

# Loss and Damage Finance: Operationalisation of an LD Fund (LDF?)

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# What are UNFCCC processes related to loss and damage - Background, history, progress and gaps?

- LD discussions are as old as the Convention itself.
- The LD term was first used in COP13, 2007. COP16 created a work programme to increase the understanding of how to assess and address climate related to LD.
- The first big milestone was the establishment of the WIM in COP19, 2013.
  - Enhancing knowledge and understanding of approaches to assess loss and damage.
  - Strengthening dialogue, coordination, coherence and synergies among stakeholders.
  - Enhancing action and support, including finance, technology and capacity building to address LD.
- LD has its own article in the PA. Art.8, but it is limited to technical exchanges and the WIM

# What are UNFCCC processes related to loss and damage - Background, history, progress and gaps?

- COP25 - Madrid, created the “Santiago Network on averting, minimising and addressing loss and damage” – SNLD
  - Its objective is to catalyse technical assistance of relevant organizations, bodies, networks and experts, for the implementation of relevant approaches for averting, minimising and addressing LD at the local, national and regional level. (not yet working, maybe at 2025)
- COP26 established a Glasgow dialogue
  - The proposal from G77 was to create a Glasgow Loss and Damage Finance Facility, blocked by developed countries.
  - The “dialogue between parties, relevant organizations and stakeholders to discuss arrangements for the funding of LD” (the first took place last month)
  - G77 tabled an agenda proposal on “matters related to funding arrangements for addressing LD” for COP27.
- COP27, after a politically charged negotiation, established a LD Fund and a Transitional Committee.

# What is the context behind establishing new funding arrangements and a fund responding to loss and damage?

- Context.
  - A very strong pushback and rejection from developed countries to talk about LD and finance.
  - A clear link between LD and liability, burden sharing and historical responsibility.
  - A willingness to turn a blind eye to how LDF will be financed
  - Despite ten years of official talks around LD, a sudden lack of understanding as to what it is and what should be done.

## What is the status of the UNFCCC loss and damage funding arrangement discussion? Progress on the work of the Transitional Committee?

- COP27, establish funding arrangements, including a Fund
  - Split positions on the committee, regarding Fund Arrangements and a Fund.
  - Defining elements for the funding arrangements
  - Identifying and expanding sources of funding
- 2 out of 3 meetings are finished.