

# Government-backed insurance scheme to give boost to events industry

As the economy reopens with the lifting of Covid restrictions, getting the right kind of insurance is acting as a barrier for some events organisers.

So the government has partnered with Lloyd's to deliver the Live Events Reinsurance Scheme as part of the Plan for Jobs. The scheme will see the government act as a 'reinsurer' – stepping in with a guarantee to make sure insurers can offer the products events companies need.

The pandemic is not over, but with a sufficiently high proportion of the population vaccinated, the country can learn to live with COVID-19 without the need for the strict economic and social restrictions. This scheme will support live events across the UK that are open to the general public – such as music festivals and business events. It will cover costs incurred in the event of cancellation due to the event being legally unable to happen due to Government Covid restrictions.

The live events sector is worth more than £70 billion annually to the economy and supports more than 700,000 jobs, including small businesses and the self-employed.

A number of prominent insurers in the Lloyd's market, including Arch, Beazley, Dale, Hiscox and Munich Re are supporting the scheme which will provide events companies with the option of purchasing cover from next month, alongside standard commercial events insurance, giving them the reassurance they need to plan ahead while also ensuring value for money for taxpayers

## **Chancellor of the Exchequer, Rishi Sunak said:**

The events sector supports hundreds of thousands of jobs across the country, and I know organisers are raring to go now that restrictions have been lifted. But the lack of the right kind of insurance is proving a problem, so as the economy reopens I want to do everything I can to help events providers and small businesses plan with confidence right through to next year.

We have some of the best events in the world here in the UK – from world-famous festivals to your local fair. With this new insurance scheme, everything from live music in Margate to business events in Birmingham can go ahead with confidence, providing a boost to the economy and protecting livelihoods through our Plan for Jobs.

## **The Culture Secretary, Oliver Dowden said:**

We've been here for live events throughout the pandemic with

billions of pounds of rescue funding. Today is an important next step as we develop live events insurance to give them the confidence they need to plan for a brighter future.

Our events industries are not just vital for the economy and jobs; they put Britain on the map and, thanks to this extra support, will get people back to the experiences that make life worth living.

All part of our plan to rescue, reopen and recover.

This is one of the only insurance schemes in the world to cover such a wide array of live events and not put a cap on costs claimed per event. The scheme will be delivered through insurers with events organisers able to purchase cover for government-enforced cancellation due to the event being legally unable to happen due to Government Covid restrictions, alongside their standard insurance.

The scheme will be available from September 2021 and run until the end of September 2022. It comes on top of the extensive support already given to the cultural sector, including the £2 billion Culture Recovery Fund (CRF), and the £500 million Film and TV Production Restart scheme – which has seen 610 independent film and TV productions and more than 50,000 screen sector jobs supported by the scheme in the last 12 months.

More than £1 billion in support has also been provided to the sport and leisure sectors, including a £600 million survival package for a range of spectator sports severely impacted by coronavirus restrictions. It is the most generous bespoke support from any Government for its domestic sport sector in the world.

Stakeholder quotes:

**Jamie Njoku-Goodwin, Chief Executive of UK Music:**

For months, UK Music has been warning about the catastrophic impact of the market failure in insurance for live events. The inability to obtain insurance has already caused many cancellations this summer – these have been devastating for the entire music industry and there were fears that without action we would have seen major cancellations continuing well into next year too.

This new Government scheme is therefore incredibly welcome news – not just for the millions of music fans who have been looking forward to the return of live events, but also for the tens of thousands of musicians, crew members and wider supply chain workers whose jobs depend on continued live activity.

We are extremely grateful to Government for listening to the calls of the sector and delivering a solution to the market failure in the insurance industry. Ministers deserve huge credit for action that will protect jobs, stimulate activity, and help kickstart the

sector into playing a leading role in the post-pandemic economic and cultural recovery.

**Denis Desmond, Chairman, Live Nation UK and Ireland said:**

This vital intervention from the UK Government offers certainty to artists, concert and festival promoters in the live entertainment market. This is very welcome news and will help keep the sector and its employees working

**Sacha Lord, Co-Founder of the Parklife Festival, Co-Founder of The Warehouse Project events, and Night Time Economy Adviser for Greater Manchester comments:**

I'm really pleased that the Government has decided to introduce an insurance scheme for the events sector.

DCMS has worked alongside and listened to event organisers throughout the crisis, and I'm grateful that they have now been able to introduce this support today.

The events sector has been in dire straits throughout this crisis and this move will not only save hundreds of upcoming events, but will support the thousands of freelancers behind the scenes who depend on the sector for their own livelihoods.

We can start to rebuild the sector with confidence, and renew the UK's status as a global leader in entertainment and cultural events.

**Chris Skeith, CEO of the EIA (Events Industry Alliance) said:**

The EIA, comprising of AEO, AEV and ESSA, welcome the Chancellor's announcement of a new Covid Cancellation Insurance Scheme. The exhibitions sector has been significantly impacted during the pandemic with forced cancellations due to government and local authority restrictions. While we understand the necessary public health restrictions that have been in place, the impact on the sector has been devastating. The uncertainty caused by the pandemic has undermined the insurance market for our sector.

This government-backed insurance scheme will bring some much needed confidence to a sector, and its supply chain, which often acts as the UK's shop window to the world, and allow the industry to rebuild itself despite the continued uncertainty pandemics bring. Our members provide trading platforms for over 180,000 businesses, fuelling trade and economic impact across the UK and across every

market sector, and we look forward to playing our part in driving the UK's economic recovery. This new insurance scheme will hopefully play an important role in our ability to do that as we reopen in a safe and responsible manner.

**Lesley Robinson, CEO of British Marine, the organisers of Southampton International Boat Show said:**

The announcement of the Live Events Reinsurance Scheme could not have come at a more critical point for us and is the news that we, and the entire events industry have been desperately calling for, so we welcome this scheme.

Having worked closely with Government to get to this point, this insurance cover is now incredibly important for large events like the Southampton International Boat Show which have significant upfront infrastructure costs. It simply isn't worth contemplating what another enforced closure of our event without this insurance would have done to our own industry.

Although this new cover is welcome, it does come at a significant premium, which, for many small businesses like ours, which have endured extreme financial challenges during the pandemic, will impact heavily on our ability to generate surpluses that in our case are reinvested entirely in our Industry.

With the successful rollout of the covid vaccination scheme in the UK, we hope that this insurance scheme is only ever an unused safety net for the events industry.

**Jane Longhurst, chief executive of Meetings Industry Association, said:**

Through our ongoing surveillance of the industry we're acutely aware of the impact an insurance indemnification scheme will have on the sector, with almost two-thirds of venues (61%) surveyed in August 2020 highlighting the need for this to be introduced.

In the same year, almost all venues (92%) had zero cover for their lost business, of which for the average venue was a significant £2,398,600.

Providing reassurance to risk-averse event organisers will be critical in the return of more recognisable booking numbers and the stimulation of the sector's circular economy, benefitting venues, hotels, destinations, caterers and a diverse range of suppliers within the supply chain.

The recognition of the business meetings and events sector in this scheme is total acknowledgement of the role it has in supporting

the UK's economic recovery, and we're confident that the sector can now serve as a catalyst.

**Duncan Bell from #WeMakeEvents said:**

WeMakeEvents was formed to represent the businesses, organisations and freelancers that make up the Live events supply chain and whose livelihoods have been severely hit by Covid. We are pleased to learn of plans for a government-backed insurance scheme for the events sector, and hope that this will start to re-build confidence and investment in live events, conference, and exhibitions in the UK. WeMakeEvents looks forward to working closely with the Government to fine tune the details of the scheme.

**Lloyd's CEO John Neal said:**

Lloyd's has stood by its customers throughout the pandemic, and we are pleased to strengthen those efforts by partnering with the UK government to deliver the Live Events Reinsurance Scheme. This unique and critical cover will enable live events to resume around the country with confidence as society begins to reopen and begin its recovery, and we are proud to be playing our part.

**Emily Eavis, Glastonbury Festival said:**

It's great to see that the events industry has come to the top of the government's agenda and we look forward to hearing more details about how the insurance could work for us and other festivals in planning ahead with confidence for future events.

**Ed Bartlam and Charlie Wood, Co-Directors of Underbelly said:**

The Chancellor's announcement is hugely welcome and will provide significant reassurance to the arts, events, festivals and wider live entertainment sector allowing us to move into the autumn and winter season with confidence to plan and deliver fantastic productions and festivals.

**Paul Pacifico, CEO, Association of Independent Music ('AIM') said:**

This insurance scheme is a key enabler in the roadmap for music to recover from the chaos of Covid. It will be a lifeline to many independent music businesses and artists who can now plan ahead with confidence to come back stronger over the rest of the summer

and into next year. We are extremely grateful for the government's ongoing collaborative and supportive approach to rebuilding the UK's economic and cultural landscape post pandemic.

**Tom Watson, Chair of UK Music (and former deputy leader of the Labour Party) said:**

I am extremely grateful for the time and effort that Rishi Sunak, Oliver Dowden and their teams of ministers and officials have put into finding a working solution to a complex problem of market failure.

"In helping the live music sector plan with more certainty, ministers are assisting the industry to return to surplus more quickly than it could otherwise do. In so doing, they are protecting jobs but as importantly, allowing commercial music to get back on track to being a net contributor to the exchequer.

In a pandemic of this magnitude, we understand that government can't do everything but we are extremely grateful for this further welcome assistance.

**Phil Bowdery, Chairman of the Concert Promoters Association, said:**

This is welcome news. The sector has been calling out for Government to act for over a year and we now have something tangible. While the new scheme won't cover all our risk, this intervention will help protect the industry that we all know and love.

**Paul Thandi, NEC Group CEO, said:**

The 19th July was an extremely critical milestone for the Live sectors. We are now as industries going about rebuilding our businesses and offers for customers and audiences . A key ingredient is risk management and mitigation. I would like to thank the Treasury and DCMS for their understanding of what is required for our sustainable recovery of the live events industry. The availability of event insurance will provide vital cover for our customers, suppliers and partners and mitigate some of the current risks associated with hosting live events. This initiative will ensure that entertainment, leisure and business events continue to take place in the UK as we rebuild the economy and show the world we are open for business.

**Greg Parmley, CEO LIVE (Live music Industry Venues & Entertainment), said:**

“We welcome the announcement of a government-backed insurance scheme, which we have been calling for since the start of the pandemic. We look forward to working together over the coming weeks to determine the final shape of the policy and to ensure it can support the full return of the sector in the face of the most likely impacts of COVID.”

#### **Further information**

- Photographs of the Chancellor’s visit to London Wonderground, a festival site run by Underbelly, can be found on [HM treasury’s Flickr page](#).
- The Live Events Reinsurance Scheme is a cost indemnification scheme which protects against costs incurred due to the event being legally unable to happen due to Government Covid restrictions.
- If events do have to cancel, after organisers have covered the agreed excess, the government and insurers have an agreed a risk share per claim. This starts with government paying 95% and insurers 5%, progressing to them covering 97% and 3% respectively and finally government covering 100% of costs. The split depends on the losses incurred by the insurer from the scheme to date.

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## **[Extra places on medical and dentistry courses for 2021](#)**

Medical and dentistry schools across England will get additional funding to expand courses for the coming academic year to fulfil more offers for UK students who achieve the required grades.

In response to this year’s unprecedented situation the Government has adjusted the cap on medical and dentistry places so that more students than ever will have the opportunity to study on these courses in 2021, and in the long term help boost our future NHS workforce.

Applications for medicine and dentistry have increased by 20% this year compared to last year. These courses are traditionally some of the most popular for students but a cap on places ensures standards are maintained and that every student has an appropriate placement and training throughout their studies.

The measures bring the total of medical and dentistry places to over 9,000 in

universities in England for this year to support courses and public services which are essential to protect into the future.

For this academic year, universities that can accommodate an increase to medical and dentistry places for students that have met the grades and hold a firm offer at a university with pressure on places will be supported to do so. For these universities that can take on more students that have met the grades whilst also ensuring teaching, learning and assessments standards are maintained, there will be flexibility to add to their numbers.

As in previous years, the Government has been working closely with higher education providers ahead of results day to ensure as many students as possible can progress if they get the grades they need.

Education Secretary Gavin Williamson said:

Students have worked incredibly hard over the past 18 months and we have continued to put their best interests first to ensure they can progress on to the next stage of their education training or career.

Throughout this pandemic our NHS heroes have been at the forefront of the response and their resilience, dedication and perseverance has clearly inspired the next generation.

Medicine and dentistry have always been popular courses and we have seen significant demand for places this year alongside other subjects like engineering and nursing. We want to match student enthusiasm and ensure as many as possible can train this year to be the doctors and healthcare professionals of the future.

Secretary of State for Health and Social Care Sajid Javid said:

COVID-19 has challenged healthcare staff and students like never before, and our nation has relied on them to keep us and our loved ones safe.

As we look beyond the pandemic, it's incredibly important we safeguard the future of our NHS by ensuring there is a pipeline of high-quality staff to bolster the workforce in the years ahead.

Working closely with universities, we're helping more students who meet the bar to get a place this year to study medicine or dentistry and join these fantastic professions.

Universities Minister Michelle Donelan said:

Despite the challenges students have remained focused and shown amazing drive and ambition, demonstrated by the increase in



applications for courses like medicine and dentistry.

In an unprecedented year, both for students and the NHS, it is important that we as a government look for solutions which is why we have put these measures in place for this year so that more students than ever before can take up a place on these vital courses.

Clare Marchant, UCAS Chief Executive said:

We welcome today's announcement as it gives more students the opportunity to study their first choice of course next year. Students applying for medicine and dentistry have been ambitious with their choices, and continued to stretch themselves during the pandemic to prepare for challenging study and rewarding future careers.

The Government has also worked with UCAS, the Office for Students and the medical and dental school process to ensure there is a system for 2021 that matches students who meet their grades to unfulfilled places at medical and dental schools with space.

In anticipation of a greater interest in places this year on popular courses that are key to the country's recovery from the pandemic, up to £10 million in additional grant funding will be provided to universities through the Office for Students to help them to increase capacity in medical, dentistry, nursing, STEM and other high-cost subjects.

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## [July Ministerial Chair's Summary](#)

### **Introduction**

On 25-26 July 2021, more than 50 ministers and high-level representatives including the UN Deputy Secretary General and the UNFCCC Executive Secretary met informally to discuss their expectations for COP26, the shape and substance of the Glasgow outcome, and to provide guidance on outstanding negotiations issues. The COP26 President Designate was grateful to all ministers who travelled to London and followed the COVID-19 testing procedures in order to participate, as well as those who joined virtually across various time zones.

The agenda consisted of five topics: scaling up adaptation, keeping 1.5°C alive, loss and damage, finalising the Paris Rulebook – focusing on Article 6, and mobilising finance. Discussions took place in a combination of plenary

and breakout groups, and a number of ministers were invited to support with co-facilitation. The COP President Designate is extremely grateful to all colleagues who acted as co-facilitators. To inform the discussion as well as for transparency and inclusivity, the COP26 President Designate published an open letter ahead of the meeting, and was grateful for written inputs received from Parties and observers. A range of civil society and indigenous peoples representatives were also invited to produce input videos to help frame the ministerial discussions.

## **Meeting outcomes and next steps**

The COP26 President Designate was grateful for the energetic and frank engagement of Ministers during a positive and constructive two-day exchange. All Ministers spoke to the urgency of action and the need to act with courage and in a spirit of solidarity to ensure that the Glasgow outcome reflects the reality of the situation that the world is facing. The impacts of climate change are already being felt, particularly by the most vulnerable, and will continue to grow in severity and frequency. Ministers emphasised that Glasgow must keep 1.5°C in reach, addressing the ambition gaps on adaptation, mitigation, loss and damage and finance; and completing the Paris Rulebook. There is a political imperative to ensure that real and tangible progress is made across all of these issues in the critical decade to 2030. A number of Ministers called for the spirit of collaborative and constructive effort fostered at this meeting to be carried forward in working together towards these goals at COP26.

The key points raised by Ministers and next steps are summarised below, with a more detailed summary set out in the below Annex to inform work towards Glasgow. The incoming Presidency will continue to consult on these issues in the coming weeks and months.

Recognising the need to elevate the political importance of adaptation action, a number of Ministers called for COP26 to produce a roadmap to accelerate action towards the Global Goal on Adaptation, and for a package of adaptation finance that reflects the need to increase levels of and access to adaptation finance and achieve a better balance between mitigation and adaptation. The COP26 President Designate and the COP26 Champion for Adaptation & Resilience, Anne-Marie Trevelyan, emphasised the incoming Presidency's determination to secure an ambitious outcome on adaptation at COP 26 that reflects the need for increased action and support, and have asked officials to facilitate work to develop further proposals for consideration by Ministers ahead of Glasgow.

Emphasising the critical need to keep 1.5°C alive in order to reduce the impacts of climate change, and expressing concern about the scale of the mitigation gap, many Ministers called for all Parties to come forward with ambitious Nationally Determined Contributions (NDCs) aligned to 1.5°C as well as Long-Term Strategies (LTSs) to net zero by 2050 and/or mid-century ahead of COP26. Many noted the particular responsibility of developed countries and the G20 in this respect. There were also calls to accelerate actions to phase down coal power and coal-finance, and the need for a just transition and to

place such action in the context of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances. The COP President Designate emphasised that the incoming Presidency would take forward the request from Ministers to explore options for how the Glasgow outcome could respond to any gap in 2030 ambition, including through exploring the proposal for a roadmap towards keeping 1.5°C in reach.

Ministers agreed that Glasgow should recognise that the threat of loss and damage from climate impacts is escalating and demands attention and action. Many countries, from all parts of the world, recalled the severe challenges they were each facing from escalating extreme weather. It was recognised that the Santiago Network and governance issues for the Warsaw International Mechanism must be addressed; and there were calls by some for outcomes in Glasgow to go beyond the Santiago Network and address wider issues on Loss and Damage, including relating to support. The incoming Presidency will circulate a discussion paper and hold a meeting of Heads of Delegation in August to hear views and consider next steps with a view to further discussion by Ministers ahead of Glasgow.

All Ministers highlighted the need to urgently scale up climate finance, with many noting their disappointment that the \$100bn goal has not yet been met. The COP26 President Designate emphasised that this is a matter of trust and asked State Secretary Flasbarth of Germany and Minister Wilkinson of Canada to lead work to set out how developed countries will collectively deliver the \$100 billion per year mobilisation goal through to 2025. Ministers also exchanged views on their expectations for the new collective quantified goal at COP26, noting the importance of agreeing a clear plan for setting the goal. The incoming Presidency will continue to deliver its work plan for submissions and consultations on this in order to develop proposals for discussion by Ministers ahead of and in Glasgow.

Finally, a number of Ministers highlighted that completion of the Paris Rulebook is vital for integrity, credibility, and ambition. Discussions on Article 6 showed willingness to engage in bridging positions and proposals and in this context Minister Fu of Singapore and Minister Rotevatn of Norway agreed to continue their informal ministerial consultations towards Glasgow. Recognising the importance of completing all elements of the Rulebook, the COP26 President Designate announced that Minister Mujawamariya of Rwanda and Minister Sommaruga of Switzerland would lead informal consultations on Common Time Frames for NDCs. He also asked that technical discussions on the Enhanced Transparency Framework be accelerated so that he can decide the appropriate timing for this issue to be considered by Ministers.

The COP26 President Designate concluded by emphasising the commitment of the incoming Presidency to work tirelessly towards ambitious outcomes at COP26 and to engage all Parties, including those who could not be present in London, in an inclusive and transparent manner. He emphasised the huge amount of work to be done and encouraged all Ministers to actively drive forward work towards agreement, given that a successful outcome at COP26 is the responsibility of all.

# **Annex – Key issues raised during ministerial discussions**

## **Scaling up adaptation**

Ministers recognised the need for greater political attention to be paid to adaptation within the UNFCCC process, and greater parity with mitigation. They reinforced the importance of urgency, cooperation and solidarity to enhance action, and support, setting adaptation action in the context of sustainable development and keeping 1.5°C within reach.

Ministers agreed on the need to improve Parties' collective understanding of the Global Goal on Adaptation (GGA), with broad support for a roadmap or work programme to facilitate progress. A range of views were expressed on the extent to which the GGA needs to be further defined or quantified through increased resilience or other measures, the need for indicators/measures to assess progress, the extent to which progress is assessed globally versus regionally, nationally or locally, and links to adaptation finance and the needs of developing countries. There was agreement that measuring adaptation is complex, and that any system should not place additional burdens on developing country parties. A number of ministers asked what role different organisations (such as the Adaptation Committee and the IPCC) might play in the assessment of progress, for example on predictability, quality and effectiveness of adaptation finance, and of where future discussions on the GGA might take place, noting the importance of the Global Stocktake in that context. Some called for an agenda item at COP26 whereas others thought this could be addressed through existing items.

Ministers highlighted the need to urgently scale up adaptation finance and ensure it is more accessible and predictable. A number of ministers proposed a 50/50 split in climate finance for mitigation and adaptation action. Others noted the priority should instead be increasing the overall amount of adaptation finance, and expressed concern that this should be additional and not come at the expense of mitigation finance. Whilst opinions on the approach were mixed, ministers shared a willingness to find common proposals to achieve the overall goal. This collegiate approach was encouraged by the COP26 President Designate, who called for further proposals.

A number of ministers focussed on accessibility, and eligibility, highlighting that vulnerability cannot be measured through gross domestic product (GDP). Some spoke to the need to better use existing funding mechanisms such as the Green Climate Fund (GCF) through revisiting the requirements and procedures. Others noted the importance of the Adaptation Fund and the links to discussions on share of proceeds through Article 6. Ministers referenced the impact of specific interventions including nature-based solutions or ecosystem-based approaches, water management, and climate-proofing infrastructure.

Ministers recognised the importance of National Adaptation Plans (NAPs), Adaptation Communications and/or Nationally Determined Contributions (NDCs) as tools to guide and demonstrate adaptation action, as well as to

communicate local and national priorities and needs. They also recognised the importance of implementable plans to attract and guide finance, and of locally-led, practical action.

In closing, the COP26 President Designate noted the calls for more specific proposals to come forward and encouraged Ministers to put ideas on the table to address the issues identified. He confirmed that the incoming Presidency would explore the proposal that COP26 could produce a roadmap for assessing progress on the GGA. He also flagged the importance of Parties continuing to map out the way forward on adaptation finance ahead of further ministerial discussions on the matter, with ministers subsequently noting the plan for delivering the \$100bn plan as a potential vehicle to support this.

## **Keeping 1.5C alive**

Ministers emphasised the urgent need to reduce emissions to keep 1.5°C within reach, recognising that this would significantly reduce the risks and impacts of climate change as made clear by the best available science. They highlighted that collectively Parties are not doing enough, with many referencing the initial version of the NDC Synthesis Report prepared by the UNFCCC Secretariat which highlighted that the NDCs that had been communicated by 2020 fell far short of what the science states is required. Many ministers called for all countries to submit NDCs and Long Term Strategies (LTS) that are aligned with 1.5°C pathways ahead of COP26. A number of ministers highlighted the importance of G20 leadership in this respect, given the group's responsibility for over 80% of global greenhouse gas emissions. They welcomed the commitment of the G20 to bring forward NDCs before COP26 and called for all such Parties to increase ambition accordingly.

A number of Ministers acknowledged that the 2020s represented the decisive decade, with several highlighting that the report from Working Group 1 of the IPCC's 6th Assessment Report was likely to make clear how close the world is to crossing dangerous thresholds. They stressed that should a 2030 mitigation gap remain in Glasgow, Parties would need to respond. Some ministers proposed that this could include a clear political commitment to keep 1.5°C in reach, an acknowledgement of the gap, and a roadmap to close it.

Ministers discussed a number of concrete steps that could be taken to keep 1.5°C within reach as part of such a response. They were reminded that under the Paris Agreement Parties can update NDCs at any time and each iteration should be more ambitious. Specific proposals that enjoyed support included: encouraging NDCs not yet submitted or not aligned with 1.5°C to be brought in line before 2025; the opportunity to assess progress towards this at or before the Global Stocktake in 2023; strengthening the invitation for Long Term Strategies to be submitted which should set out concrete pathways to net zero emissions by 2050 and/or mid-century and to be updated regularly by Parties and synthesised periodically by the UNFCCC Secretariat; sending clear market signals through carbon pricing, phasing out unabated coal power and coal financing, fossil fuel subsidy reform, transport solutions such as zero emission vehicles and nature based solutions. The importance of using political, leader level milestones such as UNGA and the G20 to make progress on these issues was highlighted.

Ministers reinforced the importance of all Parties doing their fair share, with some Small Island Developing States and LDCs emphasising that they have even gone beyond this, and account for over a third of NDC submissions to the UNFCCC. A number of Ministers emphasised the importance of acting in accordance with the principles of equity and common but differentiated responsibilities and respective capabilities, in the light of different national circumstances, and the particular responsibility of developed countries. Ministers recognised the importance of ensuring a just transition that leaves no-one and no communities behind, and of means of implementation to facilitate ambitious mitigation action. All emphasised the need for increased support to developing countries, and that discussions on mitigation cannot be separated from finance and adaptation. One Minister suggested a financial mechanism to transition from existing to clean energy, linked to performance on the ground and incentives to move away from high greenhouse gas emissions options. A number of ministers also highlighted the importance of finalising the outstanding elements of the Paris Rulebook in a manner that supported keeping 1.5°C within reach. Ministers also emphasised the importance of technology, including new power sources such as hydrogen, of engaging the private sector and non-state actors, cooperation between cities, and aligning all finance flows with the Paris Agreement.

In closing the session, the COP26 President Designate reinforced the importance of all Parties coming forward ahead of COP26 with ambitious Nationally Determined Contributions (NDCs), as well as Long-Term Strategies (LTSs) marking a course to net zero emissions by 2050 and/or mid-century. The COP26 President Designate also confirmed that the UK as incoming Presidency will further consider with Parties the options for responding to the gap in Glasgow, including through the development of a roadmap to keep 1.5°C within reach.

## **Loss and damage**

Ministers converged on the urgent need to step up efforts to address loss and damage, recognising that impacts are growing exponentially, and informed by personal testimonies of the devastating impacts of extreme weather events shared by a number of ministers present. They highlighted the importance of urgent and practical action to avert, minimise and address loss and damage, tailored to national and local circumstances. They identified locally-owned plans, institutional capacity, technical expertise and accessible finance as critical enablers for this. Whilst ministers recognised the devastation caused by hurricanes and other events, they also emphasised the importance of action and support to cope with the impacts of slow onset events including rising sea levels.

Many Ministers recognised the importance of technical assistance for loss and damage. They welcomed the incoming Presidency's efforts to take forward the development of the Santiago Network established at COP25 in Madrid in an inclusive manner, and stressed the need to get the Network up and running as soon as possible to link up the institutions, knowledge and resources available with vulnerable developing countries. Some ministers emphasised that this network needs to be able to respond to parties and so cannot be

restricted to a website.

Some ministers stressed that response to loss and damage required action over and above that for adaptation and mitigation and called for a dedicated funding stream or mechanism. While there was consensus on the urgent need for action, other ministers cautioned about the fragmentation of funds and the importance of existing mechanisms within and outside the UNFCCC being enabled to devote sufficient resources to effectively avert, minimise and address loss and damage.

A number of ministers also highlighted the challenge of increasing indebtedness as a result of needing to borrow to address increasingly frequent natural disasters alongside parallel challenges including COVID-19, and the importance of innovations including natural disaster clauses to help break the debt cycle, particularly for those small island developing states suffering economic losses multiple times greater than their gross domestic product (GDP) as a result of climate impacts. In this they noted that eligibility for concessional and grant finance needs to take into account vulnerability, not be simply based on measures of GDP. Ministers also highlighted the centrality of taking an integrated approach to loss and damage, with action on slow onset events and disasters being led by national plans and integrating adaptation, disaster risk reduction, disaster preparedness, and humanitarian assistance.

In closing the session the COP26 President Designate called for Parties to bring solutions to the table. He reminded Parties of the Heads of Delegation meeting convened by the UK and Chile on 3-4 August to discuss the presidencies' second discussion paper on the Santiago Network as part of a broader discussion on loss and damage, including matters relating to the governance of the Warsaw International Mechanism for Loss & Damage.

## **Finalising the Paris Rulebook – Article 6**

Ministers converged on the need to finalise the outstanding mandates relating to the Paris Rulebook at COP26 to enable the full implementation of the Paris Agreement. They recognised that it was necessary for ministers to now play a more active role in these negotiations in order to reach a successful resolution.

During this session, ministers focused on the feasibility of possible bridging proposals on three issues within Article 6: avoiding double counting through the Article 6.4 mechanism; the use of pre-2020 units to meet NDC targets; and supporting adaptation action through Article 6. The possible bridging proposals were suggested by Parties during two virtual ministerial consultations held on 7 and 12 July and shared with ministers ahead of the July Ministerial meeting. A copy of this document can be found on the UNFCCC website.

Ministers recognised that compromise will be necessary to reach an agreement. While a few ministers welcomed the possible bridging proposals in their current form, others indicated reservations and suggested that further work would be required if the options were to be further considered. Many

ministers stressed that an outcome could not come at the expense of the environmental integrity of Article 6 and could not undermine the ambition of the Paris Agreement. In this context, some ministers suggested further work on additional safeguards to the possible bridging proposal to avoid double claiming through the Article 6.4 mechanism, to reduce the risk of perverse incentives against the expansion of NDCs and to increase transparency.

In reflecting on the use of pre-2020 units to meet NDC targets, many ministers highlighted the risk of allowing their use, including on our collective ability to keep 1.5°C within reach. Others stressed the importance of enabling carry-over of pre-2020 units to retain investor confidence. Without prejudice to the acceptability or not of a possible bridging proposal involving a limited amount of use of pre-2020 units to meet NDC targets, ministers recognised the benefit of a greater understanding of the potential impact of different options, including how many pre-2020 units might be eligible under different scenarios and the impact on environmental integrity. Ministers also discussed other approaches, for example, putting the units into a reserve to avoid flooding the market and to preserve investor confidence.

While ministers agreed on the importance of more predictable adaptation finance, there remains no clear bridging option on how Article 6 should achieve this. Many ministers expressed existing views: a mandatory share of proceeds on Article 6.2 activity as the only way to ensure balance between the instruments and to generate finance; or such an approach being outside of the mandate set out in the Paris Agreement, which limits a share of proceeds to Article 6.4. A few ministers referenced the approach of a voluntary encouragement together with mandatory reporting in Article 6.2, as proposed in COP25, but others questioned whether this would generate predictable finance. A number of ministers pointed out the link between this issue and other discussions on adaptation and finance; which should be addressed as part of the ongoing work on those issues.

Ministers highlighted that the three issues above represent a subset of issues to be addressed under Article 6. Other priority issues raised by ministers include operationalising the Article 6.8 work programme, ensuring an overall mitigation of global emissions (OMGE), protecting human rights and the role and rights of indigenous peoples, and capacity building for participation in Article 6 activities. Many ministers stressed the importance of not considering the outstanding issues in isolation but instead as part of a package.

In closing the session, the COP26 President Designate thanked Minister Fu of Singapore and Minister Rotevatn of Norway for agreeing to continue their informal ministerial consultations on Article 6 as we approach COP26. The COP26 President Designate also thanked Minister Mujawamariya of Rwanda and Minister Sommaruga of Switzerland for accepting his request to lead informal consultations on Common Time Frames for NDCs. The COP26 President Designate encouraged urgent progress to be made on the Enhanced Transparency Framework at the technical level and he will consider the appropriate timing to elevate to Ministers.



## **Mobilising finance**

Ministers emphasised the need to scale up climate finance and the fundamental importance of delivery on the \$100bn goal for trust, credibility and confidence in the UN climate change process, recognising finance as an enabler for driving ambitious climate action at scale, and for binding other elements of the Glasgow outcome together. A number of ministers stressed that developed countries must set out how they will mobilise the \$100bn a year through to 2025, and supported the proposal for a delivery plan or roadmap to do so. Ministers from developed countries noted encouragement in the upwards trajectory, their regret at not having achieved the collective goal to date, and expressed their commitment to doing so with urgency.

Some ministers highlighted that the Paris goals can only be secured through the rapid mobilisation of significantly increased levels of climate finance from all sources, including international public climate finance, domestic and private flows, and the importance of ensuring that all finance is consistent with a pathway to low emission, climate resilient growth. Some ministers highlighted specific innovations, such as green bonds, which were helping to raise finance for enhanced action. Ministers noted that this growth in climate finance from domestic and private sources and international support both have a critical role to play in meeting the needs of developing countries.

Ministers highlighted the need to improve the accessibility, quality and effectiveness of climate finance. This included both the need to significantly increase levels of adaptation finance, as well as the importance of concessional and grant-based finance given the reduced fiscal space of many vulnerable countries in the context of Covid-19. In this context, the importance of progress being made on indebtedness beyond the direct provision of climate finance was highlighted, with some ministers proposing the consideration of debt swaps. Some ministers also noted that their countries face challenges accessing concessional finance despite being acutely vulnerable to climate change and noted the need for further consideration of this matter.

Ministers converged on the importance of constructively initiating deliberations on the new collective quantified goal at COP26. The proposal of formulating a clear plan with structured milestones for setting the goal, which involved discussions at both political and technical levels, enjoyed broad support. Ministers stressed the importance of an inclusive process, with some suggesting a role for informal settings such as workshops and one minister raising a proposal for a transitional committee to undertake work. The need for inputs from non-Party stakeholders, including the private sector, was also noted.

A range of views were expressed on matters that should be taken into account in future deliberations. These included, inter alia, that the setting of the goal should: be based on the needs and priorities of developing countries; be in the context of Article 2.1c of the Paris Agreement; be informed by lessons learnt from the \$100bn goal and previous climate finance provision; provide greater clarity on what is being counted towards the goal; consider the

circumstances of those Parties most vulnerable to climate impacts; be informed by a consideration of how a balance should be struck between mitigation and adaptation; and consider the base of climate finance contributors. One Minister provided a specific proposal on the quantified level of the new goal, suggesting that this could be a \$750bn mobilisation goal made up of public and private sub-components. This was supported by some Ministers whereas others expressed significant concerns over putting numbers on the table before deliberations commenced.

In closing the session, the COP26 President Designate thanked State Secretary Flasbarth of Germany and Minister Wilkinson of Canada for agreeing to lead developed countries in setting out a plan for how they will collectively deliver the \$100 billion per year climate finance mobilisation goal through to 2025. He also encouraged further consideration of how to scale up adaptation finance in advance of further ministerial discussions ahead of COP26, which could be reflected in the developed country plan. Some ministers raised a proposal for a pledging moment at or around the UN General Assembly, which the UK as incoming Presidency will consider. The incoming Presidency will continue to take forward its intersessional work plan on climate finance, including on the new collective quantified goal. The incoming Presidency will also keep Ministers apprised of both the Access to Finance Taskforce, and work launched under the Glasgow Financial Alliance for Net Zero to mobilise private finance into developing countries.

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## [RAF Odiham runway upgrades completed](#)

News story

RAF Odiham in Hampshire has seen upgrades to its runway and associated airfield lighting completed.



The newly resurfaced runway at RAF Odiham. Crown Copyright / MOD 2021.

The Defence Infrastructure Organisation (DIO) awarded a £2.9-million contract

for the runway works and a £2.6-million contract for the lighting works to Amey Highways in December 2020. Work started very quickly in early January and the runway resurfacing was finished ahead of schedule in February. The airfield lighting upgrades were completed in late July.

Royal Air Force Odiham is a front-line helicopter base and home of the UK Chinook Force working within Joint Helicopter Command. The Chinook is a capable and versatile support helicopter primarily used for transportation and can carry up to 10 tonnes of equipment or up to 55 personnel. RAF Odiham operates three Chinook squadrons which were able to operate uninterrupted for the duration of the project. Despite being used primarily by helicopters, RAF Odiham still has a runway. This is important to provide resilience for the RAF and because from time to time, fixed wing aircraft need to use the station.

The works, which were needed to increase the amount of friction on the surface to keep it safe, saw the top 40mm of the runway removed and replaced, to a total of 8,500 tonnes of asphalt. This important project will extend the life of the runway for another 15 years.

Alongside this, the lighting needed to be replaced and at the request of the aircrews, it was also relocated. The new airfield ground lighting is modern, energy efficient and should last for years.

One of the new airfield ground lights at RAF Odiham, next to the resurfaced runway. Crown Copyright / MOD 2021.

**Mark Stratford, DIO's Project Manager, said:**

It's fantastic to see the upgraded runway and airfield lighting ready for aircrews. I've been really impressed with the team and how quickly this project has been completed, despite the challenges of keeping everyone safe during COVID. The newly-upgraded runway and improved lighting will be in use by aviators at RAF Odiham for years to come.

**Station Commander RAF Odiham, Group Captain Nicholas Knight OBE MA, said:**

These essential works at RAF Odiham have upgraded our existing runway, and replaced the runway lighting with modern, more energy efficient lighting, extending the life in excess of 15 years. Many thanks to Amey Highways, Leverttech and their subcontractors, on behalf of DIO, who have successfully carried out the works which saw Chinook Force operations continue unaffected throughout.

## **Tim Redfern, Amey's Managing Director Defence said:**

I'm delighted that once again, the collaborative efforts of Amey's Highways and Defence teams has resulted in successful handover of upgraded runway works at this important site. By combining the expertise of both teams we have delivered real benefit to the client, DIO, and have future proofed this vital asset for the Armed Forces.

Published 5 August 2021

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## **[Access Consortium strategy launched](#)**

News story

The Access Consortium has published a three-year strategy which aims to align regulatory approaches and policies to facilitate work-sharing on medicines



The Access Consortium has unveiled plans to maximise collaboration to ensure its populations can have faster access to safe, effective and high quality medicines.

Representing a total of 150 million people, the Access Consortium has published a three-year strategy which aims to align regulatory approaches and policies to facilitate work-sharing on medicines.

Originally consisting of Australia, Canada, Singapore and Switzerland, the United Kingdom through the MHRA joined the group this year to bolster its international links, optimise synergies and reduce duplication of work. Members of the medium-sized regulators will now implement the plan designed to maximise collaboration by sharing scientific expertise and aligning regulatory approaches.

Since the group was created in 2017, 12 medicine submissions have been evaluated, 16 medicines are currently under review and seven further applications are anticipated this year.

Director of MHRA Licensing Division, Dr Siu Ping Lam, said:

Our future vision reduces duplication of work for industry, increases each agency's capacity by aligning like-minded regulators in work-sharing, and enhances efficiency between Access Consortium countries, which means our patients have timely access to safe, effective and high quality health products.

The plan sets out a range of objectives, including capturing lessons learned from the COVID-19 pandemic to innovate together and improve work-sharing. It highlights the increasing importance of regulatory innovation as health products evolve, increase in complexity, and become more personalised.

For more information and to review the strategy, please see [here](#).

Published 5 August 2021