

DRAFT TEXT

on

SBSTA 57 agenda item 6

SBI 57 agenda item 16

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

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[The Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement,¹

[Recalling the principles and provisions of the Convention and the Paris Agreement],

Also recalling 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,

Further recalling Article 8 of the Paris Agreement,

Recalling decision 1/CMA.3, paragraphs 68–70,

1. *Recalls* that the Santiago network for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change 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;²
2. *Expresses its appreciation* to the Government of Denmark for hosting the technical workshop referred to in [paragraph 10(b) of decision 19/CMA.3][paragraph 10(b) of decision 17/CP.26] from 4 to 6 May 2022, including for making the necessary logistical and financial arrangements therefor;
3. *Decides* that the Santiago network will have the following structure:
 - (a) *[(b)]* A [hosted] secretariat that will facilitate its work, to be known as the Santiago network secretariat;
 - (b) *[(a)]* [An Advisory Board] [[The [Executive Committee of the] Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts] [to oversee the implementation of the functions of the network];
 - (c) Member organizations, bodies, networks and experts covering a wide range of topics relevant to averting, minimizing and addressing loss and damage;
4. *Recalls* that the Santiago network will be provided with funds³ to support technical assistance for the implementation of relevant approaches to averting, minimizing and addressing loss and damage associated with the adverse effects of climate change in developing countries in support of its functions;⁴
5. *[[Recalls decision 1/CMA.3, paragraph 70, in which] [Urges] developed countries Parties [were urged] to provide funds for the operation of the Santiago network and for the provision of the technical assistance referred to in paragraph 4 above];]*

¹ Pending the outcome of the 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 Decision 2/CMA.2, para. 43.

³ Decision 1/CMA.3, para. 67. See also paras. 68 and 70 of that decision.

⁴ As referred to in decision 19/CMA.3, para. 9.

[5 alt] [5 bis] [*Invites* Parties in a position to do so to provide funds for the operation of the Santiago network and for the provision of technical assistance as referred to in paragraph 4 above;]

[5 ter] [*Also invites* private and non-governmental organizations and other stakeholders to provide funds for the operation of the Santiago network;]

[5 four] [*Requests* developed countries Parties to clarify their financial contributions to the Santiago network prior to the fifty-eighth sessions of the subsidiary bodies (June 2023);]

6. [*Welcomes* the pledges that have already been made to the Santiago network;]

7. *Adopts* the terms of reference of the Santiago network contained in annex I;

8. *<Placeholder for insertion of adoption of the terms of reference of the Advisory board pending consideration of the Advisory board>*;

9. [*Decides* to establish the Advisory Board of the Santiago network, which will be under the authority and guidance of and accountable to the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement and have the roles and responsibilities outlined in annex I;

10. *Requests* the Advisory Board to report annually to the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, through the subsidiary bodies, and make recommendations, as appropriate;

11. *Decides* that, as an interim measure, the Advisory Board shall consist of [two][one] representative[s] from each of the following bodies, ensuring that there is a balanced representation between developed and developing country Parties: the Adaptation Committee, the Consultative Group of Experts, the Facilitative Working Group of the Local Communities and Indigenous Peoples Platform, the Least Developed Countries Expert Group, the Paris Committee on Capacity-building, the Standing Committee on Finance and the Technology Executive Committee, [and the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts,] [and [two][three] representatives of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts] [*alternative suggestion is to establish an ad hoc evaluation panel based on members of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts and potentially other constituted bodies as well similarly was what done with the Climate Technology Centre and Network*];

12. *Reiterates* the request⁵ to the 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, without prejudice to the outcomes of the consideration by the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation of matters relating to the network;

13. *Decides* that the selection process for the host of the Santiago network secretariat shall be launched upon the conclusion of the twenty-seventh session of the Conference of the Parties and the fourth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement in order to make the Santiago network fully operational in 2023 and be conducted in an open, transparent, fair and neutral manner in accordance with the process outlined in paragraphs 14–15 below, informed by United Nations practices and standards;

14. *Requests* the secretariat, under the guidance of the [Advisory Board][Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts][Chairs of the subsidiary bodies], to:

⁵ Decision 19/CMA.3, para. 11.

(a) Prepare and issue a call for proposals for the host of the Santiago network secretariat by [xx] January 2023, making it widely and publicly available, including preparing a sample request (see annex XX <placeholder for an annex>), and invite interested organizations, including consortiums of organizations, to submit their proposals in response to the call by [xx] March 2023;

(b) Provide responses to enquiries from interested organizations, as appropriate;

(c) Compile the executive summaries contained in the submitted proposals and make them available on the UNFCCC website;

(d) Prepare an evaluation report with a shortlist of up to [three][five] candidates who have met the criteria referred to in annex II, including information on how the evaluation criteria have been applied to these candidates' proposals, and make the report available for consideration by the subsidiary bodies at their fifty-eighth sessions;

(e) Develop the host agreement (memorandum of understanding) with the candidate that is recommended by Parties at the fifty-eighth sessions of the subsidiary bodies;

(f) Ensure that it does not have a potential conflict of interest in the selection process, including by applying appropriate safeguards and procedures;

15. *Also requests* the SBSTA and the SBI to recommend at SB 58 one candidate that best meets the criteria set out in paragraphs xx–xx of annex II and to forward a draft decision on this matter for consideration and adoption by [COP 28 (November 2023)] [and CMA 5 (November 2023)];

16. *Invites* the organization selected as host of the Santiago network secretariat to establish the secretariat in accordance with the functions of the network;

17. *Decides* that the initial term of the agreement to host the secretariat of the Santiago network will be X years, commencing in 2024, with up to X Y-year renewal periods, if so decided by [the Conference of the Parties] [and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement];

18. *Also decides* that renewal of the agreement to host the secretariat of the Santiago network will be subject to the host organization fulfilling its functions, as set out in annex I, and its responsiveness to the direction and guidance from the [the Conference of the Parties] [and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement], as well as guidance provided by the [Advisory Board] [Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts].

Annex I

Terms of reference of the Santiago network for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change

1. Objective

(Refer to 2/CMA.2, para 43)

2. Functions

(Refer to 19/CMA.3, para 9 and 17/CP.6, para 9)

3. Structure

The Santiago network for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change will have the following structure:

- (a) A secretariat that will facilitate its work;
- (b) [An Advisory Board][Executive Committee];
- (c) Technical assistance providers comprising a broad range of organizations, bodies, networks and experts covering a wide range of topics relevant to averting, minimizing and addressing loss and damage.

4. Roles and responsibilities

○ **Secretariat**

The secretariat shall facilitate the implementation of the functions of the Santiago network.¹

The secretariat shall begin with carrying out activities under an achievable scope of work to meet the needs for technical assistance for the implementation of relevant approaches to avert, minimize and address loss and damage associated with the adverse impacts of climate change in developing countries and be flexible so that it can learn, adapt and adjust its scope and reach over time in response to the needs for technical assistance of developing countries, consistent with these terms of reference.

The secretariat shall be accountable to, and under the guidance of, the [Advisory Board] [Executive Committee].

The secretariat shall manage day-to-day operations of the Santiago network, including:

- (a) Building and managing the network of providers of technical assistance, reflecting a diverse and inclusive representation of organizations, bodies, networks and experts covering 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, 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 for Loss and Damage associated with Climate Change Impacts;²
- (b) Facilitating the coordination and collaboration of the work of network members in providing technical assistance;
- (c) Ensuring the coordination and collaboration of the work of the Santiago network with relevant constituted bodies, in particular the Executive Committee, as well as exploring synergies with other initiatives and networks;
- (d) Receiving, assessing and responding, and applying the prioritization criteria approved by the [Advisory Board] [Executive Committee], to requests from developing countries for technical assistance to avert, minimize and address loss and damage, in coordination

¹ As per decision 19/CMA.3, para. 9.

² FCCC/SB/2022/2/Add.2, annex I.

with network members;

- (e) Establishing and implementing procedures to address requests that require an urgent response;
- (f) Assisting developing country Parties in identifying, prioritizing and communicating their needs for technical assistance, and in refining their requests for such assistance;
- (g) Assisting and facilitating the matching of needs for technical assistance communicated by developing country Parties with the best available technical assistance to respond to those needs;
- (h) Developing and executing the work programme approved by the [Advisory Board] [Executive Committee];
- (i) Promoting and disseminating information on the Santiago network;
- (j) Managing and directing the disbursement of funds provided for the Santiago network consistent with the fiduciary standards, legal and ethical integrity policies, financial rules and regulations of the host of the secretariat;
- (k) Administering the funds provided for technical assistance under the Santiago network in a cost-effective and transparent manner;
- (l) Maintaining a monitoring and evaluation system to assess the timeliness, appropriateness and outcomes of assistance provided.

The secretariat shall, once it is operational, elaborate its modalities and procedures for the Santiago network under the guidance of and by approval of the [Advisory Board] [Executive Committee] on the basis of the terms of reference contained in annex X, and taking into account decision 19/CMA.3, paragraph 9, and decision 1/CMA.3, paragraph 67, for consideration and approval by the [Advisory Board] [Executive Committee].

The modalities and procedures shall include, inter alia:

- (a) Developing guidelines for the designation of organizations, bodies, networks and experts as members of the Santiago network;
- (b) Developing guidelines for responding to requests for technical assistance;
- (c) Developing guidelines for managing funding provided for technical assistance from organizations, bodies, networks and experts.

o **[Advisory Board] [Executive Committee]**

<Placeholder for an introductory text>

- (a) Approve policies, procedures and guidelines developed by the secretariat;
- (b) Provide guidance on the effective implementation of the functions of the Santiago network;
- (c) Provide guidance on the preparation of the annual report of the secretariat;
- (d) Approve modalities for the designation of organizations, bodies, networks and experts as members of the Santiago network;
- (e) Approve the programme of work of the Santiago network;
- (f) Approve the annual budget of the Santiago network;
- (g) Endorse the appointment of the director of the Santiago network secretariat;
- (h) Endorse the financial statement of the Santiago network;
- (i) Monitor, assess and evaluate the timeliness and appropriateness of the responses of the Santiago network to requests for technical assistance;
- (j) Provide guidance and approve the criteria used to assure the relevance and quality of expertise and services delivered by organizations, bodies, networks and experts;

- (k) Approve the terms of reference for participatory assessment on quality of functions.

5. <Placeholder for Composition of the Advisory Board>

o xxx

6. Organizational structure of the secretariat

The secretariat will have a lean, cost-efficient organizational structure, led by a director who will manage a small core team of professional and administrative staff, as required, to be appointed by and responsible to the host organization's governance structure in order to meet its responsibilities and to efficiently and effectively perform its functions.

The secretariat is to be hosted under one or a consortium of several organizations capable of supporting the functions of the secretariat.

Subject to the endorsement of the [Advisory Board] [Executive Committee], the director of the secretariat will be appointed by the host. The director will be accountable to the host for administrative issues relating to the administrative effectiveness and efficiency of the secretariat.

The director, who will hold a fixed term, should have broad responsibility to provide strategic leadership to the Santiago network and to manage its secretariat.

7. The role of the Executive Committee and its expert groups, task force and technical expert group (placeholder for elaborating the role)

8. The role of loss and damage contact points and other relevant stakeholders at the subnational, national and regional level (placeholder for elaborating the role)

9. Reporting

In line with guidance provided by the [Advisory Board][Executive Committee], the secretariat will prepare an annual report on activities of the secretariat and network and on the performance of their respective functions, including information on:

- (a) Requests received and activities carried out by the Santiago network;
- (b) Efficiency and effectiveness in responding to requests;
- (c) Ongoing work as well as lessons learned and best practices derived from that work;
- (d) Support delivered, finance disbursed and administrative costs;
- (e) Recruitment of new members of the Santiago network and their relevance.

[The annual report approved by the [Advisory Board] [Executive Committee] will be considered by the COP and the CMA through the subsidiary bodies.] [The approved report will be forwarded to the Executive Committee to be included in a joint annual report of the Santiago network and the WIM Executive Committee submitted to the COP and the CMA.]

10. Review

The secretariat will commission an independent first review of the performance of the Santiago network in a timely manner so that the findings of the review can feed into the review of the WIM (in 2030) and repeat the process for the subsequent review cycle of the WIM (thereafter in accordance with paragraph 46 of decision 2/CMA.2).

[The periodic review of the adequacy of the support provided for the operations of the Santiago network and its secretariat shall be undertaken in conjunction with the periodic review of the Santiago network to inform the provision of future financing for the Santiago network.]

Annex II

Criteria to be used to evaluate and select the host of the secretariat for the Santiago network for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change

The proposals will be evaluated against the following criteria in accordance with the methodology outlined in para xx <to be elaborated>.

The prospective host should:

- (a) Be an independent and neutral organization, either a single organization or one of a consortium of partner organizations representing an existing structure capable of providing a lean, efficient and agile service, able to move swiftly on technical assistance requests received;
 - (b) Have strong networks across relevant communities of practice, among development and humanitarian actors, and in climate change adaptation, disaster risk reduction, response and recovery in order to be able to tackle, in a comprehensive manner, the full spectrum of averting, minimizing and addressing loss and damage;
 - (c) Have demonstrated experience and expertise that is sufficiently wide to understand the dynamics of various countries;
 - (d) Be well embedded in climate action;
 - (e) Understand the challenges and opportunities of developing countries and communities at the frontlines of climate change;
 - (f) Be capable of understanding and identifying the types of technical assistance that might be required for climate action in order to be able to sufficiently match the technical assistance needs of Parties to the expertise of organizations, bodies, networks and experts;
 - (g) Have demonstrated experience in managing global networks or initiatives and capability to engage with multiple stakeholders for effective operations;
 - (h) Have demonstrated capacity to engage in partnerships with a wide range of organizations, bodies, networks and experts across different communities working in domains relevant to averting, minimising and addressing loss and damage, including climate change adaptation, disaster risk management, humanitarian aid and development cooperation, as well as with finance providers and other partners;
 - (i) Have an effective governance and management structure to support high quality administration, financial management, auditing and reporting functions; a robust accountability system; sound financial systems of international standard; and a fiduciary record that ensures the correct and impartial administering and disbursement of funds;
 - (j) Have the necessary staff recruitment and management capability;
 - (k) Be able to manage and maintain information systems to enable sharing of best practices and lessons learned;
 - (l) Be able to guarantee the appropriate monitoring and tracking of the actions undertaken;
 - (m) Have a track record in mobilizing resources;
 - (n) Identify the manner in which it will manage and accommodate the Santiago network secretariat within the parameters outlined in paragraphs xx–xx above. It should also identify the ways in which it will rely on its partners and networks as well as the consortium, if applicable, to fill any technical gaps that are not resident in the host organization.]
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