

Climate Finance beyond COP 28: Operationalizing the Loss and Damage Fund

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Climate Finance beyond COP 28: Operationalizing the Loss and Damage Fund

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Abstract

The paper critically discusses the role of the Loss and Damage Fund in the climate finance agenda. It argues that the Loss and Damage Fund is necessary in expanding the landscape of climate finance and assisting 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. The paper critically examines the progress made towards actualizing the Loss and Damage Fund at COP 28. It argues a case for operationalizing the Loss and Damage Fund in order to enhance the future of climate finance.

1.0 Introduction

Climate finance refers to local, national, regional, continental and global financing of public and private investment that seeks to support mitigation of and adaptation to climate change¹. Climate finance has also been defined as finance for activities aimed at mitigating or adapting to the impacts of climate change². The United Nations defines climate finance as local, national or transnational financing drawn from public, private and alternative sources of financing that seeks to support mitigation and adaptation actions that will address climate change³. Climate finance can therefore be understood as

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¹ Hong, H., Karolyi, G. A., & Scheinkman, J.A., 'Climate Finance.' *Review of Financial Studies*, Volume 33, Issue 3 (2020)

² The London School of Economics and Political Science., 'What is Climate Finance?' Available at <https://www.lse.ac.uk/granthaminstitute/explainers/what-is-climate-finance-and-where-will-it-come-from/> (Accessed on 25/12/2023)

³ United Nations Climate Change., 'Introduction to Climate Finance.' Available at <https://unfccc.int/topics/introduction-to-climate-finance> (Accessed on 25/12/2023)

the flow of funds to all activities, programmes or projects intended to help address climate change through both mitigation and adaptation across the world⁴.

Climate finance is very essential in enhancing the global response to climate change. Climate finance is needed for mitigation, because large-scale investments are required to significantly reduce emissions⁵. Further, climate finance is equally important for adaptation, as significant financial resources are needed to adapt to the adverse effects and reduce the impacts of climate change⁶. Climate finance is therefore necessary in combating climate change since the adaptation and mitigation processes vital in enhancing national, regional and global response to climate change require funding⁷.

It has been correctly pointed out that the concept of climate finance is premised on the principle of '*common but differentiated responsibility and respective capabilities*' which calls upon developed countries to provide financial resources to assist developing countries to respond to climate change (Emphasis added).⁸ The principle of common but differentiated responsibility and respective capabilities has been embraced under the *United Nations Framework Convention for Climate Change (UNFCCC)*⁹ and the *Paris Agreement*¹⁰ which urge developed countries to take the lead in mobilizing and unlocking climate finance¹¹. This principle recognizes that the contribution of countries to climate change and their capacity to prevent it and cope with its consequences vary enormously¹². It has been pointed out that climate change has had uneven and unequal

⁴ Muigua, K., 'Unlocking Climate Finance for Development.' Available at <https://kmco.co.ke/wp-content/uploads/2023/08/Unlocking-Climate-Finance-for-Development.pdf> (Accessed on 25/12/2023)

⁵ United Nations Climate Change., 'Introduction to Climate Finance.' Op Cit

⁶ Ibid

⁷ Climate Finance., 'Climate Finance Essential for Mitigating and Adapting to Climate Change.' Available at <https://www.iberdrola.com/sustainability/what-is-climate-finance> (Accessed on 25/12/2023)

⁸ United Nations Climate Change., 'Introduction to Climate Finance.' Op Cit

⁹ United Nations Framework Convention on Climate Change., Available at https://unfccc.int/files/essential_background/background_publications_htmlpdf/application/pdf/conveng.pdf (Accessed on 25/12/2023)

¹⁰ Paris Agreement., Available at https://unfccc.int/sites/default/files/english_paris_agreement.pdf (Accessed on 25/12/2023)

¹¹ Ibid, Article 11 (1)

¹² Ibid

burdens across the globe with nations and communities that contribute the least to climate change suffering the most from its consequences¹³. However, such countries which are often developing countries and small island nations lack adequate financial resources to prepare for and cope with the impacts of climate change¹⁴. Climate finance is therefore seen as a vital tool in enhancing the capacity of developing countries and small island nations to respond to climate change¹⁵.

The paper critically discusses the role of the Loss and Damage Fund in the climate finance agenda. It argues that the Loss and Damage Fund is necessary in expanding the landscape of climate finance and assisting 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. The paper critically examines the progress made towards actualizing the Loss and Damage Fund at COP 28. It argues a case for operationalizing the Loss and Damage Fund in order to enhance the future of climate finance.

2.0 Examining the Loss and Damage Fund

The Loss and Damage Fund was launched at the 2022 United Nations Climate Change Conference/ Conference of the Parties of the UNFCCC (COP 27) when parties agreed to set up funding arrangements for responding to loss and damage associated with the adverse effects of climate change, including a focus on addressing loss and damage¹⁶. The objective of the Loss and Damage Fund is to establish new funding arrangements for assisting developing countries that are particularly vulnerable to the adverse effects of

¹³ Sultana. F., 'Critical Climate Justice' Available at <https://www.farhanasultana.com/wpcontent/uploads/Sultana-Critical-climate-justice.pdf> (Accessed on 25/12/2023)

¹⁴ Hill. A., & Babin. M 'Why Climate Finance is Critical for Accelerating Global Action.' Available at <https://www.cfr.org/in-brief/why-climate-finance-critical-accelerating-global-action> (Accessed on 25/12/2023)

¹⁵ Ibid

¹⁶ UNFCCC., 'Decision -/CP.27 -/CMA.4: Funding Arrangements for Responding to Loss and Damage Associated with the Adverse Effects of Climate Change, Including a Focus on Addressing Loss and Damage.' Available at https://unfccc.int/sites/default/files/resource/cma4_auv_8f.pdf (Accessed on 25/12/2023)

climate change, in responding to loss and damage, including with a focus on addressing loss and damage by providing and assisting in mobilizing new and additional resources, and that these new arrangements complement and include sources, funds, processes and initiatives under and outside the UNFCCC and the Paris Agreement¹⁷. The COP 27 decision also stipulates ways of operationalizing the Loss and Damage Fund including establishing institutional arrangements, modalities, structure, governance and terms of reference for the fund, defining the elements of the new funding arrangements, identifying and expanding sources of funding and ensuring coordination and complementarity with existing funding arrangements¹⁸. It further establishes a Transitional Committee to operationalize the new funding arrangements for responding to loss and damage and the associated fund¹⁹. The Committee made recommendations based on, inter alia, elements for operationalization of the Loss and Damage Fund for consideration and adoption by the Conference of the Parties at COP 28²⁰.

According to the United Nations Environment Programme (UNEP), the establishment of the Loss and Damage Fund was the culmination of decades of pressure from climate-vulnerable developing countries²¹. UNEP observes that the fund aims to provide financial assistance to nations most vulnerable and impacted by the effects of climate change²². It has been asserted that the Loss and Damage Fund acknowledges that climate change has caused widespread adverse impacts and related losses and damages to nature and people beyond natural climate variability²³. The United Nations points out that some development and adaptation efforts have reduced climate vulnerability, but the rise in

¹⁷ Ibid, Paragraph 2

¹⁸ Ibid, Paragraph 5

¹⁹ Ibid, paragraph 4

²⁰ Ibid

²¹ United Nations Environment Programme., 'What you Need to Know about the COP 27 Loss and Damage Fund.' Available at <https://www.unep.org/news-and-stories/story/what-you-need-know-about-cop27-loss-and-damage-fund> (Accessed on 25/12/2023)

²² Ibid

²³ United Nations Climate Change., 'Loss and Damage.' Available at <https://unfccc.int/topics/adaptation-and-resilience/the-big-picture/introduction#loss-and-damage> (Accessed on 25/12/2023)

weather and climate extremes has led to some irreversible impacts as natural and human systems are pushed beyond their ability to adapt²⁴. Loss and damage arising from the adverse impacts of climate change can include those related to extreme weather events but also slow onset events, such as sea level rise, increasing temperatures, ocean acidification, glacial retreat and related impacts, salinization, land and forest degradation, loss of biodiversity and desertification²⁵. According to UNEP, loss and damage refers to the negative consequences that arise from the unavoidable risks of climate change, like rising sea levels, prolonged heatwaves, desertification, the acidification of the sea and extreme events, such as bushfires, species extinction and crop failures²⁶.

The Loss and Damage Fund has been hailed as an important milestone in the climate justice agenda²⁷. The concept of climate justice acknowledges that climate change has had uneven and unequal burdens across the globe with nations and communities that contribute the least to climate change suffering the most from its consequences²⁸. It has correctly been pointed out that some countries mainly the large industrialised economies of Europe and North America have benefitted much more from the industries and technologies that cause climate change than have developing nations in places such as Africa, Asia, the Caribbean Islands and the Pacific Islands which due to an unfortunate mixture of economic and geographic vulnerability, continue to shoulder the brunt of the burdens of climate change despite their relative innocence in causing it²⁹. The impacts of climate change including extreme flooding, intense droughts, rising sea levels, and unpredictable weather damage are more severe in developing countries resulting in both

²⁴ Ibid

²⁵ Ibid

²⁶ United Nations Environment Programme., 'What you need to know about the COP27 Loss and Damage Fund.' Op Cit

²⁷ Anderson. K., 'What is the COP 27 Loss and Damage Fund?' Available at <https://greenly.earth/en-us/blog/company-guide/what-is-the-cop27-loss-and-damage-fund> (Accessed on 25/12/2023)

²⁸ Sultana. F., 'Critical Climate Justice' Op Cit

²⁹ Giles. M., 'The Principles of Climate Justice at CoP27.' Available at <https://earth.org/principles-ofclimatejustice/#:~:text=That%20response%20should%20be%20based,the%20consequences%20of%20climate%20change> (Accessed on 25/12/2023)

economic and non-economic loss and damage including loss of lives, damage to infrastructure and displacement of people³⁰. Climate justice focuses on how climate change impacts people differently, unevenly and disproportionately and seeks to address the resultant injustices in fair and equitable way³¹. The Loss and Damage has been hailed for recognizing the injustices caused by climate change whose impacts are more severe in developing countries³². It has been described as a response to the climate injustice and climate debt, owed by the developed countries to the developing countries³³. It aims to help developing nations deal with loss and damage resulting from the effects of climate change³⁴.

The Loss and Damage Fund is therefore important in the climate finance agenda. It has been asserted that the establishment of the Loss and Damage Fund will add a third pillar to the global climate finance landscape which will now comprise of mitigation (funding to reduce emissions), adaptation (funding to minimize the negative impacts of emissions) and loss and damage (funding to address the harms caused by emissions)³⁵. The Loss and Damage Fund will help vulnerable nations to rebuild the necessary physical and social infrastructure to deal with the negative consequences that arise from the unavoidable risks of climate change including rising sea levels, extreme heat waves, desertification, forest fires and crop failures³⁶. Further, it has been argued that the Loss and Damage Fund will help governments rebuild homes, hospitals and roads, avoid new debt burdens, and provide social protection to help communities bridge crises and avoid incidences of

³⁰ Ibid

³¹ Sultana. F., 'Critical Climate Justice' Op Cit

³² Anderson. K., 'What is the COP 27 Loss and Damage Fund?' Op Cit

³³ Wyns. A., 'COP 27 Establishes Loss and Damage Fund to Respond to Human Cost of Climate Change.' *The Lancet Planetary Health*, Volume 7, Issue 1 (2023)

³⁴ Anderson. K., 'What is the COP 27 Loss and Damage Fund?' Op Cit

³⁵ Reliefweb., 'A Loss and Damage Fund: Two Big Challenges.' Available at <https://reliefweb.int/report/world/loss-and-damage-fund-two-big-challenges> (Accessed on 18/09/2023)

³⁶ Anderson. K., 'What is the COP 27 Loss and Damage Fund?' Op Cit

poverty after climate disasters³⁷. The Loss and Damage Fund is therefore important since its establishment will expand the climate finance landscape.

However, operationalization of the Loss and Damage Fund is likely to face several hurdles. Among the key concerns is the ability of the Fund to meet the urgent and immediate need for new, additional, predictable and adequate financial resources while ensuring that existing development and climate financing for other priorities is not diverted³⁸. It has been argued that there is a real danger that the supposed 'new and additional' funding will not be new and additional at all since it will simply be drawn from existing aid budgets and taken from other areas thus hindering other climate change priority areas including mitigation and adaptation³⁹.

In addition, there are unresolved questions over who will provide finance and which countries will receive it⁴⁰. There have been suggestions that the Fund should be drawn from developed countries which have an obligation to fulfill their climate finance commitments in accordance with the principle of common but differentiated responsibility and respective capabilities while others have suggested that there is need to find new, scaled up sources of funding such as innovative 'polluter pays' style instruments levied at a national level, such as a national carbon tax, and that high emitting industries could also contribute to the Fund⁴¹. It has been asserted there is no clarity over where the Loss and Damage Fund will be drawn from and how the Fund will be aligned with existing UNFCCC funds⁴². It is further not clear whether all developing countries will be beneficiaries of the Fund or only those that are highly vulnerable to the

³⁷ Wyns. A., 'COP 27 Establishes Loss and Damage Fund to Respond to Human Cost of Climate Change.' Op Cit

³⁸ Reliefweb., 'A Loss and Damage Fund: Two Big Challenges.' Op Cit

³⁹ Ibid

⁴⁰ Rumble. O, & Gilder. A., 'Who, What, Where? The Loss and Damage Fund's Unresolved Questions.' <https://africanarguments.org/2023/07/who-what-where-the-loss-and-damage-funds-unresolved-questions/> (Accessed on 19/09/2023)

⁴¹ Ibid

⁴² Anderson. K., 'What is the COP 27 Loss and Damage Fund?' Op Cit

impacts of climate change⁴³. It is therefore imperative to define the scope of the Loss and Damage Fund in order to enhance its effectiveness.

Finally, there are concerns over efficiency of the Loss and Damage Fund in providing much needed climate finance to countries affected by climate disasters⁴⁴. Existing climate finance institutions and funds, such as the Green Climate Fund and the Adaptation Fund, often have elaborate application processes, and take years to distribute funds⁴⁵. It has been argued that establishing the Fund under existing entities within the UNFCCC such as the Green Climate Fund is likely to encumber the Loss and Damage Fund with the institutional, legal, and procedural challenges that have plagued other existing funds and thus prevent vulnerable countries from expeditious access to funds needed to address loss and damage related to climate change⁴⁶. Further, it has also been argued that establishing the Fund as a new entity under the financial mechanisms of the UNFCCC will result in further fragmentation of the climate finance landscape⁴⁷. The current environment of climate finance is now dispersed across dozens of multilateral and bilateral providers, each with their own requirements, procedures and processes a situation which places significant burden on vulnerable countries who find it difficult to access finance⁴⁸. It is therefore imperative to address the foregoing concerns in order to ensure the efficacy and efficiency of the Loss and Damage Fund and fulfill its objective of assisting developing countries that are particularly vulnerable to the adverse effects of

⁴³ Rumble. O, & Gilder. A., 'Who, What, Where? The Loss and Damage Fund's Unresolved Questions.'

Op Cit

⁴⁴ Wyns. A., 'COP 27 Establishes Loss and Damage Fund to Respond to Human Cost of Climate Change.'

Op Cit

⁴⁵ Ibid

⁴⁶ Rumble. O, & Gilder. A., 'Who, What, Where? The Loss and Damage Fund's Unresolved Questions.'

Op Cit

⁴⁷ Ibid

⁴⁸ Reliefweb., 'A Loss and Damage Fund: Two Big Challenges.' Op Cit

climate change in responding to loss and damage that arises from the impacts of climate change⁴⁹.

3.0 Operationalizing the Loss and Damage Fund

At COP 28, parties of the UNFCCC reached a historic agreement on the operationalization of the Loss and Damage fund and funding arrangements⁵⁰. The decision sets out the purpose of the Fund which is 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 events⁵¹. The Agreement invites the World Bank to operationalize the Fund as a World Bank hosted financial intermediary fund for an interim period of four years⁵². According to the Agreement, the Loss and Damage Fund will endeavour to assist those countries that are vulnerable to the adverse impacts of climate change in mobilizing external finance to strengthen their efforts to respond to loss and damage while supporting both the achievement of international goals on Sustainable Development and the eradication of poverty⁵³.

The Decision sets out the scope of the Fund which is to provide finance for addressing a variety of challenges associated with the adverse effects of climate change, such as climate-related emergencies, sea level rise, displacement, relocation, migration, insufficient climate information and data, and the need for climate-resilient

⁴⁹ UNFCCC., 'Decision -/CP.27 -/CMA.4: Funding Arrangements for Responding to Loss and Damage Associated with the Adverse Effects of Climate Change, Including a Focus on Addressing Loss and Damage.' Op Cit

⁵⁰ United Nations Climate Change., 'Operationalization of the New Funding Arrangements, including a Fund, for Responding to Loss and Damage referred to in Paragraphs 2-3 of Decisions 2/CP.27 and 2/CMA.4.' Available at <https://unfccc.int/documents/636558> (Accessed on 25/11/2023)

⁵¹ Ibid

⁵² Ibid

⁵³ Ibid

reconstruction and recovery⁵⁴. The Fund will focus on priority gaps within the current landscape of institutions, including global, regional and national institutions, that are funding activities related to responding to loss and damage⁵⁵. In relation to the legal status of the Loss and Damage, the COP 28 decision sets out that the Fund will possess international legal personality and appropriate legal capacity as is necessary for the exercise of its functions, the fulfilment of its objectives and the protection of its interests, in particular the capacity to enter into contracts, to acquire and dispose of movable and immovable property, and to institute legal proceedings in defence of its interests⁵⁶. In addition, in terms of the relationship of the Fund to the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, the COP 28 decision provides that the Fund will be designated as an entity entrusted with the operation of the Financial Mechanism of the Convention, which also serves the Paris Agreement, and will be accountable to and function under the guidance of the Conference of the Parties (COP) and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement⁵⁷.

The COP 28 decision further stipulates that the Loss and Damage Fund will be governed and supervised by a Board that is its decision-making body⁵⁸. The Board will have responsibility for setting the strategic direction of the Fund and for the Fund's governance and operational modalities, policies, frameworks and work programme, including relevant funding decisions⁵⁹. Further, in terms of eligibility, the COP 28 decision sets out that developing countries that are particularly vulnerable to the adverse effects of climate

⁵⁴ United Nations Climate Change., 'Operationalization of the New Funding Arrangements, including a Fund, for Responding to Loss and Damage referred to in Paragraphs 2-3 of Decisions 2/CP.27 and 2/CMA.4.' Op Cit

⁵⁵ Ibid

⁵⁶ Ibid

⁵⁷ Ibid

⁵⁸ Ibid

⁵⁹ United Nations Climate Change., 'Operationalization of the New Funding Arrangements, including a Fund, for Responding to Loss and Damage referred to in Paragraphs 2-3 of Decisions 2/CP.27 and 2/CMA.4.' Op Cit

change are eligible to receive resources from the Fund⁶⁰. The Fund is intended to promote and strengthen national responses for addressing loss and damage through pursuing country-led approaches, including through effective involvement of relevant institutions and stakeholders, in particular women, vulnerable communities and Indigenous Peoples⁶¹. In order to foster access to financial resources by developing countries, the COP28 decision requires the Fund to develop simplified procedures and criteria for fast-tracked screening to determine functional equivalency with internationally recognized standards of national and/or regional funding entities' safeguards and standards to manage funded programmes and projects in country, as appropriate⁶². In addition, in terms of financial inputs, the COP 28 outcome provides that the Fund is able to receive contributions from a wide variety of sources of funding, including grants and concessional loans from public, private and innovative sources, as appropriate⁶³. In relation to financial instruments, the COP 28 outcome provides that the Fund will provide financing in the form of grants and highly concessional loans on the basis of the Board's policy for the provision of grants, concessional resources and other financial instruments, modalities and facilities⁶⁴. In addition, the Fund may deploy a range of additional financial instruments that take into consideration debt sustainability (grants, highly concessional loans, guarantees, direct budget support and policy-based finance, equity, insurance mechanisms, risk-sharing mechanisms, pre-arranged finance, performance-based programmes and other financial products, as appropriate) to augment and complement national resources for addressing loss and damage⁶⁵. The COP 28 outcome also requires programmes, projects and other activities financed by the Fund to be regularly monitored for impact, efficiency and effectiveness⁶⁶.

⁶⁰ Ibid

⁶¹ Ibid

⁶² Ibid

⁶³ Ibid

⁶⁴ Ibid

⁶⁵ Ibid

⁶⁶ Ibid

The COP 28 outcome is therefore important in operationalizing the Loss and Damage Fund and expanding the landscape of climate finance⁶⁷. Operationalization of the Fund has been described as an essential tool to deliver climate justice⁶⁸. It is therefore necessary to implement the COP 28 outcome in order to operationalize the Loss and Damage Fund. In addition, it has been asserted that the loss and damage funds should be new and additional – and come as grants not loans in order to fulfill the purpose of the Fund⁶⁹. It is also imperative for the world to close the climate financing gap. It has been highlighted that the current climate change funding pledges fall far short of what is actually required to mitigate the worst impacts of climate change and to deal with the unavoidable consequences⁷⁰. Developed countries have failed to deliver on an agreed climate finance target of \$100 billion annually by 2020 resulting in inadequacy, imbalance and unpredictability of climate finance flows to developing countries thus affecting implementation of mitigation and adaptation measures in developing countries⁷¹. There is an apprehension that the Loss and Damage Fund may suffer from the same fate of inadequate funding thus affecting the response to climate change in vulnerable countries⁷². The world urgently needs to find more resources for mitigation, adaptation and loss and damage so that climate change will not erode humanity's chances to deliver on the Sustainable Development Goals⁷³.

Finally, it is imperative to confront the global problem of climate change by addressing its root cause through reducing greenhouse gas emissions⁷⁴. Unless this is achieved, more

⁶⁷ United Nations., 'COP 28 Talks Open in Dubai with Breakthrough Deal on Loss and Damage Fund.' Available at <https://turkiye.un.org/en/254449-cop28-talks-open-dubai-breakthrough-deal-loss-and-damage-fund> (Accessed on 25/12/2023)

⁶⁸ Ibid

⁶⁹ Ibid

⁷⁰ Anderson. K., 'What is the COP 27 Loss and Damage Fund?' Op Cit

⁷¹ Kone. T., 'For Africa to meet its Climate Goals, Finance is Essential.' Available at <https://climatepromise.undp.org/news-and-stories/africa-meet-its-climate-goals-finance-essential> (Accessed on 25/12/2023)

⁷² Anderson. K., 'What is the COP 27 Loss and Damage Fund?' Op Cit

⁷³ United Nations Environment Programme., 'What you need to know about the COP27 Loss and Damage Fund.' Op Cit

⁷⁴ United Nations Environment Programme., 'What you need to know about the COP27 Loss and Damage Fund.' Op Cit

countries will continue to face the devastating effects of climate change⁷⁵. This calls for all countries especially the developed countries which are the largest contributors to global greenhouse emissions to comply with their climate commitments under the Paris Agreement as set out in their Nationally Determined Contributions (NDCs)⁷⁶. Through this, the threat of climate change will be minimized and the Loss and Damage Fund will only be required in extreme cases⁷⁷.

The Loss and Damage Fund holds immense promises in enhancing the global response to climate change. It can unlock climate finance and foster climate justice⁷⁸. There is need to operationalize the Fund in order to provide financial assistance to nations most vulnerable and impacted by the effects of climate change towards climate justice⁷⁹.

4.0 Conclusion

The Loss and Damage Fund is designed to provide financial assistance to nations most vulnerable and impacted by the effects of climate change⁸⁰. It recognizes the injustices caused by climate change whose impacts are more severe in developing countries⁸¹. Its adoption will add a third pillar to the global climate finance landscape alongside

⁷⁵ Ibid

⁷⁶ Mace. M., 'Mitigation Commitments under the Paris Agreement and the Way Forward.' *Climate Law*, No. 6 of 2016, pp 21-39

⁷⁷ United Nations Environment Programme., 'What you need to know about the COP27 Loss and Damage Fund.' Op Cit

⁷⁸ Ibid

⁷⁹ Ibid

⁸⁰ United Nations Environment Programme., 'What you need to know about the COP27 Loss and Damage Fund.' Op Cit

⁸¹ Anderson. K., 'What is the COP 27 Loss and Damage Fund?' Op Cit

mitigation and adaptation⁸². The COP 28 outcome is a key milestone towards the operationalization of the Loss and Damage Fund⁸³. There is need to implement the outcome in order to reap the benefits presented by the Loss and Damage Fund. In addition, it is imperative to close the global climate financing gap and address the root causes of climate change in order to effectively confront climate change⁸⁴. Operationalizing the Loss and Damage Fund is an important global agenda that needs to be achieved in order to unlock climate finance and foster climate justice.

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⁸² Reliefweb., 'A Loss and Damage Fund: Two Big Challenges.' Op Cit

⁸³ United Nations Climate Change., 'Operationalization of the New Funding Arrangements, including a Fund, for Responding to Loss and Damage referred to in Paragraphs 2-3 of Decisions 2/CP.27 and 2/CMA.4.' Op Cit

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