

LOSS AND DAMAGE

ONLINE GUIDE



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1. INTRODUCTION TO LOSS AND DAMAGE





OVERVIEW



ECONOMIC LOSSES

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TERRITORY

CULTURAL HERITAGE



SOCIETY



CULTURAL IDENTITY

ENVIRONMENT



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OVERVIEW IMPACTS OF CLIMATE CHANGE

Impacts of climate change include slow onset events* and extreme weather events** which may both result in loss and damage.

Slow Onset Events

Slow onset events usually develop gradually over time, and their impacts are often based on a confluence of several different events (UNFCCC, 2012).

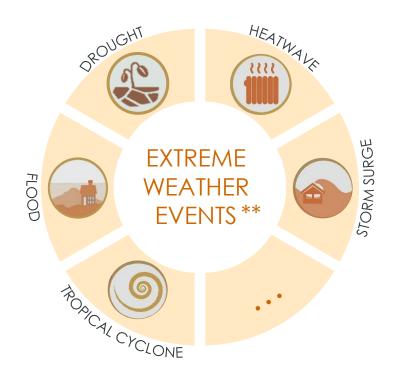
Extreme Weather Events

An extreme weather event is an event that is rare at a particular place and time of a year (IPCC, 2012).



OVERVIEWEXAMPLES OF SLOW ONSET EVENTS AND EXTREME WEATHER EVENTS





*As referred to in Decision 1/CP.16

** Those presented are examples



OVERVIEW

TYPES OF LOSS & DAMAGE

Economic losses can be understood as the loss of resources, goods and services that are commonly traded in markets.



Non-economic losses can be understood as the remainder of items that are not commonly traded in markets.





WARSAW INTERNATIONAL MECHANISM

The <u>Warsaw International Mechanism</u> for Loss and Damage (WIM) was established at COP19 in 2013.

It is the main vehicle in the UNFCCC process to address loss and damage associated with climate change impacts in developing countries that are particularly vulnerable to the adverse effects of climate change, in a comprehensive, integrated and coherent manner.





WARSAW INTERNATIONAL MECHANISM FUNCTIONS

The WIM promotes the implementation of approaches to address loss and damage associated with the adverse effects of climate change by undertaking the following functions:



 Enhancing knowledge and understanding of comprehensive risk management approaches.



 Strengthening dialogue, coordination, coherence and synergies among relevant stakeholders.



 Enhancing action and support, including, finance, technology and capacity-building.



PARIS AGREEMENT

<u>Article 8</u> anchored loss and damage in the <u>Paris Agreement</u> which was adopted at COP 21. Areas of cooperation and facilitation to enhance understanding, action and support include:



The COP also requested the ExCom to establish a <u>clearing house for risk</u> transfer and a <u>task force on displacement in Decision 2/CP.21</u>.

2. IMPLEMENTATION BODIES OF THE WIM





EXECUTIVE COMMITTEEOF THE WARSAW INTERNATIONAL MECHANISM

The <u>Executive Committee</u> (ExCom) was also established at COP 19 and is mandated to guide the implementation of the functions of the WIM.

The ExCom meets at least twice a year and reports its progress annually to the Parties through the subsidiary bodies.





EXECUTIVE COMMITTEE COMPOSITION

The ExCom comprises 20 members:

- 10 members from Annex I Parties;*
- 10 members from non-Annex I Parties:*
 - 2 members each from the African States, Asia-Pacific States and the Latin American and the Caribbean States;
 - 1 member from Small Island Developing States (SIDS);
 - 1 member from the Least Developed Countries (LDCs);
 - 2 additional members from non-Annex I Parties.

The ExCom Co-Chairs are elected annually to serve for a term of one year, with one being an Annex I Party and the other being a non-Annex I Party representative.



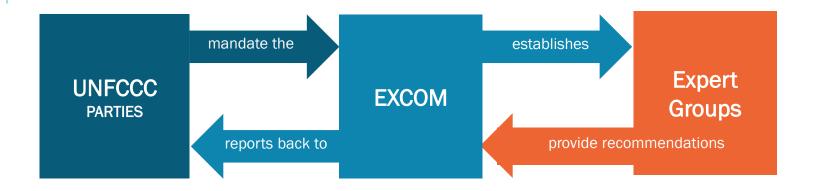


EXECUTIVE COMMITTEE AND THE EXPERT GROUPS

- The ExCom is empowered to establish expert groups, subcommittees, panels, thematic advisory groups or task-focused ad hoc working groups to help it guide the implementation of the WIM.
- The ExCom has established five expert groups, the <u>Task Force on Displacement</u>, the <u>Technical Expert Group on Comprehensive Risk Management</u>, and expert groups on <u>slow onset events</u>, <u>non-economic losses</u>, and <u>action and support</u>.
- The ExCom has also established the <u>WIM Roster of Experts</u>, which contributes a wealth of knowledge and expertise to co-develop and support the work of the WIM.



EXPERT GROUPS



EXPERT GROUPS OF EXCOM

Task Force on Displacement

Technical Expert
Group on
Comprehensive
Risk
Management

Expert group on Slow Onset Events Expert group on Non-Economic Losses

Expert group on Action and Support



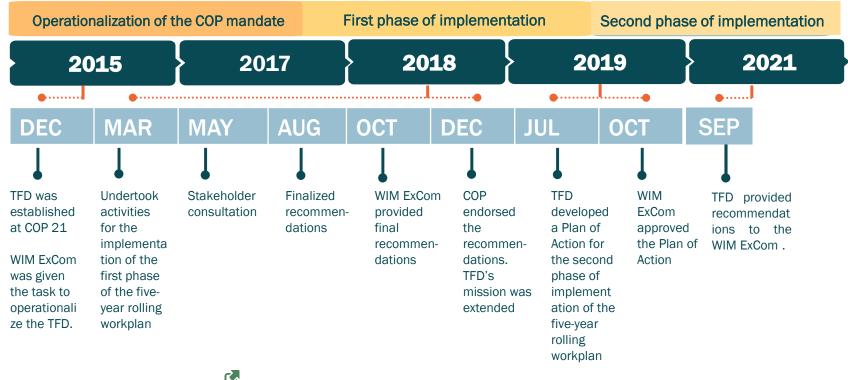
EXPERT GROUPSFUNCTION AND TASKS

- The expert groups assist the ExCom in fulfilling relevant mandates from Parties and in undertaking activities contained in its five-year rolling workplan.
- Each of the expert groups is tasked to develop a Plan of Action to guide the planning and implementation of its work.
- The ExCom and its expert groups are also tasked to develop <u>technical</u> guides within their work in their respective thematic area, covering:
 - a) Risk assessment, including long-term risk assessment of climate change impacts;
 - b) Approaches to averting, minimizing and addressing loss and damage associated with such risk assessment:
 - c) Resources available for supporting such approaches;
 - d) Monitoring systems for assessing the effectiveness of the approaches.



EXPERT GROUPS TASK FORCE ON DISPLACEMENT

The <u>Task Force on Displacement (TFD)</u> assists the ExCom in enhancing cooperation and facilitation in relation to human mobility, including migration, displacement and planned relocation.





EXPERT GROUPS TECHNICAL EXPERT GROUP ON COMPREHENSIVE RISK MANAGEMENT

The <u>Technical Expert Group on Comprehensive Risk Management (TEG-CRM)</u> was established to enhance knowledge and understanding of comprehensive risk management approaches including issues related to finance, data, technology, regulatory environments and capacity-building.

The expert group undertakes several activities pursuant to strategic workstream (c) of the ExCom's five-year rolling plan:

- Identifies and/or develops methodologies to enhance knowledge and understanding of CRM approaches;
- Provides information on tools and instruments addressing the limits of current CRM approaches and actions;



EXPERT GROUPS EXPERT GROUP ON NON-ECONOMIC LOSSES

The Expert Group on Non-economic Losses undertakes the following activities as contained in its Plan of Action (PoA):



- Collecting, synthesizing and disseminating information on available tools for assessing noneconomic losses.
- Developing an awareness raising strategy and outreach materials on noneconomic losses.
- Fostering and building partnerships on noneconomic losses.
- Inviting partners to coordinate capacity-building events at the regional and national.
- Developing guidelines, jointly with the task force on displacement, as appropriate, on averting, minimizing and addressing non-economic losses in the context of human mobility.
- Developing technical guides in its respective thematic area.





EXPERT GROUP ON SLOW ONSET EVENTS

The Expert Group on <u>Slow Onset Events (SOEs)</u> was launched in 2021. Under its first <u>PoA</u> it undertakes the following activities:

- Convene meetings, inviting experts to pitch policy and practical solutions on the themes of sea-level rise and salinization, glacial retreat, desertification, as entry points to collect evidence of impacts on livelihoods and implications on critical systems in countries.
- Develop scenarios, guidance, strategy on necessary steps to understand and plan for practical action and policy responses to those impacts and implications unpacked through the above expert meetings.
- Provide technical advice and support to developing countries on integrating considerations of impacts associated with SOEs and applicable responses into national planning and policy-making processes, taking into account regional particularities, traditional knowledge and local practices.

The focus of the first PoA is on glacial retreat, sea level rise, and desertification



EXPERT GROUPSEXPERT GROUP ON ACTION AND SUPPORT

The Expert Group on <u>Action and Support (ASEG)</u> was launched in 2021 and it undertakes the following activities as per its <u>PoA</u>:

- Collects, compiles and disseminates information on the current available sources of support for activities relevant to averting, minimizing and addressing loss and damage in developing country Parties.
- Assists in providing input to the Standing Committee on Finance (SCF) when it provides draft guidance relating to the operating entities of the financial mechanism.
- Assists in clarifying how developing country parties may access funding from the Green Climate Fund (GCF) for the development of funding proposals in relation to loss and damage.
- Collaborates with other relevant bodies and organizations to facilitate the mobilization and securing
 of expertise, and the enhancement of support, to strengthen existing, and facilitate the
 development and implementation of additional approaches to address loss and damage.
- Analyzes and identifies enabling conditions for effective implementation of risk transfer facilities and social protection schemes in the context of comprehensive risk management.
- Organizes events to share information and experience on accessing available sources of support for addressing loss and damage.



3. IMPLEMENTATION OF THE FUNCTIONS OF THE WIM





WARSAW INTERNATIONAL MECHANISM MODALITIES

The WIM implements its functions under the guidance of the ExCom through the following modalities:





EXCOM'S INITIAL TWO-YEAR WORKPLAN

(2014 - 2017)

COP 20 (2014) approved the initial two-year workplan of the Excom.

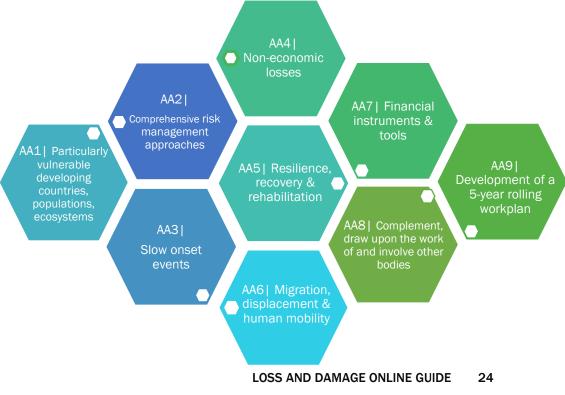
Decision 2/CP.20, para. 1

CLIMATE CHANGE CONFERENCE

VIA COP 20 CMP 10

COP 2

The <u>initial two-year workplan</u> comprises 9 Action Areas (AA), associated activities and expected results.





INITIAL TWO-YEAR WORKPLAN HIGHLIGHTS

Online database of over 160 organizations working on slow onset events and synopsis of the mapping of these organizations.

Photo campaign and side event on 'Risk Financing for Slow Onset Events'.

Technical meeting on migration, displacement and human mobility.

Questionnaires for international, regional, bilateral and nongovernmental actors on climate risk analysis and management to enhance understanding.

Initial compendium of comprehensive risk management approaches.

Photo campaign and side event 'Shining the Light on Non-economic Losses' to engage experts from key sectors.

Integrating L&D theme in the work of the Standing Committee on Finance, e.g. 2016 SCF forum on financial instruments to address the risks of L&D.

Information paper on best practices, challenges and lessons learned in relation to existing financial instruments at all levels.

Organizations and experts invited to collaborate with the Excom to provide knowledge, data and information to enable approaches to address L&D.



EXCOM'S FIVE-YEAR ROLLING WORKPLAN

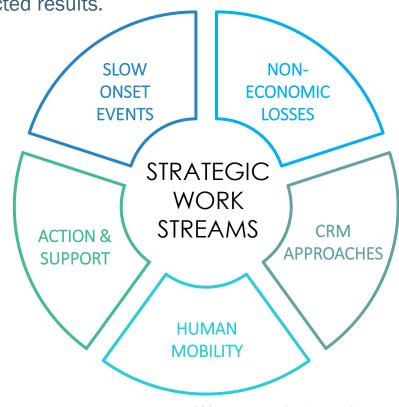
(2018 onwards)

COP 22 (2016) approved the framework for the five-year rolling workplan of the ExCom, building upon the results of the initial two-year workplan.

Decision 3/CP.22, para. 3



The <u>five-year rolling workplan</u> aims to enhance cooperation and facilitation in relation to the 5 strategic workstreams, and contains associated activities, potential modalities and expected results.





FIVE-YEAR ROLLING WORKPLAN STRATEGIC OUTLOOK

The following strategic outlook informed the development of the workplan activities:

- Loss and damage being incorporated into global and national policy and practice;
- A focus on vulnerable people, communities, developing countries and ecosystems;
- Being better equipped to avert, minimize and address loss and damage;
- **4** Effective systems for delivering effective action and support.



FIVE-YEAR ROLLING WORKPLAN CROSS-CUTTING APPROACH

The workplan takes into account, in a cross-cutting manner:



Actions to complement, draw upon the work of and involve other bodies under and outside the Convention;



Particularly vulnerable developing countries; segments of the population that are already vulnerable owing to geography, socioeconomic status, livelihood, gender, age, indigenous or minority status or disability; and the ecosystems they depend on;



The role of sustainable development, including policy and regulatory enabling environments:



Events that may involve irreversible and permanent loss and damage.



SANTIAGO NETWORK

- The <u>Santiago Network</u> for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change was established at <u>COP 25/CMA 2</u> as a result of the 2nd review part of the WIM.
- Its aim is to catalyse technical assistance of relevant organizations, bodies, networks and experts, for the implementation of relevant approaches to avert, minimize and address loss and damage at the local, national and regional level, in developing countries that are particularly vulnerable to the adverse effects of climate change.
- At <u>COP 26/CMA 3</u> Parties further strengthened the Santiago Network by:
 - Agreeing on the six <u>functions</u> of the Santiago Network
 - Deciding that the Santiago network will be provided with funds for implementing its functions
 - Establishing a process for the further development of its institutional arrangements

3. MILESTONES ON LOSS AND DAMAGE



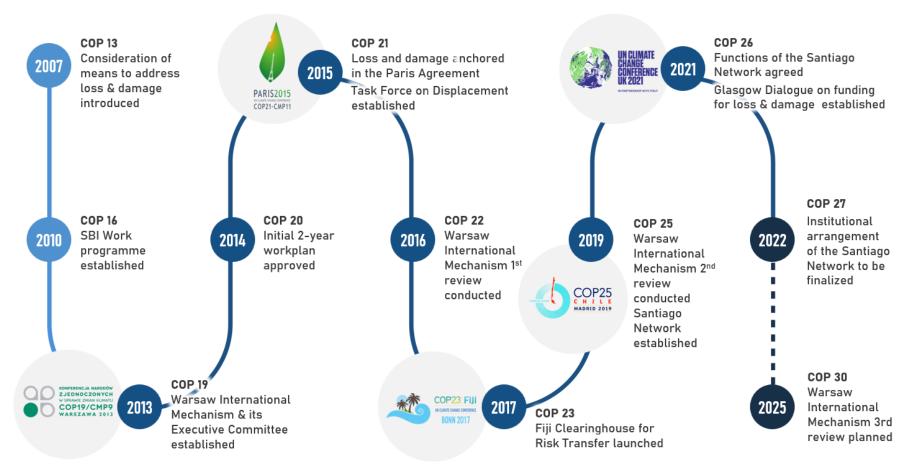
MILESTONES ON LOSS AND DAMAGE





Setting up institutional arrangements & launching technical work







COP 13 3-14 DEC 2007

COP 13 (2007) adopted the <u>Bali Action Plan</u>, where 'loss and damage' was first introduced as part of enhanced action on adaptation, including:

- Disaster reduction strategies and means to address loss and damage associated with climate change impacts in developing countries that are particularly vulnerable to the adverse effects of climate change;
- Risk management and risk reduction strategies, including risk sharing and transfer mechanisms such as insurance.





MILESTONES ON LOSS AND DAMAGE INITIAL SCOPING

COP 16 (2010) established a work programme on loss and damage under the SBI (2011-2013) to:

- Consider approaches to address loss and damage, including impacts of extreme weather events and slow onset events in developing countries that are particularly vulnerable;
- Strengthen international cooperation and expertise in order to understand and reduce loss and damage.

The <u>Subsidiary Body for Implementation</u> (SBI) undertook technical work in the following three areas:

- Assessing the risk of loss and damage;
- A range of approaches to address loss and damage;
- The role of the Convention.



MILESTONES ON LOSS AND DAMAGE

THE SUBSIDIARY BODY FOR IMPLEMENTATION (SBI)

Technical documents produced by the SBI with respect to the three work areas:

Assessing the risk of loss and damage

- <u>Technical paper on loss</u> and damage; current knowledge on methodologies, lessons learned and gaps.
- Expert meeting on assessing loss and damage.

A range of approaches to address loss and damage

- <u>Literature review</u> on a range of approaches to address loss and damage in Africa, Latin America, Asia and small island developing states.
- Expert meetings on the abovementioned thematic areas.
- Technical paper on <u>slow onset</u> events.
- Technical paper on <u>non-economic losses</u>.
- Expert meetings on future needs to address slow onset events.

The role of the Convention

Technical paper on gaps in institutional arrangements to address loss and damage.



COP 16 29 NOV-10 DEC 2010

COP 16 (2010) established, as enhanced action on adaptation, a work programme on loss and damage to:

- Consider approaches to address loss and damage, including impacts of extreme weather events and slow onset events in developing countries that are particularly vulnerable;
- The <u>Subsidiary Body for Implementation</u> (SBI) to agree on activities to be undertaken in the work programme;
- Strengthen international cooperation and expertise in order to understand and reduce loss and damage.





COP 18 26 NOV-8 DEC 2012

COP 18 (2012) decided to establish an international mechanism at COP 19 to address loss and damage associated with the impacts of climate change in developing countries.



The COP requested the secretariat to carry out the following:

- An expert meeting to consider future needs, including capacity needs associated with possible approaches to address slow onset events, and to prepare a report for consideration by the SBI at its thirty-ninth session;
- Preparation of a <u>technical paper</u> on non-economic losses;
- Preparation of a <u>technical paper</u> on gaps in existing institutional arrangements, within and outside of the Convention to address loss and damage, including those related to slow onset events.



COP 19 11-22 NOV 2013

COP 19 (2013) established the <u>Warsaw International Mechanism</u> for Loss and Damage (WIM) and its <u>Executive Committee</u> (ExCom) to address loss and damage associated with climate change impacts in developing countries that are particularly vulnerable to the adverse effects of climate change.



Key decisions include:

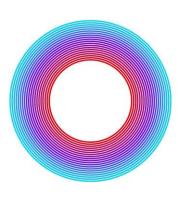
- Functions of the Mechanism established;
- ExCom to report its progress annually to the Parties through the subsidiary bodies;
- Review of its structure, mandate and effectiveness at COP22, with a view to adopting an appropriate decision on the outcome of this review.





COP 20 1-14 DEC 2014

COP 20 (2014) approved the initial two-year workplan of the Excom, and decided on the composition and governance of the ExCom:



LIMA COP20 CMP10

- Excom to comprise 20 <u>members</u>:
 - 10 members from Annex 1 Parties;
 - 10 members from non-Annex 1 Parties;
- ExCom may establish expert groups, subcommittees, panels, thematic advisory groups or task-focused ad hoc working groups, in an advisory role, to help execute the work of the Executive Committee;
- Excom shall meet at least twice per year.





COP 2130 NOV-11 DEC 2015

The <u>Paris Agreement</u> was adopted at COP 21, where <u>Article 8</u> set out areas of cooperation and facilitation to enhance understanding, action and support, and stated that the WIM shall be subject to the authority and guidance of the <u>CMA</u>.

Other key decisions include:

- Establishment of a <u>clearing house for risk transfer</u>
 to serve as a repository for information on insurance
 and risk transfer;
- Establishment of a <u>task force on displacement</u> to develop recommendations for integrated approaches to avert, minimize and address displacement.





COP 22 7-18 NOV 2016

COP 22 (2016) approved the <u>five-year rolling workplan</u> as the basis for developing corresponding activities, starting at the first ExCom meeting in 2017.

The Excom was requested to include in its five-year rolling workplan the following:

- A strategic workstream to guide the implementation of the WIM's function to enhance action and support, including finance, technology and capacity-building;
- Operationalization of the Paris mandates, i.e. establishment of a <u>clearing house for</u> <u>risk transfer</u> and a <u>task force on</u> <u>displacement</u>.





COP 22 FIRST REVIEW OF THE WIM

Having considered the mandate, structure and effectiveness of the Warsaw International Mechanism, the COP recommended, *inter alia*:

- MARRAKECH
 COP22 2016 CMP12
 UN CLIMATE CHANGE CONFERENCE
- Periodic review process to take place no more than five years apart, with the <u>second review</u> to be held in 2019;
- Future reviews to cover progress on the implementation of the ExCom's workplan and its long-term vision;
- Preparation of a <u>technical paper</u> elaborating the sources of financial support, as an input to the 2019 review, as provided through the <u>Financial Mechanism</u>, for addressing loss and damage as described in relevant decisions, as well as modalities for accessing such support;
- Parties to establish a loss and damage contact point through their national focal point.





COP 23 6-17 NOV 2017

COP 23 (2017) welcomed the progress made by the Executive Committee in operationalizing the <u>Fiji Clearing House for Risk Transfer</u> and the <u>Task Force on Displacement</u>.



The COP requested the ExCom to, inter alia:

- Consider cross-cutting issues and current, urgent and emerging needs related to extreme weather events and slow onset events, when updating its five-year rolling workplan.
- Organize an <u>expert dialogue</u> and prepare a <u>technical report</u> exploring information, inputs and views on ways of facilitating the mobilization of expertise and enhancement of support for averting, minimizing and addressing loss and damage.





COP 24 2-14 DEC 2018

COP 24 (2018) adopted the <u>recommendations</u> of the ExCom on integrated approaches to avert, minimize and address displacement related to climate change and encouraged the ExCom to continue its work on <u>human mobility</u> under its <u>five-year rolling workplan</u>.



The <u>CMA</u> invited interested Parties to provide information, as part of the information related to climate change impacts and adaption under <u>Article 7</u> of the Paris Agreement, related to enhancing understanding, action and support to avert, minimize and address loss and damage (<u>Decision 18/CMA.1</u>).

The CMA also invited the ExCom, among others, to prepare synthesis reports on relevant information for the technical assessment in the context of the global stocktake (<u>Decision 19/CMA.1</u>).



COP 25/CMA 2 2-13 DEC 2019



The <u>second review of the WIM</u> provided guidance on how the Mechanism could be strengthened, particularly by increasing collaboration and coordination to scale up the mobilization of resources, action and support for developing countries.

Key recommendations enable the **Executive Committee** to:

- Further engage and strengthen its dialogue with the <u>Standing</u>
 <u>Committee on Finance</u> (SCF) and liaise with the <u>Green Climate</u>
 <u>Fund</u> (GCF) to clarify how developing countries may access funding.
- Launch the expert groups on <u>slow onset events</u> and <u>non-economic losses</u>, establish an expert group on <u>action and support</u>, and develop technical guides within each of its thematic workstreams.

As part of strengthening the Mechanism, the CMA established the Santiago Network to catalyze technical assistance for the most vulnerable countries.



COP 26/CMA 3 1-12 NOV 2021



Parties further strengthened the **Santiago network**:

- By agreeing on its functions that catalyze demand-driven technical assistance to respond to the priority needs of developing countries, and that, in support of these functions, the Santiago network will be provided with funds;
- A process for further developing its institutional arrangements.

The <u>Glasgow Climate Pact</u> established the Glasgow Dialogue between Parties, relevant organizations and stakeholders to discuss the arrangements for the funding of activities to avert, minimize and address loss and damage.



FURTHER INFORMATION

See the <u>UNFCCC website</u> for more information on the **upcoming** and **latest work** of the Warsaw International Mechanism for Loss and Damage and the Executive Committee and its expert groups.

Decisions on loss and damage

Documents on loss and damage

Outputs from the WIM and ExCom

Collaboration and outreach

Workshops and meetings

ExCom and Expert Groups