

## Input for the 2024 reports of the Special Rapporteur on the right to development

Submitted by **STRENGTH Team (Strengthening Loss & Damage Response Capacity in the Global South)**

**International Center for Climate Change and Development (ICCCAD)  
Institute for Study and Development Worldwide (IFSD)  
Supported by International Development Research Center (IDRC)**

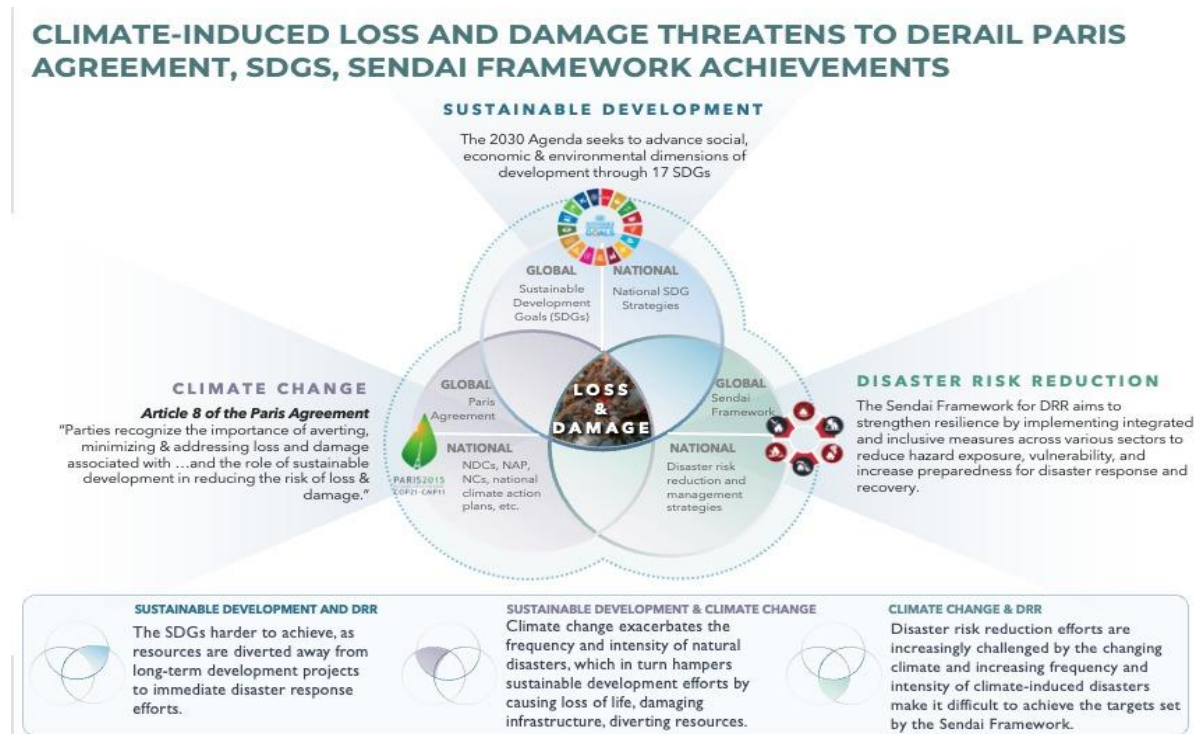
Climate change is a significant obstacle to the realization of the right to development, particularly for vulnerable nations like Bangladesh. In response to the ever-increasing adverse impacts of climate change, which goes beyond adaptation, the UN Framework Convention on Climate Change established the Loss and Damage Fund in 2022, hosted by the World Bank. This report explores the connection between the right to development and the loss and damage from climate change. It examines the multifaceted impacts of loss and damage on the realization of the right to development, the basis of responsibility for addressing loss and damage, the dimensions of this responsibility, the stakeholders obligated to shoulder this responsibility from a climate justice perspective, and the emphasis on a human rights-based approach for the effective administration of the Fund. The report integrates the work of the Strengthening Loss & Damage Response Capacity of Global South (STRENGTH) team, led by International Centre for Climate Change and Development (ICCCAD) and Institute for Study and Development Worldwide (IFSD), supported by IDRC Canada, which actively contributes to climate justice, loss and damage, and sustainable development.

**Question 1: How is the realization of the right to development impacted by both economic and non-economic loss and damage from climate change? How is the impact experienced differently and/or disproportionately by different individuals (e.g., children and women), groups (e.g., Indigenous Peoples) and States (e.g., Small Island Developing States)?**

In Bangladesh, the realization of the right to development is significantly hampered by the economic and non-economic consequences of climate change. The country faces severe vulnerabilities such as rising sea levels, extreme weather events, and changes in precipitation patterns, resulting in substantial economic losses, damage to infrastructure, loss of agricultural productivity, and increased healthcare costs. Non-economic losses, including the impact on lives, cultural heritage, and ecological integrity, further exacerbate the challenges faced by the nation. Indigenous communities, like those in the Chittagong Hill Tracts, experience unique non-economic effects as their traditional practices and livelihoods are disrupted by climate change. Vulnerable groups, particularly women and children, face heightened risks to health, safety, and

overall well-being due to climate-induced disasters, while disruptions to education pose challenges to their development prospects. In Southern belt of Bangladesh, where marginalized communities are exposed to persistent saline water, women and young girls face severe gynecological constraints and skin problems, leading to indirect losses and damages to their education and development.

In response to these challenges, the STRENGTH team actively advocates for the activation of loss and damage funding, engaging in research, policy advocacy, and capacity building. The team emphasizes a values-based approach for assessing the non economic nature of loss and damage, drawing a clear nexus between the two kinds of impacts, such as biodiversity loss. By strengthening the narrative around loss and damage, the STRENGTH team builds cohesive voices with policy makers and civil society in the four Tier 1 countries which include Bangladesh, Nepal, Vanuatu and Senegal, raising awareness about the unique vulnerabilities of indigenous communities. Additionally, ICCCAD actively participated in advocating for establishment and operationalizing the Loss and Damage fund, ensuring it effectively addresses the differentiated impacts of climate change. We emphasize on the importance of learning from the intended beneficiaries, involving local communities in decision-making processes, and tailoring interventions to their specific requirements. Through these multifaceted efforts, the STRENGTH team aims to enhance resilience, promote sustainable development, and mobilize adequate funding to address the complex challenges posed by climate change in Bangladesh and other vulnerable countries.



As reflected in the diagram above, the adverse impacts of climate change manifested through losses and damages derails all kinds of plans and strategies, since at that point it is crucial to divert all resources towards the immediate support. Thus, it is essential that losses and damages are first addressed, then minimized and eventually be averted altogether.

**Question 2: What are the obligations of States and other actors such as development finance institutions and businesses to prevent, mitigate and remediate the impacts of climate change-related loss and damage on human rights, including the right to development?**

Bangladesh is in the forefront of a number of policies and approaches, which focuses on preventing, mitigating, and remediating human rights impacts from climate change-induced loss and damage. The government is implementing policies to address vulnerabilities, promote resilience, and foster sustainable development. Development finance institutions provide financial resources, technical expertise, and capacity-building support for climate-resilient projects. Priority should be given to vulnerable communities and sectors to enhance adaptive capacities and promote sustainable development. Businesses, particularly in high-impact sectors like agriculture and textiles, must integrate climate considerations into their operations, adopting sustainable practices, emission reduction measures, and corporate social responsibility initiatives. International cooperation is crucial to address the transboundary nature of climate change impacts. Collaboration among states and relevant actors is necessary to share knowledge, technologies, and resources, enhancing the adaptive capacities of vulnerable nations like Bangladesh.

In this context, the STRENGTH team has made significant contributions, as outlined in our policy briefs. The first policy brief produced by the STRENGTH team on 'Operationalizing the Loss & Damage Fund: Delivering Finance to the most Vulnerable' which reflects on case studies and findings from the 4 aforementioned countries and key action points for both government and non-govt/private institutions.

1. Recognize the urgency of addressing losses and damages, exemplified by events like the 2022 Pakistan floods and Vanuatu's cyclones. Urgent action is needed following significant losses and damages.
2. Recognize adaptation limits and complement efforts with L&D actions through a climate justice approach. Despite adaptation initiatives, irreversible losses, like the USD 500 million damage from Cyclone Harold, highlight the need for additional L&D actions (Buchner et al., 2023; IPCC, 2023).

3. Ensure meaningful Gender and Social Inclusion (GESI) in the L&D Fund design. Concerns arise due to underrepresentation, limiting civil society engagement and neglecting the voices of vulnerable communities (Bomzan, 2023; Schalatek, 2023).
4. Position the L&D Fund as a climate justice fund aligned with the Paris Climate Agreement. Divisions between developed and developing countries raise doubts about its alignment, emphasizing the need for fairness and historical responsibility (Richards et al., 2023; Rowling, 2023).
5. Address non-economic losses and damages (NELD) in L&D financing. These losses, such as culture, mental health, and indigenous knowledge, often escape policy attention. Clear procedures should cover non-economic impacts (McNamara et al, 2021).
6. Simplify and make L&D Fund access procedures flexible. Drawing lessons from other climate finance streams, prioritize simplicity and accessibility to ensure funds reach vulnerable groups promptly (Argueta et al, 2021; Omkuti, 2022).
7. Ensure the L&D Fund has sufficient capital. Concerns about COP28's prompt action to fill the Fund should be addressed, considering historical patterns of unfulfilled promises in climate finance (Schalatek, 2023).

**Question 3: What is the legal and/or moral basis for States and other actors including businesses to contribute to the Fund for climate change-related loss and damage?**

The legal and moral justifications for States, businesses, and other actors to contribute to the Fund for climate change-related loss and damage are firmly grounded in international agreements, ethical considerations, and principles of justice. The Paris Agreement, established in 2015 under the UNFCCC, provides a legal framework emphasizing financial support for developing nations, recognizing the unique challenges faced by vulnerable countries like Bangladesh. The principle of common but differentiated responsibilities, enshrined in this agreement, establishes a legal foundation for financial contributions to address climate-related loss and damage in developing nations, acknowledging the historical role of developed nations as major greenhouse gas emitters. From a moral standpoint, contributing to the Fund aligns with the imperative of climate justice.

Vulnerable countries, notably Bangladesh, facing disproportionate impacts despite minimal contributions to global emissions, evoke a moral obligation to rectify historical and systemic injustices. This moral responsibility extends to businesses, especially those contributing to climate change, emphasizing corporate social responsibility to actively participate in mitigating and adapting to climate change. Supporting the Fund becomes a moral imperative for businesses, particularly those with significant carbon footprints, to address the adverse effects of their operations on vulnerable communities.

The STRENGTH team makes significant contribution by advocating for the activation of funds, research, policy advocacy, and capacity building to address the specific needs of vulnerable communities affected by climate-induced loss and damage. Their efforts emphasize a values-based approach, aligning with principles of equity and justice. By actively participating in operationalizing the Loss and Damage fund and building cohesive voices with policymakers and civil society, STRENGTH team underscores the shared responsibility of States and businesses in addressing climate-related loss and damage. This comprehensive approach ensures that vulnerable nations receive the necessary support for sustainable development and resilience against the impacts of climate change, in line with both legal obligations and moral imperatives.

**Question 4: In addition to making a financial contribution to the Fund, what non-financial components may be relevant from a climate justice perspective (e.g., transfer of green technologies, building of capacity and relocation pathways for climate-induced migrants)?**

Non-financial components play a crucial role in addressing climate change impacts, particularly in vulnerable nations like Bangladesh or Vanuatu. Capacity building is a key area of focus for the STRENGTH team, involving training programs and knowledge exchange to empower local communities, government agencies, and institutions in all the four Tier 1 countries (Bangladesh, Nepal, Vanuatu, Senegal). Strengthening the country's ability to implement and manage climate-resilient projects is crucial for an effective response to climate change. This further fosters active participation in mitigation and adaptation efforts, ensuring a more inclusive and sustainable approach.

The International Centre for Climate Change and Development (ICCCAD) is at the forefront of contributing to these efforts, specifically focusing on non-financial components such as the transfer of green technologies, building capacity, and developing relocation pathways for climate-induced migrants. Addressing Bangladesh's vulnerability to climate-induced migration, ICCCAD is actively involved in developing relocation pathways. This includes advocating for policies and frameworks that prioritize the rights and well-being of climate refugees, ensuring dignified resettlement and providing livelihood opportunities. ICCCAD's efforts in this area contribute to creating comprehensive solutions for climate-induced migration challenges.

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Through research, policy advocacy, and practical initiatives, STRENGTH facilitates the exchange of scientific knowledge and best practices, contributing to informed decision-making and effective adaptation strategies tailored to the specific challenges faced by vulnerable communities. Our non-financial support also extends to policy advocacy and diplomatic efforts. We actively engage with the international community to amplify the voices of vulnerable nations, including Bangladesh, in global forums. By advocating for equitable policies, fair representation, and meaningful participation in international climate negotiations, the STRENGTH team ensures a just and inclusive approach to addressing climate change impacts.

**Question 5: How should a human rights-based approach to operationalise and administer the Fund look like (e.g., integration of considerations such as accessibility, non-discrimination, fair representation in decision making, gender responsiveness, and accommodation for marginalised communities and countries especially vulnerable to the adverse effects of climate change)?**

A human rights-based approach to operationalizing and administering the climate change Fund should be comprehensive and tailored to the specific needs of vulnerable countries. This approach should prioritize key considerations, ensuring a just and inclusive framework that addresses the unique challenges faced by nations like Bangladesh. The STRENGTH team has recently developed a commentary on six guiding principles for operationalizing the L&D Fund climate justice lens.

1. **Accessibility:** Simplified application processes, clear guidelines, and technical assistance are imperative to facilitate accessibility. Our research and learning initiatives, underscores the importance of understanding and addressing the needs of those intended to benefit from the fund, as we directly hear from intended beneficiaries on what works and what doesn't
2. **Non-discrimination:** A fundamental principle, non-discrimination ensures equal treatment irrespective of economic status or size. Regardless of age, gender, ethnicity etc, STRENGTH team has emphasized on a strong GEDSI principle in operationalizing the fund.
3. **Fair representation in decision-making:** Ensuring meaningful participation from countries disproportionately affected by climate change is crucial. The workshops and the knowledge products developed by the STRENGTH team contribute to creating a strong narrative around loss and damage, fostering cohesive voices with policymakers and civil society to ensure fair representation.

4. **Flexibility and Agility:** Ensure the L&D Fund is responsive to diverse contexts and evolving needs. Flexibility and agility are crucial for adapting to dynamic challenges, including long-term and non-economic aspects of losses and damages. Consider small grants for effective support, combining flexibility and sustained funding.
5. **Transparency and accountability:** Ensure transparency and traceability of the L&D Fund's flow. Define fund allocations clearly, with reporting mechanisms at sub-national and local levels. Replicate existing mechanisms prioritizing vulnerable groups, like the Dedicated Grant Mechanism, for effective utilization.
6. **Additionality of Funding Sources:** It is important to acknowledge the voluntary nature of contributions and pursue a morally compensatory basis. Consider philanthropic and CSR contributions to supplement funding. Design modalities to differentiate L&D finance, ensuring credibility and preventing overlap with other commitments. Adopt a multifaceted strategy, incorporating diverse and innovative funding sources for substantial reduction of the fund's deficit.

Drawing from STRENGTH's expertise, recommendations for a human rights-based approach include timely funding, widespread accessibility targeting the most vulnerable, clear guidance on funding criteria, appropriate financial instruments, and careful management of power dynamics and politics. Integrating these considerations will contribute to an effective and just approach in addressing climate-induced impacts, ensuring the Fund aligns with human rights principles and the unique circumstances of vulnerable nations.

**Question: 6 How to ensure that the Fund and/or climate finance (including for mitigation and adaptation) does not result in a debt trap for developing countries?**

Climate finance is a critical tool for countries like Bangladesh to mitigate the risk of unsustainable debt. Prioritizing grant-based or concessional financing can alleviate repayment burdens and prevent unsustainable debt. Transparency in financial agreements is essential for informed decision-making and preventing debt traps. Strengthening institutional capacities can minimize mismanagement risks. Robust risk assessment mechanisms are crucial for evaluating the financial sustainability of climate projects. Innovative financing mechanisms like climate bonds and green bonds diversify funding sources and reduce reliance on traditional loans, attracting private investments. International collaboration is essential to address debt concerns in developing

countries. This approach streamlines processes, reduces duplications, and enhances overall impact, ensuring effective fund utilization and minimizing the risk of debt traps.

The STRENGTH team intends on playing a crucial role in informing and shaping strategies to prevent climate finance from becoming a debt trap, particularly for vulnerable nations like Bangladesh. The organization's work aligns with key principles to ensure responsible financial practices and sustainable development:

1. **Advocacy for Grant-Based or Concessional Financing:** Through evidence-based recommendations, we wish to conduct the necessary research and advocacy on the importance of prioritizing grant based or concessional financing. Our team will further use this evidence to contribute to global dialogues on the necessity of these funding mechanisms to reduce the risk of unsustainable debt for countries highly susceptible to climate change impacts.
2. **Capacity Building Initiatives:** STRENGTH team's research informs capacity-building initiatives aimed at effective climate finance management. By identifying gaps and challenges in institutional capacities, we plan to contribute to the development of targeted programs that minimize the risk of mismanagement, thereby playing a preventative role in the occurrence of debt traps.
3. **Promotion of Innovative Financing Mechanisms:** Our research includes the promotion of innovative financing mechanisms such as climate bonds and green bonds. By studying their effectiveness, we provide evidence-based insights into how these instruments can diversify funding sources, attract private investments, and reduce reliance on traditional loans. This approach contributes to easing the financial burden on countries like Bangladesh.

In essence, the STRENGTH is a research-based initiative, whose main role is to shape policies and practices related to climate finance, helping to mitigate the risk of debt traps for developing countries, particularly in the context of climate change impacts.