



Submission by Bhutan on behalf of the Least Developed Countries Group on possible elements to be included in the terms of reference for the review of the Warsaw International Mechanism (WIM)

The Least Developed Countries (LDCs) welcome the opportunity to share their views on possible elements to be included in the terms of reference for the review of the Warsaw International Mechanism (WIM) referred to in decision 4/CP.22, paragraph 2(d), taking into account the outcomes of the implementation of the work of the Executive Committee, for consideration by the subsidiary bodies at their sessions to be held in June 2019.

Background

The LDCs recall decisions 3/CP.18 and 2/CP.19 as key pillars outlining the functions of the WIM and the role of the Convention in **promoting the implementation of approaches to address loss and damage associated with the adverse effects of climate change**. The three functions of the WIM should guide both the implementation of the WIM and the next review of the WIM to be completed at COP25:

- (a) Enhancing knowledge and understanding of comprehensive risk management approaches to address loss and damage associated with the adverse effects of climate change, including slow onset impacts;
- (b) Strengthening dialogue, coordination, coherence and synergies among relevant stakeholders; and
- (c) Enhancing action and support, including finance, technology and capacity building, to address loss and damage associated with the adverse effects of climate change, so as to enable countries to undertake actions pursuant to decision 3/CP.18, paragraph 6.

The LDCs further recall that as per decision 2/CP.19 paragraph 2, the Executive Committee of the WIM shall function under the guidance of, and be accountable to, the Conference of the Parties to guide the implementation of those functions and that the WIM may be enhanced and strengthened as per the Paris Agreement Article 8.

The LDCs also recall paragraph 2c of decision 4/CP.22 which recommends that future reviews of the WIM should consider, *inter alia*, progress on the implementation of the workplan of the Executive Committee (ExCom) of the WIM and the long-term vision that guides the ways in which the WIM may be enhanced and strengthened, as appropriate.

Expectations for the WIM review at COP25

As climate change is unfolding, it presents the unfortunate backdrop against which the review of the WIM is conducted. Countries are experiencing loss and damage from climate change and are faced with the burden of implementing measures to address unavoidable climate impacts. At the same time, the Intergovernmental Panel on Climate Change (IPCC) has published its Special Report on 1.5°C, including valuable information on loss and damage, such as the different types of limits to adaptation and associated losses that developing countries face. The Special Report on Climate Change and Land and the Special Report on the Ocean and Cryosphere in a Changing Climate are expected in August and September 2019, respectively.

In order to meet the rising needs of developing countries that emerge as a consequence of inadequate mitigation action and rising temperatures in particular, the fulfillment of the third function of the WIM should be critically reviewed.

The LDCs are of the view that the review of the WIM should be conducted in a comprehensive manner that allows for the available information to be thoroughly considered. The review should not be viewed as a mere formality of the UNFCCC process. Rather, the realities developing countries are facing and will be facing in the future need to be an integral part of the picture. The needs and costs for addressing loss and damage arising from the impacts that will be experienced, given the likely emission scenarios, must be at the core of the review itself, and the work of the WIM and its ExCom. Parties should be given ample opportunity to contribute their views and assessments of the effectiveness and efficiency of the WIM, both for the time leading up to the COP and during the COP25. Space should also be created for Parties to seek expert inputs before and during COP25.

Outputs of the review should provide clear guidance for enhancing the WIM, including the provision of new and additional finance for vulnerable developing countries, as well as a clear role(s) for the WIM in supporting the implementation of the relevant COP24/CMA1 outcomes. In addition, the review should also enhance and strengthen the WIM and provide a roadmap for meeting the needs of developing countries in 2024, when the WIM will next be reviewed, and beyond.

Inputs

Inputs for the WIM review should include the following:

- The report from the Suva Expert Dialogue;
- The technical paper on sources of financial support for addressing loss and damage;
- Submissions from Parties including on:
 - Views on the extent to which the WIM is meeting its mandate of addressing loss and damage in developing countries particularly vulnerable to the impacts of climate change and the work of the WIM thus far, including lessons learned and good practices that could be scaled up;
 - The needs of developing countries for addressing loss and damage including finance, capacity building and technology transfer as well as concrete measures that need to be implemented to address future loss and damage given emission scenarios;

- Views on how the WIM could be enhanced and strengthened to support the new processes and Party obligations resulting from the COP24/CMA1 outcomes, in particular under the Enhanced Transparency Framework, and in the context of the Global Stocktake;
 - Views on progress on the implementation of the workplan of the ExCom as well as its long-term vision that guides ways in which the WIM may be enhanced and strengthened (decision 4/CP.22, para 2(c))
 - Views on how the WIM may be enhanced and strengthened with respect to fulfilling the role under the Convention of promoting the implementation of approaches to address loss and damage
 - Views on how to enhance and facilitate synergies with other constituted bodies (e.g. CGE, AC, SCF) to enable them to deliver on their respective mandates with respect to implementing the Convention and the Paris Agreement and addressing loss and damage
- A synthesis of submissions from both Parties and observers;
 - A workshop bringing relevant stakeholders together to discuss the progress on implementing the WIM thus far and potential way of strengthening and enhancing the WIM to support the efforts of developing countries in addressing loss and damage;
 - A report on potential ways in which the WIM could be enhanced and strengthened, including institutional arrangements through which the WIM could channel finance to developing countries for addressing loss and damage;
 - A synthesis of available information on past, present and future financial needs for addressing loss and damage;
 - A synthesis of available scientific insights on the scale of observed and projected loss and damage, developing country challenges of addressing loss and damage and possible solutions (possibly in combination with a call for submissions from Parties and relevant organizations);
 - A fact sheet on observed temperature rise, climate change impacts and temperature trajectories resulting from current NDCs.

Process

The review of the WIM should follow a clear timeline that allows for substantive inputs to be provided by Parties and experts and for those inputs to be systematically assessed.

Submissions on the above issues should be called for during the meeting of the Subsidiary Bodies in June 2019. A synthesis of these submissions, as well as the synthesis reports outlined above should be made available before COP25.

To complement the written inputs and allow for thorough engagement, dedicated panels should be organized before and/or during COP25. These panels should be organized such as to include expert views on the inputs listed above, as well as inputs by representatives of affected countries and communities.

The WIM review should follow clear guiding questions that allow for a thorough assessment of its effectiveness and efficiency. Such questions include:

- What are the needs and challenges of developing countries with regard to addressing loss and damage?
- How is the WIM addressing these needs and challenges?
- How can the WIM be enhanced and strengthened to better address the needs and challenges?
- Does the WIM meet its third function such as enhance action and support, including finance, technology and capacity building to address loss and damage associated with the adverse effects of climate change (decision 2 CP/19 para 5 c), Decision 3 CP/18 para 5 c)? What is the source of finance for addressing loss and damage associated with the adverse effects of climate change as mentioned under the decision 4 CP/22 para 2 f? For the effective implementation of the 3rd function of the WIM, how would it be possible for the financial mechanisms of the Convention to support actions related to loss and damage in Developing Country Parties?
- Is the current structure of the WIM ExCom sufficient to implement the 3th function of the WIM? Do we need a financial facility to be established under the current WIM ExCom Structure to deal with financial support for addressing loss and damage associated with the adverse effect of climate change in developing countries?

Expected outcomes

The outcomes of the review of the WIM must provide clear guidance for strengthening and enhancing the WIM in order for the WIM to meet the needs of vulnerable developing countries.

At the same time, the role of the WIM in implementing the outcomes of COP24/CMA1 must be clarified and taken into consideration.

All the three functions, in particular the third function of enhancing action and support, must be fully implemented. As a crucial component of an enhanced WIM, the question of financial support for addressing loss and damage must be addressed and a clear roadmap for the WIM to facilitate the provision of enhanced action and support must be agreed and implemented. The expectations of the LDC Group is that the strengthening and enhancement of the WIM will include institutional arrangements to channel support to developing countries for addressing loss and damage.

Governance of the WIM

The LDCs are of the view that the role of the Convention is critically important in **promoting the implementation of approaches** to address loss and damage associated with the adverse effects of climate change includes these 3 functions of the WIM as per decision 3CP/18 para 5 and decision 2CP/19 para 5. On the other hand, the Article 8.2 of the Paris Agreement states that the WIM shall be subject to the authority and guidance of the CMA. However, modality and guidelines for the implementation of this issue are currently not in place or insufficient. In this regard, the LDCs are of the view that the WIM shall be under both the COP and the CMA.

The LDCs are of the view that a Party-driven process needs to be put in place at COP25 that will result in an agreed governance of the WIM, which takes into account both the decisions defining the role of the Convention and establishing the WIM and the Paris Agreement.