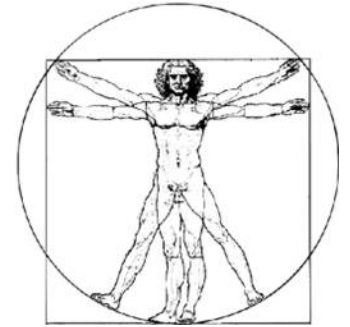


ecbi



Funding Loss and Damage beyond Insurance

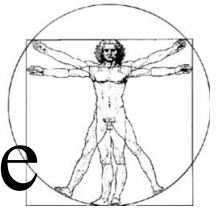
Dr. Saleemul Huq

Director, International Centre for Climate Change and Development (ICCCAD)

for sustained capacity building in support of international climate change negotiations

pour un renforcement durable des capacités en appui aux négociations internationales sur les changements climatiques

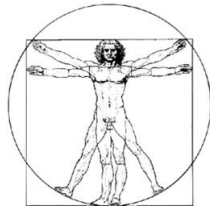
Climate Emergency and Loss and Damage



ecbi

- Loss and damage is the reality- Attribution science and Empirical data
- Understanding the nature and approaches
- Needs of SIDS and LDCs
- Action and Support; finance, technology and capacity building
- Financial Support

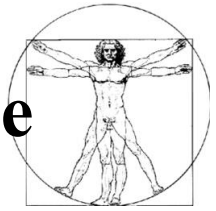
Policy Discourses under UNFCCC for LnD Finance



ecbi

- Function 3 of WIM-Action and Support
- The ExCom of WIM, established a number of expert group/committees and a specific task force for displacement
- Action area 7 of ExCom's initial two-year work plan facilitated the discussion on financial approaches
- SCF, forum held on September 2016-discussed on actions and support needed for loss and damage
- The strategic workstream (e) of the five year rolling work plan of WIM-*action and support, including finance, technology and capacity-building*
- 2019-Technical paper elaborating the sources of financial support for addressing loss and damage.
- Art. 8.4 of the Paris Agreement- areas of cooperation and facilitation to enhance understanding, action and support

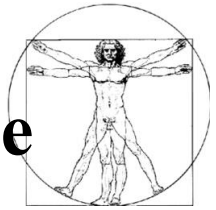
Need, Nature and Approaches of Loss and Damage



ecbi

- The particular needs of climate-vulnerable countries including SIDs and LDCs.
- WIM- to enhance relevant actions and support, including inter alia, for:
 - assessing the risk of loss and damage,
 - to identify the options and designing and to implement country-driven risk management strategies and approaches (Decisions, 2/CP.19 &3/CP.18).
- Assessing the risk- country compatible assessment tools and methodologies- Needs grant based financial approach

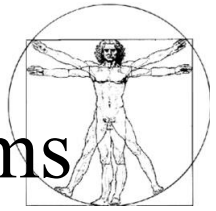
Need, Nature and Approaches of Loss and Damage



ecbi

The recent technical paper by the secretariat of UNFCCC (UNFCCC Secretariat, 2019):

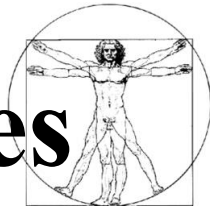
- The economic and non-economic
- With the extreme weather events and slow onset events
- Comprehensive risk management framework (CRM)-
 - assessing the risk;
 - reducing the risk;
 - retaining the risk;
 - transferring the financial risk;
 - social protection and transformational approaches and
 - measures for recovery and rehabilitations



ecbi

Approaches and Financial Tools and Mechanisms

- Risk Assessment- Grant based approaches
- Risk Reduction approaches: Grant based approaches; Bonds; planning and protocols
- Risk Transfer: Grants; Catastrophe Bonds; Contingency financing; Insurance mechanisms
- Recovery and rehabilitation-Grants based
- Permanent loss and damage- Compensation?
- Slow onset- reduction & Correction

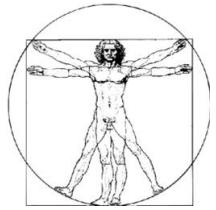


New Sources & UNFCCC Entities

- Global fossil fuel extraction
- Airline passenger levy
- Bunker fuels levy,
- Tax on financial transactions
- Tax on global carbon emissions

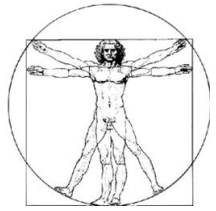
UNFCCC Financial Mechanisms: LDCF; AF;
SSCF; GCF; GEF

Way Forwards



-Access to existing financial entities:

- The financial entities of the Convention, Kyoto Protocol and the Paris Agreement- LDCF, SCCF, GCF and AF, in collaboration with the GEF can support loss and damage activities, at the national, regional and international levels.
- Exploring new and innovative sources, tools and mechanisms
- Identify the institutional avenues to incorporated new mechanisms
- Insurance- only for risk transfer with limited scope and with subsidized approach
- a TASK FORCE for loss and damage finance
- Excom is not the WIM- Review 2019



ecbi

Thanks.