

Multilogue on Climate Induced Loss & Damage

A post 2015 Scenario



30th July 2015.

Venue: Long Beach Suites,
CEN 4G, Road 104, Gulshan 02, Dhaka- 1212

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Introduction and Background

Ahead of the UN climate negotiations in Paris at the end of 2015, it is imperative that countries and the institutions therein, collaborate to establish clear agenda items and demands which will influence the direction of international climate action but, more importantly, define the trajectory of national resiliency strategies. With this spirit in mind, ActionAid Bangladesh launched a series of dialogues initiatives to engage key and relevant stakeholders in active discussions about emerging disaster management and climate change issues, coined 'Multilogues'.

The 2nd Multilogue on Climate Induced Loss & Damage, sponsored by Asian Pacific Network for Global Change Research (APN), was hosted in partnership with International Centre for Climate change and Development (ICCCAD), Global Network of Civil Society Organizations' for Disaster Reduction (GNDR) and Climate Action Network South Asia (CANSAs). The dialogue event brought together 75+ experts from various government ministries, multi-laterals including UNEP and the World Bank, I/NGOs, academia, private sector, banks, chambers of commerce and the media, amidst landfall of Cyclone Komen in the South, to speak about the residual impacts of climate change - Loss & Damage.

The revolving discussion session was chaired by: **Farah Kabir** - Country Director of ActionAid Bangladesh (AAB) and chair of the Board of GNDR; **Dr Saleemul Huq** (Director of the ICCCAD); **Dr Atiq Rahman** (Executive Director, Bangladesh Centre for Advanced Studies - BCAS); **Dr Nurul Quadir** (Joint Secretary on Environment of the Ministry of Environment and Forestry & member of Executive Committee of the Warsaw International Mechanism on Loss and Damage at the United Nations Framework Convention on Climate Change - UNFCCC); **Ms. Farzana Rahman** (Unit Head Renewable Energy - IDCOL); & Ms Shamina Nargis (Additional Secretary for Economic Relations Division - ERD).



Farah Kabir, moderator of the event, with panelists Dr Huq & Shamima Nargis in the background

The objective of the event was to openly and collectively identify linkages and actions across sectors between: Disaster risk reduction (DRR) to reduce vulnerabilities to hazards through better preparedness and management of resources; Climate Change Adaptation (CCA) to enhance resilience to climatic uncertainty; and Loss and Damage (L&D) when the impacts of climate change that people cannot cope with or adapt to. Given the escalated frequency and intensity of climatic events and the severe consequences imposed on the economic growth, agriculture, health, infrastructure, energy and industry in Bangladesh, there is a generally accepted understanding by institutional agents that collective solutions are required in order to social, developmental and environmental gains are sustainable.

The event began with a warm welcoming and a brief introduction to the Multilogue series by Ms Farah Kabir. Dr Saleemul Huq followed by providing an overview of the four international parallel processes occurring in 2015. Two of these have taken place resulting in action plans for Disaster risk reduction (DRR) in Sendai and Finance for Development, while and two forthcoming event remain: the post-2015 agenda where Sustainable Development Goals (SDG) will replace the Millennium Development Goals

(MDG) in September and the Conference of Parties (COP21 - Paris) in December. Dr Huq believes L&D is a mechanism to bridge the gap between the respective processes.

Research Fellow and Regional Coordinator from ActionAid, Jack Bolland, proceeded to define and conceptualize L&D for the audience by describing the resiliency space where L&D interacts with mitigation and adaptation while providing evidence of the impact on the Bangladesh economy and society. As Dr Huq put it, "Loss and damage will occur if we do things badly. We have a cyclone happening in July now in Bangladesh. Climate change is going to make things more erratic." An issue of contest, there is currently no unified internationally agreed definition of L&D; a necessary precondition in order for all member states of the UNFCCC to accepted the Warsaw International Mechanism (WIM) at COP19. But, we have reached a point, according to Dr Huq, that in order to operationalize L&D, a definition is required and it is up to the 20 members who make up the L&D executive committee to decide upon that definition. For this to progress, civil society must lobby the executive committee and offer potential definitions for L&D before they meet in Bonn in September.

International Significance

Bangladesh, fortunately, sits in a position of influence when it comes to the direction of L&D internationally. Not only is there a breadth of emerging institutional capacity to manage L&D risk within the country, Dr Nurul Quadir was nominated as a member of the L&D Executive Committee. As a guest panelist, Dr Nurul expressed his enthusiasm towards the multilogue series as it provides a wonderful opportunity for the different actors (civil society and private sector alike) to raise their opinions about L&D whilst providing a grassroots perspective of the issue through the lens of the most vulnerable communities. According to Dr Quadir, the Executive Committee serves as an ambassador, of sorts, to voice the concerns of the Bangladesh people and he is committed to "push this issue of loss and damage harder and [the execute committee] needs input from all [agents]." The call for advocacy was emphasized when comments from Ali Mohammad Rezaie (research associate with ESPA Deltas Project) stressed the need of stories and narratives that could be shared at the UNFCCC where slow onset event, such as migration, saline intrusion and coastal erosion, are given equal attention as sudden onset events.



The event brought together over 75 professionals from a variety of sectors

Roles and Impact of Sectors

A unique component of this event was the diversity of guests, reaching beyond the climate community into the business sectors of the economy. It was understood, across the room, the far-reaching nature and corresponding affects of climate change have impactful relevance for multiple key aspects of the country. "We have representation from researchers, academics, development organizations, government and private sector; but somehow we need to come together, because we can't work in silos on this issue", Ms Farah Kabir.

Humayun Rashid, Senior Vice President of Dhaka Chamber of Commerce & Industry, raised the role of the private sector in averting the impacts of climate change, sharing the insight that perhaps it is necessary, as means to protect business, for small businesses to be compensated when they encounter economic losses due to climatic disasters. In an effort to stimulate conversation, Ms. Kabir asked whether compensation would be expected after every natural disaster and whether it would be more beneficial to invest in more robust infrastructure. In other words, is it more efficient to place emphasis the reaction to a natural disaster, or it is more beneficial to proactively push prevention and it is not private sectors duty to do good smart sustainable business? On that note, it is critical to highlight such investments, and potential models, for action within the national context. Ms Rahman, guest panelist on behalf of the private sector, shared the work of the Infrastructure Development Company Limited (IDCOL) to address climate mitigation, including a solar installation project for 3 million home solar systems.

The Encroachment of Finance

Although the international community promotes the Common but Differential Responsibility of climate action amongst country, the conversation of L&D often gravitates towards liability and compensation accountability. Ms. Shamima Nargis highlighted that any definition on L&D needs to be cross-cutting and inclusive of all sectors, yet remain free from vested interests. An important assertion regarding climate finance and the practical application of the Green Climate Fund (GCF) for L&D surrounded the difficulties countries (including Bangladesh) face in the accreditation process of the GCF due to the high international standards and the constant evolving requirements of conditions to access funds.

Bowen Wang, Climate Change Policy Research Consultant at ICCCAD, furthered the financial issue surrounding L&D in saying that countries want to provide money in loans not grants, but despite \$10.4 billion being pledged to the GCF, roughly only 10% in cash is available this year. According to the latest stats, about 58.5% have been converted. He recommended countries should look to incentivize partners from the private sector.

Dr Huq acknowledged Ms Nargis and Shahidul Islam Chowdhury's (Special Correspondent, New Age Media) concern over the significant requirements for countries to access funds, where capacity building and local consultation might improve Bangladesh accreditation. He also identified Senegal as the only Least Developed Countries to acquire NIE status, representing a good model for Bangladesh to follow and establish a South-South knowledge sharing partnership.

Dr Atiq added to the funding debate by stating the climate negotiations were being impeded due to funds drying up and existing mechanisms – Oversea Development Assistance (ODA), development aid and climate finance - being lumped together while ignoring the principles that underlie funds for LDCs.

In an attempt to pull the conversation back to the realities of Bangladesh, Dr Huq expressed his concern over the lack of transparency on how Bangladesh spends the funds it receives. “MOF and ERD are familiar with finance but not climate finance; climate finance needs to be learnt and you have to play the game”. If Bangladesh wants to open the door to future investors and billions (not millions) of dollars, then an open and transparent system is required.

It should be made clear that as the international negotiation stand, there is no direct connection between climate financing mechanisms and L&D, since liability and compensation is a political contested and sensitive subject. In reality, the responsibility to cope and react with those climatic impacts is on the onus

of the national capacity to respond. This is not to say the potential for L&D to be included in any GCF system is not impossible, but we must know that the GCF system is endowed to its own issues

It is important to note the intention was to establish a commonly understood definition of L&D and what are the specific implications on the Bangladesh society, economy and development process. Given the debate surrounding the topic, the conversation evolved into a discussion of financing, which remains an important piece, but should not distract from the ambition to identify the potential impact of L&D, and more importantly, the systems and institutional networks which must be established to operationalize L&D. Alternative L&D financing avenues should be explored, but perhaps L&D serves additional purposes. For example, L&D could be a means to identify risks/threats (the due diligence phase to DRR and Adaptation program design), or as a potential Monitoring, Evaluation & Learning component of DRR and CCA, or a release device to remuneration, or a measure of eligibility to receive funds, or all the above.

Back to Reality

The debate over ‘who pays’ is a circulating conversation, one not to be undermined, underplayed or dismissed, but one that must be complimented with practical solutions, innovative processing and support. Michael McGrath, Country Director of Save the Children Bangladesh, questioned how we should frame and conceptualize L&D as developed economies are reluctant to accept liability for climate-induced impacts experienced by developing countries in the form of compensation. He suggested that if Bangladesh could show developed countries how money is being spent, then developed nations might be more willing to support by providing funds, and technology capacity. Dr Huq addressed this by citing a pilot program on flooding in Bangladesh to compensate victims through insurance - a L&D instrument. He admit that “L&D will evolve just as we will evolve in our ability to respond to it” and these solutions require further capacity building and contribution from affected person.

From the UN perspective, Mozaharul Alam (Regional Climate Change Coordinator for UNEP) detailed two areas that require support: the mobilization of resources, and engagement of the private sector. Failing to cap emissions at 2 degrees will mean that L&D will continually recur. It is UNEP’s intention to provide the technical knowledge required to identify the emissions gaps between countries INDCs and the level of commitment required to keep global temperatures constrained to 1.5 and 2 degrees.

The reality is, financing and funding will always reveal itself as a constraint and/or point of contestation. In the event that desired money does come, nations must have the practical systems in place to ensure the efficient deployment of resources. These system most consist on preparedness approaches (DRR, CCA, Sustainable Development and mitigation) whilst complimented by reactionary mechanisms. What is the role of L&D in the program design and resiliency process? If sufficient funding doesn’t arrive, nations still have a fiduciary responsibility to protect their citizens and secure sustainable development pathways.



Mr. Mozaharul Alam speaking at the event

Conclusions

Shamima Nargis (ERD) recognized the need for civil society to engage with the GCF as it is only understood through the government window. As a means to facilitate knowledge sharing, ERB committed to host a workshop for civil society to explain the technicalities of the GCF and open avenues for civil society and private companies to understand GCF procedures. But, the community should also look to potential alternatives to funding L&D issues.

Mr Narul Quadir (MoEF & L&D Executive Committee) reiterated that everything that is or will be achieved on the climate agenda, will be done within the climate convention – we need to support that process. The diversity of principles at the convention, including but not limited to technology, mitigation, and capacity building, are essential for LDCs to progress and manage risks, therefore civil society, private sector and the Government must act together.

Dr Atiq Rahman (BCAS) grounded the discussion with the call for more comprehensive understanding of technical issues surrounding L&D. It is vital to establish a commonly agreed methodology of what we determine as ‘loss’ and what we categorize as ‘damage’, and how to quantify and scale that. There are ongoing initiatives by ICCCAD, UN University, and ActionAid Bangladesh that study L&D but there needs to be more support and contributions to the literature and studies on conceptualizing L&D.

Dr Saleemul Huq (ICCCAD) affirmed the event a success due to the variety of experts in attendance and their active engagement. He advocated for the support of Dr. Quadir and the Executive Committee of the Warsaw International Mechanism on Loss and Damage and called for developed countries to honor their pledges and the implementation of approved projects through the Least Developed Countries Fund.

Farah Kabir (AAB) concluded the event by declaring the need for L&D to be operationalized not in 2020 or 2030, but now. As an affluent figure in the advocacy of human right issues, Farah emphasized the essential role stories, from the ground in Bangladesh, play in raising awareness for action at the international level. Civil society organizations, along with private sector business, have an equally important duty to assist L&D Executive Committee in the affirmation of L&D as a legitimate resiliency approach ahead of the forthcoming meetings in September and negotiation in Paris.

The conversation cannot afford to end or fade. No countries, rich or less developed, and no aspect of a given society will be fully protected from climate change and the prevailing losses and damages. Climate financing and attribution does place a pivotal role in the practical implementation of resiliency strategies, but equally does the local context’s ability to efficiently and holistically deploy resources. In order to achieve this, support in the form of advocacy, evidence and resources must be supplied to both the national government as well as the local communities whose exposure to L&D is most severe. It is in everyone's best interest to recognize the threat and actively engage in the creation of sustainable solutions and comprehensive resiliency strategies.

*The 3rd Multilogue in the series on ‘preparations for Paris’ will be held
in October, 2015*