

Letter of Intent to the Standing Committee on Finance

Response to request for inputs related to its fourth forum on “financial instruments that address the risks of loss and damage.”

ICCCAD/CDL Brown would like to submit the following inputs.

1. Regarding the scope and purpose of the Forum, **we propose that the topic of innovative finance options** and considerations of their adequacy, predictability and feasibility be included in the discussion, since loss and damage potentially requires large amounts of additional finance. The CDL and ICCCAD are developing a short briefing paper and longer white paper on this topic. We plan to review innovative financial instruments including a Financial Transaction Tax, the International Air Travel Adaptation Levy (IATAL), Slidarity levy, Bunker fuels levy, Fossil fuel majors tax/levy, a global carbon tax, and others. In addition, we propose that the text specifying the focus of the fourth forum, which reads, “financial instruments that address the *risks* of loss and damage” (emphasis added), be interpreted in a manner that does not limit discussions to financial instruments relating explicitly to risk management, risk pooling, and risk insurance. We also propose that this text not be interpreted to imply that at issue are the “risks” of loss and damage potentially occurring in the future, as loss and damage resulting from climate change is already a reality.
2. The SCF also requested inputs on **potential institutions and events to partner with** in the organization of the Forum. We would be willing to host the forum, either in the USA or in Bangladesh. ICCCAD has staff and location at the Independent University Bangladesh, as well as experience organizing key conferences over the past years, and are leaders in the field of Loss and Damage. They also have access to key government officials and international agencies. The CDL could host the event in Providence, Rhode Island at Brown University, or in Washington, DC, which would allow easy access for officials from international financial organizations like the World Bank, IMF, IADB, USAID, and UN officials from New York, etc. The event could be held at the Brookings Institution, where Roberts is a Non-Resident Senior Fellow. One further idea is to link this event with the just-announced conference at Oxford University on 1.5 degrees, which will take place in September. Roberts has organized events there in the past and has been a fellow at the Environmental Change Institute there.

We will provide further information on innovative finance for loss and damage, according to the following work plan:

Winter/Spring 2016: Preparation of a draft four-page briefing paper assessing financing options for international support of loss and damage

18 May 2016, 12-6pm, Bonn, Germany: Half-day workshop on financing loss and damage at the German Institute of Development, DIE, alongside the SB intersessional negotiations. This event will bring together experts on the issue and review the draft working paper.

Summer 2016: Revision of four-page briefing paper and preparation of 30 page white paper on international financing options for loss and damage.

Please let us know when the forum might be held, so that we can be prepared with these inputs.

Sincerely,

Saleemul Huq, ICCCAD
Timmons Roberts, Brown University CDL