

DRAFT TEXT
on
SBSTA 59 agenda item 4(b)
SBI 59 agenda item 13(b)
Matters relating to the Santiago network under the Warsaw International Mechanism for
Loss and Damage associated with Climate Change Impacts

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1. The SBSTA and the SBI considered the report on the hosting of the secretariat of the Santiago network for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change¹ prepared by the evaluation panel,² which includes a shortlist of two proposals for hosting the Santiago network secretariat and information on how the evaluation panel assessed all proposals received against the evaluation criteria.³
2. The SBSTA and the SBI recommended a draft decision on the selection of the consortium comprising UNDRR and UNOPS, which was found to have best met the evaluation criteria, as the host of the Santiago network secretariat for an initial term of five years, with five-year renewal periods,⁴ for consideration and adoption at the session(s) of the governing body or bodies to be held in November-December 2023 (for the text of the draft decisions, see document FCCC/SB/2023/L.X/Add.X).

Matters relating to the Santiago network under the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts

Draft decision [-/CP.28] [-/CMA.5]⁵

Insertion of appropriate governing body or bodies - The Conference of the Parties, / The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement,

Recalling the Paris Agreement and relevant decisions of the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement,

Recalling the Paris Agreement and relevant decisions of the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, in particular decisions 3/CP.18, 2/CP.19, 2/CP.20, 1/CP.21, 2/CP.21, 3/CP.22, 4/CP.22, 5/CP.23, 10/CP.24, 2/CP.25, 1/CP.26, 17/CP.26, 1/CP.27, 11/CP.27, 2/CMA.2, 1/CMA.3, 19/CMA.3, 1/CMA.4 and 12/CMA.4,

Also recalling relevant provisions of decisions 18/CMA.1 and 19/CMA.1,

Further recalling Article 8 of the Paris Agreement,

<General matters>

1. *Recognizes the importance of building the capacity and enhancing the facilitation, of the provision of technical support to developing countries for implementing approaches for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change;*

¹ FCCC/SB/2023/1.

² Details on the evaluation panel and the process for selecting the host are available at <https://unfccc.int/SNevalpanel>.

³ Set out in decision 12/CMA.4, annex II.

⁴ Pursuant to decision 12/CMA.4, annex I, para. 21.

⁵ Pending the outcome of COP 28 Presidency consultations on the governance of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts. Nothing in this document prejudices Parties' views or prejudices outcomes on matters related to the governance of the Warsaw International Mechanism.

2. *Also recognizes* the importance of demand-driven technical assistance in building the capacity to implement approaches for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change;
3. *Encourages*, noting the breadth of topics addressed within the strategic workstreams of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts, a broad range of organizations, bodies, networks and experts from all regions, working at the local, subnational, national, regional and international level, including those in developing countries and those that are represented in the expert groups of the Executive Committee, to engage in the Santiago network for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change while avoiding duplication of efforts;
4. *Acknowledges* that the entities referred to in paragraph 3 above, particularly those that are based in developing countries, may require support, including financial support, to enable them to provide technical assistance to developing countries to implement approaches for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change;
5. *Recalls* that the Santiago network was established to catalyse the technical assistance of relevant organizations, bodies, networks and experts for the implementation of relevant approaches for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change at the local, national and regional level in developing countries that are particularly vulnerable to the adverse effects of climate change;⁶
6. *Also recalls* the request for the secretariat, under the guidance of the Chairs of the subsidiary bodies, to develop a draft host agreement (memorandum of understanding) with the host of the Santiago network recommended by the subsidiary bodies at their fifty-eighth sessions with a view to it being recommended for consideration and adoption by the governing body or bodies at the session(s) to be held in November–December 2023;⁷

<Selection of host>

7. *Recalls* decisions 11/CP.27 and 12/CMA.4, establishing the institutional arrangements of the Santiago network to enable its full operationalization, including supporting its mandated role in catalysing technical assistance for the implementation of the relevant approaches at the local, national and regional level in developing countries that are particularly vulnerable to the adverse effects of climate change, and *reaffirms* its determination to select the host of the secretariat of the Santiago network at the session(s) of the governing body or bodies to be held in November–December 2023 through a selection process conducted in an open, transparent, fair and neutral manner;⁸
8. *Recalls* paragraph 16 of decision 12/CMA.4, which states that the Santiago network secretariat will be accountable to and operate under the guidance of the governing body or bodies through the Advisory Board of the Santiago network and hosted by an organization or a consortium of organizations able to provide the necessary administrative and infrastructural support for its effective functioning;
9. *Welcomes* the report on the hosting of the secretariat of the Santiago network⁹ prepared by the evaluation panel;¹⁰

⁶ Decision 2/CMA.2, para. 43.

⁷ Decision 12/CMA.4, para. 24.

⁸ In accordance with the process outlined in decisions 11/CP.27, paras. 19–23, and 12/CMA.4, paras. 19–23.

⁹ FCCC/SB/2023/1.

¹⁰ Details on the evaluation panel and the process for selecting the host are available at <https://unfccc.int/SNevalpanel>.

10. *Notes* that two proposals were received in response to the call for proposals to host the Santiago network secretariat,¹¹ the executive summaries of which are available on the UNFCCC website;¹²

11. *Welcomes* the efforts of the proponents in responding to the call for proposals to host the Santiago network secretariat, of the evaluation panel in assessing the proposals and preparing the report referred to in paragraph 9 above and of the secretariat in providing support for the host selection process, all within a limited time frame;

12. *Notes with appreciation* the completion of the selection process for the host of the secretariat of the Santiago network, which was supported by an evaluation panel comprising four members of the Executive Committee of the Warsaw International Mechanism, two members of the Advisory Board of the Climate Technology Centre and Network, and two members of the Paris Committee on Capacity-building and involved the participation of the two proponents that responded to the call for proposals for hosting the Santiago network secretariat;

13. *Expresses appreciation* to both proponents that submitted proposals for hosting the Santiago network secretariat;

14. *Selects* the joint proposal submitted by UNDRR and UNOPS (hereafter the “UNDRR and UNOPS consortium”) for the hosting of the Santiago network secretariat for an initial term of five years, with five-year renewal periods;¹³

15. *Encourages* the UNDRR and UNOPS consortium, as the host of the secretariat of the Santiago network, to consider exploring areas for collaboration with the Caribbean Development Bank that also submitted a proposal for hosting, where appropriate;

16. *Authorizes* the Executive Secretary to sign, on behalf of the governing body or bodies, the agreement between the governing body or bodies and the UNDRR and UNOPS consortium regarding the hosting of the Santiago network secretariat;

17. *Requests* the UNDRR and UNOPS consortium, as the host of the Santiago network secretariat, to ensure that the necessary arrangements are in place for the meetings of the Advisory Board of the Santiago network, including privileges and immunities for members of the Board;

18. *Requests* the UNDRR and UNOPS consortium, as the host of the Santiago network secretariat to undertake, by the end of 2023, an analysis of the cost-effectiveness of various locations around the world as options for the location of the head office of the Santiago network secretariat from a pool that can provide the said privileges and immunities referred to in paragraph 17 above, and to provide to the Advisory Board of the Santiago network the results of the analysis with its recommendation on which location would be the most cost-effective in the light of the roles and responsibilities of the Santiago network secretariat for consideration and decision by the Board at its 1st meeting, to be held in 2024;

19. *Placeholder for adoption of the host agreement (memorandum of understanding)*

<Requests to the Santiago network secretariat #1>

20. *Requests* the Santiago network secretariat to:

(a) Adhere to the mandate of the Santiago network and its functions, including facilitating the consideration of a wide range of topics relevant to averting, minimizing and addressing loss and damage approaches, including but not limited to current and future impacts, priorities and actions related to averting, minimizing and addressing loss and damage pursuant to decisions 3/CP.18 and 2/CP.19; the areas referred to in Article 8,

¹¹ The call was issued on 31 December 2022 and is available at <https://unfccc.int/documents/624794>.

¹² <https://unfccc.int/proposalsSNhost>.

¹³ Pursuant to decision 12/CMA.4, annex I, para. 21.

paragraph 4, of the Paris Agreement; and the strategic workstreams of the five-year rolling workplan of the Executive Committee of the Warsaw International Mechanism;

(b) Assume its roles and responsibilities, including that it shall be accountable to and operate under the guidance of the Advisory Board of the Santiago network, recognizing the different mandates of the host and the Santiago network, and that the Advisory Board will provide guidance and oversight to the Santiago network secretariat on the effective implementation of the functions of the network;

(c) Report to the Advisory Board of the Santiago network information on the in-kind and other support provided by its host that has contributed to its ability to assume its roles and responsibilities, as set out in the terms of reference of the Santiago network;

(d) Ensure the broad regional presence of the host of the Santiago network secretariat and how this can allow it to enable access to the to the technical assistance catalysed by the Santiago network in all United Nations geographical regions that include developing countries particularly vulnerable to the adverse effects of climate change, with no region left behind, including through the establishment of regional coordination offices to carry out the roles and responsibilities of the Santiago network secretariat in developing country regions;

Alt (d) Make use of the broad regional presence of its host with a view to facilitating access to the network by developing countries and improving its ability to respond to requests for technical assistance, for instance by appointing points of contact in all United Nations geographical regions and communicating in all official United Nations languages, as appropriate;

(e) Have a lean, cost-efficient organizational structure;¹⁴

(f) Ensure that the host of the Santiago network secretariat provide assurance to enable the Santiago network and its secretariat to receive the required financial and other support from a wide variety of sources and support from a wide variety of sources and through all parts of the consortium to implement the terms of reference of the Santiago network;¹⁵

Alt (f) Ensure that the host of the secretariat will enable the Santiago network and its secretariat to receive the required financial and other support from a wide variety of sources through all parts of the consortium¹⁶ to implement the terms of reference of the Santiago network;

(g) Make provisions for discussions on further arrangements for the implementation of the memorandum of understanding in line with future decisions of the governing body or bodies;

(h) Carry out financial management, auditing and reporting functions and implement a robust accountability system, sound financial systems of international standard, and a fiduciary record that ensures the correct, impartial administering and disbursement of funds;

<Conflicts of interest>

21. *Requests* the UNFCCC secretariat to develop draft guidelines on preventing potential and addressing actual and perceived conflicts of interest in relation to the Santiago network, including any conflicts of interest that may arise when organizations, bodies, networks and experts are engaged in providing technical support to the Santiago network secretariat while responding to technical assistance requests, or when the host of the Santiago network secretariat is responding as an organization, body, network or expert to technical assistance

¹⁴ In accordance with decision 12/CMA.4, annex I, para. 13.

¹⁵ Set out in decision 12/CMA.4, annex I.

¹⁶ <Insert the consortium members>

requests, for review and approval by the Advisory Board of the Santiago Network at its 1st meeting;

Alt. Requests the Santiago network secretariat, under the guidance of the Advisory Board of the Santiago network, to develop draft guidelines on preventing potential and addressing actual and perceived conflicts of interest in relation to the Santiago network, including any conflicts of interest that may arise when organizations, bodies, networks and experts are engaged in providing technical support to the Santiago network secretariat while responding to technical assistance requests, or when the host of the Santiago network secretariat is responding as an organization, body, network or expert to technical assistance requests, for review and approval by the Advisory Board at its 1st meeting;

22. *Invites* the Advisory Board of the Santiago network [to take note of and consider approving] [to consider reviewing and approving] the draft guidelines referred to in paragraph 21 above ;

<Election of the Advisory Board>

23. *Recalls* paragraph 9 of decision 12/CMA.4, in which the Advisory Board of the Santiago network was established as part of the Warsaw International Mechanism, which will be under the authority and guidance of and accountable to the appropriate governing body or bodies and have the roles and responsibilities outlined in the terms of reference of the Santiago network;

24. *Also recalls* paragraph 10 of decision 12/CMA.4, which stated that the members of the Advisory Board will be elected at the next session of the governing body or bodies (November–December 2023) and encouraged Parties to nominate experts with a diversity of technical experience and knowledge relevant to, inter alia, averting, minimizing and addressing loss and damage associated with the adverse effects of climate change, as well as the roles and responsibilities of the Advisory Board referred to in the terms of reference of the Santiago network, taking into account the need for gender balance, in accordance with decisions 36/CP.7, 23/CP.18 and 3/CP.25, and the composition of the Advisory Board outlined in the terms of reference of the Santiago network;

25. *Further recalls* paragraphs 11–13 of decision 12/CMA.4, relating to the terms of office of the members elected to the Advisory Board;

26. *Agrees* that once the outstanding nominations have been received by the secretariat, the nominees will be deemed elected at COP 28/CMA 5, in accordance with established practice;

<Rules of procedure>

27. *Requests* the Advisory Board of the Santiago network to develop draft rules of procedure with a view to recommending them for consideration and adoption by the governing body or bodies to be held in November 2024 through the subsidiary bodies at their sixty-first sessions (November 2024);

<Regional presence>

Option 1: by Advisory Board

28. *Requests* the Advisory Board of the Santiago network to consider during its meetings issues related to having a broad regional presence and the need for ensuring balanced, equitable and inclusive access to the technical assistance catalysed by the Santiago network in all United Nations geographical regions that include developing countries that are particularly vulnerable to the adverse effects of climate change, with no region left behind, while stressing the need to ensure that technical assistance and other support provided by the

Santiago network to developing countries or their groups or regions is distributed in an equitable manner;

Alt 28 Invites the Advisory Board to consider policies related to the broad regional presence of the host of the Santiago network secretariat and how this can allow it to enable access to the Santiago network in all United Nations geographical regions that include developing countries that are particularly vulnerable to the adverse effects of climate change, with no region left behind;

Option 2: by SN secretariat

29. *Requests* the Santiago network secretariat to make use of the broad regional presence of its host with a view to facilitating access to the network by developing countries and improving its ability to respond to requests for technical assistance, for instance by appointing points of contact in all United Nations geographical regions and communicating in all official United Nations languages, as appropriate;

Alt Encourages the Santiago network secretariat to foster a broad regional presence of the network by facilitating access to the network by particularly vulnerable developing countries in all United Nations geographical regions;

<Financial, in-kind and other support>

30. *Invites* the Advisory Board of the Santiago network to take into account the information provided by the host of the Santiago network secretariat on its commitment to provide financial, in-kind and other support for the secretariat for the term of the host agreement (memorandum of understanding), which will contribute to the ability of the secretariat to assume its roles and responsibilities, as set out in the terms of reference of the Santiago network;

Alt Requests the Santiago network secretariat to report to the Advisory Board of the Santiago Network information on the in-kind and other support provided by its host that has contributed to its ability to assume its roles and responsibilities, as set out in the terms of reference of the Santiago network;

Alt Requests the Santiago network secretariat to include in its annual report¹⁷ information on the provision by the host of the secretariat of financial, in-kind and other support that has contributed to its ability to assume its roles and responsibilities, as set out in the terms of reference of the Santiago network;

31. *Requests* the Advisory Board of the Santiago network to ensure that the Santiago network is able to receive financial and other types of support from a wide variety of sources through all parts of its consortium to enable it to implement the terms of reference of the Santiago network;

32. *Recalls* paragraph 67 of decision 1/CMA.3, in which it was decided that the Santiago network will be provided with funds to support technical assistance for the implementation of relevant approaches to avert, minimize and address loss and damage associated with the adverse effects of climate change in developing countries in support of the functions set out in paragraph 9 of decision 19/CMA.3;

33. *Also recalls* paragraph 70 of decision 1/CMA.3, in which developed country Parties were urged to provide funds for the operation of the Santiago network and for the provision of technical assistance as set out in paragraph 67 of the same decision;

34. *Encourages* others to provide support for the operation of the Santiago network and for the provision of technical assistance under the network;

¹⁷ Decision 12/CMA.4, para 18 of the Annex I.

35. *Welcomes* the pledges made to the Santiago network, amounting to approximately xx as at 12 December 2023;¹⁸

36. *Welcomes* the pledges made for the Santiago network secretariat;

37. *Recalls* paragraph 69 of decision 1/CMA.3, which states that the Santiago network secretariat will administer the funds referred to in paragraph 67 of the same decision;

38. *Requests* the host of the Santiago network secretariat to enable both the network and the secretariat to receive the required financial and other support from a wide variety of sources and through all parts of the consortium to implement the terms of reference of the Santiago network;

Alt Requests the Advisory Board of the Santiago network to ensure that the network is able to receive financial and other types of support from a wide variety of sources through all parts of the consortium to implement the terms of reference of the Santiago network;

<Complementarity and coordination with the high-level dialogue on coordination and complementarity>

39. *Welcomes* decisions -/CP.28 and -/CMA.5 on the operationalization of the new funding arrangements, including a fund, for responding to loss and damage referred to in paragraphs 2–3 of decisions 2/CP.27 and 2/CMA.4, taking note of the parts of those decisions that relate to the Santiago network;¹⁹

40. *Requests* the Advisory Board of the Santiago network to designate a representative to take part in the annual high-level dialogue on coordination and complementarity with representatives of the main entities forming part of the new funding arrangements established in paragraph 2 of decisions 2/CP.27 and 2/CMA.4, pursuant to paragraphs 11–16 of annex II to decisions -/CP.28 and -/CMA.5 ;

41. *Invites* the Santiago network secretariat to coordinate with the secretariat of the fund referred to in paragraph 3 of decisions 2/CP.27 and 2/CMA.4 in supporting developing countries seeking to access the fund through technical assistance and to contribute to coherence and complementarity with the fund by aligning the technical assistance it catalyses under the Santiago network to build capacity and support programmatic approaches of the fund and the funding arrangements, as appropriate;

<Appointment of the director of the Santiago network secretariat>

42. *Encourages* the host of the Santiago network secretariat to make the necessary arrangements to promptly launch the work under the Santiago network upon conclusion of the governing body or bodies, including the appointment of a director of the Santiago network secretariat through a merit-based, open and transparent process, who will facilitate the timely recruitment of the staff of the secretariat;

43. *Invites* the host of the Santiago network secretariat, to recommend a director of the secretariat by the 1st meeting of the Advisory Board of the Santiago network;

44. *Also invites* the Advisory Board of the Santiago network to endorse the appointment of the director of the Santiago network secretariat as soon as possible after its 1st meeting;

¹⁸ Noting that this does not set a precedent for making pledges to the Santiago network.

¹⁹ see draft decision entitled “Operationalization of the new funding arrangements, including a fund, for responding to loss and damage referred to in paragraphs 2–3 of decisions 2/CP.27 and 2/CMA.4” proposed under agenda item 8(g) of the COP at its twenty-eighth session), and the draft decision entitled “Operationalization of the new funding arrangements, including a fund, for responding to loss and damage referred to in paragraphs 2–3 of decisions 2/CP.27 and 2/CMA.4” proposed under agenda item 10(g) of the CMA at its fifth session.

<Requests to the Santiago network secretariat>

45. *Requests* the Santiago network secretariat to facilitate the 1st meeting of the Advisory Board, to take place in 2024;

46. *Also requests* the Santiago network secretariat to begin facilitating the implementation of the functions of the Santiago network by, inter alia:

(a) Building the network of member organizations, bodies, networks and experts, covering a wide range of topics relevant to averting, minimizing and addressing loss and damage approaches;

(b) Ensuring the coordination and collaboration of the work of the Santiago network with relevant UNFCCC constituted bodies, in particular the Executive Committee, as well as exploring synergies with other initiatives and networks;

(c) Receiving, assessing and managing the process of responding to requests from developing countries that are particularly vulnerable to the adverse effects of climate change for technical assistance to avert, minimize and address loss and damage, in coordination with network members;

(d) Developing the work programme for approval by the Advisory Board, building on synergies with the five-year rolling workplan of the Executive Committee;

(e) Promoting and disseminating information on the Santiago network in a manner that is comprehensible and accessible to communities particularly vulnerable to the adverse effects of climate change;

<Request to the UNFCCC secretariat for interim arrangements>

47. *Reiterates* the request to the UNFCCC secretariat to continue providing support for developing countries that are particularly vulnerable to the adverse effects of climate change that may seek or wish to benefit from the technical assistance available from organizations, bodies, networks and experts under the Santiago network, until the Santiago network secretariat is operational;²⁰

<Capacity>

48. *Invites* the Advisory Board of the Santiago network to consider and take appropriate action to adopt a process for preparing technical assistance requests that recognizes the significant capacity constraints of the least developed countries and small island developing States when catalysing demand-driven technical assistance, including technical assistance provided by relevant organizations, bodies, networks and experts, for implementing relevant approaches for averting, minimizing and addressing loss and damage;

<Technical assistance>

49. *Invites* the Advisory Board of the Santiago network to consider and take appropriate action on the need to enable the provision of technical assistance as far as possible through national and subnational entities of developing countries, including through the provision of guidance for the development of guidelines and procedures by the Santiago network secretariat²¹ for ensuring the demand-driven nature of all requests for technical assistance submitted under the Santiago network, and to safeguard against conflicts of interest in, or the

²⁰ Decision 12/CMA.4, paragraph 15.

²¹ In accordance with decision 12/CMA.4, para. 17(b), and as endorsed by decision 11/CP.27.

overconcentration of, the provision and delivery of technical assistance through or by specific organizations, bodies, networks and experts;

50. *Reaffirms* that technical assistance provided under the Santiago network in a demand-driven manner will be developed through an inclusive, country-driven process, taking into account the needs of vulnerable people, Indigenous Peoples and local communities;

51. *Also reaffirms* that, when technical assistance is provided under the Santiago network, it should take into consideration the cross-cutting issues referred to in the eleventh preambular paragraph of the Paris Agreement;

<Other>

52. *Placeholder to include an outcome of the COP President's consultations on the governance of the Warsaw International Mechanism;*

53. *Takes note* of the estimated budgetary implications of the activities to be undertaken by the secretariat referred to in paragraph ~~xx~~ contained in this decision;

54. *Requests* that the actions of the secretariat called for in this decision be undertaken subject to the availability of financial resources.