

SUBMISSION BY FRANCE AND THE EUROPEAN COMMISSION ON BEHALF OF THE EUROPEAN UNION AND ITS MEMBER STATES

Subject: Santiago network Submission

Paris, 15 March 2022

Summary box

- Operationalising the Santiago network quickly is a priority for the EU, given the importance of its mandate and functions. A process towards this was agreed in Glasgow, which the EU will participate in and support. This requires the development of terms of reference for a body that would facilitate work under the Santiago network through hosting its secretariat and the proper management of the funds provided for technical assistance. The terms of reference for such a potential body should be discussed and agreed at SB56 for adoption at CMA4, followed by a selection process concluded with a decision at CMA5. The EU is open to practical suggestion for interim activities, which could be undertaken by the UNFCCC Secretariat.
- To ensure that the Santiago network fulfils its mandate, it will need to be guided by operational modalities. This submission suggests some, with the view to maximize effectiveness and efficiency.
- Modalities for the management of the funds and for the terms for their disbursement could include criteria to facilitate demand-driven technical assistance for the poorest and most vulnerable countries and communities as well as criteria for selecting technical assistance with a leverage effect.
- In order to bring in the different communities of practice (e.g. climate, development, disaster risk reduction, humanitarian etc.) and embrace the great variety of activities relevant to avert, minimize and address loss and damage associated with the adverse effects of climate change, the EU would favour entrusting a pre-existing and well-functioning organisation outside the UNFCCC with providing secretarial services to the Santiago network. However, the EU welcomes all applicants to express their interest in hosting the Santiago network Secretariat.
- The Santiago network Secretariat (SN Secretariat) does not have an implementing role but should catalyse the efforts of Organisations, Bodies, Networks and Experts (OBNEs) that are or will be part of the network. The body will therefore play a facilitating / coordinating / convening role, thus avoiding the risk of competing with OBNEs.
- To fulfil its functions, the Santiago network should have robust governance arrangements in place while remaining light and agile.
- As the Santiago network is a part of the Warsaw International Mechanism (WIM), it should have a strong connection to the Executive Committee (ExCom) of the WIM, its expert groups, task force and technical expert group. The EU believes that the network can benefit from their broad knowledge.
- The EU believes a clear, inclusive, transparent and competitive selection process is needed to select a body hosting the SN Secretariat. Laying out specific criteria that could be included in Terms of Reference could prove useful in this regard.

Introduction

The recent IPCC reports are clear on the increasing adverse effects from climate and weather extremes, as well as slow onset events.

The Glasgow Climate Pact reiterates the urgency of scaling up action and support and the importance of demand-driven technical assistance in building capacity to implement approaches to averting, minimizing and addressing loss and damage associated with the adverse effects of climate change.

The Santiago network for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change aims to catalyse the technical assistance of relevant organisations, bodies, networks and experts (OBNEs) for the implementation of relevant approaches at the local, national and regional level in developing countries that are particularly vulnerable to the adverse effects of climate change. Its functions have been agreed at CMA3 and are set out in Paragraph 9 of Decision 19/CMA.3.

The European Union and its Member States (EU) welcome the opportunity to respond to the invitation in paragraph 10 of Decision 19/CMA.3 to provide further views in relation to the operationalisation of the Santiago network, for consideration at the technical workshop ahead of and at SB 56.

The EU sees great value in the Santiago network and is keen to contribute to making it operational as quickly as possible. The EU also wishes to recall its initial reflections on the operationalisation of the Santiago network¹ and the input provided to the COP Presidencies' consultations in 2021. The EU has also engaged in substantial outreach to potential members of the Santiago network.

To maintain momentum towards full operationalisation and to signal the value of the Santiago network, several EU Member States have pledged contributions to the Santiago network, amounting to approx. 25M €. This complements the broader funding the EU provides to organisations, bodies, networks and experts engaged in implementing technical assistance for relevant approaches to averting, minimizing and addressing loss and damage.

1. Timeline

Operationalising the Santiago network quickly is a priority for the EU, given the importance of its mandate and functions. A process towards this was agreed in Glasgow, which the EU will participate in and support. This requires the development of terms of reference for a body that would support the network through virtual convening of its members, hosting its secretariat and through the proper and impartial management of the funds provided for technical assistance. The terms of reference for such a body should be discussed and agreed at SB56 for adoption at CMA4, followed by a selection process concluded with a decision on a convening body at CMA5.

The EU is keen to see the Santiago network fully operational, but respects the need to identify robust organisational arrangements through the process agreed in Decision 19/CMA.3, as outlined above, and recognises the time needed for a transparent and inclusive process. The EU is open to practical suggestions for interim activities, which could be undertaken by the UNFCCC Secretariat according to paragraph 11 of decision 19/CMA.3. This is to phase-in work while institutional arrangements are still discussed.

In carrying out these interim activities, the UNFCCC Secretariat should build on the outreach it led in 2020 through the Santiago network survey, using 2022 and 2023 to consult Parties and OBNEs on specific topics and related technical assistance priorities. This is to have an initial viable pipeline of technical assistance options identified for when the selection of a convening body has concluded and the modalities for the management of the funds for technical assistance are decided. These interim activities should be undertaken by the UNFCCC Secretariat subject to the availability of financial resources as per paragraph 15 of Decision 19/CMA.3.

2. Operational modalities

¹ Starting with the voluntary Submission on the Santiago network from 2021: <https://www4.unfccc.int/sites/SubmissionsStaging/Documents/202103221135---PT-22-03-2021%20EU%20submission%20on%20Santiago%20Network.pdf>

The operational modalities of the Santiago network should be established on the basis of the functions it will carry out, as agreed in Glasgow.

a. General operational modalities:

To ensure effectiveness and efficiency, the Santiago network will need to be guided by operational modalities.

These could include, among others:

- Engaging relevant actors from within and outside of UNFCCC/Paris Agreement processes, leveraging its position as part of the Warsaw International Mechanism to extend its reach to OBNEs at local, national, regional and global levels,
- Remaining demand-driven in delivering its functions set out in Paragraph 9 of Decision 19/CMA.3,
- Tailoring its products and services according to the technical assistance needs and priorities of the poorest and most vulnerable countries and communities,
- Maintaining a lean and agile institutional structure, thereby leveraging the strengths of its members' capacities and reach and minimising bureaucratic procedures,
- Carrying out its functions in a cost effective, efficient, transparent manner, using result-oriented approaches and employing strong systems for communication and monitoring.

This would ensure that the Santiago network provides a truly added-value while minimizing potential overlaps and duplication with existing actors.

b. Modalities for the management of funds provided for technical assistance:

As per paragraph 69 of 1/CMA.3, a body hosting the SN Secretariat will administer the funds provided for technical assistance under the Santiago network.

Accordingly, modalities for the management of the technical assistance funds and for the terms for their disbursement could include the following:

- Criteria to facilitate demand-driven technical assistance for the poorest and the most vulnerable countries and communities. This could include establishing a simple, demand driven application process; setting guidelines for a minimum percentage of technical assistance provided to the OBNEs through the network for the poorest and most vulnerable countries; setting a ceiling for each disbursement etc.
- Criteria for focusing on technical assistance that could include its potential leverage effect where relevant, e.g. technical assistance that can help mobilise funding from different sources outside and inside the Convention and the Paris Agreement.

3. Structure

To reflect the range of OBNEs and the complex and vulnerable contexts in which they work in, it is important that the arrangement for the SN Secretariat is firmly grounded in the humanitarian and development cooperation systems, while maintaining close links with UNFCCC and Paris Agreement. This will allow greater reach and relevance to existing coordination structures.

Consequently, and to tap into the wide range of responses required to avert, minimize and address loss and damage, the EU would favour having a functioning organisation outside the UNFCCC as the host of the SN Secretariat –preferably a body with the capacity for a governance structure as set out below.

However, the EU welcomes all relevant applicants to express their interest in hosting the SN Secretariat and is committed to a transparent, inclusive and impartial selection process.

a. A body hosting the Santiago network Secretariat (SN Secretariat)

A body hosting the SN Secretariat should facilitate the Santiago network fulfilling its functions, by leveraging the capacities, reach and implementing activities of its members, and by limiting its action to areas that fall into the exclusive competence of the SN Secretariat. The SN Secretariat does not have an implementing role

but should catalyse the efforts of OBNEs. The convening body could therefore play a facilitating and/or coordinating role, thus avoiding the risk of competing with the work of OBNEs.

The body should administer the funds for the technical assistance to be implemented by the OBNEs.

It could assist OBNEs in responding to the invitation from 2/CMA.2 para 44 to report on their progress to the WIM Executive Committee.

It should also have a close working arrangement with the WIM ExCom and its expert groups, technical expert group and task force.

In order to ensure robust governance and to hold the SN Secretariat to account, supervision and scrutiny arrangements will be required. These will need to ensure that the institutional arrangements of the Santiago network remain light and agile, while retaining the ability to provide meaningful oversight and monitoring services.

b. Santiago network Membership

The EU believes it is essential that the membership of the Santiago network is broad and includes OBNEs from different practices and knowledge and action communities, including humanitarian, development and climate actors. We therefore suggest a broad outreach to networks, such as the organisations that have committed to the Climate and Environment Charter for Humanitarian Organisations². The EU would like to refer to its [previous submission](#) where it has also provided a comprehensive list of initiatives and organisations that should be considered.

4. The role of the ExCom and its expert groups, task force and technical expert group

As the Santiago network is a part of the WIM and one of its functions is to contribute to the effective implementation of the functions of the Warsaw International Mechanism³ by catalysing the technical assistance of organizations, bodies, networks and experts, the EU believes it is key for the Santiago network to have a strong connection to the ExCom, its expert groups, task force and technical expert group.

This could be done by:

- The ExCom nominating some ExCom Members to act as champions for the Santiago network, with the purpose of sharing information, ensuring synergies and complementarity. These “ExCom champions for the Santiago network” should be given the possibility to advise on the work of the Santiago network.
- Encourage OBNEs to report to the ExCom in accordance with Decision 19/CMA.3 and Decision 2/CMA.2 on their activities under the Santiago network.
- Ensure coordination and complementarity between the Santiago network and ExCom meetings and outreach events, to ensure the Santiago network is contributing to the effective implementation of the functions of the WIM (including through virtual participation and communications where feasible).

5. The role of L&D contact points and other relevant stakeholders

The EU continues to encourage countries to nominate L&D contact points. These could act as information receivers, share information to local actors on the network functions, thereby contributing towards implementing function 9b) (Catalysing demand-driven technical assistance) of the Santiago network.

6. Possible elements for the development of terms of reference for a body providing secretarial services to facilitate work under the Santiago network.

² climate-charter.org

³ in line with paragraph 7 of decision 2/CP.19 and Article 8 of the Paris Agreement

a. Possible criteria for the selection of a body to host the SN Secretariat

As the tasks of the Santiago network are broad, a body providing it with secretarial services should be an already established organisation capable of providing a lean and agile service.

Specific criteria for its selection should include:

- Proven credentials in expertise and experience in managing global networks or initiatives.
- Well-embedded in climate action and leadership at global, regional, national and local levels.
- Demonstrated capacity to engage in partnership with a wide range of OBNEs across different communities working in the domains relevant for averting, minimising and addressing loss and damage, including climate change adaptation, disaster risk management, humanitarian aid and development cooperation.
- Experience and expertise in research, evaluation, knowledge management and collaborative learning.
- An ability and track record to mobilize resources and manage funds.
- A robust accountability system that ensures the correct and impartial disbursement funds as well as guarantees the appropriate monitoring of the actions undertaken.

b. Process for selecting a body to host the SN Secretariat

Terms of reference for a body hosting the SN Secretariat should be discussed and agreed at SB56 for adoption at CMA4, followed by a selection process led by the UNFCCC secretariat, conducted in an open, transparent, fair and neutral manner, and concluded at CMA5.

A clear, inclusive and competitive selection process is needed, based on a transparent analysis on who is most suitable. In view of the urgency to have the network fully operational as quickly as possible, this process should be done in an expedited manner but without compromising its integrity.

c. Other elements to be included in the terms of reference

The EU considers that the terms of reference for a body providing secretarial services to facilitate work under the Santiago network, should reflect on the mandate for the Santiago network as outlined in decision 2/CMA.2, as well as the Santiago network functions as outlined in decision 19/CMA.3 para 9, accompanied with clear indication regarding the functions to be undertaken by the body hosting the SN Secretariat versus those functions undertaken by the members of the network.
