

UNFCCC expert meeting on a range of approaches to address loss and damage associated with the adverse effects of climate change, including impacts related to extreme weather and slow onset events

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## Session summaries

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**Session 1 –  
Framing the discussion on loss and  
damage from the Latin American  
perspective**

## On framing approaches to loss and damage:

- Climate change impacts create threats of multiple losses (loss of life, economic, non-economic etc.);
- Mitigation and adaptation efforts determine to a significant degree the L&D, as well as addressing drivers of vulnerability;
- UNFCCC decisions/international law provide a legal framework for addressing L&D; regional priorities/experiences to feed into COP18;
- Potential categorization of approaches to L&D: risk reduction; risk transfer; risk retention; and managing slow onset processes;
- Knowledge mostly on response to weather events and economic losses; less awareness on prevention/reduction; significant gaps on slow onset.

### *On Latin America (LA):*

- LA highly exposed to extreme and slow-onset events;
- Future sustainable development plans must include adaptation strategies to enhance effective disaster risk reduction.

## Additional key points from discussion:

- Overlaps/differences of adaptation, disaster risk reduction and addressing L&D;
- Definition of different types of risks and losses;
- With expected climate change, overall significant losses to be faced; important that higher frequency/lower magnitude events receive more attention;
- Assessment (and quantification) of non-economic impacts and losses challenging – meanwhile, improved development and vulnerability reduction best approach to avoid such losses;
- Systematic and long-term approach to address L&D needed;
- Link between different government levels for a coherent and effective approach;
- Link between approaches for mitigation and adaptation and address them in a holistic approach to sustainability;

## Additional key points from discussion:

- Range of approaches required, with the inclusion of local and indigenous knowledge;
- Compensation mechanisms for countries that invest in DRR and adaptation, especially when involving public goods such as biodiversity;
- Build the case in different countries of the region and identify lessons learnt to facilitate decision-making, identify regional differences and similarities and thus benefit global debate;
- Limited global uptake because of non-English language
- Slow-onset events should receive the same attention as extreme events as they are already starting, might affect frequency/intensity of extreme events and have unforeseeable long-term impacts;
- For LA: cities and urbanization trend key issues to be taken into account for L&D discussion.

**Session 2 –  
A range of approaches to address loss and  
damage at the local / sub-national level  
and by the sector**

## L&D at the local / sub-national level

- Lessons from different country case studies in risk management (Honduras, Nicaragua, Peru): issues and challenges regarding methodological, institutional and capacity aspects;
- Insurance: one approach to address L&D, many innovations in insurance and risk financing are underway in developing countries;
- Way ahead:
  - Need for an integrated risk management framework: incl. identification of risks, risk analysis, risk reduction and risk finance;
  - Harmonize approaches in capturing losses and damages;
  - Develop systems to capture L&D from slow onset events;
  - Develop institutional architecture - global, regional, national and sub-national levels, intersectoral – institutional linkages;
  - DRR/CCA strategies should be combined when being integrated into local plans;

## Additional key points from discussion:

- Need to make risks transparent and understandable for everyone;
- Culture of prevention must be created before risk management mechanisms will work;
- Participation of relevant stakeholders is key, especially for local level risk assessment – challenge to identify who should be involved and how;
- Transaction costs are an issue, in particular for scaling-up and maintenance of processes/mechanisms – long-term benefits of risk reduction for economy must be emphasized;
- Cost-benefit analysis key to find appropriate balance between risk reduction/transfer/etc. and acceptance;
- Including CC risk into economic planning is key;
- Private sector engagement becomes ever more important and should be supported;



## Additional key points from discussion:

- Local level and national level interactions: national should play role as facilitator of information for local approaches;
- Process is crucial for sustainability, not the product itself;
- In trying to achieve a behavioral change of people – how to make sure that long-term adaptation and other development plans are not conflictive?

**Session 3 –  
A range of approaches to address loss  
and damage at the national level**

# L&D at the national level

- Institutional framework for disaster management at the national level (Mexican case) is an important effort to reduce L&D;
- National system originally oriented to respond (ex post activities) with a progressive evolution to risk reduction approach;
- Multi institutional approach;
- Legal framework in progress;
- Main goals
  - Risk identification
  - Risk reduction financing (prevention activities)
  - Risk retention – risk transfer strategy
- Way ahead:
  - Yet the amount spent on response and recovery exceeds the amount invested in risk reduction (less efficient approach);
  - Further work is required at the local level, this is considered a challenge pending in Mexico and in many Latin American countries.

## Additional key points from discussion:

- Disaster risk transfer tools are very useful, especially when integrated into global strategies for disaster risk reduction;
- Effective risk management requires a multi-institutional framework: planning agencies, finance, environment and development; private sector ever more important (e.g. public-private partnerships);
- The information (databases) of exposure of government assets and state sectors are key to determine appropriate transfer schemes (indispensable for modeling losses);
- Post-disaster reconstruction processes should take building back better seriously;

## Additional key points from discussion:

- Multi-threat approach is appropriate and can optimize the resources required for retention schemes and risk transfer;
- Retention and transfer strategies are complemented by initiatives that seek to integrate risk analysis in public investment;
- Elements of Hyogo Framework for Action (HFA) are recognized in LA as basic requirements to reduce losses;
- Can national disaster recovery funds be expanded for slow-onset events? Can these be linked to national adaptation/CC funds?
- Risk transfer between regions of country with different levels of vulnerability.

**Session 4 –  
A range of approaches to address loss  
and damage at the macro level  
(regional and international)**

## L&D at the macro level (regional / international)

- According to L&D databases: disasters are increasing in the LA region specially due to inadequate land use planning (urban and rural) and a lack of adequate development policies;
- Small economies are more vulnerable to adverse events due to lack of resilience – multi-national risk pool promising approach for risk transfer (example of the Caribbean);
- Important lessons learnt from Caribbean (CCRIF) examples:
  - Credibility and trust in institutions crucial
  - Governance with clear responsibilities and involvement of different expertise (incl. finance ministries) important
  - Donor support can be essential for development of untested instrum.
  - Private sector expertise and knowledge of relevant markets is vital
  - In highly innovative project creativity and flexibility for implementing agency important

## Additional key points from discussion:

- Although databases of disasters in LA shows that climate-related disasters are more frequent, the assessment of disasters is still incomplete in terms of damages and losses by sectors of the economy;
- Natural ecosystems and environmental services are an issue for L&D assessments;
- How can cross-border disasters/risks be dealt with?
- There are several international organizations that cooperate with countries in different sectors – better coordination is required, especially between ACC and risk management.



**Session 5 –  
A range of approaches to address loss  
and damage related to slow onset  
events**

## L&D associated with slow onset events

- COP 17 stipulated that slow onset events must be taken into consideration when addressing L&D – apparent lack of methodologies and approaches to do this;
- Data show clear trends, need to communicate to wider public;
- Evolution of (local) vulnerability must be analyzed to be accounted for in future planning (with particular regard to slow-onset events);
- Assessing the “development that could be lost” according to different climate change scenarios: even without climate change, a loss of forest cover and biodiversity is expected.
- Slow onset events triggered by CC could also increase extreme events: e.g. relationship between increasing sea temperature and hurricanes.

## Additional key points from discussion:

- Slow onset events are actually happening: new approaches for better assessments are needed;
- All databases should be public domain; trust and cooperation among institutions facilitate data sharing;
- Facing slow onset events requires a multi-sector, multi-ministerial approach;
- Slow onset events are a common concern among Parties – particularly for certain sectors (e.g. agriculture, water) – need to address these types of events has become apparent during discussion, but right approach still to be defined!

Thank you for your attention!