

A Workshop on “Addressing Loss and Damage”



Hotel Ambassador, Lazimpat, Kathmandu

01 September, 2023



Introduction

The global impacts of climate change are already evident, with people in different nations facing increasingly severe disasters like floods, droughts, landslides, and wildfires. These events result in inevitable consequences referred to as 'Loss and Damage'. The term is defined as permanent loss and irreparable damage caused by the negative impacts of climate change. Loss and Damage (L&D) are already happening in developing countries like Nepal, which is susceptible to a multitude of climate-related hazards and vulnerable to the impacts of climate change.

Strengthening Loss and Damage Response Capacity in the Global South (STRENGTH) project aims to empower vulnerable countries in the Global South by understanding and addressing knowledge and capacity gaps, to develop effective national policies and implementation mechanisms for addressing loss and damage. Primary research for the STRENGTH project will focus on Tier 1 (T1) countries: Vanuatu, Nepal, Bangladesh, and Senegal. The project emphasizes a participatory, interdisciplinary, and action-oriented approach to gather contextual evidence to better inform L&D decisions and policies toward more responsive support to the most vulnerable countries. To meet the objectives of the project, empirical research, with a local-level case study in each T1 country, will be conducted, covering a diverse range of climate-induced loss and damage. The case studies will generate important scientific evidence on different facets of the STRENGTH project, including adaptation limits and the need for L&D response, local voices, inclusive financing, stakeholder visions, and policy insights.

The Prakriti Resources Centre (PRC) is working on the STRENGTH project in partnership with the International Centre for Climate Change and Development (ICCCAD) and the Institute for Study and Development Worldwide (IFSD). The research is supported by IDRC, Canada.

Objective

The workshop's primary objective is to share local, national, and global insights emerging around Loss and Damage and stimulate forward-looking policy conversations to assist Nepal in getting better prepared for climate-induced disasters.

Participants

There was a total of 28 participants (7 Female) in the workshop. The participants were government representatives, local government officials, representatives from international organizations, NGOs and civil society organizations, Academics and researchers, community leaders, legal and policy experts, and disaster management experts.

Welcome, and opening remarks:

Mr. Raju Pandit Chhetri, Executive Director of PRC, opened the workshop by outlining the objectives of the STRENGTH project. He emphasized the increasing severity of climate change impacts and the need to assess policy effectiveness, especially in supporting vulnerable local communities. He stressed the importance of bringing global climate debates to the national level.

He discussed the aims of the STRENGTH project which is to address loss and damage in Nepal, Vanuatu, Bangladesh, and Senegal, each facing diverse climate-induced disasters. The goals of the STRENGTH include understanding and addressing knowledge and capacity gaps in these vulnerable Global South countries for improved policy and implementation.



He highlighted the significance of addressing Loss and Damage (L&D) from a climate justice perspective, preventing the destruction of critical infrastructure like roads. He also raised important questions about seeking international support and accessing/channeling those funds for local needs. He shared the discussion topics comprised evaluating the national policy and governance structure, connecting L&D with other sectors like Disaster Risk Reduction and Agriculture, and identifying barriers to effective implementation.

Bal Krishna Deuja: Situation of Melamchi Disaster case: What happened and what needs to be done

Mr. Bal Krishna Deuja, a resident of Melamchi highlighted the diverse impacts on Melamchi residents after the devastating 2078 flood, which includes economic, social, cultural, geographical, environmental, and psychological impacts.



He mentioned Melamchi was once renowned for its high productivity in wheat and rice, thriving livestock farming, and a rich cultural tradition tied to these crops, all of which played a multifaceted role in the lives of its residents. However, a devastating earthquake inflicted extensive damage, creating a substantial financial burden for reconstruction, and the situation worsened with the 2021 floods, leading to widespread unemployment and the drying up of water sources. From a socio-cultural perspective, the loss of agricultural land forced the community to use store-bought wheat and rice for rituals, departing from tradition. Geologically, the annual river deepening caused land erosion, destroying trees and increasing sediment flow. Psychologically, the earthquake and subsequent floods placed significant financial and mental stress on the population as they faced the daunting task of rebuilding their lives and livelihoods.

He proposed a unified approach to aid Melamchi's development:

- Establish the Melamchi Subproject Development Project (Development Authority) to oversee and support the region's development and restoration.
- Develop relocation plans.
- Implement a policy for government acquisition of land near the river and compensating affected individuals with agricultural land.
- Create comprehensive plans to help affected communities achieve self-reliance in the short and long term.

researched extensively), 3. Transformation approach to avoid impacts and risks of climate-induced disasters and 4. Global climate negotiations.

The 2019 National Climate Change Policy recognizes the existence of Loss and Damage (L&D) resulting from climate-induced disasters. It underscores the significance of researching both the economic and non-economic dimensions of L&D. Within this context, the second Nationally Determined Contribution (NDC) outlines specific objectives related to L&D, including the development of a dedicated national strategy and action plan for Loss and Damage by 2025. Furthermore, the climate financing framework within the NDC acknowledges the necessity of distinguishing funding sources designated for adaptation, mitigation, and Loss and Damage initiatives. He noted that the latest NDC implementation strategy sets a bold objective of achieving a 90% reduction in Loss and Damage (L&D) by 2050. However, it's worth highlighting that the specific origin of this target is the NAP document, which does not overtly state this particular goal. Within the framework, there are nine primary sectors earmarked for adaptation. It might be prudent to initiate discussions to gain deeper insights into how these key sectors are impacted by ongoing adaptation endeavors, given that L&D frequently manifests when the boundaries of adaptability have been reached. He pointed out some of the existing DRR efforts that can support L&D efforts including Assessment method tools such as IRA, MIRA, CSDA, and PDNA, post-disaster efforts providing space for L&D interventions and records of disaster incidents utilizing portals or platforms for discussing L&D. Additionally, he said that the discussions should focus on key areas such as data disaggregation, balancing risk and impact, institutional arrangements, and the inclusion of a dedicated L&D plan within the NDC.

Hemant Ojha: L&D Responses: Some conceptual insights and policy questions

Mr. Hemant Ojha from the Institute for Study and Development Worldwide (IFSD) outlined the concept of Loss and Damage in the global policy context, emphasizing its significance in Nepal. He said that initially, the climate crisis prompted a focus on mitigation, but slow progress led to increased attention on adaptation. Despite substantial efforts in both areas, limitations persist, resulting in tangible losses and damages. This issue, initially raised by Small Island Developing States (SIDs) in 1991, gained substantial traction in recent years, leading to the establishment of new financing mechanisms during COP27. To address Loss and Damage, separate funding distinct from adaptation and mitigation efforts is imperative. This raises critical questions at the national and international levels regarding financial responsibility, fund generation, payment mechanisms, coverage, equity, support to frontline communities, and national system establishment.



He mentioned that in Nepal, addressing loss and damage requires a comprehensive national risk reduction approach. Internationally, strategic access to new funds is crucial. Despite policy progress, translating visions into action faces political economy challenges. Recognizing inadequate adaptation, a climate justice perspective seeks dedicated funds for resilience. Developed nations have shifted towards global solidarity but delays may occur and Nepal must bridge global frameworks with practical policies, including data improvement, to tackle climate-induced losses and damages effectively.

Discussion: How can Nepal be better prepared for L&D

The workshop was followed by a discussion session.

Dharam Uprety from Practical Action Nepal suggested to include the following:

- What provincial and local institutions do we have in place to address loss and damage?
- Utilizing early warning systems as a means to reduce L&D can be explored

Deepak K.C, from UNDP, suggested regarding the L&D policy framework review:

- It is important to review the local level policy guidelines which might help in understanding the priorities and eventually reach the local level.
- It is important to understand the local-level data
- Policy and practice need to be combined.

He also mentioned that Loss and Damage (L&D) is currently not included in Climate Change financing, but there is an ongoing revision process aimed at incorporating it.

Bimal Raj Regmi from Oxford Policy Management (OPM) mentioned, “The potential risks associated with climate change, which can lead to adverse consequences, are automatically linked to their impacts due to the likelihood of these impacts occurring. Thus, the discourse on L&D should be localized and synergized within the NDRRMA to address specific local needs.”

Hari Prasad Sharma, Under Secretary of the Ministry of Forests and Environment (MoFE) suggested that we need to focus on transferring behavioral and social knowledge into quantifiable data. He suggested that during the policy review, it is crucial to assess each sector and also include the policy, Implementation, and social knowledge to gain an understanding of how L&D is related along with its both quantifiable and non-quantifiable targets and strategies.

Anil Pokhrel, the CEO of NDRRMA, emphasized the significant amount of work required to effectively address national-level loss and damage. He stressed the importance of evaluating the extent of damage and quantifying losses, with an emphasis on collecting local-level data as supporting evidence for NDRRMA. The primary focus should be on gathering data and providing support to strengthen the local level's ability to handle loss and damage issues. For instance, in the context of earthquake relief, the initial allocation to each household was three lakh rupees, but after careful assessment and consultation, this amount was increased to five lakhs. Recognizing the pivotal role of finances, it's crucial to determine the financial impact of loss and damage, assigning specific monetary values supported by evidence, geographical data, and visual representations, similar to Pakistan's approach during the 2022 floods. Pokhrel also emphasized the need for collaborative efforts across ministries, highlighting the local level as a key player whose capacity for data collection and provision must be enhanced. The top priority should be on risk reduction efforts, encompassing both social and technical aspects.

Ajaya Dixit, the Executive Director of the Institute for Social and Environmental Transition (ISET – Nepal), emphasized that during the development of the national framework, there were no ongoing discussions about Loss and Damage (L&D), leading to various conceptual challenges. Therefore, it is essential to participate in iterative processes to enhance and fine-tune the framework. He stressed the importance of integrating considerations related to climate risk and disasters, rather than solely concentrating on disasters. Incorporating factors like rainfall and temperature can offer more valuable insights, as they are pertinent indicators. Dixit also pointed out that the current incident reporting mechanism (IRM) is under the jurisdiction of the Police, and there exists a Disaster Risk Reduction (DRR) portal established in 2006,

which should be consolidated and streamlined further. It is imperative to delve into more specific aspects, moving beyond generalities, such as assessing the specific damages incurred by roads and hydropower infrastructure. He suggested that it's crucial to expand the understanding of Loss and Damage (L&D) and raise critical questions about its scope and implications. While securing funding for L&D is necessary, it's also important to allocate resources toward development initiatives and similar endeavors. Also, humanitarian issues have to be brought into the L&D agenda.

He shared his alternative view on the L&D Fund which will be provided by the global elite, but in reality, Melamchi will not get the funds promptly because navigating the international financing architecture to secure the necessary funding will not be a straightforward task. He suggested that involving local levels in data collection is a crucial consideration. Even if they presently lack the capacity, it's important to empower them through sustained support, including long-term handholding and capacity-building programs extending over 4-5 years.

Mr. Subodh Dhakal, an Associate Professor from TU, recommended the need for strengthening local governments through collaboration with resource persons. Additionally, he suggested the establishment of an implementation fund for Loss and Damage (L&D) within the central system.

Ms. Uma Pradhan expressed that there should be alternative plans for Loss and Damage from the central government.

Mr. Hemant Ojha emphasized that our primary focus today revolves around climate-induced loss and damage, and he suggested approaching this topic from two essential perspectives. He recommended active engagement in global policy discussions, ensuring that all relevant voices are adequately represented. This involves making the most of international resources while also navigating potential governance challenges. Mr. Ojha also highlighted our extensive experience over the years in securing funding for various purposes, including development, mitigation, adaptation, and humanitarian endeavors. He said that the Loss and Damage (L&D) Fund represents a fifth additional funding source, raising the critical question of how it will be allocated, governed, and utilized. He stressed that this national challenge is interconnected with several other issues and requires a comprehensive discussion. Therefore, in our upcoming meeting, he proposed focusing on a specific and targeted matter, such as accessibility, to facilitate meaningful progress. Identifying and prioritizing such focused issues is essential for productive and concerted efforts.

Closing remarks:

Mr. Raju Pandit Chhetri delivered his closing remarks, expressing that the government is currently receiving substantial climate financing from various channels, including bilateral and multilateral institutions like the Asian Development Bank (ADB) and the World Bank (WB). However, there is uncertainty about whether this financial support will effectively address our prioritized issues. Given Nepal's pressing need for support, it is essential to explore methods for attracting financial aid and ensuring its proper utilization within the country. Maximizing the impact of funds entering Nepal is of utmost importance. He urged that it is necessary to investigate why our policies are not being effectively put into practice and by engaging in discussions and addressing this issue, we have the potential to ensure that the affected communities receive the assistance they require.

He added that initiating a dialogue on Loss and Damage (L&D) is a critical initial step that we have already taken. Through our ongoing dialogues, we hold optimism that we can contribute to policy development, ultimately resulting in increased support for the affected communities.

Some photos of the workshop:



List of Participants

S. N	Name	Organization	Designation	Email ID
1	Priyanka Gurung	IFSD	Research Officer	P.gurung@ifsd.com.au
2	Nabin Joofri	Mercy Corps	SPO	najoofri@mercycorpa.org
3	Saroj Pokhrel	Action Aid Nepal	Head Programme	Saroj.pokhrel@actionaid.org
4	Hasta Pandit	RUTPAN	Chairman	hasta.sindhu@gmail.com
5	Dharam Uprety	Practical Action Nepal	Thematic Head-Clint	dharamuprety@gmail.com
6	Hemant Ojha	IFSD	Advisor	Hemant.ojha@ifsd.com.au
7	Binod Parajuli	CRR Lab	Director	binodpparajuli@gmail.com
8	Bimal R. Regmi	OPM		bimal.regmi@opml.co.uk
9	Deepak K.C	UNDP	Program Analyst	Deepak.kc@undp.org
10	Anil Pokhrel	NDRRMA	Chief Executive	anilpokhrel@yahoo.com
11	Bal Krishna Deuja	Melamchi		deujabalk@gmail.com
12	Suraj Gautam	DPNet	Board Member	ersurajgautam@gmail.com
13	Pratap Maharjan	Mercy Corps	PAS	pmaharjan@mercycorps.org
14	Subodh Dhakal	Dept. of Geology, TU	Assoc. Professor	dhakalsubodh@gmail.com
15	Tirtha Raj Adhikari	DHM/TU	Hydro-Meteorologist	tirtha43@gmail.com
16	Ajaya Dixit	ISET Nepal	Advisor	ajayadixitpani@gmail.com
17	Hari Prasad Sharma	MoFE	Under Secretary	123hariprasadsharma@gmail.com
18	Sushila Pandit		Researcher	sp885@kerit.ac.uk
19	Uma Pradhan	Melamchi MUN	Deputy Mayor	upradhan@gmail.com
20	Sushil Subedi	Melamchi MUN	P.A	sushilsubedi63@gmail.com
21	Pushkar P. Dhital	Melamchi		
22	Santosh Dahal	Melamchi		
23	Preshika Baskota	CRR Lab	CEO	presika.baskota@crrlabs.com
24	Sima Tamang	UNDP	Project Officer	sima.tamang@undp.org
25	Kriti Shrestha	DCA	Climate Action Advisor	krsh@dca.dk
26	Pratima Sharma	PRC	Research Officer	pratima@prc.org.np
27	Prabin Man Singh	PRC	PD	prabin@prc.org.np
28	Raju Pandit Chettri	PRC	ED	raju@prc.org.np