

Pacific Regional briefing paper on the Work Programme on Loss and Damage for COP18

Loss and Damage¹ is used in the United Nations Framework Convention on Climate Change (UNFCCC) to refer to a range of damage and permanent loss associated with certain climate change impacts. These can include impacts from extreme weather events such as tropical cyclones or floods and **slow onset events** such as sea level rise or ocean acidification.

Under the UNFCCC, the Pacific through the Alliance of Small Island States (AOSIS), has been advocating for the establishment of an International Mechanism that would address these negative impacts associated with **Loss and Damage**.

Elements of this suggested work programme on Loss and Damage as preferred by AOSIS are:

An Insurance Component. This would be funded by developed countries and would provide insurance payments for climate related damage and loss of infrastructure, homes and crops including the loss of income from tourism; all of which affects the economic Gross Domestic Product of a Pacific Island Country (PIC). Extremely important considerations such as the loss of lives, cultures and other non-economic impacts, are yet to be included.

A Rehabilitation/Compensatory Component. This would provide financial assistance to PICs to deal with the unavoidable loss and damages imposed by climate change. Examples of unavoidable losses would include sea level rise that erodes coastal beaches used by families and the tourism sector. It also covers freshwater sources and food crops contaminated by saline water; ocean acidification and increased ocean temperature causing bleaching of coral reefs which is also likely to force reef fish to migrate impinging on fishermen being able to provide seafood for the family.

A Risk Management Component would inform and support both the insurance and the rehabilitation/compensation component by promoting ideas and suggestions to calculate and reduce risk where possible. An example of this is planning the best location and design for a building that could avoid immense damage from a tropical cyclone. As such it would be very closely linked to various stages of the other two components, for example risk management measures could be a pre-requisite for eligibility to participate in the insurance mechanism.

The Risk Management component could also provide an estimated cost of loss from climate change impacts that are unavoidable or outside the reach of being able to adapt or mitigate such as ocean acidification and increased ocean temperature bleaching coral reefs. An example of this could be that the reef fish that fishermen used to catch for free or would earn their livelihoods are no longer available, therefore that may force fishermen to travel in a boat further to a reef not yet bleached or fish outside of the reef in the ocean.

Post Relocation Survey, Tegua 2007. Photo: Taito Nakalevu.



Why do we need an International Mechanism on Loss and Damage?

The international mechanism on Loss and Damage is important to the Pacific as it establishes an international fund that helps with the immediate issues at the time of natural disasters will become more extreme and frequent with climate change, for example from cyclones, flooding, and drought. It will also financially help PICs with the long-term **slow onset events**.

What currently exists for the Pacific, to help us to cope with the impacts of climate change?

- Adaptation funding is currently limited. At the same time, we know that climate impacts are rising and therefore adaptation costs will only get higher. It is important that we put in place a mechanism to ensure that our own economies are not over burdened by increasing costs of adapting to the impacts of climate change.
- Limited insurance coverage exists for climate related events. Many Pacific islands no longer have any insurance coverage available for cyclones or other extreme events. Small economies with relatively high risk of extreme events are unattractive markets for private sector insurance companies. As climate change impacts rise, and risks increase, it is going to be even more important that risk sharing mechanisms are put in place to assist Pacific economies affected by climate change.



Bleached coral. Photo: Edna Allan

Why do we need an international mechanism, as opposed to a regional one?

Some of our partner countries have advocated that instead of an 'International Mechanism' under the UNFCCC, a regional mechanism might be an option. For the Pacific, due to the very limited population sizes, our economies and private sectors are not large enough to offer an adequate pool of risk sharing to make such a regional mechanism viable. It is also important to remember that climate change is a human induced phenomenon, and under the polluter pays principle, the international community (particularly the larger polluters) have an obligation to provide assistance to those impacted by climate change.



King tide. Photo: Ulamila Wragg.

Key asks for an outcome in Doha²

For Doha to be a success it is important that all countries agree upon the establishment of an international mechanism to address loss and damage as a recommendation to the COP reinforcing the three components recommended by AOSIS to the COP and the AWG-LCA³:

1) An Insurance Component The insurance component is needed to help SIDS, LDCs and other developing countries that are particularly vulnerable to the impacts of climate change to better managing financial risks associated with increasingly frequent and severe climate-related extreme weather events⁴;

2) A Rehabilitation/Compensatory Component to address the progressive negative impacts of climate change, such as sea level rise, increasing sea and land temperatures and ocean acidification that result in loss and damage⁵; and

3) A Risk Management Component to support and promote risk assessment and management tools and facilitate and inform the Insurance Component and Rehabilitation/Compensatory Component. This component is needed to provide both technical and financial support to risk reduction efforts in connection with climate-related extreme weather events. It would also facilitate consideration of ways to reduce risk from the impacts of progressive negative impacts of climate change that results in loss and damage, including sea level rise, increasing sea temperatures, increasing air temperatures and ocean acidification⁶.

It is also important that a concrete work plan be elaborated, that sets out roles for different entities as well as a timeline with milestones, and that resources be provided to achieve the work plan. While still an issue for discussion, entities that could play a role in the elaboration of the mechanism include the Adaptation Committee, the Technology Expert Committee, the Standing Committee (on long term financing) as well as the regular subsidiary bodies under the FCCC. Experiences from the Caribbean have also shown that additional expertise, especially in the insurance and actuarial fields, will have to be consulted and utilised. It should also be noted that while implementation of such a mechanism in the Pacific would likely be of a regional or sub-regional nature, the international technical and financial support will be vital for success, hence the need to ensure that there is an overarching international mechanism.

Aitutaki: Last Monitoring Visit.
Photo: Taito Nakalevu.



2 See Alliance of Small Island States (AOSIS), proposal on L&D to the COP 18, http://unfccc.int/files/documentation/submissions_from_parties/application/pdf/aosis_submission_on_loss_and_damage_submission_2_october_2012.pdf

3 See Alliance of Small Island States (AOSIS), Proposal to the AWG-LCA, Multi-Window Mechanism to Address Loss and Damage from Climate Change Impacts, available at http://unfccc.int/files/kyoto_protocol/application/pdf/aosisinsurance061208.pdf

4 These include hurricanes, tropical storms, storm surge, floods and droughts. These events already result in significant loss or damage and many hazards will be intensified by climate change.

5 E.g. permanent or extended loss of useful land, damage to coral reefs, damage to water tables, loss of fisheries

6 E.g. of these impacts are on- coastal infrastructure, shorelines, coral reefs, land degradation, food security. This component would work closely with components 1&2.

Slow Onset Events

Slow onset events are considered by the UNFCCC⁷ as Sea Level Rise, increasing temperatures, ocean acidification, glacial retreat and related impacts, salinization, land and forest degradation, loss of biodiversity and desertification. All of these climate change impacts described as slow onset events are/will have long-term impacts on people and the countries.

The most significant examples of slow onset events that affect the Pacific are sea level rise, causing coastal erosion and inundation, ocean acidification currently bleaching coral reef ecosystems in countries, salinization intruding fresh under water lens used by countries to supply communities with bathing water, and water to drink and cook with.

7 http://unfccc.int/files/adaptation/cancun_adaptation_framework/loss_and_damage/application/pdf/loss_and_damage_bp3_asia_and_eastern_europe_regional_expert_meeting_slow_onset_events.pdf



Photographer unknown.



Near Airport end of Nadi Town, photographer unknown.



Ground water well where salinity is being measured.
Photos: Iosua Siose, Agriculture Extension Officer, Tuvalu.



Assessing the salinity in a different area.

