

Climate Change Loss and Damage

23rd July 2021
Online event

Event report

Climate Change Loss and Damage

2nd Deliberative Dialogue Report

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About the event

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Climate Change Loss and Damage

2nd Deliberative Dialogue Report

The Loss and Damage (L&D) discourse was initiated three decades ago, became institutionalised under the UNFCCC process through the Warsaw International Mechanism (WIM) in 2013 and was given formal recognition in the Paris Agreement in 2015. Since then, while L&D has been considered as an issue needing resolution in solidarity with the climate vulnerable and poorer countries under the international climate regime, there has been a significant gap in the understanding on the actions and support (technology, capacity and finance) needed to tackle L&D at national, local and community levels. This in turn is impeding constructive, concrete action on the ground in terms of appropriate policies, delivery mechanisms to provide finance and support.

Through a series of deliberative dialogues IIED and ICCCAD aim to support Least Developed Countries (LDCs), Small Island Development States (SIDS) and other actors from vulnerable developing countries address this issue by jointly exploring solutions to four critical questions: (i) Where and what type of action and support is needed?; (ii) What works and in which contexts?; (iii) How such action and support can be delivered?; and (iv) How it can be financed?. Through these deliberative dialogues, we hope collectively to:

- Create space for vulnerable developing countries and community members to tell their stories about L&D, communicate their priorities for action, share their solutions, and propose policy recommendations.
- Co-generate a shared narrative and collective vision for L&D action that is based on evidence and build a global coalition of allies committed to communicating that vision in formal and informal spaces.
- Establish a process that builds confidence between vulnerable developing countries (LDCs, SIDS), climate activists and developed countries on how to work differently together.

This process will culminate with the launch of a joint 'Political Roadmap' for action to avert, minimise and address L&D risks by 2030.

The first deliberative dialogue in this series was concluded on 1st July 2021, considering the question of 'What are the realities of Climate Change Loss and Damage and what should we consider in responding?'. The discussion touched on the nature of Loss and Damage risks, the critical elements of a framework for managing Loss and Damage risks, and the ways of engaging citizens in defining the appropriate response to Loss and Damage risks. The report from the Deliberative Dialogue can be found here <https://pubs.iied.org/20346iied>.



The second deliberative dialogue in this series was held on 23rd July 2021, following a meeting with an Advisors and Friends Group on 19th July 2021 where the issues for discussion in the deliberative dialogue was firmed up. The second deliberative dialogue had participation from a range of stakeholders including vulnerable developing countries, CSOs, NGOs, developed countries and multilateral agencies.

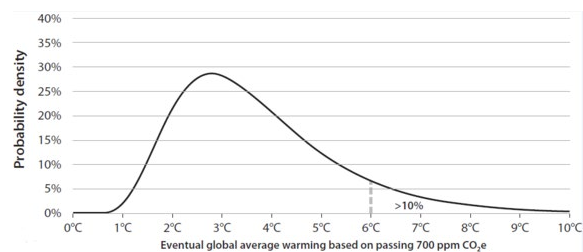
What type of action and support is needed to tackle Climate Change Loss and Damage?

To tackle Loss and Damage (L&D), it is important to understand what types of support are needed by countries and communities that are exposed and vulnerable to different types of L&D risk, considering their different probabilities and impacts over different time scales. The deliberative dialogue explored this issue through the following topics:

Session 1. The use and misuse of climate science

Challenges

The changing nature of hazards and their increasing intensity or frequency is often cited in discussions of L&D. However, several challenges around using climate science information are often overlooked – not least the decision context to which the science is being applied. So it is critical to start with the users and their socio-political context and the drivers of vulnerability they face. But even then, using the science well is challenging. Climate models can be used to show the likely increase in climate impacts (such as temperature) associated with a given increase in atmospheric CO₂. The distribution of climate impacts and their associated damages, from both slow onset and extreme weather events, is described as having a ‘fat tail’. This is because these models generally show future climate events as averages, where high probability events tend to appear as a huge peak on a graph whereas low probability rare events with potentially disastrous effects (like the recent floods in Germany or heat wave in Canada) appear as a tapering tail on the right (see figure 1) While these have relatively low probability, their outcomes can be catastrophic, highlighting the need for countries to understand the risk of these ‘fat tail events’, and consider them in their planning process. This would require:



Source: Wagner & Weitzman “Climate Shock” via [Climate Code Red](#)

Improving the generation and communication of climate information: The question of ‘fat tail’ events highlights one major risk in how climate information is communicated and used, by providing averages from climate models. Taking an average of different global climate models is common practice, however these different models produce different results. Averaging all the results obscures the range of likely impacts and the range of less likely, more catastrophic events. Thus, the way climate information is communicated to decision makers needs to be improved, for example using ranges rather than averages and considering a range of possible futures, including ‘fat tail’ extreme events.

In addition, the communication of uncertainty to decision makers also needs to be improved, as planning should not only consider risk, but also incorporate the uncertainty around future risks. Approaches for planning under uncertainty, including building in flexibility and redundancy, needs to be adopted. There is also a need for cross-sector collaboration between the generators and users of climate information to ensure the availability, appropriateness, utility and timeliness of climate information for decision makers. This includes the format in which climate information is made available, how, when and how frequently it is made available, and the capacity of the end users (both government agencies and community) to access, interpret and use it for decision making.

Priority solutions co-identified by participants

Tailor climate information for decision makers at different levels based on their needs.

The decision makers who need to use climate information are a large group, including policy makers at national level, officials at local government level, and individuals at community level. This means that the climate information needs of a person facing a climate hazard in a slum will be very different from those of a minister. It is therefore necessary to identify the information that is needed by different stakeholder groups to make different kinds of decisions, and to communicate that information in a manner that they are able to interpret and use in their efforts to prepare for or to cope with different climatic events. It is also essential to build awareness among different stakeholder groups on what climate information is and how it can help them to prepare, protect lives and promote resilient livelihoods and to ensure those efforts are inclusive and relevant to the people being engaged. Targeting information to the needs of specific users ensures that information is appropriate, decision relevant and timely.

“deconstructing the science – making the science relate to the audience you are engaged with”

“Data is not always packaged and usable for different types of groups”

Incorporate the climate information needs of local level actors. The majority of climate action is taken at the local level, by households and communities. It is therefore vital to ensure information reaches the local level, helps families and communities to understand the risks they face from different hazards, and their specific vulnerabilities to them, and is useful in helping them to make decisions. For example, a farmer who is still recovering from a prior flooding event may be willing to act in response to a flooding forecast at 50% certainty because their risk tolerance has been reached following consecutive and compounding impacts. It is important that the farmer receives information about the forecasted flood, even if it is only 50% certain. This demonstrates that the needs and priorities of local communities must be considered in the design of climate information services. This example highlights the importance of combining climate risk and vulnerability information, as well as giving due consideration to all types of risks (whether low or high impact probability), as even a low impact event can result in compounding impacts at the local level. In order to respond to the needs of local communities, layering climate and weather information on local-level mappings of vulnerability is fundamental for understanding who is exposed and vulnerable and using this assessment to communicate relevant information for their decision making. Using impact-based forecasting is a valuable tool for ensuring the relevance of such

“We are not talking about what is happening on the ground. We need to understand the needs of the communities”

“The man in the field just wants to know: should I farm? Should I delay my crop cycle?”

information. In addition, involving local governments and civil society organisations may be useful in appropriate and timely communication.

Establish a communication and feedback loop between generators of climate information and decision makers (government and community). Highly technical hydro-meteorological information may not be useful for policy makers if they are not able to interpret it. It must be provided to them in a format that they are able to understand and which they can use easily to make decisions. Given the importance of tailoring climate information to the needs of those who use it based on their specific requirements, it is also important that communication channels are established between those who generate climate information and users, especially at the local level. This can take the form of digital communication channels, or regular meetings between meteorologists and community members. In addition, the uncertainty that is inherent to climate information must be clearly communicated to decision makers (both policy makers and community members) so they can understand the limitations of that information and build the flexibility necessary to respond to a range of possible futures into their action plans. When taking decisions it is also important to consider the information from climate models together with local and traditional knowledge. A proper feedback loop will ensure that those generating climate information understand the risk and tolerance levels of different actors and take those into account when communicating climate information.

“link the actual/existing climate variability and impacts (‘the visual identifiers’) with the science, speaking through a simple scientific lens (‘the explanation’)”

Combine different types of knowledge and information. There is a need to integrate knowledge from communities about their needs, experiences and solutions, with knowledge from climate scientists and forecasters. Community and traditional knowledge, and especially Indigenous knowledge, are crucial to understanding the risks of climate change faced by people themselves. This will be particularly important in the case of locations that do not have reliable historical datasets or records e.g. many LDCs and particularly fragile states, or those locations that are so small that climate modelling does not provide enough granularity to provide useful information e.g. small island states. Planning using climate science is made more robust if triangulated with evidence of how communities experience events presented in the data.

“we need to involve communities along with the scientists”

Conduct continuous risk assessments. Climate change poses risks over the short-, medium- and long-term. Climate information should inform risk assessments that are relevant both for long-term planning to avert or minimise *slow-onset* events (sea level rise, glacier melt, salt water intrusion), as well as short term planning to address the impacts of *rapid-onset* extreme weather events in the near future. This will ensure that both experienced and potential L&D risks are accounted for in planning and response mechanism. Climate change, ecosystems and society are also dynamic, which means that the risks associated with climate change evolve over time. As a result, risk assessments need to be revised on a continuous basis - especially following extreme events - to ensure that the levels of risk people face are accurate. In addition, risks differ between locations and people, depending on the diversity of factors that drive vulnerability to different hazards. Thus, while risk assessments should ensure the use of rigorous, robust science and modelling they must also consider the specific vulnerabilities of households, communities and marginalised groups, (e.g. women, ethnic minorities, persons living with disabilities, children and people living in highly exposed locations). Finally, centring the L&D conversation around future risks may overlook the climate impacts that are occurring now. It is important for policy makers to contextualise risks and future impacts in the

“comprehensive risk assessments address short term risks while mapping long term adaptation that is required and underpinned by comprehensive science”

“because policymakers are politicians and think of things in 5 year cycles, we need to be careful of how we convey information and what is in the future”

context of losses and damages that are already being experienced. However, it is also important for decision makers to plan for uncertain future events instead of just the events they may have been experienced before – as demonstrated by the heat waves in Canada and floods in Germany.

Session 2. The dynamic interaction between adaptation and Loss & Damage

Challenges

Climate change impacts manifest themselves differently in each country or community, which also differ in their capacity to deal with those impacts. The capacity to deal with climate impacts differs at individual, community, local and national levels, depending on factors such as access to resources, levels of poverty, skills, capacity, and the quality of institutions. This means that an adaptation intervention that works in one place may not in another, and which works at one point in time may also fail in future. Any adaptation intervention will be impacted and complicated by the changing frequency and intensity of future climate events, the gradually increasing impact of slow onset events, and compounding impacts. Given this, no clear line can be drawn to distinguish where adaptation ends, and Loss and Damage begins. Even on occasions when adaptation occurs, some form of Loss and Damage may be experienced—especially by the poorest and most vulnerable. Therefore, adaptation and L&D interact—they exist in a space that is dynamic, ongoing, and subject to change over time.

This means that to tackle Loss and Damage a holistic perspective needs to be taken and a range of response mechanisms need to be layered into existing processes. There is no one solution to avert, minimise and address L&D. Rather, a set of interventions are necessary to support a community or household in a particular context. At the same time, these delivery mechanisms themselves need to recognise the dynamic space in which they exist. Therefore, existing mechanisms to tackle L&D must be strengthened to deal with the changing frequency and intensity of climate impacts over time (considering uncertainty) while also supporting adaptation, building resilience, and addressing the underlying drivers of vulnerability.

Priority solutions co-identified by participants

Need for risk informed planning processes. To tackle L&D, policy, planning and response mechanisms need to be risk-informed. For example, climate risks must be included in physical and sectoral (water, health, etc) planning with the overall objective of building short as well as long term resilience. For instance, in Trinidad and Tobago there are unplanned communities that are built in high-risk areas because the land is accessible. Already existing climate risks in these unplanned settlements can be compounded by lack of access to basic services and amenities, which can make them more vulnerable to hazard. This demonstrates that integrating climate risk even into land-use planning is important. Given the dynamic nature of climate risk, risk-informed planning should be a continual process rather than a one-time effort. As climate impacts manifest differently over time plans should be iterative and flexible to incorporate the changing conditions over time.

“All policy needs to be informed by climate risk – this is the main message to build a resilient society”

“Every policy needs a risk lens”

Early Warning Systems are crucial but are not effective on their own. Early Warning Systems (EWS) are crucial for averting, minimising and addressing L&D risks. However, EWS may be ineffective if the community does not have adequate resources, capacity, or training to act on them. For EWS to be effective in reducing risk, communities will need firstly to have access to the information they generate, and need to be able to interpret that information in ways that inform their decision making processes. They also require access to the local level resources and capabilities needed to take action in response to

“EWS; if they can't be used to take early action...what good is the EWS? The need to invest in capabilities and resources at local level to enable action is critical”

warnings. The impacts of climate events can often be experienced across boundaries. Where this is the case an effective EWS system will work best if regional cooperation arrangements for disaster response can be established (e.g. cyclone shelter, relocation, river system management etc.).

Communities need to be equipped to tackle loss and damage. Communities at the frontline of crises and hazards often come up with innovative, proactive solutions in times of stress. For example during the Covid-19 crisis in India, community members (such as women's Self Help Groups (SHGs)) responded to the lockdown and lack of access to markets by developing 'kitchen gardens' (growing vegetables in their backyards), supporting vulnerable community members access social protection benefits and entitlements, and using personal savings to support local-marketing of produce. SHG members layered several responses to deal with the crisis holistically. Community-based disaster management systems need to operate along the same lines in tackling L&D risks—as a holistic approach that targets the specific needs of the community and responds to the dynamic nature of climate impacts. It is therefore essential that communities are supported, empowered, financed, invested-in, and given access to adequate information and resources to act in crisis. Each community is unique, but with financial resources, government support, involvement in the planning process, and access to climate information, they can play a critical role in tackling L&D risks. The involvement of communities in planning processes means that plans can be bespoke, as empowered communities may be best placed to determine the most appropriate response mechanisms, and ways in which they can be supplemented to deal with the dynamic risks they face.

“[We need to] recognise communities as being a convergence point, that look at both short term responses and long-term recovery. Community planning and planning for communities to continue to play this role is very important.”

Small-Medium events should be planned for and responded to. Loss and damage are caused by the increase in frequency and severity of extreme rapid onset events (such as cyclones, hurricanes and floods), slow-onset processes (such as drought, sea level rise and salination) and small-medium cyclical/seasonal events (such as a changing monsoon season). However, the small-medium events as well as slow onset processes (SOP) tend to exert continual and increasing pressure on households and communities, reducing their resilience over time. Because of this exertion of continual pressure, these households and communities are then even more vulnerable to suffering from L&D when rapid onset events do occur. Cyclone shelters and evacuation programmes have been effective in reducing and averting the loss of life from rapid onset events. There is a need for similar response mechanisms for SOPs and small-medium events.

“What if we're just preparing for L&D from big events and not preparing for consistent L&D caused by seasonal cyclical climate events becoming more severe (and happening every year) – chipping away every year at resilience and development gains?”

Session 3. Institutional and governance mechanisms

Challenges

Countries are increasingly having to deal with climate-induced emergencies and rapid onset events whilst simultaneously pursuing national development: crises are forcing an evolution of the contexts people are living in, and thus an evolution of their expectations with regards to the role of adaptation and the limits of adaptation. Strong institutions and governance systems are needed that can incorporate both short and long-term risks from L&D (from slow onset events, increasing frequency and intensity of rapid onset events, and non-economic L&D) in all planning processes at all levels – from community groups to national agendas. Such institutions and governance systems must be able to consider L&D risk before and after events, have the flexibility to work differently in different places, and should be guided by strong principles: a 'whole of society' approach that includes all sections of society (communities, CSOs, private sector, local authorities and national government) and which takes the full range of risks into consideration; improving the way climate and risk information is understood and integrated into financial

planning and budgeting at national and local levels (both within Ministries of Finance and across sectors); procedures for regional sharing of data (e.g. for watersheds); strong decentralised governance with local capabilities to interpret and act on climate risk information effectively; and robust L&D contingency planning integrated into plans and operations at all levels.

Institutional and governance mechanisms: An example of institutional arrangements to align decision making with future climate scenarios could, for instance, be the UK's Climate Change Committee which, as an independent, statutory body established through law to provide advice and to report to Parliament on mitigation and adaptation progress, has influenced decision making. Another example could be the Government of Kerala, India, which included climate change as a cross-cutting theme in the Five-Year Plan (2017–2022), resulting in changes to the formal rules and incentives that guide the planning process for the entire State. Whilst these examples of institutional and governance mechanisms may not explicitly name Loss and Damage as the focus of their activity, the actions they take are nonetheless Loss and Damage related.

Priority solutions co-identified by participants

Climate change and loss and damage are development issues. Accordingly, any approaches to avert, minimise, or address loss and damage need to be integrated across Government and inclusive of the whole of society. Loss and Damage must transition from being a 'negotiations issue' to a collective challenge for the whole of government (horizontally and vertically). Institutions like the V20 Group of Ministers of Finance can consider climate impacts and risks through national budgets, as opposed to intergovernmental processes, and can allocate resources based on the climate impacts and risks they see unfolding in their countries.

“In the communities we work with, it's development failures that are continually reproducing vulnerabilities to disasters and climate change”

Institutional and governance arrangements should facilitate alignment across Government and society. Climate change risks and impacts affect all sectors and must be considered in governance arrangements that go beyond their traditional home in environment or agricultural ministries. By taking Loss and Damage out of a siloed way of working and integrating it across Ministries, countries can consider how to adapt and re-draft legislation, legal frameworks, and regulation to enable coherent effective action on climate risks. This should include developing institutional arrangements that are able to manage and balance conflicting priorities and interests on budgetary allocations (whether delivered through 'super-ministries' like in Mexico and Peru, or through trust funds like in Bangladesh) and react flexibly to both slow and rapid onset events.

Longer-term thinking is needed. Loss and Damage is happening today and will continue to happen into the future. Whilst it can be challenging to allocate funding for preventative measures, shifting time horizons further into the future can be useful to justify *ex ante* investment in resilience through, for instance, social protection: spending today can deliver future savings by avoiding Loss and Damage in the future. Regulatory frameworks can support longer term thinking by, for instance, modifying the Environmental Impact Assessment process to consider not only the impacts of a development on the environment, but of the changing environment on the development.

“In the end, those people's livelihoods are going to break and their coping won't work and then you have a much bigger issue on your hands.”

Improving the quantity, quality and uptake of adaptation research can help prevent the kinds of maladaptation that increase vulnerability to hazards and climate change (if the political economy surrounding decision making is aligned with the aims of climate-proof development). Research into the daily coping strategies of vulnerable households and communities legitimises their approaches to addressing loss and damage and can support inclusive planning.

“..what people do by themselves - the manner they resolve those challenges - is not studied by academic institutions to justify and legitimate them”

Participation and inclusion of those most vulnerable to Loss and Damage in governance and institutional structures can help ensure

their needs are considered and addressed. The impacts on people's daily lives are not neatly partitioned into adaptation, Loss and Damage, and development challenges. Flexibility in responding to their actual needs can result in greater credibility of planned activities among communities (for instance with Indonesia's Village Fund). Disaster management plans developed by international consultants fail to capture the local needs and input of informal settlements. Uptake of and investment in tools like SDI's various vulnerability assessment tools could improve inclusion of informal settlements in disaster planning.

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A series of deliberative dialogues have been initiated to co-generate a shared narrative and practical solutions for tackling climate change loss and damages (L&D), with vulnerable developing countries, CSOs, NGOs, developed countries, and other key actors. The second event focused on identifying solutions to what type of action and support is needed to tackle L&D.



Event
Materials

Climate change

Keywords:

Loss and Damage; Small Island Developing States (SIDS); Least Developed Countries (LDC) voices



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