Beyond Material Loss

Exploring Non-Economic Impacts of Climate Change through Faith-Based Perspectives

THE LUTHERAN WORLD FEDERATION

A Communion of Churches

Published by: Department for Theology, Mission and Justice
Chemin du Pavillon 2, 1218 Le Grand-Saconnex, Geneva, Switzerland.

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The authors of this study wish to express their deep appreciation to all those who contributed their insights and opinions: Valerianne Bernard, James Bhagwan, Rampati Chaudhary, Tej Narayan Chaudhary, Danielle Dokman, Ana Patricia López Estrada, Prasannawati Guruma, Sister Jayanti, Cynthia Moe-Lobeda, Rodrigo Peret, S. Rahman, Arjun Jamneli Rai, Barouyr Shernezian, Rakotoarisoa Soloniaina and Garen Yosolkanian.

Cover photo: Brim (Lake Province) in Chad, October 2024. A house destroyed by heavy rains. LWF Chad.

Acknowledgement: This research is a product of the “Local to Global Action for Climate Justice” project, implemented with support from Brot für die Welt. This research is the result of collaboration with the members of the Geneva Interfaith Forum on Climate Change, Environment and Human Rights (GIF): Brahma Kumaris World Spiritual University, Dominicans for Justice and Peace and Franciscans International.

Special thanks to Franciscans International for their contribution.

ISBN: 978-2-940642-98-4

Franciscans International
A voice at the United Nations

Brahma Kumaris

GIF Geneva Interfaith Forum on Climate Change, Environment and Human Rights

Dominicans for justice and peace

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Foreword

We urgently need to understand the full extent of loss and damage arising from climate change and its impacts on inter-dependent human rights, particularly those of persons and communities in most vulnerable situations. This understanding is essential to inform more effective climate action and ensure prevention of foreseeable human rights violations. The role of faith communities and faith-based organizations can be crucial in advancing the understanding of the human rights implications of loss and damage, as well as in providing first and long-lasting responses to the human rights holders who are bearing the brunt of climate change impacts.

This study offers an important contribution to advancing understanding of the intertwined loss and damage to nature, culture, spirituality and human health arising from climate change. It clearly shows the limitations of the distinction between economic and non-economic loss and damage when one considers the huge implications for community livelihoods and resilience, as well as for local and national economies of the loss of territories and deterioration of nature's benefits to human wellbeing, the disruption of inter inter-generational knowledge transmission, the destruction of cultural heritage and spiritual practices, and multi-dimensional trauma.

On the whole, this study shines a light on the distinctive perspectives and contributions of faith communities and faith-based organizations in relation to the protection of human rights and the practice of human rights-based approaches to climate action. The study also points to the need for human rights education and capacity building within faith communities and faith-based organizations. I hope that this study will support more connected conversations between faith-based organizations and other organizations that are focusing on climate justice and the protection of human rights in a spirit of mutual learning, collaboration and complementarity at global, national and local levels.

Prof. Elisa Morgera
UN Special Rapporteur
on the Promotion and Protection
of Human Rights in the
Context of Climate Change

Executive summary

We are facing a climate emergency, as global efforts to limit global warming to 1.5°C are failing. The escalating temperature rise, largely driven by human activities, is putting millions of people at risk. Those who already experience systemic inequalities are often the most vulnerable to the impacts of climate change and face significant barriers to adaptation and resilience. These communities bear a disproportionate burden of loss and damage, exacerbating existing inequalities and leaving them with limited resources to cope.

The impacts of climate change present complex challenges that extend far beyond economic losses, affecting spiritual, cultural, and human rights dimensions that are often overlooked. Although loss and damage have been a part of climate negotiations for over three decades, real progress has only been made in recent years—and even then, not enough.

At the 28th session of the Conference of the Parties (COP28) to the United Nations Framework Convention on Climate Change (UNFCCC) in Dubai in November, discussions in the climate negotiations led to the establishment of the Loss and Damage Fund, a financial mechanism to provide critical support to vulnerable countries in responding to loss and damage associated with the adverse effects of climate change. While the fund has been hailed as a victory for justice, it has also been criticized for failing to address the full scale of the need.

LWF recognizes that addressing climate change through the lens of justice is crucial to ensure a sustainable and equitable future for all, including understanding and integrating the non-economic losses and damages caused by climate change (NELD).

To deepen the understanding NELD through a faith-based lens, this initiative focuses on three key objectives. First, it seeks to identify the spiritual, cultural and human rights dimensions of NELD impacts, recognizing how climate change disrupts deeply rooted traditions, values and identities. Second, it explores the role of faith communities in recognizing, addressing and mitigating these non-economic losses, highlighting their potential to build resilience and third, it provides a moral framework for climate justice advocacy and action.

Through literature reviews, in-depth interviews with representatives from diverse faith communities across different regions, consultations, and focus groups with

young leaders, the research explored the spiritual, cultural, and well-being impacts of NELD on communities. The findings were analyzed thematically, highlighting the crucial roles faith communities play in addressing these challenges.

This research significantly advances the definition of NELD within the climate policy framework and highlights the critical need for dedicated funding, particularly through the Loss and Damage Fund, to support affected communities. It concludes with policy recommendations that integrate faith and human rights perspectives to inform climate policy discussions at the global, national and local levels. These recommendations aim to ensure that the needs of the most vulnerable populations affected by climate change are effectively addressed.

Elena Cedillo Vargas
Program Executive
for Climate Justice

Introduction

This document contains the conclusions of a study conducted from June to September 2024 to explore the perspectives of faith-based organizations regarding non-economic loss and damage (NELD) caused by climate change.

The study aimed to understand the main concerns that different faith communities, including faith-based organizations (FBOs), experience in various parts of the world regarding climate change as well as the actions and measures they take to address this phenomenon while carrying out their work as members and leaders of faith communities.

Faith communities have very valuable experiences resulting from their work at the local level that can contribute to the ongoing discussion about mechanisms to address non-economic loss and damage caused by climate change. In this regard, a series of recommendations are presented with the aim of contributing to a complex but crucial process.

Land erosion in the Philippines. Photo: Zambales Ecological Network

“We are facing a climate emergency, as global efforts to limit global warming to 1.5°C are failing, putting millions of people at risk.”

I. Methodology

The study used the Participatory Action Research (PAR) methodology to gather and analyze data. This methodology primarily served as a framework for data collection and analysis, but its strength lies in actively engaging faith communities throughout the research process. By ensuring that these communities were not merely participants or subjects of the research but active contributors, the approach allowed for the incorporation of spiritual and cultural dimensions that were vital to understanding their perspectives on non-economic loss and damage. This engagement aimed to foster real-world change in policy frameworks and enhance community resilience.

The process commenced with comprehensive data collection through literature reviews, in-depth interviews, and consultations, which were all designed to capture a wide range of perspectives from faith communities, including leaders and members of the communities and other stakeholders, as well as a specific focus group discussion specifically for young people. These methods allowed a deep exploration of how NELD affects the well-being, cultural heritage, and spiritual life of communities. Following this, a thematic analysis was conducted to identify patterns and key themes that reflect the unique role of faith communities in addressing loss and damage.

For the research, three main mechanisms of consultation were carried out:

a. In-depth interviews with representative faith communities, including leaders and members of several denominations.

b. A consultation meeting with young leaders from different countries in Latin America, Asia, and Africa.

c. The questionnaires were answered with written responses from leaders and members who work in remote areas.

A total of 14 in-depth interviews were conducted and a total of 30 young leaders participated in the consultation workshop.

The final phase focused on analyzing the views, identifying trends and relevant aspects, and translating the findings into policy recommendations that integrate faith-based and human rights perspectives. Informed by case studies and best practices, these recommendations aim to influence global, national, and local policy frameworks, ensuring that faith-based insights and approaches are incorporated into strategies addressing non-economic loss and damage due to climate change impacts. This methodology both highlights the experiences of faith communities and drives meaningful and practical change through recommendations.

II. The chronology and approach of loss and damage in the UNFCCC

The United Nations Framework Convention on Climate Change (UNFCCC), adopted in 1992, is a landmark international treaty aimed at preventing anthropogenic interference with the climate system by stabilizing atmospheric concentrations of greenhouse gases at levels that would avert the most dangerous impacts on the climate. The convention provides the overarching framework for global climate action, mandating all parties to report on their greenhouse gas emissions and to develop national strategies for mitigation and adaptation. While the UNFCCC does not impose legally binding emission reduction targets, it lays the foundation for the Kyoto Protocol and the Paris Agreement on Climate Change.

The Intergovernmental Panel on Climate Change (IPCC) has stated that, across various sectors and regions, the most vulnerable people and systems are disproportionately affected by climate change. The increasing frequency of extreme weather and climate events has led to some irreversible impacts, as both natural and human systems are being pushed beyond their capacity to adapt. Extreme weather events attributed to climate change are affecting vulnerable populations with greater intensity and frequency[1]. Loss and damage caused by the adverse effects of climate change between 2000 and 2019 have been estimated at USD 2.86 trillion[2].

Loss and damage caused by the adverse effects of climate change have gained significant attention in recent international climate negotiations; however, it is not a new issue. For over 30 years, developing countries have been pushing for loss and damage to be a priority topic within the negotiations under the UNFCCC.

The history of loss and damage started in 1991, when the Alliance of Small Island States (AOSIS), led by Vanuatu, presented a proposal to the Intergovernmental Negotiating Committee for the Creation of the Framework Convention on Climate Change. This proposal called for a mechanism to establish an International Climate Fund to finance measures to counter the adverse consequences of climate change and a separate International Insurance Pool to provide financial insurance against the consequences of rising sea levels. The insurance pool that they proposed should

1 Intergovernmental Panel on Climate Change, *Sixth Assessment Report, Working Group II – Impacts, Adaptation and Vulnerability: Headline Statements from the Summary for Policymakers*, 2022. Available at: https://www.ipcc.ch/report/ar6/wg2/downloads/report/IPCC_AR6_WGII_HeadlineStatements.pdf.

2 R. Newman, and I. Noy, "The Global Costs of Extreme Weather That Are Attributable to Climate Change," *Nature Communications* 14, 6103 (2023). https://doi.org/10.1038/s41467-023-41888-1.

be used to compensate the most vulnerable small island and low-lying coastal developing countries for loss and damage resulting from rising sea levels due to climate change[3]. The proposal was rejected, and in 1992, countries joined an international treaty - UNFCCC without any mention of loss and damage. However, the proposal made by AOSIS brought the issue into the international spotlight.

- The journey has been long, and progress has been slow. It was not until 2007, at the 13th Conference of the Parties (COP13) of the UNFCCC in Bali, Indonesia, that loss and damage were mentioned for the first time. The need to intensify work related to adaptation was established in the text of the decisions adopted by the parties. It examines disaster reduction strategies and aims to address loss and damage associated with climate change impacts in developing countries, which are particularly vulnerable to the adverse effects of climate change[4].

- In 2010, at COP16 in Cancun, Mexico, the parties agreed to establish the Subsidiary Body for Implementation (SBI) work program on loss and damage.[5] SBI was tasked to "consider, including through workshops and expert meetings, approaches to address loss and damage[6]. In the same vein, the need to strengthen international cooperation and expertise was recognized in order to understand and reduce loss and damage, including impacts related to extreme weather events and slow onset events.

- This decision represented a significant advancement in the understanding of loss and damage at the international level, recognizing that these can arise from a spectrum of negative impacts of climate change, ranging from extreme weather events to slow onset events including rising sea levels, increasing temperatures, ocean acidification, glacial retreat and related impacts, salinization, land and forest degradation, loss of biodiversity, and desertification.

- However, despite the inclusion of the issue of loss and damage due to climate change within climate negotiations and agreements, the convention has never officially conceptualized or defined the meaning of loss and damage. In fact, various technical papers highlight the conceptualization of loss and damage as one of the greatest challenges[7].

3 See https://unfccc.int/resource/docs/a/wg2crp08.pdf.
4 See FCCC/CP/2007/6 decision available at: https://unfccc.int/resource/docs/2007/cop13/eng/06a01.pdf.
5 See FCCC/CP/2010/7/Add.1 decision available at: https://unfccc.int/resource/docs/2010/cop16/eng/07a01.pdf.
6 United Nations Framework Convention on Climate Change, *Report of the Conference of the Parties on Its Sixteenth Session.* FCCC/CP/2010/7/Add.1: Cancun Adaptation Framework (para. 26). Available at: https://unfccc.int/resource/docs/2010/cop16/eng/07a01.pdf.
7 For instance, the Subsidiary Body for Implementation report on the regional expert meetings on a range of approaches to address loss and damage associated with the adverse effects of climate change, including impacts related to extreme weather events and slow onset events. Available at: https://unfccc.int/sites/default/files/resource/docs/2012/sbi/eng/29.pdf.

- At COP19 in Warsaw, Poland (2013), loss and damage gained momentum within climate negotiations with the creation of the Warsaw International Mechanism on Loss and Damage (WIM) and its Executive Committee. The mechanism was established with the purpose of addressing loss and damage through increasing knowledge, strengthening dialogue, and enhancing action and support, including financing, technology, and capacity building.

- A technical paper conceptualizing non-economic loss and damage was presented for the first time[8]. This paper defines non-economic losses in the context of the work program on loss and damage and acknowledges that "the distinction between non-economic losses and economic losses will sometimes be blurred."[9] This situation has not changed to date.

- The Paris Agreement, established at COP21 in Paris, France (2015), reaffirmed the significant role of the WIM and stated[10] the critical importance of averting, minimizing, and addressing loss and damage. However, the Paris Agreement does not provide a basis for any liability or compensation[11] which constitutes a challenge, especially for Small Island Developing States (SIDS).

- Important recommendations emerged in the following years. For example, in 2018, under the auspices of the WIM, the Recommendations for Integrated Approaches to Avert, Minimize, and Address Displacement Related to the Adverse Impacts of Climate Change were developed by the Platform on Disaster Displacement (PDD) in the context of Activity II.3 of the work plan of the Task Force on Displacement. The document recognizes displacement as a clear form of loss and damage[12]

- At COP25 in Madrid, Spain (2019), the Santiago Network[13] was established as part of the WIM with the mandate to "averting, minimizing and addressing loss and damage associated with the adverse effects of climate change to catalyze the technical assistance of relevant organizations, bodies, networks, and experts for the implementation of relevant approaches at the local, national and regional

8 Available at: https://unfccc.int/sites/default/files/resource/docs/2013/tp/02.pdf.

9 United Nations Framework Convention on Climate Change, *Non-Economic Losses in the Context of the Work Programme on Loss and Damage*, technical paper on loss and damage associated with climate change impacts, p. 4, available at: https://unfccc.int/sites/default/files/resource/docs/2013/tp/02.pdf.

10 Article 8 of the Paris Agreement.

11 See FCCC/CP/2015/10/Add.1, Decision 1/CP.21, para. 51, available at: https://www.un.org/en/development/desa/population/migration/generalassembly/docs/globalcompact/FCCC_CP_2015_10_Add.1.pdf.

12 UNFCCC, *Workplan of the Executive Committee of the Warsaw International Mechanism for Loss and Damage*. 2018. Available at: https://unfccc.int/sites/default/files/resource/WIM%20TFD%20II.3%20Output.pdf. See also, UNFCCC, *Report of the Executive Committee of the Warsaw International Mechanism for Loss and Damage Associated with Climate Change Impacts* (Subsidiary Body for Scientific and Technological Advice 2016) FCCC/SB/2016/3 12.

13 See Decision 2/CMA.2. Available at https://unfccc.int/sites/default/files/resource/cma2019_06a01E.pdf.

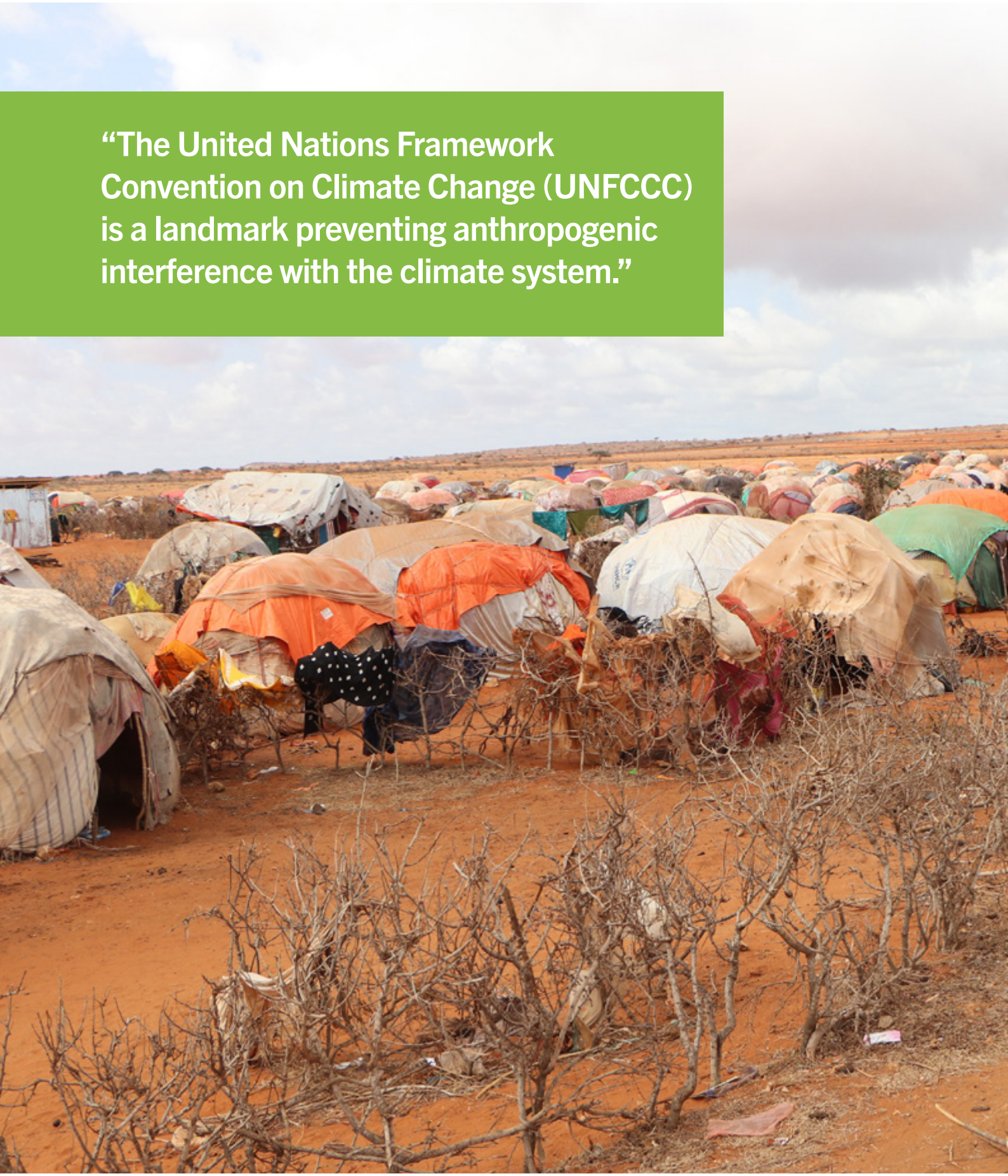
level in developing countries that are particularly vulnerable to the adverse effects of climate change."

- An important milestone was reached at COP27 in Sharm el-Sheikh, Egypt (2022). The parties agreed to establish a dedicated fund to assist developing countries in responding to loss and damage. It was also agreed that a transitional committee would be responsible for making recommendations on how to operationalize both the financing mechanisms and the fund.

- At COP28, in Dubai, United Arab Emirates (2023), the decision to operationalize the fund was adopted at the beginning of the meeting. Parties began pledging their contributions to the fund. However, a final decision was made that these contributions would be on a voluntary basis.

After a long journey, the issues of loss and damage have gradually permeated international climate negotiations. However, many challenges remain to be overcome.

"The United Nations Framework Convention on Climate Change (UNFCCC) is a landmark preventing anthropogenic interference with the climate system."



Families displaced by severe flooding in Somalia seek refuge at Ceel Jale Camp in Luglow in the Jubbaland region of southern Somalia. Photo: LWF Kenya-Somalia

III. Loss and damage: The challenge of conceptualization

The discussion regarding loss and damage under the UNFCCC has been primarily focusing on economic loss and damage. The non-economic aspects have not been fully developed nor defined despite the term having been introduced in climate negotiations in the 1990s[14]. However, there are some conceptual approaches that shed light on what we can understand by non-economic loss and damage.

In the available literature, "loss and damage" refers to the impacts of climate change that result from insufficient mitigation or adaptation[15], when it is no longer possible to adapt to more frequent and extreme weather events[16]. Slow-onset events that have been taking place over a longer period have also contributed negatively.

Slow-onset events refer, in accordance with the Cancun Agreement (COP16), to the risks and impacts associated with rising temperatures, desertification, loss of biodiversity, land and forest degradation, glacial retreat and its related impacts, ocean acidification, rising sea levels, and salinization. On the other hand, extreme weather events, according to the IPCC, are defined as uncommon occurrences in specific places and times of the year, such as heatwaves, tropical cyclones, floods, etc.

The "Loss and Damage Online Guide" published by the UNFCCC classifies loss and damage into two categories:

a. **Economic losses**, which can be understood as the loss of resources, goods, and services that are commonly traded in markets (e.g., infrastructure, property, agricultural production).

b. **Non-economic losses**, which encompass items that are not typically traded in markets (e.g., human lives, health, human mobility, loss of territory, indigenous knowledge, ecosystem services, and biodiversity)[17]

14 See https://unfccc.int/resource/docs/a/wg2crp08.pdf.
15 https://www.unep.org/topics/climate-action/loss-and-damage/about-loss-and-damage; https://www.un.org/en/climatechange/adelle-thomas-loss-and-damage; A/76/154, para. 45.
16 See https://unfccc.int/sites/default/files/resource/docs/2013/tp/02.pdf; and also https://unfccc.int/documents/637576.
17 These concepts are drawn from the UNFCCC technical paper on non-economic losses.

The classification made by the UNFCCC, which divides losses and damages into economic and non-economic categories, has been highly criticized by various researchers as well as other stakeholders, including NGOs. Assigning a monetary value to non-economic loss and damage is not the only solution. It is extremely challenging, if not impossible, to estimate the economic value of indigenous knowledge lost as a consequence of climate change. Similarly, how can we quantify the emotional and psychological harm suffered by individuals displaced from their homes by a hydrometeorological event, such as a cyclone or a tropical storm that destroys an entire city? These are issues that deserve special attention when conceptualizing loss and damage as they involve non-economic aspects that complicate the assessment and reporting of these impacts.

The challenge in addressing non-economic loss and damage lies in the fact that these often affect vulnerable populations more severely. Communities that are highly dependent on their natural environments and traditional ways of life, such as indigenous and rural populations, face the loss of cultural identity, heritage, and practices that are intimately tied to their environment. These are losses that are not just difficult to quantify, but impossible to replace. Additionally, the psychological toll, such as trauma from displacement or the grief over the loss of ancestral lands, exacerbates social inequalities and deepens the long-term impacts of climate-induced disasters.

Non-economic losses often involve irreversible environmental degradation such as the destruction of biodiversity, the loss of entire ecosystems, and the extinction of species, which represent damage that cannot be compensated monetarily. This raises critical ethical and governance questions within the UNFCCC framework: How should we account for these irreparable losses, and what mechanisms can be developed to address the needs of communities affected by them?

The narrow focus on quantifiable economic losses risks marginalizing the voices of those most affected by non-economic losses, thereby perpetuating global climate injustice. Consequently, a more holistic framework is needed to address loss and damage, one that fully considers the social, cultural, and environmental dimensions of climate change impacts.

A bridge in San Francisco Libre, Nicaragua, stands under passing clouds, but no rain has fallen for months during the rainy season. Climate change is believed to be the cause. Photo: Sean Hawkey

“The discussion regarding loss and damage under the UNFCCC has been primarily focusing on economic consequencies. “

IV. Non-economic loss and damage (NELD): A human rights perspective

Climate change represents a constant threat to the full enjoyment of human rights. It is disproportionately affecting the most vulnerable sectors of society, particularly those who have contributed only minimally to the problem and who, moreover, have benefited neither economically nor socially from the development of the nations that are largely responsible for its origin and its worsening due to emissions.

The recent report[18] of the United Nations Secretary-General, submitted in August 2024 pursuant to Human Rights Council resolution 53/6, highlights the impact of non-economic loss and damage on human rights. The report states that non-economic loss and damage are extensive and escalating at an alarming rate as climate change impacts increasingly disrupt various systems. These NELDs not only affect ecosystems and communities but also undermine the full and effective enjoyment of fundamental human rights such as the rights to life, health, housing, food, culture, education, an adequate standard of living, development, work, water and sanitation, self-determination, and a clean, healthy, and sustainable environment, underscoring the urgent need for immediate and decisive action.

Developed nations generally possess significantly greater resources to confront the adverse impacts of climate change. This financial and technological advantage enables them to implement adaptive measures, such as the construction of climate-resilient infrastructure that can withstand extreme weather events. Furthermore, these countries have access to advanced technologies that enhance their quality of life, from energy-efficient systems to innovative agricultural practices. As a result, they are often better equipped to manage the challenges posed by climate change, safeguarding both their economies and the well-being of their populations.

However, despite the financial and technological capacities and as reflected in their nationally determined contributions (NDCs)[19] developed countries, in particular those of the Global North, still fail to comply with the commitment to reduce their emissions in order to limit global warming to 1.5°C. In addition, the countries that contribute the least but are the most affected have received neither the sufficient and necessary resources nor the technology to address the adverse impacts of climate change.

18 https://www.ohchr.org/es/documents/thematic-reports/ahrc5730-analytical-study-impact-loss-and-damage-adverse-effects-climate
19 https://climateactiontracker.org/climate-target-update-tracker-2022/.

According to the IPCC, climate change is affecting ecosystem services related to human health, livelihoods, and well-being, with the most economically and socially marginalized being most affected. It is also noted that extreme climate-related events have affected the productivity of the agricultural, forestry, and fishery sectors. Droughts, floods, wildfires, and marine heatwaves contribute to reduced food availability and increased food prices, threatening food security, nutrition, and the livelihoods of millions of people across regions[20]

The Paris Agreement, in its preamble, states that when taking action to address climate change the parties should "respect, promote and consider their respective obligations on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity"[21]

The full enjoyment of human rights is being impacted by the adverse effects of climate change. The human rights to life, food, health, housing, self-determination, water, sanitation, decent work, and a clean, healthy, and sustainable environment are among those undermined, as highlighted in resolutions of the UN Human Rights Council and the UN General Assembly, as well as in reports by the United Nations High Commissioner for Human Rights, UN experts, and other UN bodies[22]

Similarly, the interconnection between NELD and human rights was highlighted in the report submitted to the UN General Assembly in July 2024, pursuant to Human Rights Council resolutions 33/14 and 51/7, by the Special Rapporteur on the right to development. The report emphasized that loss and damage undermine the right to development for individuals and communities, particularly those living in developing countries.

The violation of human rights as a direct consequence of loss and damage—both economic and non-economic—caused by climate change is a reality. The measures that states must adopt should be just, equitable, and sustainable, prioritizing respect for the human rights of all individuals, with particular emphasis on the most vulnerable sectors of society.

20 Intergovernmental Panel on Climate Change, *Sixth Assessment Report, Working Group II – Impacts, Adaptation and Vulnerability: Headline Statements from the Summary for Policymakers*. 2022. Available at: https://www.ipcc.ch/report/ar6/wg2/downloads/report/IPCC_AR6_WGII_TechnicalSummary.pdf.

21 See https://treaties.un.org/doc/Treaties/2016/02/20160215%2006-03%20PM/Ch_XXVII-7-d.pdf.

22 See, for example, Human Rights Council resolutions 7/23, 10/4, 18/22, 26/27, 29/15, 32/33, 35/20, 38/4, 41/21, 44/7, 47/24, 50/9 and 53/6; and A/HRC/31/52, A/HRC/32/23, A/HRC/35/13, A/HRC/38/21, A/HRC/41/26, A/HRC/44/30, A/HRC/47/46, A/HRC/50/57, A/HRC/53/47, and A/HRC/55/37.

It should be recognized that, from the perspective of the UNFCCC, the parties have excluded the possibility of seeking liability or compensation regarding loss and damage, as established in paragraph 51 of the decision adopting the Paris Agreement. However, addressing loss and damage caused by climate change must be done from a perspective of respect for human rights, which includes the possibility of accessing the right to an effective remedy. Any violation of human rights resulting from loss and damage, whether economic or non-economic, should provide and facilitate access to justice, thereby promoting remediation and/or compensation.

The above has been proposed by the Special Rapporteur on the right to development, in accordance with Human Rights Council resolution 51/7[23]. The report recommends that "this politically inconvenient shift must take place. Climate change has clear consequences for the realization of all human rights. It is a well-established principle of international human rights law that effective remedies must be available for violations of human rights by states or other actors. In fact, access to remedy and justice is also a fundamental human right."

23 See https://documents.un.org/doc/undoc/gen/n24/211/94/pdf/n2421194.pdf.

V. Views and lessons learned from faith communities

Faith-based organizations play a pivotal role in supporting communities facing non-economic loss and damage. They provide emotional and spiritual care, helping individuals and communities cope with the profound grief and trauma associated with the loss of cultural heritage, identity, community bonds, and spiritual connection to the land. As trusted institutions within many communities, they offer continuity and hope amid disruption, fostering resilience and solidarity. Additionally, faith-based organizations act as crucial bridges between grassroots movements and larger policy frameworks, advocating for the recognition and redress of non-economic losses in climate policy. Through their engagement, they ensure that the spiritual, cultural, and social dimensions of loss and damage are recognized and acknowledged, and that communities are supported holistically in their recovery.

It is estimated that more than 80 percent of the world's population is associated with religions and beliefs. International development organizations have increasingly acknowledged the importance of religious actors in development policy and practice, including in health, education, climate change, and environmental issues[24]

Faith communities are thus called to take concrete action for climate justice, actively promoting the participation of churches and civil society, such as setting an agenda with a strong ethical and spiritual dimension, leading social auditing for compliance with the commitments of large emitters of greenhouse gases, building bridges between different actors, and forming alliances for transformation.[25] They can also promote behavioral changes based on their spiritual teachings. They have the potential to reach their large constituencies with environmental education and action.

Faith communities help reframe development as a social issue as opposed to viewing it solely through an economic lens. The concept of Integral Human Development (IHD) is rooted in the belief that people are inherently social in nature so that promoting the common good is the only valid approach to ensure that everyone, everywhere, can achieve their full potential and have their basic dignity respected. IHD "provides a

24 S. Deneulin, et al., *Faith-Based Participation in Natural-Resource Governance: Communities Defending Life and Territories in Brazil, Colombia, and Mexico* (Washington, DC: World Resources Institute, 2024).

25 Elena Cedillo, "Central American Perspectives on Ecological and Climate Justice," in *Ethics for Life: Voices from Ecumenical Partners on a New Paradigm of Life and Society* (Berlin: Brot für die Welt, 2019), 162–72. Available at: https://www.brot-fuer-die-welt.de/fileadmin/mediapool/2_Downloads/en/20_About_Us/Ethics-for-Life.pdf.

particularly effective frame of reference for understanding loss and damage because all these needs are increasingly being unfulfilled due to the impacts of climate change and the resulting loss and damage"[26]

Understanding non-economic loss and damage

Faith communities understand the differentiation between economic and non-economic loss and damage caused by climate change. Although the interviews were focused on NELD, it is important to highlight that in the different regions economic losses and damages are clear, present, and increasing. When the interviewees were asked to define NELD in a few words, they referred to everything beyond the material, issues that cannot be repaired with monetary means, such as loss of human lives and displacement, and non-marketable damage and loss.

Faith communities often challenge current development models and their contributions to climate change. The interviewees also expressed concern about the current proposed false solutions, and about the international community's slowness in effectively addressing the climate emergency, which distracts from and postpones concrete and credible actions.

A participant of the study expressed that NELD represents impacts that mark life, dividing it between a before and an after. They affect people in vulnerable situations, with limited resources and restricted access to education, healthcare, and security.

It is important to mention that faith communities also appropriately distinguish between slow-onset and extreme events. Drought, landslides, and flooding cause an immediate loss to their communities and are common to all regions. There is an incremental concern about slow-onset events because of the awareness of their irreversible effects and the non-economic loss they cause.

Faith communities that participated in the study are actively working in marginalized communities with limited access to education, health, and employment opportunities, where high violence and public security issues are prevalent, and government presence is minimal. In this challenging context, faith communities reaffirm that climate change further aggravates these problems.

26 Policy Brief of Caritas International, "Unheard, Uncharted: A Holistic Vision for Addressing 'Non-Economic' Loss and Damage," available at https://www.sciaf.org.uk/resources/603-unheard-uncharted.

In October 2024, N'Djamena faced severe flooding as the Chari River rose to 8.18 meters, surpassing 2022 levels by a meter. Nearly 2 million people were affected nationwide, with homes, schools, and health centers heavily damaged. Photo: LWF/M. Renaux

Faith communities carry out their mission in a challenging environment. They observe in certain regions the existence of unsustainable or inappropriate consumption patterns in relation to food, energy, and water, among others. Mechanisms for dialogue and citizen participation in environmental and climate policies are also limited or nonexistent in many areas. This prevents the experiences, best practices, and knowledge of faith communities from informing and supporting the decisions that governments make regarding climate change.

Faith communities appreciate the establishment of the Loss and Damage Fund, although they identify similarities with the Green Climate Fund[27] process, where it necessarily increases the amount of funds for climate adaptation and mitigation.

In regions such as the Pacific Islands, phasing out fossil fuels is a priority, as is the need to reduce emissions. The three pillars are fundamental when considering climate finance, investment in adaptation and mitigation, and addressing loss and damage.

Although it is not the final solution, faith communities in the Pacific Islands recognize that they have been lobbying for a long time in relation to non-economic loss and damage, driven by their experience of being among the most affected by climate change.

27 https://unfccc.int/process/bodies/funds-and-financial-entities/green-climate-fund.

NELD experiences from people of faith

This section presents some of the key findings that highlight how faith communities are facing non-economic loss and damage. These insights shed light on the diverse challenges they encounter:

a. **Loss of cultural traditions.** Faith communities are dealing with immediate and longer-term losses due to climate change impacts. Cultural and religious practices, which are an integral part of their identity, are affected. In several cases, cultural sites as well as elements of nature such as trees, rivers, ponds, and wetlands, are being lost due to heavy flooding, landslides, droughts, etc. One striking example comes from the Kirati people in Nepal. Due to the change in weather patterns, people, especially the young generation, migrate for their survival and for a better future. Consequently, they are prevented from practicing their cultural rituals such as Sakela dance – an expression of thanking nature for providing harvest. The dance is transmitted from generation to generation. However, with the younger generation migrating, this passing of tradition is interrupted. This impacts their community cohesion and identity. Even though the right to freedom of religion or belief is guaranteed in the Constitution of Nepal, the Kirati people cannot fully enjoy it due to the fact that they are uprooted from their ancestral lands due to climate-induced displacement.

A dried pond in East Bale Zone, Ethiopia, due to lack of rainfall. At full capacity, this pond serves around 2,800 people during the dry season of about four months. Photo: LWF Ethiopia / Nasir Kedir

b. **Loss of territory, land, and ancestral land.** Communities are experiencing the imminent loss of their territories and land. Because of the destruction of their environment due to climate change, individuals are either internally displaced or forced to migrate to other countries. The new place where they settle is often completely different from their homes. For example, in the Pacific region, some coastal communities have to move inland. They cannot practice their traditional livelihood activities anymore, such as fishing or other traditional cultural practices.

c. **Interconnectedness with nature.** In certain religions and faith traditions, nature and the human being are understood in an equal way. Ceremonies and rituals have been practiced over millennia as the expressions of the harmony and mutual relation between human beings and their nature. However, due to the adverse impacts of climate change, this relationship is affected. Nature, which traditionally is trusted and relied on as a source of life, is now considered as the source of suffering to the communities. The perception of faith leaders in some communities is that they are not sufficiently equipped to explain the negative impacts of climate change. Instead, it can be considered as a consequence of being unfaithful to their beliefs, leading to the feeling of accepting destiny or punishment. In a similar way, members of the traditional faiths feel that nature is angry with them.

d. **Loss of faith and hope.** The emotional and spiritual impact of extreme climate events leads in some cases to questions of faith about why God would allow such suffering. This creates a deep emotional struggle and makes it more difficult to cope with these events.

e. **Psychological well-being.** In consultation with youth leaders in different regions, the concept of “climate anxiety” or “eco anxiety” is raised. Young people express their deep concern regarding their uncertain future due to difficult circumstances posed by climate change, as well as loss of biodiversity and social disarray. The mental well-being of young people is affected, resulting in an increase in depression, anxiety, post-trauma after extreme weather events, in some cases suicide, and other impacts.

f. **Climate change is exacerbating existing problems.** Climate change impacts are progressively weakening networks of support as extreme weather events such as floods, droughts, and hurricanes become more frequent and intense, eroding the social, economic, and environmental infrastructure on which people depend. Communities are increasingly experiencing either internal displacement

or migration leading to the breakdown of support systems, exacerbating inequalities, violence, difficulties in accessing information, and impacting mental health negatively.

g. **Climate-induced displacement and migration.** Different faith communities experience displacement and migration in the context of climate change both inside and across borders. Cultural heritage sites, monasteries, and temples in such deserted places are left without caretakers and proper maintenance. People are facing mental stress and psychosocial problems as their acceptance by the host community can be a lengthy process. Social harmony in newly displaced or migrant communities can be challenged as conflicts may arise with the host communities. Consequently, their identity and social capital can deteriorate over time. A key case highlighted in the research and addressing this challenge is the Australia-Tuvalu Falepili Union, signed on 9 November 2023[28]. In this legally binding treaty, Australia recognizes for the first time Tuvalu's continuing statehood and sovereignty despite the threat of its being engulfed by rising sea levels due to climate change. Australia is committing to assist Tuvalu in the event of a major natural disaster, health pandemic, or military aggression. Additionally, the treaty creates a special visa pathway, supporting mobility with dignity, and allowing Tuvalu citizens to live, work, and study in Australia. While the treaty allows the people of Tuvalu to relocate to Australia, in return, the Treaty gives Australia veto power over any security arrangement Tuvalu may be tempted to conclude with other nations[29].

The role of faith communities

Based on the information received during the interviews, faith communities have been playing a key role in responding to the impacts of climate change in their communities. They have developed strategies and practices according to their own experience. Their responses are also based on their own religious, cultural, and spiritual contexts.

Examples of initiatives or strategies that faith communities have undertaken to address non-economic loss and damage are related to the deep connection with the environment and nature. Faith communities are focusing on nature and forest conservation, preserving protected areas, encouraging sustainable practices through

28 https://www.dfat.gov.au/geo/tuvalu/australia-tuvalu-falepili-union-treaty.
29 https://ecfr.eu/article/more-than-just-a-climate-deal-the-australia-tuvalu-falepili-union-treaty-and-the-eus-potential-contribution-to-the-pacific/

behavior change and promoting climate-friendly practices, raising awareness among the communities including local governments and climate policymakers, and organizing capacity development programs, among others.

Additionally, they are playing a significant role in transferring traditional cultural values and practices to the next generation, ensuring the continuity of their heritage in the context of environmental stewardship.

When extreme events occur, faith communities help communities cope with the emotional impact of the events. One practice identified to help children cope with this situation is to focus on playfulness to minimize the emotional impact. In general, faith communities provide psychological assistance and support for children and adults and contribute to minimizing conflicts and violence.

They also provide comfort and relief to communities. During extreme events, people feel despair and hopelessness, and question why God allows such tragedies to occur.

Some faith communities started to adapt their rituals and practices due to the ongoing experience of climate change. One of the key examples is meditation, which encourages members of the communities to cultivate mindfulness in relation to their affected environment. Another example is the worship or ritual of paying respect to nature and the environment in their communities as a call to their faith communities to live in harmony with their surroundings.

The faith communities carry out their work in challenging environments, and in many cases without enough support from government authorities.

“The faith communities carry out their work in challenging environments, and in many cases without enough support from government authorities.”

May 2019: This is one of 20 “green spaces” near the Minawao refugee camp in northern Cameroon, where a five-year planting cycle helps reduce environmental impact. The LWF and its partners support the camp, which is home to 58,000 Nigerian refugees. Photo: LWF/Albin Hillert

VI. Policy recommendations

a. **Develop a definition of Non-Economic Loss and Damage**. While acknowledging the increasing attention on the issue, there is a lack of a clear definition of NELD. The very conceptualization of what constitutes loss and what constitutes damage must be the result of a consensus among the parties, rather than a mere exercise in understanding the dynamics of loss and damage from both economic and non-economic perspectives. The same applies to the meaning of "addressing loss and damage," as clear actions must be defined to genuinely tackle these issues.

b. **Provide funding for NELD.** Addressing the provision of funding for loss and damage including NELD is critical and must be addressed urgently. Ensuring timely and adequate financial support to affected communities will enable them to better face challenges. Funding should also be accessible directly to faith communities. Efforts should be made to find innovative financial approaches for NELD. Specific efforts must continue under the Loss and Damage Fund operationalization. The call for a fund that is accessible, comprehensive in its approach to economic and non-economic loss and damage, restorative, and based on grants is essential for the effectiveness of this new mechanism.

c. **Acknowledge the role of faith communities.** Governments should recognize the vital role of faith communities in addressing non-economic losses and damages. Joint efforts between government and faith communities can be more effective than isolated actions. The knowledge and skills that faith communities have can serve as valuable sources of inspiration and information for policymakers when developing policy frameworks. Policymakers should consult with faith communities in climate change discussions and planning. Cultural development and the non-economic losses associated with climate change should be integrated into capacity-building and in responses to climate impacts.

d. **Establish permanent dialogue mechanisms.** At the national and international levels, there is a need to have a permanent mechanism of dialogue to allow discussion between governments, representatives of faith communities, and other relevant stakeholders. Mutual understanding and collaboration are essential. Faith-based organizations must take the lead in building trust and setting the agenda for NELD discussions.

e. **Ensure respect for nature.** Governments should move beyond an anthropocentric vision and embrace an approach of mutual respect for nature. The loss of biodiversity highlights the need to achieve balance with nature. The intrinsic value of each species should be recognized independently of its economic value and for the unique role they play in the ecosystem.

f. **Provide relief for psychological stress.** There is a need to allocate more resources to be able to provide emotional relief, psychological comfort, and social services to communities facing climate change impacts. In a scenario of growing climate extreme events, the associated loss and damage are likely to escalate significantly for at-risk populations. These considerations should be included in the policy framework.

g. **Provide human rights capacity building.** Human rights are universal and apply to all, regardless of religious beliefs. Hence, orientation and training workshops on human rights among diverse religious and community leaders, government agencies, and civil society organizations should be held to create awareness of the climate change crisis and its impacts, including non-economic loss and damage.

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“Addressing non-economic losses and damages, is not just about funds or policies, but about honoring the lives, identities and beliefs of those most affected and taking meaningful steps toward a more just and compassionate world.”

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