

# Loss and Damage under the UNFCCC

# What relationship to the Hyogo Framework

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#### 1. Introduction

Responsibility for addressing the impacts of humaninduced climate change and the source of financial support for addressing these impacts are two critical and deeply political issues. In late 2012, the Parties to the UN Framework Convention on Climate Change (UNFCCC)<sup>1</sup> agreed to establish institutional arrangements, such as an international mechanism, to address loss and damage from the impacts of growing GHG concentrations. A decision on the form of these arrangements is expected in Warsaw, at the next Conference of the Parties in 2013. Discussions have also been initiated on whether the new 2015 agreement being negotiated under the UNFCCC should explicitly include an international mechanism to address loss and damage.

At the same time, discussions are underway at the international level on how climate change and climate-related risk should be referenced in the second phase of the Hyogo Framework for Action<sup>2</sup>, due to be agreed in 2015, as well as how disaster risk reduction and climate change should factor into post-2015 development goals.

This paper briefly highlights some of the significant and fundamental differences in objectives, terminology, approach, source of financing, legal nature and -- importantly -- responsibility under the UNFCCC and the Hyogo Framework. In view of these differences, the paper urges caution in reliance on HFA processes to address the range of concerns raised under the UNFCCC on loss and damage.

### 2. 2012 Doha Decision on Loss and Damage under the UNFCCC

Since the very beginning of the international climate change negotiations, countries most vulnerable to the impacts of climate change have raised the need for the countries most responsible for GHG pollution to address the loss and damage they will suffer from human-induced ("anthropogenic") climate change.<sup>3</sup>

In 1991, in the negotiation of the UNFCCC itself, the Alliance of Small Island States (AOSIS), a grouping of small island nations, proposed the establishment of an international insurance pool as a "collective loss-sharing scheme" to "compensate the most vulnerable small island and low-lying coastal developing countries for loss and damage arising from sea level rise". This collective "loss-sharing" scheme was to be funded by assessed mandatory contributions from industrialised countries, based in part on their relative GNPs and in part on their relative greenhouse gas (GHG) emissions. <sup>4</sup> The insurance pool would address impacts that exceeded the reasonable adaptation efforts of the most vulnerable small island and low-lying developing countries as a result of sea level rise. <sup>5</sup>

Although the call for redress by impacted developing countries under the UNFCCC has shifted somewhat in terminology over the years, <sup>6</sup> the demand for a

<sup>&</sup>lt;sup>4</sup> A/AC/.237/15 at 127.

<sup>&</sup>lt;sup>5</sup> Id. at 126-130 (in assessing claims against the pool, an Authority would determine whether the loss or damage claimed could have been avoided or mitigated by measures which might reasonably have been undertaken at an earlier stage, taking into account the availability of funds, both domestic and international, which would have enabled mitigating or preventative measures).

<sup>&</sup>lt;sup>6</sup> In Articles 4.8 and 4.9 of the treaty, the Parties agree to consider the special needs and concerns of developing countries with respect to "insurance". This language derives from a proposal during the UNFCCC negotiations on insurance, for supplementary financial mechanisms to assist developing countries and particularly LDCs, SIDS and low-lying coastal developing countries, to prevent or mitigate the adverse consequences of sea level rise. See A/AC.237/15 at 80. In 2008, at COP 14, AOSIS called for the establishment of a Multi-window Mechanism at the international level with three inter-dependent components: (1) an insurance component, to help SIDS and other particularly vulnerable developing countries manage financial risk from increasingly frequent and severe extreme weather events; (2) a rehabilitation/compensatory component, to address the progressive negative impacts of climate change, such as sea level rise, increasing land and sea surface temperatures, and ocean acidification, which result in loss and damage; (3) a risk management component, to support and promote risk assessment and risk management tools and facilitate and inform the Insurance Component and Rehabilitation/Compensatory Component. See Alliance of Small Island States, Proposal to the AWG-LCA: Multi-Window Mechanism to Address Loss and Damage from Climate Change Impacts available at http://unfccc.int/resource/docs/2008/awglca4/eng/misc05 a02p01.pdf and at FCCC/AWGLCA/2008/MISC.5/Add.2 (Part I) ((Paper No. 3c), http://unfccc.int/files/

<sup>&</sup>lt;sup>1</sup> http://unfccc.int/files/essential\_background/background\_publications\_htmlpdf/application/pdf/conveng.pdf

<sup>&</sup>lt;sup>2</sup> www.unisdr.org/we/inform/publications/1037

<sup>&</sup>lt;sup>3</sup> See A/AC.237/Misc.1/Add.3 at 30 (18 June 1991, Paper 16, Vanuatu: Elements for a Framework Convention on Climate Change, submitted on behalf of AOSIS); A/AC.237/15 at 80, 126 (Annex V, Insurance Mechanism).

response to loss and damage resulting from the added burden of the impacts of anthropogenic climate change, based on polluter pays principle and the international law principle of State responsibility for transboundary harm, has not changed. This call has now been taken up by the G-77, a far broader grouping of developing country Parties. <sup>7</sup> Many developing countries are concerned that they are being asked to bear a disproportionate burden from the impacts of climate change relative to their contribution to global emissions, in a manner inconsistent with equity and international law principles. <sup>8</sup>

After years of debate, at COP 18, in Doha, the Parties to the UNFCCC agreed to establish, at COP 19 in Warsaw in 2013.

institutional arrangements, such as an international mechanism, including functions and modalities, elaborated in accordance with the role of the Convention as defined in paragraph 5 above, to address loss and damage associated with the impacts of climate change in developing countries that are particularly vulnerable to the adverse effects of climate change ... <sup>9</sup>

Unsurprisingly, however, it seems that developed and developing countries have different aspirations for the nature and shape of these institutional arrangements and their associated functions and modalities.

Developing countries envisage a new international mechanism, established at the international level under the UNFCCC, that provides support to vulnerable developing countries in minimizing and managing the added burden of loss and damage they bear due to more frequent and severe climate-related extreme weather events, and that also offers a systematic way of addressing at the international level loss and damage from the progressive, negative impacts of human-induced climate change they will suffer from sea level rise, ocean acidification and increasing sea surface and land temperatures. 10 Developed countries, in contrast, have questioned the need for new institutional arrangements in general and an international mechanism in particular, and have emphasized that many of the concerns of vulnerable Parties are being addressed, or can largely be addressed, by existing institutions and processes outside the UNFCCC. 11 They highlight the International Strategy for Disaster Reduction (ISDR) and the Hyogo Framework for Action (HFA)<sup>12</sup> as existing frameworks, well-suited to addressing the needs of vulnerable

kyoto\_protocol/application /pdf/aosisinsurance061208.pdf. See also Submission of Nauru on behalf of AOSIS dated September 28, 2012, FCCC/SBI/2012/MISC.14.

coherence and synergies among relevant stakeholders; (c) Enhancing action and support, including finance, technology and capacity-building, to address loss and damage associated with the adverse effects of climate change".

<sup>&</sup>lt;sup>7</sup> Earth Negotiations Bulletin, Vol. 12 No. 539 (18 May 2012) at 3.

Statement on behalf of the G77 and China at the opening of the 37th session of the Subsidiary Body on Implementation, Doha, Qatar, 26 November 2012, available at http://www.g77.org/statement/getstatement.php?id=121126. See, e.g., inputs from the Cook Islands reflected in the Summary report on the workshop on enhancing adaptation through the 2015 agreement, ADP 2, part 2 (25 July 2012) (the 2015 agreement should address loss and damage systematically by an international mechanism that provides compensation for permanent losses based on the polluter pays principle and have a formula for calculating adaptation finance obligations).

<sup>&</sup>lt;sup>9</sup> Decision 3/CP.18. Under paragraph 5, the Parties "[a]/so agree[] that the role of the Convention in promoting the implementation of approaches to address loss and damage associated with the adverse effects of climate change includes, inter alia, the following: (a) Enhancing knowledge and understanding of comprehensive risk management approaches to address loss and damage associated with the adverse effects of climate change, including slow onset impacts; (b) Strengthening dialogue, coordination,

Submission by Nauru on behalf of AOSIS, FCCC/SBI/2012/MISC.14; Submission by Gambia on behalf of the LDCs, FCCC/SBI/2011/MISC.8.

<sup>&</sup>lt;sup>11</sup> See, e.g., Verheyen, "Tackling Loss & Damage – A new role for the climate regime", November 2012 at 6-7 (noting resistance especially by the United States to the inclusion of loss and damage in negotiations within the climate regime, based, inter alia, on the following arguments: mitigation and adaptation must remain the priority; there is no legal basis for such discussions as the Convention covers only adaptation; even if there were a legal basis, the Convention only deals with anthropogenic climate change, which cannot be divided from impacts of natural climate change; there are no instances of actual damage due to climate change which must be addressed; the issue is well vested within the framework of disaster risk reduction; there is no need to address this issue internationally, national risk reduction and management tools will be sufficient; further financial requests must be stopped at the start).

<sup>12</sup> http://www.unisdr.org/eng/hfa/hfa.htm

Parties, whose approaches and institutional arrangements can be built upon. 13

There have been an increasing number of references to the Hyogo Framework and to disaster risk reduction in adaptation-related decisions, largely at the insistence of developed countries. 14 These references have been perceived by some vulnerable developing country Parties as a deliberate strategy by developed countries to neutralize politically-sensitive discussions of loss and damage under the UNFCCC which are fundamentally about State responsibility for transboundary harm - by enmeshing these discussions in a different international framework that severs the causal link between emissions and impacts and that places responsibility on countries to find ways to reduce their own vulnerabilities, using their own resources. 15 In other words, some see these references not just as an effort to recognize synergies between multilateral processes, but also as a deliberate strategy to shift responsibility for addressing the transboundary impacts of GHG emissions onto the shoulders of the victims of this transboundary pollution -- contrary to the established principles and commitments of the UNFCCC which promise financial and technical support to developing countries particularly vulnerable to the adverse impacts of climate change.<sup>16</sup>

Given the difference of perspectives among Parties, and the language of decision 3/CP.18, key issues that arise in connection with the Doha agreement to establish "institutional arrangements such as an international mechanism . . . to address loss and

damage associated with the impacts of climate change in developing countries " include the following:

- (1) whether these institutional arrangements will be new arrangements, or whether they will be a reframing, reprofiling, repackaging or new linking of existing arrangements under the HFA or other frameworks or institutions; <sup>17</sup>
- (2) whether these "institutional arrangements, such as an international mechanism" will be established and function at the international level under the UNFCCC, or whether developing country Parties will be urged to establish, develop or build upon "institutional arrangements . . . in developing countries" meaning institutions at the national and / or regional levels to reduce loss and damage within their territories, without core international recognition of the transboundary nature of the causation of many of these impacts and without guaranteed international support;
- (3) whether the associated "functions modalities" referenced in decision 3/CP.18 will go beyond the usual knowledge gathering and information sharing, to directly mobilize, secure and supply the necessary technical and financial expertise and financial support absent in many particularly vulnerable Parties to help minimize loss and damage from increasingly frequent and severe extreme weather events, and to address progressive loss and damage from sea level rise, ocean acidification and other slow-onset processes resulting from human-induced climate change;
- (4) whether a dedicated funding stream or explicit link to finance will be established under the UNFCCC as part of these institutional arrangements or international mechanism, that can be accessed by the most vulnerable Parties, or whether particularly vulnerable developing countries, such as LDCs and SIDS, will be left to apply their own scarce national funds to address near-term and long-

<sup>&</sup>lt;sup>13</sup> See Submissions contained in FCCC/SBI/2011/MISC.8 and FCCC/SBI/2011/MISC.8/Add.1, including those of the EU, United States, Switzerland. http://unfccc.int/resource/docs/2011/sbi/eng/misc08a01.pdf

<sup>&</sup>lt;sup>14</sup> Personal observations of the author and discussions with negotiators. See, e.g., decision 1/CP.16, para 14, with respect to enhancing action on adaptation: "(e) Enhancing climate change related disaster risk reduction strategies, taking into consideration the Hyogo Framework for Action, where appropriate, early warning systems, risk assessment and management, and sharing and transfer mechanisms such as insurance, at the local, national, subregional and regional levels, as appropriate. . ."

<sup>&</sup>lt;sup>15</sup> Discussions with delegates.

<sup>&</sup>lt;sup>16</sup> Stabinsky and Hoffmaister, "Loss and Damage: Some key issues and considerations", Third World Network Briefing Note 1, Latin American Regional Meeting, 23-25 July 2012, at 4-5 (UNFCCC is the relevant policy forum within which to continue discussions of loss and damage).

<sup>&</sup>lt;sup>17</sup> See Verheyen, note 10 above.

term loss and damage from the impacts of anthropogenic climate change - despite their negligible contribution to the GHG concentrations causing these impacts;

(5) whether calls by particularly vulnerable developing country **Parties** for establishment of an international mechanism to address loss and damage under the UNFCCC will lead to the closing of a known gap in the international climate change architecture, or whether these calls may be seized upon, in the context of HFA2, to collapse the range of loss and damage concerns<sup>18</sup> into the same pool of ODA and humanitarian assistance that is already insufficient to meet development and humanitarian aims -- ignoring the international law principle of State responsibility for transboundary harm and the principles and provisions of the Convention.

These are important questions. The answers have much to say about whether the Parties to the UNFCCC, and more specifically the major-emitters among them, are willing to shoulder a shared responsibility for the cross-border externalities their domestic emissions impose on particularly vulnerable Parties and whether they are willing to do so head on, under the international framework that is designed to address human-induced climate change and its impacts.

## 3. Significant distinctions between UNFCCC and disaster risk reduction (DRR) approaches

There are a number of significant distinctions between climate change and disaster risk reduction approaches that derive from the different objectives of these two frameworks.

The UNFCCC aims to reduce anthropogenic (humaninduced) greenhouse gas emissions in order to stabilize GHG concentrations in the atmosphere at a level that would prevent dangerous human interference with the climate system. <sup>19</sup> This level should be achieved within a time-frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure food production is not threatened and to enable economic development to proceed in a sustainable manner.<sup>20</sup> This formulation and paragraph 2 of the Convention's preamble acknowledge the link between emissions and the impacts of these emissions. 21 The UNFCCC implicitly recognizes the developed country contribution to historical emissions in the Parties' agreement that developed countries should take the lead in reducing emissions and in combating the adverse effects of climate change. In recognition of their greater responsibility and capacity, developed countries have agreed to provide finance and support to developing countries to address the incremental cost of measures to facilitate adequate adaptation to the adverse impacts of anthropogenic climate change as well as assistance to particularly vulnerable developing country Parties in meeting costs of adaptation.<sup>22</sup>

In contrast, the disaster risk reduction approach reflected under the Hyogo Framework addresses natural hazards and aims to reduce the financial burden to donors of humanitarian assistance in the event of natural disasters by encouraging greater responsibility for pre-disaster planning and postdisaster recovery by affected countries communities. The motivation for DRR, the Yokohama Strategy and the Hyogo Framework is to reduce environmental, human and economic losses from natural disasters, and the costs of humanitarian assistance in responding to disasters, by encouraging impacted countries to take greater responsibility for reducing their pre-disaster vulnerability and exposure to hazards - to move to a "prevention culture". These approaches also encourage self-reliance and greater reliance on national resources to facilitate recovery.<sup>23</sup>

<sup>&</sup>lt;sup>20</sup> lc

<sup>&</sup>lt;sup>21</sup> The second paragraph: "Concerned that human activities have been substantially increasing the atmospheric concentrations of greenhouse gases, that these increases enhance the natural greenhouse effect, and that this will result on average in an additional warming of the Earth's surface and atmosphere and may adversely affect natural ecosystems and humankind."

<sup>&</sup>lt;sup>22</sup> UNFCCC Article 4.3 and 4.4.

<sup>&</sup>lt;sup>23</sup> The Yokohama Strategy for example, refers to "Adoption of a policy of self-reliance in each vulnerable country and community comprising capacity-building as well as allocation and efficient use of resources" while at the same time noting that LDCs, SIDS and land-locked countries are particularly vulnerable to the impacts of natural disasters. See Yokohama Strategy I.C.2.

<sup>&</sup>lt;sup>18</sup> Concerns related to loss and damage include those related to risk reduction and risk transfer, referenced in decision 1/CP.13 (the Bali Action Plan).

<sup>&</sup>lt;sup>19</sup> UNFCCC Article 2.

These differing objectives have led to clear distinctions between the frameworks:

- the Hyogo Framework does not acknowledge GHG emissions as an external driver of risk for many countries or address the need for the mitigation of emissions as a means of lowering cross-boundary risk to other countries vulnerable to the impacts of these emissions.
- international financial support is voluntary under the Hyogo Framework; the HFA does not contemplate mandatory financial assistance from developed countries to impacted countries.
- DRR and the Hyogo Framework address what can be done at the national level, using national resources, national institutions, NGOs and existing national funding.
- DRR addresses only domestic natural hazards; hazards that arise directly from transboundary man-made hazards or pollution are not specifically addressed.
- DRR uses a definition of climate change (all climate change whether from natural or anthropogenic causes) which is broader than the UNFCCC definition (anthropogenic climate change).
- DRR focuses on short-term events resulting from natural hazards (pre-disaster, postdisaster); it does not consider gradual increases in the intensity or frequency of short term events, or impacts from longerterm processes such as sea level rise and ocean acidification specifically resulting from human interference with the climate system.
- Under the HFA, each State has the primary responsibility for its own sustainable development and for taking effective measures to reduce disaster risk, including for the protection of people on its territory, infrastructure and other national assets from the impact of disasters.
- DRR finds the cause of any disaster at the national level, as DRR views disasters as resulting from a range of socio-economic factors and development choices that impact exposure to a hazard, vulnerability and the inability of a household or society to cope

with the consequences using its own resources.

### 4. Limitations of the DRR approach and Hyogo Framework in the UNFCCC context of anthropogenic emissions

Although there is much shared language between the UNFCCC and the Hyogo Framework, the definitions and understanding of key terms differs due to the different aims and objectives of these two frameworks. Hence terms that are central to each process (climate change, disaster, vulnerability, resilience, risk, cross-boundary risk, and loss and damage) are understood differently when used under these different frameworks. These differences limit the utility of the HFA in addressing loss and damage concerns raised under the UNFCCC by Parties that are particularly vulnerable to the impacts of climate change.

**Concepts:** The International Strategy for Disaster Reduction, used by the DRR community, revolves around three major concepts -- natural hazards, vulnerability and risk:<sup>24</sup>

- "natural hazards comprise phenomena such as earthquakes, volcanic activity, landslides, tsunamis, tropical cyclones and other severe storms, tornadoes and high winds, river floods and coastal flooding, wildfires and associated haze, drought, sand/dust storm and infestations"
- "vulnerability to disasters is a function of human actions and behaviour. It describes the degree to which a socio-economic system is either susceptible or resilient to the impact of natural hazards and related technological and environmental disasters. The degree of vulnerability is determined by a combination of several factors including hazard awareness, the condition of human settlements and infrastructure, public policy and administration, and organized abilities in all fields of disaster management. Poverty is also

<sup>&</sup>lt;sup>24</sup> See http://www.eird.org/eng/acerca-eird/marco-accioneng.htm (setting out definitions for natural hazards, vulnerability, risk). These definitions have evolved over time.

<sup>&</sup>lt;sup>25</sup> ISDR 2001. See also http://www.unisdr.org/eng/library/lib-terminology-eng%20home.htm.

one of the main causes of vulnerability in most parts of the world." <sup>26</sup> Vulnerability describes "[t]he characteristics and circumstances of a community, system or asset that make it susceptible to the damaging effects of a hazard." <sup>27</sup> This definition identifies vulnerability as a characteristic of the element of interest (community, system or asset) which is independent of its exposure.<sup>28</sup>

- a disaster is "a serious disruption of the functioning of a community or a society causing widespread human, material, economic or environmental losses which exceed the ability of the affected community or society to cope using its own resources." <sup>29</sup> It is a function of the risk process and "results from the combination of hazards, conditions of vulnerability and insufficient capacity or measures to reduce the potential negative consequences of risk".<sup>30</sup>
- the risk of a disaster is "the probability of a disaster occurring". The evaluation of a risk includes vulnerability assessment and impact prediction taking into account thresholds that define acceptable risk for a given society. The potential disaster losses, in lives, health status, livelihoods, assets and services, which could occur to a particular community or a society over some specified future time period. The definition of disaster risk reflects the concept of disasters as the

outcome of continuously present conditions of risk."<sup>34</sup>

Note that a "disaster", as understood under the HFA, only occurs if impacts exceed the impacted community's ability to cope using its own resources.

In contrast, the assessments of the Intergovernmental Panel on Climate Change provide key information on attribution of climate change, separating natural climate variability from anthropogenic climate change when available data allows, across topics including climate observations and projections, as well as assessments of impacts, damages, adaptation options and costs.

- Vulnerability: In its Fourth Assessment Report the IPCC finds three components to vulnerability<sup>35</sup>: (1) exposure; (2) sensitivity; and (3) adaptive capacity. Exposure, in turn, is of two types: (1) exposure to current climate variability and (2) exposure to climate change. This implies vulnerability increases with increased exposure.
- Although more recently the IPCC retains the difference between natural and anthropogenic climate changes, in the more recent Special Report of Extreme events (SREX) the IPCC decomposes exposure from vulnerability. SREX defines exposure as the "presence of people; livelihoods; environ-mental services and resources; infrastructure; or economic, social, or cultural assets in places that could be adversely affected". Vulnerability is defined as the "propensity or predisposition to be adversely affected".
- Importantly, the updated usage of these terms by IPCC still allows for the attribution of impacts, or damages to anthropogenic "From influences: a climate change perspective, basic environmental conditions change progressively and then induce new risk conditions for societies. For example, more frequent and intense events may introduce factors of risk into new areas, revealing underlying vulnerability. In fact, future vulnerability is embedded in the present conditions of the communities that may be exposed in the future ...; that is, new hazards in areas not previously subject to

<sup>&</sup>lt;sup>26</sup> ISDR 2001.

<sup>&</sup>lt;sup>27</sup> See http://www.unisdr.org/eng/library/lib-terminology-eng%20home.htm.

http://www.unisdr.org/eng/library/lib-terminology-eng%20home.htm. See also UNU-EHS publication SOURCE series Nr. 2, Dr. Katharina Thywissen "Urban vulnerability to natural hazards such as earthquakes is a function of human behaviour. It describes the degree to which socioeconomic systems and physical assets in urban areas are either susceptible or resilient to the impact of natural hazards. Vulnerability is independent from any particular magnitude from a specific natural event but dependent on the context in which it occurs." http://www.ehs.unu.edu/elearning/mod/glossary/view.php?id=8&mode=date

<sup>&</sup>lt;sup>29</sup> ISDR, 2007.

<sup>&</sup>lt;sup>30</sup>ISDR, 2009 and Appendix C.; http://www.unisdr.org/2004/wcdr-dialogue/terminology.htm

http://www.eird.org/eng/acerca-eird/marco-accion-

eng.htm

<sup>&</sup>lt;sup>32</sup> ISDR, 2001.

<sup>&</sup>lt;sup>33</sup> ISDR, 2009.

them will reveal, not necessarily create, underlying vulnerability factors"

Risk: is the probability of an event and its consequences <sup>37</sup> occurring over a particular timeframe, with those consequences more severe under higher exposure and vulnerability. Risk would be exacerbated by increased probabilities of such an event, as well as increased exposure, or vulnerability.

By distinguishing between natural and anthropogenic climate change and variability, and noting vulnerability would be "revealed" by climate change, even if "embedded in present conditions", the IPCC approach allows for a discussion of attribution of impacts and damages, which DRR definitions do not.

Responsibility: the DRR framework finds both the source of risk and the solution to risk, at the national level.<sup>38</sup> The HFA provides that "[t]aking into account the importance of international cooperation and partnerships, each State has the primary responsibility for its own sustainable development and for taking effective measures to reduce disaster risk, including for the protection of people on its territory, infrastructure and other national assets from the impact of disasters."<sup>39</sup> The UNFCCC, in contrast, sets out measures for all Parties to take to mitigate emissions and to adapt to the negative impacts of climate change, but it recognizes the transboundary nature of climate change impacts in its preamble, in recalling that in accordance with principles of international law, States have the responsibility to ensure that activities within their jurisdiction or control do not cause damage to the environments of other States or of areas beyond the limits of national jurisdiction. The UNFCCC recognizes that "the extent to which developing country Parties will effectively implement their commitments under the Convention will depend on the effective implementation by developed country Parties of their commitments related to financial resources and transfer of technology  $\dots$   $^{\rm "^{40}}$ 

Financial support: DRR emphasizes what countries can do at the national level to reduce risk from hazards of national origin themselves, based on their own national vulnerabilities and using their own financial resources, in order to enhance their resiliency. 41 Risk relates directly to socio-economic drivers at the national level. 42 Under the HFA, international cooperation and support is referenced, but this support is understood to be voluntary and humanitarian in nature. In practice, support for DRR is concentrated in just a few countries and is acknowledged to be insufficient.43 In contrast to DRR's voluntary, humanitarian support, the UNFCCC implicitly recognizes an element of responsibility on the part of industrialized countries for the adverse impacts of climate change, and explicitly recognizes the capacity of these Parties to provide support. Funding flows from industrialized countries to developing countries for adaptation are mandatory. The incremental cost of designing and implementing measures to address adaptation is also to be provided under Article 4.3 and developed countries are required to assist the developing countries that are

<sup>&</sup>lt;sup>40</sup> UNFCCC Article 4.7.

<sup>&</sup>lt;sup>41</sup> Paragraph 16 of the HFA exhorts countries to "Allocate resources for the development and implementation of disaster risk management policies, programmes, laws and regulations on disaster risk reduction in all relevant sectors and authorities at all levels of administrative [sic] and budgets on the basis of clearly prioritized actions."

<sup>&</sup>lt;sup>42</sup> See Earth Negotiations Bulletin, Vol. 12 No. 539, page 3, 18 May 2012 ("the US said it is important to consider biophysical risks together with socio-economic vulnerability ...").

<sup>43</sup> It has been commented that "development aid is failing to match international recommendations that at least 1 percent of official development assistance (ODA) be spent on disaster risk reduction. During the 2006-2010 period, only 0.5 percent of ODA was spent [on DRR]. Similarly, the proportion of humanitarian aid spent on DRR is also consistently lower than 5 percent, despite states promising at the 2009 Global Platform for Disaster Risk Reduction to increase this to 10 percent." See "Disaster risk must be part of new development goals - global forum" 23 May 2013 available at http://www.trust.org/item/20130523154605tyulk/?source=hptop Funds directed toward DRR are concentrated in just a few countries S. Kellett and D. Sparks, "Disaster Risk Reduction Spending where it should count", March 2012 at 15, available http://www.globalhumanitarianassistance.org/wpcontent/uploads/2012/03/GHA-Disaster-Risk-Report.pdf

<sup>&</sup>lt;sup>34</sup> ISDR, 2009.

http://www.ipcc.ch/pdf/assessment-report/ar4/wg2/ar4-wg2-app.pdf

<sup>36</sup> http://ipcc-wg2.gov/SREX/images/uploads/SREX-Chap2 FINAL.pdf

<sup>&</sup>lt;sup>37</sup>http://www.ipcc.ch/publications\_and\_data/ar4/wg3/en/c h2s2-3.html

<sup>&</sup>lt;sup>38</sup> Chair's Summary, Fourth Session of the Global Platform for Disaster Risk Reduction, 21-23 May 2013 at 2.

<sup>&</sup>lt;sup>39</sup> HFA paragraph 13.

particularly vulnerable to the adverse effects of climate change in meeting costs of adaptation to these effects under Article 4.4. Under the UNFCCC, Parties have long argued that human-induced climate change is an additional stressor and hence funding to address human-induced climate change should be in addition to existing Overseas Development Assistance (ODA), not in lieu of ODA or drawn from ODA.

Source of risk/hazards: footnote 3 of the Hyogo Framework explicitly limits its scope to "disasters caused by hazards of natural origin and related environmental and technological hazards and risks." <sup>46</sup> Even though Regional Platforms address "crossboundary risks", these remain risks from hazards of natural origin -- not human-induced hazards. Another country's emissions of GHGs into the atmosphere are not recognized as a distinct hazard or source of domestic risk to a country particularly vulnerable to climate change impacts, or recognized as a crossboundary risk. <sup>47</sup> The UNFCCC in contrast, is entirely about a hazard of human origin -- anthropogenic

(human-induced) GHG emissions." <sup>48</sup> Another country's anthropogenic emissions, which alter the composition of the global atmosphere and/or the climate system<sup>49</sup>, are recognized as presenting a direct or indirect source of risk and/or harm to a country vulnerable to climate change impacts. These emissions may among other things, amplify risks from existing natural hazards or create new hazards and risks.

**Vulnerability/resilience:** under DRR, vulnerability to disasters is a function of human actions and behaviour, with vulnerability describing the degree to which a socio-economic system is either susceptible or resilient to the impact of natural hazards and related technological and environmental disasters. The degree of vulnerability is determined by a combination of several factors including hazard awareness, the condition of human settlements and infrastructure, public policy and administration, and organized abilities in disaster management. Poverty is seen as a main cause of vulnerability. Importantly, DRR identifies vulnerability as a characteristic of an element of interest, for example, a community, system or asset, which is independent of its exposure. In contrast, the UNFCCC recognizes that Parties are particularly vulnerable to the impacts of humaninduced climate change due to their geological and natural attributes and their physical exposure, regardless of their socio-economic systems. The UNFCCC explicitly recognizes that "low-lying and other small island countries, countries with low-lying coastal, arid and semi-arid areas or areas liable to floods, drought and desertification, and developing countries with fragile mountainous ecosystems are particularly vulnerable to the adverse effects of climate change". 50 On top of this physical vulnerability, socio-economic challenges faced by developing countries, LDCs, SIDS, etc. are understood

<sup>&</sup>lt;sup>44</sup> "4. The developed country Parties and other developed Parties included in Annex II shall also assist the developing country Parties that are particularly vulnerable to the adverse effects of climate change in meeting costs of adaptation to those adverse effects."

<sup>&</sup>lt;sup>45</sup> Under the Monterrey Consensus, developed countries agreed to spend 0.7% of their gross national product as ODA to developing country Parties and 0.15 to 0.20 per cent of GNP of developed countries to least developed countries, yet few developed countries are meeting this target.

http://www.un.org/esa/ffd/monterrey/MonterreyConsens us.pdf, paragraph 42

<sup>&</sup>lt;sup>46</sup> HFA footnote 3: "The scope of this Framework for Action encompasses disasters caused by hazards of natural origin and related environmental and technological hazards and risks." The expression "and related technological and environmental disasters" describes situations where the impacts of natural disasters have been compounded by the occurrence of technological and environmental damages. Hazard is defined in HFA note 2.

<sup>&</sup>lt;sup>47</sup> The United States, in its own documentation, has not yet recognized human-induced climate change as an example of a human-induced "threat or hazard". See, e.g., US Federal Emergency Management Agency Comprehensive Preparedness Guidance 201: Threat and Hazard Identification and Risk Assessment, published in 2012, and referenced in the United States' 2011-2013 National HFA report http://www.state.nj.us/njhomelandsecurity/grants/grants-main/06-21-12-thira-guide.pdf

<sup>&</sup>lt;sup>48</sup> Article 1 of the UNFCCC defines "climate change" as "a change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods." The objective of the UNFCCC, as expressed in Article 2, is to stabilize GHGs "concentrations in the atmosphere at a level that will avoid dangerous anthropogenic interference with the climate system."

<sup>&</sup>lt;sup>49</sup> "Climate system" is defined in Article 1 of the UNFCCC to mean "the totality of the atmosphere, hydrosphere, biosphere and geosphere and their interactions."

<sup>50</sup> UNFCCC preambular paragraph (emphasis added).

to add to this existing physical vulnerability.<sup>51</sup> It is understood that increasing wealth does not remove underlying physical vulnerability, nor does it remove the additional economic, social and human burden to countries of responding to the adverse impacts of anthropogenic climate change.

Causation of impacts: under DRR, a natural disaster and its resulting loss and damage is understood as the consequence of the impact of a natural hazard on a socio-economic system with a given level of vulnerability which prevents the affected society from coping adequately with this impact. Disasters and their impacts are caused by a system's inability to avoid and minimize loss and damage and cope with a hazard using its own resources. From this perspective, if a country grows in wealth, it may be thought to have reduced its vulnerability and its consequent risk of loss and damage - because it is better able to cope with a hazard using its own resources. The UNFCCC presents a different legal context. Under the UNFCCC, there is clear link between emissions and impacts. Where many developing countries have contributed little to global emissions, the question is not whether they and their citizens are able to absorb loss and damage resulting from the GHG emissions of others cope with impacts - but whether and why they should be expected to absorb and suffer this loss and damage without support, given the transboundary nature of the GHG emissions involved, the international law principle of State responsibility for transboundary harm and the UNFCCC principle of equity.<sup>52</sup> The cause of anthropogenic climate change, and responsibility for generating the added burden of resulting climate change impacts, comes most often from outside the socio-economic systems of these countries rather than from within.

**Definition of "climate change":** the DRR community and the UNFCCC use definitions of climate change that are different in scope. According to the ISDR, "The climate of a place or region is changed if over an extended period (typically decades or longer) there is

a statistically significant change in measurements of either the mean state or variability of the climate for that place or region." The ISDR notes that changes in climate may be due to natural processes or to persistent anthropogenic changes in atmosphere or in land use. DRR does not distinguish between natural and human-induced causes of climate change. In contrast, the UNFCCC definition excludes climate change due to natural causes and limits consideration to climate change caused by human activity, defining climate change as "a change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods." 53 The narrower UNFCCC definition of climate change enables a discussion of the attribution of impacts to particular human-induced sources of emissions.<sup>54</sup> This attribution may be used to determine responsibility for impacts, or to allocate or direct finance to Parties least responsible for GHG emissions and least able to cope with the impacts of these emissions.

Monitoring and Reporting: the Hyogo Framework is an agreement that consists of various platforms for the sharing of information related to the implementation of the HFA priorities and mechanics for voluntary self-reporting. These arrangements include:

National Platforms multi-stakeholder "mechanisms" 55 designed to coordinate the implementation of the HFA through engagement of national stakeholders and serve as the coordinating mechanism for mainstreaming disaster risk reduction into development policies, planning programmes following general principles outlined in the UNISDR document Guidelines for National Platforms for Disaster Risk Reduction. 56

 $<sup>^{51}</sup>$  See, e.g., Bali Action Plan, decision 1/CP.13, paragraph 1(c).

See, e.g., FCCC/KP/AWG/2007/4 ("the contribution of Working Group III to the AR4 indicates that achieving the lowest stabilization level assessed by the IPCC to date *and its corresponding potential damage limitation* would require Annex I Parties as a group to reduce emissions in a range of 25–40 per cent below 1990 levels by 2020 . . ." (emphasis added).

<sup>&</sup>lt;sup>53</sup> UN Framework Convention on Climate Change, Article 1.7.

<sup>&</sup>lt;sup>54</sup> See, e.g., the UK Met Office project on the Attribution of Climate change-related Events (ACE), looking at changed risks due to climate change in the context of extreme weather events. http://www.metoffice.gov.uk/research/climate/climate-monitoring/attribution/ace

<sup>&</sup>lt;sup>55</sup> UN Task Team on the post-2015 UN Development Agenda at 5.

http://www.unisdr.org/we/coordinate/national-platforms

- Regional Platforms multi-stakeholder fora intended to support and enhance national level implementation and to develop "strategies and collective actions to address cross-boundary risks in a combined, coordinated manner." 57
- Global Platform for Disaster Risk Reduction meets every two years, does not have negotiated outcomes but serves as a forum for advice, coordination and partnership for DRR.
- Monitoring and review the ISDR Secretariat facilitates a process of biennial reporting on HFA implementation through the HFA Monitor, an online tool for self-reporting progress. HFA Progress Reports are submitted every two years by National Platforms and Regional Platforms. National reports detail progress against HFA priorities and any established baselines on progress. They are led by designated HFA focal institutions in country. Regional Platform reports are made by regional inter-governmental organizations and are descriptive in nature. <sup>58</sup> Progress reports were due March 31, 2013 for 2011-2013.
- UNISDR supports National Platforms by collaborating on resource mobilization at the national level, serving as a networking hub between different DRR stakeholders, facilitating country-level implementation, and supporting dialogue between different National Platforms.

The UNFCCC and its Kyoto Protocol operate, in contrast, through legally-binding commitments, mandatory and detailed reporting obligations, and a process of monitoring, reporting and verification.

The series of elements detailed in this section highlight the significant differences between the HFA and the UNFCCC frameworks. Many of these differences are fundamental and limit the usefulness of the HFA in addressing the range of concerns raised by vulnerable Parties under the UNFCCC on loss and damage in the context of human-induced climate change. These include differences in definitions of

climate change, in conceptual approaches to causation, in responsibility for climate change impacts, in responsibility for the provision of finance, and in understandings of vulnerability.

#### 5. HFA status and second phase

The Third World Conference on Disaster Risk Reduction will convene in early 2015 to review implementation of the HFA over its 10-year term and develop a post-2015 framework for disaster risk reduction ("HFA2"). DISDR is in the process of coordinating preparatory activities. The first phase of the consultation process concluded with the Fourth Global Platform, held in May 2013, and focused on broad substantive issues for a new framework. A Synthesis Report produced in April 2013 compiles views expressed over the first year of the consultation. The second phase of consultations will run from June 2013 and will focus on the content and format of a draft HFA2.

A progress report on HFA Implementation based on National Reports was released during the Global Platform in May 2013. 60 This report noted that 121 countries have enacted legislation to establish policy and legal frameworks for disaster risk reduction and 85 countries have set up national coordinating bodies for disaster risk reduction. 61 However, the report points to a lack of human, technical and financial resources for putting policies into practice, with insufficient funding identified as the main barrier hindering the development of everything from early warning systems to school education on disasters. 62 It also notes that countries and organizations report the least progress on Priority 4 of the HFA – "reducing the underlying risk factors". 63

The Chair's Summary from the Fourth Session of the Global Platform acknowledges that both the accumulation and reduction of disaster risk are

<sup>&</sup>lt;sup>57</sup> UN Task Team on the post-2015 UN Development Agenda at 7.

http://www.preventionweb.net/english/hyogo/progress/?pid:184&pil:1 Note also that the U.S. HFA progress report does not provide baseline information.

<sup>&</sup>lt;sup>59</sup> Synthesis Report: Consultations on a Post-2015 Framework on Disaster Risk Reduction (HFA2), April 2013 at 2.

<sup>&</sup>lt;sup>60</sup> The Implementation of the Hyogo Framework for Action | Summary of Reports 2007–2013.

http://www.trust.org/item/20130523154605-tyulk/? source=hptop citing The Implementation of the Hyogo Framework for Action, Summary of Reports 2007–2013, available at http://www.unisdr.org/files/32916\_implementationofthehyogoframeworkfo.pdf

<sup>&</sup>lt;sup>63</sup> Chair's Summary, Fourth Session of the Global Platform for Disaster Risk Reduction, 21-23 May 2013 at 1.

intertwined with the fields of sustainable development, environmental protection and climate change, as well as human mobility, and that it is important that policies in these areas be designed to be mutually reinforcing, whether at the local, national or international levels. <sup>64</sup> The Chair expresses the expectation that "the HFA2 will recognise the need to govern disaster risk reduction and resilience with clear responsibilities, enable local action, address climate risk and recognise a central role for science". <sup>65</sup>

Interestingly, the Chair's Summary reports that the conference requested that work should start immediately on developing targets and indicators to monitor the reduction of risk, to be led by UNISDR. But this raises the important question of how baselines, targets and indicators that relate to climate change risk, vulnerability and resilience would be assessed for various purposes (including possible funding purposes), if the HFA, with its different definitions and perspectives, were used as the measure for progress against baselines. Clearly, how "risk" and "climate risk" are defined or understood will directly impact the establishment of targets and indicators; the choice of targets and indicators, in turn, will impact what progress toward these targets and indicators actually signifies. How risk attributable to climate change is factored into disaster risk, or understood under an HFA2 may even mask whether the risk of, or the risk from, anthropogenic climate change is actually being increased or reduced.<sup>66</sup>

For example, if risk under DRR is to be found at the national level, a target for the reduction of climate

<sup>64</sup> Id. at 2.

risk from a DRR perspective might be an increase in GDP, or an increase in funding set aside within national budgets for disaster reduction or recovery, or even a decrease in national GHG emissions. Each of these can be viewed from a DRR perspective as reductions in vulnerability, hazard and risk because they will diminish the amount of loss and damage with which a given socio-economic system cannot cope – even in a context of escalating global emissions. But are these useful measures or the right measures for monitoring the reduction of risk attributable to anthropogenic climate change? For most Parties to the UNFCCC, increasing risk and impacts are driven primarily by the emissions of a few major-emitting countries. For particularly vulnerable Parties, including LDCs and SIDS, it is clear that a locally-based indicator, related to current local GHG emissions, will definitely not provide a reliable indication of increasing or decreasing risk attributable to anthropogenic climate change and instead will be misleading.67

Similarly, it is widely recognized that many particularly vulnerable Parties do not and will not have the domestic resources necessary to address climate change impacts. The setting aside of additional national funds for disaster reduction or recovery from a DRR perspective, might indicate decreasing risk, while, from a climate perspective, risk increases with increasing global emissions.

In another example, from a DRR perspective, a decrease in coastal assets might translate into a reduction of risk. But from a UNFCCC perspective, a decrease in coastal assets might equally be a reflection of increasing risk. Coastal assets may have been reduced due to the impacts of increasingly frequent and severe extreme weather events, or due to a movement of infrastructure to avoid the increasing impacts of progressive sea level rise. From a DRR perspective, a reduction in risk may have been achieved in an area, but from a UNFCCC perspective, this same reduction in assets can reflect that assets, usable land, or even the land itself, has already been lost. From a DRR perspective, you may have no risk of loss; from a climate perspective you may have already

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<sup>&</sup>lt;sup>65</sup> Id. at 4 (emphasis added).

<sup>&</sup>lt;sup>66</sup> It recently has been noted that climate science community and disaster risk reduction community use the term risk differently. See for example, Commentary: Loss and Damage Attribution in Nature Climate Change, Vol. 3, August 2013 (noting that although risk is a central concept for extreme impact events it is not used in a coherent way in either climate science or research concerned with losses associated with extreme impact events. Climate scientists have typically used the term 'risk' as a synonym for the probability of occurrence of an extreme weather event; disaster risk research has a broader understanding of risk, in which exposed assets and vulnerability play an important role. Disaster losses are an aggregate measure of risk, and related studies do not aim to dissect the risk terms and the drivers of extreme impact events.) The UNFCCC addresses only that portion of climate change attributable to human forcing.

<sup>&</sup>lt;sup>67</sup> A key driver of enhanced climate risk for small island developing States and Least Developed Countries, for example, is the level of cumulative global GHG emissions in the atmosphere and future atmospheric GHG concentrations from future emissions and climate feedbacks.

lost. DRR does not reflect or address the progressive impacts and burdens of climate change. If infrastructure is moved to avoid climate impacts, there is a cost to this move. There is also a loss of usable land and eventually a loss of land itself that must be recognized and addressed.

Under the UNFCCC, risk related to anthropogenic climate change relates to the added burden of the impacts of anthropogenic climate change on top of existing risk from natural climate Accordingly, the most important targets or indicators related to climate risk from a UNFCCC perspective might relate to the existing level of cumulative GHG concentrations in the atmosphere, trends in global emissions, trends in the probability of occurrence of a number of extreme weather events of a particular intensity over a particular timeframe, baseline sea level and rate of sea level rise, baseline land and sea temperatures and temperature trends, baseline infrastructure exposed at various levels of sea level rise, and the quantum of financial and technical support received and/or applied from external sources toward adaptation needs or toward the climate proofing of infrastructure. Most of these are elements over which particularly vulnerable countries, such as SIDS and LDCs, have virtually no control and are indicators that are, or should be, addressed and monitored under the UNFCCC, where the link between growing anthropogenic emissions and climate-related impacts is explicit.

Summary also notes with respect to "strengthening integrated risk governance" that "there is a growing recognition that the prevention and reduction of disaster risk is a legal obligation, encompassing risk assessments, the establishment of early warning systems, and the right to access risk information."68 This too raises the question of the source of this responsibility in the context of climate risk, and how legal responsibility at the national level for addressing climate change risk and resilience under a reformed HFA2 would or could interact with the UNFCCC's principles and legally-binding provisions particularly as from a UNFCCC perspective, increased risk due to anthropogenic climate change in many particularly vulnerable developing countries comes from cumulative historical anthropogenic GHG emissions and future GHG emissions that have been and will be generated largely outside these countries' borders. 69 Against this backdrop, it would not be appropriate, for example, for HFA2 to place legal obligations on SIDS and LDCs to fund and provide risk assessments, establish early warning systems and provide access to risk information, encompassing risk from anthropogenic climate change, when under the UNFCCC these Parties' legal obligations on adaptation to anthropogenic climate change (under which these elements also fall) are explicitly linked to financial, technical and capacity building support from developed country Parties. Securing greater financial and technical support for these and related purposes has already been an ongoing challenge for these Parties under the UNFCCC; shifting this burden squarely to the victims of anthropogenic climate change under the HFA will not improve the situation. The international community has already placed a legal obligation on developed countries under the UNFCCC to provide the incremental cost of measures to facilitate adequate adaptation to the adverse impacts of anthropogenic climate change, due to their historical responsibility and capability. This must be recognized.

Is it possible for a reformed HFA to accommodate the range of loss and damage concerns raised by developing countries that are particularly vulnerable to the impacts of climate change under the UNFCCC? It is doubtful. The concerns of these Parties under the UNFCCC relate to the added burden of responding to short and long-term impacts from increasingly frequent and severe extreme weather events and from slow onset processes, such as sea level rise,

<sup>69</sup> SREX Summary for Policymakers at 7 ("There is evidence

that some extremes have changed as a result of anthropogenic influences, including increases atmospheric concentrations of greenhouse gases. It is likely [66-100% probability] that anthropogenic influences have led to warming of extreme daily minimum and maximum temperatures at the global scale. There is medium confidence that anthropogenic influences have contributed to intensification of extreme precipitation at the global scale. It is likely [66-100%] that there has been an anthropogenic influence on increasing extreme coastal high water due to an increase in mean sea level. The uncertainties in the historical tropical cyclone records, the incomplete understanding of the physical mechanisms linking tropical cyclone metrics to climate change, and the degree of tropical cyclone variability provide only low confidence for the attribution of any detectable changes in tropical cyclone activity to anthropogenic influences. Attribution of single extreme events to anthropogenic climate change is challenging.")

<sup>&</sup>lt;sup>68</sup> Chair's Summary at 3.

increasing land and sea surface temperatures and ocean acidification.

For the HFA to respond directly to these needs in the context of anthropogenic climate change, HFA2 would have to, among other things: adopt a separate risk assessment process for human-induced climate change; expressly recognize the cross-boundary nature of this risk and its causation as well as the risk to particularly vulnerable developing country Parties derived from historical, current and future emissions and transboundary impacts; establish a financing mechanism in the context of a legally-binding agreement to provide new and additional financing from developed country Parties (and possibly others) that goes beyond humanitarian assistance and development assistance to address the adaptation needs and the permanent loss and damage particularly vulnerable developing country Parties will suffer from anthropogenic climate change; and commit substantial public financing to this mechanism or create a way to channel financing to these needs, based on the polluter pays principle. The reform of the HFA along these lines is practically and politically unlikely, as these issues are already contentious within the UNFCCC.

Accordingly, even though the HFA uses some of the same terminology invoked by particularly vulnerable Parties in the UNFCCC's loss and damage discussions (e.g., loss and damage, risk transfer, risk reduction, vulnerability), it does not address vulnerable Parties' key concerns in substance, due to the different definitions and approaches used by the two frameworks. These approaches stem from the very different objectives of the two frameworks. At bottom, the HFA is not structured to entertain the discussion of attribution central to the concerns of vulnerable Parties. The UNFCCC, however, is designed for this very purpose and already contains elements that can evolve to address the loss and damage concerns of vulnerable Parties under its umbrella.

#### 6. Conclusion

Discussions of loss and damage under the UNFCCC and under the HFA are linked, but distinct. The objectives, contexts and legal obligations of the two frameworks in which these discussions take place are fundamentally different: the HFA strives to place responsibility for managing the risk of loss and damage from all kinds of disasters squarely on national and local stakeholders, with only a voluntary

international support system; the UNFCCC explicitly recognizes the obligations of those most responsible for GHG emissions to address the adverse effects of these emissions, in particular for vulnerable developing country Parties. Accordingly, the Convention provides that developed country Parties should take the lead in combating the adverse effects of climate change.

Reliance on HFA institutional arrangements to address loss and damage resulting from the added burden of human-induced climate change is therefore neither possible nor desirable given the limitations of the DRR approach set out in the sections above. While it is certainly true that enhanced DRR efforts to address natural disasters will also help minimize and avoid a degree of loss and damage due to anthropogenic climate change, the HFA and DRR approaches are not structured to address the concerns of particularly vulnerable developing countries that have contributed little to the global GHG emissions that impact them. For most of these countries, the main driver of their added risk from anthropogenic climate change has come or will come from beyond their national borders. Yet the HFA would place responsibility for preventing and avoiding impacts from human-induced climate change directly onto its victims, who have little control over the emissions that will drive these impacts.

There are clear benefits to all UNFCCC Parties in addressing loss and damage from human-induced climate change directly under the UNFCCC, through dedicated institutional arrangements constituting an international mechanism. The best weapon the international community now has in the struggle to incentivize GHG emission reductions is the causal link the UNFCCC acknowledges between emissions and impacts. This link can be built upon to create financial incentives for the reduction of emissions from a broader grouping of major emitters and to generate financial resources for systems to address the disproportionate loss and damage suffered by particularly vulnerable Parties.

### The Loss and Damage in Vulnerable Countries 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)

#### Germanwatch

Following the motto "Observing, Analysing, Acting", Germanwatch has been actively North-South eauitv promoting and 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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