





**BRIEFING PAPER** 

# Non-economic loss and damage in Pacific Small Island Developing States: Ensuring climate justice through the loss and damage fund





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#### Acknowledgement of Country

The Centre for Law and Social Justice acknowledges the Worimi and Awabakal people of the land in which the University of Newcastle City campus resides.

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Published November 2024

Citation: Howle, M., Burt. L., Nelson, F., Maguire, A., and Fuller, S. 2024. *Non-economic loss and damage in Pacific Small Island Developing Dates: Ensuring climate justice through the loss and damage fund*. Apia, Samoa; SPREP.

Acknowledgements: We gratefully acknowledge the partnership between the Secretariat of the Regional Environment Program (SPREP) and the University of Newcastle, Australia for supporting the initial work integrated learning project tied to this briefing paper.

Layout design: Nadya Va'a Photographs: Nadya Va'a

#### SPREP Library Cataloguing-in-Publication Data

Non-Economic Loss and Damage in Pacific Small Island Developing States: Ensuring climate justice through the Loss and Damage Fund. Apia, Samoa: SPREP, 2024.

37 p. 29 cm.

ISBN: 978-982-04-1381-8 (print)

978-982-04-1382-5 (ecopy)

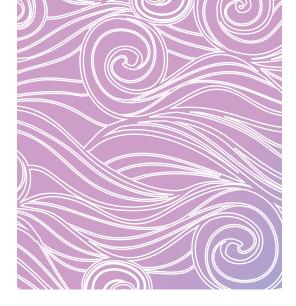
- 1. Climatic changes Economic aspects Oceania.
- 2. Climatic changes Social aspects Oceania.
- 3. Climate justice Oceania I. Pacific Regional Environment Programme (SPREP).

II. Title.

551.6320961

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# **EXECUTIVE SUMMARY**

Increased climate-related extreme weather events and slow onset changes to the environment are causing significant loss and damage in the Pacific region. At the Conference of Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC) in November 2022 (COP27), a draft resolution was adopted by the State parties to establish a loss and damage fund to address the economic and non-economic losses and damages to developing nations as a result of anthropogenic climate change. A key agenda item at the COP28, held in November 2023, was the establishment of new funding arrangements and their operationalisation, including a fund for responding to loss and damage. Parties reached agreement on operationalisation of the fund on the first day of the conference. With COP29 on the horizon and the impacts of climate change intensifying, it is a critical time for global leaders to take serious action on finance commitments for climate change.

This briefing paper defines loss and damage based on recent literature and undertakes an analysis of the UNFCCC Financial Mechanism-funded projects for adaptation in the Pacific Islands region to identify the gaps in the UNFCCC Financial Mechanism in funding loss and damage. Globally, we are progressing beyond the preventative approach embedded in adaptation, mitigation, and resilience, towards dealing with the cumulative and lasting effects of climate change. Yet, where the money will come from, and how it will be distributed, remain hotly contested. This paper makes recommendations to support Pacific parties in making recommendations to Small Island Developing States (SIDS) representatives on the Fund for Loss and Damage Board to enable the Fund to effectively address the non-economic losses and damages experienced by Pacific Small Island Developing States (PSIDS). We acknowledge the disproportionate impacts that climate change has had on Pacific Island nations and argue that Pacific Island knowledges and experiences should be placed at the forefront of climate change loss and damage negotiations.





To comprehensively compensate for loss and damage in the most just and equitable way for all, including for PSIDS, we make the following recommendations:

# Recommendation 1

## Comprehensive and context-dependent definition of loss and damage

Loss and damage should be comprehensively defined in a context-dependent way in the supporting documents for the Loss and Damage Fund (hereafter, the Fund), and non-economic loss and damage should explicitly include the loss of intangible social and cultural heritage. The Fund should distinguish adaptation and mitigation projects from loss and damage, to support recognition of loss and damage as a distinct category of climate impact that is to be addressed by the Fund.

#### Recommendation 1a

For the purposes of the Fund, we recommend loss and damage be defined as follows: Loss and damage refers to both the actual and potential loss and damage to human and natural systems resulting from climate change impacts. It is irreversible, existential, and in excess of adaptation limits. It encompasses the psychological and mental costs of climate change and is context dependent.

#### Recommendation 1b

In relation to intangible social and cultural heritage, we recommend building on this working definition: Intangible social and cultural heritage loss and damage refers to actual and/or potential spiritual, psychological and emotional loss and damage resulting from climate change impacts to human and natural systems. This loss and damage is not readily quantifiable in monetary terms, and impacts upon communities' ways of being.

# Recommendation 2

#### Polluter pays principle

The Fund should prioritise the polluter pays principle and require mandatory contributions from polluting states, based proportionately on their contribution to global emissions. Further, the Fund should have in-built requirements for long-term commitment to provide finance based on states' contribution to global emissions, with a particular emphasis on high-GDP polluting states.

# Recommendation 3

### Vertical and horizontal integration

## Recommendation 3a

The Fund should be developed with vertical and horizontal integration built into the framework, such that there is monitoring and evaluation of loss and damage across sectors at the national, regional and international levels. Consistency and collaboration across local, national and regional levels must be sought to ensure effective operation over time. The Fund's framework should be flexible to be able to reflect national and regional policy developments.

#### Recommendation 3b

A comprehensive mapping of all climate adaptation and loss and damage funding should take place to avoid duplication of funding and to ensure funding gaps are addressed.

#### Recommendation 3c.

There should be a mechanism within the Fund to allow for states to provide periodic feedback on its framework and procedure and mechanisms for adjustments to be made based on this feedback if required. The needs and feedback of developing states should be prioritised as they are the states the Financial Mechanism seeks to serve.

## **Recommendation 4:**

# Responsive administrative framework

#### Recommendation 4a

The administrative frameworks of the Fund should be designed to prioritise expeditious processing and delivery of funding based on a tiered system categorising the nature of the loss and damage being addressed.

#### Recommendation 4b

Project eligibility criteria for funding must be broad to include both economic and non-economic loss and damage caused by slow onset climate impacts as well as extreme weather events.

## Recommendation 5

#### Locally led and participatory approach

The Fund should include region specific processes and region specific participation in the funding process. Regional and local instruments of funding dispersal should be prioritised to facilitate timely and contextually relevant implementation of loss and damage funding. A consistent and programmatic approach to categorisation of climate impacts and associated funding should be developed to ensure that loss and damage is appropriately addressed.

### Recommendation 6

#### Flexible processes for accessing funding

Processes for accessing funds should incorporate flexibility to allow for the breadth of intangible social and cultural heritage losses and damages. Application processes should allow applicants to provide context-specific information and evidence to support their claim.

# Recommendation 7

#### **Emissions reduction**

State parties should pursue ambitious emissions reduction targets to limit the loss and damage experienced by PSIDS, in line with the Paris Agreement target of 1.5 degrees.



# 1. INTRODUCTION

In November 2022 at the 27<sup>th</sup> Conference of the Parties (COP 27) to the United Nations Framework Convention on Climate Change<sup>3</sup> (UNFCCC) in Sharm El-Sheik, a landmark decision was made to establish a Loss and Damage Fund (hereafter, the Fund). The decision built on the Warsaw Mechanism<sup>4</sup> and recognised the irreversible impact of climate change on Pacific Small Island Developing States (PSIDS)<sup>1</sup> and other adversely affected lower-gross domestic product (GDP) States around the globe. In December 2023, COP28 saw the operationalisation of the Fund, which promises to 'assist developing countries that are particularly vulnerable to the adverse effects of climate change in responding to economic and non-economic loss and damage associated with the adverse effects of climate change, including extreme weather events and slow onset events.'<sup>5</sup> This is no small task; to address the growing loss and damage occurring due to human-induced climate change will require significant financial resources. COP29, set for 11 to 22 November 2024 in Baku, Azerbaijan, has been billed the 'finance COP', after the president-designate Mukhtar Babayev set the top priority as negotiating a 'fair and ambitious' goal on climate finance.

Climate finance directed at adaptation and mitigation have been a consistent focus of the UNFCCC Financial Mechanism since it was first established in 1991. Climate mitigation and adaptation funding is focused on supporting nations to reduce the risk of or adapt to climate change. It is not designed to address the loss and damage that has occurred or will occur in the future as a result of climate change. This has been a major gap in the UNFCCC's funding arrangements, one which the Fund aims to fill. However, there are concerns regarding the operation of the Fund which need to be addressed if it is to effectively support PSIDS and other lower GDP nations. There is global agreement that high-GDP nations, through their greenhouse gas emissions, are driving climate change impacts that are causing the majority of loss and damage experienced by PSIDS and that they have a moral duty to come together at the COP29 to make real financial commitments. However, questions about how exactly loss and damage is defined and how climate finance can attempt to address incommensurable loss and damage, are key sticking points at the negotiation table.

Historic funding for climate adaptation, as well as other financial assistance mechanisms such as insurance, have primarily focussed on addressing tangible losses and damages to infrastructure and the environment which can theoretically be renewed and/or repaired with adequate financing. There are calls for further research on whether the proposed scope of the Fund can adequately address the current climate financing funding gap.<sup>6</sup> This paper uses a literature review of recent sources on loss and damage, and a gap analysis of the UNFCCC Financial Mechanism for adaptation between 2002 and 2023, to highlight the need for adequate funding for loss and damage for PSIDS. We argue that addressing tangible loss and damage alone is not adequate in addressing loss and damage as it is experienced in Pacific Island nations. The capacity of the Fund to adequately address loss and damage, and particularly non-economic loss and damage, hinges on its design, operationalisation and funding.

<sup>1 &</sup>quot;PSIDS" is used throughout this report to group the Pacific Island nations of Cook Islands, Fiji, Kiribati, Republic of Marshall Islands, Federated States of Micronesia, Nauru, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu. This grouping is used in all international United Nations negotiations to represent one Pacific voice.



# 2. BACKGROUND

The draft resolution for the Fund established the Transitional Committee, which comprised representatives from 24 member states across geographical regions.<sup>7</sup> The Transitional Committee met quarterly to develop recommendations on how to operationalise the Fund. At the commencement of COP28, the Transitional Committee hosted the fifth meeting on the operationalisation of new funding arrangements for responding to loss and damage.<sup>8</sup> This meeting resulted in several key decisions to support the operation of the Fund. It established the role of the World Bank to act as a financial intermediary fund for an interim period of four years (subject to conditions)<sup>9</sup>, and it established The Board of the Fund for responding to Loss and Damage (hereafter, 'The Board'), to oversee the Fund. The Board consists of 26 State Parties to the Paris Agreement, nominated with mandatory geographical representation and majority developing country representation (14 members).

While the establishment of the Fund is welcomed, for PSIDS, the incorporation of non-economic loss and damage considerations into the Fund is of utmost concern. PSIDS produce only 0.03% of global greenhouse gas emissions but are under the greatest threat from the impacts of climate change. <sup>10</sup> These impacts, including both slow onset and extreme weather events, threaten Pacific Island ways of being, culture, and relationships, including practical and spiritual connections to land and ocean.

Deficit-based discourse focused on what is lacking in the Pacific region have previously been employed by higher GDP nations to disenfranchise Pacific voices in global negotiations. In more recent COP negotiations and elsewhere, the voices of Pacific leaders are being amplified with calls made for polluting nations to take heed of the requests made by Pacific communities to address the existential threat of climate change.



At the Regional Climate Diplomacy Forum in June 2023,<sup>11</sup> the Honourable Seve Paeniu, Tuvaluan Minister for Finance, spoke of the impacts of climate change on Tuvalu:



We are living the effects of sea level rise and climate change. Our land is constantly being eaten away. There are islands that are disappearing... and the livelihoods of our people are being threatened. This is all caused by climate change. We know that fossil fuels cause climate change. 12

The Honourable Ralph Regenvanu, then Vanuatu's Minister for Climate Change, highlighted the failure of high-GDP States to assist PSIDS:

We are not seeing the financial commitment from developed countries to developing countries... to address loss and damage... Stop putting money into something you know is destroying the world.<sup>13</sup>



These comments from PSIDS leaders encapsulate both the weight of the impact of climate change on Pacific Island communities, and the eroding trust between PSIDS and high-GDP polluting States to respond to PSIDS calls for their action and financial commitment on climate change.

The resilience of PSIDS communities in the face of climate change hinge not just on their capacity to reduce risks to livelihoods and homes and repair physical damage, but on their ability to remain connected to culture, relationships, and knowledge systems. The success of the Fund in addressing the loss and damage being experienced by PSIDS will depend on how well it recognises the requests of Pacific Island governments and communities in its design and translates these considerations into implementation. It is notable that the recent IPCC Sixth Assessment Report (AR6) acknowledges loss of cultural identity and Indigenous knowledges and practices as a risk for PSIDS,<sup>14</sup> but its Summary for Policymakers fails to define these losses and damages in any detail.<sup>15</sup> We cannot continue to pay lip service to the requests of Pacific communities. The time to put words to action is now, and the Loss and Damage Fund is an opportunity for the global community to move on the Pacific's call to action.

The Fund sits under the UNFCCC Financial Mechanism, established under Article 11 of the UNFCCC. The Financial Mechanism is intended to provide financial resources to address the adverse effects of climate change through mitigation and adaptation measures. The Conference of Parties (COP) is responsible for the Financial Mechanism and partly entrusted it to the Global Environment Facility (GEF) under article 21 of the UNFCCC. The UNFCCC Financial Mechanism is made up of several funds. The Adaptation Fund (AF) was created under the Kyoto Protocol in 2001, with an emphasis on financing adaptation measures for developing country Parties with particular "vulnerabilities" to the adverse effects of climate change. The Special Climate Change Fund (SCCF) and the Least Developed Countries Fund (LDCF) were both established in 2001 and are managed by the GEF and the Green Climate Fund (GCF). In this section we identify the gaps that exist in current climate funding that must be addressed by the new mechanism.

Table 1 provides a brief description of the funds that are established under the UNFCCC framework, which we refer to as the UNFCCC Financial Mechanism.

 Table 1: UNFCCC Financial Mechanism

FUND	YEAR CREATED	SOURCE	OBJECTIVE
Global Environment Facility	1990	Piloted by the World Bank in 1990 and established perma- nently at the 1992 Rio Earth Summit.	The GEF was first established to provide funding to developing countries in the four key areas of climate change, biodiversity, ozone depletion and international waters. The UNFCCC partly entrusted the operation of the Financial Mechanism to the GEF under article 21.
Least Developed Countries Fund	2001	COP 7, held in Marrakech, Morocco. Established under decisions 5/CP.7 and 7/CP.7.	The LDCF was established to exclusively address the needs of least developed <sup>17</sup> countries whose economic and geophysical characteristics make them especially vulnerable to climate change. The main activity of the LDCF is to support countries to implement National Adaptation Programs of Action.
Special Climate Change Fund	2001	COP 7, held in Marrakech, Morocco. Established under decisions 7/CP.7 and 10/ CP.7.	The SCCF was established to finance projects relating to adaptation, technol gy transfer and capacity building, energy, transport, industry, agriculture, forestry and waste management, and economic diversification. The SCCF is entrusted to the GEF and is mandated to serve the Paris Agreement.
Adaptation Fund	2001	First created at COP 7 in Marrakech, Morocco under decision 10/CP.7. However, the AF was not launched until COP 13 2007 in Bali, Indonesia under decision 1/CMP.3.	The AF was established to finance adaptation projects in developing country <sup>19</sup> parties to the Kyoto Protocol. As of 2018, the AF now serves the Paris Agreement.
Green Climate Fund	2010	COP 16, held in Cancun, Mexico. Adopted under deci- <sup>20</sup> sion 1/CP.16.	The GCF was established to serve as the operating entity of the UNFCCC Finan <sup>21</sup> cial Mechanism. The GCF is accountable to the COP.
Loss and Damage Fund	2023	COP28, held in Dubai, established the Fund under <sup>22</sup> decisions 2/CP.27 and 2/CMA.4	The Fund was established at COP27 to provide financial assistance to nations <sup>23</sup> most vulnerable and impacted by the effects of climate change. The Fund was operationalised at the COP28.



# 3. PURPOSE OF THIS RESEARCH

This briefing paper argues for non-economic loss and damage to be explicitly defined and included in the new loss and damage Financial Mechanism. Most critically for PSIDS, this definition must include intangible social and cultural loss and damage. We draw on literature regarding loss and damage in the Pacific Islands region and on PSIDS perspectives of loss and damage taken from policy and workshop documents, conference proceedings, and personal communications to present working definitions of loss and damage and intangible social and cultural heritage loss and damage. We use these definitions to develop a framework to analyse the UNFCCC Financial Mechanism. Using this framework, we then quantitatively analyse the UNFCCC Financial Mechanism, highlighting where loss and damage has or has not been considered under adaptation projects. The aim of this study, following a combined discussion of all methodological phases, is to reveal the gaps in the UNFCCC Financial Mechanism to date. Specifically, where intangible social and cultural heritage loss and damage has not been adequately addressed in the existing adaptation Financial Mechanism, indicating the most crucial elements for inclusion in the design of the Fund. From these findings we make recommendations for the structure and operation of the Fund.

The draft resolution stated that in the design of the Fund, the Transitional Committee will be informed by several factors, including '(a) the current landscape of institutions... that are funding activities related to loss and damage, and ways in which coherence, coordination and synergies among them can be enhanced'.<sup>24</sup> This is particularly important for ensuring that the Fund does not overlap or hinder the purpose of other UNFCCC funds, but the real test for this will be in its operationalisation.

It is important to centre PSIDS perspectives to build a comprehensive understanding of how the Fund can effectively address the losses and damages experienced in PSIDS, where there are already challenges in accessing adaptation finance for both slow and fast onset events.<sup>25</sup> It is clear more needs to be done at the international level to address the inequitable distribution of climate change impacts. We hope this briefing paper will inform Pacific parties in making recommendations to SIDS representatives on the Fund for Loss and Damage Board of the importance of comprehensively compensating for non-economic loss and damage for PSIDS and other low-GDP States impacted by the inequitable and devastating effects of climate change. Incorporating principles of climate justice,<sup>26</sup> our recommendations necessarily stress the need for simultaneous, significant and widespread emission reductions to limit the loss and damage experienced by PSIDS and other at-risk nations.<sup>27</sup>



# 4. UNDERSTANDING LOSS AND DAMAGE

Historically, the framing of loss and damage has been politically charged and amorphous with blurred conceptual boundaries, making it difficult to describe and harder to define.<sup>28</sup> The main contention in defining loss and damage is around exactly what climate impacts it entails, as climate impacts may be understood differently between developed and developing countries, the former tending to adopt a narrower view often limited to risk and insurance.<sup>29</sup> This dichotomous framing leaves loss and damage open to being conflated with disaster risk reduction, and overlooks the intangible social and cultural heritage losses experienced because of climate change. The lack of consensus on a definition is partly a result of deliberate ambiguity by powerful actors at the international level, making it easier for those countries who are the main greenhouse gas emitters to avoid taking action.<sup>30</sup>

Loss and damage was defined by the UNFCCC in 2012 as 'the actual and/or potential manifestation of impacts associated with climate change in developing countries that negatively affect human and natural systems'. A more recent technical paper from the UNFCCC Secretariat considers loss and damage to mean impacts arising from the adverse effects of climate change, including both extreme weather events and slow onset events. The above definitions do not distinctly characterise loss and damage as either economic or non-economic. These categories carry very different implications for those experiencing harm, but the latter is far more difficult to financially quantify. The 2023 fifth meeting of the Transitional Committee recognised that the Fund needed to assist developing countries 'that are particularly vulnerable to the adverse effects of climate change to respond to economic and non-economic loss and damage associated with the adverse effects of climate change'. While this objective statement does acknowledge two distinct elements of loss and damage, being economic and non-economic, there is no clear definition of either category.

Throughout this article we use 'loss and damage' to refer to the impacts of climate change that have or will cause permanent, irreversible damage to PSIDS ways of being and living. We have deliberately avoided the use of L&D, the acronym, which is a blanket term useful for describing the concept of loss and damage as a category in policy. For this paper, we prefer to use the whole phrase 'loss and damage' as a context dependent concept in PSIDS, to highlight and separate out categories that may be concealed when pigeon-holing all types of loss and damage felt across diverse communities and states under the umbrella term 'L&D'.

Likewise, we steer away from the use of the acronym 'NELD' to refer to non-economic loss and damage, as categorising all non-economic loss and damage as 'NELD' raises the risk that different types of non-economic loss and damage will be viewed and valued in the same way, and therefore addressed similarly in policy. To illustrate this point, adaptation projects that are designed to address biodiversity loss could be categorised as addressing non-economic loss and damage. However, funding for adaptation projects aimed at biodiversity conservation will not address the spiritual, mental, and emotional losses that Pacific communities experience with the loss of biodiversity, that, is, the loss of terrestrial or marine flora or fauna that were integral to knowledges, spiritualities, relationships, identities, cultures, food systems, and livelihoods. This social and cultural loss is indirect and non-economic and carries significant weight for PSIDS and this needs to be fully recognised and addressed in the Fund.



# 5. RESEARCH METHODS

The methodology for our research comprised three phases. Firstly, a literature review was conducted to identify definitions of loss and damage and highlight any gaps in understanding. Then, Pacific Island perspectives were referenced to ensure the subsequent analysis was reflective of, and sensitive to, the cultures and communities it seeks to serve. Finally, the current climate finance landscape as it relates to adaptation funding was analysed to locate gaps and identify where the Fund can meaningfully contribute.

# 5.1 Literature review

The literature review sought, primarily, to reveal the way loss and damage has been conceptually defined to date.

To achieve this aim, we used the search terms "loss and damage" AND "Pacific SIDS" OR "PSIDS" to find sources within the period 2018-2023. The review was limited to reports from international and national government and non-government organisations, peer reviewed journal articles, and books and book chapters within three databases: Web of Science; EBSCO and ProQuest; and Google Scholar. These searches identified 198 sources, 8 of which were initially removed due to duplication. 190 sources were screened for meaningful engagement with the concept of "loss and damage", with 43 being removed as they did not discuss loss and damage in any substantial manner. 143 sources were sought for retrieval, with 9 unable to be accessed in full. 138 sources were then assessed for eligibility for inclusion in the study. 64 were excluded as they did not substantially concern loss and damage. These sources only referenced loss and damage in passing comments, without definition. 8 were removed as they were not focussed on Pacific Islands. 44 sources were ultimately included in the literature review.

A gap analysis was then undertaken using the 44 selected sources to identify how loss and damage has been defined in the PSIDS context. Using three broad categories of loss and damage (defined in Table 2) each article was analysed to determine to which types of loss and damage were considered in the relevant definition of loss and damage.

Table 2: Categories of loss and damage used for the gap analysis of loss and damage sources

TYPE	DEFINITION			
Economic	The loss of resources, goods and services that are commonly trade in markets, and the value is quantifiable in monetary terms.			
Non-economic (only health and environment related)	Tangible loss and damage to resources that are not readily quantifiable in monetary terms, for example human health, food security, the natural environment and biodiversity, but not cultural heritage loss.			
Cultural non-economic	Intangible losses of culture and heritage.			



# 5.2 Pacific perspectives

To complement the literature review, three case study submissions made to the Transitional Committee from the Pacific Island nations of Samoa,<sup>35</sup> Fiji,<sup>36</sup> and Vanuatu<sup>37</sup> were analysed. These submissions were shared by co-author Filomena Nelson, a Samoan citizen, with permission from the participating governments. The submissions were supplied to Nelson in her capacity as climate change technical adviser for Pacific Island countries.

Case study analysis has been used to understand a phenomenon or process in a given research context and time.<sup>38</sup> Analysis of these submissions were undertaken to ensure that this research serves the priorities of PSIDS. A thematic analysis of the three cases was undertaken to highlight key perspectives and priorities of the various authors regarding loss and damage in the Pacific Islands. This analysis illustrates a picture of the realities experienced by the authors, thereby communicating their realities in a manner that makes it clearer. Analysis of these case studies demonstrates a clear PSIDS perspective on the role and importance of the Fund across diverse cultures and priorities.

# 5.3 Climate finance and the UNFCC Financial Mechanism

In this section the working definition of loss and damage developed in the literature review is applied to analyse the current UNFCCC Financial Mechanism for adaptation funding. This is done to identify the ways loss and damage may or may not be funded within the UNFCCC Financial Mechanism between the years 2002 and 2023. Funding directed towards adaptation in PSIDS<sup>2</sup> from five funding sources under the UNFCCC Financial Mechanism have been analysed: GCF, GEF, LDCF, SCCF, and AF.

Project funding data from the five funding sources used in this study were accessed through the UNFCCC website, and the websites of each individual Financial Mechanism where required. All Financial Mechanisms publish current and historic data from their projects. Projects were selected from the relevant websites from all years 2002 to 2023 inclusive, and only projects solely targeting PSIDS were included in the study. The final count of projects included in this study from each fund was 74, as shown in Table 5 (see Appendix A).

To understand the current types of loss and damage funding for PSIDS that may be considered as part of the UNFCCC Financial Mechanism for adaptation, each project was screened using the definitions of loss and damage established in Table 1 above. Using these definitions, adaptation projects were divided into two categories: adaptation projects that addressed only adaptation, and adaptation projects that addressed some element of loss and damage. To better understand the nature of the projects categorised as addressing some elements of loss and damage, these projects were further sub-categorised into (1) economic loss and damage, (2) loss and damage to biodiversity or ecosystem health, human health and disease, and (2) intangible social and cultural loss and damage.

<sup>2</sup> The countries included were Cook Islands, Fiji, Micronesia (Federated States of), Kiribati, Marshall Islands, Nauru, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Timor Leste, Vanuatu.

<sup>3</sup> These categorisations are informed by UNFCCC categorisations of types of loss and damage. See e.g., UNFCCC, Non-economic losses in the context of the work programme on loss and damage (Technical Paper, 9 October 2013) 12.



# 7. RECURRING CHALLENGES WITH THE UNFCCC FINANCIAL MECHANISM

# 7.1 Insufficient funding

Recent statistics show international adaptation and mitigation finance flows in 2020 fell at least US\$17 billion short of the US\$100 billion pledged.<sup>68</sup> It is estimated that over \$300 billion will be needed by 2030 to address adaptation and mitigation requirements.<sup>69</sup> While the establishment of the Fund represents a landmark decision in addressing the impacts of climate change that are affecting PSIDS, recent decreases in adaptation and mitigation finance flows provide some indication of how countries will likely respond to their obligations associated with the Fund. Voluntary contributions have not been met. High-GDP states have previously pledged large sums, yet these funding amounts have failed to materialise.

# 7.2 Eroding trust in the promises of high-GDP nations

The years following the Paris Agreement have also shown that voluntary emissions reduction targets and self-monitoring by states does not work and means that globally we cannot meet the 1.5 degree target. Consequently, trust in the UNFCCC process and the words, actions, and 'contributions' of high-GDP nations is being eroded.

# 7.3 Project-based funding

Historically, some loan-based or grant projects have been designed and implemented without the engagement of local communities, leading to a mismatch in intention.<sup>70</sup> While project-based finance has not necessarily been unsuccessful in the past, we argue that it has not aligned with centring Pacific voices and prioritising a Pacific-led approach. Consistent use of project-based funding models has not proven completely effective in the UNFCCC Financial Mechanism to date.

Our analysis of the UNFCCC Financial Mechanism for adaptation highlights the historic funding gap as it relates to intangible cultural heritage loss. This finding supports Pacific Island perspectives that similarly identify a lack of funding for loss and damage to ancestral and spiritual connections, land and ocean, identity, and Indigenous knowledges.<sup>71</sup> These kinds of losses and damages are innately more complex and nuanced than others, and are not reflected in project funding for disasters or state of emergencies.<sup>72</sup> Funding models with rigid pre-determined eligibility criteria and templated project proposals present a

# 6. RESEARCH RESULTS

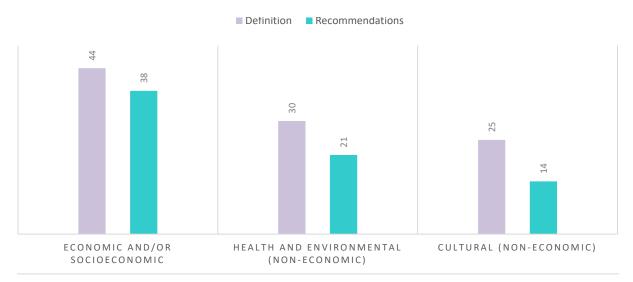
# 6.1 Defining loss and damage

In the sources reviewed, loss and damage is most commonly characterised as the actual and/or potential loss and damage to human and natural systems resulting from climate change impacts, including both extreme weather events and slow onset change.<sup>39</sup> This kind of loss and damage is often considered existential, irreversible, and in excess of soft and hard adaptation limits.<sup>40</sup>

Loss and damage is distinguished within the literature as economic or non-economic. Economic loss and damage refers to loss and damage that is readily quantifiable in monetary terms. These losses are generally confined to livelihoods and land within the context of economic opportunity. Examples of economic loss and damage include interruptions to business operation, tourism, agriculture, and damage to infrastructure and property. These impacts are always confined to physical assets and resulting income, and are reflected in the economic and socioeconomic categories set out in Table 1. Non-economic loss and damage is generally defined as loss and damage, material and non-material, that are irreducible to economic terms. Further, the literature has recognised non-economic loss and damage as encompassing the psychological and mental costs of climate change, which funding has not historically addressed. Serdeczny proposes two central characteristics of non-economic loss and damage; that it is context-dependent and incommensurable. A non-exhaustive list of examples of non-economic loss and damage might include the loss of culture, biodiversity, land, sacred places, human health, identity, connection to land and ocean, belonging and heritage. These types of loss and damage are reflected in the health-related, environmental and cultural categories from Table 1.

The overwhelming majority of sources focus primarily on economic loss and damage, or the interaction of social and economic factors. Far fewer articles considered non-economic loss and damage.<sup>47</sup> The majority of articles that did consider non-economic loss and damage were primarily concerned with the impact of climate change on natural ecosystems and biodiversity.<sup>48</sup> Further, few sources translated recognition of non-economic loss and damage into tangible policy recommendations.<sup>49</sup> This is reflected in Figure A below.

Figure A: Number of sources that considered each category of loss and damage in their definition and recommendations





The literature review revealed where sources limited their definitions to economic types of loss and damage, they were generally concerned with the correlation between increased intensity and frequency of natural hazards and diminishing resources and livelihoods. A key adaptation solution proposed in these sources is 'planned relocation', understood as the movement of communities away from areas that are at increased risk of climate impacts, before those areas become inhabitable.<sup>50</sup> Whilst this adaptation measure may provide a pragmatic solution to the serious threat of sea level rise in PSIDS, it overlooks the serious impacts to Pacific Island communities, cultural heritage, and the intimate connections with land and ocean that come with a place-based history<sup>51</sup> and Pacific Islander identity.

Sources that offer greater consideration of cultural loss when defining loss and damage acknowledge the threat to Indigenous culture, identity and connections to land and ocean posed by climate change impacts.<sup>52</sup> These types of loss and damage are not the same between states or even communities, reflecting the diversity of the Pacific Islands in worldviews, knowledge systems, and cosmologies.<sup>53</sup>

# 6.2 Pacific perspectives

The common thread in PSIDS submissions to the Transitional Committee was highlighting the historic failure of Financial Mechanisms to address non-economic loss and damage following a disaster.<sup>54</sup> The Government of Samoa notes that funding made available to it following Tropical Cyclone Evan was directed towards damage to physical assets, materials, and tools and strategies, with a preference for relocation programs. Non-economic loss and damage did not feature in recovery plans or rehabilitation funding.<sup>55</sup> Relocation is highlighted as a highly problematic solution emphasised in Financial Mechanisms. Prioritising relocation as a solution does not adequately recognise loss and damage, and furthermore, it exacerbates the losses experienced by Pacific Island nations; relocation means losing highly valued interconnections to ancestry, place, neighbours, churches, families, and friends.<sup>56</sup> The Samoan government emphasises current Financial Mechanisms do not provide support for the effects of slow-onset events, including the loss to land, place, and belonging.<sup>57</sup>

The submissions made to the Transitional Committee for development of the Fund by the Governments of Fiji and Vanuatu emphasise the existential threat posed by climate change and the weight of irrecoverable loss and damage from both slow and fast onset climate change impacts on their communities and governments. These governments explicitly call for urgent assistance on non-economic loss and damage. Specifically, Vanuatu calls for assistance regarding the irretrievable loss of culture, Indigenous language and identity, and human rights. Further, the Government of Vanuatu highlights the disproportionate effect that climate change is having on the lives of women and girls, touching on the gendered nature of loss and damage. The Government of Vanuatu is also experiencing devastating impacts because of the finance gap, with existing humanitarian and insurance mechanisms unable to meet the needs of peoples and communities most severely impacted by the losses and damages wrought by climate change.

Regarding modalities of funding, the Samoan Government prefers financial support that will support existing government policies and systems, rather than the financing of additional programs by the Fund. <sup>61</sup> It argues that this will avoid duplication of activities, and promote Pacific Islands ownership. <sup>62</sup> Similarly, the Government of Fiji highlights its own experience in the design, implementation, and legislation of Financial Mechanisms at the national level and argues for the urgent need for differentiation between the concepts of adaptation, mitigation, and loss and damage. <sup>63</sup> Fiji's submission reinforces existing local expertise in designing and operating a Financial Mechanism for loss and damage that includes consideration of non-economic loss and damage.

From these submissions, it is clear that Pacific Island nations do not currently receive funding for non-economic loss and damage under any Financial Mechanism, and that their definition of non-economic loss and damage includes important interrelated ties to their lands, knowledges, peoples, and culture. In that way, intangible social and cultural heritage loss and damage is a crucial component of loss and damage for PSIDS.

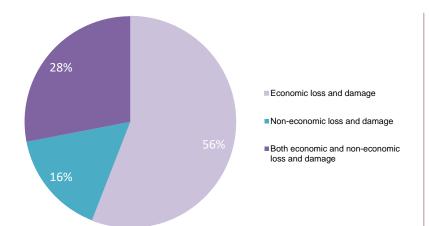
# 6.3 Climate finance and the UNFCCC Financial Mechanism

Finance to support loss and damage has not been explicitly tracked or reported within the UNFCCC Financial Mechanism for adaptation.<sup>64</sup> Yet, our analysis of the Financial Mechanism for adaptation concerning PSIDS reveals a large amount of adaptation funding has considered loss and damage in some capacity. Our findings demonstrate that in the total amount of Adaptation Funding from five different sources in the UNFCCC mechanism, \$64.5 million could be identified as having gone to projects that addressed adaptation alone and could not be said to address any form of loss and damage. The other \$540 million in adaptation funding went to projects that did address loss and damage in some way. These projects are reflected in Table 3. Notably, Table 3 shows none of the adaptation projects directly fund compensation for intangible social or cultural heritage loss and damage. This remains the major gap in the UNFCCC Financial Mechanism for loss and damage.

Table 3: Amount of adaptation funding that addressed loss and damage from 2002-2023

	CATEGORY OF LOSS AND DAMAGE	FUNDING AMOUNT
1	Economic loss and damage	\$301,921,967.00
2	Environment and health related non-economic loss and damage	\$81,963,222.00
3	Both (1) and (2)	\$151,395,487.00
4	Non-economic cultural loss and damage	None

Of all adaptation projects funded by the UNFCCC Financial Mechanism, 89.3% considered loss and damage in some capacity, only 10.7% considered adaptation alone. However, none of these projects considered intangible social and cultural heritage loss and damage.



**Figure B:** Categorisation of UNFCC-C-funded adaptation projects that consider loss and damage between 2002 and 2023

Figure B shows the majority (55.9%) of all adaptation projects that considered loss and damage considered economic loss and damage only; twenty-eight percent of projects that considered loss and damage considered both economic and non-economic elements of loss and damage; and projects that considered non-economic loss and damage exclusively were limited, making up only 16.1%.

Figure C: Adaption-only projects under the UNFCCC Financial Mechanism that consider non-economic loss and damage between 2002 and 2023

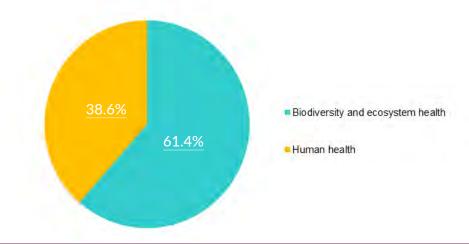


Figure C shows adaption projects that did consider non-economic loss and damage overwhelmingly addressed loss and damage to biodiversity and ecosystem health (61.4%) and non-economic loss and damage to human health (38.6%) None of these projects directly fund, or compensate for, intangible social and cultural heritage loss. This leaves a substantial gap in funding for loss and damage.

This trend is reflected in a case study from Kiribati with the project 'Enhancing national food security in the context of global climate change' funded by the GEF.<sup>65</sup> This project is reported as a full-size project targeted at increasing resilience to climate induced hazards in communities, through climate smart policies and actions in rural development planning. Sea level rise is significantly impacting the Pacific Island nation of Kiribati, which comprises 33 low-lying atolls and islands, many of which sit less than 2 metres above sea level.<sup>66</sup> Inundation of sea water into land causes damage to crops and native vegetation, as well as contamination of fresh water sources. As a result, food insecurity is increasingly threatened in Kiribati, and addressing biodiversity loss is a key priority. The food insecurity and biodiversity losses that prompted the need for this project were directly attributed to the impact of sea level rise in Kiribati. Furthermore, human health is impacted through malnutrition and increases in waterborne illnesses.<sup>67</sup> In this way, food implications for human health are direct losses attributable to sea level rise, and therefore, climate change. While these environmental and human health impacts are critical impacts of human-induced climate change that must be addressed and should receive funding, the cultural and intrinsic heritage value of land and biodiversity that continues to be lost with rising sea levels is not addressed in the funding for adaptation measures to address tangible non-economic impacts.

This example reflects a consistent issue across the UNFCCC Financial Mechanism. Climate justice cannot be achieved through the UNFCCC Financial Mechanism unless intangible non-economic loss and damage finance gaps, including cultural loss, loss and/or damage to connections to land and ocean, sense of place and belonging, loss and/or damage to historical or cultural artefacts or materials, loss of Indigenous knowledges and practices are accounted for. To address the funding gap, the Fund must focus attention to these types of loss and damage that are frequently overlooked and undervalued in the global climate finance landscape.



significant barrier to PSIDS being able to report local context, and don't allow space for discretion from local bodies. They are, therefore, not participatory in their approach and cannot adequately serve PSIDS communities.<sup>73</sup>

# 7.4 The 'vulnerability' discourse

The use of project-based finance to carry out mitigation and adaptation measures has partly resulted from the development of attribution science in climate research, which has provided insight into which emissions are driving the most severe impacts of climate change. This has established more accurate relationships between the adverse physical and economic effects of climate change and anthropogenic factors, thereby placing the blame on high-GDP States for climate change impacts.<sup>74</sup> While this has allowed PSIDS among other low-GDP States impacted by climate change to receive funds, it has also contributed to the narrative of climate change vulnerability.

The language of vulnerability is often used to describe and explain PSIDS experiences of loss and damage as a result of climate change, however this paints Pacific communities as passive victims of climate change and erases Pacific power and Pacific-led demands for more action to be taken by high-GDP nations. Funding models based on a vulnerability framework minimise the responsibility of carbon emitting nations, prioritise top-down decision making, are limited in their understanding of non-economic loss and damage, and therefore incapable of addressing the kinds of loss and damage that cannot be fixed or replaced. Historically, these funding models have primarily focused on addressing loss and damage that are easily quantified and monetised. Historically, these funding models have primarily focused on addressing loss and damage that are easily quantified and monetised.

# 7.5 Low accessibility of climate finance processes and insufficient technical support

PSIDS highlight challenges in accessing climate finance due to the complex and burdensome administrative processes which require substantial resources to complete, and insufficient technical support from the administrative bodies to access these.<sup>77</sup>

A presentation delivered by SPREP in 2022 on Pacific experiences accessing climate finance from multilateral climate funds highlights several challenges, including:<sup>78</sup>

- Insufficient technical support to guide funding requests through the processes and procedures for obtaining climate finance;
- Excessive costs and onerous procedures requiring significant time commitments to complete a proposal for finance; and
- Insufficient dialogue between funding bodies and groups applying for funding.

These practical challenges underpin the inaccessibility of UNFCCC Financial Mechanism, which have continuously disenfranchised PSIDS in holding high-GDP nations to account for climate damage.

# 7.6 Lack of transparency and accountability

Difficult to access online project portals, and limited and inconsistent information regarding the purpose and scope of the projects means there are some data limits and gaps in our findings of the funding direc-



ted to the Pacific region through the UNFCCC Financial Mechanism. This is not an uncommon experience of researchers in this field where the Financial Mechanism exhibits limited transparency and accountability regarding how approved funding is spent.<sup>79</sup> These challenges create extra barriers to meaningfully interpreting the climate finance landscape.

Pacific governments and leaders have found similar difficulties in attempting to track allocated climate finance, often seeing only a fraction of the funding promised by funding bodies. At the 2023 Regional Climate Diplomacy Forum, the Honourable Ralph Regenvanu expressed concerns about the current reporting for UNFCCC, stating that "it has never been clear what types of climate finance have been allocated", noting the deliberate nature of this lack of reporting. This perception of funding reports being ad-hoc or missing is supported by the literature, which states there are no mutually-agreed accounting modalities. Where climate finance flows are not accurately reported, the processes to coordinate, track and access climate finance are difficult at best, and appear deliberately complex and exclusionary at worst.

The Financial Mechanism analysis reveals a lack of full transparency in relation to global adaptation funding, arising from complex online project portals and inconsistency in reporting the scope and purpose of funding. Loss and damage that has been incidentally funded under other UNFCCC funds has not been reported as a distinct category and appears in a piecemeal and inconsistent way. This creates challenges in locating and addressing any funding gaps. These difficulties further erode the trust of PSIDS in the system, and impact how effectively they may be able to access finance to address critical concerns.<sup>83</sup>

# 7.7 Traditional models of development funding

The literature review demonstrates some traditional financing methods can address certain categories of loss and damage, for example social protection, contingency finance, and insurance pay-outs after disasters. This is supported by Pacific Island perspectives from Samoa, where traditional financing mechanisms for loss and damage following a disaster were highlighted as an effective way to address certain components of economic loss and damage, such as repairing damage to infrastructure. B4 However, these financing methods alone do not adequately address loss and damage as we define it; referring to both the economic and non-economic impacts of climate change, many of which have not been addressed by adaptation measures. There are complexities in attributing and quantifying these kinds of impacts of climate change. B5 Although traditional Financial Mechanisms have formulaic approaches to attribution, assessing the monetary value of lost or damaged cultural heritage, for example, must remain to some degree subjective. In this way, we argue that traditional models of climate change finance are not appropriate for the Fund.

Addressing non-economic loss and damage, particularly emotional and cultural losses, may be better achieved when approached with a sense of solidarity from other States experiencing the existential threat posed by climate change impacts.<sup>87</sup> With the dramatic impacts of climate change intensifying, communities across the globe are experiencing, to varying degrees, the loss and damage that climate change is causing. Drawing on emotions of grief and solidarity and on values of justice to incite change are important in gathering wider support from the global community.<sup>88</sup> A solidarity-based model for the Fund could assist in attracting global support and mobilising finance. Drawing on solidarity to garner support for PSIDS to address loss and damage also draws on notions of historical responsibility and the 'polluter pays' principle.<sup>89</sup>

Findings from our research show that the Fund needs to address those gaps that current climate Financial Mechanisms do not fill. The ability of the Fund to do so in an effective way hinges on the set up, operation, and financing of the Fund. The issues raised above, and the solutions proposed by PSIDS leaders inform the recommendations in the following section.



# 8. RECOMMENDED ACTION

# 8.1 Defining loss and damage

To adequately address loss and damage, as experienced by PSIDS, loss and damage should be defined in the framework of the Fund comprehensively, including all manifestations of non-economic loss and damage to Pacific Island cultures and communities.

# Recommendation 1

#### Comprehensive and context-dependent definition of loss and damage

Loss and damage should be comprehensively defined in a context-dependent way in the supporting documents for the Loss and Damage Fund (hereafter, the Fund), and non-economic loss and damage should explicitly include the loss of intangible social and cultural heritage. The Fund should distinguish adaptation and mitigation projects from loss and damage, to support recognition of loss and damage as a distinct category of climate impact that is to be addressed by the Fund.

#### Recommendation 1a

For the purposes of the Fund, we recommend loss and damage be defined as follows: Loss and damage refers to both the actual and potential loss and damage to human and natural systems resulting from climate change impacts. It is irreversible, existential, and in excess of adaptation limits. It encompasses the psychological and mental costs of climate change and is context dependent.

## Recommendation 1b

In relation to intangible social and cultural heritage, we recommend building on this working definition: Intangible social and cultural heritage loss and damage refers to actual and/or potential spiritual, psychological and emotional loss and damage resulting from climate change impacts to human and natural systems. This loss and damage is not readily quantifiable in monetary terms, and impacts upon communities' ways of being.



# 8.2 Increased funding

Past experiences of PSIDS in receiving inadequate funding for mitigation and adaptation efforts show that there will be little benefit in providing finance for loss and damage that does not adequately account for the full breadth of losses experienced by Pacific Island nations. The preceding recommendations are premised on the fact that the Fund will be most successful when accompanied with real commitment to limit impacts from fossil fuel industries and reduce greenhouse gas emissions from major polluting States. The establishment of the Fund represents a significant milestone in international negotiations; however, it must be accompanied by positive action from high GDP States to cut their emissions to limit further climate changes.

# Recommendation 2

# Polluter pays principle

The Fund should prioritise the polluter pays principle and require mandatory contributions from polluting states, based proportionately on their contribution to global emissions. Further, the Fund should have in-built requirements for long-term commitment to provide finance based on states' contribution to global emissions, with a particular emphasis on high-GDP polluting states.

# 8.3 Vertical and horizontal integration

PSIDS have communicated the importance of local context, and have called for a unified framework for local delivery of finance<sup>91</sup> which integrates the support of existing national and sub-national approaches, structures and priorities into a broader flexible framework.<sup>92</sup> The Fijian Government submission to the Transitional Committee in 2023 reflects this notion, drawing on national experiences to provide recommendations to design and implement a regional loss and damage fund capable of recognising intangible cultural heritage loss and damage.<sup>93</sup> Funding efforts should be coordinated between past and future projects across the UNFCCC's Financial Mechanism, ensuring coherence between the various funds as part of the broader international climate finance system.

## Recommendation 3

# Vertical and horizontal integration

#### Recommendation 3a

The Fund should be developed with vertical and horizontal integration built into the framework, such that there is monitoring and evaluation of loss and damage across sectors at the national, regional and international levels. Consistency and collaboration across local, national and regional levels must be sought to ensure effective operation over time. The Fund's framework should be flexible to be able to reflect national and regional policy developments.

#### Recommendation 3b

A comprehensive mapping of all climate adaptation and loss and damage funding should take place to avoid duplication of funding and to ensure funding gaps are addressed.



#### Recommendation 3c

There should be a mechanism within the Fund to allow for states to provide periodic feedback on its framework and procedure and mechanisms for adjustments to be made based on this feedback if required. The needs and feedback of developing states should be prioritised as they are the states the Financial Mechanism seeks to serve.

# 8.4 Administrative processes

The administrative framework for the Fund needs to have the capacity to respond in an appropriate period to economic and non-economic loss and damage from slow onset and disaster events and should have a system for recognising the nature of the loss and damage and processing claims accordingly.

# Recommendation 4

# Responsive administrative framework

#### Recommendation 4a

The administrative frameworks of the Fund should be designed to prioritise expeditious processing and delivery of funding based on a tiered system categorising the nature of the loss and damage being addressed.

#### Recommendation 4b

Project eligibility criteria for funding must be broad to include both economic and non-economic loss and damage caused by slow onset climate impacts as well as extreme weather events.

# 8.5 Locally led participatory approach

An overwhelming majority of sources within the literature review recognised the importance of locally-led and participatory approaches to delivering finance. <sup>94</sup> This is particularly important for PSIDS where, despite being grouped geographically in most international climate discourse, there is a high level of geographic and cultural variability and different communities are affected very differently by climate impacts. <sup>95</sup> Participatory decision-making has been linked with applying human rights principles to address loss and damage comprehensively with a bottom-up approach in academic discourse. <sup>96</sup> It is well understood now that the deficit-based discourse and vulnerability framing that has pervaded development dialogues in the past has historically disenfranchised Pacific voices in the global climate dialogue. A needs-based discourse centred around Pacific voices and knowledges is a key factor in dismantling the vulnerability discourse and allowing for the Fund to be effectively utilised by PSIDS to direct funds to the losses and damages prioritised by their communities.

# Recommendation 5

## Locally led and participatory approach

The Fund should include region specific processes and region specific participation in the funding process. Regional and local instruments of funding dispersal should be prioritised to facilitate timely and contextually relevant implementation of loss and damage funding. <sup>97</sup> A consistent and programmatic approach to categorisation of climate impacts and associated funding should be developed to ensure that loss and damage is appropriately addressed. <sup>98</sup>



# 8.6 Flexibility and a move away from project-based models

Financial assistance in the form of budget support to prioritise national needs and strengthen existing systems has been identified by the Vanuatuan government as an alternative approach to project-based funding.<sup>99</sup>

# Recommendation 6

# Flexible processes for accessing funding

Processes for accessing funds should incorporate flexibility to allow for the breadth of intangible social and cultural heritage losses and damages. Application processes should allow applicants to provide context-specific information and evidence to support their claim.

# 8.7 Emissions reduction

The loss and damage facing the Pacific Islands region will continue unless there is urgent and immediate action taken to reduce greenhouse gas emissions by all UNFCCC State parties.

# Recommendation 7

#### **Emissions reduction**

State parties should pursue ambitious emissions reduction targets to limit the loss and damage experienced by PSIDS, in line with the Paris Agreement target of 1.5 degrees.



# **CONCLUSION**

There is a significant gap in understanding and action required regarding the intangible social cultural heritage loss components of non-economic loss and damage. This mismatch in understanding of loss and damage from the definitional to the policy level reflects limited knowledge and recognition in the global climate discourse. <sup>100</sup> Solutions to address climate change impacts that do not give adequate weight to Pacific Island cultures, identities and connections to land and ocean run the risk of promoting compensation for loss and damage that does not meet the needs of Pacific Island communities, and overlooks the actual and potential damage that these measures may cause.

Analysis of the loss and damage literature in the Pacific and Pacific Island perspectives reveals the stark difference in the definition of climate change loss and damage at the international policy level compared with the lived experience of loss and damage by PSIDS. International policy definitions fail to recognise the impact of climate change on the losses and damages to intangible social and cultural heritage in the Pacific Islands, including the loss of land, place, homes (beyond houses). The lived experiences of PSIDS on the front lines of climate change demonstrate the need for polluting States to not only compensate for the losses and damage felt, but also take positive action to substantially reduce their greenhouse gas emissions to prevent further loss and damage. True climate justice for PSIDS and all low-GDP States cannot be realised without a concurrent and real reduction in global greenhouse gas emissions.

This research endorses the assertions made by PSIDS that the Fund must address all aspects of non-economic loss and damage, including intangible social and cultural heritage loss and damage. The recommendations provided in this paper reflect what we believe to be the most important considerations for the Board and state parties in the design and operation of the Fund. For the Fund to begin to address and compensate for the full spectrum of loss and damage experienced by PSIDS, the global community will need to recognise the paramountcy of the known and lived experiences of climate change for Pacific Island communities. These communities' knowledges and experiences must be placed at the forefront of discussion around climate change loss and damage.

# **APPENDIX A**

Fund	Country	Year	Amount (USD)	Project Name	Project Aim/Description
	FSM	2018	970,000.0	Practical Solutions for Reducing Community Vulnerability to Climate Change in the Federated States of Micronesia	Build the ecological, social and economic resilience of communities in the FSM to climate change impacts. Focus is on building resilience of coastal environments and economies, including traditional practices
	Cook Islands	2018	2,999,125.0	Pa Enua Action for Resilient Livelihoods (PEARL)	Improve overall resilience to impacts of climate change, specifically of the water systems and agricultural sector
	Fiji	2017	4,235,995.0	Increasing the resilience of informal urban settlements in Fiji that are highly vulnerable to climate change and disaster risks	Improving resilience of informal settlements that are highly vulnerable to climate change
	Solomon Islands	2017	4,395,877.0	Enhancing urban resilience to climate change impacts and natural disasters: Honiara	Strengthen the climate resilience of Honiara and its inhabitants, with a particular focus on the most vulnerable industries and demographics
	FSM	2017	9,000,000.0	Enhancing the Climate Resilience of vulnerable island communities in Federated States of Micronesia	Reduce vulnerability to water shortage issues and increase adaptive capacity of communities to drought and flood related climate risk
	FSM	2016	10,000.0	Technical Assistance Grant for Gender Policy (TA-GP)	Enhance the capacity for MCT to assess gender-related issues
Adaptation Fund	FSM	2016	20,000.0	Technical Assistance Grant for ESP	Enhance the capacity of MCT to assess and enhance environment and social related issues
	Papua New Guinea	2012	6,530,373.0	Enhancing adaptive capacity of communities to climate change- -related floods in the North Coast and Islands Region of Papua New Guinea	Support government and residents regarding how to respond to/plan for a coastal or inland flood. The project focusses on river communities
	Samoa	2011	8,732,351.0	Enhancing Resilience of Samoa's Coastal Communities to Climate Change	Reviewing coastal infrastructure management plans and making infrastructure improvements to improve resilience of Samoan communities
	Solomon Islands	2011	5,533,300.0	Enhancing resilience of communities in Solomon Islands to the adverse effects of climate change in agriculture and food security	Strengthen the ability of communities to manage climate change driven pressures on food production and management systems (including livelihood resilience)
	Cook Islands	2011	5,381,600.0	Strengthening the resilience of our islands and our communities to climate change	Strengthen the ability of Pa Enau to respond to climate change risk.
	Papua New Guinea	2023	\$10,000,000	Adaptation of small-scale agriculture for improved food security of resilient communities in Papua New Guinea	The project aims to enhance the sustainability of main agricultural value chains through adoption of climate-smart practices, contributing to improvements in produce quality, increasing access to markets, and creating green jobs for women and youth in vulnerable communities
	Nauru	2023	\$7,999,493	Resilient coastal fisheries and aquaculture	The project aims to enhance the climate resilience of Nauru's population though the creation fo climate resilient and diversified domestic fisheries and acquaculture sectors

	Fiji	2015	31,040,000.0	Fiji Urban Water Supply and Wastewater Management Project	Building and renovating infrastructure to improve safe access to water and sewerage systems
	Tuvalu	2016	36,010,000.0	Tuvalu Coastal Adaptation Project (TCAP)	Building coastal resilience and managing coastal inundation risk. Protecting key infrastructure from large wave risk
	Samoa	2016	57,718,000.0	Integrated Flood Management to Enhance Climate Resilience of the Vaisigano River Catchment in Samoa	Reducing risk of flood-related impacts to the Vaisigano river catchment with a focus on safeguarding key infrastructure
	Marshall Islands	2018	25,000,000.0	Pacific Resilience Project Phase II for RMI	Protecting lives and property/assets from coastal inundation and sea level rise
	Marshall Islands	2019	18,631,216.0	Addressing Climate Vulnerability in the Water Sector (ACWA) in the Marshall Islands	Supporting the government to respond to more frequent and extreme drought that puts drinking water at risk
	Vanuatu	2016	22,950,000.0	Climate information services for resilient planning in Vanuatu	The project will address the need for the Government of Vanuatu to inform and prepare the public to manage expected climate changes. This project aims to achieve this through the use of science-based climate information
Green Climate Fund	Cook islands, Marshall Islands, Palau, Niue, Vanuatu	2020	47,400,000.0	Enhancing climate information and knowledge services for resilience in 5 island countries of the Pacific Ocean	This project aims to support increased climate-resilient sustainable development of 100,000 beneficiaries in the Cook Islands, Niue, Palau, the Republic of the Marshall Islands, and Tuvalu through: a) increased generation and use of climate information in decision making b) strengthened adaptive capacity and reduced exposure to climate risks and c) strengthened awareness of climate threats and risk-reduction processes
	FSM	2021	16,590,000.0	Climate change adaptation solutions for local authorities in the FSM	This project aims to reduce climate vulnerability, lower health risks and increase socio-economic development for vulnerable communities by improving food and water security, enhancing disaster risk reduction and resover, and building local adaptive capacity to respond to climate change. This will be achieved by building the capacity of local authorities to deliver climate change adaptation services by enhancing their technical expertise
	Vanuatu	2022	26,180,000.0	Vanuatu community-based climate resilience project	This project will support highly vulnerable rural and coastal communities to increase their resilience to climate change, through targeted community and local adaptation activities in the agriculture and fisheries sectors. This project will also provide access to climate information and early warning systems at the local level. Key activities include establishing local disaster risk reduction committees; restoring 11,600 hectares of agricultural and fisheries sites, and training cmallholder farmers in climate-resilience agriculture techniques
	Vanuatu	2022	23,330,000.0	Enhancing adaptation and community resilience by improving water security in Vanuatu	The aim of this project is to create safe, climate-resilient and sustainable water utilisation and improve water security in local communities. This is intended to be achieved through improving and scaling up the existing government-owned processes of water management as well as enhancing the capacity of relevant stakeholders in water resource management
Global	Regional	2014	1,000,000.0	Enhancing Capacity to Develop Global and Regional Environ- mental Projects in the Pacific	Assist PSIDS to meet international reporting obligations
Environment Facility	Kiribati	2021	10,016,195.0	Securing Kiribati's Natural Heritage: Protected areas for community, atoll, and island climate resilience (Securing Kiribati)	Improve the resilience of ecosystems and communities in Kiribati through nature-based solutions that support biodiversity and sustainable livelihoods

	Kiribati	2006	1,800,000.0	Kiribati Adaptation Program - Pilot Implementation Phase (KAP-II)	Pilot plan showing how climate change adaptation planning and assessment can be translated into national policy and sustainable development action.  Main focus on biodiversity
	Kiribati	2013	4,720,030.0	Kiribati: Resilient Islands, Resilient Communities	Building resilient communities by supporting the agricultural industry
	Marshall Islands	2023	\$6,842,450	Sustainable food systems and integrated land/seascape management in the Marshall Islands	The project aim is to transform agri-food systems and land/seascape management in the Marshall Islands to deliver integrated global environmental benefits and health benefits
	Regional	2023	\$23,151,489	Enhancing food-water security and and climate resilience in volcanic island countries of the Pacific	This project aims to enhance food and water security and climate resilience, sustain ecosystem services, and relieve pressure on over-exploited coastal acquifers by expanding and assessing the role of volcanic acquifers and by introducing sound groundwater governance frameworks in selected volcanic states of the pacific
	Tuvalu	2022	2,639,726.0	Integrated Agro-ecosystem Approach for enhancing Livelihoods and Climate Resilience in Tuvalu	This project aims to reverse land degradation, enhance local livelihoods and increase climate resilience through integrated agro-ecosystems approaces in all islands of Tuvalu
	Fiji	2020	2,119,425.0	Community-based integrated natural resource management project	This project aims to promote community-based integrated natural resource manafgement at landscape level to reduce land degradation, enhance carbon stocks and strengthen local livelihoods in Ra and Tailevu provinces
Global Environment Facility	Tonga	2016	1,756,880.0	R2R Integrated Environmental Management of the Fanga'uta Lagoon Catchment	The aim of this project is to conserve the ecosystem services of the Fanga'uta Lagoon through an integrated land, water and coastal management approach thereby protecting livelihoods and food production and enhancing climate resilience
	Tuvalu	2015	3,762,844.0	R2R Implementing a Ridge to Reef Approach to Protect Biodiversity and Ecosystem Functions	The aim of this project is to preserve ecosystem services, sustain livelihoods and improve resilience in Tuvalu using a 'ridge -to-reef' approach. To achieve this, the project focusses on a) enhancing and strengthening conservation and protected areas, b) rehabilitating degraded coastal and inland forests/landscapes and supporting the delivery of integrated water resource management, c) enhancing governance and institutional capacities at the national, island, and community levels, and d) improving data information systems
	Marshall Islands	2017	3,927,981.0	R2R Reimaanlok Looking to the Future: Strengthening Natural Resource Management in Atoll Communities in the Republic of Marshall Islands Employing Integrated Approaches (RMI R2R)	This project aims to sustain atoll biodiversity and livelihoods by building community and ecosystem resilience to threats and degrading influences through integrated management of terrestrial and coastal resources
	Micronesia	2013	4,689,815.0	R2R Implementing an Integrated Ridge to Reef Approach to Enhance Ecosystem Services, to Conserve Globally Important Biodiversity and to Sustain Local Livelihoods in the FSM	This project aims to strengthen local, State and National capacities and actions to implement an integrated ecosystems management through a 'ridge to reef' approach on the High Islands of the four States of FSM
	Fiji	2015	7,387,614.0	Implementing a "Ridge to Reef" Approach to Preserve Ecosystem Services, Sequester Carbon, Improve Climate Resilience and Sustain Livelihoods in Fiji (Fiji R2R)	This project aims to preserve biodiversity, ecosystem services, sequester carbon, improve climate resilience and sustain livelihoods through a 'ridge-to-reef' management of priority watersheds in the two main islands of Fiji
	Vanuatu	2016	4,605,680.0	R2R: Integrated Sustainable Land and Coastal Management	The aim of this project is to test and implement sustainable and integrated management of forest, land and marine resources to achieve effective 'ridge-to-reef' conservation in priority watersheds in Vanuatu

				Concenting Diadiversity and Enhancing Ecosystem Eyestions	The aim of this project is to build local and national capacities and actions to
	Cook Islands	2015	4,267,431.0	Conserving Biodiversity and Enhancing Ecosystem Functions through a "Ridge to Reef" Approach in the Cook Island	ensure effective conservation of biodiversity, food security and livelihoods and the enhancement of ecosystem functions within the Cook Island Marine Park
Global	Nauru	2015	2,644,358.0	R2R: Implementing a "Ridge to Reef" Approach to Protecting Biodiversity and Ecosystem Functions in Nauru (R2R Nauru)	This project aims to preserve biodiversity, ecosystem services, improve climate resilience and sustain livelihoods in Nauru using a 'ridge-to-reef' approach
Environment Facility	Tonga	2003	100,000.0	Climate Change Enabling Activity (Additional Financing for Capacity Building in Priority Areas)	Description of project unavailable
	FSM	2021	8,580,000.0	Climate resilient food security for farming households across the FSM	The project aims to establish an enabling environment for adaptive action and investment, enhance food security of vulnerable households by introducing climate-smart agriculture practices, and strengthen climate-resilient value chains and market linkages across the agricultural sector
	Vanuatu	2021	2,293,578.0	Greater Port Vila urban resilience project	The aim of the project is to improve urban resilience in Greater Port Vila. The project also aims to make Port Vila safe, inclusive, resilient and vibrant as an economic hub based on sustainable development principles
	Kiribati	2020	8,925,000.0	Enhancing Whole of Islands Approach to Strengthen Community Resilience to Climate and Disaster Risks in Kiribati	The project aims to support communities and government to become more resilient in the face of climate change risk
	Kiribati	2011	3,000,000.0	Increasing Resilience to Climate Variability and Hazards	The project seeks to increase Kiribati's resilience to climate change and associated natural hazards, especially fresh water supply and coastal infrastructure
	Kiribati	2003	200,000.0	National Adaptation Programme of Action (NAPA)	The project develops a program of action for adaptation to climate change, including a political committment to protect the environment.
Global	Kiribati, Solo- mon Islands, Tuvalu, Vanuatu, Regional	2019	16,055,046.0	Climate Resilient Urban Development in the Pacific	The project aims to increase the resilience of critical urban areas and urban services in the Pacific
Environment Facility (Least Developed Countries Fund)	Kiribati, Solo- mon Islands, Tuvalu, Vanuatu, Regional	2020	17,850,000.0	Building Resilience of Health Systems in Pacific Island LDCs to Climate Change	The project aims to enhance the capacity of national and local health system institutions, personnel, and local communities to manage health risks induced by climate variatbility and change
	Samoa	2014	12,322,926.0	Economy-wide Integration of Climate Change Adaptation and DRM/DRR to Reduce Climate Vulnerability of Communities in Samoa	Enhance resilience of communities physical assets and livelihoods across Samoa to climate change and natural hazards
	Samoa	2013	1,950,000.0	Enhancing the Resilience of Tourism-reliant Communities to Climate Change Risks	The project sought to increase the resilience of the tourism sector of Samoa through mainstreaming climate risks into tourism-related policy processes which guide the implementation of adaptation actions by tourism operators and tourism-reliant communities
	Samoa	2009	2,000,000.0	Integrating Climate Change Risks into the Agriculture and Health Sectors in Samoa	Increasing adaptive capacity of coastal communities to adverse impacts of climate change on agricultural production and public health
	Samoa	2002	200,000.0	Programme of Action for Adaptation to Climate Change	improve community capacity for adaptation to climate change. Protect communities, infrastructure and the environment, and increase awareness of the impacts of climate change in society and government

	Solomon Islands	2022	23,570,000.0	Integrated Economic Development and Community Resilience (IEDCR)	enhance climate and disaster resilience actions and improve provincial govern- ment accountability to citizens
	Solomon Islands	2014	7,300,000.0	Community Resilience to Climate and Disaster Risk in Solomon Islands Project	improve capacity of rural communities to respond to natural disaster risk and climate change. Integration of climate change and disaster risk consideratinos into government decision-making, include climate change resilience in ministerial annual work programs.
	Solomon Islands	2014	6,850,000.0	Solomon Islands Water Sector Adaptation Project (SIWSAP)	Improve resilience of water resources to improve health and livelihood outcomes, and improving governance and knowledge for climate change adaptation at local and national levels
	Solomon Islands	2010	4,350,000.0	Strengthening Climate Change Adaptation and Disaster Risk Management	Reduce the vulnerability of coastal communities to the impacts of climate change by integrating disaster risk and climate change concepts into government policies and investment plans. Increase the climate resilience of coastal infrastructure and water resources
	Solomon Islands	2005	200,000.0	Formulation of a National Adaptation Programme of Action (NAPA) for Solomon Islands	The project aimed to create a plan of action for the country's adaptation to climate change. Plan of action to include planning, prevention, survival and recovery for the immediate and near-term future.
	Timor Leste	2015	190,000.0	CPDP: Enhcnaing Climate Resilience of the Urban Services Sector in Timor Leste	The project sought to increase the climate resilience of communities in Dili by ensuring sustainable, climate proof water supply
Global Environment Facility (Least	Tuvalu	2022	4,416,210.0	Ecosystem based adaptation for improved livelihood in Tuvalu	The project aimed to reduce vulnerability to climate change through adaptive agricultural practices and ecosystem management in Tuvalu
Developed Countries Fund)	Tuvalu	2016	500,000.0	Climate Resilience in the Outer Islands of Tuvalu	The project aimed tp Improve domestic maritime connectivity to help climate resilience of community infrastructure
	Tuvalu	2009	3,300,000.0	Increasing Resilience of Coastal Areas and Community Settlements to Climate Change	The project sought to increase protection of coastal livelihoods from climate change risk
	Tuvalu	2003	200,000.0	National Adaptation Programme of Action (NAPA)	Developing a program of action for adaptation to climate change, including a political committment to protect the environment.
	Vanuatu	2022	200,000.0	Adaptation to Climate Change in the Coastal Zone in Vanuatu Phase II (VCAP II)	Improve resilience of vulnerable areas and communities through conservation of biodiversity and ecosystems, and integrated approaches to sustain livelihoods and reduce land degradation
	Vanuatu	2017	5,580,000.0	Increasing Resilience to Climate Change and Natural Hazards	The project aims to strengthen disaster risk management systems and pilot investments in select villages to increase the resilience to the impacts of natural hazards and climate variability and change
	Vanuatu	2003	200,000.0	National Adaptation Programme of Action	Developing a program of action for adaptation to climate change, including a political committment to protect the environment.
	Solomon Islands	2021	4,587,156.0	Strengthening resilience of water supply in Honiara	The project aims to improve efficiency, accessibility, climate change and disaster resiliency, and sustainability of safe water and sanitation in Honiara
	Tuvalu	2022	4,587,156.0	Funafuti water and sanitation project	The project sought to improve the provision of climate-adapted, resilient and improved drinking water supply, drainage, and sanitation services in Funafuti

	Kiribati	2020	4,587,156.0	South Tarawa water supply project	The overall objective of the project is to provide South Tarawa's population with reliable access to a safe, resilient and low carbon water supply under a changing climate
	Vanuatu	2015	5,550,000.0	Protecting urban areas against the impacts of climate change in Vanuatu	The project aims to reduce vulnerability and increase resilience to climate change hazards in urban areas in Vanuatu
	Kiribati	2015	4,446,210.0	Enhancing National Food Security in the Context of Global Climate Change	The project aims to increase the resilience of communities to climate change induced hazards through integration of climate smart policies and actions into rural development planning and budgeting
Global Environment Facility (Least	Vanuatu	2022	200,000.0	Adaptation to Climate Change in the Coastal Zone in Vanuatu - Pahse II (VCAP II)	The project aims to improve the resilience of the vulnerable areas and communities therein to the impacts of climate change through the conservation of biodiversity and natural ecosystems and the implementation of integrated approaches to sustain livelihoods, food production and ensure biodiversity conservation and reduce land degradation
Developed Countries Fund)	Vanuatu	2014	8,030,000.0	Adaptation to Climate Change in the Coastal Zone in Vanuatu	The project aims to improve the resilience of the coastal zone to the impacts of climate change in order to sustain livelihoods, food production, preserve and improve the quality of life in targeted vulnerable areas
	Tuvalu	2013	4,200,000.0	Effective and Responsive Island-level Governance to Secure and Diversify Climate Resilient Marine-based Coastal Livelihoods and Enhance Climate Hazard Response Capacity	The project sought to improve the resilience of island communities to climate change variability and risks is strengthened through participatory island-level planning, budgeting and execution and community-led investments
	Samoa	2011	2,400,000.0	Integration of Climate Change Risk and Resilience into Forestry Management (ICCRIFS)	The project aims to increase the resilience and adaptive capacity of Samoa's forest areas and communities reliant on Samoa's forestry resources
	Samoa	2002	200,000.0	Programme of Action for Adaptation to Climate Change	The objective of the proposed NAPA project for Samoa is to develop a country-wide programme of immediate and urgent project-based adaptation activities that address the current and anticipated adverse effects of climate change, including extreme events
Global Environment Facility (Special Climate Change Fund)	Regional	2008	13,125,000.0	Pacific Adaptation to Climate Change Project (PACC)	This project (PACC ) will implement long-term adaptation measures to increase the resilience of a number of key development sectors in the Pacific islands to the impacts of climate change. This objective will be achieved by focusing on adaptation response strategies, policies and measures to bring about this result. The key development sectors this project will focus on are: 1. water resources management; 2. food production and food security; and 3. coastal zone and associated infrastructure (roads and breakwater). To ensure sustainability of the project, regional and national adaptation financing instruments will constitute a fourth component of the project
	Tonga	2015	5,479,452.0	Pacific Resilience Program	The project aims to strengthen early warning, resilient investment and financial protection of Tonga

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