HOUSING AND LAND RIGHTS NETWORK
Habitat International Coalition

How to Measure Loss and Damage for Remedy

With the start-up phase (2025–26) of the UNFCCC Fund Responding to Loss and Damage (FRLD) has been concentrating on the institutional processes and mechanics toward operation, but has outlined some eligibility criteria, forms of remedy and financial modalities for communities to benefit. Meanwhile, Observers have upheld the human rights framework and advocated fuller civil society participation in the governance and policy decisions, which should well inform future FRLD functions.

The Transitional Committee's 2023 call for case studies collected a diversity of inputs, some describing impacts, while others reported on efforts undertaken to define climate change, hazards and related policy.

Within process and outcome principles toward climate justice [proffered by the Mary Robinson Foundation and Habitat International Coalition (HIC), respectively], a repertoire of existing commitments and obligations of states already guide all spheres of government and public institutions, including FRLD. Beyond those principles, the minimum values to be restored are outlined in the Remedy and Reparations Framework (RRF). These include remedy to recover the costs, loss and damage in the likely event of household and community displacement and resettlement. However, most impact assessments so far have been macro level, remotely conducted, sector-wide, or otherwise overly general.

HIC 's Housing and Land Rights Network (HLRN) encourages the FRLD Board, nascent Secretariat, Observers and other stakeholders to take the needed steps to develop ample criteria and methods for identifying, measuring, quantifying and remedying the actual impacts of climate change on communities, covering both material and noneconomic values at stake through community-led approaches. That means offering sample inventories and quantification data-collection tools to fill gaps in the local sphere to inform the Fund of needed restorative measures consistent with the preventive and remedial purposes of the normative guidance already developed to date.

These comprehensive and community-oriented approaches would also help fulfill the UN Sustainable Development promise of "pooling expertise [and] data…scattered across the system," as well as fill crucial data gaps in informal settlements and other affected communities marginalized and/or subject to historic environmental discrimination. Achieving restorative climate justice in such cases may require more than money, but also sage policy advice and technical support that the FRLD might provide toward remedy, while avoiding repetition of climate-change impacts.

HIC-HLRN's experience and lessons learned have produced a methodology to collect qualitative and quantitative community-led CL&D data with a tailored valuation framework that determines financial-, environmental-, and social-restoration needs. Over 30 applications so far include those maintained over 20 years in HIC-HLRN's Violation Database since 2009. Diverse examples include Dalit slum dwellers in India subjected to devastating floods, women heads of household in displaced informal settlements in Uganda and Zambia, and small-scale food producers in Iraq.

This repertoire, among potential others, would produce practical recommendations for the FRLD to develop its eventual scope of operation and eligibility criteria for affected communities.

See illustrative enumeration criteria in annex below.

Annex: HIC-HLRN's criteria for quantifying impacts:

The changes in (Δ) the following types of values and assets to be quantified for any stage of climate-change impact:

A: Δ affected households' material and non-material/non-economic values and assets,
B: Δ affected households' expenditures,
C: Δ civic (indirect and social) material and non-material/non-economic values and assets (for communities and public entities), and
E: Δ public/state material and non-material/non-economic values and assets (for public entities).

The specific categories of valuation of immediate and longer-term costs, losses and damage fall within multiple dimensions of the values at stake:

IV.A Household Values and Assets

1. Structure (dwelling and other buildings)
2. Contents
3. Environment goods, natural resources and ecology
4. Infrastructure/utilities
5. Equipment/inventory
6. Inheritance prospects
7. Inviolate/priceless assets*
8. Land (distinct from 10. Plot and 14 Trees and Crops below.)
9. Livestock and animals
10. Mortgage, other debt penalties
11. Opportunity costs (e.g., in case of household-based business losses)
12. Plot (see also explanation at 8. Land above.)
13. Subsidies and rations
14. Trees and crops
15. Vital documents
16. Water sources and infrastructure
17. Work/livelihood
18. Other

Sub-total

IV.B: Household Expenditures

1. Advocacy
2. Alternative housing/reconstruction/occupancy
3. Interim housing (such as rental/sub-rental housing)
4. Bureaucratic and legal fees
5. Food
6. Health care
7. Education (both monetary costs and qualitative values)
8. Information (both monetary costs and qualitative values)
9. Inheritance loss
10. Investments
11. Land development/reclamation
12. Mortgage, other debt payments
13. Rebuilding community spaces/structures/institutions
14. Rehabilitation (economic, physical, social, cultural, vocational, etc.)
15. Relocation
16. Transportation
17. Other

Sub-total

IV.C: Household's Social Assets

1. Community spaces
2. Nurseries/childcare services
3. Cultural heritage/sacred sites (both monetary costs of restitution and qualitative values)
4. Environmental goods, natural resources and ecology*
5. Family*
6. Health Status* (physical well-being)
7. Identity*
8. Inheritance status
9. Investment (community)
10. Inviolate/priceless values
11. Life
12. Psychological well-being*
13. Social and institutional capital (based on replacement at market costs)
14. Social status/solidarity/cohesion/integration*
15. Other

Sub-total

IV.D: Civic Values and Assets

1. Social cohesion/integration*
2. Public health (both monetary costs and qualitative values)
3. Political legitimacy*
4. Political participation*
5. Civil order (both monetary costs and qualitative values)
6. Crime prevention/management
7. Violence (both monetary costs and qualitative values)
8. Other

Sub-total

IV.E: Public / State Values and Assets

1. Bureaucracy and administrative services
2. Equipment
3. Lawyers/judges/judiciary
4. Police
5. Military
6. Services and fees, including rehabilitation and resettlement (e.g., land, building, site development, etc.)
7. Other

Sub-total

Total

The HLRN methodology provides detailed guidance for each value category, based on experience to date, localizing and adapting to the specific case and community—as well as public entities—submitting potential claims through the grant-access window.

For further details on the HLRN Impact-assessment Tool and methodology, its applications, survey instruments, outcome reports and other related materials, consult the HLRN website's Impact-assessment page, or contact hlrn@hlrn.org.

* Certain values (non-economic losses and damage) are not conducive to monetary quantification, requiring qualitive assessments.