

Need for international mechanism on loss and damage, say developing countries

Geneva, 28 May (Doreen Stabinsky) – At the 36th meeting of the Subsidiary Body on Implementation (SBI) under the UNFCCC in Bonn last week, Parties continued negotiations on the implementation of the programme of work on 'loss and damage' associated with the adverse effects of climate change, including impacts related to extreme weather events and slow onset events.

The SBI Chair this year is Tomasz Chruszczow of Poland. The work programme was established in paragraphs 25-29 of the Cancun decision, which was the outcome of work of the Ad-hoc Working Group on Long-term Cooperation (1/CP.16) and elaborated in the Durban decision (7/CP.17), with a view to making recommendations on loss and damage to the 18 meeting of the Conference of Parties.

As elaborated in the Durban decision 7/CP.17, the programme of work is organized around three broad thematic areas:

- Assessing the risk of loss and damage associated with the adverse effects of climate change and the current knowledge on the same;
- A range of approaches to address loss and damage associated with the adverse effects of climate change, including impacts related to extreme weather events and slow onset events, taking into consideration experience at all levels; and
- The role of the Convention in enhancing the implementation of approaches to address loss and damage associated with the adverse effects of climate change.

At SBI 36, informal consultations were held on the work programme, reviewing progress to date. A good portion of the debate revolved around the results of an expert meeting to address issues related to assessing the risk of loss and damage associated with the adverse effects of climate change, one of the first activities of the work programme, held on 26-28 March in Tokyo.

In reflecting on the results of the Tokyo workshop, it became clear that there were substantial differences between developed and developing countries on the relative weight to give risk assessment versus risk management. Developed countries continue to emphasize the work on assessing loss and damage. In contrast, developing countries have been emphatic on need to take steps to address loss and damage, including through the provision of technology and development of institutional capacity, supported with technical and financial assistance.

Developing countries wanted to begin at SBI 36 in Bonn to elaborate the elements of a draft decision, which could be included in an appendix to the draft of the SBI Chair's conclusions. However developed countries thought that such an elaboration would be premature.

Developed countries, including **Norway**, the **United States**, the **European Union**, and **Australia** emphasized a step-wise process and wanted to focus outcomes of the SBI 36 consultations on the first thematic area.

Bolivia, speaking on behalf of the **G77 and China**, disagreed with the step-wise process, noting that the three areas should be addressed holistically and that discussion had already begun at the first workshop in Tokyo on the third thematic area regarding the role of the Convention.

One of the key points emphasized repeatedly in the informal consultations by the **G77 and China**, as well as **LDCs** and **AOSIS**, was the need for an international mechanism on loss and damage.

In the first meeting of the informal consultations, the **G77 and China** stated that they expected a mechanism to come out of Doha. The mechanism would be a framework with three pillars or functions: a means of assessing loss and damage; means of addressing loss and damage, including through a

compensation and rehabilitation fund; and leadership of the Convention, including for the coordination of work on loss and damage.

Another issue of fundamental importance expressed by developing countries in the informal consultations was that of non-economic losses. Because the developed countries wanted to focus the discussion on the first thematic area, “Assessing the risk of loss and damage,” more emphasis at this meeting was put on the issue of assessing non-economic losses than on the international mechanism.

The developing country emphasis on non-economic losses was evident in the final statements and conclusions of the consultations.

While acknowledging that progress was made in advancing the work programme on loss and damage (Decision 7/CP.17), the **G77 and China and LDCs** both emphasized in their final statements to the contact group (set up under the SBI to deal with this issue) that future work on loss and damage needs to make significant advances on the issue of non-economic losses, which is a key matter for developing countries. Non-economic losses include territory, ecosystems, cultural heritage, values, livelihoods, local and indigenous knowledge, and other socio-economic losses.

The final text of the draft Chair’s conclusions notes in paragraph 3(i) that “numerical data are sometimes not sufficient in conveying a comprehensive range of the risks of loss and damage associated with the adverse effects of climate change since available estimates on losses typically lack numbers on non-economic losses.” Developing countries had specifically requested to list in the same paragraph possible types of non-economic losses, yet developed countries even rejected the mention of these losses in a footnote to the paragraph.

Earlier versions of the text also contained the statement that non-quantifiable and qualitative knowledge, such as knowledge about ecosystems, cultural heritage, livelihoods and values, are important in the assessment of, and approaches to, loss and damage.

In its concluding statement, **Bolivia**, on behalf of the **G77 and China** noted that the issue is not just a technical issue, but that it is an issue of livelihoods, loss of territory, values, water availability and other losses impossible to value and that there must be much more progress in Doha.

Timor Leste, on behalf of **LDCs**, echoed the comments of the G77 and China, noting their expectation for Doha to explore more on non-economic losses, values, cultural heritage, displacement, and territorial loss.

The **G77 and China** also offered conclusions on the matter of the international mechanism, suggesting it is necessary to move forward in Doha on a fund for compensation and rehabilitation, and emphasizing the role of convention on this matter.

The next elements in the work programme are four expert meetings – three regional meeting and one meeting for SIDS countries – to address issues related to a range of approaches to address loss and damage associated with the adverse effects of climate change, including impacts related to extreme weather events and slow onset events.

Subsequent to the meetings, the UNFCCC Secretariat will prepare a technical paper on slow onset events, taking into consideration the outcomes of the regional meetings. The secretariat will also conduct a literature review of existing information and case studies to feed into the expert meetings.

Because of the substantial amount of intersessional work that will happen prior to SBI 37, and a recognition that it would be difficult to evaluate the outcomes and negotiate a decision on loss and damage during the time allotted during SBI 37, Parties decided to convene an informal pre-sessional meeting “to exchange further views on the possible recommendations on loss and damage associated with the adverse effects of climate change.” The Government of Norway has expressed its intention to support the meeting.