# PRESENT UNDERSTANDING IN DEVELOPING A FRAMEWORK FOR ASSESSMENT OF LOSS AND DAMAGE

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## Understanding L&D in HKH context



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#### Climate vulnerability ranking of HKH Nations

 A country's ND-GAIN index score is composed of a Vulnerability score and a Readiness score. Vulnerability measures a country's exposure, sensitivity and ability to adapt to the negative impact of climate change. ND-GAIN measures the overall vulnerability by considering vulnerability in six lifesupporting sectors – food, water, health, ecosystem service, human habitat and infrastructure.

| <u>Rank</u>      | <u>Country</u>     | Income group              | Score              |
|------------------|--------------------|---------------------------|--------------------|
| <mark>168</mark> | <u>Afghanistan</u> | Low                       | <mark>0.579</mark> |
| <mark>154</mark> | Bangladesh         | <mark>Lower middle</mark> | <mark>0.541</mark> |
| 136              | <u>Bhutan</u>      | Lower middle              | 0.519              |
| <mark>68</mark>  | <u>China</u>       | Upper middle              | <mark>0.396</mark> |
| 132              | <u>India</u>       | Lower middle              | 0.506              |
| 147              | <u>Myanmar</u>     | Lower middle              | 0.530              |
| 139              | <u>Nepal</u>       | Low                       | 0.521              |
| 147              | <u>Pakistan</u>    | Lower middle              | 0.530              |
|                  |                    |                           |                    |

#### https://gain-new.crc.nd.edu/ranking/vulnerability

## **Objectives of L&D Session**

- Articulate the L&D assessment issues under UNFCCC architecture to develop a common understanding
- Gather inputs to develop *L&D Assessment Framework* that is tailored to HKH needs within the global architecture.

## Significance of L&D Assessment

- The UNFCCC CoP 27 decision to establish Loss and Damage (L&D) as a new climate finance mechanism
- Now UNFCCC has adopted a three pillar mechanism to channelize climate finance 1) Mitigation, 2) Adaptation and, 3) Loss and damage
- The decision note reads as- 'Decides to establish new funding arrangements for assisting developing countries that are particularly vulnerable to the adverse effects of climate change, in responding to loss and damage, including with a focus on addressing loss and damage by providing and assisting in mobilizing new and additional resources, and that these new arrangements complement and include sources, funds, processes and initiatives under and outside the Convention and the Paris Agreement'.

- No official definition of L&D at UNFCCC level
- Working definitions that reflect the spirit include:
  - `L&D is the adverse effects of **climate-related stressors that cannot be or have not been avoided** through mitigation or managed through adaptation efforts' (Zommers et al., 2016).
  - L&D is defined as adverse effects of climatic stressors resulting from inadequate efforts to reduce greenhouse gas emissions and insufficient capacity to reduce the risks associated with climatic stressors, to cope with impacts of climatic events, and to adapt to climatic changes (Van der Geest and Schindler, 2017).
  - Analysts also define L&D from the disaster risk management perspective.

- 7 major areas of cooperation under L&D
- Early warning systems
- Emergency preparedness
- Assessing risks of slow onset events
- Climate events that may involve irreversible and permanent loss and damage
- Comprehensive risk assessment and management; risk insurance facilities, climate risk pooling and other insurance solutions
- Non-economic losses; and
- Resilience of communities, livelihoods and ecosystems.

- Approaches to L&D Action (Offers clues)
- **1.** Non-economic losses
- 2. Comprehensive risk management
- 3. Human mobility
- 4. Action and support
- 5. Slow Onset Events

## Understanding the L&D in UNFCCC Architect • Approaches to L&D

### **Characteristics of non-economic and economic aspects of L&D**

| Non economic loss and damage             | Economic loss and damage                                   |
|--|--|
| Individuals:                             | Income:  |
| Life, health, human mobility             | Business operations; agricultural                          |
|  | production (crops yields, livestock fisheries);            |
|  | Tourism  |
| Society:                                 | Physical assets:   |
| Territory, cultural heritage, indigenous | Infrastructure (buildings, bridges, roads, railways,       |
| knowledge, societal cultural identity    | irrigation canals, reservoirs, trails, power generation    |
|  | stations, dams, dykes, etc.), property (house, land, etc.) |
| Environment:                             |  |
| Biodiversity, ecosystem services         |  |

### Approaches to L&D

#### Comprehensive risk management

- 1. **Includes** risk assessment, risk reduction, risk transfer and risk retention.
- 2. **aims** at building long-term resilience of countries, vulnerable populations and communities to loss and damage,
- 3. Encourage : emergency preparedness; measures to enhance recovery, rehabilitation; social protection instruments, including social safety nets; and transformational approaches.
- 4. Support: enhancing knowledge, understanding of comprehensive risk management approaches,
- 5. Acts on: issues related to finance, data, technology, regulatory environments and capacity-building.

#### Approaches to L&D

#### Slow onset events

- Include increasing temperature, desertification, loss of biodiversity, land and forest degradation, glacial retreat, sea level rise, ocean acidification, and salinization.
- Aim to improve the understanding of slow onset events, as well as enhancing the capacity to address them, particularly at regional and national levels.

### Approaches to L&D

## Human mobility

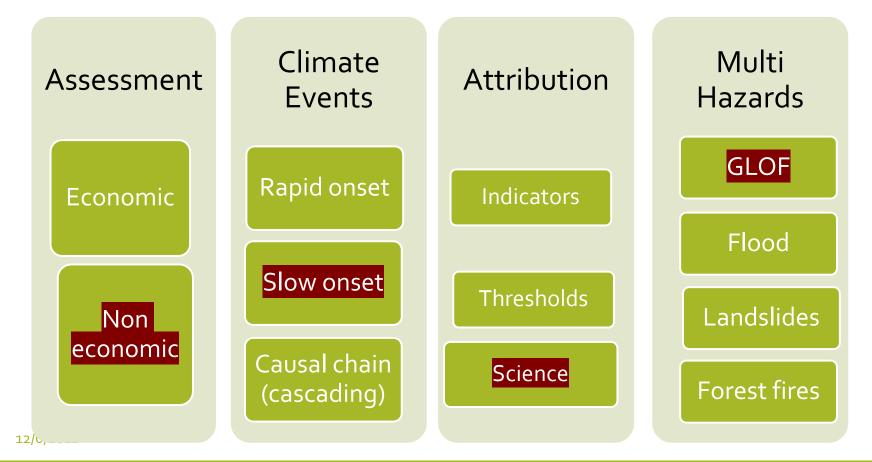
- 1. Comprises **migration**, **displacement** and **planned relocation** related to the adverse impacts of climate change.
  - To better understand the impacts of climate change on human mobility,
  - To minimize and address displacement related to the adverse impacts of climate change, as well as facilitate stakeholder engagement for further action.

### **Action Support**

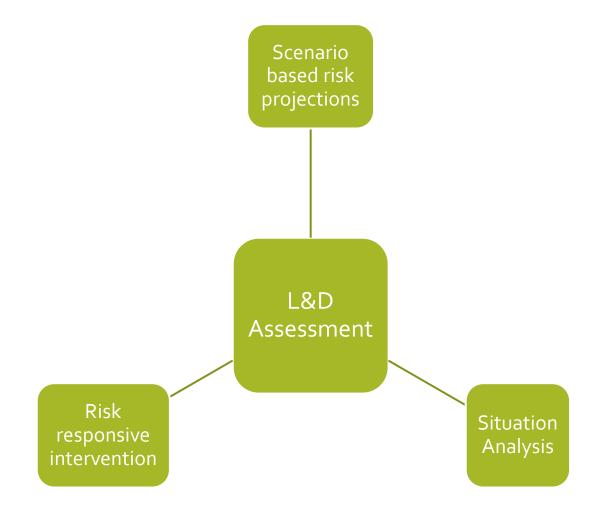
 To promote supportive action mainly through finance, technology and capacity– building, to address loss and damage associated with the adverse effects of climate change.

## Issues Surrounding L&D Assessment Framework

• We have multiple sets to variables and their underlying elements to put in a priority order to develop a methodological framework.



## Emerging approaches to assess L&D



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Emerging approaches to assess L&D

Scenario based risk analysis:

- Assessment of cumulative risks with respect to
  - slow onset,
  - rapid onset
  - causal chain (cascading)
- Assessment of cumulative risks with implications to L&D (attribution).
- Non economic- Individual, Society and Environment
- Economic- Income and Physical Asset
- Attributions: Event Inventory

## Emerging approaches to assess L&D

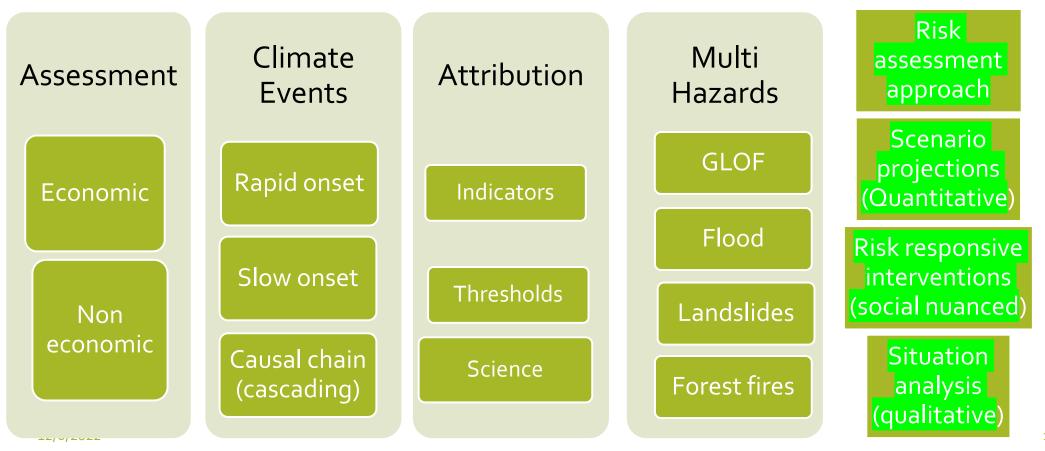
#### • Situation analysis (Mixed of qualitative and quantitative):

- Stocktaking of losses and damages during pre event or post event in affected regions, communities, infrastructures or ecosystems.
- Intended to keep record and feed planning appropriate response measures.

#### • Risk Responsive Interventions (Qualitative):

- Assessment as part of risk reduction interventions.
- Intended to retrofit the prior actions as precautionary measures.
- Multiple approaches to risk responsive interventions:
  - Layering,
  - Tailored to the needs,
  - Case study approach (bottom up, lived experiences)
  - Customized approach (responding tipping points /projected risks, e.g. safe draining out glacial lakes).

# Composite frame of variables relevant to MHR responsive L&D Framework



# Possible indicators for multi hazard risk attribution on loss and damage

| Type of<br>hazards   | Intensity              | Scale and frequency for qualifier indicators                            | Attribute to climate change                                    | Sensitive zone and season                                 | Type of loss                 |
|----------------------|------------------------|---|--|---|------------------------------|
| Flood                | Extreme                | Frequency of 20 years<br>flood reduced to 5 years;<br>cascading effects | Rainfall intensity<br>and duration,<br>avalanche/<br>landslide | Mainly in river valley<br>and plains; extended<br>monsoon | Economic and<br>non economic |
| Landslide            | Extreme/Slo<br>w onset | Increased scale and frequency   | Rainfall intensity and duration                                | Mountains and hills;<br>extended monsoon                  | Economic and non economic    |
| GLOF and avalanche   | Slow onset             | Increased scale and frequency   | Temperature<br>rise/albedo in high<br>altitude                 | Mountains and hills;<br>summer                            | Economic and non economic    |
| Forest Fire          | Extreme/<br>Slow onset | Increase in area and incidence  | Increase in fuel<br>load from drought                          | Area with forest vegetation; Jan to May                   | Economic and non economic    |
| Biodiversity<br>loss | Slow onset             | No of declining species and abundance                                   | Loss of habitat,<br>shifting habitat                           | PAs & other forested area and wetlands;                   | Non economic                 |

# Ways forward to develop L&D assessment methodological framework

- To develop a common understanding on L&D (can be a departure from conventional DRM defined L&D to one under UNFCCC architecture).
- To identify the areas of convergence and departures for a common understanding regarding more appropriate methodological approaches to HKH region.
- To develop inventory of data, methodologies and policies that we already have and can serve as building block for assessment of L&D.
- To identify gaps, challenges and barriers for developing L&D assessment in the HKH region.

