11-17-2016

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by Gregory Scruggs

Category/Department: Region
Published: 2016-11-17

Caribbean delegates at the UN Conference of the Parties meeting (COP 22)—the first since the adoption of the landmark Paris Agreement on climate change—were eager to refine key aspects of the accord, notably around the financial provision of “loss and damage.” But those conversations, held in Marrakesh, Morocco, were overshadowed by the election of Donald Trump to the US presidency. Trump’s avowed belief that climate change is a hoax and his campaign promise to abrogate the US ratification of the Paris Agreement have raised deep concerns in the Caribbean, a region that views climate change as an existential threat.

The US election came just one day after the opening of the two-week conference sponsored by the UN Framework Convention on Climate Change (UNFCCC), which took place Nov. 7-18. Following last year’s breakthrough adoption of the Paris Agreement, which for the first time showed international consensus on how to reduce global carbon emissions, COP 22 was expected to be a more technical meeting on how to actualize many aspects of the convoluted agreement.

For the Caribbean region—increasingly at risk of sea-level rise and a higher frequency of extreme weather events like hurricanes—the so-called “loss and damage” section of the document was of key importance (NotiCen, Jan. 7, 2016). That provision allows developing countries bearing the brunt of climate change to make insurance-like claims when they suffer economic impacts directly related to global warming and other climate phenomena.

“Support for the implementation of adaptation and mitigation measures, and addressing loss and damage is imperative for vulnerable small island developing states such as ours,” said Dr. Gale T. C. Rigobert, St. Lucia’s Minister of Education, Innovation, Gender Relations and Sustainable Development, during the Caribbean Community (CARICOM) ministerial preparation meeting for COP 22 in Grenada last September.

Assessing success

Caribbean delegations headed into COP 22 with still-lingering congratulations from the outcome of last year’s heady two-week conference in Paris, which came down to the wire to deliver a successful global agreement (NotiSur, Jan. 8, 2016). Diplomats had gone into the COP 21 negotiations with the goal of a cap of 2 degrees Celsius on global mean temperature rise through the year 2100, a position that the Caribbean argued was untenable for their island and low-lying coastal countries to survive through the 21st century. They countered with the “1.5 to Stay Alive” campaign, which captured global attention with the image of a Caribbean woman in a madras dress underwater. The final version of the Paris Agreement ultimately set an aspiration of 1.5 degrees Celsius, exceeding the expectations of many heading into the conference (NotiSur, Jan. 8, 2016).

The resulting document led to one of the speediest ratifications in diplomatic history. In April, UN Secretary-General Ban Ki-moon held a ceremony on Earth Day formally opening the process for countries to submit their instruments of ratification. By Oct. 5, the threshold for the agreement
to enter into force had been crossed—at least 55 countries, representing at least 55% of global emissions, had ratified the terms of the accord.

“We are very encouraged by how quickly this agreement has come into force... It really is awesome for me that the community has rallied to this cause, and there seems to be an urgency that, at least philosophically, we need to move in a particular direction,” said James Fletcher, CARICOM’s chief negotiator last year in Paris.

The sovereign nations within the Caribbean are among the countries that ratified the Paris Agreement ahead of COP 22: Antigua and Barbuda, Bahamas, Barbados, Belize, Cuba, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, and Suriname.

**Loss and damage**

The impact of climate change in the Caribbean are stark and ongoing. Haiti is still cleaning up from the devastation of Hurricane Matthew (NotiCen, Nov. 10, 2016). On Nov. 9, heavy rains and landslides closed schools and businesses in St. Vincent and the Grenadines. These concerns have raised the stakes for the region as it seeks to make good on international agreements related to “loss and damage,” where countries could seek damages when such events take place. Since small island countries like those in the Caribbean region are among the world’s smallest contributors to the problem of climate change, but must weather some of the worst of its effects, they would in effect get the big polluters to pay for the impacts felt in their backyard.

The concept was first agreed to in Warsaw during the COP 19 meeting in 2013, thereby establishing a forum for discussion on the issue, but “loss and damage” didn’t become a legal reality until the term made it to the finish line in Paris last year.

“The area of ‘loss and damage’ was a huge breakthrough in Paris,” said Climate Change Advocacy’s Julie-Anne Richards in an interview with Wake Forest University’s Center for Energy, Environment and Sustainability. “Many [developed countries] wanted to push it into [the] adaptation [category] so they didn’t need to pay for it. That failed. It’s part of the [final Paris] Agreement, but only on paper. Now we have to make the breakthrough real.”

A large part of making the breakthrough real is financial. The Paris Agreement established a $100 billion pool, the Green Climate Fund (GCF), although monies have not yet been allocated. The Caribbean Community Climate Change Centre, however, is a designated regional entity for the fund, which is expected to support climate change projects in small island developing states.

Nevertheless, the slow pace has frustrated some Caribbean officials. “There are lots of climate financing options out there, but for one reason or another, many small developing states like, Saint Lucia, have not been able to access significant amounts of the resources available,” Rigobert said in the September CARICOM meeting.

Moreover, because of its focus on adaptation and mitigation, the GCF is unlikely to fulfill the intention of the “loss and damage” clause, which envisions something more akin to an insurance market. “When a hurricane hits the Caribbean and winds go over a certain speed, a country will automatically be able to make an insurance claim,” Richards explained in the Wake Forest
interview. “Haiti will get a pay-out from the five-year-old Caribbean Risk Insurance Facility because of Hurricane Matthew. But this whole area is brand new, and insurance companies are already saying things like sea-level rise are uninsurable.”

Researchers at Brown University’s Climate and Development Lab released a study earlier this year that suggests some financing structures to enable “loss and damage.” The study, “Financing Options for Loss and Damage: A review and roadmap,” has been cited in the context of the COP 22 negotiations, which are expected to approve a five-year plan toward the establishment of a functioning “loss and damage” claims system. “‘Loss and damage’ is not about legal responsibility but about moral responsibility,” said Saleem Huq, a senior fellow at the International Institute for Environment and Development.

The report analyzed catastrophic risk insurance, contingency finance, climate-themed bonds, and catastrophe bonds as different financial instruments that could help pay for the eventual loss and damage claims resulting from global climate change. All have pros and cons, with no clear answers in what would be new territory for the insurance industry and financial institutions.

**Trump’s tough talk**

The election of Donald Trump to the US presidency threw a bombshell into the COP 22 negotiations just one day after they began. Trump, a businessman-turned-politician who has never held elected office, is a huge wild card as the world anticipates with dread how many of his campaign promises translate into actual policy positions. Thus far, however, pundits speculate that rolling back US commitments on climate change are high on his to-do list. While the US cannot legally withdraw from the Paris Agreement for four years, Trump could simply choose not to enforce any of the domestic provisions to reduce US carbon emissions.

The likelihood of major US retrenchment on climate change, which could prompt other big emitters, like China and India, to do the same, has generated anxiety among Caribbean officials who see their countries’ futures as bound up with global action on the issue.

“If in three years’ time the Trump administration does withdraw the US from the agreement of the Conference of the Parties on Climate Change, it will start a chain reaction with grave consequences for the survival of the region,” warned a Nov. 13 editorial in the Jamaican newspaper The Gleaner. “The COP agreement would unravel and the small island states and countries with low-lying coasts in the Caribbean and the Pacific will be the victims.”

David Jessop, with the London-based Caribbean Council, was more succinct in his assessment. Should Trump indeed abrogate the Paris Agreement, he wrote in a Nov. 13 column, “it will be a decision that will require the region to react.”

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