



## Submission by the United Nations World Food Programme (WFP) to the first global stocktake of the Paris Agreement (GST)

*As per the 15 September 2021 [non-paper](#), the UN World Food Programme (WFP) is pleased to share with the co-facilitators of the first global stocktake of the Paris Agreement (GST) an executive summary of its contributions relevant to the thematic area: Efforts to enhance understanding, action and support, on a cooperative and facilitative basis, related to averting, minimizing and addressing loss and damage associated with the adverse effects of climate change.*

### Executive Summary

The climate crisis has joined conflicts and economic inequality as one of the main drivers of hunger. Climate shocks such as droughts, floods, storms and heatwaves destroy livelihoods and cause losses and damages to the systems that produce food and bring it to people's tables. Climatic stresses such as irregular rainfall, rising sea levels and shifting seasonal weather patterns make more people vulnerable. The frontlines of the climate crisis are characterized by the compound effects of climatic, social, economic and political disruptions, and by cascading risks that drive humanitarian needs to a point where neither governments nor the international aid system are able to cope. These unavoidable consequences of climate change translate directly into rising rates of food insecurity and malnutrition – and demonstrate the meaning of the term 'Loss and Damage' in a very concrete manner.

At a time in which the most vulnerable countries are already experiencing the limits of adaptation, and in which a climate-induced food crisis is only one season away, decisive action is required to manage climate-induced risks with the same urgency as climate-induced crises. WFP's climate programs are supporting countries to avert, minimize and address loss and damage associated with the adverse impacts of climate change through a four-pronged approach:

- Strengthening systems to **ANTICIPATE** climate hazards before they turn into disasters. WFP uses its skills in risk analysis, early warning systems and emergency preparedness to trigger forecast-based, anticipatory action at the community level before humanitarian crises materialize. At present, WFP is implementing such programs in 19 countries. (Brochure: [Forecast-based Financing \(FbF\) - Anticipatory Actions for Food Security](#))
- Building on its extensive field presence in the most fragile and degraded areas, WFP is scaling up programs to **RESTORE** degraded ecosystems through nature-based solutions and climate resilient infrastructure. WFP works with food insecure communities in climate risk hotspots to reverse environmental degradation and strengthen natural capital to build resilience to future climate hazards through an integrated package of activities. These programs enable the most food-insecure people to meet their immediate food needs with cash, voucher or food transfers, while at the same time engaging them in climate change adaptation and resilience activities at the landscape level. In 2021, over 7.5 million people in 49 countries have engaged in such program activities. (Factsheet: [Food Assistance for Assets](#))
- Establishing financial safety nets and insurance mechanisms to **PROTECT** the most vulnerable people from potentially catastrophic climate extremes. WFP is the leading UN



agency making climate risk insurance work for food insecure populations. In the event of a climate hazard, these insurance products trigger pay-outs for vulnerable people to protect their livelihoods and food security before a disaster strikes. In 2021, 2.6 million people in 18 countries were protected with climate risk insurance products that were developed or supported by WFP. (Brochure: [Climate Risk Financing: Early Response and Anticipatory Actions for Climate Hazards](#))

- **ENERGIZING** schools and communities with access to sustainable energy solutions. In 2020, WFP enabled more than 1.6 million people to access sustainable energy services by promoting clean cooking solutions; providing households and schools with more efficient, less polluting appliances; and connecting smallholders to energy equipment and services that improve food production, processing and preservation. (Factsheet: [Energy for Food Security](#))

With regards to assessing global collective progress towards achieving the Paris Agreement and its long-term goals, WFP emphasizes the urgent need to ramp up financing and action on climate change adaptation and resilience building, and to **advance progress on averting, minimizing and addressing Loss and Damage from climate impacts**. At the current level of global warming, such Loss and Damage is playing out in real time across the world: At the time of this submission, the number of people teetering on the edge of famine (IPC4/Emergency or worse) has risen to 45 million in 43 countries – compared to 27 million in 2019. This trend is severely compounded by the climate extremes affecting countries such as Afghanistan, Madagascar, Somalia and South Sudan, as well as many others in the Horn of Africa, the Sahel zone and the Dry Corridor of Central America.

At the moment, there is insufficient global attention to countries in which climate-induced losses and damages are already breaking conventional systems and institutions for development action. While climate funding in fragile states amounts to approximately US\$ 10.8 per capita, climate funding per person in non-fragile states amounts to US\$ 161.7.<sup>1</sup> This points to an urgent need to scale up climate action in a more equal manner across the most vulnerable contexts, and to prioritize the protection of people who remain exposed and unprotected in the most vulnerable regions.

In advancing these efforts, WFP recognises the role of the Warsaw International Mechanism (WIM) for Loss and Damage and contributes lessons and perspectives from the field to the Technical Expert Group on Comprehensive Risk Management (TEG-CRM). Since the WIM was approved, WFP has advanced a number of initiatives to support member countries in addressing Loss & Damage from climate shocks, including through forecast-based financing and insurance-based mechanisms. The following resources contain additional information on the countries supported, as well as the approaches implemented:

### **Anticipatory Action and forecast-based financing to prevent losses and damages from climate impacts:**

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<sup>1</sup> United Nations Development Programme (UNDP), [Climate Finance for Sustaining Peace](#), 2021



- **Overview of WFP's Anticipatory Action Program (2019):** Information about the principles and setup of forecast-based financing, including some early country examples, is available [here](#).
- **The Evidence Base on Anticipatory Action (2020):** WFP-commissioned report reviewing the evidence base on Anticipatory Action that has emerged from forecast-based financing initiatives implemented in recent years. Available [here](#).
- **Forecast-based Financing in Eastern Africa (2021):** Overview of WFP-supported forecast-based financing programs in Eastern Africa. Available [here](#).
- **Independent Review of WFP's Anticipatory Cash Transfers (2021):** Independent evaluation of WFP's anticipatory cash transfers during the July 2020 floods in Bangladesh. Available [here](#).
- **Example of a Return on Investment Study (2019):** WFP and the Government of Nepal are implementing a forecast-based financing project aimed at bridging the gap between early warnings and anticipatory actions for floods in the 14 most disaster-prone districts of the Terai region. This return-on-investment analysis looks at the benefits of investing in forecast-based action in Nepal. Available [here](#).

#### **Climate risk insurance mechanisms to enable vulnerable communities to absorb losses and damages from climate impacts:**

- **Payouts from WFP-supported Climate Risk Insurance Programs (2021):** An overview of WFP-supported climate risk insurance payouts in 2021 that have provided financial protection for the most vulnerable. Available [here](#).
- **Climate Risk Financing (2019):** An overview of different climate risk financing instruments and their integration in WFP programs. Available [here](#).
- **Microinsurance (2020):** Overview of the R4 Rural Resilience Initiative, which integrates nature-based solutions with access to climate risk insurance, small-scale contingency finance and access to financial services. Factsheet available [here](#), R4 Annual Report for 2020 available [here](#).
- **Does Climate Insurance Work? (2021):** Overview of evidence emerging from WFP-supported microinsurance programs. Available [here](#).
- **Sovereign Climate Risk Financing and Insurance (2021):** Overview of WFP's sovereign risk finance and insurance programs, including the African Risk Capacity (ARC) Replica program. Available [here](#).
- **Index-based Insurance for Pastoralists (2019):** Impact evaluation report from Ethiopia pilot. Available [here](#).

#### **Climate Information Services to enable vulnerable communities to prevent losses and damages in farming systems:**

- **Case Study of Malawi and Tanzania (2021):** Lessons learnt from a climate services initiative WFP has implemented in Malawi and Tanzania. The initiative focused on reducing vulnerability to climate change by enhancing the production and use of climate services in support of decision-making for a range of sectors, including agriculture, food security, health and disaster risk reduction. Available [here](#).