Background Reading for the Joint Call for Loss and Damage Financing

Climate Change and Humanitarian Action Learning Stream (ICVA-PHAP)

With specific focus on:

The webinar discusses how the climate finance and humanitarian response can better work together to respond to climate-related emergencies. The expert panel will explore how climate loss and damage financing is related to humanitarian response, what the two sectors can learn from each other, and what lessons can be drawn from existing coordination efforts. This will set the stage for more substantive dialogues between the two sectors about how to jointly support or advocate for Loss and Damage finance.

- As these two sectors begin to coordinate, what are the sector priorities of which we should be aware?
- To what degree - including where and when - is responding to climate impacts integrated into humanitarian planning (and vice versa - to what extent including where and when - does climate finance consider crisis-related interventions)?
- What does this alignment and coordination look like to people in need of assistance? When do they get it, in what form, how much autonomy is granted over decisions, where does the money flow through, and what kind of impact does it have?
- How do new structures for L&D suggest the need for a changing humanitarian system?
- What are the clear message takeaways that show support for Loss and Damage finance while still supporting more, and better coordinated, funding, for those facing crisis?

Topic 7: Understanding Climate Change Loss and Damage and Links to Humanitarian Action, August 2022.
This webinar aims to:

- Improve understanding of Loss and Damage and its relationship to climate finance, as well as the importance of COP27 to Loss and Damage and how it links to humanitarian action.
- Discuss why humanitarian organizations need to engage on the topic of Loss and Damage, among others, in the lead-up to COP27.
- Highlight the modalities and strategies for humanitarian NGOs to engage in the preparatory work for COP27 and beyond.

“Climate Change is Controlling Everything, Let Them Compensate Us”: Stories of Loss and Damage in Kenya – Climate Refugees, August 2023
The report is based on site visits conducted in 10 distinct locations in the Rift Valley late last year and discussions with nearly 100 affected people. Prolonged drought and major flooding of lakes are causing displacement, human rights losses and development setbacks for some of Kenya’s most marginalized and climate-vulnerable communities, who are often overlooked by existing policies, funding arrangements and humanitarian interventions.
The report situates displaced and impacted people’s stories in the foreground, recognizing that affected communities are not heard nearly enough, although they play a key role in developing effective policies for addressing the harms caused by climate change.

Proposed Governing Instrument: Loss and Damage Fund - A joint submission by: Climate Action Network (CAN), Global Campaign to Demand Climate Justice (DCJ), and Women and Gender Constituency (WGC), August 2023

Recognising that countries and communities are already incurring significant costs associated with climate change induced loss and damage they cannot avoid or adapt to, the purpose of this Fund is to make a significant and ambitious contribution to provide new, additional, predictable and adequate financial support to assist developing countries and communities that are particularly vulnerable to the adverse effects of climate change in comprehensively addressing and providing remedy for economic and non-economic loss and damage.

Humanitarian Finance 101 - Development Initiatives, August 2023

Activities within the climate and humanitarian sectors can be seen as integral components of a broader cycle, encompassing the initiation and culmination of efforts aimed at fortifying resilience against forthcoming shocks. In the climate realm, these shocks stem from rising temperatures and the repercussions of climate change, while for humanitarian practitioners, they arise from the inability of domestic governments to effectively respond to unfolding events. Although the climate and humanitarian sectors each address a facet of the overarching issue, there are differences in foundational principles and objectives of each. This short primer on humanitarian finance will help readers understand the principles, structure and trends in humanitarian finance, and includes the most recent data from Development Initiatives Global Humanitarian Assistance Report.

Footing the Bill: Fair Finance For Loss and Damage in An Era Of Escalating Climate Impacts - Oxfam July 2023

The world has entered a new and dangerous era of climate change impacts, causing huge loss and damage and driving up inequality in the world’s poorest countries and communities that have contributed least to the climate crisis. New research by Oxfam estimates that funding requirements for UN humanitarian appeals linked to extreme weather are eight times higher than they were 20 years ago, and over the past five years nearly half of appeal requirements have gone unmet. Funding for emergency humanitarian response is piecemeal and painfully inadequate, as is broader support to address loss and damage such as rebuilding homes and vital infrastructure.

Scaled-up financial support from governments, corporations and individuals most responsible for causing the climate crisis, and most able to pay, is an immediate necessity. A new finance facility must be created to help ensure that finance to address loss and damage is accessible and sustained, is additional to adaptation, mitigation and ODA commitments, and is delivered in accordance with the principles of climate justice.
Addressing Loss and Damage: Insights from the Humanitarian Sector - Zurich Flood Resilience Alliance (ZFRA), May 2023

The issue of how international humanitarian action relates to loss and damage is obviously a very live one. This paper has been written to contribute to the deliberations of the Transitional Committee, by providing evidenced lessons from the international humanitarian sector and 8 recommendations and is a response to the COP27 decision text that invites the Transitional Committee to be informed by the “current landscape of institutions... that are funding activities related to loss and damage” and consider “ways in which coherence, coordination, and synergies among them can be enhanced”.

While there are significant differences between humanitarian and loss and damage areas of action and funding streams, there are also some important areas of overlap. Humanitarians have decades of experience in responding to the human consequences of extreme weather events; over this time, they have had the opportunity to evaluate mechanisms and activities and to learn from both failure and success. These learnings underpin the recommendations in this paper.

The Loss and Damage Finance Landscape - Henrich-Böll-Stiftung, Washington, DC. May 2023

This mapping study, a collaboration between the Loss and Damage Collaboration and the Heinrich-Böll-Stiftung Washington, DC, lays out the core principles that should guide the development of the new Loss and Damage Fund and its operational modalities. It also looks at the scale of the resources needed; analyses potential alternative sources of finance — including taxes and levies imposed on polluting industries — and provides recommendations to guide the work of the Transitional Committee throughout 2023.

Still Too Important to Fail: Addressing the Humanitarian Financing Gap in an Era of Escalating Climate Impacts - Oxfam May 2023

Seven years ago, a call to action was published ahead of the 2016 World Humanitarian Summit, titled Too Important to Fail. Since then, despite efforts across the humanitarian sector to shrink need, improve delivery, and deepen and broaden resource-bases — including through efforts such as the Grand Bargain — the gap between needs and response has never been wider, with current funding meeting only 50% of need. The climate emergency is now exacerbating this need, with Oxfam research estimating that the number of people going hungry in climate hotspots has more than doubled in the past six years. We now stand at a critical moment that calls for inspiration, ambition and action — a moment of shared responsibility to secure a radically better future.

Loss and Damage Online Guide - UNFCCC, May 2018

This online guide provides an overview of the Warsaw International Mechanism for Loss and Damage, including what are losses and damages and the mechanisms themselves.