



**Working arrangements for the Transitional Committee
on the operationalization of the new funding arrangements for responding to loss and damage
and the fund established in paragraph 3 of decisions 2/CP.27 and 2/CMA.4**

Luxor, Egypt

27–29 March 2023

Note by the Co-chairs

I. Mandate of the Transitional Committee

1. Pursuant to the terms of reference of the Transitional Committee (TC) contained in the annex to the decisions 2/CP.27 and 2/CMA.4, the TC will make recommendations for consideration by the Conference of the Parties (COP) at its 28th session (November–December 2023) and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) at its 5th session (November–December 2023). This is to be undertaken in accordance with paragraphs 4–5 of the same decision, which established the TC and agreed that the recommendations to be put forward by the TC to operationalize the funding arrangements and the fund shall consider, *inter alia*:
 - (a) Establishing institutional arrangements, modalities, structure, governance and terms of reference for the fund;
 - (b) Defining the elements of the new funding arrangements;
 - (c) Identifying and expanding sources of funding;
 - (d) Ensuring coordination and complementarity with existing funding arrangements.
2. Further, the TC will serve as a coordination mechanism that guides and oversees, as appropriate, the activities referred to in paragraph 7 of the decisions 2/CP.27 and 2/CMA.4. This includes: two workshops to be conducted by the secretariat in 2023 with the participation of a diversity of institutions, relevant to addressing loss and damage associated with climate change impacts; and a synthesis report on existing funding arrangements and innovative sources relevant to addressing loss and damage prepared by the secretariat. Additionally, two sets of submissions are invited in paragraph 7. Parties and relevant organizations were invited to submit views on topics for and the structure of the 2nd Glasgow Dialogue and the two mandated workshops. United Nations agencies, intergovernmental organizations, and bilateral, multilateral and international financial institutions were invited to submit inputs on how they might enhance access to and/or the speed, scope and scale of availability of finance for activities relevant to addressing loss and damage, including potential limitations and barriers and options for addressing them.

II. Co-chairs

3. The TC has two Co-chairs, elected from among its members, one from a developed country Party and one from a developing country Party.
4. If one or both Co-chairs are absent from a particular meeting, any other member from the respective affiliation (developed or developing) of the Co-chair/s designated by the TC shall temporarily serve as the Co-chair of that meeting.
5. The Co-chairs shall collaborate in chairing meetings of the TC and any intersessional work as appropriate. The Co-chairs shall, *inter alia*, declare the opening and closing of meetings, accord the right to speak and announce decisions

and have complete control over the proceedings of meetings and the maintenance of order at meetings.

6. The TC may further define additional roles and responsibilities for the Co-chairs.
7. The Co-chairs, in the exercise of their functions, remain under the authority of and accountable to the TC.

III. Decision-making

8. The TC shall adopt its conclusions by consensus and only current TC members have the right to engage on the items under consideration.

IV. Meetings

9. The secretariat, in agreement with the Co-chairs, will prepare the draft provisional agenda for each meeting. The secretariat will notify all TC members of the date and venue of meetings once confirmed and will circulate the draft provisional agenda and documents at least two weeks in advance of the meeting.
10. The majority of the members of the TC, consisting of a simple majority of the members from developing country Parties and a simple majority of the members from developed country Parties, must be present to constitute a quorum.
11. The Co-chairs, assisted by the secretariat, shall prepare output documents of the meeting. The decisions taken at the meeting will be circulated no later than one week after the meeting has concluded. The Co-chairs' summary of each meeting will be circulated no later than 4 weeks after the meeting has concluded.
12. Meeting duration shall be for at least four days including one day dedicated for informal exchange between TC members. Co-chairs shall include in their proposed planning of the sessions dedicated time for TC engagement with observers.
13. Only TC members are to be seated at the table. The Technical Support Unit will also be located in the same room as the TC.

V. Approaches to the implementation of the workplan

14. The TC will follow the general approach of being guided by the principles of effectiveness, inclusiveness and transparency in its work, including when implementing its workplan and when defining the roles and responsibilities of its Co-chairs, its members and the secretariat. Based on such an approach, the TC may further define in its workplan these roles and responsibilities in conducting the work.
15. The TC may wish to organize its work under topic areas or workstreams to be co-facilitated by one member from a developed country Party and one member from a developing country Party. The close involvement and inclusion of all TC members will be ensured when carrying out the work. The secretariat will support their work, as required.
16. Interactions among TC members between meetings can be undertaken through workshops, emails and other means of communication. Workshops can also be used, as appropriate, to involve other stakeholders and to engage observers in advancing the workstreams.

VI. Advisors to the Transitional Committee members

17. Members nominated by the different constituencies to assume a seat on the TC during other periods of the year may participate as advisors to their relevant TC members.

18. Each TC seat can have up to two advisors, one of whom will be seated in the TC meeting room, except those who are referred to in paragraph 17 above, with a maximum of two advisors per TC seat.
19. One advisor per TC member will be funded, in accordance with standard United Nations practice.
20. Advisors cannot alternate with the TC member during the meetings.

VII. Participation of observers

21. Meetings of the TC shall be open to observers unless a member or members present at the meeting formally requests a closed meeting and there is agreement by the TC members present at the meeting. The TC may at any time decide that a meeting or part thereof will be closed to observers. Open parts of TC meetings shall be webcast, with the link made available on the meeting webpage.
22. The Co-chairs may give the floor to observers to make statements.
23. Observers accredited under the UNFCCC may be admitted to attend TC meetings – following the common practices for notification, registration, and space allocation – in order to observe and, as appropriate, participate in the proceedings. The TC may decide to invite other participants as resource persons.
24. The TC will consider further modalities to enhance observer participation.

VIII. Transparency

25. The decisions and outputs of the TC shall be made publicly available on the UNFCCC website unless decided otherwise by the TC.

IX. Working language

26. The working language of the TC shall be English.

X. Overriding authority of the Convention and Paris Agreement

27. In the event of any conflict between any provisions of these working arrangements and any provisions of the Convention or Paris Agreement, the Convention and Paris Agreement shall prevail.
