PERMANENT MISSION OF EGYPT to the United Nations Office, the WTO and other International Organizations in Geneva



البعثة الدائمة لجمهورية مصر العربية لدى مكتب الأمم المتحدة ومنظمة التجارة العالمية والمنظمات الدولية الأخرى جنيف

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The Permanent Mission of the Arab Republic of Egypt to the United Nations Office, the World Trade Organization, and other International Organizations in Geneva, presents its compliments to the Office of the United Nations High Commissioner for Human Rights, and with reference to the letter received from the Special Rapporateur on the Right to Development dated 21 December 2023 regarding Human Rights Council Resolutions 33/14 and 51/7;

The Permanent Mission of the Arab Republic of Egypt has the honor to attach herewith the contributions of the Government of Egypt to the report of the Special Rapporateur on the Right to Development, under the theme "Climate Justice: Loss and damage".

The Permanent Mission of the Arab Republic of Egypt to the United Nations Office, the World Trade Organization, and other International Organizations in Geneva avails itself of this opportunity to renew the assurances of its highest consideration to the Office of the United Nations High Commissioner for Human Rights.

Geneva, 15 January 2024

Office of the United Nations High Commissioner for Human Rights Palais Des Nations, CH 1211, Geneva 10.

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CC: The Special Rapporateur on the Right to Development.



# The report of the United Nations Special Rapporteur on the right to development, presented to the Human Rights Council and the General Assembly on Climate justice: Loss and damage

- 1. How is the realization of the right to development impacted by both economic and non-economic loss and damage from climate change? How is the impact experienced differently and/or disproportionately by different individuals (e.g., children and women), groups (e.g., Indigenous Peoples) and States (e.g., Small Island Developing States)?
- I. Climate change-induced loss and damage profoundly impact the realization of the right to development, encompassing both economic and non-economic losses, creating different levels of vulnerability and disproportionately affecting individuals, groups, and states. Economic losses could be limited to the following:
- Disrupted ecosystems, extreme weather events, and changing weather patterns reduce agricultural yields, damage infrastructure, and disrupt tourism and industries, especially in developing countries heavily reliant on natural resources. This leads to poverty, unemployment, and food insecurity, hindering development goals.
- Rising sea levels, storms, and floods damage vital infrastructure and energy grids, requiring
  expensive reconstruction. This diverts resources from development priorities like
  education, healthcare, and poverty reduction.
- Degradation of land, forests, ecosystems, and biodiversity leads to the loss of resources essential for subsistence and economic activities.

#### II. Non-Economic Losses and Impacts:

- Displacement and migration that could lead to social instability, loss of identity, and mental health issues, hindering development.
- Air pollution, heatwaves, and waterborne diseases associated with climate change increase healthcare costs and burden developing countries with limited resources.
- Impact on local heritage, including monuments, leading to their degradation and loss of cultural heritage.

#### III. Differentiated Impacts:

- Children and women: Children are more vulnerable to climate-related health problems and food insecurity, while women often bear the brunt of caretaking responsibilities during crises, further deepening existing inequalities.
- Indigenous Peoples: Their close connection to land and reliance on traditional practices make them highly vulnerable to loss of ecosystems and cultural heritage, impacting their development rights.

- Africa and the Mediterranean countries are the most impacted, due to low limits of resilience (capacities and capabilities).
- 2. What are the obligations of States and other actors such as development finance institutions and businesses to prevent, mitigate and remediate the impacts of climate change-related loss and damage on human rights, including the right to development?

Adopting a climate justice approach are essential in addressing climate change-related loss and damage, and consequently achieving sustainable development and ensuring no one is left behind in the face of this global challenge.

- I. States: (based on the principle of CBDR-RC and historical responsibilities of Developed States and clear responsibilities of different groups of countries)
- Mitigation: Receiving the necessary finance to commit to the Paris Agreement goal, in addition to facilitating the transfer of clean technologies and knowledge to developing countries to support their mitigation and adaptation efforts and building the capacity of developing countries to manage loss and damage.
- Adaptation: Develop and implement climate-resilient development plans and policies to minimize potential harms from inevitable climate impacts.
- Early warning systems: Receiving the recessary fund in order to establish and maintain effective early warning systems for climate events to enable timely evacuation and protection of vulnerable populations.

#### II. Other actors:

- Development finance institutions:
  - Prioritize funding for climate-resilient development projects.
  - The transformation of the financial system and its structures and processes is needed in order to deliver funding requirements, in addition to engaging governments, central banks, commercial banks, institutional investors and other financial actors in this process (Art. 31 of Sharm el-Sheikh Implementation Plan).

#### Businesses:

- Include, as appropriate, emission reduction targets and acopt sustainable practices throughout their operations.
- Ensuring that their activities do not negatively impact individuals and communities.
- Develop and deploy innovative technologies and solutions to address climate change and its impacts.

- All these elements must be founded on Work Programme on Just Transition Pathways (established in COP27).
- 3. What is the legal and/or moral basis for States and other actors including businesses to contribute to the Fund for climate change-related loss and damage?

#### I. Legal Basis:

- Common But Differentiated Responsibilities (CBDR): This UNFCCC principle acknowledges that historical emissions and current economic capabilities differ among nations. Developed countries, who are historically responsible for a larger share of emissions (The principle of Historical responsibility, as identified in the UNFCCC), have a legal obligation to assist developing countries with mitigation, adaptation, and loss and damage. Article 8 of the Paris Agreement reinforces this by acknowledging the urgency of addressing loss and damage, particularly in developing countries.
- The right to development, right to life, right to food, and right to health, in addition to CBDR and equity, together with historical responsibility, are all compromised by loss and damage.

#### II. Moral Basis:

- Climate Justice: This concept recognizes that the burden of climate change is borne
  unequally, with developing countries often suffering the most despite contributing the
  least to the problem. Contributing to the Fund is a way to address this injustice and
  promote solidarity.
- Prevention and Long-Term Benefits: Investing in prevention and loss and damage response is ultimately cheaper than dealing with the full consequences of climaterelated disasters. Contributed funds can support early warning systems, climateresilient infrastructure, and other measures that benefit everyone.
- Intergenerational Responsibility: We have a moral duty to future generations to leave them a planet that is habitable and capable of sustaining life. Failing to address loss and damage would betray this responsibility.

#### III. Other Actors Responsibilities:

- Businesses have a responsibility to operate ethically and minimize their negative impacts on society and the environment. Contributing to the Fund can be seen as a way to fulfill this responsibility.
- Many businesses from developed countries have profited from a model that led to climate change. Contributing to the Fund can be seen as a way of sharing the costs of addressing the problem they helped create.

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- A stable climate and resilient communities are essential for long-term business success. Supporting the Fund aligns with companies' own interests in a sustainable future.
- 4. In addition to making a financial contribution to the Fund, what non-financial components may be relevant from a climate justice perspective (e.g., transfer of green technologies, building of capacity and relocation pathways for climate-induced migrants)?

These non-financial aspects address root causes enhancing long-term resilience and facilitating equitable adaptation. Here are some key elements:

- I. Knowledge Transfer and Capacity Building and supporting the development of local research institutions, early warning systems, and climate-informed planning capacities.
- II. Accelerating technology transfer to developing countries, and enabling an integrated approach that combines funding, capacity building, and partnerships, ensuring equitable access to crucial tools.
- III. Loss and Damage Risk Reduction, such as investing in projects that restore degraded ecosystems (forests, mangroves, wetlands) which can buffer against natural disasters and provide ecosystem services, supporting locally-driven initiatives that build resilience and adapt to changing climate conditions, including water management, drought-resistant agriculture, and climate-proof infrastructure and promoting practices that improve soil health, reduce deforestation, and prevent land degradation, contributing to long-term climate resilience.
- IV. Upholding justice principles in all aspects of the Fund's operation.
- 5. How should a human rights-based approach to operationalize and administer the Fund look like (e.g., integration of considerations such as accessibility, non-discrimination, fair representation in decision-making, gender responsiveness, and accommodation for marginalized communities and countries especially vulnerable to the adverse effects of climate change)?

Let us remember that the main purpose of this process is to ensure equitable access to resources, empower communities in climate-vulnerable situations, and build a more just and resilient future in the face of climate change.

- I. Accessibility: Develop clear and concise guidelines in order to easily benefit from the fund, and make all information about the Fund, including criteria for funding, decision-making processes, and allocation of resources, readily available and easily understandable.
- II. Explicitly prohibit discrimination based on any ground, including race, ethnicity, gender, disability, or economic status, in accessing and utilizing the Fund.
- III. Establish a governing body with fair representation create open channels for input from stakeholders.

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### III. Gender responsiveness:

- Assess the gendered impacts of climate change and loss and damage to ensure funding addresses the specific needs and vulnerabilities of women, girls, and gender-diverse individuals.
- Mainstream gender sensitive considerations into all aspects of the Fund's operation, from eligibility criteria to monitoring and evaluation.
- IV. Accommodation for marginalized communities by integrating traditional knowledge and practices of Indigenous communities in designing and implementing adaptation strategies funded by the Loss and Damage Fund and empowering local communities to lead and manage adaptation projects that align with their specific needs and cultural contexts

## 6. How to ensure that the Fund and/or Climate Finance (including for mitigation and adaptation) does not result in a debt trap for developing countries?

We have to acknowledge that this is a complex issue with multiple perspectives. It is important to consider diverse viewpoints and engage in ongoing dialogue to find the most effective and equitable solutions. But in general, and by implementing the following multilayer strategy, the international community can help ensure that climate finance empowers developing countries to tackle climate change and achieve sustainable development without falling into a debt trap:

- I. Shifting the Financial Paradigm, by prioritizing Grants over Loans and allocate a significant portion of the Fund to be promptly paid to affected States. We could also explore debt-for-climate swaps in certain situations; Concessional Loans could be offered with extended grace periods, low interest rates, and flexible repayment schedules, for investments related to prevention and loss and damage response. (Or to leverage blended finance instruments that combine grants with loans to reduce the debt burden)
- II. Strengthening Financial Instruments, by linking funding to the achievement of specific climate action targets, providing direct budget support to developing countries, empowering them to allocate funds based on their priorities and needs and encourage MDBs to offer more concessional loans and tailor financial products to developing countries' specific needs and vulnerabilities.
- III. Enhancing Transparency and Accountability by implementing robust reporting and evaluation frameworks to track the Fund's impact and identify areas for improvement.
- IV. Sticking to the main principles of the Fund, including the historical responsibility of developed countries for causing climate change and therefore, the need to prioritize loss and damage finance through grants, not loans.
- V. Use of grants and grant based financial instruments as the main vehicle for support.