



Submission of Nauru on behalf of The Alliance of Small Island States

Views and information on elements of an international mechanism to address loss and damage from the adverse effects of climate change

12 November 2013

Nauru on behalf of the Alliance of Small Island States (AOSIS) takes this opportunity to present views in preparation for COP19 for achieving the mandate set out in UNFCCC decision 3/CP.18, paragraph 9 (mandate for Warsaw).

Establishing an international mechanism to address loss and damage from the adverse effects of climate change has long been a priority of AOSIS, and we have a clear mandate from Doha to do so. The need for this mechanism is more urgent than ever in light of the low mitigation ambition reflected in current pledges and the subsequent worsening of climate impacts to which we cannot adapt. AOSIS has made a concrete proposal on a mechanism for loss and damage, and we look forward to the support of our colleagues and partners in delivering it.

Further to our submission of 28 September 2012 and based on the mandate for Warsaw, AOSIS calls for the establishment, under the UN Framework Convention on Climate Change (UNFCCC), of an international mechanism to address loss and damage from the adverse effects of climate change. These are the elements AOSIS expects to see in a Warsaw COP decision: 1) the needs that an international mechanism must fulfil; 2) the key functions of the mechanism; and 3) a proposed institutional structure to assist small island developing states (SIDS) and other developing countries that are particularly vulnerable to the adverse effects of climate change to address loss and damage associated with human-induced changes to the climate system.¹

The international mechanism should be structured so that it fulfils four key needs of SIDS and other developing countries that are particularly vulnerable to the adverse effects of climate change:

- Enhanced knowledge and understanding of approaches to address loss and damage associated with the adverse effects of climate change, especially on slow onset impacts;
- Prevention and reduction of loss and damage from climate change impacts;

¹Under the UNFCCC climate change is defined as 'a change of climate which is attributed directly or indirectly to human activity...which is in addition to natural variability...', UNFCCC, article 1.7.

- Support for loss and damage that can be rehabilitated; and
- Redress for loss and damage that is unavoidable and unrecoverable.

To address these needs, the international mechanism should perform these primary functions:

- Provide global oversight on loss and damage;
- Address gaps in loss and damage programming in particularly vulnerable developing countries including through capacity building activities and by providing information and guidance on
 - preventing and reducing loss and damage through risk management and
 - redressing loss and damage that is unavoidable and unrecoverable;
- Secure financial, technical and capacity building support to strengthen existing programmes and initiate new programmes to address loss and damage associated with the adverse effects of climate change.

Funding for the activities of the international mechanism must be separate from adaptation funding and come from a dedicated source, which should take the form of a separate fund for loss and damage or a special funding window in one of the operating entities of the financial mechanism. It is expected that complementary funding for loss and damage will be available from a number of other sources, including from public sector seed money, premiums related to insurance facilities, private sector investment and multi-lateral development banks.

Further to AOSIS' September 2012 submission, the group proposes the following institutional structure of the international mechanism:

The international mechanism should be governed by an executive board comprised of Parties with the authority to make decisions related to the operationalization of the international mechanism as well as access and employ the expertise – both inside and outside the Convention – required to fulfil the functions of the international mechanism. The executive board would be under the direct guidance of and would report to the Conference of the Parties of the UNFCCC, and would have two operational arms:

- A technical facility to address gaps, provide support, assist in developing products to prevent and reduce loss and damage and redress loss and damage that is unavoidable and unrecoverable – including through rehabilitation and / or compensation; and
- A financial facility to develop and manage the dedicated funding sources of the mechanism.

Both facilities would be given the scope to convene working groups or expert groups where required to carry out their responsibilities. Where appropriate, the proposed operational facilities would work through relevant regional and / or national centres and other recognised regional and / or national entities.

This is a matter of highest priority for AOSIS because it has a direct impact on our long-term viability and survival, including for some through the loss of territory. AOSIS, therefore, stands willing, ready and able to continue to provide input as the discussions progress. AOSIS looks forward to discussing this submission and to a decision that fulfils the mandate for Warsaw.