

Mahila Housing SEWA Trust (MHT)

Ahmedabad, India



Submission to the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts (Executive Committee) on the type and nature of actions to address loss and damage for which finance may be required.

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Date: 31.01.18

Place: Ahmedabad, India



Context

In the response to the invitation of the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts (Executive Committee) for submissions on the **type and nature of actions to address loss and damage for which finance may be required, Bijal Brahmhatt, Director,** Mahila Housing SEWA Trust (MHT) the following inputs to submit on behalf of the organization.

An internal discussion was organized in MHT on 31/1/2018, where employees, and women leaders from slums (names provided in the annexe) shared their experience of working with poor communities, women in particular. The experiences, significantly, come from 1. the implementation of the two-year long Global Resilience Project, which involved building resilience of slum communities across 3 South Asian countries, 7 growing cities, 107 settlements with an outreach of 135,000 people for slow onset impacts in terms of heat stress, water management, vector borne diseases and flooding and inundation 2. Working with these communities during some extreme events that the state of Gujarat had witnessed--Gujarat earthquake in the year 2001; communal disturbances in the year 2002; and floods that affected slums in Surat in the year 2006.

A brief discussion was held on 1/2/2018 with Vimo Sewa (translates to Sewa Insurance), National Insurance Vimo SEWA Cooperative Ltd., which is an Insurance Cooperative owned and managed by poor women with an outreach of 100,000 subscribers.

The scope of the inputs shared here is limited to experiences MHT derived from implementing projects and programmes on affordable housing and land rights; rural housing; water and sanitation; urban governance and land planning; housing and infrastructure finance; skill development and livelihoods; energy efficiency; and climate resilience, with a focus on poor women from slum communities in both urban and rural areas who eke out a living in the informal sector (either home based or self-employed).

Credits: This report is prepared by Rajeswari Namagiri Gorana with support from Bijal Brahmhatt and Bhavna Meheriya.

Preamble

Climate impacts in the form of extreme and slow on-set events disproportionately harm the poor and make it debilitating when intersecting with a multiplicity of factors like location, gender, health, professions, income, assets like housing and basic services (lack thereof), and creditworthiness. There is a fuzziness to the impacts as they are so spread out, diffused and amplified by factors other than climate variability that many times it is attributed to fate rather than anything else!

For poor women in urban and rural areas, house is an integral part of their life. It is both a dwelling unit and a workplace (a place for production and storage of goods). A woman's employment is closely tied to her house--it is the workplace for more than 30% of women workers in urban areas. Home extends to the living space of people as well as cattle, goats and other animals, in rural areas. Slow on-set and extreme events that have a direct bearing on the habitat—the house and the immediate environment-- of the poor thereby play out on all other spheres of their lives. MHT would like to record that sub-optimal solutions with regard to habitat issues, in fact are harmful in the long run.

It is women who bear the entire burden of 1. caregiving to family members (provisioning food, water, comfort and health) 2. being in-charge of assets (home, cattle etc.), in addition to generating income. Anything that interferes with the dispensation of these three key functions of a woman has a direct bearing on her dignity, self-esteem and negotiating power besides its implications on finances.

It should be stressed that the impact of the non-economic losses has a greater bearing on poor women along with economic losses. The synergistic effects of economic and non-economic losses are much harder on poor women in the face of gender discrimination and social obligations. Compensation in the form of money alone can never make up for climate harm.

This drives home the point for the need to build social capital and revive the agency of the individual and community. MHT invests in creating community-based participatory structures and empowers women for: a) leadership roles to interface with local governments for garnering basic services for the community b) skilled roles such as barefoot women engineers and micro energy

auditors cum entrepreneurs. It must be remembered that a collectivised community forms a ring of mutual support which serves as a social safeguard to tide over crises and to transform.

It is known that income shocks and unavoidable consumption are the reasons that drive the poor into debt traps. Slow on-set and extreme events impacting livelihoods, health, increase in spending on energy, expenses for recovering further push the poor into debt traps. Capacity building women to assess their risks and vulnerabilities helps them to invest in risk management strategies.

Loss and Damage actions that directly support poor women, and there by their families and communities by extension, to cope with climate harm and increase their resilience is imperative.

MHT wishes to record that safeguards, social or otherwise, in the form of awareness raising, comprehensive actions by governments (city/subnational or national), support of multilateral agencies is minimal when it comes to dealing with climate harm and building resilience.

Technology is an important intervention for dealing with loss and damage. With regard to technologies, MHT's observations found that they are made for mainstream markets, and not really for the poor. Technologies have to be adapted for the poor. They must be involved in designing and also be open to receive feedback. There have to be appropriate strategies—financial, marketing, access related--to increase technology uptake. The myth that needs to be quelled is that the poor do not pay! MHT's experience says that if technologies and services are reliable, reach their door step, suit their needs, meet their aspiration, the poor would be willing to pay.

Commitment from government in terms of allocation of resources, supportive programmes and policies and social dialogue are basic ingredients to deal with climate impacts. The poor then come up with their own solutions to cope with the impacts.

Last but not least, MHT would like to stress the point that came up time and again in the internal discussions-- trust, harmony, accountability and transparency are preconditions to achieving sustainable development and overcoming climate challenges by all and more so by poor women.

I. **Type of Actions for which finances may be required**

Humanitarian

Loss and Damage should be viewed from humanitarian angle and early action and rapid response should be made available by international agencies, national/subnational and city governments. Unless such support is provided to the affected and vulnerable people, climate impact will have a crippling effect. Climate harm to the poor—like women in the informal sector and homebased workers has to be immediately recognized. There is great need to ensure that the responsibility to deal with climate impacts is not entirely shifted to the individuals, particularly the poor.

Economic

Losses that business at city level or subnational levels incur due to man-made or natural disasters are easily calculated and bail-out packages quickly worked out by governments. This provides the much needed succour to recover. However, the losses that the poor and informal sector workers bear are never quantified. The poor and informal sector workers also contribute to GDP! There is no data available with city governments to quantify the loss of work days by informal and home based workers in case of indexed and unqualified events. Relief action or investments for early action will only be possible if such data is available. In conclusion, losses should not be exclusively calculated as production losses to big businesses but should include losses incurred by the poor too. Mechanisms to quantify losses of the poor have to be put in place.

Financial

Urban poverty is not well studied and analysed. There is no data to estimate how loss and damage translates into monetary terms for the poor in cities. Unless a quantification is done on loss of work, opportunities, raising costs of health, rise in energy requirements, damage to house and other assets etc. (for example, weathering of housing/roofing material requires frequent investments), it may not lead to recognizing the quantum and nature of climate harm.

The financial services available for the poorest of the poor are inadequate. They are left to fend for themselves through non-institutional and traditional

mechanisms. In the face of climate variability or otherwise, the poor need financial services that are reliable, flexible, continuous, convenient and available in instalments and in intervals. They need it, in the long run (not only in the event of disasters), to help manage their life and livelihood, which are complex, diverse, dynamic and vulnerable. It should be recognized that the poor too are bankable and creditworthy. Processes and products that understand the demands or actual requirements of the so called 'bottom of the pyramid' have to be created.

Suitable financial services including insurance can do away with the need for subsidies. However, subsidies should be considered if investments in Housing and asset building actually build resilience of the poor to deal with loss and damage.

Access to insurance has to be made Universal through demand driven products to cover the risks (covering life, health, homes, livelihoods) of the poor and vulnerable. This is very much linked to recognizing the poor bankable and creditworthy, in the first place.

Governance

Loss and damage must be viewed from the lens of governance. City governments should be trained and provided budgets to identify and demarcate hotspots for early and rapid action and relief. This is an area of action that clearly overlaps with adaptation. Urban slum settlements are highly vulnerable to climate impacts like heat waves, flooding, water scarcity, and water and vector borne diseases. The uptake of resilience measures in slums have to be increased through the creation of participatory processes and by empowering youth and women. The principle of subsidiarity is essential more than ever for addressing loss and damage. Put communities in charge of their wellbeing. Loss and damage should not hamper the right of the poor to live with dignity.

Housing

Housing upgradations, drinking water, sewers, sanitation and should be categorised as early actions for dealing with loss and damage. Loss and damage should create systems and processes that protect and insure the

homes of the poor, both in urban and rural areas. Those whose homes bear the brunt of climate harm suffer double whammy of losing dwelling units and workplaces. The poor are not only rendered homeless but their economic capacity is harmed.

Appropriate attention has to be given in loss and damage action to home based work which is an important aspect of the informal economy in the city. In addition, home serves as a place for storing goods and production for small vendors and producers in the informal economy. There is a steady increase in the numbers of urban home-based workers in India from 9.8 million in 1999-00 to 12.7 million in 2004-05, and further to 16.9 million in 2011-12. Home-based workers in rural areas grew from 13.6 million in 1999-2000 to 18.3 million in 2004-5 and then to 20.5 million in 2011-12(WIEGO Statistical Brief No 10). Loss and damage has a direct impact on such a vast majority of people.

Health

Climate change is a health issue first and foremost. It interferes with the attainment of full potential of an individual. Climate change and its impacts however should not be seen only from a public health perspective. The insidious effects of climate change manifest as loss and damage that have a direct bearing on health and wellbeing. Budgets should be allocated to work out liabilities and compensation and preparing the poor communities to take up preventive measures in addition to investments in public health measures.

Technology and infrastructure

Technology is usually made for the mainstream and those who can afford it. Technological solutions to deal with loss and damage are very important. However, technological solutions should be designed keeping in mind the poor. A point to flag is that technology has to be aspirational. The poor are willing invest in technological solution when it translates in to gains and meets their aspiration. Their feedback should be considered in adapting technologies for the poor. Technology should be made accessible, in terms of pricing and utility and for risk minimization. Grants and subsidies, awareness raising, marketing through demonstrations should be deployed by both the public and private sector for its uptake.

Infrastructure to cope with slow on-set or extreme events in slum settlements and cities that support the poor to carry out their livelihoods has to be put up. For example, infrastructure that allows street vendors to operate during heat-wave conditions has to be planned for.

Multi-stakeholder platforms for knowledge transfer

Overcoming climate challenges necessitates institutional partnerships and the presence of communication channels between technical experts and affected community. In creating strong institutional partnerships for joint action between all knowledge stakeholders, community members, government officials, service providers, technical experts and other local institutions, a cross transfer of knowledge and bring synergies to the efforts in dealing with loss and damage and building resilience.

Resilience

Climate impacts have to be borne by people and governments. The capacities of poor community to work around climate events has to be strengthened by building climate resilience. Loss and damage should not be limited to compensation alone. It should ramp up early action as a pre-disaster measure. It should be acknowledged that climate impacts affect all but it is the poor that are left to fend it by themselves.

City governments should device Resilience Funds and Bonds and other such financial instruments to invest in climate resilience. MHTs experience has shown that sub-optimal solutions serve as red herring for individuals, communities and governments and do more than good, in the long run.

An actual experience shared by a women leader from one of the slums in Ahmedabad was related to a practice low-cost flood protection. It involves placing a permanent low-barricade made of a natural tile at the main door (which usually impede free movement). During rains in one season women trusted that such measures will keep away rain or flood water from entering the house. The barricade became useless when rains suddenly caused floods. The flood waters destroyed furniture, TV, food grains, documents and records. It shows how a sub-optimal solution is rather harmful than beneficial.

A city that invests in its poor and informal sector workforce will stand a better chance to minimise its overall losses both in the eventuality of an extreme or slow on-set events.

In the context of developing countries, resilience should address development deficits, spur innovative actions and renewal, to deal with challenges like climate change.

Global Multilateral Action

Combatting climate change will require mobilization of substantial resources. It is evident that loss and damage costs cannot be borne alone by developing and poor countries. Non-market and market-based mechanisms (like clean development mechanism, joint implementation and emissions trading under Kyoto Protocol) to address requirement of finances for loss and damage have to be developed.

II. **Nature of Actions for which finances may be required**

1. Skills and Capacity building--education, awareness, community leadership--particularly of women.

Women should be empowered to recognize climate impacts as a loss and damage formulation in order to enhance their abilities to prepare for and cope with them. The poor are used to thinking short term because of their inherent condition. This compromises their ability to manage risk in the long run. Targeted training and localized communication strategies for behaviour change have to put in place. Experiences from the Global Resilience Partnership shows that when awareness on climate change, its impacts on their lives and that of their children was built, it spurred women's interest in resilience measures. Of the 27,227 women reached through multiple communication and training activities, 3338 poor families invested in resilient technologies.

It is evident that capacity building leads to a better response in terms of the poor taking up measures to prepare and overcome the climate risks. It is essential for the poor to acknowledge both economic and non-economic losses. Trainings should be offered by NGOs and local governments. There is a need for public campaigns in this regard.

Women must be trained to deal with trauma, anxiety, loss of esteem due to inability to meet social and individual obligations caused by loss and damage. It was a common experience for women to be accused of not taking suitable steps to protect household assets from being destroyed during rains and floods. It is also commonplace for women to clean up the mess, literally and figuratively, after extreme events. Loss and damage can prove to be extremely traumatic for women.

2. Community Based Risk Assessment and Risk Tolerance profiling

Mitigation, adaptation and resilience are abstract concepts. It is loss and damage which makes climate impact visible and real and already at one's door step. It is important to capacity build the poor communities to identify and assess climate impacts-- both economic and non-economic-- that they and have already started experiencing. A registry has to be developed to record

these. This can be a women-led process through community based organizations and/or community action groups.

NGOs like MHT that have experience of creating social capital could be part of designing such processes for working with loss and damage. Risk management approaches should be well understood by the poor, the NGOs and city governments. By raising awareness and climate risks, it was possible for women to develop a Community Based Vulnerability Assessment Toolkit which helped to develop Community Based Resilience Action Plan. In addition, it is essential that community be trained to carry out regular surveillance as an early warning measure. In light of such functions that the community has to carry out, development of social capital is essential. Money alone cannot adequately compensate for loss and damage.

MHT's experience says that during stressful times communal dynamics may come into play where certain communities may be alienated from relief and rehabilitation measures. It was common to find nexus building among service providers and people through power play, bribing etc. which leads to shoring up relief measures by a few or a dominant community.

3. Compensation

Compensation mechanisms have to be designed to meet the needs of the local contexts for efficacy. MHT's experience in compensation says that after the Gujarat Earthquake and floods in Surat ran into many problems when proportionate compensation was given. The rich got a higher compensation than the poor, even though, it was the poor who suffered irrevocable loss.

The poor are involved in many trades (professions) which are invisible. Estimating loss and damage requires identifying all such trades at the city level and involving them—with the formation of trade-based boards—to create evidence based compensation mechanisms. Creative compensation mechanism has to be designed to meet the needs of those effected. This also makes it possible for community based monitoring systems (CBMS) to be developed. Grant support for prototyping compensation mechanism is required. Local governments, vulnerable groups like slums and women, CBOs, and NGO have to be involved in the process.

4. Slum Upgradation

Slums in a city are hotspot of loss and damage. Comprehensive slum upgradation work in terms of socio-economical, physical and governance should be taken up immediately to minimise climate harm. Infrastructure upgrades add to the resilience measures of the poor. City governments should provide city and slum level infrastructure to cope with weather related exigencies.

5. Loss of Documents (Identity and rights)

During many extreme events like rains and floods, it has been observed that the many households suffered loss of documents due to rain water entering homes and accumulation of water due to seepage as they do not have storage facilities to protect documents* (which are mandatory for obtaining basic services, buying a sim card etc). Obtaining these documents takes a lot of time and effort as the proof of burden is on the poor. City governments must recognize such special situations in which slum dwellers are likely to lo and create systems to obtain documents speedily. Solutions like digital lockers should be made available. This is a chronic problem that poor communities face in the wake of extreme events. This problem needs an urgent attention.

*Voter ID card: is an identity document issued by the Election Commission of India which primarily serves as an identity proof for Indian citizens while casting votes in the country's municipal, state, and national elections; Aadhar Card: a card with 12-digit unique identity number issued to all Indian residents based on their biometric and demographic data; Ration card: an official document entitling the holder to a ration of food, fuel, or other goods issued by the Government of India; home documents; Driving license and so on.

6. Food Relief

Food relief in terms of grain loans, subsidised grains etc. should be made available for the poor. The poor buy grains either in season when the prices are somewhat low or in large quantities when they can afford them to sustain themselves during through the year on during low income periods. It has been found that lashing rains and floods often become the reason for the food grains going bad due to moisture and seepage. For many a loss of work day directly translates into no-food situation. The impacts of loss and damage events has to be studied further and necessary actions be put in place.

7. Health

Health should be prioritised in loss and damage work. Women should be trained to be at the vanguard to address health and wellbeing issues in slum communities. When family members fall ill, women are the primary caregivers and have to miss work. Besides loss of a work day, medical expenses add to the financial burden. Health expenses could erode savings very quickly. A diversity of responses including training, public health services, insurance, and social protection should be used.

8. Community-level financial instruments

Designing and incubating financial products, that make it possible for the poor to invest in risk management and risk reduction has to be taken up as a priority. Financial capacities of poor communities should be built to handle risk individually and collectively as a group. Capacities should be built to design and operate contingency funds (with contributions coming from individuals, city governments and corporates/donor agencies) at the slum level. There are hardly any measures to meet climate risks of the urban poor. Joint liability (in small groups) should be deployed to create credit mechanisms for the poor. Compensation and micro insurance products can be designed for implementation at the community level. Traditional credit and saving instruments that women depend on to tide over requirements and contingencies have to be studied well and backed by institutional support. Strong thrift and savings habits of the poor have to be recognized and strengthened. Women-leaders from the community have to be trained to handle compensation or risk management strategies at their community so that assessment is quick.

For example, it was recounted in the meeting that an insurance company did not pay for the toilet that came down during extreme rains because the community members removed the debris from the site. If a community based insurance product could be developed, verification and assessments could be less cumbersome and quick.

9. Loss of work days and productive hours

Loss of productive hours and work days should be compensated for either through insurance or other means. Index based insurance products designed by SEWA Insurance have been working well but they do not actually compensate appropriately.

10. Social Security

Community and household level safety nets have to be built using traditional coping mechanisms (grain banks, chit funds, diversifying livelihoods etc.) found among poor communities. Risks should be minimised through mutual or collective support. Measures could be both of cash and kind nature. MHT found that poor women depend on many informal methods like small savings, cash and kind exchanges and other methods to tide over challenging situations. Such measures have to be bundled with banking or institutional measures/insurance for risk minimisation. Community level measures have to gain traction through usage-salience.

11. Emergency response

Emergency responses should focus on women in slums and their needs for privacy should be given a high priority. It was found that women's menstrual hygiene suffered due to lack of water.

12. Insurance products for women

It may be noted that creditworthiness of women is lower than that of the males in a family even though it is the women who keep the going good. Insurance products that suit the needs of the women should be created keeping this in mind.

13. Technological solutions

Technical solutions that suit the needs of the poor have to be piloted and validated. Demonstration of technical solutions within poor community itself allows the women to verify claims. For example, when ModRoof, a roofing solution that reduced heat transfer from the ceiling into the house was put up for demonstration in slums. Women could compare temperatures with the

ambient temperatures provided by Indian Metereological Department. When they found a 4-5°C variation, many poor in invested in retrofits.

Financial support in terms of hire-purchase, subsidies, discounts should be provided for uptake of technologies that allow poor households in invest in efficient products and cope with extreme weather stresses.

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Annexe

Meeting date: 31.02.18

Venue: MHT Office premises, Ahmedabad, Gujarat.

	Name of the Participants
1.	Ms. Antara Trivedi
2.	Ms. Bhagyashree
3.	Ms. Bharatiben
4.	Ms. Bhavna Maheriya
5.	Ms. Bhumika Chauhan
6.	Ms. Bijal Brahmbhatt
7.	Ms. Chetna Patel
8.	Ms. Darshana Jadeja
9.	Ms. Dipika Vadgama
10.	Ms. Himani Bansal
11.	Ms. Kinnari Panchal
12.	Ms. Krishnaben
13.	Ms. Mina Soni
14.	Ms. Mohini Koshti
15.	Ms. Nirali Shukla
16.	Ms. Nitu Pandya
17.	Ms. Parual Raval
18.	Ms. Prachi Bandal
19.	Ms. Rachana Shah
20.	Ms. Radha
21.	Ms. Rajeswari Namagiri Gorana
22.	Ms. Sonvane Kalpana
23.	Ms. Urvashi Patel
24.	Ms. Urvashiben Trivedi
25.	Ms. Vaishali Chaudhari
26.	Ms. Vishakha Thakkar
27.	Ms. Yogita Malasare
28.	Mr. Selvakumar V.
29.	Mr. Suraj

Photos of the Meeting

