

Assessing loss and damage: methodological challenges and prospects

3rd December 2023, 11.00-12.30pm

Location: Africa Pavilion, Opportunity Petal, Dubai Expo Centre

Organized by: African Union Development Agency-NEPAD (AUDA-NEPAD) and
Economic Commission for Africa

Concept Note

Introduction and Context

Evidence is increasing that the frequency and severity of climate-related hazards is being adversely shaped by anthropogenic climate change. While, largely involuntarily, people and their assets are increasingly located in harm's way, the IPCC has shown that those risks have significantly affected lives and livelihoods across the globe, as well as push vulnerable people, communities and countries to their physical and socio-economic adaptation limits. The recognition that climate change has caused loss and damage that is “beyond adaptation” led to the establishment of a dedicated mechanism under the UNFCCC—the Warsaw International Mechanism (WIM)—to address loss and damage associated with climate change impacts. It has further resulted in the treatment of loss and damage in a stand-alone article in the Paris Agreement (Article 8).

“Loss and damage”, the harms inflicted by climate change that go beyond what people can adapt to, refers to a range of impacts including lost lives; monetary costs from the destruction of infrastructure, buildings, crops and other property; loss of ecosystems and cultures, and so on. Causes of losses and damages include rapid and slow onset extremes of temperature and precipitation such as floods, droughts, cyclones, sea level rise, ocean acidification and so on. Such events are becoming more frequent and intense in Africa.

While no country is immune from loss and damage, the concern with addressing the irreversible climate impacts is most pronounced in low-income countries. Because Africa has contributed the least GHG emissions, is most vulnerable to the impacts of anthropogenic climate change and has the least resources to adapt to climate impacts, loss and damage is framed as a climate justice issue in the continent.

After nearly 3 decades of negotiation, COP27 reached an historic agreement to create and operationalize a fund to help lower-income countries respond to and recover from climate change induced losses and damages. The Cop mandated a transitional committee to make recommendations to COP28 on the size of the fund, modalities for payments into the fund, modalities for assessing and compensating loss and damage, and related practicalities. However, the measurement of loss and damage will entail valuations of property damage, livelihood loss, ecosystem alteration as well as non-economic losses such as loss of life, cultural, spiritual and historical damages. Valuation of loss and damage is also further complicated by the inadequacies of attribution science, and the need to address climate change disasters that may have multiple causes. The minimization of losses and damages through appropriate, timely and well-designed adaptation and mitigation actions is also a key consideration in the operationalization of the fund. How will loss and damage valuation be related to support for adaptation will therefore be a crucial issue.

For so long Africa has been at the wrong end of international climate finance. The continent's climate financing needs are estimated at 2.5 trillion dollars between 2020 and 2030 which averages 250 billion dollars per year. However, the total annual climate finance flows in Africa for 2020, was only 30 billion dollars, equal to only 12% of the amount needed. Africa hardly benefited from the financial and entrepreneurial advantages associated with the Clean Development Mechanism (CDM), of the Kyoto Protocol. Also, existing investments of the CDM are overwhelmingly concentrated in the Asia Pacific and Latin America region whilst Africa accounts for less than three percent of the international CDM initiatives.

However, the establishment of the World Bank hosted Loss and Damage Fund in 2023 presents, yet another opportunity to support African countries in coping with the irreversible impacts of climate change and aid in the recovery of affected communities. However, issues, such as adoption of governance instrument, strict financial obligation or voluntary contribution still need to be resolved. In addition, valuation of loss and damage is complicated by the inadequacies of attribution science, and the need to address climate change disasters that may have multiple causes. The minimization of losses and damages through appropriate, timely and well-designed adaptation and mitigation actions is also a key consideration in the operationalization of the fund. Therefore, how loss and damage valuation will be juxtaposed to support adaptation will therefore be crucial.

At the margins of the 28th Conference of Parties (COP28) to the UNFCCC, the African Union Development Agency – NEPAD (AUDA-NEPAD) and the United Nations Economic Commission for Africa (UNECA) are organizing a side event on ***“Leveraging Opportunities for Combating Loss and Damage in Africa”***. The event will take place at the Africa Pavilion on 3rd December 2023 from 11.00 am to 12.30 pm.

Objectives of the Side Event

This event seeks to contribute African perspectives to the development of globally valid methods of assessing loss and damage, modalities for compensating losses and damages, and linkages between early warning systems and other climate response measures. The session will bring together a panel of African climate scientists, climate finance experts, policy analysts, negotiators and civil society leaders to review progress in the global loss and damage discourse; discuss best approaches to the operationalization of the loss and damage fund; modalities for inclusive participation of African institutions and experts in the fund; linkages between the fund and other investments in climate action such as climate resilient infrastructure and early warning systems and other ways of minimizing losses and damages.

Expected Outcomes

At the conclusion of this session, the following outcomes are expected to be achieved:

1. Participants have increased their awareness on valid methods of assessing loss and damage, including modalities for compensating losses and damages
2. Participants have improved their understanding of best approaches to the operationalization of the loss and damage fund, including modalities for inclusive participation of African institutions and experts in the fund
3. Participants have expanded their perspectives on different approaches and ways of minimizing losses and damages.

Format of Event

The side-event is intended to be a lively and interactive session consisting of short, concise interventions. The moderator will actively encourage a balanced discussion between the speakers and the audience. The format does not allow for prepared speeches or PowerPoint presentations in the panel discussions.

Audience

Participants include representatives from policy, financial and development institutions, international organizations, the private sector, civil society and other important actors.

Agenda

	<u>03 DECEMBER 2023 / 11:00 AM - 12:30 PM</u>
11:00 am – 12:00 pm	<p><u>Opening Session and Scene Setting:</u> <i>The Opening Session of the Event meeting will set the scene for the event and will feature statements from high-level policymakers and practitioners who are championing local and global climate action.</i></p> <ul style="list-style-type: none">▪ Moderator: <i>Dr. James Murombedzi, Coordinator, ACPC, UNECA</i>▪ Opening Statements<ul style="list-style-type: none">• H.E Claver Gatete, Executive Secretary, UNECA• H.E. Josefa Sacko Commissioner ARBE, AUC• H.E Nardos Bekele-Thomas, CEO, AUDA-NEPAD <p><u>Panel Discussion</u></p> <ul style="list-style-type: none">○ Nasim Ouleman UNECA/TCND○ Ephraim Shitima AGN○ Edmund Bala-Gbogbo Senior Manager, Operational Risk Management, Afreximbank○ Ernest Affiesimama WMO○ Mithika Mwenda PACJA
12:00 pm – 12: 20pm	Q&A with the audience
12:20 pm – 12: 30pm	▪ <i>Reflection and Synthesis: Mrs Estherine Fotabong, Director of Agriculture, Food Security and Environmental Sustainability, AUDA-NEPAD.</i>