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Agenda item 4 Report of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts and the 2019 review of the Mechanism Subsidiary Body for Implementation Fifty-first session Madrid, 2–9 December 2019

Agenda item 9 Report of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts and the 2019 review of the Mechanism

Report of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts and the 2019 review of the Mechanism

Draft conclusions proposed by the Chairs

# **Recommendation of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation**

The Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation, at their fifty-first sessions, having considered the report of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts<sup>1</sup> and undertaken the 2019 review of the Warsaw International Mechanism on the basis of the terms of reference for the review,<sup>2</sup> recommended the following draft decision for consideration and adoption by the appropriate body or bodies:

<sup>&</sup>lt;sup>2</sup> FCCC/SBI/2019/9, annex I, and FCCC/SBSTA/2019/2, annex.





<sup>&</sup>lt;sup>1</sup> FCCC/SB/2019/5 and Add.1.

# **Draft decision**<sup>3</sup>

# Report of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts and the 2019 review of the Mechanism

[Placeholder to include, at a later stage, the governing body or bodies which will adopt this decision,<sup>4</sup>

*Recalling* decision 2/CP.19, whereby the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts was established to address loss and damage associated with the impacts of climate change, including extreme events and slow onset events, in developing countries that are particularly vulnerable to the adverse effects of climate change,

Also recalling 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 and 10/CP.24,

Further recalling Article 8 of the Paris Agreement,

Being aware of the relevant provisions of decisions 18/CMA.1 and 19/CMA.1,

Acknowledging that climate change is a common concern of humankind, Parties should, when taking actions to address climate change, respect, promote and consider their respective obligations on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity,

*Reaffirming* the role of the Warsaw International Mechanism in promoting the implementation of approaches to avert, minimize and address loss and damage associated with climate change impacts in a comprehensive, integrated and coherent manner,

Also reaffirming the role of the Executive Committee of the Warsaw International Mechanism in guiding the implementation of the functions of the Mechanism,

*Recognizing* the current insufficient level of mitigation and that reducing greenhouse gas emissions reduces the risks associated with the adverse effects of climate change,

Also recognizing the importance of the Warsaw International Mechanism for averting, minimizing and addressing loss and damage in developing countries that are particularly vulnerable to the adverse effects of climate change,

*Recalling* that the Conference of the Parties at its twenty-second session recommended that the next review of the Warsaw International Mechanism be held in 2019,<sup>5</sup>

Acknowledging the Executive Committee's decision to identify follow-up activities to the 2019 review of the Warsaw International Mechanism under strategic workstream (e) of its five-year rolling workplan at its first meeting of 2020,

Also acknowledging that the Executive Committee agreed to discuss its role in and contribution to the global stocktake at its future meetings, starting with its first meeting of 2020,

<sup>&</sup>lt;sup>3</sup> For consideration and adoption by the appropriate body or bodies at the United Nations Climate Change Conference held in Madrid.

<sup>&</sup>lt;sup>4</sup> Pending the outcome of the informal consultations on agenda item 7 of the Conference of the Parties/agenda item 5 of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement. Nothing in this document prejudices Parties' views or prejudges outcomes on matters related to the governance of the Warsaw International Mechanism.

<sup>&</sup>lt;sup>5</sup> Decision 4/CP.22, para. 2(b).

*Noting* that the Executive Committee will evaluate progress in implementing its fiveyear rolling workplan in 2020 and at regular intervals at its subsequent meetings,

*Having considered* the effectiveness and efficiency of the Warsaw International Mechanism, as well as barriers and gaps, challenges and opportunities, and lessons learned in relation to the Mechanism, on the basis of the terms of reference for the 2019 review of the Mechanism,<sup>6</sup>

1. *Welcomes* the report of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts, including the recommendations contained therein;<sup>7</sup>

2. *Also welcomes* the adoption of the plans of action of the task force on displacement and the technical expert group on comprehensive risk management by the Executive Committee during its 10<sup>th</sup> meeting,

3. *Appreciates* the contribution of all organizations and experts to the work of the Executive Committee, the Task Force on Displacement and the Technical Expert Group on Comprehensive Risk Management;

4. *Acknowledges* the catalytic role of the Warsaw International Mechanism in mobilizing and connecting relevant stakeholders;

5. *Also acknowledges* the progress, achievements and successful practices in implementing the Warsaw International Mechanism since 2013, while noting areas for improvement and shortcomings;

6. *Further acknowledges* that further work is needed to effectively operationalize the functions of the Warsaw International Mechanism as set out in decision 2/CP.19, paragraph 5;

7. *Agrees* that further guidance could contribute to improving the effectiveness and efficiency of the Warsaw International Mechanism, including its timeliness, relevance, visibility, coherence, complementarity, comprehensiveness, responsiveness and resourcing and the delivery and usefulness of its products and outputs;

8. *Also agrees* that the best available science, particularly in reports of the Intergovernmental Panel on Climate Change, should guide approaches to averting, minimizing and addressing loss and damage associated with climate change impacts;

9. *Recognizes* the importance and value of indigenous, traditional and local knowledge;

10. *Also recognizes* the need to enhance the relevance, usefulness and dissemination of the outputs of the Warsaw International Mechanism to enable Parties and stakeholders to easily use and integrate these outputs into planning and implementing approaches to averting, minimizing and addressing loss and damage;

11. *Encourages* the Executive Committee to communicate its outputs in formats that are easy to translate, adapt and access in different contexts and by different users;

12. *Requests* the Executive Committee to identify modalities for fostering the sharing of relevant knowledge and experience among practitioners and vulnerable countries in an interactive and practical manner;

13. *Encourages* Parties to establish a loss and damage contact point through their respective national focal point;<sup>8</sup>

14. *Invites* Parties to promote coherence in approaches to averting, minimizing and addressing loss and damage when formulating and implementing relevant national plans, strategies and frameworks, and creating enabling environments, including by considering future climate risk, reducing exposure and vulnerability, increasing resilience and coordinated action, and monitoring progress;

<sup>&</sup>lt;sup>6</sup> FCCC/SBI/2019/9, annex I, and FCCC/SBSTA/2019/2, annex.

<sup>&</sup>lt;sup>7</sup> FCCC/SB/2019/5 and Add.1.

<sup>&</sup>lt;sup>8</sup> Pursuant to decision 4/CP.22, para. 4(d).

15. *Recognizes* the importance of particularly vulnerable developing countries and segments of the population that are already vulnerable owing to geography, socioeconomic status, livelihood, gender, age, indigenous or minority status, or disability, as well as the ecosystems they depend on, in the implementation of the Warsaw International Mechanism;

16. *Encourages* the Executive Committee to take into account when updating its five-year rolling workplan areas of work that may require short-, medium-, and long-term consideration and efforts, including in relation to sustainable development and transformative change, in the context of the work of each of its thematic expert groups;

17. *Recognizes* the importance of integrating the consideration of approaches to averting, minimizing and addressing loss and damage associated with the adverse effects of climate change into relevant work under and outside the Convention and the Paris Agreement;

18. *Requests* the secretariat, under the guidance of the Executive Committee, to organize meetings in conjunction with relevant regional forums, engaging relevant constituted bodies, networks and work programmes under the Convention and the Paris Agreement, within their respective mandates and workplans and in partnership with relevant organizations, to identify ways of integrating loss and damage into relevant work and guidelines, as appropriate;

19. *Encourages* relevant constituted bodies, networks and work programmes under the Convention and the Paris Agreement, within their respective mandates and workplans and in collaboration with the Executive Committee, to integrate loss and damage, where appropriate, into their work;

20. *Acknowledges* the importance of the involvement of and collaboration with relevant constituted bodies and expert groups, organizations and institutions, under and outside the Convention and the Paris Agreement, to enhance coordination, synergies and linkages;

21. *Requests* the Executive Committee and its thematic expert groups, in undertaking their work, to draw upon the work of and involve, as appropriate, relevant constituted bodies, networks and work programmes, as appropriate;

22. *Encourages* the Executive Committee to draw upon the work, information and expertise of bodies under the Convention and the Paris Agreement, as well as on international processes, such as the 2030 Agenda for Sustainable Development and the Sendai Framework for Disaster Risk Reduction 2015–2030;

23. *Invites* the Executive Committee, acknowledging the need to strengthen risk assessment, to engage relevant experts and collect and disseminate information on methodologies available for integrating long-term assessment, including those associated with the quantification of risks, into comprehensive climate risk management approaches, including national and subnational assessment and planning processes;

24. *Stresses* the importance of enhancing the work on slow onset events and noneconomic losses associated with climate change impacts;

25. *Requests* the Executive Committee to revise the terms of reference for and launch the expert groups on slow onset events and non-economic losses, taking into account the broad range of issues covered by the relevant strategic workstreams, which may need to be addressed using a sequential approach;

26. *Also requests* the Executive Committee and its thematic expert groups to develop technical guides within their work on their respective thematic areas, avoiding duplication of work across workstreams, which include sections on the following:

(a) Risk assessments, including long-term risk assessments, of climate change impacts;

(b) Approaches to averting, minimizing and addressing loss and damage associated with the risk assessments referred to in paragraph 26(a) above;

- (c) Resources available for supporting such approaches;
- (d) Monitoring systems for assessing the effectiveness of these approaches;

27. *Invites* relevant organizations and other stakeholders to collaborate with the Executive Committee, including through strategic partnerships, in developing and disseminating products that support national focal points, loss and damage contact points and other relevant entities in raising awareness of averting, minimizing and addressing loss and damage associated with climate change impacts;

28. *Encourages* the Executive Committee, Parties, relevant constituted bodies and organizations under and outside the Convention and the Paris Agreement and other relevant stakeholders to facilitate or enhance research on, and share good practices for, averting, minimizing and addressing loss and damage, including long-term risk assessment and risk communication;

29. *Requests* the Executive Committee, in collaboration with relevant organizations, to foster public education and awareness-raising efforts at the regional, national and local level, including efforts with a capacity-building component;

30. *Recognizes* the urgent need to enhance the mobilization of action and support, including finance, technology and capacity-building, for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change;

31. *Acknowledges* the broad landscape of organizations and bodies under and outside the Convention and the Paris Agreement providing finance relevant to averting, minimizing and addressing loss and damage associated with the adverse effects of climate change;

32. Options related to provisions for mobilization of financial support

#### **Option 1**

*Requests* the operating entities of the Financial Mechanism under the Convention to expand their focus areas to cover thematic areas such as slow onset events, comprehensive risk management, human mobility and non-economic losses;

*Decides* that the Standing Committee on Finance shall collaborate with the Executive Committee of the Warsaw International Mechanism, inter alia, when preparing draft guidance to the operating entities of the Financial Mechanism, to ensure that guidance on funding approaches to avert, minimize and address loss and damage associated with climate change impacts in developing countries is included;

*Requests* the Board of the Green Climate Fund to provide, through the appropriate modalities, expedited access to adequate, scaled up, new and additional funding for developing country Parties to assist them to address climate change impacts in the areas of slow onset events, non-economic losses, human mobility, and comprehensive risk management;

# **Option 2**

*Invites* the Executive Committee to further engage with the Standing Committee on Finance, whose activities are contained in paragraph 121 of decision 2/CP.17;

*Encourages* Parties to make use of available resources under and outside the Convention and the Paris Agreement, including the Financial Mechanism and the Technology Mechanism, to support their efforts in averting, minimizing and addressing loss and damage;

#### **Option 3**9

*Encourages* the Executive Committee to strengthen its dialogue with the Standing Committee on Finance with a view to providing information and recommendations for consideration by the governing body or bodies<sup>10</sup> when providing guidance relevant to

<sup>&</sup>lt;sup>9</sup> Pending further engagement by Parties.

<sup>&</sup>lt;sup>10</sup> Pending the outcome of the informal consultations on agenda item 7 of the Conference of the Parties/agenda item 5 of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement. Nothing in this document prejudices Parties' views or prejudges outcomes on matters related to the governance of the Warsaw International Mechanism.

averting, minimizing and addressing loss and damage, particularly to the operating entities of the Financial Mechanism, as appropriate;

33. *Options for strengthening workstream (e)* 

#### **Option 1**

*Requests* the Executive Committee of the Warsaw International Mechanism to initiate its work at its next meeting in order to establish, by the end of 2020, in accordance with its procedures and mandate, an expert group to address enhanced action and support for averting, minimizing and addressing loss and damage in order to:

 (a) Explore modalities for supporting existing risk transfer facilities and fostering the development and/or expansion of risk transfer facilities and national and regional solidarity funds, as appropriate, for addressing loss and damage associated with climate change impacts;

(b) Establish a capacity-building programme to address the capacity constraints of developing country Parties in their efforts to avert and minimize loss and damage;

(c) Conduct a gap analysis, at the national and international level, in relation to finance, technology and capacity-building, and explore modalities and provide recommendations on how to address the gaps identified;

(d) Collaborate with the Technology Executive Committee and the Climate Technology Centre and Network of the Technology Mechanism in the provision of technical support, inter alia, to developing countries during or following the onset of hazards that result in loss and damage;

(e) Develop draft guidance, to be recommended by the Executive Committee of the Warsaw International Mechanism to the Standing Committee on Finance, to the operating entities of the Financial Mechanism under the Convention to expand their focus areas to cover thematic areas such as slow onset events, comprehensive risk management, human mobility and non-economic losses;

(f) Develop the operational modalities for the Santiago Network on Addressing Loss and Damage<sup>11</sup> no later than the end of 2021;

#### **Option 2**

*Invites* the Executive Committee, with the support of the secretariat, on the basis of the technical paper<sup>12</sup> and the input of the Standing Committee on Finance to the technical paper, as well as the outcome of the Suva expert dialogue in 2018, to produce a guide on how to access sources of support identified;

### **Option 3**<sup>13</sup>

*Requests* the Executive Committee to establish, in accordance with its procedures and mandate, an expert group on action and support in pursuance of decision 2/CP.19, paragraph 5 (c)(iii) to support the implementation of its five-year rolling workplan, drawing on the work of and involving, as appropriate, existing bodies, organizations and expert groups under and outside the Convention and the Paris Agreement, ensuring a fair, equitable and balanced representation within the group;

*Requests* the Executive Committee, through its expert group on action and support and with the assistance of the secretariat, to organize an event, in conjunction with the NAP Expo and in collaboration with relevant organizations under and outside the Convention, to share information and experience relating to accessing available sources of support for averting, minimizing and addressing loss and damage associated with climate change impacts;

<sup>&</sup>lt;sup>11</sup> See paragraph 35 below.

<sup>&</sup>lt;sup>12</sup> FCCC/TP/2019/1.

<sup>&</sup>lt;sup>13</sup> Pending further engagement by Parties.

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

#### 35. *Options for technical support*

## **Option 1**

*Establishes* the Santiago Network on Addressing Loss and Damage to facilitate a technical network of organizations, entities, partners and other relevant stakeholders involved in addressing loss and damage, in order to:

 Broaden the access by developing countries to resources by matching technical and other expertise and resources to developing country needs to assist in averting, minimizing and addressing loss and damage;

(b) Support the implementation by developing countries of actions to avert, minimize, and address loss and damage;

## **Option 2**

*Requests* the secretariat, under the guidance of the Executive Committee, in partnership with relevant organizations and stakeholders, to organize meetings in conjunction with relevant regional events forums, such as the National Adaptation Forum, the Global Platform for Disaster Risk Reduction, regional climate weeks, engaging relevant constituted bodies, networks and work programmes under the Convention and the Paris Agreement, including the Adaptation Committee, the Least Developed Countries Expert Group, the Local Communities and Indigenous Peoples Platform Facilitative Working Group, the Consultative Group of Experts, the Standing Committee on Finance, the Technology Executive Committee, and the Climate Technology Centre and Network, within their respective mandates and workplans and in partnership with relevant organizations, with a view to showcasing and disseminating approaches to avert, minimize and address loss and damage, as appropriate, as well as to identify ways of integrating approaches to avert, minimise and address loss and damage associated with the adverse effects of climate change in their work and guidelines, as appropriate;

### **Option 3**<sup>14</sup>

*Decides* to establish the Santiago Network for Averting, Minimizing and Addressing Loss and Damage as a network for enhancing technical assistance to developing countries that are particularly vulnerable to the adverse effects of climate change, on a cooperative and facilitative basis;

Also decides that the Santiago Network for Averting, Minimizing and Addressing Loss and Damage will include relevant organizations, bodies and stakeholders at different levels, under and outside the Convention, working in areas relevant to the strategic workstreams of the five-year rolling workplan of the Executive Committee;

*Requests* the subsidiary bodies to initiate development of the activities and modalities of the Santiago Network for Averting, Minimizing and Addressing Loss and Damage with a view to completing it at their fifty-third sessions (November 2020) and launching the activities thereafter;

36. *Recommends* that the next review of the Warsaw International Mechanism be held in 2024 and every five years thereafter as follows:

(a) The subsidiary bodies will develop terms of reference for each review at their sessions immediately before the sessions at which they will undertake a review;

<sup>&</sup>lt;sup>14</sup> Pending further engagement by Parties.

(b) The subsidiary bodies will undertake future reviews of the Warsaw International Mechanism and forward the outputs of the reviews to the governing body or bodies;<sup>15</sup>

37. *Encourages* Parties to make available sufficient resources for the successful and timely implementation of the rolling workplan of the Executive Committee;

38. *Invites* developed country Parties and other Parties in position to do so, as well as private and non-governmental organizations and stakeholders, including through alternative sources, to scale up action and support, as appropriate, including finance, technology and capacity-building, for developing countries that are particularly vulnerable to the adverse effects of climate change, for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change;

39. *Takes note* of the estimated budgetary implications of the activities to be undertaken by the secretariat referred to in paragraphs X–X above;

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

<sup>&</sup>lt;sup>15</sup> Pending the outcome of the informal consultations on agenda item 7 of the Conference of the Parties/agenda item 5 of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement. Nothing in this document prejudices Parties' views or prejudges outcomes on matters related to the governance of the Warsaw International Mechanism.