

Presentation to the United Nations | Loss and Damage

Keynote Address

Oxfam South Africa | Executive Director – Ms. Lebogang Ramafoko

Distinguished

- Ian Fry, PhD, UN Special Rapporteur on Climate Change
- Adrian Martinez Blanco, Director, La Ruta del Clima
- Isatis Cintron, PhD, Climate Trace Puerto Rico
- Amali Tower, Founder & Executive Director, Climate Refugees
- Moderator, Brenda Mofya, Head of New York Office, Oxfam International
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Strategic Partners,

Ladies and Gentlemen,

It is with great pleasure that I stand before you today, distinguished dignitaries from across the world on the pressing issues affecting our time which are climate change and the just energy transition at this important session.

Climate Change is a crisis that is affecting all parts of the world and to that extent it unites us all towards a common imperative which is to address its impacts both direct and cascading on all, especially vulnerable communities through dedicated and responsive mitigation and adaptation strategies to ensure the resilience of our planet and communities.

More frequent and intense rainfall, destructive typhoons, heat waves and prolonged droughts are devastating millions of lives, disproportionately affecting low emitting, marginalized communities and social groups who have contributed the least to the crisis. **As such, no effort to contain the intensifying climate crisis can succeed unless the world transitions to clean and renewable energy sources in ways that do not exacerbate the existing inequalities in energy access and economic wellbeing among vulnerable communities in Africa.** The just energy transition, therefore, refers to a holistic approach that ensures a fair and equitable transition to a low-carbon economy, leaving no one behind, and should be achieved in a way that balances ecological needs with development objectives.

To guide this discourse, key international frameworks and institutions have been pivotal i.e. **the Paris Agreement under the United Nations Framework Convention on Climate Change (UNFCCC)** and **the institutionalisation of the Intergovernmental Panel on Climate Change (IPCC)**. To date, 176 parties have ratified the Paris Agreement, demonstrating an international concerted effort to address climate change. Developed and developing countries through the Paris Agreement committed to act towards limiting the global average temperature increase to well below 2 °C, and to pursue efforts to further limit this to 1.5 °C above pre-industrial levels. However, capping global warming

at 1.5°C requires global emissions to reach net zero by 2050, according to the IPCC. Meeting this target requires a large-scale mobilization of political and economic capital to accelerate the process of replacing murky energy infrastructure with clean low-carbon energy sources.

According to the United Nations, in 2015, there were still 836 million people in the world living in extreme poverty (less than USD1.25/day). And according to the International Fund for Agricultural Development (IFAD), at least 70 percent of the very poor live in rural areas, most of them depending partly (or completely) on agriculture for their livelihoods. It is estimated that 500 million smallholder farms in the developing world are supporting almost 2 billion people, and in Asia and sub-Saharan Africa these small farms produce about 80 percent of the food consumed.

In South Africa, the food security of rural households is inextricably linked to the sustainability of the country's agriculture industry, which supplies food, income, and employment to more than 70% of the population. Smallholder farmers are particularly vulnerable to climate change due to their reliance on rain-fed agriculture, insufficient access to land, high poverty, and poor education levels, limited access to extension training, and lack of financial support to adopt adaptive measures.

While climate change adaptation has proven to be an effective strategy to manage climate change threats, smallholder farmers face several challenges when deciding whether to adapt. **Several factors include: inadequate credit access, inadequate education training, lack of crop insurance, and infrequent extension visits.**¹ Climate change threatens to reverse the progress made so far in the fight against hunger and malnutrition. As highlighted by the latest assessment report of the IPCC, climate change augments and intensifies risks to food security for the most vulnerable countries and populations.

We recognize the progressive decision taken after over 30 years in the struggle for loss and damage finance (primarily as a result of rich country blocking), a loss and damage funding mechanism was agreed to be established. However, how much of a 'win' this fund truly is for climate justice depends on two things:

(1) how it is designed to reach climate-vulnerable communities; and

(2) whether it is adequately funded with new and additional finance.

This year is critical, particularly for point 1 above. We will not get a second chance to set up this fund, and it is much more difficult to influence a fund once it is already set up (as seen with the Green Climate Fund), **our consolidated push as Oxfam is to be vocal on achieving a fund that is grounded in justice and serves affected people first and foremost. This is a rare opportunity to set up a fund that truly tries to shift power away from donor-led structures and towards local actors and marginalised communities.** At COP28, we need to see the structure of the fund agreed (in the form of a Governing Instrument), and that structure needs to enable affected countries and communities in achieving climate resilient development – with a window specifically focusing on communities having direct access to

¹ <https://www.mdpi.com/2077-0472/12/5/589>

funding. The fund needs to be inclusive, representative, deliver grant-based finance, comprehensive and central to the system of addressing loss and damage.

Ladies and gentlemen, I would like to reiterate that **loss and damage is the result of a crisis of inequality and inequity**. The latest IPCC report has shown clearly that rich high-emitting countries and large polluting corporations bear an outsized responsibility for the growing climate crisis and are rapidly using up what little space we have left. Just as there is extreme inequality in who is responsible for the carbon emissions that have caused today's climate crisis, there is also vast inequality in how the impacts of the rapidly changing climate are felt.

Rich polluters need to pay up for loss and damage. There are incredible and record-breaking amounts of wealth in today's world, more than enough to fully fund the fight to stop further climate breakdown. A short hop in a private jet will produce more carbon than the average person will emit all year. Yet increasingly, this wealth is not in the hands of governments, but in the bank accounts of rich individuals and rich corporates. Using increased taxation to bring a significant proportion of this excessive wealth and profit back into public hands would be transformational, and it is essential to the mission of a fairer and more sustainable world.

Loss and damage cannot be seen separately from a just energy transition away from fossil Fuels. The cost of tackling climate change continues to skyrocket, increasing with every day of delayed action. The consequences of this inaction manifest as ever-increasing climate change-induced loss and damage. We urgently need a fast and fair transition away from fossil fuels, and high-income countries are disproportionately responsible for historical emissions must be the first to move and support lower-income countries to do the same.

Loss and damage is the third pillar of climate action, alongside the other two pillars of mitigation and adaptation. **It is critical that the loss and damage fund is not side-lined but seen as being intrinsically linked to reducing emissions in a fair way and adaptation (the less you do of one, the more you need of the latter)**. Oxfam is a respected voice on loss and damage finance, because of its experience in climate finance and in working with and in communities experiencing loss and damage. There is an opportunity to incorporate the lessons learned from our work and our advocacy towards the fund.

Ladies and gentlemen, there are two key issues that we as Oxfam wish to reiterate to ensure the establishment of a viable and transformational mechanism for the betterment of millions of populations impacted by the irreversible consequences of climate change:

- 1) **The loss and damage fund must enable local-leadership in responding to climate-fuelled events, and support gender-transformative action. This should particularly be done through the development of a 'community direct access window' under the fund.** It is essential to transition from existing top-down strategies to a fresh paradigm where local stakeholders are empowered with increased authority and resources to fortify their resilience against climate change. The new loss and damage fund presents a unique opportunity to design a fund that shifts power and decision-making to people and communities worst affected by climate change. Core to this is having decisions made at the most local level possible, with responses led by those who are affected and who the fund is supposed to serve. Furthermore, local organisations and affected communities

must have representation in the operation of the fund. The fund should have a simplified and accessible application process and should support local actors in the early stages of response and should be disaggregated by fender to understand the extent of vulnerability to define tailored solutions.

- 2) **The outcome of COP28 should be an agreement on the governing instrument which must clearly outline governance and structure of the fund.** That is, a governing instrument should be agreed that sits under the UNFCCC as an operating entity of the financial mechanism to the Convention, it should comprehensively address loss and damage (from sudden to slow onset, and for economic and non-economic loss and damage), deliver only grant-based financing that is adequate and predictable, be central to the system of addressing loss and damage, and is open to all developing countries.

In addition, for our fight against climate change impacts to succeed, it requires strong leadership, collaboration, and investment. We recognise the heads of states in the developing world, in partnership with international organisations, must create an enabling policy environment that incentivizes sufficient investments, promotes social inclusion in decision making, and supports research and development.

As Oxfam, we are committed to facilitate learning on various emerging issues through thought leadership platforms. This presentation draws from extensive work undertaken through our broad areas of programming namely Feminist Climate Justice; Natural Resource Governance, Agriculture and Food Systems, Humanitarian Action and Gender Justice which are all aimed at fighting poverty and inequality. **As Oxfam, our work is driven by the need to build a constituency for pro-poor centered laws and policies integral to developing climate and just energy solutions. The global community thus has a pivotal role to play in ensuring that marginalised frontline communities' voices are represented in developing community resilience building initiatives that are anchored by a climate justice approach at local, national, and regional levels to meet our mitigation and adaptation targets.**

In conclusion, we surely hope that our proposals as outlined in this submission will contribute towards strengthening your representative, legislative and oversight roles in the development of inclusive, sustainable people-based policies, particularly investments for loss and damage, especially in vulnerable communities who continue to be crippled by climate change impacts. As the world gears up for COP28, we call upon the global community to advocate for a loss and damage fund that aims to enhance economies and poor people's livelihoods, while putting people, especially women and youth at the forefront of interventions to advance sustainable development and prosperity for developing countries who are bearing the brunt of climate change. As Oxfam, we strive to advance a future that is equal for all, and we believe that in order for us to achieve this, climate action must put people first.

I thank you for your kind attention and would like to wish you successful proceedings.

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