

Green economies in a climate-unstable world?

The need to address loss and damage
associated with adverse impacts of climate
change after Rio+20

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Summary

- Delegates to the United Nations Conference on Sustainable Development 2012, also known as Rio+20, acknowledged that climate change is a cross-cutting and persistent crisis. They expressed great concern that the scale and gravity of the negative impacts of climate change affect all countries and undermine their ability, in particular developing countries, to achieve sustainable development and the Millennium Development Goals and threaten the viability and survival of nations.
- Major environmental disruptions and adverse impacts of climate change are threatening the rights of people and countries to, and prospects for, sustainable development. Promoting the paradigm of a green, fair and inclusive economy can help accelerate the shift to low-carbon development pathways, which, for their own sake, need to take into account the impacts of climate change in order to build up the necessary climate resilience.
- By approving the Rio+20 outcome document, governments highlighted the existing 'ambition gap' in global mitigation efforts. Cutting greenhouse gas emissions immediately and building up the adaptive capacity and resilience of communities are crucial in addressing loss and damage. However, it is likely that such actions will not be sufficient in many cases and that loss and damage 'beyond adaptation' will need to be addressed.
- An integrated and coordinated national, regional and international policy framework is needed to ensure sustainable development in the context of green economy pathways and adverse impacts of climate change. Rio+20 provided the impulse to work towards an ambitious regulatory framework to address loss and damage.
- Between now and 2015, different avenues need to be explored to raise ambitions in mitigation and adaptation and to address loss and damage. This should include the United Nations Framework Convention on Climate Change negotiations towards a new international agreement, potentially the Sustainable Development Goals process, the discussions on the future of the Millennium Development Goals, and the further perspective of the Hyogo Framework for Action on building resilience.
- The next few years will show whether the international community takes the loss and damage challenge seriously and helps the most vulnerable communities and countries, in particular Least Developed Countries, by minimising the 'beyond adaptation' element – or whether loss and damage will become a driving force to undermine sustainable development in the decades to come.

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Abbreviations

COP	Conference of the Parties
IPCC	Intergovernmental Panel on Climate Change
LDCs	Least Developed Countries
MDGs	Millennium Development Goals
SDGs	Sustainable Development Goals
UNCED	United Nations Conference on Environment and Development
UNCSD	United Nations Conference on Sustainable Development
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change

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Introduction

The United Nations Conference on Sustainable Development (UNCSD) 2012, also known as Rio+20, was held 20 years after the 1992 Earth Summit in the same city, Rio de Janeiro, Brazil. It was based on the United Nations General Assembly¹ mandate and aimed to review the progress in implementation and advance the outcomes of the 1992 United Nations Conference on Environment and Development (UNCED) and other related instruments on sustainable development. The expected outcome of Rio+20 was to provide the guidance necessary for progress on two main themes: a green economy in the context of sustainable development and poverty eradication; and institutional reform at international level ('governance') for sustainable development. Furthermore, Rio+20 was expected to launch the process of agreeing Sustainable Development Goals (SDGs), which may build on and complement the Millennium Development Goals (MDGs) beyond 2015.

The 1992 Earth Summit provided a broader framework for national and international responses to environmental degradation, in particular building on the concept of sustainable development. Principle 4 of the 1992 Rio Declaration stated that environmental protection would constitute an integral part of the development process so as to achieve sustainable development. Climate change is one of the defining challenges of our generation. Taking this concern into consideration, the 1992 Earth Summit also adopted the Framework Convention on Climate Change.²

But in 2012, climate change can no longer be regarded as a future threat. Even if not directly attributable to climate change, damages from extreme weather events are more frequent, causing soaring losses that have reached US\$200 billion in recent years.³

¹ UN General Assembly Resolution A/RES/64/236, 22 December 2009

² United Nations Framework Convention on Climate Change, 1992

³ IPCC, 2012, *Managing the risks of extreme events and disasters to advance climate change adaptation, A Special*

Least Developed Countries (LDCs) are particularly vulnerable to extreme weather events due to their limited economic diversification and strong dependence on natural resources. It can be said that climate change impacts are limiting the ability of poorer developing countries in particular to pursue sustainable development, poverty reduction and economic growth.

The true scale of future impacts is masked by the inertia of the climate system – even if emission would cease immediately global warming and associated impacts would still grow in the future. If the growth of greenhouse gas emissions continues uncurbed, as it seems today, losses and damage will not only increase, but be huge, posing a threat to any green economy concept.

If the growth of greenhouse gas emissions continues uncurbed losses and damage will pose a threat to any green economy concept

The global community must, therefore, take into account the concerns of loss and damage associated with adverse impacts of climate change in developing a sustainable development framework. It is worth mentioning that the 1992 Rio Declaration noted potential environmental harms and irreversible damage, and stressed the need for a precautionary approach in response to environmental damage.⁴ In international climate negotiations under the United Nations Framework Convention on Climate Change (UNFCCC), the issue of loss and damage associated with adverse impacts

Report of Working Group I and Working Group II of the Intergovernmental Panel on Climate Change, page 7

⁴ Principle 15, Rio Declaration, 1992

of climate change has been addressed in adaptation discussions. A decision is expected at the 18th Conference of the Parties (COP) to be held in Doha before the end of 2012.

Rio+20 embraced the rationale of a green economy, with an approach – or, more specifically, a variety of approaches – that can be regarded as ‘solution based’ to promote sustainable development. Such approaches strive to foster development through ensuring sound management of natural resources and environmental services to meet the needs of present and future generations.

Rio+20 failed to connect between climate change impacts and vulnerability, and green economy and sustainable development

However, in developing policy frameworks on green economy and sustainable development, the draft negotiating text⁵ of Rio+20 failed to connect between climate change impacts and vulnerability, and green economy and sustainable development. Nevertheless, this paper will explore the Rio+20 outcomes in order to identify the scope of and limitations to addressing loss and damage associated with adverse impacts of climate change. It will also give an overview of the loss and damage debate and its implications for the promotion of green, inclusive and sustainable development – particularly in LDCs.

Climate change and sustainable development: the context of a green economy

In a 2010 report, the United Nations Environment Programme (UNEP) defined a green economy as one that “results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities”.⁶ In the

⁵ The Zero Draft of United Nations Conference on Sustainable Development, *The future we want*, United Nations, January, 10, 2012

⁶ UNEP, 2010, *Driving a green economy through public finance and fiscal policy reform*

Rio+20 outcome document, *The future we want*, a green economy is considered to be an important tool for achieving sustainable development.⁷ The document acknowledges that a green economy in the context of sustainable development and poverty eradication will enhance the ability to manage natural resources sustainably and with lower negative environmental impacts, will increase resource efficiency and will reduce waste.⁸ *The future we want* does not mention explicitly the adverse impacts of climate change within the context of a green economy, but recognises climate change as one of the greatest challenges of our time.

It further expresses profound alarm that greenhouse gas emissions continue to rise globally. The document highlights concerns that all countries, particularly developing countries, are vulnerable to the harmful effects of climate change and are already experiencing more frequent adverse impacts, including persistent drought and extreme weather events, sea-level rise, coastal erosion and ocean acidification. These impacts further threaten food security and efforts to eradicate poverty and achieve sustainable development. *The future we want* also emphasises that adaptation to climate change represents an immediate and urgent global priority.⁹

Taking into account the present and potential adverse impacts of, and vulnerabilities to, climate change, it will be difficult to pursue the objectives of the green economy concept in the context of sustainable development. The Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment report states that for increases in global average temperature exceeding 1.5-2.5°C and in concomitant atmospheric carbon dioxide concentrations, there are projected to be major changes in ecosystem structure and function, in species’ ecological interactions, and in species’ geographical ranges, with predominantly negative consequences for biodiversity and ecosystem goods and services such as water and food supply.¹⁰ However, current emission reduction commitments are out of step with the scientific urgency of tackling climate

⁷ *The future we want*, United Nations Conference on Sustainable Development, 2012, para 56

⁸ *Ibid*, para 60

⁹ See note 7, para 190

¹⁰ IPCC, 2007, *Summary for Policy Makers*; ActionAid, CARE International, Germanwatch, WWF, 2012, *Into unknown territory: the limits to adaptation and reality of loss and damage from climate impacts*

change. With current pledges, we are likely to overshoot the critical 2°C threshold that was agreed by all Parties to the UNFCCC, putting the planet on a 2.5-5°C pathway of global warming.¹¹ In the Rio+20 outcome document, governments also recognised the emission gap: “[W]e note with grave concern that the significant gap between the aggregate effect of mitigation pledges by parties in terms of global annual emissions of greenhouse gases by 2020 and aggregate emission pathways consistent with having a likely chance of holding the increase in global average temperature below 2°C, or 1.5°C above pre-industrial levels.” It also emphasised that “the global nature of climate change calls for the widest possible cooperation by all countries and their participation in an effective and appropriate international response, with a view to accelerating the reduction of global greenhouse gas emissions.”¹²

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It is obvious that no one single blueprint for a green economy exists and that countries and societies will have to find their own ways of pursuing a greener economy. However, from a climate change viewpoint, but also with regard to other crisis areas, such a development process must take seriously these global environmental guardrails and planetary boundaries.

...from climate change viewpoint development processes must take seriously global environmental guardrails and planetary boundaries...

In the near term, loss and damage can, of course, be reduced through adaptation measures and building resilience to climate change impacts. But immediate mitigation is crucial for any attempt to limit long-term loss and damage from climate impacts. However, even with effective action to mitigate climate change and adapt to its impacts, some countries will experience irreversible losses. The potential threats from climate change cover areas such as extreme weather events. But the UNFCCC negotiating process has also recognised slow-onset processes such as rising sea levels, rising temperatures, ocean acidification, glacial retreat and related impacts, salinization, land and forest degradation, loss of biodiversity and desertification. Land, property, ecosystems and communities will be affected to such an extent that a return to normal life will not be possible. In extreme cases, countries will permanently lose territory to climatic disasters and rising sea levels.¹³ In that regard, it is important to note that Rio+20 also recognised that “sea-level rise and other adverse impacts of climate change continue to pose a significant risk to Small Island developing States and their efforts to achieve sustainable development, and for many represent the gravest of threats to their survival and viability, including for some through the loss of territory.”¹⁴

Hence, because efforts at mitigation and adaptation to climate change have been largely inadequate and untimely, the existing and potential loss and damage associated with adverse impacts of climate change have become a serious concern for human survival. The adverse impacts of climate change are continuing to devastate the lives and livelihoods of millions of people and inflict large economic losses.

¹¹ UNEP, 2010, The Emission Gap Report, p 15

¹² See note 7, para 191

¹³ ActionAid, CARE International, Germanwatch, WWF, 2012, *Into unknown territory: the limits to adaptation and reality of loss and damage from climate impacts*

¹⁴ See note 7, para 178

Damage and disruption to communities and loss of traditional livelihood opportunities due to climate-related slow-onset and sudden-onset events, including disasters, are an increasing cause of migration and the involuntary displacement of people. A recent Special Report by the IPCC examining climate-related disasters found that, “fatality rates and economic losses expressed as a proportion of GDP are higher in developing countries”. Between 1970 and 2008, “over 95% of deaths from natural disasters occurred in developing countries.”¹⁵ Rio+20 stressed the importance of stronger links between different plans for disaster risk reduction, recovery and long-term development. It called for more coordinated and comprehensive strategies that integrate disaster risk reduction and climate change adaptation considerations into public and private investment, decision-making and the planning of humanitarian and development actions. The objective is to reduce risk, increase resilience and provide a smoother transition between relief, recovery and development.¹⁶ It also reaffirmed the commitment to the *Hyogo Framework for Action 2005-2015: Building the Resilience of Nations and Communities to Disasters* and called on States, the United Nations system, international financial institutions, sub-regional, regional and international organisations and civil society to accelerate implementation of the Framework and the achievement of its goals.¹⁷

The very nature of climate change exacerbates inequities in the proportionality of contribution to the causes and compared to the sufferings from the consequences. The loss and damage associated with adverse impacts of climate change will be most severe for the poorest developing countries – in other words, those areas that are both least responsible for climate change and least able to deal with its effects.¹⁸ Thus, the most vulnerable are poor people living in Least Developed Countries, Small Island Developing States and African countries. Though past and current global emissions of greenhouse gases originated in developed countries,¹⁹ LDCs such as Bangladesh are facing the impact of climate change disproportionately.

¹⁵ See note 3, page 9

¹⁶ See note 7, para 188

¹⁷ *Ibid*, para 186

¹⁸ Stern, 2006, *Stern Review on the Economics of Climate Change*, IPCC 2007, *IPCC Fourth Assessment Report*

¹⁹ Preamble, United Nations Framework Convention on Climate Change (UNFCCC), 1992

Climate change impacts can also adversely affect strategies to develop on a low-carbon pathway. For example, the use of renewable energy sources may be affected by a changing climate. While in some areas this may be positive, climate change can limit the availability of water for hydropower or biomass for bio-energy use, as two examples. Fossil energy systems are not resilient to climate change. Coal and nuclear power plants use large amounts of water for their cooling systems, and such centralised systems are particularly vulnerable. Therefore, while energy efficiency and renewable energy are key strategies for pursuing a low-carbon development pathway, such strategies have to take into account climate changes expected in the future.

The international community must now question current modes of development and choose new modes of development for the future. The final outcome of Rio+20 acknowledged that climate change is a cross-cutting and persistent crisis. It expressed great concern that the scale and gravity of the negative impacts of climate change affect all countries and undermine the ability of all countries, in particular developing countries, to achieve sustainable development and the MDGs and threaten the viability and survival of nations. It further emphasised that combating climate change requires urgent and ambitious action, in accordance with the principles and provisions of the UNFCCC.²⁰

If climate change is not addressed, the key development sectors of the economy are at risk, with grave consequences for life on earth.²¹ Taking into account the sectoral response to climatic hazards, Rio+20 reaffirmed the necessity to promote, enhance and support more sustainable agriculture, including crops, livestock, forestry, fisheries and aquaculture. Sustainable agriculture can improve food security, eradicate hunger and be economically viable, while at the same time conserve land, water, plant and animal genetic resources, biodiversity and ecosystems, and enhance resilience to climate change and natural disasters. The conference also recognised the need to maintain natural ecological processes that support food production systems.²²

The climatic, social and human dimensions of vulnerability bring together adaptation, mitigation

²⁰ See note 7, para 25

²¹ AU/NEPAD 2008, *The AU/NEPAD, African Action Plan*

²² *The future we want*, United Nations Conference on Sustainable Development, 2012, para 111

and coping mechanisms, with social cohesion and integration. This means that policies and actions on climate can be linked to social and human development strategies.²³ Therefore, taking into account vulnerability to climate change, an integrated national, regional and international framework is needed to ensure sustainable development in the context of green economy pathways. This holds true even against the background of critics who argue that a green economy approach that focuses on increasing efficiencies and new technologies but which does not question the development and growth paradigm will fail to take seriously the extent of the climate change threat.

Low-carbon and climate-resilient development: a rationale for LDCs

Least Developing Countries (LDCs) are generally characterised by low levels of carbon emissions and relatively low investments in polluting technologies. On the other hand, poor people in LDCs are more dependent on natural resources, and therefore ecosystem degradation, resource scarcity and climate change create difficult challenges to ending poverty.²⁴ Considering the economic and social value of the environment and ecology, national policy responses are required for the conservation and rehabilitation of natural resources in order to meet basic human needs along with environmental worth. At the same time, international support should be made available to developing countries in order to protect and conserve natural resources and to restore damaged ecosystems. Therefore, within the concept of sustainable development and green economies, rural communities in LDCs have rights to a clean environment and sustainable livelihoods. Rio+20 recognised the need to protect and conserve ecosystems for people's livelihoods and their economic, social and physical well-being and their cultural heritage. It identified the essential task of generating jobs and incomes that will reduce disparities in standards of living in order to better meet people's needs and promote sustainable

livelihoods and practices and the sustainable use of natural resources and ecosystems.²⁵

Principle 3 of the 1992 Rio Declaration also recognised the right to sustainable development, which must be fulfilled so as to equitably meet the developmental and environmental needs of present and future generations.²⁶ However, fulfilment of this right is threatened by major environmental disruptions and adverse impacts of climate change. Principle 4 on environmental protection provides legitimate grounds for rural communities to enjoy sustainable livelihoods and living conditions. Rio+20 reaffirmed the commitment to implement the Rio Declaration on Environment and Development, and other related instruments on sustainable development already adopted at global level, and to address new challenges.²⁷

Other international conventions and agreements have recognised other basic human rights – to food, security, health, safe housing and safe water, for example – which will be affected by the absence of a sustainable development approach. These rights confer responsibilities on national governments of developing countries to protect their citizens – with a focus on particularly vulnerable people – even if developing countries are not the cause of the problem. Rio+20 acknowledged that democracy, good governance and the rule of law at national and international levels, and an enabling environment, are essential for sustainable development. It reaffirmed the need for institutions at all levels to be effective, transparent, accountable and democratic.²⁸

Rights-based approaches are, therefore, necessary to meet the essential needs of poor communities including their rights to food, health, water and work. Thus, communities will benefit from sustainable development and green economy approaches. A growing number of LDCs are initiating low-carbon development strategies, often including aspects of adaptation to climate change and climate-resilient development. With these strategies, governments are able to show how ambitious climate-change policies can reconcile environmental concerns with development objectives. For instance, Rwanda recently adopted a national strategy on climate

²³ October 2010, *Climate change and sustainable development in Africa: an overview*, United Nations Conference Centre, Addis Ababa, Ethiopia, page 8

²⁴ UNEP, 2011, *Green economy: why a green economy matters for the Least Developed Countries*

²⁵ See note 7, para 30

²⁶ Principle 3, Rio Declaration 1992

²⁷ See note 7, para 16

²⁸ See note, 7, para 10

change and low-carbon development.²⁹ Bangladesh, with its *Bangladesh climate change strategy and action plan 2009*, was among the pioneers of such approaches.³⁰ However, developing countries need technical and financial assistance from developed countries to implement their national plans and strategies on green development and climate resilience development. Rio+20 emphasised the importance of technology transfer to developing countries and recalled the provisions agreed in the Johannesburg Plan of Implementation. These provisions relate in particular to a call to promote, facilitate and finance, as appropriate, access to and development of the transfer of environmentally sound technologies and corresponding know-how, in particular to developing countries, on favourable terms, including concessional and preferential terms, as mutually agreed.³¹ It was also agreed to initiate work towards a facilitative mechanism that would promote the development, transfer and dissemination of environmentally sound technologies. UN agencies were requested to identify options, and the Secretary-General mandated to make recommendations regarding the mechanism at the next session of the General Assembly.³² From a *climate change perspective, this should of course be closely coordinated with the emerging UNFCCC technology mechanism.*³³

However, this in no way questions the moral and legal obligation for those countries that have contributed most to environmental harm to provide support for coping with the threats of climate change. Rio+20 expressed a commitment to effectively applying an ecosystem approach and a precautionary approach in accordance with international law, for the protection and conservation of ecology and environment and to deliver on three dimensions of sustainable development.³⁴ The 1992 Earth Summit also recognised the precautionary approach and the 'polluter pays' principles that have been reaffirmed by Rio+20 (see box below).

²⁹ Rwanda, 2011, *Green growth and climate resilience: national strategy for climate change and low carbon development*, Republic of Rwanda

³⁰ BCCSAP, 2009, *Bangladesh climate change strategy and action plan 2009*

³¹ See note 7, para 269

³² *Ibid*, para 273

³³ <http://unfccc.int/ttclear/jsp/TechnologyMechanism.jsp>

³⁴ See note 7, para 158

Responsibility of the polluter: the legacy of Earth Summit 1992

When poor countries have to increasingly invest and use their own scarce resources to address the adverse impacts of climate change, and when increasing losses limit their possibility of developing sustainably and pursuing green economy pathways, the legitimate question of responsibility for fixing these problems becomes obvious. Historically, industrialised countries are most responsible for climate change, but this picture is changing against the background of changing emissions and consumption patterns, in particular in some emerging economies.

Unfortunately, countries have so far done too little to prevent dangerous climate change. Therefore, as one option of addressing loss and damage from climate change – in particular where it occurs because the limits of adaptation will be surpassed – it is legitimate to address these losses legally and explore the 'polluter pays' principle. With pricing compensation, polluters could factor in the costs of pollution and could leverage additional pressure to scale-up mitigation.

In 1992, through the Rio Declaration, States agreed to increase their efforts in this regard. Principle 13 states: "*States shall develop national law regarding liability and compensation for the victims of pollution and other environmental damage. States shall also cooperate in an expeditious and more determined manner to develop further international law regarding liability and compensation for adverse effects of environmental damage caused by activities within their jurisdiction or control to areas beyond their jurisdiction.*"³⁵

Rio+20 was mandated to review progress on implementation and to advance the outcomes of Earth Summit 1992 and other related instruments on sustainable development. It expressed a commitment to implement the outcomes of Earth Summit 1992 and related instruments on sustainable development. Moreover, Rio+20 emphasised that public participation and access to information and judicial and administrative proceedings is essential in all efforts to promote sustainable development.³⁶

³⁵ See note 16, Principle 13

³⁶ See note 7, para 43

The Istanbul Programme of Action in 2011 renewed the global partnership for Action for the Least Developed Countries 2011-2020 and represents a major international framework for socio-economic development in LDCs. However, the Istanbul Programme of Action is not very strong in fighting climate change impacts in LDCs. This highlights the need to develop a workable green economy paradigm for LDCs that puts strong emphasis on the management of loss and damage. The Rio+20 outcome document reaffirmed the commitment to full implementation of the Istanbul Programme of Action.³⁷

UNFCCC regime: advancing the adaptation response, exploring loss and damage

Over the past few years, the international climate change regime has developed a much more consolidated structure to enhance action on adaptation to climate change. The Cancun Adaptation Framework, adopted by the 2010 climate conference COP16, represents an attempt by the international community to facilitate adaptation to climate change in developing countries, addressing a range of principles and activities for enhanced action on adaptation.

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However, with the increasing failure to reduce greenhouse gas emissions sufficiently strongly and swiftly, achieving the ultimate objective of the UNFCCC is more and more unlikely. Also,

³⁷ See note 7, para 16

communities cannot adapt to escalating damages forever and the limits of adaptation are becoming more evident. Countries have recognised the need to strengthen international cooperation and expertise in order to understand and reduce loss and damage associated with the climate change. It was also decided at COP16 to establish a work programme to consider ways of addressing loss and damage in developing countries that are particularly vulnerable to the adverse effects of climate change.

The Cancun Agreement also mandated the Subsidiary Body for Implementation to make recommendations on loss and damage for consideration at COP18, based on the outcomes of the proposed work programme.³⁸ COP18 will take place in Qatar at the end of 2012. An important element of the work programme will be a number of regional expert meetings, which will identify a range of approaches to addressing loss and damage, as well as other climate change issues.³⁹ In Qatar, Parties will “explore a range of possible approaches and potential mechanisms, including an international mechanism, to address loss and damage”.⁴⁰

The way forward: UNFCCC, Rio+20 and beyond

The UNFCCC work programme on loss and damage has provided guidance to advance the policy framework on loss and damage associated with adverse impacts of climate change, including assessment of risk, a range of approaches to consider, the role the UNFCCC and international mechanisms. Proactive policies are needed to minimise climate risks and maximise community resilience to cope with climatic hazards, in order to ultimately reduce loss and damage associated with climate change.

The proactive policy regime should be within the adaptation framework supported by developed countries through technical and financial assistance. It should promote a range of approaches, including:

- dramatically scaling up climate-proofed disaster risk reduction;

³⁸ Decision 1/CP, 16, para 28

³⁹ See, for example, a report on the African regional meeting held in June 2012: <http://germanwatch.org/en/4742>

⁴⁰ Decision 7/CP, 17, para 5

- empowering communities to deal with an uncertain and unpredictable world;
- integrating flexible, adaptive management and learning in planning;
- strengthening in-country risk and impact assessments;
- exploring an international or group of regional risk management facilities that could provide risk management and insurance for poor countries, etc.

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It is not easy to develop such a policy framework, as it requires a multidisciplinary approach along with national, regional and international cooperation. Furthermore, even with significant efforts towards mitigation and adaptation, it seems that we will have to deal with some unavoidable losses resulting from adverse impacts of climate change, as has been outlined before.⁴¹

...loss and damage associated with climate change poses a major challenge for the global community, with physical, political, economic, cultural and legal dimensions. It is too big an issue to be resolved by just one environmental agreement such as the UNFCCC...

The issue of loss and damage associated with climate change is very complex. It poses a major challenge for the global community, with physical, political, economic, cultural and legal dimensions. Therefore, one also needs to understand that climate-related loss and damage is too big an issue to be resolved by just one environmental agreement such as the UNFCCC. Issues such as human mobility or loss of territory will require consideration from other global bodies, including the UN Security Council and the UN High Commission on Human Rights Council. Nevertheless, the UNFCCC and science bodies such as the IPCC will continue to have a key role in informing other organisations.⁴²

Taking into account the complexity of the issue and links with environment, economy and sustainable development, Rio+20 provided guidance on recognising the risks that climate change loss and damage pose for shifts towards low-carbon development pathways, which should incorporate enhanced climate resilience. Promoting the paradigm of a green, fair and inclusive economy can help accelerate the shift to low-carbon development pathways that have taken climate change impacts into account to build the necessary climate resilience.

⁴¹ WWF-UK, 2008, *Beyond adaptation: legal duty to pay compensation for climate change damage*

⁴² ActionAid, CARE International, Germanwatch and WWF, 2012, *Into unknown territory: limits to adaptation and reality of loss and damage from climate impacts*

The initiation of a process for agreeing Sustainable Development Goals (SDGs) is a potential impetus for climate change mitigation and adaptation to play an important role in reducing countries' vulnerability. As decided by Rio+20, progress on developing SDGs should be an inclusive and transparent intergovernmental process open to all stakeholders, with a view to developing global SDGs to be agreed by the General Assembly.⁴³ Also, changes and advances in the international institutional structure on environmental governance can strengthen the ability of countries to deal with loss and damage associated with climate change.

Together the UNFCCC work programme on loss and damage and the outcomes of Rio+20 related to adverse impacts of climate change can help to build a policy response over the coming years

Guidance provided by the UNFCCC work programme on loss and damage and the particular outcomes of Rio+20 related to adverse impacts of climate change can help to build a policy response over the coming years. The timeline of 2015 provides a particularly interesting context:

- At COP17 in Durban, Parties to the UNFCCC agreed to negotiate a new international agreement applicable to all Parties no later than 2015. This agreement needs to provide a framework to address and to redress loss and damage in the context of existing and potential loss and damage associated with climate change.
- The initiation of a process for agreeing SDGs provides an opportunity to address the different aspects of mitigation and low-

carbon development, adaptation and broader resilience-building as well as loss and damage. A proposal is to be prepared for the UN General Assembly 2013, and it is hoped that agreement will be reached by 2015.

- The year 2015 also marks the deadline for the 10-year plan of the Hyogo Framework for Action, which aimed to increase the resilience of nations and communities to disasters. Discussions on the post-2015 framework have started,⁴⁴ including thoughts on procedural steps to be taken before the next World Conference on Disaster Reduction, which will be held in Japan in 2015. It will be very important that discussions take into account loss and damage, including the role of disaster risk reduction management to reduce loss and damage.
- International political discussions related to oceans have so far received little attention. However, the Rio+20 document *The future we want* does address threats such as rising sea levels and ocean acidification in a chapter on oceans and seas.⁴⁵ The first integrated global assessment of the state of the marine environment is expected in 2014. Potentially relevant processes here are the United Nations Convention on the Law of the Sea and discussions within the International Maritime Organisation.

⁴³ Para 248

⁴⁴ UN ISDR, 2012, *Towards a post-2015 framework for disaster risk reduction* www.unisdr.org/files/25129_towardsapost2015frameworkfordisaste.pdf

⁴⁵ See note 7, para 158-177

Conclusion

...the loss and damage debate needs to provide an impetus to raise ambitions with regard to mitigation as well as to adaptation. The 'beyond adaptation' element of loss and damage will, to a large extent, be determined by these ambitions...

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...next few years will show whether the international community takes this challenge seriously and helps the most vulnerable communities and countries, in particular Least Developed Countries, by minimising the 'beyond adaptation' element – or whether loss and damage will become a driving force to undermine sustainable development in the decades to come...

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The Loss and Damage in Vulnerable Country Initiative

Accepting the reality of unmitigated climate change, the UNFCCC negotiations have raised the profile of the issue of loss & damage to adverse climate impacts. At COP-16, Parties created a Work Programme on Loss and Damage under the Subsidiary Body on Implementation (SBI). The goal of this work programme is to increase awareness among delegates, assess the exposure of countries to loss and damage, explore a range of activities that may be appropriate to address loss and damage in vulnerable countries, and identify ways that the UNFCCC process might play in helping countries avoid and reduce loss and damage associated with climate change. COP-18, in December 2012, will mark the next milestone in furthering the international response to this issue.

The "Loss and Damage in Vulnerable Countries Initiative" supports the Government of Bangladesh and the Least Developed Countries to call for action of the international community.

The Initiative is supplied by a consortium of organisations including:

Germanwatch

Munich Climate Insurance Initiative

United Nations University – Institute for Human and Environment Security

International Centre for Climate Change and Development

Kindly supported by the Climate Development and Knowledge Network (CDKN)

For further information: www.loss-and-damage.net

Germanwatch

Following the motto "Observing, Analysing, Acting", Germanwatch has been actively promoting North-South equity and the preservation of livelihoods since 1991. In doing so, we focus on the politics and economics of the North with their worldwide consequences. The situation of marginalised people in the South is the starting point of our work. Together with our members and supporters as well as with other actors in civil society we intend to represent a strong lobby for sustainable development. We endeavour to approach our aims by advocating fair trade relations, responsible financial markets, compliance with human rights, and the prevention of dangerous climate change.

Germanwatch is funded by membership fees, donations, grants from the "Stiftung Zukunftsfähigkeit" (Foundation for Sustainability), and by grants from a number of other public and private donors.

You can also help to achieve the goals of Germanwatch and become a member or support our work with your donation:

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