para\\_5\\_conclusions.pdf](https://unfccc.int/sites/default/files/resource/Document_referred_to_in_para_5_conclusions.pdf)

## Annex 1: Additional information on the current context surrounding Loss and Damage discussion.

The science is clear that at 1.1 degrees of warming above pre-industrial levels, the limits to adaptation are being reached. This is because in some cases no adaptive actions are possible, and in other cases options may exist but are not available due to a broad range of factors including financial, governance, social, cultural and biological constraints. The result is that human-induced climate change is causing losses and damages to nature and people beyond natural climate variability, with the most vulnerable people and systems disproportionately affected by substantial damages and increasingly irreversible losses.

By 2030, the annual costs of loss and damage are estimated to range from \$290bn to \$580bn in developing countries alone. By 2050 this is estimated to be between \$1 to \$1.8 trillion. These figures do not include non-economic losses such as loss of life, territory, indigenous knowledge and biodiversity. In 2021, extreme weather events occurred in every region of the world causing an estimated \$343 billion in economic losses and physical damage. Developing countries are particularly vulnerable to these climate events and are often overwhelmed. An often-cited example is Hurricane Maria which in 2017 caused estimated loss and damage of \$1.37bn in Dominica which is equivalent to 226% of Dominica's GDP. Only 19% of the costs were able to be covered by international sources including insurance but only a portion of that funding was grant based increasing Dominica's debt burden.

The scale of the impacts of extreme weather events is only growing. In 2020, Cyclone Harold left up to 90% of the population of the largest island in Vanuatu homeless. This was only 5 years after Cyclone Pam damaged 90% of the buildings in Vanuatu's capital. Between January and March of 2022, five tropical storms hit Madagascar. Impacts included: crops were fully or partially destroyed for almost 100% of households; crop and infrastructure losses and damages were estimated at more than \$160 million; and 60,000 hectares of rice fields were severely flooded which was assessed as being likely to reduce local rice production by more than 40 per cent. A further 35,000 hectares of rice and 6,500 hectares of maize was destroyed after that assessment had been undertaken.

Slow-onset impacts, which have historically been given less attention at national and international levels, are also becoming increasingly visible. Sea level rise projections see land currently home to 140-170 million people permanently below the high tide line by 2050. If those projections do not assume a mostly stable Antarctic, 270-340 million people will be vulnerable to an annual flood event by 2050, increasing to 380-630 million people by 2100. By 2050, cities like Mumbai, Ho Chi Minh City and Bangkok are at risk of being wiped out due to being mostly under water. Meanwhile Small Island Developing States such as Kiribati and Tuvalu face the threat of disappearance due to sea level rise. These states will lose their statehood as their territories and lands are submerged rendering their people stateless.

By 2050, 143 million people from sub-Saharan Africa, South Asia and Latin America could be forcibly displaced due to slow-onset impacts of climate change. Between them these regions account for 55% of the population of developing countries. In Senegal, for example, sea level rise has already caused thousands of people to be displaced due to their communities being submerged and 150,000 people will

have to relocate from its historic World Heritage city Saint-Louis by 2080. This is additional to the projection that up to 8% of its GDP could be lost by 2030 due to impacts on its coastal zone. Further, coastal infrastructure including 74% of housing is at risk and by 2100, 55-86km<sup>2</sup> of the country's beaches could disappear and 6,000 km<sup>2</sup> of low-lying areas could be flooded. Simultaneously desertification is extending further into the country from the Sahara with 35,000 hectares of land being lost each year.

Non-economic losses and damages also need to be addressed. In 2022, 960,000 people were affected by the five tropical storms that impacted Madagascar during January to March. This included over 180 deaths. In April, the World Food Program reported at least 470,000 people in urgent need of food assistance. Other examples in 2021, include: 1.2 million displaced due to Cyclone Yaas in India and Bangladesh; 16.7 million facing severe food insecurity across Somalia, Kenya and Ethiopia due to drought; and 2,248 lives lost due to the Haiti Earthquake.

There is a growing expectation that the international community remain united and speak in one voice regarding these issues of great importance and significance particularly for countries and communities that are most vulnerable to the adverse effects of climate change and the resulting losses and damages thereto.