



AOSIS submission on the 2019 review of the WIM

Introduction

Belize, on behalf of the Alliance of Small Island States (AOSIS), welcomes the opportunity to provide views on the review of the Warsaw International Mechanism for Loss and Damage (WIM), on the basis of the terms of reference (ToR), for consideration at the 51st meeting of the Subsidiary Bodies (SB 51).

AOSIS trusts that these views will form an instrumental part of the sources of input being used to inform the review process, as well as, its expected outcome – a set of recommendations that respond to the objective of the review.

I. Loss and damage and SIDS

A. AOSIS history as leaders in calling for a Convention-based approach to address loss and damage

AOSIS has a long history of calling for the Convention process to address loss and damage to the adverse effects of climate change. As far back as 1991, when the UNFCCC itself was still being drafted, AOSIS proposed the establishment of an international insurance pool. The proposal consisted of a collective loss-sharing scheme to compensate victims of sea-level rise. The scheme was to be funded by mandatory contributions from industrialised countries based on GNP and on relative greenhouse gas (GHG) emissions, i.e. contributions to the fund would be based on ability to pay as well as responsibility for impacts.

The basic concept of the 1991 AOSIS proposal is still valid. The link between GHG emissions and the adverse effects of climate change is now clear, corroborated by the evidence in the recent special reports adopted by the Intergovernmental Panel on Climate Change (IPCC). The current collective failure of Parties to commit to the required level of mitigation ambition to stay below 1.5°C and reach net-zero emissions by 2050 has increased the risk that significant loss and damage from the adverse effects of climate change will, in fact, occur. Plans need to be put in place now to ensure that SIDS and other particularly vulnerable developing countries are in a position to cope with impacts that cannot be reduced by adaptation and lead to loss and damage of the scale that threaten development objectives, the sustainability of natural ecosystems and, indeed, their very existence.

B. Conceptual Framework for Loss and Damage

With the establishment of the WIM in 2013 under the Convention, **Parties acknowledged that particularly vulnerable developing countries may not be able to adapt to all of the impacts of climate change¹, and that these countries must be supported to address the loss and damage that will result when adaptation is not enough; in other words, loss and damage**

¹ “Also acknowledging that loss and damage associated with the adverse effects of climate change includes, and in some cases involves more than, that which can be reduced by adaptation...” (decision 2/CP.19).



that will result despite different levels of adaptation and when these limits to adaptation are reached.

In its Fifth Assessment Report, Chapter 16 of the Intergovernmental Panel on Climate Change (IPCC) Working Group II's report introduces the notion of limits to adaptation. It characterises these limits as “soft” and “hard”. “Soft” limits are those that may occur at a particular point in time (e.g. when a hurricane hits), but could be alleviated over time through economic development and/or technological/cultural change, while “hard” limits are those where there are no reasonable prospects for avoiding intolerable risks, such as a systemic failure to mitigate greenhouse gas emissions sufficiently to hold the increase in global average temperature to well below 1.5°C.

Going forward, the framework for addressing loss and damage under the UNFCCC process must be able to assist particularly vulnerable developing countries to assess intolerable risks that result in loss and damage, quantify the enormity of the loss and damage and do as much as possible to prepare for it.

The kinds of impacts that this loss and damage framework must address are set out in decision 3/CP.18, namely **impacts from extreme weather events and slow onset events, as well as loss and damage related to areas for further work identified in paragraph 7 of the decision, such as non-economic losses and damages, migration, displacement and human mobility.**

C. Importance of the WIM to SIDS and other particularly vulnerable developing countries

AOSIS has consistently emphasised the critical importance of the WIM to SIDS and acknowledges that the WIM and its ExCom have done a good job of **beginning** the implementation of the functions of the WIM. The work of WIM has helped to raise the profile of loss and damage, including by enhancing our understanding of this important issue. Nonetheless, in the context of the impacts SIDS are experiencing now and the latest science projecting potentially insurmountable impacts, even where temperature rise is capped at 1.5°C, more needs to be done to link the work of the WIM to the urgent needs of SIDS and other particularly vulnerable developing countries.

D. What science is telling us

The recent IPCC special reports (1.5°C; climate change and land; oceans and the cryosphere) clearly identify potential impacts that will lead to extensive loss and damage in SIDS, should the long-term temperature limit not be met. Adaptation options – particularly ecosystem-based adaptation – become limited as temperatures exceed 1.5°C, leading to increased economic and non-economic loss and damage. Adjusted projections show an increase in the rate of sea level rise and frequency of extreme sea level events as temperatures warm, including the possibility of multi-meter sea level rise beyond 2100 under high-emission scenarios. These changes to sea levels alone imply significant and permanent loss of territory for SIDS and other countries with low-lying coastal communities. Projected terrestrial, marine and coastal impacts, as well as the effects of climate change on economic growth, all point to increased levels of loss and damage for SIDS and other particularly vulnerable developing countries. The three special reports



highlight the need for transformational responses to address climate change, including transformational adaptation approaches that may be accompanied by an increase in loss and damage due in part to the risk of reinforcing dominant political-economic structures and processes that constrain future adaptation options and incur significant socio-economic costs.²

Scientific information has also been produced outside of the IPCC process that further complements the evidence contained in the special reports of the IPCC. Among them is the most recent global assessment report (GAR) on biodiversity and ecosystem services published in May 2019 by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services. The GAR identifies climate change among the top three drivers of the adverse changes being observed in nature and therefore, a significant contributor to the loss of important ecosystems and species. It also outlines potential future threats caused by climate change, as a direct, as well as indirect driver of further decline.

In this context, ensuring that the WIM is "fit for purpose" is of critical importance to SIDS as loss and damage is projected to increase despite adaptation and mitigation efforts, and must be effectively addressed. This is particularly relevant in light of recent extreme events, e.g., Dorian in the Bahamas, which despite having a "Rolls Royce" early warning system, suffered extensive loss, including the loss of life, as well as damage to economic and social infrastructure and ecosystems and supporting services that may be irreversible. Most unfortunately, there are numerous examples of a similar nature that have affected nearly every corner of the developing world, including, to name a few, the tropical cyclones devastating Barbuda, Dominica, Fiji and Vanuatu; severe droughts, followed by intense flooding in India and surrounding States; the disappearance of islands in the Solomon Islands due to sea level rise, along with ensuing human displacement; coral bleaching and die off events due to ocean acidification and warming seas all over the world, including in the Caribbean, the Pacific, the Indian Ocean and Southeast Asia.

E. Needs of SIDS

There is global recognition of the extreme vulnerability of SIDS to climate change, and the ensuing impacts are beyond the capacity of many SIDS to address. SIDS will need substantial practical assistance, including financial support facilitated by the WIM as the body established under the Convention specifically to address loss and damage.

To address the current and impending loss and damage associated with climate change impacts, SIDS must be able to determine the following:

- **SCALE:** the quantum of the specific risks of loss and damage under different temperature scenarios;
- **TIMING:** the timeframe within which these risks are likely to be experienced and how these coincide with "measuring points" set out in the Paris Agreement, e.g. common timeframes for submitting NDCs, information related to loss and damage captured in biennial transparency reports, the periodic global stocktake and the global peaking aim expressed in Article 4.1;

² See IPCC, Special Report on Global Warming of 1.5°C, Chapter 5.3.3. See also IPCC, Fifth Assessment Report, Working Group II: Impacts, Adaptation, and Vulnerability, Chapter 16.4.2.



- **COST:** the potential economic and social costs of the impacts associated with these risks and the ecosystems and their services that will suffer significantly;
- **APPROACHES AVAILABLE:** the types of tools available and under development to manage, transfer and share these risks, building on the work of the WIM-related initiatives, including the Fiji clearing house for risk transfer, InsuResilience, Risk Talk and the relevant recommendations of the Task Force for Displacement;
- **IMPLEMENTING THESE APPROACHES:** ways to raise awareness of these tools and enhance access to and shape these tools to fit national circumstances;
- **PAYING FOR IT:** the resources that can be accessed to implement tools and approaches; including expanding upon innovative sources of financing, such as developing and expanding risk transfer facilities; developing and / or expanding on national / regional level solidarity funds; exploring a GCF window for loss and damage; and considering the establishment of a technical expert group for enhancing action and support that can focus on “how we pay for it”;

II. What should the review of the WIM achieve?

A. The integral nature of L&D to achieving the long-term goals of the Paris Agreement and by extension, the achievement of the ultimate objective of the Convention and what this means for future action

The ultimate objective of the Convention and the long-term goals of the Paris Agreement (on temperature, adaptation, finance) are meant to work in unison to ensure that SIDS and other particularly vulnerable developing countries can address loss and damage in a timely manner. Current levels of collective ambition in Parties' NDCs show that the temperature goal will not be met. This has a direct "knock on effect" in the ability of Parties to meet the long-term adaptation and finance goals, with the potential that adaptation may not be sufficient to reduce loss and damage. In short, unmet adaptation and finance goals translate to more loss and damage.

A successful WIM will result in particularly vulnerable countries having access to a range of support – e.g. tools, frameworks, funding – that can be readily accessed to respond to irreversible impacts from climate change from both a preventative and a restorative perspective; and for the WIM to initiate and provide leadership on programming that will make this support available and accessible, in a timely manner.

The review provides an opportunity for Parties to tie Article 8 directly to the long-term goals set out in Article 2 of the Paris Agreement and also to fulfil the ultimate objective of the Convention which led to the establishment of the WIM. The latest information coming out of the IPCC (e.g. SRs 1.5, land, and oceans) provides sufficient evidence of the direct link between mitigation ambition, limits to adaptation, the risk of loss and damage and helps to enumerate the cost of inaction. Also, in the context of linkages, the review provides Parties with the opportunity of determining how L&D could / should be included in biennial reporting under the enhanced transparency framework and aggregated information under the global stocktake and whether these are matters that the ExCom should be taking up under the five-year rolling workplan.



B. What has and hasn't been done so far?

The review is intended to assess progress to date, particularly by looking at the effectiveness of the WIM in carrying out its functions. This relates to the mandate articulated in previous COP decisions which, in summary, is to support particularly vulnerable developing countries to address loss and damage. **An honest look at how countries have benefited from the achievements of the WIM is the main determinant of effectiveness.** Important also is an assessment of the WIM with respect to action and support, with the technical paper on finance being an input. Where gaps have been identified, recommendations and decisions should be made to ensure that these are addressed in a fulsome manner.

C. What practical action could be taken to assist SIDS meet their needs?

While the nature of a "review" is backward-looking, the review must result in practical actionable recommendations that lead to a "quantum leap" in the effectiveness of the WIM in ensuring that SIDS and other particularly vulnerable developing countries can address loss and damage with the commensurate level of support required to do so.

AOSIS proposes the following actionable recommendations for future action:

- **Risk assessment and reporting on loss and damage**
 - The rollout of a programme of funded long-term risk assessments (LTRAs) in SIDS and other particularly vulnerable developing countries to assist them in preparing and maintaining inventories of assets at risk of loss or damage due to the adverse effects of climate change and in evaluating the scale of risk to these assets. These could be similar to the technical needs assessments (TNAs) operationalised under the TEC / CTCN. Work on these assessments that lead to asset inventories at risk could be fostered by the technical expert group on comprehensive risk management (TEG-CRM) or any other sub-group which may be established, as appropriate;
 - **Relevant workstream(s) under the ExCom's five-year rolling workplan: Workstreams (c), ³ (e)⁴**
 - **Links to other bodies and organisations both inside and outside the Convention and Paris Agreement: TEC / CTN, TEG-CRM, GCF, GEF**
 - Consistent with the development and implementation of long-term risk assessments (LTRAs, see above), the development of a standardised approach to quantifying the risk of loss and damage, consistent with the notion set out above that loss and damage is where soft and hard limits of adaptation lead to intolerable risks. This standardised approach should also be capable of

³ Five-year rolling workplan of the WIM ExCom, workstream (c): Enhanced cooperation and facilitation in relation to comprehensive risk management approaches (including assessment, reduction, transfer and retention) to address and build long-term resilience of countries, vulnerable populations and communities to loss and damage, including in relation to extreme and slow onset events.

⁴ Ibid, workstream (e): Enhanced cooperation and facilitation in relation to action and support, including finance, technology and capacity-building, to address loss and damage associated with the adverse effects of climate change.



quantifying actual losses and damages resulting from climate change impacts for reporting purposes (see below);

- Relevant workstream(s) under the ExCom's five-year rolling workplan: Workstreams (c)
- Links to other bodies and organisations both inside and outside the Convention and Paris Agreement: TEG-CRM, other relevant experts in the ExCom's roster of experts
- Dedicated work programme with the Consultative Group of Experts (CGE), Least Developed Countries Expert Group (LEG) and Adaptation Committee to incorporate the assessment of loss and damage, informed by the conceptual framework set out above, in their guidelines for preparing National Communications (NatComs), National Adaptation Plans (NAPs), the Adaptation Communication, and eventually Biennial Transparency Reports (BTRs) under the enhanced transparency framework (ETF) – with an important goal of assessing collective efforts related to addressing loss and damage under the global stocktake (GST) process;
 - Relevant workstream(s) under the ExCom's five-year rolling workplan: Workstream (c), (d)⁵ and (e)
 - Links to other bodies and organisations both inside and outside the Convention and Paris Agreement: Task Force on Displacement, TEG-CRM, NELs and SOE expert groups, Adaptation Committee, LEG, CGE, GCF, GEF
- Support the development and expansion of risk transfer facilities (e.g. CCRIF, ARC and PCRAFI) and foster the development and / or expansion of national / regional level solidarity funds (e.g. the EU solidarity fund; Mexico's FONDEN) for supporting persistent and longer-term impacts. This work will require synergies with bodies both inside (e.g. Adaptation Committee) and outside (e.g. UNDRR) the UNFCCC process, with the understanding that the risk transfer facilities would need to cover residual (intolerable) risks and impacts;
 - Relevant workstream(s) under the ExCom's five-year rolling workplan: Workstreams (c), (e)
 - Links to other bodies and organisations both inside and outside the Convention and Paris Agreement: SCF, CCRIF, ARC, PCRAFI, GCG, World Bank
- **Action and support**

As an introduction to this section, it is important to remember that one of the three functions of the WIM is to enhance action and support, including finance, technology and capacity-building, and from inception, the ExCom has included a strand of work aimed at enhancing cooperation and the facilitation of action and support, including

⁵ Ibid, workstream (d): Enhanced cooperation and facilitation in relation to human mobility, including migration, displacement and planned relocation.



finance, to address loss and damage associated with the adverse effects of climate change.

Regarding financial support, different impacts, e.g. extreme weather vs slow onset events, and subsequent types of loss and damage (economic vs non-economic) require different responses. For example, risk transfer schemes are more suitable for addressing extreme weather events. In contrast, non-insurance or contingency-based financing is more appropriate for slow onset events. **The work of the WIM on finance for loss and damage to date shows that further work is needed on the sustainability, affordability and accessibility of finance for particularly vulnerable developing countries to be able to effectively address loss and damage.**⁶

- Guidance to the GCF to expand its focus to include initiatives that specifically address loss and damage in particularly vulnerable developing countries, linked to NAPs, adaptation communications, national communications, NDCs, and other relevant national instruments, including arrangements for funding the preparation of BTRs in the future and the LTRAs;
 - Relevant workstream(s) under the ExCom’s five-year rolling workplan: Workstream (e)
 - Links to other bodies and organisations both inside and outside the Convention and Paris Agreement: GCF, Adaptation Committee, LEG, CGE
- Establishment of a formal process to provide technical support to particularly vulnerable developing countries during or following the onset of hazards that result in loss and damage. Similar, for example, to the collaborative, post-disaster support to Barbuda by the CTCN following Hurricane Irma, which, inter alia, assisted with the development of plans to “build back better” following extensive loss and damage.;
 - Relevant workstream(s) under the ExCom’s five-year rolling workplan: Workstream (e)
 - Links to other bodies and organisations both inside and outside the Convention and Paris Agreement: TEC / CTCN, GCF
- A separate emergency response window in the GCF with an expedited approval process to enable a decision being made no later than seven days after loss and damage resulting from extreme weather event;

⁶ For example, the **2016 SCF Forum** on financial instruments that address the risks of loss and damage associated with the adverse effects of climate change where one important conclusion was that further discussion is needed on the sustainability, affordability and accessibility of financial instruments, in particular, for the most vulnerable; the **2018 Suva Expert Dialogue** where, among other things, participants pointed to a need for a better understanding of ways in which the GCF and other financial mechanisms and entities can support Parties in their efforts to address loss and damage; and the **2019 technical paper** elaborating the sources of and modalities for accessing financial support for addressing loss and damage - with one of its findings being that presently, financial flows are not yet tagged in a way that readily enables tracking of finance that may be considered relevant for addressing loss and damage resulting in adaptation being used as a proxy for tracking loss and damage, which ignores the acknowledgement by Parties that loss and damage “involves more than that which can be reduced by adaptation” (decision 2/CP.19).



- Relevant workstream(s) under the ExCom’s five-year rolling workplan: Workstreams (a),⁷ (c), (d), (e)
- Links to other bodies and organisations both inside and outside the Convention and Paris Agreement: GCF, SCF
- The establishment of an expert group to address enhanced action and support for addressing loss and damage has been envisioned. Such a group would have the objective of achieving directed support for loss and damage in SIDS and other particularly vulnerable developing countries. See decisions 4/CP.22, [paragraph 4\(b\)](#) and 5/CP.23, [paragraph 20](#), which read as follows:
 - 4/CP.22, [paragraph 4\(b\)](#): “*Recommends* that the following may advance the work of the Executive Committee: Considering the establishment of, as appropriate, additional expert groups, subcommittees, panels, thematic advisory groups or focused working groups to assist it in conducting its work and supporting its efforts to enhance action and support for loss and damage as provided for in decision 2/CP.19, paragraph 5(c)(i–iii)”;
 - 5/CP.23, [paragraph 20](#) : “*Encourages* the Executive Committee to collaborate with other bodies under the Convention and the Paris Agreement within the scope of their respective mandates and to continue considering ways of facilitating the mobilization and securing of expertise, and the enhancement of support, including finance, technology and capacity-building, including its work on enhancing action and support, and when considering the composition and mandates of its expert groups and those it may establish;”
- Relevant workstream(s) under the ExCom’s five-year rolling workplan: Workstream (e)
- Links to other bodies and organisations both inside and outside the Convention and Paris Agreement: TEC / CTCN, PCCB
- Long-term support from the programme budget to ensure that the work of the WIM is sufficiently and reliably funded, including support for expert groups;
 - Relevant workstream(s) under the ExCom’s five-year rolling workplan: All workstreams
 - Links to other bodies and organisations both inside and outside the Convention and Paris Agreement: All relevant stakeholders
- **Areas requiring further work**
 - Expansion of the work of the ExCom on slow onset events (SOEs) to incorporate the latest IPCC projections on sea level rise, linking with the rollout of LTRAs in SIDS and other particularly vulnerable developing countries;

⁷ Five-year rolling workplan of the WIM ExCom, workstream (a): Enhanced cooperation and facilitation in relation to slow onset events.



- Relevant workstream(s) under the ExCom’s five-year rolling workplan: Workstreams (a), (c)
 - Links to other bodies and organisations both inside and outside the Convention and Paris Agreement: IPCC and relevant partners in the SOE database
- **General**
 - Loss and damage well integrated with other areas of work under the Convention and Paris Agreement (e.g. the ETF and the GST),⁸ as well as, related work outside the process;
 - Relevant workstream(s) under the ExCom’s five-year rolling workplan: All workstreams
 - Links to other bodies and organisations both inside and outside the Convention and Paris Agreement: Relevant bodies and organisations already linked to workstreams, including, but not limited to, those with representatives on WIM ExCom sub-groups

From the perspective of financing approaches to address loss and damage, and in the context of the recommendations listed above, a practical route to marshalling finance for loss and damage under the aegis of the WIM would be to consider models employed by other constituted bodies, e.g.

- the TNA under the TEC / CTCN (TNAs are funded by the GEF and the CTCN helps countries develop project proposals based on them; For example: the joint work of the ExCom and TEC / CTCN has the potential for leading to action on coastal zone management (with the example of the CTCN’s work with Barbuda post Hurricane Irma).
- the NAP process being guided by the LEG / AC; (the GCF readiness funding is aimed at adaptation planning). It should be noted that Saint Lucia included an L&D (limits to adaptation) chapter in its NAP, which opens the door for GCF funding of L&D-related activities. There is, therefore, potential for institutionalising this individual national-level initiative;
- the NatCom and the BUR (and in time the BTR under the ETF) which are / and will be guided by the CGE and funded by the GEF.

Based on the “track record” of other constituted bodies under the Convention, the overall proposal is for the WIM to guide loss and damage planning and assessment processes that are then implemented by funding from the existing entities of the financial mechanism and / or bilaterally funded, which in turn lead to fundable projects.

III. How the elements of the ToR will help achieve this

The ToR includes scientific and technical reports as sources of information for the review. This is critical for SIDS, particularly in light of the increasingly severe impacts in SIDS and the

⁸ The review provides Parties with the opportunity to determine how loss and damage should be included in biennial reporting under the ETF and aggregated information under the GST and whether these are matters that the ExCom should be taking up under its five-year rolling workplan.



emerging science that tells us these will continue and will get worse. **The way in which the WIM is working and serving particularly vulnerable developing countries must be reviewed and evaluated against the current science and recommendations emanating from the review must be made with a view to ensuring that the best available science informs all future work of the WIM.** This includes:

- Structure and effectiveness;
- Barriers and gaps, challenges and opportunities;
- Technical paper on finance for L&D recommendations;
- Submissions from Parties and relevant stakeholders;
- SB 51 mandated event: AOSIS proposes that this be structured to include invitations to experts to present and facilitate on the basis of a series of guiding questions that address the functions, structure, resourcing and activities of the WIM, as follows:
 - What kind of support do countries need to address loss and damage?
 - What should countries expect from the WIM to help fulfil these needs?
 - Is resourcing for the work of the WIM, its ExCom and its activities sufficient?
 - If not, how could more reliable resourcing be secured and what scale is needed to provide confidence that the WIM can carry out its mandate?
 - How might the best available science be used most effectively to inform and focus the work of the WIM?
 - Is there additional technical work the WIM should undertake or commission to support the needs of particularly vulnerable developing countries?
 - How might the governance structure of the WIM be improved or augmented to ensure that it provides a timely response to the current and future needs of SIDS and other particularly vulnerable developing country Parties?

IV. Governance issue

Acknowledging that the review of the WIM and its future governance structure are related, Parties should work to separate the review and its outcomes from the issue of which body (COP, CMA, COP / CMA) should govern the WIM. Nevertheless, the question of governance will arise, must be considered and should be discussed. AOSIS has stated its position on this matter – most recently articulated in its submission of March 2019:

"AOSIS is of the view that the WIM must continue to take guidance from both the COP and the CMA going forward. This is consistent with the COP's decision on the role of the Convention in promoting the implementation of approaches to address loss and damage and its understanding that Paris Agreement, Article 8, complements this role."

The interpretation that the CMA has exclusive authority over WIM matters is one that AOSIS regards as inconsistent with Article 8 and its broader legal context. Our rationale for this position can be summarised as follows:

- The WIM was established under the Convention and decision 3/CP.18 highlights the important and fundamental role of the Convention in addressing loss and damage. Were the CMA to be granted exclusive authority over the WIM, we would run the grave risk of losing sight of, or in fact negating the agreed fundamental role of the Convention;



- By the same decision (3/CP.18), the COP reaffirmed the need for Parties to take precautionary measures, in accordance with the principles and provisions of the Convention, to anticipate, prevent or minimise the causes of climate change and mitigate its adverse effects and underlined that the lack of full scientific uncertainty should not be used as a reason to postpone action. This is a very strong reaffirmation that ties the role of the Convention in addressing loss and damage directly back to its founding principles and ultimate objective, on which the Paris Agreement itself is grounded.

From a practical perspective, the WIM has been serving both the COP and the CMA since the Paris Agreement came into force, and AOSIS sees no need to change the arrangement. It is consistent with the COP's decision on the role of the Convention in implementing approaches to address loss and damage and the understanding that the Paris Agreement complements this role.

It should be noted that there is precedence for a dual governance role, e.g. the TEC / CTCN is subject to dual governance, as are the SCF, the CGE and other constituted bodies. Also, at least in the near term, the Adaptation Fund also has "two masters", which is an arrangement agreed to by all Parties. **Having "two masters" allows the WIM to draw on the rich history of decisions on loss and damage under the COP, as well as to be directed by future decisions made by the CMA and COP in efforts to achieve the long-term goals of the Paris Agreement.** Annual consideration of the work of the WIM's ExCom is carried out jointly by the subsidiary bodies, as will be the 2019 and future reviews. The subsidiary bodies serve both the COP and the CMA and there should be nothing stopping the subsidiary bodies from reporting on their activities to both governing bodies.



Annex – The WIM and the Convention

A. Decision 3/CP.18

1. The role of the Convention

The Convention has the ultimate objective of stabilising greenhouse gas emissions to prevent “dangerous anthropogenic interference” in a manner that would “allow ecosystems to adapt naturally to climate change” and “allow economic development to proceed in a sustainable manner”. Article 3 of the Convention recognises the needs and special circumstances of particularly vulnerable developing countries in implementing this objective.

Decision 3/CP.18 is an expression of the culmination of the two-year work programme on loss and damage, where the final task of the work programme was for Parties to determine the role of the Convention in promoting the implementation of approaches to address loss and damage. This role is set out as follows:

- (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;
- (c) **Enhancing action and support, including finance, technology and capacity-building**, to address loss and damage associated with the adverse effects of climate change; (decision 3/CP.18, paragraph 5)

Decision 3/CP.18 also sets out clearly the set of activities Parties should do to address loss and damage, as well as further work required to advance the understanding of, and expertise on, loss and damage. While we are now nearly a decade on, both of these aspects of the decision provide clear and straightforward direction and remain eminently relevant today.

2. What Parties should do (decision 3/CP.18, paragraph 6)

Paragraph 6 of decision 3/CP.18 sets out a non-exhaustive list of activities that Parties are invited to take to enhance action on addressing loss and damage associated with the adverse effects of climate change. These activities include assessing the risk of loss and damage; implementing country-driven risk management strategies; systematic observation; and sharing relevant data, with the aim of involving vulnerable communities and promoting enabling environments.

This paragraph is directly tied to the functions of the WIM set out in decision 2/CP.19, paragraph 5. In particular, the WIM’s third function on action and support, which ties the provision of finance, technology and capacity-building to undertake the actions set out in decision 3/CP.18, paragraph 6. Paragraph 6, therefore, provides Parties with a checklist for carrying out the review of the WIM to determine how effective it has been in enhancing this action and support.



3. Further work required (paragraph 7)

In addition to setting out a list of actions Parties should implement in their pursuit to address loss and damage, decision 3/CP.18 acknowledges that further work is required to advance the understanding of and expertise on loss and damage. This paragraph provides a comprehensive set of issues, which includes the risk of slow onset events, and approaches to address them; non-economic losses and damages; the collection and management of relevant data; how approaches to address loss and damage may be integrated into climate-resilient development processes; and how impacts of climate change are affecting patterns of migration, displacement and human mobility.

Decision 2/CP.19 links paragraph 7 to the first function of the WIM of enhancing knowledge and understanding of comprehensive risk management approaches to address loss and damage, more specifically in the area of addressing gaps in the understanding of and expertise in approaches to address loss and damage. The provisions in decision 3/CP.18, paragraph 7 can be added to the actions set out in paragraph 6 in determining the effectiveness of the WIM and it ExCom in implementing it functions.

B. The establishment of the WIM in light of this role

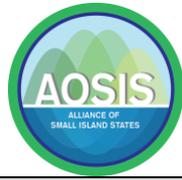
The establishment of the WIM in 2013 under the Convention went a step further by acknowledging that particularly vulnerable developing countries may not be able to adapt to all of the impacts of climate change, and that these countries must be supported to address the loss and damage that will result despite different levels of adaptation and when these limits to adaptation are reached. This remains even more relevant today, particularly as countries are increasingly experiencing devastating and unprecedented loss and damage associated with human-induced climate change and as the science shows, will worsen without significant increases in mitigation ambition globally.

1. Functions of the WIM as they relate to the Role of the Convention

The functions of the WIM incorporate (without exception) and expand upon the agreed role of the Convention in promoting the implementation of approaches to address loss and damage (decision 3/CP.18, paragraph 5). As described above, the functions further speak directly to the implementation of paragraphs 6 and 7. The WIM, therefore, is firmly grounded in the notion that the Convention has a clearly articulated role in addressing loss and damage.

2. Initial two-year workplan

In decision 2/CP.19, Parties requested the ExCom to develop its initial two-year workplan for the implementation of the functions of the WIM, taking into account the issues outlined in decision 3/CP.18, paragraphs 6 and 7. Accordingly, the ExCom prepared a workplan with the following Action Areas:



Action Area 1: Enhance the understanding of how loss and damage associated with the adverse effects of climate change affect **particularly vulnerable developing countries**, segments of the population that are already vulnerable owing to geography, socioeconomic status, livelihoods, gender, age, indigenous or minority status or disability, and the ecosystems that they depend on, and of how the implementation of approaches to address loss and damage can benefit them

Action area 2: Enhance the understanding of, and promote, **comprehensive risk management** approaches (assessment, reduction, transfer, retention), including social protection instruments and transformational approaches, in building long-term resilience of countries, vulnerable populations and communities

Action area 3: Enhance data on and knowledge of the risks of **slow onset events** and their impacts, and identify ways forward on approaches to address slow onset events associated with the adverse effects of climate change with specific focus on potential impacts, within countries and regions

Action area 4: Enhance data on and knowledge of **non-economic losses** associated with the adverse effects of climate change and identify ways forward for reducing the risk of and addressing non-economic losses with specific focus on potential impacts within regions

Action area 5: Enhance the understanding of the capacity and coordination needs with regard to **preparing for, responding to and building resilience** against loss and damage associated with extreme and slow onset events, including through recovery and rehabilitation

Action area 6: Enhance the understanding of and expertise on how the impacts of climate change are affecting patterns of **migration, displacement and human mobility**; and the application of such understanding and expertise

Action area 7: Encourage comprehensive risk management by the diffusion of information related to **financial instruments and tools** that address the risks of loss and damage associated with the adverse effects of climate change to facilitate finance in loss and damage situations in accordance with the policies of each developing country and region, taking into account the necessary national efforts to establish enabling environments. These financial instruments and tools may include: comprehensive risk management capacity with risk pooling and transfer; catastrophe risk insurance; contingency finance; climate-themed bonds and their certification; catastrophe bonds; and financing approaches to making development climate resilient, among other innovative financial instruments and tools

Action area 8: **Complement, draw upon the work of and involve, as appropriate, existing bodies and expert groups** under the Convention, as well as relevant organizations and expert bodies outside the Convention at all levels, as the Executive Committee executes the above-mentioned elements of the workplan

Action area 9: Develop a **five-year rolling workplan** for consideration at COP 22 building on the results of this two-year workplan to continue guiding the implementation of the functions of the Warsaw International Mechanism

Because the scope of the 2019 review of the WIM is from its establishment, it will be necessary to consider how well the ExCom has implemented the activities under each of these action areas. It is important to note that a number of activities in the initial two-year workplan were forwarded to the five-year rolling workplan, which was finalised and endorsed by the COP at COP 23 in 2017.



3. Five year rolling workplan

As mandated in action area 9 of the ExCom's initial two-year workplan, the ExCom developed a five-year rolling workplan, but was only able to present an indicative framework for the workplan at COP 22 (Marrakech, 2016). Parties approved this indicative framework for the five-year rolling workplan and asked the ExCom to use the framework as the basis for developing corresponding activities. The ExCom presented a workplan to Parties in 2017 with activities, following the approved indicative framework. Parties noted that the five-year rolling workplan would enable the timely consideration of cross-cutting issues and current, urgent and emerging needs.

The ExCom plans to evaluate progress made towards implementing this workplan in 2020, at which time additional activities may be added to the workplan. The workstreams under the five-year rolling workplan are as follows:

Strategic workstream (a): Enhanced cooperation and facilitation in relation to **slow onset events**

Strategic workstream (b): Enhanced cooperation and facilitation in relation to **non-economic losses**

Strategic workstream (c): Enhanced cooperation and facilitation in relation to **comprehensive risk management** approaches (including assessment, reduction, transfer and retention) to address and build long-term resilience of countries, vulnerable populations and communities to loss and damage, including in relation to extreme and slow onset events, inter alia, through: emergency preparedness, including early warning systems; measures to enhance recovery and rehabilitation and build back/forward better; social protection instruments, including social safety nets; and transformational approaches

Strategic workstream (d): Enhanced cooperation and facilitation in relation to **human mobility, including migration, displacement and planned relocation**

Strategic workstream (e): Enhanced cooperation and facilitation in relation to **action and support**, including finance, technology and capacity-building, to address loss and damage associated with the adverse effects of climate change