

SHINING THE LIGHT ON NON-ECONOMIC LOSSES

- **PART I: INTRODUCTION – SETTING THE SCENE**

Overview of the work of the Executive Committee, and non-economic losses, challenges, risks, approaches to addressing them

- **Ms. Shereen D'Souza** - Warsaw International Mechanism Executive Committee
- **Ms. Olivia Serdeczny** - Climate Analytics

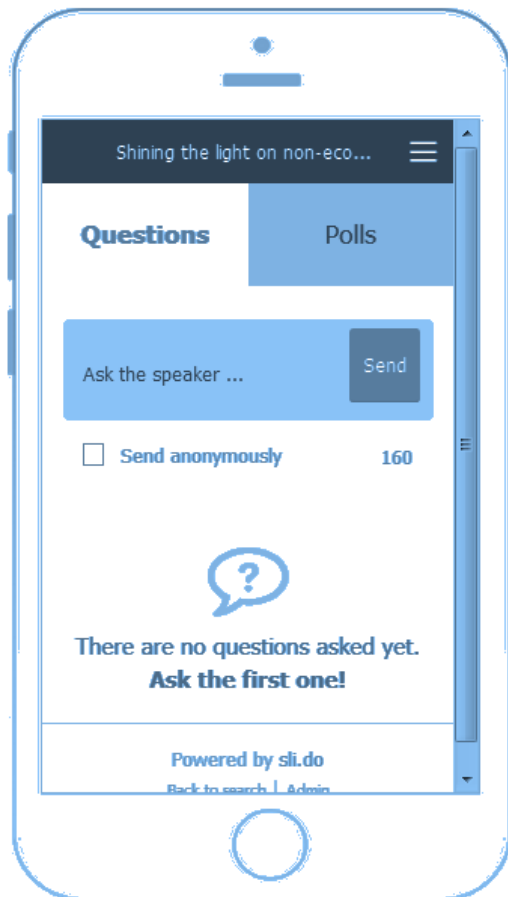
- **PART II: NELS IN PRACTICE - Challenges, Risks, Approaches to Address These Risks**

- **Mr. Espen Ronneberg** - Secretariat of the Pacific Regional Environment Programme
- **Ms. Marina Maiero** - World Health Organization
- **Mr. Abias Huongo** - Least Developed Countries Expert Group
- **Mr. Estebancio Castro Dias** - International Alliance of Indigenous and Tribal Peoples of Tropical Forests

- **PART III: FACILITATED ROUNDTABLE**

- **Q1:** How national governments, international, regional & national organizations & communities could improve or develop integration of non-economic losses in the decision making processes & policies to reduce the risk of NELs?
- **Q2:** How can the work of Executive Committee contribute to strengthening efforts to integrate measures?





Ask a question

1. Grab your smartphone, laptop, or tablet and connect to the Wi-Fi (PlugNPlay)
2. Open the web browser
3. Go to <**sli.do**> and enter the event code: **#NELs**
4. On the event page, you can ask questions and vote for the best ones



Wednesday 18 May 2016 | 13:15 – 14:45

SIDE EVENT

SHINING THE LIGHT ON NON-ECONOMIC LOSSES

CHALLENGES, RISKS AND LESSONS LEARNED FOR ADDRESSING THEM

SHEREEN D'SOUZA – CO-CHAIR OF THE EXECUTIVE COMMITTEE
OF THE WARSAW INTERNATIONAL MECHANISM FOR LOSS & DAMAGE

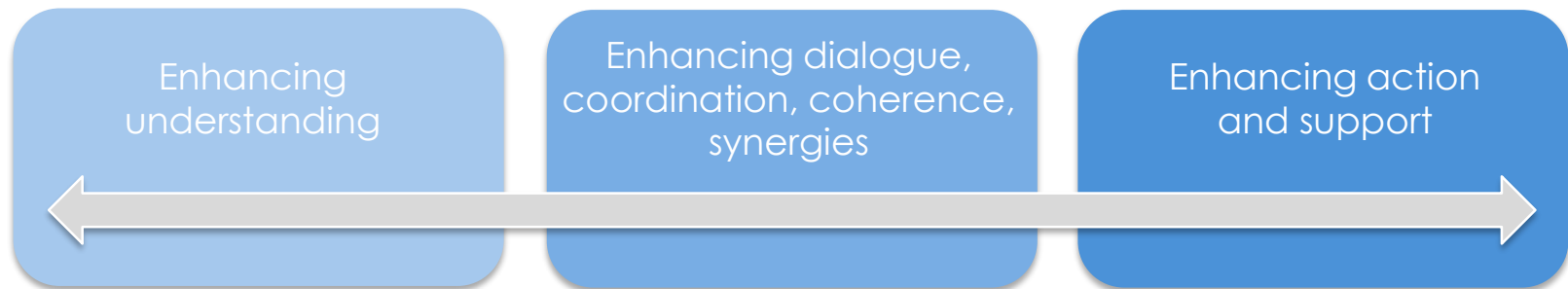


What are the Warsaw International Mechanism & its Executive Committee?

WARSAW INTERNATIONAL MECHANISM FOR LOSS & DAMAGE

To address loss and damage associated with impacts of climate change, including extreme events and slow onset events, in developing countries that are particularly vulnerable to the adverse effects of climate change (Decision 2/CP.19)

THREE FUNCTIONS:



EXECUTIVE COMMITTEE

Guides the implementation of the functions of the Mechanism.

Composed of 20 members

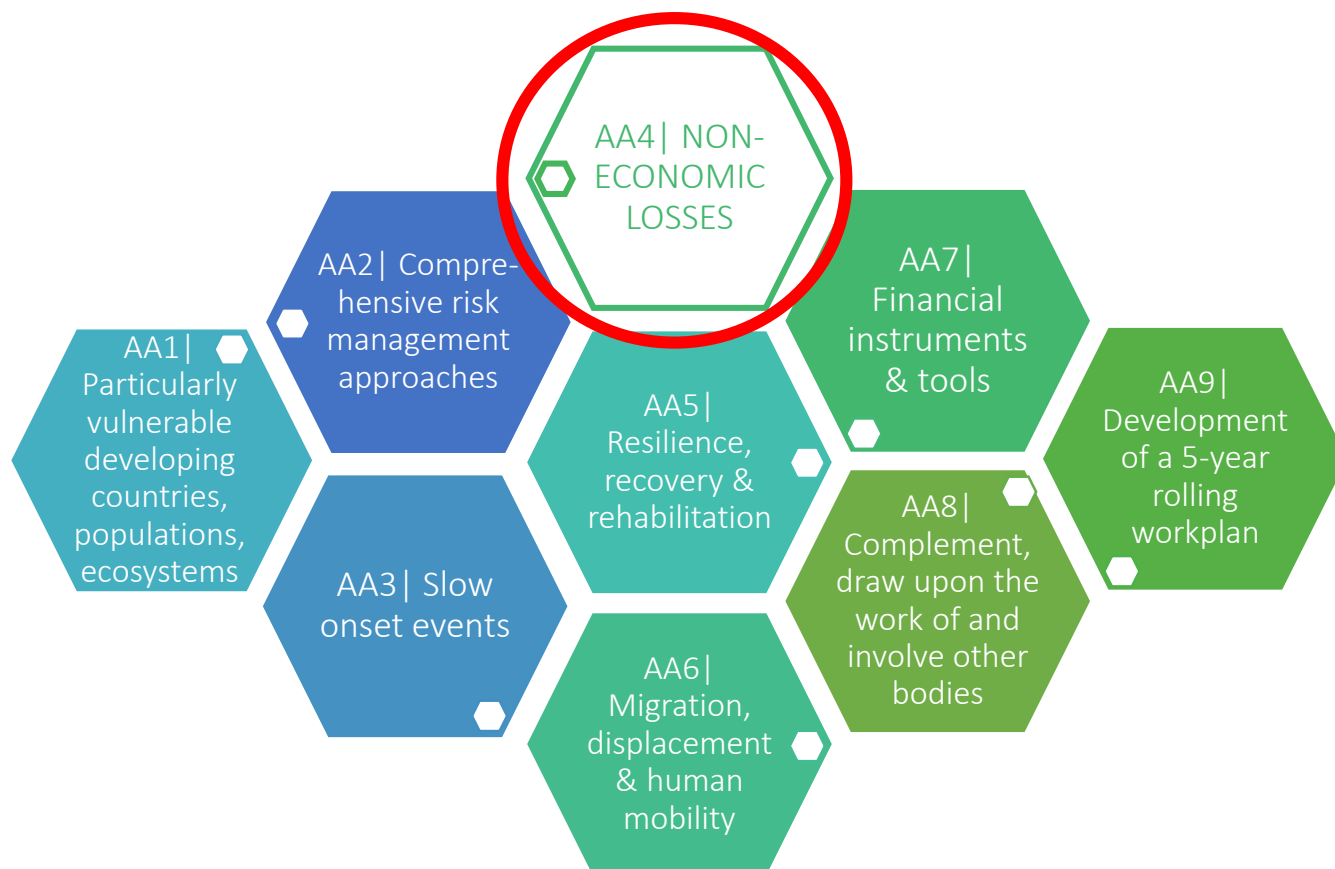


Expert groups, technical panels, etc.

To help execute the work of the Executive Committee



The initial 2-year workplan of the Executive Committee provides for nine Action Areas (AA) for initial work on loss and damage:



For details of the initial two-year workplan, see unfccc.int/8805

Action Area 4: NON-ECONOMIC LOSSES

ACTIVITY 4 (a)

Raise awareness of the nature and extent of non-economic losses and of how to integrate measures to **reduce the risk of non-economic losses** in **comprehensive approaches** to addressing loss and damage associated with the adverse effects of climate change



Non-economic losses – understanding the challenges

Olivia Serdeczny, Climate Analytics

Side Event of the Executive Committee of the Warsaw International
Mechanism

18 May 2016

CLIMATE
ANALYTICS



What are non-economic losses?

“Non-economic items are those that are not commonly traded in markets” (UNFCCC TP 2013/2)



What do non-economic losses have in common?

Shared attributes of highly diverse non-economic loss items

- **Context-dependence of value**

How losses are valued differs across different cultural contexts.

What is the value of loss of glaciers?

- For an urban dweller who likes to go skiing every other year?
- For a local community for whom the glacier has been a cultural reference for many generations?

- **Incommensurability of value**

When values lack a common unit of measurement (Chang 2013)

If all things were commensurable, then everything could be measured on one scale. For example, the value of your child could be expressed as X times the value of your beach vacation.

What are the challenges for averting and minimizing non-economic losses?

1. Measurement

- For some items, standardized measurements exist or are conceivable, e.g. human life, health
- For other items, measurement is more challenging, e.g. place identity, indigenous knowledge, mental health

2. Valuation and integration into preventive decision-making

- Decision-making often relies on monetary assessments of costs and benefits of different action pathways. Monetizing incommensurable values is problematic. Alternative approaches, such as multi-criteria decision analysis, offer solutions.

3. Designing adequate responses to unavoided losses

- Not all non-economic losses will be avoided. Once they are recorded and recognized as valuable, how can they be adequately addressed?

In a nutshell

- Non-economic losses are highly diverse. Present categories should not be seen as exhaustive.
- The value of non-economic losses is
 - Context-dependent
 - Incommensurable
- The challenges for research and policy are
 - Measurement
 - Valuation
 - Integration into decision-making
- Unaddressed challenges include
 - How to respond to unavoided non-economic losses?

Thank you

www.climate-neld.com

Chang, R. (2013). Incommensurability (and incomparability). International Encyclopedia of Ethics, pp. 2591– 2604.

Morrissey, J., & Oliver-Smith, A. (2013, September). Perspectives on non-economic loss and damage. Understanding values at risk from climate change. Loss and Damage in Vulnerable Countries Initiative Report. Retrieved from <http://www.lossanddamage.net/download/7213.pdf>

Serdeczny, O., Waters, E., Chan, S., (2016), Non-economic Loss and Damage: understanding the challenges, Deutsches Institut für Entwicklungspolitik/German Development Institute, Discussion Paper 03/2016

Serdeczny, O., Waters, E., Chan, S. (2016), Non-economic Loss and Damage: addressing the forgotten side of climate change impacts (Briefing Paper). Deutsches Institut für Entwicklungspolitik/German Development Institute, Briefing Paper 03/2016

UNFCCC (2013), Technical Paper, Non-economic losses in the context of the work programme on loss and damage

QUESTION AND ANSWER

Shining the light on non-economic losses

Join at

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#NELs

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PART II:

NELS IN PRACTICE - Challenges, Risks, Approaches to Address These Risks



Non-economic loss and damage

Perspectives from the Pacific

Espen Ronneberg
Climate Change Adviser



Non economic loss and damage

Experience has been mostly anecdotal

- Cyclone Heta in Niue in 2004 95% of Niue Museum collection was destroyed**
- Internal migration is occurring, no NELD considerations – longer term**
- Coral bleaching has been documented, but there is limited valuation of NELD associated**
- But ecosystem based adaptation projects have documented value of services of e.g. corals**
- Loss of traditional knowledge, agriculture**

Actions needed

Loss and damage gap analysis done in 3 countries recommended:

Capacity building, sector/national assessments and risk analysis, ongoing training programmes, in-country expertise, establish/expand observation and monitoring

Major requirements for technical and financial support for the long term

Side event on non-economic losses, UNFCCC Warsaw International Mechanism for Loss and Damage

**Marina Maiero,
Public Health, Environmental and
Social Determinants of Health**



**World Health
Organization**

Climate change is projected to have substantial adverse effects on human health that will be distributed unequally within and between populations

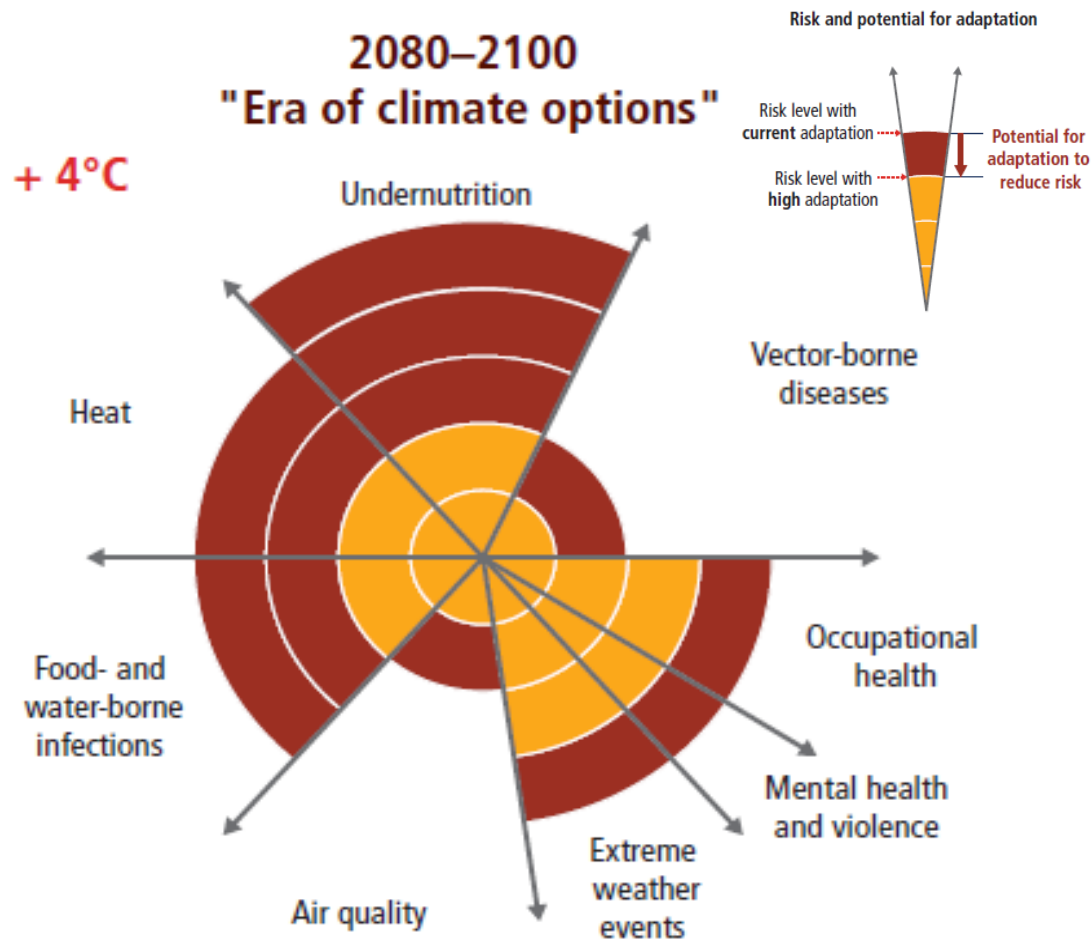
WHO conservatively estimates that climate change will cause some 250,000 additional deaths per year by the 2030s



Estimated future annual mortality attributable to climate change under A1b emissions and for the base case socioeconomic scenario in 2030 (blue bars) and 2050 (orange bars), by world, region and health outcome, for (a) undernutrition, (b) malaria, (c) diarrhoeal disease, (d) dengue and (e) heat.

Source: Quantitative risk assessment of the effects of climate change on selected causes of death, 2030s and 2050s. Geneva: World Health Organization, 2014.

Primary prevention can minimize climate risks to health

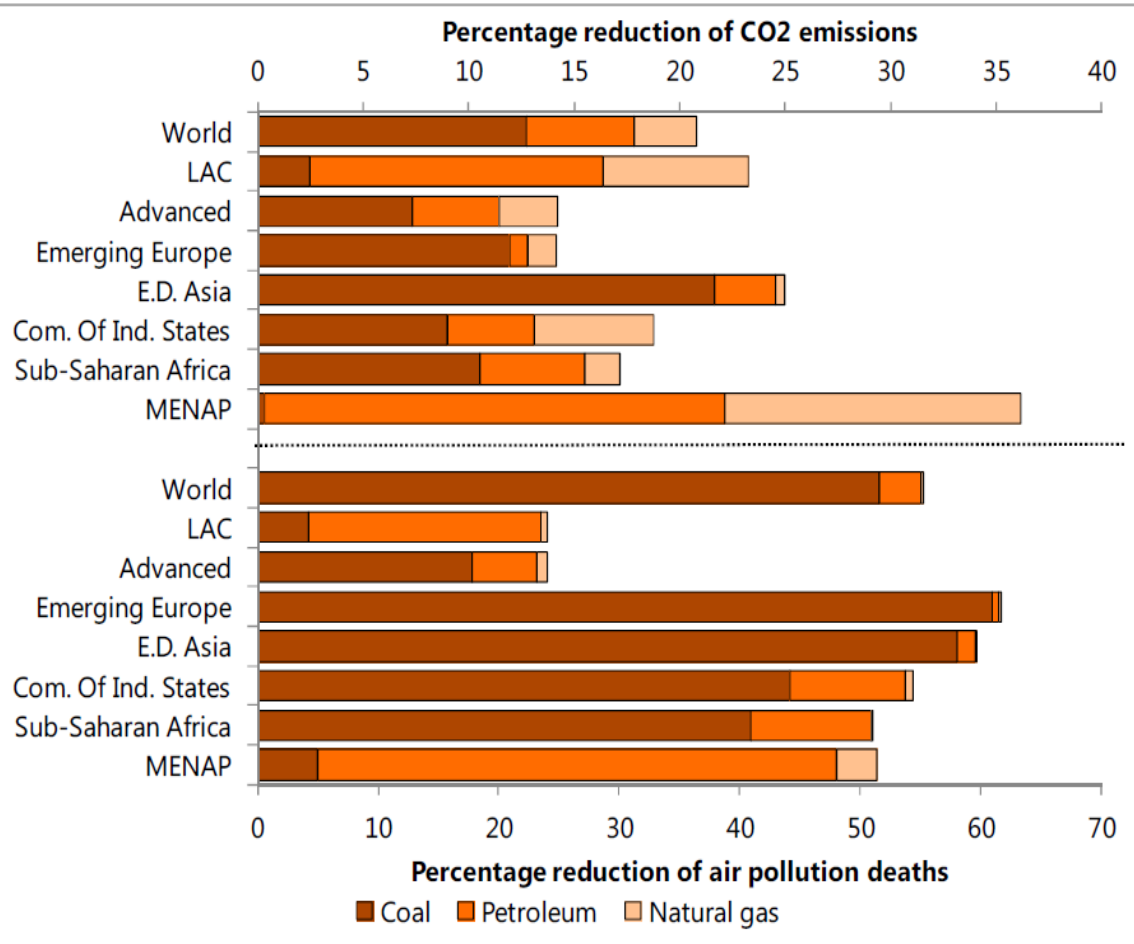


We have proven, cost-effective interventions against every climate-sensitive health impact

All of these can save lives now, and reduce vulnerability to climate change

Strengthening of preventive public health functions, including climate resilience, is the best protection for the future

It pays to include health in climate policy



US \$5.3 trillion/yr in "energy subsidies", approx. 50% is unpaid health bill from air pollution

Pricing carbon in line with health impacts would cut ~ 50% of AP deaths, ~ 20% of CO₂ emissions, and generate ~ 3% of GDP in tax revenues

IMF, 2015

LDC Expert Group inputs on non-economic losses at the national level

Practical examples and case studies to highlight lessons learned, risks, challenges associated with addressing non-economic losses at the national level

18 May 2016, Bonn, Germany,



Lessons learned

- When conducting assessments, in most cases, the LDCs do not rely on economic statistics alone in order to identify urgent and immediate needs. This is due to the major difficulties in assessing quantitative economic cost estimates of impacts and expected costs for implementing adaptation action, and the fact that not everything that is important can or needs to be monetized.
- In fact, the distinction between economic and non-economic losses is largely artificial in regular assessment of vulnerability. In assessment of risk, there are cases where quantitative data are central to the analysis, and data or models are used to inform appraisal of options. Economic costs are one of several metrics that are used, in either multi-criteria analysis, or other multi-objective analyses.



Major challenges

- Including all major stakeholders in assessments to ensure their values and interests are reflected in priority actions that are identified and subsequently implemented
- The challenge of merging different types of information and knowledge in appraising adaptation, without giving economic or quantitative data too much weight



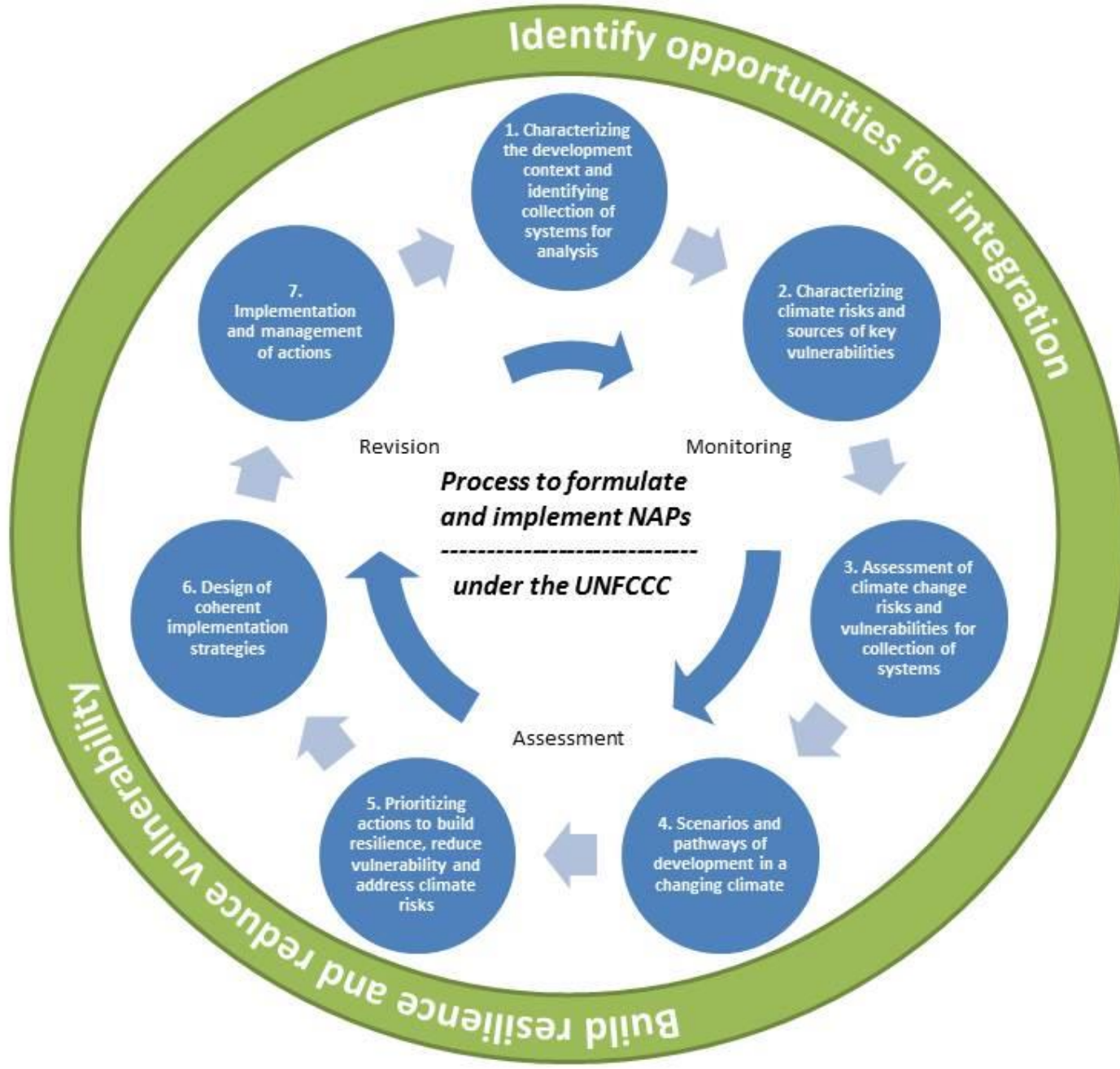
Strengthening efforts to integrate measures to reduce the risk of non-economic losses in comprehensive approaches to address L&D

- Useful insights and new questions emerge, and when discussed with stakeholders on the ground, practical solutions emerge.
- For example, in struggling with whether to start assessments at the sectoral or ministry level then merge results into a national plan, or assessing vulnerability based on the major climatic hazards and looking at impacts across all relevant sectors, versus focusing on a theme, the LEG finally resolved with case study participants that it is very helpful to
 - a) start with key development themes (e.g. Food Security, Water Security, etc); the
 - b) map these to specific “systems” on the ground that contribute, assess risks and vulnerabilities and identify adaptation solutions; and only then
 - c) assign responsibilities to sectoral ministries to take leadership in implementing the adaptation solutions.
- This is the Development-Centered approach for the NAPs (DCNAPs in short), and it is how the LEG training on NAPs is being organized. I invite you to visit the LEG document from last November for more details (FCCC/SBI/2015/INF.14)





Stocktaking, identifying and addressing gaps and needs, building readiness and capacity, awareness-raising, learning



Governance structures, coordinating mechanisms, accessing and managing support

LEG Chair

Mr. Abias Huongo

E-mail: legchair@unfccc.int

LEG webpage

<http://unfccc.int/4727>

LEG Work Programme 2016-2017

<http://unfccc.int/9516>





International Alliance of Indigenous and Tribal peoples of the Tropical Forests

The Executive Committee of the Warsaw International Mechanism on Loss and Damage

SHINING THE LIGHT ON NON-ECONOMIC LOSSES

CHALLENGES, RISKS AND LESSONS LEARNED FOR ADDRESSING THEM

By Estebancio Castro Diaz

Advisor IAITPTF

**18 May 2016
Bonn, Germany**



International Alliance of Indigenous and Tribal peoples of the Tropical Forests

Non Economic Losses

The reality for Indigenous Peoples in the world is, like other peoples they are under pressure from non economics factors that adversely affect their forests and their environment and therefore their natural resources in general.

- Biodiversity
- Ecosystem
- Human Health
- Indigenous Knowledge
- Territory
- Cultural Heritage



International Alliance of Indigenous and Tribal peoples of the Tropical Forests

Challenges, Risks, Approaches to Address these Risks

Understanding

- *Cultural values*
- *Indigenous world view*

Communication

- *Different value system*
- *Lack of information*

Institutional and Financial Constrains

- *Corruption*

PART III:

FACILITATED ROUNDTABLE



EXECUTIVE COMMITTEE

OF THE WARSAW INTERNATIONAL MECHANISM FOR LOSS & DAMAGE

Q1: How national governments, international, regional and national organizations and communities could improve or develop integration of non-economic losses in the decision making processes and policies to reduce the risk of NELs? What are the challenges, risks, and approaches to address NELs?



TAKE 1 MINUTE TO...

- 1) Turn to your neighbour & introduce yourself.
- 2) Discuss this question.

Q1: How national governments, international, regional and national organizations and communities could improve or develop integration of non-economic losses in the decision making processes and policies to reduce the risk of NELs? What are the challenges, risks, and approaches to address NELs?

TIME'S UP!



EXECUTIVE COMMITTEE

OF THE WARSAW INTERNATIONAL MECHANISM FOR LOSS & DAMAGE

Q1: How national governments, international, regional and national organizations and communities could improve or develop integration of non-economic losses in the decision making processes and policies to reduce the risk of NELs? What are the challenges, risks, and approaches to address NELs?



QUESTION AND ANSWER

Shining the light on non-economic losses



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EXECUTIVE COMMITTEE

OF THE WARSAW INTERNATIONAL MECHANISM FOR LOSS & DAMAGE

Q2: How can the work of Executive Committee contribute to strengthening efforts to integrate measures to reduce the risk of non-economic losses in comprehensive approaches to address loss and damage associated with the adverse effects of climate change?



EXECUTIVE COMMITTEE

OF THE WARSAW INTERNATIONAL MECHANISM FOR LOSS & DAMAGE

SIDE EVENT

SHINING THE LIGHT ON NON-ECONOMIC LOSSES CHALLENGES, RISKS AND LESSONS LEARNED FOR ADDRESSING THEM

FOR FURTHER INFORMATION ON LOSS AND DAMAGE UNDER THE UNFCCC
Visit unfccc.int/6056

CONTACT THE EXECUTIVE COMMITTEE AT
loss-damage@unfccc.int

THANK YOU

