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## BONN CLIMATE NEWS UPDATE

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## Loss & Damage at Bonn SB 62: Laying the groundwork for Belem

Penang, 2 July (Inderera Ramjee) - The Bonn Climate Conference (the 62<sup>nd</sup> session of the UNFCCC's Subsidiary Bodies or SB 62), held from 16–26 June 2025, served as a crucial mid-year milestone leading to COP 30 in Belém, Brazil. For loss and damage (L&D), expectations were high in terms of the outcome for the third review of the Warsaw International Mechanism for Loss and Damage (WIM).

This was an agenda item that could not be concluded in Baku, Azerbaijan, during COP29, necessitating its continued consideration in Bonn. It was however, swiftly dealt with through agreement on the first day of L&D meeting in SB62 on a short decision text that took note of the joint annual report of the WIM ExCom (Executive Committee) and the Santiago Network for Loss and Damage (established in 2019).

Going into the session, developing country negotiators sought enhancements in coordination and complementarity among the various L&D institutions that have been established [these are the WIM Executive Committee and its expert groups, the Santiago Network and its Advisory Board and secretariat, and the Fund for responding to Loss and Damage (FRLD) and its Board and secretariat), action on the ground, the provision of finance and other support for L&D actions, and accessibility of information and

outreach.

Key discussions revolved around:

- Strengthening coherence, coordination and complementarity among the WIM Executive Committee, Santiago Network, and FRLD.
- Enhance accessibility of technical assistance via improved portals and multilingual materials.
- Scaling up finance and other support.
- Enhancing knowledge products, including the development of a regular global "State of Loss & Damage" report.

Negotiators worked in Bonn to develop the key elements for a draft decision text that would then be negotiated in detail in Belem at COP30.

The co-facilitators for the WIM review agenda item were **Pasha Carruthers (Cook Islands)** and **Cornelia Jaeger (Austria)** were requested by the Parties to provide textual suggestions for various elements and ideas to reflect as much as possible the discussions among Parties that took place during the session. The Parties also forwarded to the co-facilitators for inclusion in the draft text various ideas presented by Parties.

These textual suggestions and ideas were eventually compiled into an "informal note" presented by the co-facilitators on their own



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responsibility. This informal note did not represent any agreement among the Parties and cannot be considered as agreed text. Parties and the cofacilitators also stressed that the contents of the informal note did not prejudge Parties' positions or further views.

Parties generally concurred with the need to ensure that the three L&D bodies are coordinated and complementary in their activities and work plans; the need to enhance the accessibility and visibility of these bodies' various knowledge products and work; enhance the role of national contact points for loss and damage and support their coordinated work with Santiago network liaisons and the FRLD.

Significant debate occurred among Parties with respect to the issue of having a global State of Loss and Damage report; on the issue of having voluntary methodologies to quantify loss and damage impacts and needs and on the voluntary inclusion of loss and damage considerations into national plans; on the issue of the cost-effectiveness of the operations of the Santiago network; and the issue of scaling up finance and other support for L&D, including providing a strong political message on the urgent need for such scaling up of L&D finance.

Developed countries generally raised clarificatory questions about the utility and value of having a global State of Loss and Damage report, noting that there are already many other reports that could be used, while developing countries stressed the need for such a report to be produced under the UNFCCC process to be an authoritative source of information on loss and damage, including on L&D support needs.

L&D quantification and inclusion into national climate plans also saw some divergence, with developing countries generally viewing these as useful outcomes for the WIM review while developed countries were generally more cautious due to their concern that these could be tied to them having new L&D financing obligations.

Developed countries generally saw the issue of scaling up L&D finance as not being within the mandate of the WIM review and rather that it is now within the mandate of the FRLD and the COP/CMA (Conference of Parties to the PA) guidance to the FRLD. Developing countries saw it as a critical part of the WIM review.

At SB62, the WIM review advanced in both structure and substance, clearly identifying the issues that need to be dealt with and negotiated in detail by Parties in Belem.

In doing so, the SB62 WIM review negotiations provided Parties with a substantive basis for their negotiations in Belem, with the aim of achieving a positive outcome for the entire UNFCCC L&D architecture and triggering increased finance and other support, including technical assistance and more knowledge products, as well as action on the ground in a coordinate manner to support developing countries address the loss and damage arising from the adverse effects of climate change.

According to **Philippines** for the **G77 and China**, "This will have the longer-term transformational effect of confirming L&D's status beside mitigation and adaptation as a core climate action pillar under the UNFCCC and its Paris Agreement."