

## SUBMISSIONS BY



**C40, Mayors Migration Council, ICLEI, UCLG and the Scottish Government**

**AS MEMBERS OF THE LGMA CONSTITUENCY\*  
TO THE 2ND MEETING OF  
TRANSITIONAL COMMITTEE, 25-27 MAY 2023**

1. Submission by C40 and Mayors Migration Council, endorsed by ICLEI
2. Submission by UCLG
3. Submission by the Scottish Government

*\* The Local Governments and Municipal Authorities (LGMA) Constituency has been representing local and regional governments at the processes under the United Nations Framework Convention on Climate Change (UNFCCC) since the first Conference of Parties (COP) in 1995. The LGMA also represents the Global Taskforce of Local and Regional Governments. ICLEI - Local Governments for Sustainability acts as the Focal Point of LGMA. <https://www.cities-and-regions.org>*



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## 1. Submission by C40 and Mayors Migration Council, endorsed by ICLEI

C40 Cities and the Mayors Migration Council (MMC) wish to thank the Transitional Committee (the Committee) and the Secretariat for the first Transitional Committee [workshop](#) held on 29 and 30 April 2023. C40 and MMC acknowledge the significant emphasis given by participants to the crucial role of local governments in responding to loss and damage as the closest level of government to vulnerable communities, the funding gaps that cities currently face - including on urban climate migration - and the need for dedicated access windows to channel finance to the local level and most vulnerable communities. C40 and MMC welcome and acknowledge the Transitional Committee's reflections on these critical points in the summary [report](#) of the workshop and the [synthesis report](#).

The following resources and references are provided to assist the Committee in its next phase of work, with a focus on challenges faced by and leadership showcased by cities on the frontlines of loss and damage. This document does not address sources of funding, eligibility or process to access funds, given the initial stage of discussions in the Transitional Committee and the anticipated agenda of upcoming Workshops.

### The Urban Dimension of Loss & Damage

Cities are home to 4.4 billion inhabitants, more than half the world's population and this is increasing, in part due to climate impacts. [80% of the world's cities](#) already face significant climate hazards, from extreme heat to floods, with the [nearly 1 billion urban poor living in informal settlements](#) predominantly in developing countries, at particular risk. As the world urbanises, more residents in cities are [increasingly and acutely vulnerable to L&D](#) compounding challenges for urban planning and resilience. The urban dimension of these loss and damage impacts are essential to consider as the Committee [develops the scope](#) of funding arrangements for L&D, and include:

- *Climate migration:* As cited in the [Workshop Report](#), cities are important in the human mobility and climate change nexus given their role as destinations for migrants affected by the impacts of climate change, while cities themselves are vulnerable to climate change. [Research](#) from MMC, Columbia University and C40 (2022) shows that climate impacts may cause up to 10.5 million people to make their way to urban centers in Mexico and Central America by 2050. When a third of Pakistan was underwater due to unprecedented flooding in 2022, a significant portion of the 32 million people affected sought refuge and protection in [cities like Karachi](#). Similar patterns were observed in Lagos, Nigeria, a few months later.
- *Heat island effect:* Urban heat island effects are pronounced in cities and have significant [economic and non-economic impacts](#) ranging from loss of employment to health and GDP. Research shows that the heat island effect amplifies heat-induced economic and non-economic losses in urban centers, which are [between 3 and 8 degree Celsius warmer than rural areas](#)
- *Flooding, including from sea level rise:* While natural hazards hit rural and urban areas alike, over 90 percent of all urban areas are coastal; most cities across the globe are at risk of [flooding from sea level rise and powerful storms](#). Flooding in Durban (South Africa) in April 2022 killed nearly 500 people, left more than 6,800 homeless and damaged more than \$1.58 billion of infrastructure. As centers of cultural heritage, education and scientific knowledge, finance, health architecture, employment and trade, C40 estimates that the global economic costs to coastal cities, from rising seas and inland flooding, could amount to [\\$1 USD trillion by mid-century](#).

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## The Role of Local Governments in Addressing Loss & Damage

Municipalities are often responsible for the delivery and maintenance of urban infrastructure that is [critically relied upon during and after extreme climate-related events](#) as well as emergency response and reconstruction. While the Committee's [First Workshop Report](#) makes clear that locally led programmes are most effective in countries in which there has been a clear devolution of powers to local authorities (pg16), the reality is that cities often face shoestring budgets, capacity constraints and limited mandates. There are also significant, well-documented [challenges](#) for direct access and localization of climate finance.<sup>1</sup>

In spite of these challenges, cities and mayors are already taking bold and necessary action to address economic and non-economic losses and damages because their residents face the daily impact of climate change now. Cities are also demonstrating solidarity with other cities and can, with direct support, find solutions at scale.<sup>2</sup> Several non-exhaustive examples of city-led action are provided here:

- ***Responding to impacts and breaking continuous cycles of economic and non-economic L&D, beyond the limits of adaptation.***
  - Cities across the Global North and Global South have banded together to tackle increasing urban heat under the umbrella of the [Extreme Heat Resilience Alliance](#). The cities, including Freetown (Sierra Leone) and Dhaka North (Bangladesh) have each appointed a Chief Heat Officer, a government official focused on the threat extreme heat poses to residents of urban areas, working on ways to reduce and to cope with loss and damage from heat waves.
  - With support from the [MMC's Global Cities Fund for Migrants and Refugees](#), the City of Beira (Mozambique) is offering pathways for dignified and voluntary relocation to communities impacted by sea-level rise and recurrent storm surges. This is also an issue in developed countries, with the City of Houston (Texas, US) implementing housing [buy-in/buy-out programs](#) to incentivise dignified relocation of communities at risk from flooding.
  - While cities are already welcoming climate migrants and extending services to new arrivals, regardless of status, to mitigate an exacerbation of social challenges - such as [Mexico City's](#) extension of livelihood opportunities to migrants with direct financial support from the UN Migration MPTF - they face challenges in securing resources to building resilience and mitigating the impacts of the climate crisis on their growing population.
  
- ***Planning ahead and working with data to mitigate future L&D risk.***
  - Amid rapid urbanization, the [City of Freetown](#) (Sierra Leone) is investing in land-use planning to prevent unregulated construction in risk-prone areas and find better alternatives for growing populations. The [City of Copenhagen](#) (Denmark) tackled these challenges by formulating a plan

<sup>1</sup> For example, United Nations' Secretary-General appointed [experts](#) have encouraged development banks "to establish dedicated urban climate funds that city governments can access to develop projects and leverage private investment, particularly for Global South cities."

<sup>2</sup> For example, [Paris](#) (France), [Milan](#) (Italy) and [Tokyo](#) (Japan) are already allocating municipal resources to international cooperation delivered to cities in the Global South, including on climate-related issues.

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- Thanks to support from C40 and MMC, the [City of Accra](#) (Ghana) is strengthening engagement with informal workers and dwellers (including new arrivals to the city from climate affected regions of Ghana), building trust, improving employment conditions for resilience and gaining insights and data with informal settlements' that can be critical in post-disaster situations.
- Social protection is critical for resilience and recovery and other mechanisms, including parametric insurance products, are being explored within cities such as [Medellin](#). However, insurance cannot be the primary solution, particularly for large informal populations and those on the move. Cities need support to implement social protection mechanisms (such as those in [Seattle and Pune](#)), early warning systems, and other mechanisms that can facilitate advance planning and pre-arranged assistance.

This submission is endorsed by [ICLEI - Local Governments for Sustainability](#), and all three organizations, namely, C40 Cities, and the Mayors Migration Council, and ICLEI look forward to working together with the Transitional Committee in the lead-up to COP28, to inform the recommendations for the establishment of loss and damage funding arrangements. We encourage the Transitional Committee and its members to ensure the funding arrangements for L&D are demand-driven, can reach most vulnerable communities and are defined by circumstances at the local level. We encourage the Transitional Committee and its members to do this by involving cities, consulting mayors, and defining robust, yet simplified, mechanisms for directly transferring funds to the local level.

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## 2. Submission by UCLG

### **TOWARDS A COMMON PERSPECTIVE ON LOSS AND DAMAGE FROM LOCAL AND REGIONAL GOVERNMENTS:**

The win-win-situation achieved at COP 27 with the announcement of a loss and damage facility was a significant step towards bridging the glaring disparity in the climate change debate between developed and developing countries. With this great stride, the focus now shifts to the establishment of operational modalities, structure and coordination mechanism stipulating roles of all actors in the development of loss and damage facility framework and operationalization process.

Noting that the development of effective and responsive institutional arrangements of the SNLD, particularly at the territorial governance levels, and fast tracking of its full operationalization is key to scaling-up of action and support, including finance, technology development and transfer and capacity building needed for the implementation of relevant approaches to address loss and damage in developing countries.

Underscoring the need for development of products and delivery of services including capacity development to parties should be timely, equitable, and guided by the technical assistance, needs and priorities of the poorest and vulnerable countries and communities, especially in developing countries with focus on local government as the last mile for implementation in a cost effective, efficient, and transparent manner, guided by result-based approaches and efficient communication and monitoring systems.

Aware of challenges of meeting the 1.5<sup>o</sup>C global temperature target, and calling for actions towards carbon readiness assessment for integration into the NDCs using the most appropriate pathway to development and to achieve shared objectives based on Common But Differentiated Responsibilities (CBDR) taking cognizance of differentiated national circumstances including poverty levels.

Recognizing the need to come up with a clear compensation process as part of the instruments of loss and damage to tackle historical responsibilities, noting the challenges of the principles of historical responsibilities and Common But Differentiated Responsibilities (CBDR) in line with leadership of local and regional governments due to the fact loss and damage is a major territorial challenge which draws clear linkages with Article 6 & 8, while observing that loss and damage should be added as a new and additional fund to be connected to securing the existence of environmental assets and ecosystems similar to the functioning of the carbon market for uptake by both national and local and regional governments enabling a rebalancing of climate justice.

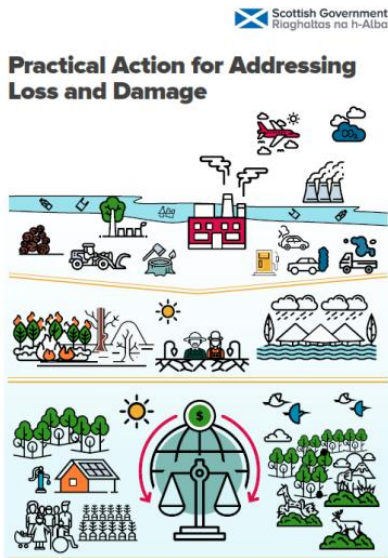
Further recalling that loss and damage is a territorial issue and a major concern for the local and regional governments and cities; United Cities and Local Governments of Africa (UCLG Africa) has identified Six (6) areas for development and integration in the mechanism for Loss and Damage facility notably;

- i. Development of readiness programme for Local Governments which involves strengthening capacities of local governments regarding resilience and early warning systems;
- ii. Mainstreaming early warning process in policy and programme in the local governments;
- iii. Supporting the development of climate proof / resilience infrastructure within local government systems;
- iv. Develop a funding structure that is not overly reliant on insurance-based systems against loss, allowing for locally identified need of funding that ensures the protection of currently threatened ecosystems;
- v. Prioritization of fast / urgent rescue actions at the local government / citywide levels in light of disaster occurrence; and
- vi. Calling for fast tracking operationalization of loss and damage as a new and additional funding facility with connection to the carbon market besides other climate funds (GEF, GCF and AF) for uptake by national and local governments.

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### 3. Submission by the Scottish Government

Full report available at <https://www.gov.scot/publications/practical-action-addressing-loss-damage/> and as Annex.



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