

SUBMISSION BY THE SENEGAL ON BEHALF OF THE LEAST DEVELOPED COUNTRIES (LDCS) GROUP ON THE SANTIAGO NETWORK FOR AVERTING, MINIMIZING AND ADDRESSING LOSS AND DAMAGE ASSOCIATED WITH THE ADVERSE EFFECTS OF CLIMATE CHANGE

The Least Developed Countries Group (LDC Group) welcomes the opportunity to submit their views on the following aspects of the Santiago Network for Loss and Damage (SNLD):

- Operational modalities
- Structure
- The role of the Ex Com and its expert groups, task force and technical expert group
- The role of L&D contact points and other relevant stakeholders
- Possible elements of the terms of reference of a potential convening or coordinating body that may provide secretarial services to facilitate work under the Santiago network.

I. Background

The Sixth Assessment WGI Report of the IPCC confirms that the world has already warmed by 1.1°C due to human activities and that climate extremes such as heatwaves, droughts, extreme precipitation, and storms are on the rise. While the report's findings show that 1.5°C is still within reach, the recently released Sixth Assessment WGII report confirms that climate change is already pushing human and natural systems beyond their ability to adapt and causing irreversible harm in the process. The report warns that while holding global warming closer to 1.5°C reduces projected losses and damages substantially, it does not eliminate them altogether and that it is the poorest vulnerable populations that face the greatest impacts. Additionally, the report warns that the current financial, governance and institutional arrangements are insufficient to comprehensively address such projected losses and damages, especially in the most climate vulnerable parts of the world.

The LDCs are disproportionately impacted by climate change and are already experiencing devastating losses and damages. A few examples serve to illustrate what loss and damage from climate change looks like across LDCs:

- In February this year, Cyclone Batsirai struck Madagascar, resulting in the loss of 120 lives, damaging over 124,000 people's homes, and leaving some 30,000 more displaced.

- The Hindu Kush Himalayan (HKH) region continues to face higher levels of warming than the global average, which has led to substantial decline in glacier, snow and permafrost and increased impacts on human and natural systems of the region. For example, as reported by the IPCC 2019 Special Report on the ocean and cryosphere, reductions in snow cover and the subsequent decline in soil moisture caused drying up of springs that were historical sources of irrigation water in three villages in Nepal. This has forced residents to start planning to move to lower altitudes of the country.
- In 2021, more than 780,000 people were affected by heavy rainfall and flooding in South Sudan. After three consecutive years of intense flooding, an estimated 2.5 million people face severe food insecurity with more than a 100,000 considered close to famine. As of 2021, 1.71 million people have been internally displaced as a result of such widespread flooding and continued violence in the country. According to IPCC's AR6 WGI report, such intense rainfall and flooding will only get worse in the country and surrounding region as global temperatures continue to rise.
- On 4th April 2021, Timor-Leste was hit by tropical cyclone Seroja causing heavy rain, flash floods and landslides in all 13 municipalities. It was reported that 42 people were killed, 25,022 households were severely affected, 4,384 houses were damaged and the country lost its public infrastructure at the amount of USD 225,000,000. It was reported that 12,378 people in Dili capital city were internally displaced.
- Somalia, Ethiopia and Kenya have faced several droughts over the last decade, often consecutively. In the last three years, as the region experiences low rainfall and drought conditions, crop production and water availability has dropped and livestock have been killed. As a result, an estimated 13 million people are threatened with hunger, families are forced to migrate and conflict between communities are on the rise. In 2021, because of severe drought in Ethiopia more than 6.8 million people in four regions and 26 zones were affected. Among this number >220,000 children faced malnutrition. In addition, 260,000 livestock died due to lack of food and water.

II. SNLD Context and Mandate

The SNLD was established at COP 25 in 2019 through Decision 2/CMA.2 as a mechanism to catalyze the technical assistance of relevant organizations, bodies, networks and experts for the

implementation of approaches to address loss and damage. Subsequently in 2021, at COP 26 in Glasgow, the following functions of the SNLD were set out in Decision 19/CMA.3, paragraph 9:

- (a) Contributing to the effective implementation of the functions of the Warsaw International Mechanism, in line with the provisions in paragraph 7 of decision 2/CP.19 and Article 8 of the Paris Agreement, by catalysing the technical assistance of organizations, bodies, networks and experts;
- (b) Catalysing demand-driven technical assistance including of relevant organizations, bodies, networks and experts, for the implementation of relevant approaches to averting, minimizing and addressing loss and damage in developing countries that are particularly vulnerable to the adverse effects of climate change by assisting in:
 - Identifying, prioritizing and communicating technical assistance needs and priorities;
 - Identifying types of relevant technical assistance;
 - Actively connecting those seeking technical assistance with best suited organizations, bodies, networks and experts;
 - Accessing technical assistance available including from such organizations, bodies, networks and experts;
- (c) Facilitating the consideration of a wide range of topics relevant to averting, minimizing and addressing loss and damage approaches, including but not limited to current and future impacts, priorities, and actions related to averting, minimizing, and addressing loss and damage pursuant to decisions 3/CP.18, and 2/CP.19, the areas referred to in Article 8, paragraph 4, of the Paris Agreement and the strategic workstreams of the five-year rolling workplan of the Executive Committee;
- (d) Facilitating and catalysing collaboration, coordination, coherence and synergies to accelerate action by organizations, bodies, networks and experts, across communities of practices, and for them to deliver effective and efficient technical assistance to developing countries;
- (e) Facilitating the development, provision and dissemination of, and access to, knowledge and information on averting, minimizing and addressing loss and damage, including comprehensive risk management approaches, at the regional, national and local level;

- (f) Facilitating, through catalysing technical assistance, of organizations, bodies, networks and experts, access to action and support (finance, technology and capacity building) under and outside the Convention and the Paris Agreement, relevant to averting, minimising and addressing loss and damage associated with the adverse effects of climate change, including urgent and timely responses to the impacts of climate change

Decision 19/CMA.3 also decided that the operational modalities, structure and terms of reference of the network as well as its relationship to existing bodies and other entities would be decided in COP27 at Sharm El-Sheikh and asked for Parties for an intersessional submission outlining their views on these matters.

III. THE SANTIAGO NETWORK ON LOSS AND DAMAGE (SNLD)

The understanding of the LDC Group is that the SNLD will serve as a technical arm of the Warsaw International Mechanism, complementing the ExCom as its policy arm, similar to the relationship between the CTCN and the TEC under the Technology Mechanism. We envision the development of a financial arm of the WIM as well, the Loss and Damage Finance Facility, that would provide finance for directly addressing loss and damage as well as for technical assistance through the Santiago Network. (Diagram 1)

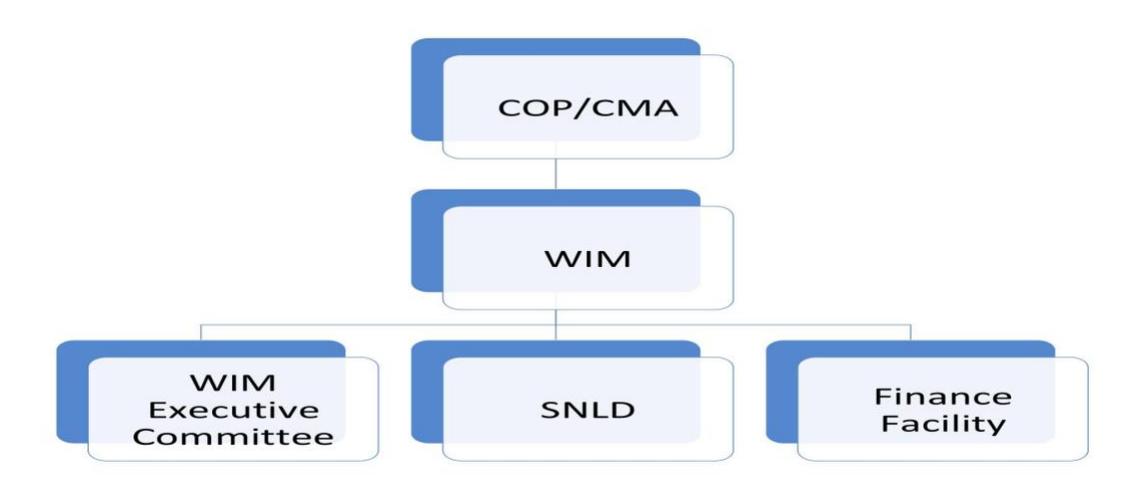


Diagram 1: Relationships between COP/CMA, the Warsaw International Mechanism, and current and future policy, technical, and financial arms of the WIM

A. Operational Modalities of the SNLD

The operational modalities of the SNLD must enable it to fulfil each of its functions effectively. In particular, the LDC group believes that **it is most critical to provide assistance in identifying needs, communicating those needs, and accessing the action and technical, financial, and capacity-building support needed to address those needs, as found in sub-paragraphs 9(b) and 9(f) of the decision.** Because these are critical functions of the SNLD, the group believes that the SNLD must be directed by a central body with full-time staff working to fulfil and effectively implement its functions. The central body must have the capacity to be proactive in ensuring that countries can avert, minimize and address loss and damage. **While fulfilling its functions, the SNLD and relevant national/regional OBNEs must adopt ways of working that ensure at all times that the processes are country-led and country-driven.**

1. Assisting in identifying and communicating technical assistance needs and priorities (sub-paragraph 9(b)(i))

Parties require technical assistance, capacity-building, and finance in order to identify and communicate their needs related to loss and damage. These needs for action and support include responding to extreme weather events, so the SNLD must be able to meet the identified needs of countries quickly and expediently. Needs also include assistance and support in evaluating the effectiveness of actions to address loss and damage. The SNLD will provide this assistance through the operation of its central implementing entity, in coordination with relevant and domestically / regionally active OBNEs and with the national loss and damage contact point.

A common needs assessment process should be formalized, with a view to producing national-level **Loss and Damage Needs Assessments** that could be the communication vehicle for technical assistance needs and associated finance needs. The Technology Needs Assessments under the Technology Mechanism could serve as a useful model for Loss and Damage Needs Assessments. The ExCom, through its expert groups, could provide technical guidance to carry out Loss and Damage Needs Assessments by developing a standard template and process for carrying out and communicating the Loss and Damage Needs Assessment. The point of contact for communicating needs could be the national contact point on loss and damage who will require adequate training and financial support in fulfilling this role. The national contact point could communicate the identified needs to the central implementing entity of SNLD as well as to the loss and damage financing facility. As the financing facility is not yet established, in the

interim, these needs could be communicated to existing financial entities, including to the operating entities of the Financial Mechanism.

The next step after the development of a Loss and Damage Needs Assessment will be to develop a national loss and damage action plan, which could serve to focus national loss and damage priorities for finance and technical assistance.

2. Assisting in identifying types of relevant technical assistance (subparagraph 9(b)(ii))

The SNLD implementing entity and OBNEs assist Parties in identifying the types of relevant technical assistance that can address the identified and communicated needs, including support needs.

3. Actively connecting those seeking technical assistance with best suited organizations, bodies, networks and experts (subparagraph 9(b)(iii))

The implementing entity actively connects Parties requiring assistance with those OBNEs that are able to provide assistance. Such an active role is necessary particularly in response to needs from extreme events, where immediate response is critical.

4. Assisting in accessing technical assistance available including from such organizations, bodies, networks and experts (subparagraph 9(b)(iv))

The SNLD, in coordination with OBNEs, assists countries in developing implementation frameworks, plans, and strategies based on the need assessments, and assists national entities to implement national level activities, including through identifying potential sources of support.

The SNLD requires dedicated and additional funding, including financing for carrying out Loss and Damage Needs Assessments as well as for the provision of technical assistance through the SNLD. Until the establishment of the Loss and Damage Finance Facility, financing should be provided through the operating entities of the Financial Mechanism.

B. The structure of the SNLD

As pictured in the diagram above, the SNLD serves as a technical arm of the WIM, complementing the existing policy arm, the WIM ExCom. We see the SNLD as analogous to the network element

of the CTCN (technical/implementation arm), which together with the TEC (policy arm) comprise the Technology Mechanism.

The SNLD must be directed by an implementing entity that has adequate staffing to fulfill network functions. An advisory committee/board would be required to guide the implementing entity in the operations of the Network, similar to the advisory board that guides the CTCN and ensures that the needs of the Parties are being met. The advisory committee would be composed of Parties and external actors and stakeholders, including but not limited to technical partners of the networks. Representatives from the WIM ExCom would sit on and report relevant work to the advisory committee.

The LDC group believes that we should look to the institutional arrangements and operations of the Technology Mechanism, including lessons learned during its establishment and operation, for guidance on how to design institutional arrangements under the Warsaw International Mechanism.

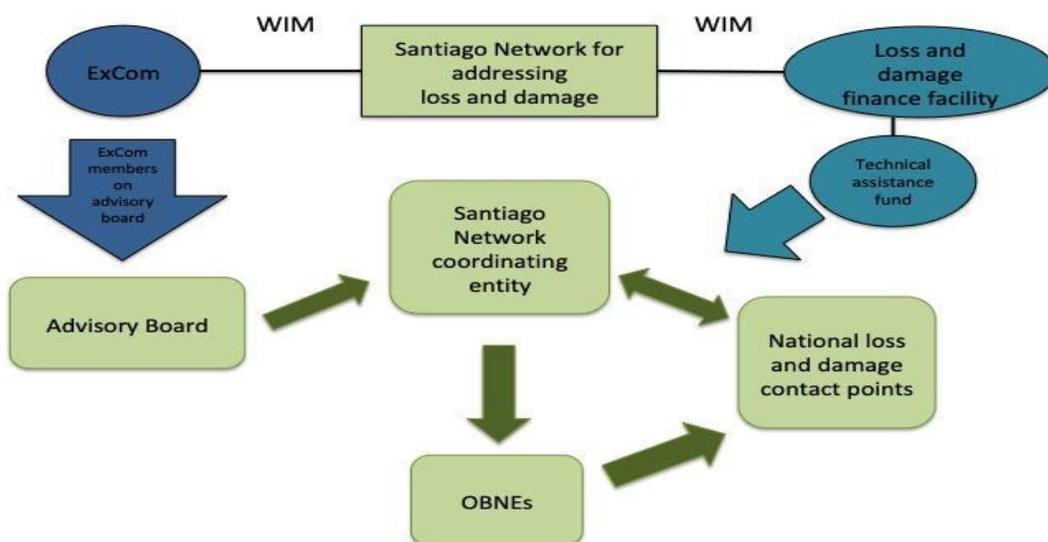


Diagram 2: Illustration of basic relationships between elements of the SNLD, the ExCom, and the Finance Facility. Note that many of these relationships within the SNLD are still to be defined, as will the composition of bodies such as the Advisory Board. The focus of the diagram is on the SNLD and it is not intended to reflect the entire structure and institutional arrangements of the

WIM, the ExCom, and the finance facility. Only SNLD-related elements of the ExCom and the finance facility are reflected in the diagram.

C. The role of the Ex Com and its task force and technical expert groups

The SNLD is an arm of the WIM that exists parallel to the ExCom. The role of the ExCom is to guide the implementation of the functions of the WIM and the SNLD will carry out some of the functions of the WIM. Therefore, the ExCom will also provide guidance to the SNLD.

Like the CTCN's Advisory Board, members of the WIM ExCom could sit on the SNLD's Advisory Board in their official capacity as ExCom representatives. This is one avenue for the ExCom to provide guidance to the SNLD.

Another channel for guidance to the SNLD is through cooperation with the ExCom's task force and technical expert groups. For example, the ExCom and its expert groups could provide guidance on the development of Loss and Damage Needs Assessment criteria and application, while the SNLD would provide support and capacity building to countries to carry out those Needs Assessments. The ExCom, through its expert groups, could provide technical guidance to carry out the Loss and Damage Needs Assessments through developing a standard template and process for carrying out and communicating the Loss and Damage Needs Assessment. The SNLD would then assist countries in developing implementation frameworks and plans based on the need assessment, and would assist national entities to implement national level activities.

D. The role of Loss and Damage national contact points and other relevant stakeholders

Loss and damage contact points would serve as contact points for the Santiago Network.

The Loss and Damage contact point and related national institutions must be capacitated to fulfil their role, including to identify loss and damage needs and to communicate these to the SNLD. Loss and damage contact points and national UNFCCC focal points will be important to coordinate stakeholders at the national level in identifying needs and communicating these to the SNLD. The SNLD should actively build in-country capacity of the loss and damage contact point and key institutions, so they can set up national-level systems to identify needs, communicate needs, access assistance, and ensure that support reaches the most vulnerable populations. Capacity should be built also to coordinate with OBNEs, as they will be crucial partners in assessing gaps, needs, and required technical assistance.

The implementing entity and the ExCom should guide the development of a comprehensive system, such as that which exists under the CTCN, wherein Loss and Damage contact points can

access capacity development, links to partners, guidance on approaches/methodologies etc. (Developing countries' Nationally Designated Entities are a vital intermediary between the CTCN and other national stakeholders and therefore play a major role in identifying and coordinating requests for technical assistance).

The contact point will have a critical role at the national level, and would be invited to regional and international platforms for discussions on technical issues related to loss and damage. Contact points will also play an important role in providing information on loss and damage assessments and needs to the country's biennial report to the transparency framework.

There should be an annual forum of contact points, where they can have a platform and make recommendations to the implementing entity.

E. The possible elements of the terms of reference of a convening or coordinating body

Taking as a model the terms of reference for the CTCN, set out in decision 2/CP.17, the possible elements of the terms of reference would include:

- Mission
- Functions, based on the functions of the SNLD set out in decision 19/CMA.3.
- Architecture of the SNLD, the relationship with the OBNEs, national contact points, advisory board, and relationship to the WIM and its Executive Committee
- Roles and responsibilities in relation to the functions of the SNLD
- Governance, including the role of the advisory board
- Organizational structure, including details on staffing and relationship with the host institution
- Reporting and review, and other aspects of SNLD communication with the COP/CMA
- Terms of agreement

IV. FINANCING LOSS AND DAMAGE

Dedicated funding for countries to address loss and damage is needed. LDCs maintain their position that such funding needs to be provided through a dedicated L&D Finance Facility. This will include but will not be limited to financing operations of the SNLD.

It is critical that the Finance Facility provides financial support that is additional to adaptation and mitigation finance. The quality of finance for loss and damage also needs to be assured. For LDCs it is critical that finance be provided in the form of grants that are readily available when needed, including fast-tracked fund disbursement for addressing extreme weather events.

Eventually the Loss and Damage Needs Assessments as carried out under the SNLD can act as one of the channels to inform the financial needs that the L&D Finance Facility must be able to meet. These needs include upfront capacity building and support for carrying out those Needs Assessments. L&D Finance as covered by the L&D Finance Facility would cover the full spectrum from assessment to full implementation, including monitoring and evaluation.

However, operationalization of the SNLD should not be conditional on the setting up of the L&D Finance Facility as loss and damage is occurring already and Parties require assistance now. The SNLD should work closely with the operating entities of the Financial Mechanism, particularly the GCF which is mandated to continue supporting L&D activities.
