

# **The Centrality of a Future Dialogue on the Loss and Damage Fund and Implications for the Global South**

## **A Proceedings Report**

A report produced by Simon Manda, Geoff Goodwin, Rachel Parker, Richard Beardsworth, Viktoria Spaiser, Papiya Mazumdar, Aritra Chakrabarty, and Maria Antonia Tigre.<sup>1</sup>

**November 2023**

---

<sup>1</sup> This event was made possible by the Financial Support of the University of Leeds, POLIS SRIF Funding to Simon Manda and Geoff Goodwin

## **a. Overview**

### *Situating the Issues – Problem Statement*

The science around Loss and Damage (L&D) is still ill-defined, and policy discussions remain contentious. Since its first proposal over three decades ago, the finance for L&D has been a red line for many countries in the Global North. In fact, at COP26 in Glasgow, the Global North opposed the G77+China's call for a dedicated finance facility for L&D Whereas COP27 frequently emerges as a success, reflections on the possible realities and implications for vulnerable countries and communities in the Global South supposed to be adapting remains less explored and is an interesting area of emerging research more so for COP28. The current meeting took place as a subset of wider varying research interests among participants. Our project is, simultaneously, grounded in climate politics committed to advancing equity within climate risks, adaptation and recovery. This one-day symposium aimed to address a range of scientific, social, policy and governance issues and questions surrounding climate adaptation more generally and L&D specifically, and related implications for the Global South. The symposium was built on a very generative Centre for Global development (CGD) roundtable discussion on COP27 in December 2022, and aimed to bring together different expert stakeholders to help to gain a common understanding of these complex issues – moving the needle toward expectations and response pathways for the Global South. The primary emphasis was at what point will the L&D make genuine sense for vulnerable countries and communities in the Global South. Is this a success for many vulnerable people in the Global South? How and in what ways will the fund be deployed and by whom, using what leadership? What mechanisms are needed to ensure the fund is used to reduce inequalities and build resilience in countries affected by climate change effects?

### **Meeting Goals**

This Proceedings Report is an output from a symposium 'At What Point Managed Loss and Damage in the Global South? Climate Governance, Risks and Adaptation Symposium' organised by the University of Leeds, Centre for Global Development, UK. Scholars and NGO actors were invited to interrogate if not question the merits of the loss and damage fund (L&DF) as a solution proposition towards climate violence suffered by the Global South and the implications. We recognize that there are many efforts to understand the L&D under differing climate risks. This group of scholars and practitioners was particularly drawn to advance a focused conversation around the application and limits of the L&D. Our meetings goals were as follows:

1. Build a network of interdisciplinary researchers within and outside the University of Leeds working on climate governance, risks and adaptation.
2. Facilitate networking and discussion among diverse stakeholders.
3. Advance the research agenda around climate adaptation including the L&DF in an interdisciplinary way.
4. Advance a theorisation around climate adaptation and the L&DF

Specifically, we aimed to offer new and old pointers for development research outside of the climate aid-development nexus – which offered the basis for the working paper. The symposium was focused on two questions:

1. At what point managed L&D and what are the implications?
2. What would be the centrality of a future dialogue on L&D and implications for the Global South?

Ultimately, ours was an attempt to theorise how L&D may need to be parameterised in the Global South with an overarching concern around social justice waged through a historical and contemporary lens.

### ***Meeting Participants***

Meeting participants represented a diverse array of backgrounds and knowledges, but all shared an interest in questions regarding L&D. Participants included:

- Academics: experts from multiple disciplines – for example climate politics, governance, including climate risks and adaptation
- Public and non-profit sectors: practitioners, policymakers, litigation and human rights experts.
- Non state actors: NGOs and social movement representatives
- Other: Municipal actors and experts on climate risk management etc.

#### **b. What we Know**

- ***Global climate frameworks: role, importance, and limitations***

Because of the complexity of global and different perspectives underpinning climate frameworks such as mitigation and adaptation, Richard Beardsworth reminded us about the ‘The Good, the Bad and the Ugly using the test case of COP27’. The Egyptian Presidency is heralded by positioning itself towards Africa and the Global South, exploiting the role of absolute consensus. A focus on energy security and energy transition arguably risks stepping back on other equally important commitments. Richard reminded us that two leaderships seem to have emerged during COP27. The first relates to the North that focused on mitigation. The second relates to the South with a focus on adaptation (and L&DF). In between are somewhat elements of distrust between and among parties. However, a middle ground and overall vision across these is lacking. There are bad outcomes such as regression on low emissions on the one hand, and continued fossil fuel exploitation and excavation of oil and gas. Richard challenged the meeting to reflect critically on the implications of the two leaderships and the L&DF. The meeting was reminded to also reflect on the good – such as the focus on the L&D facility, climate financing and related push towards government architecture. However, there are questions about global stock taking vs 1.5 degrees; climate diplomacy and leadership; and most importantly how the L&D can be increasingly financed. This includes how international cooperation align mitigation and adaptation?

What funding? Which pool? What structure and organisation? Some of these questions are beginning to be addressed and are yet to be concretised.

▪ ***Loss and Damage in Tipping Points Impact Governance***

Viktoria Spaiser drew reflections from an OECD 2021 report<sup>2</sup> and the upcoming Global Tipping Points Report<sup>3</sup> and their implications for L&D. The meeting was made to reflect scenarios where Earth system tipping points (ESTPs) have been breached, and what that would mean for L&D flow of funds. There were questions about tipping points impact governance, adaptation, and disaster risk management when limits of adaptability are reached due to ESTPs breaching. Viktoria Spaiser noted there are uncertainties about timing and scale of ESTPs vis a vis limited reliability of early warning systems. The meeting was reminded that vulnerabilities to ESTPs impact are not always identical with general climate change vulnerability. Some countries in the Global North would suffer devastating ESTPs impacts as would some Global South countries, but the difference is that Global South countries have significantly lower adaptive capabilities and response capacity due to restricted resource access. Additionally, a lack of data quality for less developed countries may mean risk assessment for these nations is insufficient, which further complicates anticipatory governance. All this raises the need to explore and understand distribution of vulnerability is an emerging area of research. Viktoria reminded us about the non-economic losses (NELS) specifically culture, loss of territories, health, and sovereignty), which are likely to be more prevalent if ESPTs are breached but pose particular challenges to the L&DF, as NELS are notoriously difficult to quantify. Ultimately, ESTPs may require us to rethink existing institutions and to what extent they are suitable to respond to ESTPs. But what type of institutions are needed? Viktoria posed several questions:

- Early warning systems are important for anticipatory governance, but how can we bridge the gap between big data and local realities?
- Can we use knowledge of ESTPs as for developing resilient and fair L&DFs?
- What do the potentially long-time horizons of ESTPs, and their impacts mean for the L&DF?
- How does event attribution become the basis for the L&D, including the risk from ESTPs?

▪ ***Connected risks and plausible health adaptation options***

Papiya Mazumdar's presentation reminded us about the climate vulnerability – risks and health adaptation options, and implications for the L&D. Papiya drew from evidence from vulnerable coasts of Sundarbans in India and Bangladesh, applying a syndemics approach to climate change and population health. The presentation raised questions around loss of health, ecosyndemics and eligibility for L&D support. There are diseases due to exposure to environmental changes, emotions and value.

---

<sup>2</sup> <https://www.oecd.org/publications/managing-climate-risks-facing-up-to-losses-and-damages-55ea1cc9-en.htm>.

<sup>3</sup> <https://global-tipping-points.org/>

There are also questions of vulnerability such as in relation to agriculture and fishing which face maladaptation. Questions were raised around not only health and salinization.

- ***Theoretical Insights on the Governance of Loss and Damage Fund***

Aritra Chakrabarty discussed possible pathways of governance of the L&DF. Aritra analysed the history of the establishment of the Fund which goes back much further than 2022, reminding us it was in 1990 when the Association of Small Island States (AOSIS) first called for an international insurance pool to protect nation states who were the most vulnerable to rising sea levels. The proposal and the subsequent narrative would take another three decades until in COP19 where the Warsaw International Mechanism on Loss and Damage (WIM) is established. Analysis of the initial reports released by UNFCCC shows that there is ambiguity regarding the particulars of the agreement such as – no official definition of the scope and extent of Loss and Damage, the eligibility criteria of selection of vulnerable countries/communities is still under discussion, as well as the design mechanism is unclear. Aritra argued there are questions to be asked regarding the planning of mobilizing and disbursement of the finance which remains unclear. Analysing the L&DF through different theoretical lenses – Realism, Liberalism, and Constructivism – offers multifaceted insights into the motivations and dynamics underlying global climate negotiations. Realism says that climate finance targets are non-binding and states will gain from agreeing to such agreements if their relative power increases over other states. Neoliberalism shows that non-state actors such as the UNFCCC take prominence in these agreements which are agreed upon if there's profit to be derived from such agreements. Constructivism says that norms of cooperative behaviour are social constructs that are based in international environmental movements, change in narrative towards climate change. the governance of the L&DF embodies the complexities and interplay of national interests, power dynamics, and the evolving norms within the global climate governance landscape. Aritra concluded that the success of the L&DF lies in navigating these intricacies, aligning financial mechanisms with the dire needs of the most vulnerable, and fostering a collaborative, inclusive approach.

- ***Assumptions of Success in Loss and Damage and Implications for the Global South***

Simon Manda encouraged us to think about assumptions of success in the L&D discourse, and what this might mean for the Global South. He raised questions about the veracity of the use (or lack thereof) of the statistics of extremes in climate change research that ultimately might be taken on trust. The L&D Fund is supposed to push the international community towards greater success in compensating the Global South, encouraging more aid from countries responsible for high carbon emissions to compensate vulnerable countries suffering from climate impacts. Simon noted the needs of countries in the Global South particularly vulnerable to climate change have arguably been made central, and that a deeper multilateral conversation is opened on what needs to be done. There are assumptions that the scale of finance needed, and the speed with which it will be delivered will be appropriate and timely.

What will be made available, by whom and using what institutions, what will be accessed and how will this be utilised are important questions. Assumptions that the L&D Fund will have greater emphasis on the support to last mile Global South communities in need require scrutiny. Simon ended with questions such as what will underpin this global climate financing initiatives, including the role for citizen science and NELS.

- How can we balance the possibility of taxing fossil and other carbon intensive industries polluting companies on the one hand and environmental conservation initiatives? Will these be donors, industrialised countries or major emitters? Who will access this fund, and how? Will these be vulnerable or developing countries? What will be funded? Will this fund current or historical harms? What qualifies as damage or loss?
- How can we generate consensus on liability, compensation and notion of vulnerability that are currently invisible?

He ended with a provocation that to build consensus is also to agree to broaden scope for climate conversations and maybe what might be counted as knowledge – fittingly linking with submissions from Viktoria and Richard. There are also provocations around decolonisation, epistemologies of the South, etc, that require urgent attention.

### **c. Data Gaps and Research Agenda**

The group reflected on what might be the centrality of a future dialogue on the L&DF and implications for the Global South. The group strongly concluded that there was a lack of information about the L&DF from the perspective of the countries and individuals experiencing climate impacts.

1. How effective has L&D been, where are the gaps and how could its scope be improved?
2. How can we define success in the L&D and what would this look like in reality and across the Global South? And who is defining success?
3. What are the barriers to adaptation finance vs mitigation (and how can we measure success/progress?)
4. What is the role of multilateral and international financial institutions such as the IMF and World Bank vis a vis operationalization of the new funding arrangements?<sup>4</sup> What are the merits or demerits of these leaderships?
5. For those who have chosen to stay in precarious environments, why do they stay put, and what is their understanding of the L&D and how do they construct adaptation and living?
6. How can we reconcile national governments planning relocations against advancements of human rights that may point to communities refusing to move? How can we match multilevel and differing priorities?

---

<sup>4</sup> [https://unfccc.int/sites/default/files/resource/TC5\\_4\\_Cochairs%20draft%20text\\_Rev2.pdf](https://unfccc.int/sites/default/files/resource/TC5_4_Cochairs%20draft%20text_Rev2.pdf)

7. How can we ensure efficiency in financial disbursements and how can the L&D be adapted to address vulnerabilities across time and space?
8. Would there be tensions and contradictions on constructions of L&D between technocrats and local communities? How can these be addressed?
9. Are there historical harms that could also be funded from the L&D fund? Questions of litigation
10. Can the L&D fund be advanced in such a way as to genuinely enhance national climate capacity?
11. What sort of regional or national level institutions are important to deliver the L&D fund and under what governance mechanisms?
12. How can varying global climate leaderships be reconciled and under what broader mantle?
13. How will the adaptation and mitigation funds be impacted by the introduction of the L&D fund? Will it derail and/or negatively impact other climate funding flows? Will the fund destabilise pre-existing climate resilience existing institutions?

The group acknowledged this list is far from being exhaustive, but that it provides an important starting point to theorising and engaging the ongoing debate on the L&D facility and implications of the Global South.

### **Concluding thoughts**

We noted that whereas mitigation has previously been the focus in climate politics, it remains unclear how effective mitigation impacts are. Similarly, it is difficult to see how effective L&D initiatives might be without case by case testing out. Institutions that can underpin the fund need to be spelt out clearly, and people in the Global South need knowledge on how they can access this funding. There are concerns the L&D might be technocratic and top-down, raising questions for human rights and the role of citizen knowledge. As a group we thought that continuing ideas such as the L&D if not careful can result in distraction as opposed to achieving what is needed, including the need to address inequalities in the world. For instance, currently global efforts do not seem to be focused on achieving current Sustainable Development Goals (SDGs) and escalating inequalities. Inequalities on all levels should be integrated in the L&D conversation, raising the need to explore pathways for doing so. When thinking of the changes of any country that have taken place over the past three decades, a lack of development is not always a result of a lack of capacity but a lack of desire to support this type of development on the ground. How the L&D can help to push local agendas is a crucial area of research.

### **Other participants – in no particularly order**

1. Lisa Thorley – POLIS, University of Leeds
2. Alexandra Woodford
3. Oliver Bruton – University of Leeds
4. Prof. Luca Sabini
5. Ishfaq Malik
6. Dr Winnifred Bedigen – POLIS, University of Leeds
7. Prof. Jan Selby – POLIS, University of Leeds
8. Sarah Joy Leitch
9. Dr Go Lisanawati
10. Nyambe Mukenda – Sight Savers, Zambia
11. Suwilanji Sinkala – University College of Dublin, Ireland
12. Mary Osei-Wusu – POLIS, Leeds
13. Tione Taweni Chakhwantha – Malawi

### **About the Centre for Global Development**

#### **Intellectual vision**

Addressing global challenges requires explicit connection between development theory and practice, and our work is organised around these three main themes:

- **Politics of Global Development**

A significant focus of our work is on the politics of doing global development. Our researchers are actively involved in collaborations and partnerships with external agencies such as the UN, national governments, and civil society organisations with a focus on governance and accountability; state capability, service delivery, inclusion and exclusion, and ‘whose knowledge counts’. We have strength and expertise in the areas of water, health, gender, food and land, education, energy, climate change and technology.

- **Critical Development Theory**

This work is rooted in a long history of critical development studies and the political economy of development. We are no longer specifically focussed on ‘developing’ countries or the ‘Global South’. The interconnected challenges of poverty, inequality and climate change demand global understandings. Areas of interest include contemporary capitalism and neoliberalism; democracy, governance and accountability; trust and morality; power and agency - understanding and challenging power through the lenses of gender and intersectionality; global goals and measuring development; deconstructing north-south binaries, decolonising knowledge and evidence.

- **Equality and inclusion**

As a centre rooted in critical development studies, CGD takes an intersectional approach to equality and inclusion in all our work. We aim to be consciously reflective of our own biases in shaping our research, teaching and public engagement, and to question and challenge our membership on this. We



want a membership that is diverse across gender, race, ethnicity and class, but we recognise that the structures and judgements of academia, research and the development industry don't always make this easy.