FUNDING OSS & DAMAGÉ

DAMAGE BY NUMBER

billion

Average annual estimated cost of loss & damage to developing countries by 2030

\$525 billion

Estimated cumulative climatelinked losses of 55 vulnerable countries in last two decades

(20% of their collective GDP)

trillion

Annual estimated cost of loss and damage to developing countries by 2050

\$300 million

Pledged so far by highincome countries outside of UNFCCC

OWARDS A MOSAIC OF FUNDS FOR ADDRESSING LOSS & DAMAGE (L&D)

| FUNDERS | PLEDGE (\$) | MANAGED BY | ALLOCATION FOR |
|---|---------------------|--|---|
| Scotland | 8.5 Mn | Climate Justice Fund of Scotland | Climate vulnerable countries, research and communities |
| Wallonia | 2.15 Mn | CVF & V20 | ➤ Climate vulnerable countries |
| Denmark | 17.7 Mn | Government of Denmark | Insurance and civil society efforts focused in Sahel |
| Belgium | 2.5 Mn | Belgian government | > Storm warning systems in Mozambique |
| Austria | 52 Mn over 4 yrs | \$7 Mn to be managed by Adaptation Fund | Climate vulnerable countries and Santiago Network |
| Germany, Canada, Ireland & France | 211 Mn | Global Shield Against Climate Risks | Disaster risk financing (social protection, government bonds, etc.) to vulnerable countries |
| New Zealand ¹ | 12 Mn over 3 yrs | New Zealand government | Early warning, disaster risk insurance in Pacific countries |
| Philanthropies | 3 Mn | CIFF, ECF, Hewlett Foundation, Global Greer Grants Fund, OSF | Climate vulnerable countries and communities |
| National Funds of countries | | | Disaster risk reduction financing |

Funds from

Potential suite of innovative funding sources & mechanisms



Windfall taxes on fossil fuel companies

International Air

Passenger Levy



POTENTIALLY MANAGED BY





A new arrangement for a dedicated **Loss & Damage Fund**

FUND ALLOCATION FOR

- Post-disaster transition
- Social protection systems & cash transfers
- Risk insurance
- Early warning systems
- Climate displaced people
- Emergency preparedness
- Enhancing microcredits for livelihood restoration
- Rehabilitation & rebuilding efforts

C02

Carbon pricing

Funds should attempt to enable easy and fast finance for risk management, rehabilitation, recovery and reconstruction

Build on and work with existing mechanisms and initiatives eg. Early Warnings for All Pull in cash from existing international **funds**

Wider reform in international financial architecture eg. debt relief and debt

cancellation

Funds from **private** sector actors

Note 1: L&D commitment announced as part of its already existing climate finance commitment Sources: The Cost of Delay report by Loss and Damage Collaboration; WRI; UNFCCC; Images from Adobe Stock & Freepik