# Equity in Climate Change The Great Divide

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**Executive Summary** 







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## EQUITY IN CLIMATE CHANGE: THE GREAT DIVIDE

#### Benito Müller

### EXECUTIVE SUMMARY<sup>1</sup>

There is a strongly held view in the policy analysis community and beyond that developing countries will play a significant role in determining the success of the multilateral climate change regime under the UN Framework Convention on Climate Change (FCCC). It is equally widely understood that, consequently, success will not be forthcoming unless the key concerns of these countries – particularly those pertaining to inequities – are sufficiently taken into account in the future development of the regime.

In 'Diagnosing the Divide,' this study detects a clear North-South Divide in the views on the nature of the paramount climate change equity problem. In the Northern hemisphere, where the relevant discussion is spearheaded by non-government stakeholders (academic, NGO), it is regarded to be the issue of allocating emission mitigation targets; in the South, the concern – reflected by many governments – is above all about the discrepancy between the responsibility for, and the sharing of climate impact burdens.

Acknowledging the importance for the global climate change regime to continue its efforts in avoiding and limiting future anthropogenic climate-related disasters, the second part of this study ('Bridging the Divide: Redressing The Balance') argues that we have passed the point where complete avoidance could have been assured, and that consequently the regime must face up to this inevitability and begin to prepare appropriate impact/disaster response measures. Given the existing threat, particular urgency is attached to a proposal for reform of the relevant disaster relief funding mechanism by creating an FCCC Climate Impact Relief (CIR) Fund to achieve an international relief system adequate to the challenge. Because this is to involve merely a more efficient funding mode, such a reform could be carried out with little or no additional costs (no 'new money'), yet with significant benefits to the international community.

#### Key Points with regard to 'Diagnosing the Divide'

The Problem. The existence of such a Divide has been confirmed in the wake of the seventh session of the Conference of the Parties (COP7) in Marrakech: a review of COP7 media reports and ministerial statements provides significant positive evidence that (i) the most pressing inequity issue for developing country stakeholders is having to bear human impact burdens disproportionate with causal responsibilities, and (ii) their view that this issue has hitherto largely been ignored. A look at recent academic climate equity literature lends support to this view. Indeed it indicates that while 'equity' is often put on the agenda by developing country experts, the scope of the agenda itself – namely emission mitigation – has been firmly set by the industrialised world.

 $<sup>^{1}</sup>$  Revised extracts of this summary have appeared as 'An FCCC Impact Response Instrument as part of a Balanced Global Climate Change Regime' in e-print format (www.OxfordClimatePolicy.org) and are scheduled to be published as a Viewpoint 'A New Delhi Mandate?' in *Climate Policy* 79 (2002) 1 – 3.

The Causes. One of the root causes of this Divide is a fundamental difference in the perception of climate change itself. In the industrialised North there is a widely held 'ecological view' of the problem. Climate change is perceived as a problem of polluting the environment, of degrading the eco-system. As such, its essence is seen to be that of a wrongful act against 'Nature.' Accordingly, environmental effectiveness – the capacity to 'make good' the human-inflicted harm on Nature – becomes a key criterion in assessments of climate change measures. The chief victim from this perspective is Nature, mankind's role is primarily that of culprit. And while climate impacts on human welfare are regarded as potentially life-style-threatening, they are taken to be self-inflicted and hence largely 'deserved.' Environmental integrity ('to do justice to Nature'), is the overriding moral purpose. Issues of distributive justice are only of concern insofar as they could become obstacles in the pursuit of this paramount objective.

The reality in the South is quite different: climate change has primarily come to be seen as a human welfare problem – not least because of the assessment work carried out by the Intergovernmental Panel on Climate Change (IPCC). The harm is against humans, it is largely other-inflicted, and it is not life-style-, but life-threatening. In short, the chief victim of climate change is not 'Nature', but people, and the paramount inequity is one between human victims and human culprits. Climate change is a development problem, no doubt! But for the developing world it is not a problem of sustainable development – in the technical sense of 'learning to live within one's ecological means' – it is a problem of unsustainable development, in the non-technical sense of failing to survive.

#### Key Points with regard to 'Bridging the Divide'

The Lessons. At the decision-making level, human impacts and their differentiated causal responsibilities must be fully acknowledged and taken into account in the multilateral negotiations under the Framework Convention. Notwithstanding the necessity to negotiate architectural extensions (e.g. second commitment period targets) of the mitigation regime established under the Kyoto Protocol, the issue of sharing climate impact burdens must be given room centre stage, particularly since many impact burdens have become inevitable.

To enable such a redress in the balance of negotiations, the lesson at the level of *policy analysis* must be to put much greater effort into thinking of innovative ways in which these human impact burdens could be distributed. The fact is that – apart from the controversial monetisations of economic cost-benefit analysis (themselves fraught with intrinsic equity problems) – we seem to have little if any idea how such burdens, such as that of 25 million expected Bangladeshi refugees, could actually be 'shared', let alone be shared in an equitable manner.

The Status Quo. In designating the 1990s as International Decade for Natural Disaster Reduction (IDNDR), the UN General Assembly gave its support to an emerging consensus in disaster management circles on the importance not to neglect disaster reduction, that is 'measures designed to avoid (prevention) or limit ([impact] mitigation and preparedness) the adverse impact of natural hazards.' And by creating an International Strategy for Disaster Reduction to build on the IDNDR experience, the General Assembly reaffirmed this support in January 2002.

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<sup>&</sup>lt;sup>2</sup> ISDR working definition of 'Disaster Reduction' 2001.

The reduction – avoidance and limitation – of unacceptable climate impacts on individuals and societies can be achieved both by *reducing the hazards* associated with climatic change ('climate hazards') and by *lowering the vulnerability* of the individuals and societies in question. The former is unusual in the natural disaster management context, where the occurrence of hazards (volcanic eruptions, hurricanes, tsunamis etc.) itself is largely beyond human control. The potential for climate hazards, however, can be reduced by mitigating their anthropogenic causes, that is by mitigating net-greenhouse gas emissions into the atmosphere.

In the ten years since the adoption of the FCCC in 1992, the issue of reducing potential climate hazards through emission mitigation has figured prominently in the multilateral negotiations, culminating in the Kyoto Protocol with its recent operationalisation in the Marrakech Accords. And given the acknowledged differentiated responsibilities for the problem, it was right for the global regime to begin its impact-reduction efforts by focusing on emission mitigation.

This is not to say other climate impact management activities – subsumed under the heading of 'adaptation' in climate change parlance – had not been addressed. For example, the FCCC negotiations to date have seen the creation of several funds dedicated to encouraging adaptation measures, particularly in developing countries, who are likely to bear the brunt of the predicted impact burdens in stark disproportion to their causal responsibility. True to the UN maxim for the last decade, these funds and most of the other adaptation measures adopted under the aegis of the Climate Convention – such as an envisaged transfer of technologies – were designed to encourage and bring about medium- to long-term changes in order to reduce future impacts by reducing the vulnerability of the people and societies involved. Taking into account that disaster preparedness - such as early warning systems, and contingency planning (as decided on in the Marrakech Accords) – officially falls under the category of disaster reduction, we find that practically all the decisions taken and measures adopted under the Framework Convention and the Kyoto Protocol pertain to climate impact reduction, in line with the FCCC Art. 3.3 stipulation that 'the Parties should take precautionary measures to anticipate, prevent or minimize the causes of climate change and mitigate its adverse effects'

This may, at least in part, be due to the climate change community recognising the consensus within disaster management circles that disaster reduction has to be made a priority. Another reason, however, might be the complementary perception that climate impacts themselves are a medium- to long-term matter. The former is unquestionably correct, the latter, however, portrays a degree of 'temporal presbyopia' (the inability to focus on things that will happen in the near term) which in the climate change context could border on negligence.

Near-term Threats. The problem is that we have passed the point when the spectre of unacceptable climate impacts could still have been avoided through implementing such impact (disaster) reduction measures. For the next decades, we are locked-in to an unavoidable rise in global mean temperature by virtue of our past emissions, due to factors such as the large thermal inertia of the earth's oceans. This is unlikely to pass without creating serious climate hazards. As reported in the Times of India ('Himalayas lakes filling rapidly,' 16 April 2002), Klaus Töpfer, Director General of the United Nations Environment Programme (UNEP), for example, has been 'giving early warning' on behalf of UNEP that 44 glacial lakes in Bhutan and Nepal are filling so rapidly because of rising temperatures that 'any one of these could, unless

urgent action is taken, burst its banks in five to ten years time with potentially catastrophic results for people and property hundreds of kilometres downstream.'

A statistical (time-series) analysis shows that over the past three decades, the proportion of the global population affected by weather-related disasters has doubled in linear trend rising from roughly 2% in 1975 to 4% in 2001. In absolute numbers, these trend figures have almost quadrupled over this period, rising from 70 to 250 million people. Under 'Business-as-Usual' (BaU) conditions, this trend is highly likely to continue over the next three decades. A conservative (BaU) estimate based on this analysis suggests that the 2030 proportion of people affected globally will with 95%-confidence be between 3% and 11%. In absolute figures we can thus be very confident that – under BaU conditions – the number of people affected by weather-related disasters in 2030 would be somewhere between 220 and 860 million in the worst case, i.e. twice the worst recorded figure (417m in 1987) in the past three decades.

The fact that climate change is a near-term problem has been admirably summarised by the Chairman of the House of Commons' International Development Committee on the occasion of the publication of their report *Global Climate Change and Sustainable Development*<sup>3</sup> when he stated that

"Everything that we have seen during this inquiry has reinforced for us the fact that climate change is here, is happening now, can only get more pronounced and must be addressed urgently. It's not only about reducing the levels of greenhouse gases but about adapting to changes that are happening now and will go on happening. It's adaptation that the developing countries care about and it's that need that DFID [UK Department for International Development] and other donors should be getting behind and supporting. Without action to address climate change now hundreds of millions of people will be additionally at risk of hunger, water shortage, flooding or malaria."

The cardinal climate change inequity is consequently not the *potentially* unfair allocation of mitigation targets but the *inevitably* unfair distribution of climate impact burdens.

Disaster Response Measures. Notwithstanding its fundamental importance, disaster reduction (i.e. disaster-prevention, -mitigation, and -preparedness), by itself, does not exhaust the 'continuum' of disaster management. It is complemented in an important way by the 'triptych' of disaster response activities, divided into disaster-relief, -rehabilitation, and -recovery. As long as there is a residual risk of disasters happening in spite of past and future *reduction* efforts, a balanced climate impacts regime must also ensure the provision of adequate impact response measures. As early as 1991, Vanuatu – on behalf of the Alliance of Small Island States (AOSIS) – put forward a proposal for an 'International Insurance Pool to provide financial insurance against the consequences of sea level rise, a pool which was meant to be replenished by mandatory country contributions and 'used to compensate the most vulnerable small island and low-lying coastal developing countries for loss and damage resulting from sea level rise.' Until recently, however, the only significant trace of this proposal in the decisions of the COP was the inclusion of the word 'insurance' in Article 4.8 of the FCCC, and Article 3.14 of the Kyoto Protocol. The fortunes of this climate impact recovery mechanism finally changed in July 2001 when – as part of the Bonn Agreement – the COP agreed 'to consider, at its eighth

<sup>4</sup> Document A/AC.237/WG.II/CRP.8 of 17 December 1991, submitted to the Intergovernmental Negotiating Committee for a FCCC, WG.II, Fourth Session.

<sup>&</sup>lt;sup>3</sup> Third Report, Session 2001 – 02, HC 519, Vol. I; www.parliament.uk/commons/selcom/indhome.htm

session, the implementation of insurance-related actions to meet the specific needs and concerns of developing country Parties arising from the adverse effects of climate change'. From the point of view of balancing the current climate (impact) regime, this has to be a welcome development. Rehabilitation and reconstruction are important elements of any impact response regime which have to be promoted and fostered – but they are important only to those who survive. And the threat of climate-related disaster, as indicated above, is not only real, but immediate.

The Need for Adequate Climate Disaster Relief. This is why the climate negotiations' neglect of the third component in the disaster response triptych, disaster relief, must be addressed urgently, given that the present system is likely to prove inadequate in dealing with climate-related disasters.

Throughout the last three decades, the UN General Assembly has been 'mindful of the need to strengthen further and make more effective the collective efforts of the international community, in particular the United Nations system, in providing humanitarian assistance. As a consequence, it called upon the Secretary-General in 1971 to appoint a Disaster Relief Co-ordinator at the Under-Secretary-General (USG) level 'to mobilize, direct and co-ordinate the relief activities of the various organizations of the United Nations system'. In 1992, the General Assembly created several structures – such as an Inter-Agency Standing Committee (IASC), and a Department of Humanitarian Affairs (DHA) – to strengthen the UN system. It also introduced a Central Emergency Revolving Fund (financed by voluntary contributions) 'to ensure the provision of adequate resources for the use in the initial phase of emergencies'. DHA – under the new name of 'Office for the Coordination of Humanitarian Affairs' (OCHA) – had its effectiveness further enhanced as part of the Secretary-General's 1998 reform programme. And yet, notwithstanding the considerable successes of this continuous drive for structural improvements, the experience of the last thirty years has made it clear that such institutional reforms will not be able to achieve their aim in the absence of a complementary reform of the piece-meal voluntary funding mechanisms and the concomitant lack of co-ordination between governments and aid agencies.

The Solution is to create a Climate Impact Relief (CIR) Fund – based on the tried and tested models of the OCHA Trust Fund for Disaster Relief and the Disaster Relief Emergency Fund of the International Federation of Red Cross/Red Crescent Societies – under the Framework Convention to cover the expenditures for international weather-related disaster relief and preparedness. To resolve some of the key problems in the current system, such a Fund would have to be replenished regularly on an upfront basis, and rely on existing institutional infrastructures. The latter could, for example, be achieved by having the fund administered by the UN Office for the Coordination of Humanitarian Affairs (OCHA) under the guidance of the FCCC COP and the UN Under-Secretary-General for Humanitarian Affairs in collaboration with IASC agencies. Assuming the international community intends to continue providing an international disaster relief system, the envisaged significant improvement that could be achieved by creating the proposed CIR-Fund is a realistic option, both politically and economically, for its key characteristics are:

• No new money. • No new institutions. • Merely more efficient funding.

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<sup>&</sup>lt;sup>5</sup> Annex to Decision 5/CP.6: VI.1.2; FCCC/CP/2001/5, p.40.

<sup>&</sup>lt;sup>6</sup> 14 December 1971 and 14 April 1992.

<sup>&</sup>lt;sup>7</sup> A/RES/46/182 (14 April 1992).