BRIEFING PAPER

ExCom Meeting #12

Background brief in preparation for the twelfth meeting of the Executive Committee of the Warsaw International Mechanism on Loss and Damage

1 A double crisis – Climate Diplomacy in times of a Pandemic

The world is facing extraordinary challenging times – with severe implications for climate policy and the related processes like UNFCCC. The Covid-19-crisis and the climate crisis are mutually reinforcing each other. Several countries were hit by extreme weather events while being in the situation of preparing to or already tackling the Covid-19-crisis. Vanuatu was hit by cyclone Harold in April 2020 while taking measures to protect their citizens against a Covid-19-outbreak. In May 2020, cyclone Amphan made landfall in Bangladesh and India, posing severe difficulties for both countries. This "double-crisis" illustrates the multidimensionality of vulnerability. It shows that on the one hand already vulnerable groups are affected by the impacts of both crisis ´ and on the other hand there is not enough support available yet to enable those people to cushion these shocks such as extreme weather events and the consequences of pandemic-related restrictions. At the same time, there is evidence that resilience-building measure like establishing so-cial safety nets (as only one example) can strengthen resilience to multiple shocks.

International cooperation is necessary more than ever – to tackle the Covid-19- and the climate crisis. Building resilience against climate impacts and supporting countries in dealing with loss and damage can also strengthen their resilience against other threats like health risks. In particular, rehabilitation and reconstruction activities as well as measures to deal with residual risks need more funding opportunities under the UNFCCC's financial mechanism. However, the international climate agenda and related meetings are heavily impacted by managing and containing the Covid-19-pandemic and its consequences. Restrictions on gatherings and movement – especially travel – made physical meetings impossible since early 2020. These circumstances pose major challenges to climate (and other forms of) diplomacy.

Additionally, climate risks are already worsening the access to international capital and increase interest rates which often result in higher indebtedness and lower investment. This situation is even aggravated by the Covid-19-crisis.

This is the broader context in which the next ExCom meeting#12 is taking place.



2 Taking forward COP25 decisions – Key Tasks for ExCom#12

The 12th meeting of the Executive Committee of the Warsaw Mechanism for Loss and Damage (ExCom) will take place virtually from October 12-16 2020. The meeting agenda¹ encloses inter alia the following topics:

a) Launching of the expert groups on slow onset events, non-economic losses, and an expert group pursuant to decision 2/CP.19, paragraph 5(c)

One key activity at the upcoming meeting will be the launch of three working groups. The launch of the *expert groups on slow onset events* and *non-economic losses* is long overdue. There is an urgent need to develop concrete approaches how countries can deal with slow onset climate change impacts and non-economic losses.

The same is true for the expert group pursuant to decision 2/CP.19, paragraph 5(c), known as the *expert group on action and support*, including finance. At COP25 in Madrid the decision was taken to establish this expert group until the end of 2020². Just like the other expert groups, the aim is to support carrying out the activities of the eponymous thematic workstream (E) of the ExCom´s workplan. It is more relevant than ever to bring the discussions forward and develop solution strategies on how affected countries can be financially supported in order to tackle loss and damage (L&D). The expert group shall offer scope for discussions on means and ways to leverage (additional) financial support for developing countries in dealing with unavoidable losses and damages. The work on the expert group will thereby provide the possibility to work towards fulfilling the third function of the WIM "enhancing action and support, incl. finance".

For the launch of the expert group and to bring it up to speed, different aspects are important to consider:

- 1) The **Terms of reference (TORs)** are to be adopted and shall ensure a balanced **composition** of the expert group on action and support. This encloses an equal representation of member with balance of gender and regional backgrounds. It is especially important to ensure different kinds of expertise being represented within the group and the discussions taken forward. There should be a link in the membership to the UNFCCC financial mechanism; like representatives of the Green Climate Fund (GCF), the Standing Committee on Finance (SCF) and/or the Adaptation Fund (AF). Civil society should be adequately represented.
- 2) Workplan and activities: The extent to which the group will be able to provide a tangible contribution to improving the situation of affected countries and tackling the challenge of lacking support, will be dependent on the concrete workplan of the group. It should inter alia:
 - Go beyond the mapping of exiting sources and funding. As the urgent need for additional support has been proven suffice, work should be invested in improving the situation.
 - Identify and assess the finance gaps in an annual stocktake of national L&D finance needs and the funding available through a L&D finance gap report. A strong link to the SCF needs determination report³ should be provided and the close cooperation between both bodies strengthened.

¹ https://unfccc.int/sites/default/files/resource/Excom_12_draft_provisional_agenda_180802020.pdf

² https://unfccc.int/resource/cop25/cma2_auv_6_WIM.pdf

³ Decision 4/CP.24 requests the UNFCCC Standing Committee on Finance (SCF) "to prepare, every four years, a report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement" (https://unfccc.int/sites/default/files/resource/10a1.pdf?download)

- Analysis and mapping of potential financing approaches for L&D, including innovative sources that may generate additional resources and analyse potential experience of implementation.
- Testing financing approaches and implementation methodologies against the humanrights-based approach.
- Address the double affectedness of climate impacts and indebtedness (climate risks increase the cost of capital for countries resulting in higher indebtedness and lower investment).

b) The role and contribution of the ExCom in the global stocktake as contained in decision 19/CMA.1

The COP has decided that L&D should be part of the global stocktake (GST; Art 14 of the Paris Agreement) but it remains open how it can be taken up. This provides a good possibility to include countries progress of L&D action and state of needs as an input for the GST. The ExCom should discuss its contribution to define on how L&D is featured in the global stocktake (e.g. what information and data is relevant to measure status quo of countries addressing L&D and support provided for addressing L&D) and how this information is considered for the outcome of the GST.

c) 2019 Report of the Executive Committee

The report of the ExCom has been used to report about what has been achieved in the last year. In order to make increased progress, it is important that the report also includes gaps and challenges the ExCom was facing.

During the last report session, the idea of a standardized template for the ExCom report was suggested. Such a template could consist of a) Status quo of ExCom activities with regard to the workplan – what could be accomplished b) Gaps: what activities couldn't be accomplished so far and for what reasons. What are topics that have been under-prioritized so far and for what reasons and c) what are challenges for the ExCom in implementing the workplan activities. This would ensure a balanced report and allow for identified gaps to be addressed in the next working period.

Important gap in the agenda: The Santiago Network on Loss and Damage

The Santiago network on Loss and Damage was established under the WIM at COP25⁴ and has the potential to evolve into an operational body parallel to the political body of the ExCom. It focuses on the implementation of relevant approaches to deal with unavoidable climate impacts and aims to support actors especially from developing countries.

The current agenda of the ExCom#12 meeting lacks an agenda point discussing this very network. So far, the process of setting up the network is not transparent: a website⁵ was set up but the engagement procedures are not explained, no responsible institution/person or possibilities to get in contact are mentioned.

Therefore, clarification of responsibility for setting up and operationalizing the network and related processes is necessary now. Moreover, the ExCom needs to discuss its role vis-à-vis the Santiago Network.

⁴ https://unfccc.int/resource/cop25/cma2_auv_6_WIM.pdf

⁵ https://unfccc.int/santiago-network

2.1 Observer participation

The last ExCom meeting #11 in March 2020 was held under very challenging circumstances with little time to prepare a virtual format. This resulted unfortunately in a meeting that was not very inclusive: Observers were only allowed to participate during parts of meeting days with informative character, without the possibility to speak and comment. They were excluded from the actual discussions – other than at physical meetings. Additionally, transparency of the process how comments and inputs that could be send digitally to the Secretariat wasn't provided.

The upcoming meetings should allow for meaningful participation of observers and enable them to participate in the discussions in real time. The ExCom/the Secretariat may draw from other bodies and committees experiences like the SCFs and GCF here, where observers got the chance to speak and provide input as part of the ongoing debates.

 Authors: Vera Künzel and Laura Schäfer

 Editing: Hanna Fuhrmann

 You can download this paper here: www.germanwatch.org/en/19345

 10|2020

 Germanwatch e.V.

 Office Bonn
 Office Berlin

Kaiserstr. 201 D-53113 Bonn Phone +49 (0)228 / 60 492-0, Fax -19 Website: www.germanwatch.org Office Berlin Stresemannstr. 72 D-10963 Berlin Phone +49 (0)30 / 2888 356-0, Fax -1 E-mail: info@germanwatch.org

This Briefing is part of the Germanwatch - Bread for the world Partnership "Klimapolitische Agenda 2020/21: Die Interessen der besonders Verletzlichen schützen, Ambition erhöhen und zivilgesellschaftliche Akteure stärken".

Responsibility for the contents rests with Germanwatch.



