



A FIVE YEAR VISION FOR LOSS AND DAMAGE

SUMMARY FOR POLICYMAKERS

lossanddamagecollaboration.org



ACKNOWLEDGMENTS

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EXECUTIVE SUMMARY

In 2030, the **Loss and Damage support landscape** under the **United Nations Framework Convention on Climate Change** and its **Paris Agreement** is centered upon three key institutions: 1) The **Executive Committee** (ExCom) of the **Warsaw International Mechanism for Loss and Damage** (WIM); 2) The **Santiago Network**; and 3) **The Fund for Responding to Loss and Damage** (FRLD/Fund). These three institutions are operating effectively and efficiently, approaching the scale of the needs of developing countries and ensuring coordination and coherence in the timely delivery of Loss and Damage support. **Loss and Damage is undeniably the third pillar of climate action** alongside mitigation and adaptation.

The actors responding to Loss and Damage in 2030 are diverse, allowing for context specific responses at the local and regional level and the generation of new knowledge and approaches that can inform global response. These actors are mainstreaming **best practices that are equitable, transformative, durable, aligned with human rights**—including the right to development—and support the achievement of the **sustainable development goals** and the **eradication of poverty**.

The Loss and Damage Funding Arrangements work as **a mosaic of solutions** to assist developing countries in responding to loss and damage. Many regional and national Loss and Damage funds have been established. All existing funding arrangements have been enhanced including humanitarian assistance. New and additional, high quality, accessible, grant based Loss and Damage finance is flowing through the Loss and Damage Funding Arrangements at a scale of at least **724.43 billion USD a year**. It has been identified that at least **4.8 trillion USD** can be mobilised from innovative sources by developed countries for Loss and Damage finance.

The **ExCom** has expanded the composition of its membership to include **Active Observers**. The membership of the ExCom's **Expert Groups have expanded**. The ExCom and its Expert Groups work to identify and communicate the capacity building, technical assistance, readiness and funding needs of developing countries and the communities within them to the Santiago Network and FRLD. The ExCom and its Expert Groups identify and address knowledge gaps, providing guidance on national planning, mobilisation of finance and implementation. **Expert Groups provide support** to developing countries and communities based on their thematic expertise. The ExCom regularly convenes the Co-Chairs of the ExCom, the Advisory Board of the Santiago Network and the Board of the FRLD, the members of the network, the implementing entities of the FRLD and entities that make up the Loss and Damage Funding Arrangements. The activities of the WIM ExCom and its Expert Groups are supported by **a dedicated budget of 14.2 million USD a year**.

The **Santiago Network** is catalysing an average of **1672 technical assistance requests a year** to developing countries and the communities within them. The total allocation of resources to technical assistance is **129.2 million USD a year**. The Santiago Network delivers urgent **technical assistance** requests **within 48 hours** and regular requests **within two months**. The network provides on demand 24 hour a day support to proponents wishing to access technical assistance. The Santiago Network's membership has grown to **over 1000 members**. The number of members operating regionally and locally has increased to **70 per cent**. There are local organisations, bodies, networks and experts from **every developing country**. Collaboration between the Santiago Network and FRLD focuses on three key modalities: 1). sequential support; 2). parallel support; and; 3. joint information sharing and learning. The Santiago Network hosts an open data library and a resources library on its website. Biannually the Santiago Network catalyses the delivery of a **State of Loss and Damage Report** by one or more of its members.

The **Fund for Responding to Loss and Damage** is programming at least **400 billion USD a year**. The first replenishment will happen in 2034. The primary source is **public finance from developed countries**. Innovative sources are also flowing directly to the FRLD. The FRLD responds to **all types of economic and non-economic loss and damage**. This includes rapid response complementary to humanitarian actions taken immediately after an extreme weather event. The FRLD disperses funds through its **rapid response window within 48 hours** of receiving an urgent request. Disbursal for regular requests is delivered **within 2 months** allowing for iterative consultations with affected communities. **Direct access is facilitated to all developing countries including at the subnational and municipal level**. Direct access to **small grants** is facilitated for communities, Indigenous Peoples and all other people in vulnerable situations in developing countries through **a dedicated window** and enhanced direct access entities. The FRLD has over **400 implementing entities**. The FRLD provides **readiness support valued at 260.206 million USD a year** to developing countries and direct access entities. The FRLD has **robust policies** for observers, human rights, gender, access to information and transparency, conflict of interests and people in vulnerable situations. The Fund has a dedicated set of **environmental and social safeguards** and a dedicated **grievance mechanism**. The FRLD is now **a legally independent institution** with its own juridical personality hosted by the Philippines in Manila. Its Secretariat is **no longer hosted by the World Bank** but the Bank remains the trustee. The cost of running the FRLD is no more than 12.04 billion USD a year. The FRLD provides on demand 24 hour a day support to proponents wishing to make funding proposals and access readiness support. The FRLD has established **a regional presence**. The FRLD oversees the implementation of the **Loss and Damage finance criteria** to track financial flows through the Funding Agreements. The FRLD hosts a simplified open data library on its website. An open access **Loss and Damage Tracking Database** is hosted by the FRLD in collaboration with the WIM ExCom, Santiago Network and the United Nations Office for Disaster Risk Reduction.

INTRODUCTION

This paper presents a vision for Loss and Damage response in 2030. It is intended to act as a starting point for Loss and Damage actors to co-create a vision that can act as a guiding star that can help to ensure that Loss and Damage response is well on the way to reaching the scale of the needs by 2030. The paper builds on the state of current Loss and Damage policy discussion and a series of interviews undertaken with civil society and developing country stakeholders. The vision presented reflects an attempt to carefully balance developing countries' needs with the needs of communities. This summary for policymakers presents a digestible version of a longer discussion paper that remains open for comment [here](#).

In the following chapters the vision unpacks:

- The institutional arrangements for Loss and Damage;
- The actors involved;
- The Loss and Damage funding arrangements;
- The support available before, during and after a loss and damage event;
- How Loss and Damage finance is being delivered at scale; and;
- How to achieve this vision.

A FIVE YEAR VISION FOR THE LOSS AND DAMAGE SUPPORT LANDSCAPE

INSTITUTIONAL ARRANGEMENTS

In 2030, the Loss and Damage support landscape under the United Nations Framework Convention on Climate Change (UNFCCC) and its Paris Agreement is centered upon three key institutions:

- The Executive Committee (ExCom) of the Warsaw International Mechanism for Loss and Damage (WIM)—A policy and knowledge hub with five expert groups.
 1. The Task Force on Displacement.
 2. Expert Group Non Economic Loss and Damage.¹
 3. Expert Group on Action and Support.
 4. Expert Group Comprehensive Risk Management.
 5. Expert Group on Slow Onset Events.
- The Santiago Network for averting, minimising and addressing loss and damage (Santiago Network)—a network to enhance implementation.
- The Fund for Responding to Loss and Damage (FRLD/Fund)—a fund to deliver finance at scale.

These three institutions are operating effectively and efficiently, well on their way to reaching the scale of the needs of developing countries and ensuring coordination and coherence in the timely delivery of Loss and Damage support. The advancement of the Loss and Damage support system under the UNFCCC has further cemented Loss and Damage as the third pillar of climate action alongside mitigation and adaptation. Figure 1 on page 4 shows the institutional arrangements for Loss and Damage under the UNFCCC and its Paris Agreement² and how responsive governance informs Loss and Damage response from the local to the global level.

ACTORS

The actors responding to Loss and Damage in 2030 are diverse, allowing for context specific responses at the local and regional level and the generation of new knowledge and approaches that can inform global response. This leads to the mainstreaming of best practices that are equitable³, transformative, durable, aligned with human rights—including the right to development—and support the achievement of the sustainable development goals and the eradication of poverty⁴. Figure 2 on page 5 shows what types of actors support Loss and Damage response from the local to the global level and the lines of communication and collaboration that help to ensure coordination and complementarity.

Figure 1: The Institutional Arrangements for Loss and Damage under the UNFCCC and its Paris Agreement

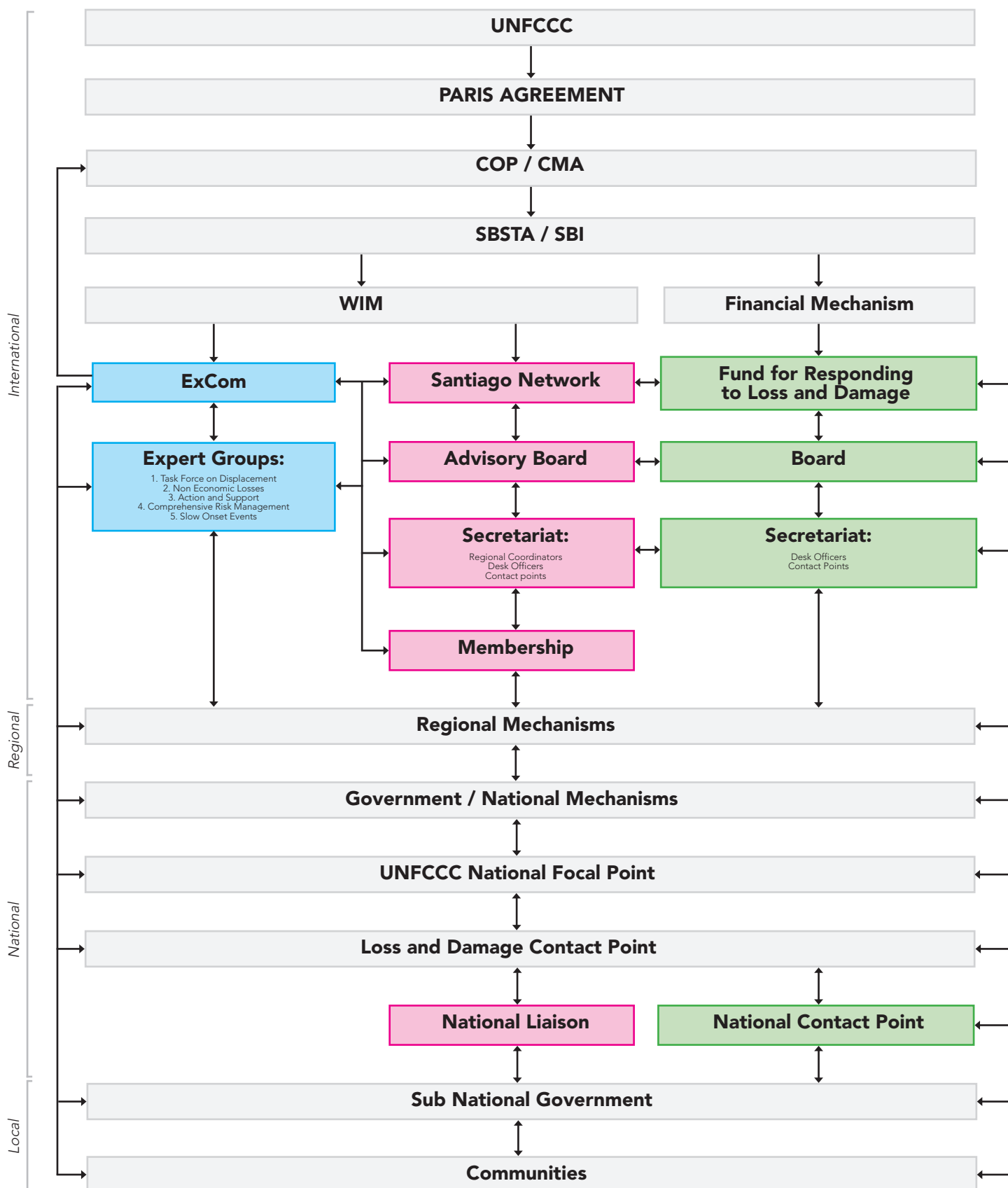
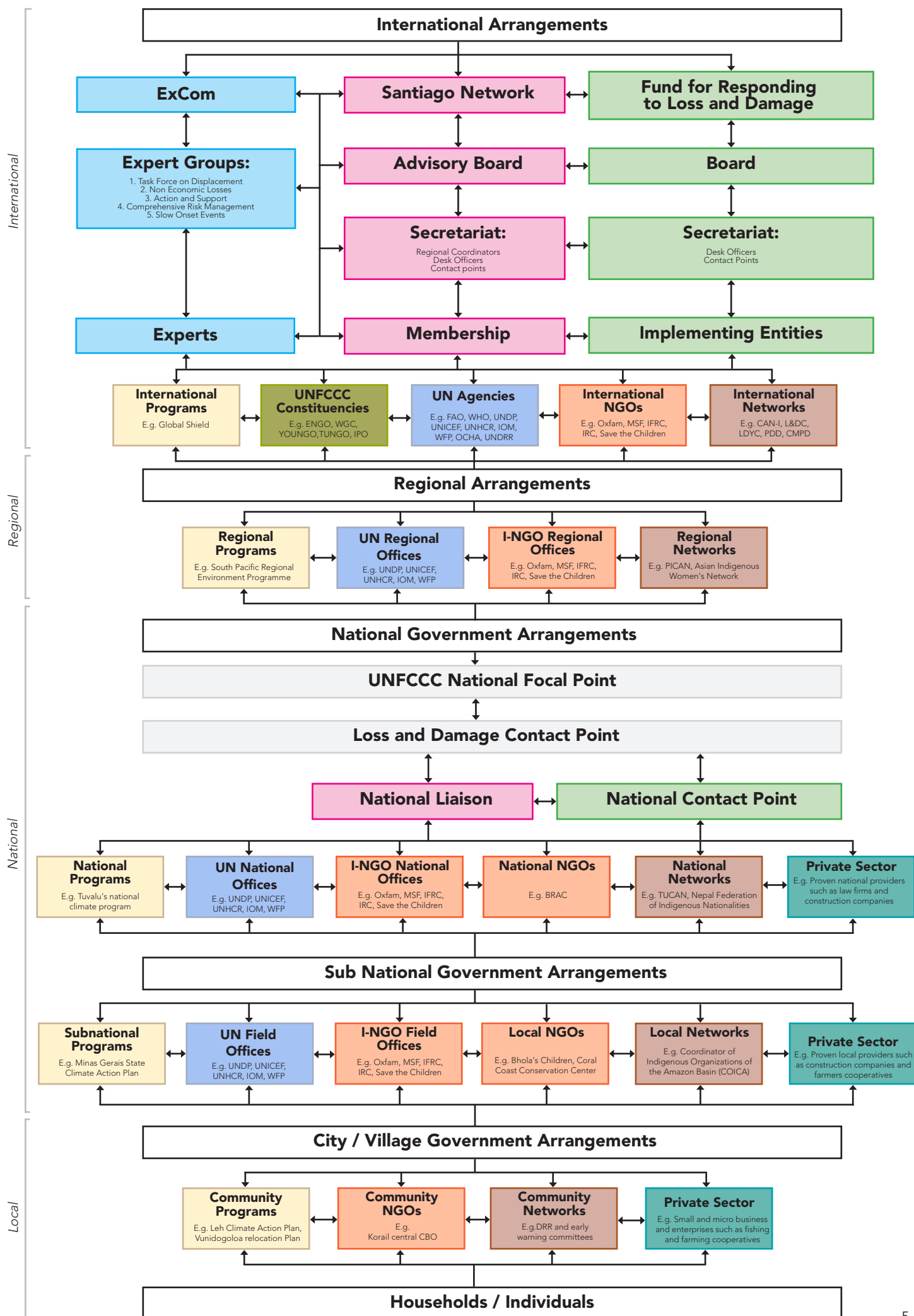


Figure 2: Actors across the Loss and Damage Landscape from the global to the local



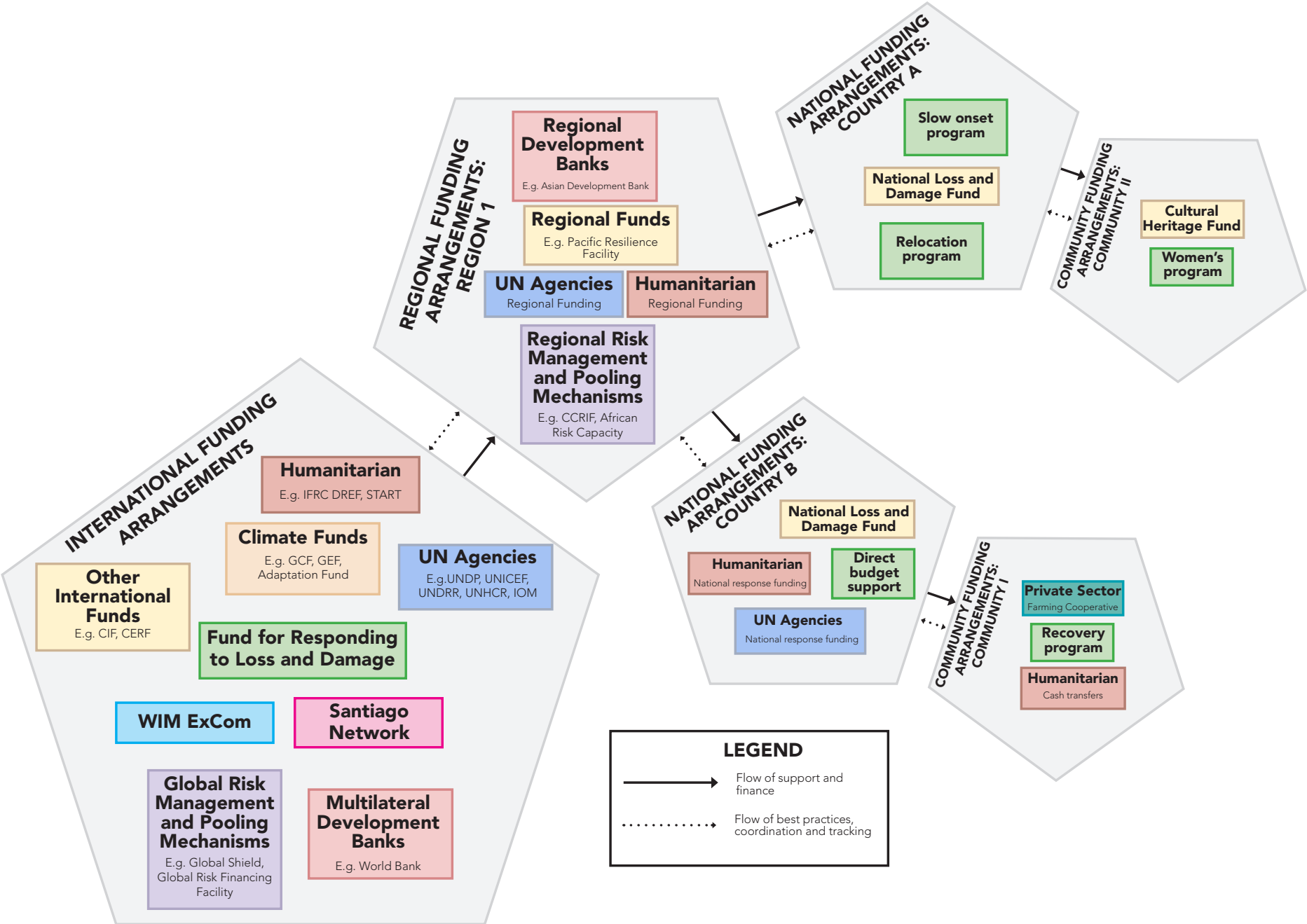
LOSS AND DAMAGE FUNDING ARRANGEMENTS

In 2030, the Loss and Damage Funding Arrangements work as a mosaic of solutions to assist developing countries in responding to loss and damage.⁵ The Funding Arrangements, which complement and include sources, funds, processes and initiatives under and outside the UNFCCC, provide and assist in mobilizing new and additional resources including finance, technical assistance, technology transfer and capacity building⁶. With the FRLD as the central coordinating entity, the Funding Arrangements have increased the coherence of and coordination across the climate, humanitarian, disaster risk reduction and development architectures.⁷ Examples of Funding Arrangements include:

- The FRLD, WIM ExCom and its Santiago network.
- The World Bank and regional development banks such as the African Development Bank (AfDb), Asian Development Bank (ADB) and Caribbean Development Bank (CDB).
- The International Monetary Fund.
- United Nations agencies and other intergovernmental organizations such as United Nations Development Programme (UNDP), Food and Agriculture Organization of the United Nations (FAO), United Nations High Commissioner for Refugees (UNHCR), United Nations Children's Fund (UNICEF), International Organization for Migration (IOM), United Nations World Food Programme (WFP), World Health Organization (WHO), United Nations Office for Disaster Risk Reduction (UNDRR), and United Nations Educational, Scientific and Cultural Organization (UNESCO).
- Relevant regional, international, bilateral and multilateral organizations (e.g. regional risk management and pooling mechanisms such as the Caribbean Catastrophe Risk Insurance Facility (CCRIF)
- International humanitarian networks such as The International Federation of Red Cross and Red Crescent Societies (IFRC).
- Other multilateral climate funds such as the Adaptation Fund, the Climate Investment Funds (CIF), the Global Environment Facility (GEF) and the Green Climate Fund (GCF), and regional and national funds such as the Pacific Resilience Facility.
- Other multilateral funds such as the Central Emergency Response Fund (CERF), IFRC's Disaster Response Emergency Fund (DREF), and the Start Network.⁸

By 2030, a significant number of new funding arrangements have been established at the regional and national level including many regional⁹ and national Loss and Damage funds. These arrangements have helped to address key issues such as the speed of disbursement of funds and direct access to finance for sub national governments, municipal authorities, communities and vulnerable groups¹⁰. Whilst all existing funding arrangements have been enhanced to increase the total amount of Loss and Damage finance provisioned each year to at least 724.43 billion USD.¹¹ Figure 3 illustrates the type of funding arrangements that are in place at each level responding to the needs and priorities of developing countries and their communities. The figure also shows flow of information on implementation, financial and support flows, gaps and needs and the promotion of best practices flows between the international, regional, national and local levels.

Figure 3: Loss and Damage Funding Arrangements at the Global, Regional, National and Local Level



A FIVE YEAR VISION FOR THE WIM EXCOM, SANTIAGO NETWORK AND FRLD

In this chapter we detail the role that each of the three key Loss and Damage institutions are playing, the scale of the support they provide, how they ensure timely delivery of support and the meaningful participation of all relevant stakeholders.

EXECUTIVE COMMITTEE OF THE WIM

ENHANCED FUNCTIONS OF THE WIM

In 2030 the WIM ExCom has significantly enhanced the implementation of the three functions of the WIM¹². They are:

1. Enhancing knowledge and understanding of comprehensive risk management approaches to address loss and damage.
2. Strengthening dialogue, coordination, coherence, and synergies among relevant stakeholders.
3. Enhancing action and support to address loss and damage, including finance, technology, and capacity-building.

This work includes:

1. Enhancing knowledge and understanding:

Every two years the ExCom conducts a survey asking developing countries to identify and prioritise knowledge products and activities. The results of this survey inform the development of the plan of action of each expert group and the ExCom's five year rolling work plan. The development of knowledge products and activities are frequently undertaken in collaboration with the Santiago¹³ and FRLD drawing upon the knowledge and data generated through the delivery of technical assistance, readiness support and funding. The ExCom's knowledge products are easily accessible via a dedicated user-friendly online portal, translated into the six official languages of the UN with many products also translated into local languages. Dissemination and outreach is supported by the membership of the Santiago Network¹⁴, UNFCCC constituencies and FRLD. It is achieved through: 1). In person at events during UNFCCC sessions; 2). At least five co-convened regional workshops a year; 3). Online via virtual events and social media campaigns; and; 4). Targeted outreach to key stakeholders.

2. Strengthening dialogue, coordination, coherence, and synergies:

The ExCom coordinates regular meetings between the co-chairs of the WIM ExCom, the Santiago Network's Advisory Board and the Board of the FRLD. Regular meetings are also held between the WIM ExCom and the Secretariats of the Santiago Network and the FRLD. Where practical benefits are identified, back-to-back meetings of the ExCom, Advisory Board of the Santiago Network and Board of the FRLD are organised. Meetings are also convened by the ExCom with the members of its Expert Groups, the members of the Santiago Network, the implementing entities of the FRLD and entities that make up the Loss and Damage Funding Arrangements. These meetings are used to help identify finance, support and knowledge gaps and to promote coherent human rights and equity based responses to loss and damage and related best practices. The meetings also inform the focus of the FRLD's annual High-Level Dialogue (HLD). (See further details on the HLD in the FRLD section). The ExCom, Santiago network and FRLD regularly liaise and convene meetings with UNFCCC national focal points, Loss and Damage contact points, national liaisons to the Santiago Network and National Focal Points and National Designated Authorities to the FRLD (FRLD Focal Points) —a list of whom is captured in a directory. The capacity of these stakeholders is built to ensure that all developing countries have in place representatives that have a complete understanding of the process to request Loss and Damage support.

Box 1: A Loss and Damage Tracking System

In 2030, an open access Loss and Damage Tracking Database is hosted by the FRLD in collaboration with the WIM ExCom, Santiago Network and the United Nations Office for Disaster Risk Reduction (UNDRR).¹⁵ The database tracks loss and damage events and interventions in real time as well as loss and damage finance flows through the funding arrangements, including the FRLD. Each country, implementing entity and funding arrangement has a profile within the database.

The database aggregates relevant data from multiple sources to build a comprehensive picture of Loss and Damage needs, support flows and implementation. Sources of data include: UNDRR's Disaster losses and damages tracking service, the disaggregated data gathered by other United Nations agencies such as UNICEF¹⁶, UNHCR¹⁷, IOM¹⁸, UNDP¹⁹ the WHO²⁰ and the WFP²¹. Data from the World Meteorological Organisation's (WMO) Climate Risk and Early Warnings Systems (CREWS) initiative and the Systematic Observations Financing Facility (SOFF). Data gathered by international non-governmental organisations such as the Internal Displacement Monitoring Centre (IDMC) and the IFRC Network Databank. Data from global risk data sets including EM-DAT, Sigma, and NatCatSERVICE. Data from national agencies, earlier warning systems, meteorological services and local monitoring, including data collected by communities and Indigenous Peoples.

Country profiles include a list of the country's Loss and Damage contact points, focal points and liaisons, Santiago Network members, funding arrangements and resident implementing entities. Loss and Damage components of NDCs, NAPs, BTRs and LDRPs. A log of the status of support requests to the FRLD and Santiago Network, implementing entities carrying out the work. Transcriptions and recommendations from consultations and any grievances being investigated and related required actions. The results of Loss and Damage needs assessment. Monitoring and evaluation related to implementation. Implementing entity profiles log activities carried out, monitoring and evaluation related to implementation (e.g. delivery time and quality of work done), transcriptions from consultations and any grievance being investigated and related recommended actions. Based on this information, guided by a criteria adopted by the Board of the FRLD, each implementing entity is given a rating. Funding arrangement profiles log flows of finance for Loss and Damage, money available and what it can be spent on and the quality of the finance and instruments used.

The profile also captures any reporting by the funding arrangement on their Loss and Damage efforts.²² Guided by a criteria adopted by the Board of the FRLD, each funding arrangement is given a rating.

The Database is a key component of the FRLD's work to enhance coordination and complementarity across the Loss and Damage Funding Arrangements. It enables: 1). Finance and support gaps to be more easily identified; 2). Better coordinated response between funding agreements and implementing entities;²³ 3). Joint coordinated monitoring, evaluation and learning; and; 4). The exchange of information on country profiles, assessment of needs and priorities and the status of support requests. The data base is also utilised by the ExCom's Expert Groups, the Santiago Network and FRLD, to assist developing countries and communities in filling data gaps. This informs the development of technical assistance and funding proposals, NDCs, NAPs, BTRs and LDRPs, project and program implementation and reporting, the setting of triggers, benchmarks and indicators related to accessing finance and to new knowledge products.

The database enables developing countries and communities to make informed choices about partnerships with implementing entities, the availability of support and to strengthen national and local coordination of response.

3. Enhancing action and support

The ExCom and its Expert Groups work to identify and communicate the capacity building, technical assistance, readiness and funding needs of developing countries and the communities within them to the Santiago Network and FRLD. In collaboration with the Board the FRLD, the ExCom's Action and Support Expert Group has developed a criteria for what should and should not be counted as Loss and Damage finance. This criteria has built on the work of the Standing Committee on Finance (SCF) on a definition for climate finance. The criteria enables the FRLD to track finance flows through the Loss and Damage Funding Arrangements and regularly update the Loss and Damage Tracking Database. This helps to identify finance gaps, where money needs to be spent and where it is available.

EXPANDED MEMBERSHIP OF THE EXCOM AND EXPERT GROUPS

The ExCom has expanded the composition of its membership to include representatives from the following UNFCCC constituencies: The Official Children and Youth Constituency (YOUNGO), Women and Gender Constituency, the International Indigenous Peoples Forum on Climate Change (IIPFCC), Environmental Non-Governmental Organizations (ENGO)²⁴ and the Research and Independent Non-Governmental Organizations (RINGO). A robust observer policy enables their meaningful participation through the provision of financial support to attend ExCom meetings and undertake intersessional work, translation of all ExCom documents into the six official UN languages, live interpretation and the timely sharing of ExCom documents.

Targeted outreach has been undertaken by the ExCom's Expert Groups to expand their membership to include local and Indigenous Knowledge holders, representatives from affected communities and greater numbers of scientific and policy experts from a broader range of disciplines. This includes experts specialising in health, education, culture, biodiversity, economics, communication and data. This has significantly increased regional diversity and the number of experts from developing countries which now out number experts situated in developed countries (see further details on the composition of each Expert Group in the thematic work section). Each Expert Groups terms of reference²⁵ have been updated

to reflect key developments in the Loss and Damage support landscape including the operationalisation of the FRLD and Santiago Network. The terms of reference also provision for Expert Group members to receive financial support to set aside time for ExCom work, as well as other support to enable their meaningful participation such as translation—upholding the principle of multilingualism.

The ExCom holds a meeting of all of its Expert Groups before each ExCom meeting.²⁶ The Santiago Network joins these meetings to identify if they can support Expert Group activities. Where an Expert Group does not have relevant expertise to deliver a knowledge product or activity, the group seeks support from the membership of the Santiago Network.

A DEDICATED BUDGET FOR ACTIVITIES

The activities of the WIM ExCom and its Expert Groups are supported by a budget of 14.2 million USD a year.²⁷ With a dedicated budget, the members of the Expert Groups deliver knowledge products and activities much faster and have more capacity to provide support to developing countries and communities. (see details of the support provided by each group in the thematic work section).

SUPPORTING NATIONAL PLANNING AND REPORTING

The WIM ExCom explored the advantages and disadvantages of developing and implementing a new dedicated reporting process for Loss and Damage and related voluntary guidelines. Ultimately it was decided that “National Loss and Damage Plans (NLDPs)” would create too great an administrative burden for developing countries. Instead the ExCom has prioritised development and implementation of voluntary guidelines for the inclusion of Loss and Damage commitments in National Determined Contributions (NDCs),²⁸ National Adaptation Plans (NAPs),²⁹ and enhancing collection and management of Loss and Damage data and information to inform the preparation of Biennial Transparency Reports (BTRs). Voluntary guidelines were also prepared to inform the development of Loss and Damage Response Plan (LDRPs).^{30 31} The development of these national plans and reports is supported by the ExCom’s Expert Groups and the Santiago Network. Data availability is greatly enhanced by the Loss and Damage Tracking Database. Across NDCs, NAPs, BTRs and LDRPs, every five years developing countries capture their nationally determined plans for averting, minimising and addressing Loss and Damage and the related costs, support needs and efforts. A synthesis is then prepared by the Secretariat of the UNFCCC.³² This synthesis informs the Standing Committee on Finance’s (SCF) determination of needs reports, the biennial State of Loss and Damage Report (see the Santiago Network section) and the country profiles of the Loss and Damage Tracking System (see box 1).

THEMATIC WORK OF THE EXPERT GROUPS

Additional thematic work of the ExCom’s Expert Groups includes:

1. **Expert Group on Slow Onset Events:** The group has worked to develop technical guides on: 1). Desertification; 2). Glacial retreat; 3). Ocean acidification; 4). Salinization; 5). Land and forest degradation; 6). Loss of biodiversity; and; 7). Rising average temperatures. The group provides support to identify, assess, quantify and communicate needs related to slow onset events and to develop response plans.
2. **Expert Group on Non-Economic Loss and Damage:** The group has expanded its focus to include non-economic damage and changed its name to reflect this —the group was previously the Expert Group on Non-Economic Losses. It has revised its membership to include local and Indigenous experts from each of the seven socio-cultural regions and members of the Local Communities and Indigenous Peoples Platform (LCIPP). The group has worked to develop technical guides on 1). Loss and damage

to Indigenous, local and traditional knowledge systems and ways of being; 2). Culture, language, social cohesion and identity; and; 3). Health and wellbeing. The group also provides support to identify, assess, quantify and communicate needs related to non-economic loss and damage and develop response plans.

3. **Technical Expert Group on Comprehensive Risk Management:** This group has expanded its membership to include representatives of affected communities, local and regional NGOs and research institutions with experience of Indigenous and local knowledge based risk management.³³ The group has worked to develop technical guides on 1). Integrating Indigenous and local knowledge based risk management into national plans; 2). Synergising adaptation and Loss and Damage response at the local and national level; and; 3). Leveraging data from the Loss and Damage Tracking Database. The group also provides support to develop Loss and Damage components of NDCs, NAPs and LDRPs.
4. **Task Force on Displacement:** The group has revised its membership to include experts who are refugees, migrants and displaced persons. The group has worked to produce technical guides on: 1). Quantifying loss and damage associated with human mobility and displacement; 2). Enabling access to Loss and Damage support for people on the move and in fragile and conflict affected states; 3). Bilateral and unilateral climate migration agreements; and; 4). Governing climate diaspora, diaspora economies, and approaches to maintaining social cohesion, national and cultural identity. The group provides support to identify, assess, quantify and communicate needs related to human mobility and displacement and develop response plans.
5. **Expert Group on Action and Support:** The group has expanded its membership to include members of the SCF, the advisory Board of the Santiago Network and Board of the FRLD, experts on sources of innovative finance and economists. This group has worked to produce technical guides on: 1). Methodologies for the quantification of both economic and non-economic loss and damage; 2). Appropriate uses of insurance for Loss and Damage; 3). The development of triggers and climate related indicators to access finance; 4). Small grant and community access modalities; 5). The establishment of national and subnational Loss and Damage funding arrangements; 6). Guidelines on equitable forms of concessionality for Loss and Damage; 7). Mobilising innovative sources for Loss and Damage finance; 8). Methodologies for conducting Loss and Damage needs assessments; and; 9). Guidance on the development and transfer of equitable and sustainable technology to respond to Loss and Damage in collaboration with the Technology Executive Committee (TEC). In collaboration with the FRLD and the Santiago Network the group provides support to put in place regional and national Loss and Damage funding arrangements and access support from funding arrangements outside the UNFCCC.

SANTIAGO NETWORK

DELIVERING TECHNICAL ASSISTANCE AT SCALE

In 2030, the Santiago Network is catalysing an average of 1672 technical assistance requests a year to developing countries and the communities within them. The network provisions for at least one request per year per developing country (152)³⁴ and a further ten requests to communities within each developing country (1520). The average allocation of resources to each request made by a developing country is 350 thousand USD.³⁵ Each community request is allocated 50 thousand USD.³⁶ The minimum percentage of technical assistance funded directly by the Santiago Network directed to communities is 30 per cent. However the network is far exceeding this allocation in response to the scale of the needs of communities in developing countries. The total allocation of resources to technical assistance is 129.2 million USD a year of which 53.2 million USD is for developing country requests and 76 million USD is for community requests. The primary source of finance for the Santiago network is public finance from developed countries but the network also receives funding directly from innovative sources³⁷ (see chapter 4).

THE SANTIAGO NETWORK SECRETARIAT

At the end of the first five year hosting agreement in 2028³⁸ the COP and CMA decided that the Secretariat of the Santiago Network would continue to be hosted by the consortium of the United Nations Office for Project Services (UNOPS) and UNDRR. The former was requested to significantly reduce its management fees.³⁹ This decision was informed by an independent review of the performance of the Santiago network carried out in 2027.⁴⁰ The costs associated with running the lean cost effective Santiago Network Secretariat is no more than 54.03 million USD a year.⁴¹ The staff of the network is gender and regionally balanced. In house expertise of Loss and Damage repose is diverse and transdisciplinary, The Secretariat of the Santiago Network provides on demand support, 24 hours a day, in all time zones, to proponents wishing to request technical assistance. The Santiago Networks online portal has been expanded to create a platform to facilitate collaboration, coordination, coherence and synergies among Members, including a directory of member expertise and communities of practice for member networking, joint problem solving, peer learning and innovation.⁴²

REGIONAL PRESENCE

Following the review of the regional presence of the Network by the Advisory Board in 2028,⁴³ the regional presence of the network has grown. There are four regional coordinators in the African States, Asia-Pacific States, Eastern European States, and Latin American and Caribbean States. Five full-time Santiago Network desk officers located in UNDRR and UN regional and subregional offices and five designated contact points located in UNDRR regional and subregional offices. Where possible Santiago Network regional coordinators are located in the same offices or as near as possible to FRLD regional desks.

TIMELY, IMPACTFUL, TECHNICAL ASSISTANCE

The Santiago Network delivers technical assistance within two months of receiving a request. The network also has in place a process to deliver on urgent technical assistance requests within 48 hours of receiving a request. The Santiago Network developed a monitoring and evaluation and learning (MEAL) system in 2026⁴⁴ to assess the timeliness, appropriateness and outcomes of assistance provided.⁴⁵

A DIVERSE MEMBERSHIP AND PEER-TO-PEER LEARNING

The Santiago Network's membership has grown to over 1000 members⁴⁶. The number of members operating regionally and locally has increased to 70 per cent.⁴⁷ There are local members from every developing country. This diverse membership enables the Network to catalyse technical assistance for context specific loss and damage through Indigenous, local and regional expertise. Peer-to-peer learning, knowledge exchange and innovation between members is enabled by the collaboration platforms embedded in the Santiago Network's online portal and by hybrid members meeting before each meeting of the Advisory Board.⁴⁸

COLLABORATION WITH THE FRLD

Collaboration between the Santiago Network and FRLD focuses on three key modalities:

- **Sequential support:** whereby technical assistance catalysed by the Santiago Network helps to facilitate access to FRLD funding.⁴⁹

- **Parallel support:** whereby the diverse expertise of the members of the Santiago Network is leveraged to deliver technical assistance components and address implementation needs identified in parallel to developing and implementing funding and readiness requests to the FRLD.⁵⁰
- **Joint information sharing and learning:** whereby information on country profiles, assessment of loss and damage needs and priorities and indicative pipelines for technical assistance and funding requests is shared.⁵¹ Coordinated monitoring, evaluation and learning is undertaken to measure technical assistance effectiveness and impacts of FRLD projects and programmes on the ground.⁵² Research and learning related to approaches to ensure support reaches the most vulnerable groups is shared.⁵³

OPEN DATA AND RESOURCES LIBRARIES

In addition to the information shared bilaterally with the WIM ExCom, FRLD and Loss and Damage Tracking Database, the Santiago Network hosts an open data library and a resources library on its website. These libraries are equivalent to the [Green Climate Fund's \(GCF\) open data library](#) and the [Climate Technology Centre and Network's \(CTCN\) resources library](#). The network's data library contains technical assistance data (technical assistance requested, disbursed amount, impact achieved).

A BIENNIAL STATE OF LOSS AND DAMAGE REPORT

Biennially the Santiago Network catalyses the delivery of a State of Loss and Damage Report⁵⁴ from a member or a consortium of OBNEs based upon a terms of reference developed by its Advisory Board in 2026. The report provides concrete information on:

- Scientific, policy, financial and technical work undertaken and available for Loss and Damage.
- Information on the means of implementation available, received and needed by developing countries from developed countries.
- Quantification of Loss and Damage finance needs and available resources.

The report promotes case studies, best practices and lessons learned. The report also showcases experiences and promotes understanding of integrating cross-cutting vulnerability and human rights analyses into responding to loss and damage.⁵⁵

ENHANCED PARTICIPATION, ENGAGEMENT AND TRANSPARENCY

The composition of the Advisory Board of the Santiago Network has expanded to include the RINGO and ENGO UNFCCC constituencies. A robust policy for observers has been put in place that ensures meaningful participation. The Santiago Network has put in place a gender and inclusion action plan.⁵⁶ An operational framework to enhance community engagement with the Santiago Network and their access to technical assistance has been put in place.⁵⁷ The framework takes into account the obligation of states to respect, protect, and fulfill the human rights of affected communities, including the [right to an effective remedy and reparation](#) and the [right to development](#). The framework includes guidance to ensure the meaningful engagement of all people in vulnerable situations and pays special attention to the needs of Indigenous Peoples, people with disabilities, women, LGBTQI+ people, children and youth, older persons, and refugees, migrants and displaced people. A tracking system for assessment and systematic monitoring of the level of technical assistance directed to communities has also been put in place.⁵⁸

FUND FOR RESPONDING TO LOSS AND DAMAGE

A 400 BILLION USD A YEAR FUND

The Fund for Responding to Loss and Damage is programming at least 400 billion USD a year⁵⁹ in new and additional grant based finance. The primary source is public finance from developed countries. Innovative sources are also flowing directly to the FRLD. The Fund was first capitalised to the scale of 400 billion USD a year in 2030, the first replenishment happened in 2027^{60,61} (See chapter 4). The FRLD responds to all types of economic and non-economic loss and damage caused by climate intensified extreme events such as wild fires, cyclones and floods and slow onset events such as sea level rise, desertification, ocean acidification. This includes rapid response complementary to humanitarian actions taken immediately after an extreme weather event.⁶²

ALLOCATION RESOURCES BASED ON SUFFICIENT AND STABLE FUNDING

Resources are allocated based on a sufficient and stable funding base using caps to understand where allocations are needed across different funding activities. Whilst a significant portion of funding is safeguarded for Small Island Developing States (SIDs) and the Least Developed Countries (LDCs) though a minimum allocation floor⁶³ —guaranteeing that they have equitable access to funding. This does not exclude other developing countries that are highly vulnerable to the impacts of the climate crisis such as those in the Latin America and the Caribbean region. In line with the entirety of paragraph 60 (a-f) of the Governing Instrument of the FRLD, the Fund's resource allocation system prioritises resources effectively based on the needs of developing countries whilst also taking into consideration the needs of communities, ensuring that there is not over concentration in one region or country. The allocation system is dynamic allowing it to be revised by the Board as new data, information and evidence becomes available.⁶⁴

RAPID DISBURSEMENT OF FUNDS, UPWARD ADJUSTMENT AND THE MEANINGFUL ENGAGEMENT OF AFFECTED COMMUNITIES IN THE DESIGN OF FUNDING PROPOSALS

The FRLD disperses funds through a dedicated rapid response funding window⁶⁵ within 48 hours of receiving an urgent funding request.⁶⁶ This enables the FRLD to respond to climate change related declarations of emergency that developing countries have not planned for. Rapid disbursement is guided by triggers, benchmarks and other indicators.⁶⁷ These triggers, benchmarks and indicators are agreed between the community contact points for funding proposals or FRLD focal points and the relevant regional FRLD desk officer.⁶⁸ Example triggers include: a certain number of displacements, area affected, humanitarian support received vs needs.

Disbursal for regular requests is delivered within 2 months allowing for iterative consultations with affected communities that guarantee meaningful participation and for FRLD Focal Points to review proposals, raise and ensure that it is aligned with country priorities and plans.⁶⁹ Throughout this period FRLD Focal Points are supported by the Fund Secretariat⁷⁰ to ensure the meaningful engagement of affected communities and other relevant stakeholders in the design of funding proposals.

Project, program and framework agreements are available from the FRLD. Upward adjustments (e.g. where quantification or assessment reveal greater needs), supplementary requests and conversion to framework agreement are all possible. The funding criteria under which proposals are selected for Board review by the FRLD Secretariat are simple. The FRLD does not require climate attribution for disbursement.⁷¹

Instead, the Fund operates on the understanding that impacts are becoming more severe and more frequent and are exacerbated by underlying conditions that have changed.⁷²

PRE-ARRANGED FINANCE

Pre-arranged finance, in the form of advanced funding agreements, is also available from the FRLD to developing countries and communities. Pre-arranged finance agreements are based on the proponents plans to implement a project or program once a loss and damage event occurs. Example agreements include pre-arranged finance for community relocation once sea level rise has passed an agreed threshold and/or the disbursement of small grants to people in affected communities within 24 hours of the landfall of a climate intensified cyclone. Pre-arranged finance is held within the national treasury of a country, a local fund or by an implementing entity rather than the FRLD. Therefore it can be disbursed quickly following a loss and damage event.⁷³ Having a pre-arranged finance agreement in place and/or the disbursal of funds is not a barrier to accessing more support from the FRLD when it is required. Where loss and damage events happen that are not covered by a pre-arranged finance agreement, countries or communities may request for finance held on the basis of existing agreements to be used to respond to the event they are experiencing

ACCESS TO FUNDING

Direct access via direct budget support through national governments is available to all developing countries under the FRLD.⁷⁴ Direct access to subnational, national and regional entities is also facilitated.⁷⁵ Direct access to small grants⁷⁶ is facilitated for communities, Indigenous Peoples, refugees, migrants and displaced people and all other people in vulnerable situations in developing countries through a dedicated FRLD funding window.⁷⁷ Access to small grants is also facilitated through enhanced direct access entities engaged in country lead projects and programs and national and regional Loss and Damage funding arrangements.

IMPLEMENTING ENTITIES

The FRLD has over 400 implementing entities.⁷⁸ Each one has been subjected to a simplified review process based upon a criteria agreed by the Board⁷⁹ that prioritises entities experienced in responding to loss and damage, enhanced direct access, developing country governments and ministries and NGOs. The criteria excludes inappropriate actors such as those focused on profit generation and those financing climate wrecking activities like fossil fuel extraction. A significant number of implementing entities are regional, national and local entities including community based organisations and Indigenous and community funds.⁸⁰ This helps to ensure that money reaches marginalised and vulnerable groups that otherwise may not receive support.

READINESS SUPPORT

The FRLD provides readiness support⁸¹ in collaboration with the Santiago Network to all developing countries via the FRLD's country support system. Readiness support is provided to strengthen national processes and support systems, institutional capacities, governance mechanisms and planning and programming frameworks towards transformational long-term Loss and Damage response. This includes support for developing proposed activities, projects and programmes; estimating financial requirements for implementing loss and damage activities; and establishing national loss and damage finance systems.⁸²

Readiness support is also deployed to strengthen direct access entities. This includes the FRLD helping to ensure that they can uphold the Fund's environmental and social safeguard policies when implementing

activities financed by the FRLD. The FRLD provisions resources for at least one readiness requests a year per country with a contingency budget that could support up to three requests per country⁸³. The average scale of a request is 856 thousand USD.⁸⁴ The average total resources approved for readiness per year by the FRLD is 260.206 million USD with a range of 130.112-390.3 million USD.

PARTICIPATION, SAFEGUARDS, GRIEVANCE AND DEDICATED POLICIES

A robust policy for observers⁸⁵ has been put in place that ensures the meaningful participation of Active Observers from the following rights-based constituencies: The official Children and Youth Constituency (YOUNGO), Women and Gender Constituency, The International Indigenous Peoples Forum on Climate Change (IIPFCC) and ENGO.⁸⁶ This policy ensures financial support to attend Board meetings and intersessional convenings and to set aside time for preparation. It also mandates the translation of all Board documents into the six official UN languages, live interpretation and the timely sharing of FRLD documents. The FRLD implements a simple accreditation system for observers that ensures the participation of community based organisations and networks that are not accredited to the UNFCCC or other climate funds.⁸⁷ The FRLD organises regular consultative forums with representatives from all UNFCCC constituencies, affected communities, refugees, migrants and displaced persons and other stakeholders that are critical to ensuring responsive governance of the FRLD. These forums capture expert advice and make policy recommendations to the FRLD, identify best practices, new knowledge, needs and gaps in support.

The FRLD has put in place a dedicated set of environmental and social safeguards that have been designed in line with the Fund's activity types including addressing economic and non-economic loss and damage, rapid response to extreme events and response to slow onset events. Policies have been put in place on human rights, gender, access to information and transparency and conflict of interests. There is a dedicated policy on people in vulnerable situations that pays special attention to the needs of Indigenous Peoples, people with disabilities, women, LGBTQI+ people, children and youth, older persons, and refugees, migrants and displaced people. The FRLD no longer relies on the accountability mechanisms of implementing entities.⁸⁸ A dedicated grievance mechanism has been put in place to ensure ownership, accountability and redress in case of harm. This mechanism helps the FRLD identify and mitigate emerging human rights issues early before they escalate.

THE SECRETARIAT OF THE FRLD

Following an independent assessment in 2028 of the performance of the World Bank as host interim host of the Fund's Secretariat, the COP and CMA have taken steps to establish the FRLD as an independent stand-alone institution and made the necessary amendments to the Governing Instrument of the Fund.⁸⁹ The FRLD is now a legally independent institution with its own juridical personality hosted by the Philippines in Manila. The World Bank remains the trustee, managing the FRLD's financial contributions and investments. The costs associated with running the lean cost effective FRLD Secretariat are 3.01 per cent a year of the total scale of the Fund.⁹⁰ This cost is at parity with those incurred by the GCF. With the FRLD programming 400 billion USD fees are no more than 12.04 billion USD a year. The FRLD's staff is gender and regionally balanced. In house expertise of Loss and Damage repose is diverse and transdisciplinary.⁹¹ Regular performance reviews of the Secretariat and its Executive Director are undertaken to address issues before they arise and related budgetary considerations.⁹²

ON DEMAND SUPPORT TO ACCESS READINESS AND FUNDING

The Secretariat of the FRLD provides on demand 24 hour a day support to proponents wishing to make funding proposals and access readiness support.⁹³ This support guides proponents from an initial expression of need to the point of submission via the FRLD's online funding request portal.

THE FRLD'S REGIONAL PRESENCE

The FRLD has established a regional presence. This includes four FRLD regional desks the African States, Asia-Pacific States, Eastern European States, and Latin American and Caribbean States with five full-time FRLD desk officers and five designated FRLD contact points located in UN regional and subregional offices. Where possible FRLD regional desks and contact points are located in the same offices or as near as possible to Santiago Network regional coordinators, desk officers and contact points and the regional staff of other funds such as the GCF, CERF Resident and Humanitarian Coordinators⁹⁴ and National Red Cross/Red Crescent Societies.⁹⁵ This helps to greatly increase coordination and complementarity of Loss and Damage response at the national level.

COORDINATING THE LOSS AND DAMAGE FUNDING ARRANGEMENTS

The FRLD is the central coordinating entity of the Loss and Damage Funding Arrangements. The Fund coordinates a coherent global response to loss and damage,⁹⁶ working closely with the WIM and the Santiago Network and its membership.⁹⁷ The Board of the Fund has adopted an approach to developing partnerships with other entities that form part of the funding arrangements.⁹⁸ This ensures close coordination with other climate and non-climate funds, disaster risk reduction and humanitarian funding mechanisms, amongst others, and prohibits partnerships with inappropriate actors.

The FRLD uses its annual High-Level Dialogue (HLD) to enhance coordination and complementarity across the Funding Arrangements, promote coherent human rights and equity based responses to loss and damage and best practices. The HLD also helps to identify funding and support gaps.⁹⁹ The FRLD uses the HLD to promote knowledge products produced by the Fund, WIM ExCom and Santiago Network, including the technical guides on appropriate uses of insurance for responding to Loss and Damage and mobilising alternative sources of Loss and Damage finance. Relevant actors, such as the Global Solidarity Levies Task Force, are invited to the HLD to share their knowledge. Each year the HLD produces a set of recommendations that inform the guidance provided by Parties to the Fund, Santiago Network and WIM ExCom under the COP and CMA.¹⁰⁰

The FRLD oversees the implementation of the Loss and Damage finance criteria developed with the ExCom to track financial flows through the Funding Agreements from the international to the local level. The data is captured in the Loss and Damage Tracking Database and informs the SCF's determination of needs report.

MONITORING RESULTS

The FRLD has adopted a results management framework to monitor the Fund's impact, effectiveness and operational performance.¹⁰¹ This framework is based on indicators that center on assessing whether the Fund is having an impact and making progress towards meeting the Loss and Damage needs and priorities of developing countries and the communities within them. Periodic independent evaluations of the performance of the Fund are also conducted.¹⁰² The results of the periodic evaluations are published by the FRLD's Secretariat and are provided as part of the annual report of the Board to the COP and the CMA.¹⁰³ This monitoring informs the decision-making of the Board and identifies and disseminates lessons learned, supporting the accountability of the Fund. The FRLD shares the learning and data that is generated under its results management framework directly with the WIM ExCom and its Expert Groups and the Santiago Network and uploads it to the Loss and Damage Tracking Database. The FRLD also hosts a simplified open data library on its website equivalent to the Green Climate Fund's (GCF) open data library focused on FRLD project and programme data (funding amount, disbursed amount, impact achieved).



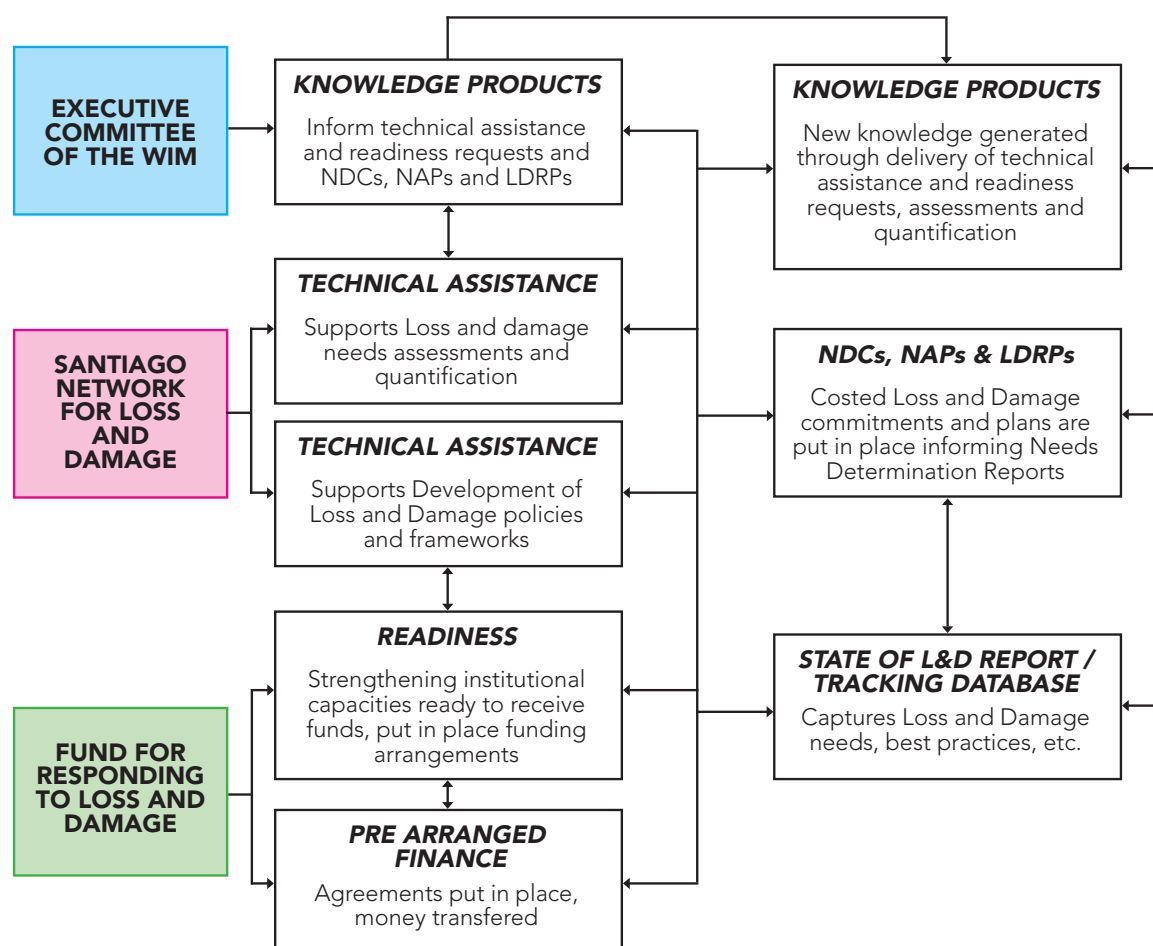
A FIVE YEAR VISION FOR THE LOSS AND DAMAGE RESPONSE CYCLE

In this chapter we provide a vision for how Loss and Damage support is provided before, during and after a loss and damage event in 2030.

BEFORE A LOSS AND DAMAGE EVENT

Figure 4 shows the flow of support in 2030 to developing countries and the communities within them before a loss and damage event. This includes Support to: 1). Put policies, plans and pre arranged finance in place to address Loss and Damage; and; 2). Ensure that they have built the capacity they need to respond to Loss and Damage and articulate their needs.

Figure 4: Loss and Damage Support Before a Loss and Damage Event

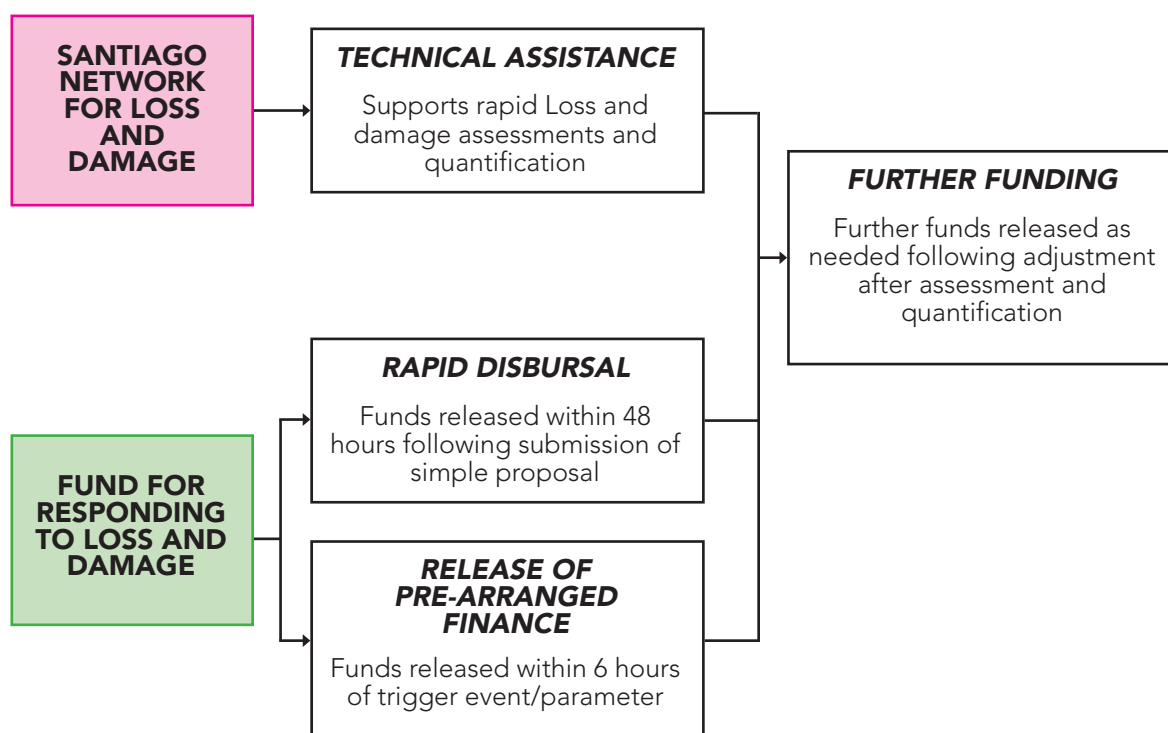


DURING A LOSS AND DAMAGE EVENT

RAPID RESPONSE

Figure 5 shows the rapid support provided in 2030 during an extreme loss and damage event that is complimentary to humanitarian repose. The rapid response timeline sees support delivered within 48 hours. Despite humanitarian response being scaled up, complimentary rapid Loss and Damage response is still needed e.g. to put in place infrastructure for education, healthcare and housing to enable mid- to-long-term programs to start within days and not months of a loss and damage event.

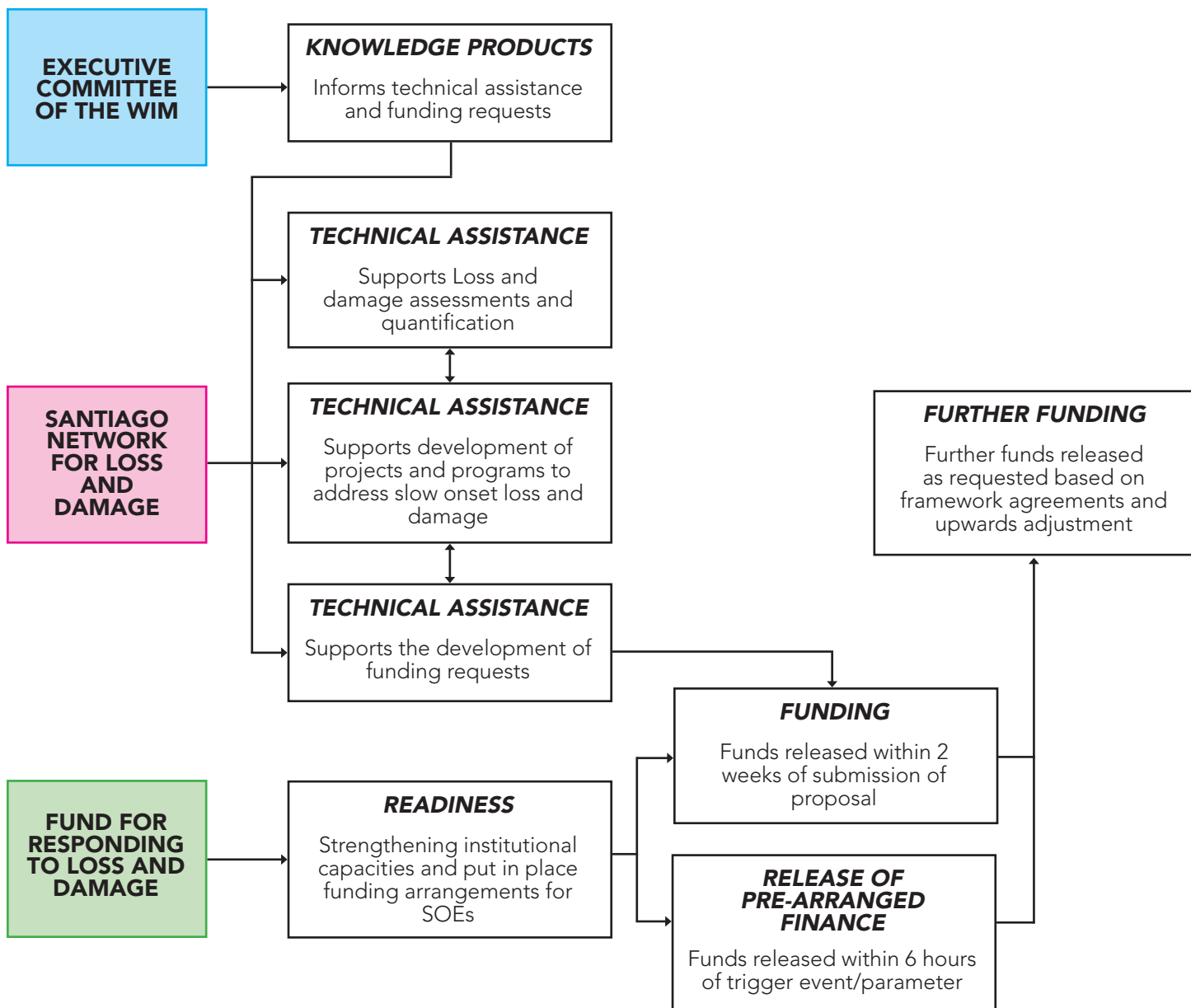
Figure 5: Loss and Damage Support During and Immediately After a Rapid Onset Loss and Damage Event



REGULAR RESPONSE

Figure 6 shows the flow of support in 2030 during a slow onset loss and damage event. The response timeline for slow onset events and non urgent requests is within two months for technical assistance, readiness support and funding.

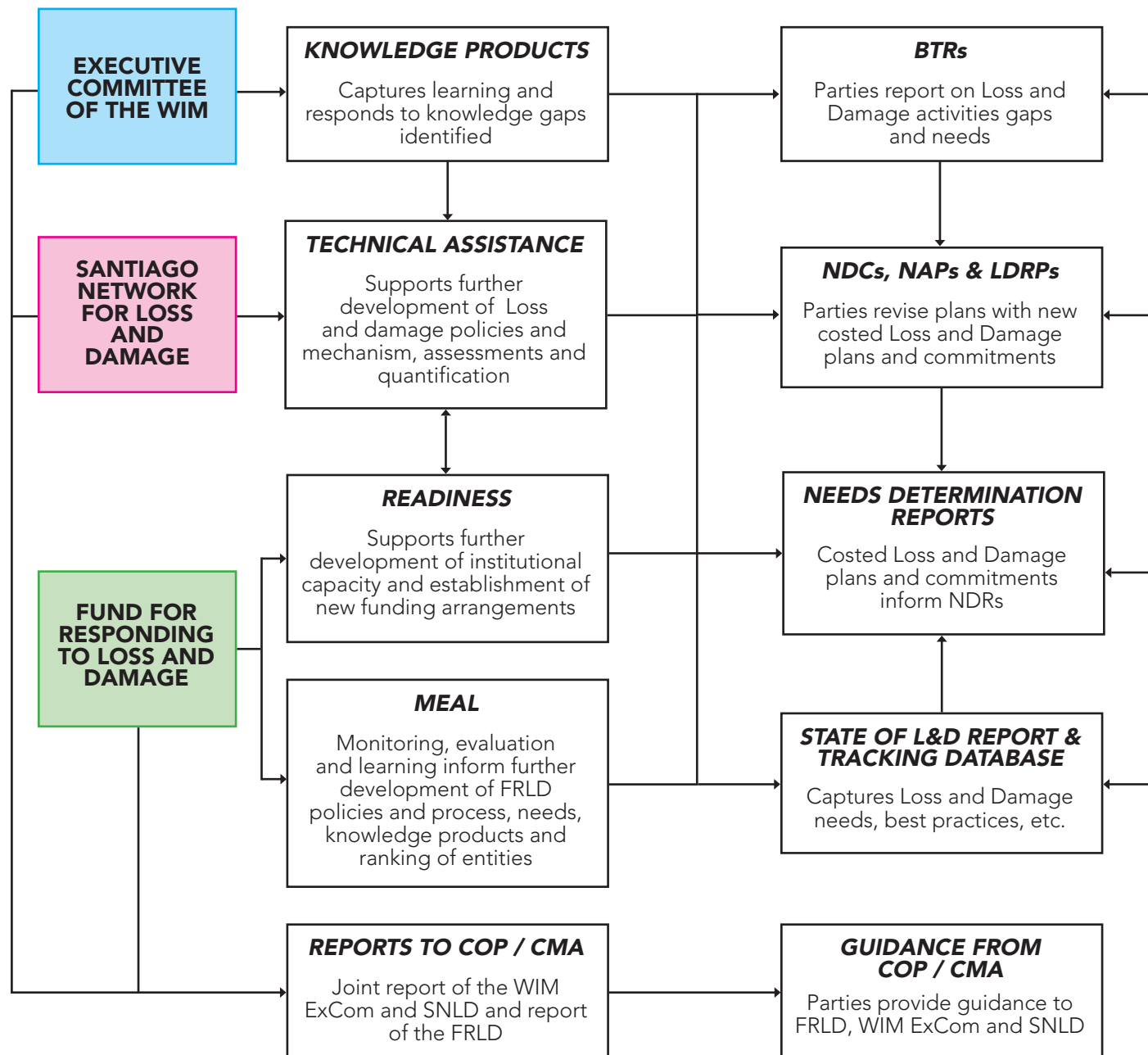
Figure 6: Loss and Damage Support During a Slow Onset Loss and Damage Event



AFTER A LOSS AND DAMAGE EVENT (BEFORE THE NEXT EVENT)

Figure 7 shows the flow of support in 2030 after a loss and damage event.

Figure 7: Loss and Damage Support After a Loss and Damage Event (Before the Next Event)



A FIVE YEAR VISION FOR LOSS AND DAMAGE FINANCE

In the following sections we unpack the details of how Loss and Damage finance is being mobilised at scale, what the sources are, what constitutes high quality finance and how this is ensured, how access is guaranteed and what instruments are used.

GLOBAL REFORM

By 2030, a number of significant global reforms have helped to unlock climate finance flows from developed countries to developing countries and have increased fiscal space in the latter. This includes, reform on debt, including the operationalisation of a UN Debt Workout Mechanism, Borrowers' Club, debt forgiveness and debt pausation in the aftermath of a disaster. Reform of the governance and “business models” of multilateral development banks towards simplified access, high concessionality and prioritisation of grants. Credit rating reform and equitable concessionality for developing countries on borrowing. Tax reform including the establishment of a UN Convention on International Tax Cooperation. The operationalisation of a mechanism for Special Drawing Rights (SDRS) to be drawn down for climate action without conditionalities.¹⁰⁴

SCALE

In 2030, new and additional, high quality, accessible, grant based Loss and Damage finance is flowing through the Loss and Damage Funding Arrangements at a scale of at least 724.43 billion USD a year.¹⁰⁵ Of this the FRLD is disbursing at least 400 billion USD a year for projects and programs, and on average, providing readiness support valued at 260.206 million USD a year. The Santiago Network is providing at least 129.2 million USD a year for technical assistance requests as grants and the WIM ExCom and its Expert Groups have a dedicated budget of at least 14.2 million USD a year. Other Loss and Damage Funding arrangements disburse at least a further 324.26 billion USD a year.

SOURCES

The primary source of Loss and Damage finance is public grant based finance from developed countries. This is in line with their historic responsibilities for the climate crisis,¹⁰⁶ obligations under the UNFCCC and its Paris Agreement,¹⁰⁷ the UN Charter, other international treaties (such as on the ozone layer¹⁰⁸) and conventions (biological diversity and desertification), customary international law, a legal duty to safeguard human rights¹⁰⁹, the principles of equity, the polluter pays, and Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC) and intergenerational equity.

The delivery of the Advisory Opinions (AO)¹¹⁰ on climate change from the International Court of Justice (ICJ), Inter American Court of Human Rights (IACHR), and the African Court of Human and People's Rights (ACHPR)¹¹¹ have made it undeniable that the failure of developed countries to comply with international climate change obligations constitutes an internationally wrongful act. The courts have made it clear that developed countries obligations are grounded in the broader duty of international co-operation — principally through finance, technology transfer and capacity-building.¹¹² Providing support to enhance action and support on loss and damage is indisputably a legal obligation of co-operation, not a voluntary act of solidarity.¹¹³ Adequate financial, technological and capacity-building support for Loss and Damage must therefore be provided to ensure compliance with the Paris Agreement. When an internationally wrongful act occurs, legal consequences for the responsible State follow under customary international law¹¹⁴ —including reparations to injured States.¹¹⁵

To raise public finance, developed countries are mobilizing climate finance from a wide variety of innovative sources —in line with their obligations to take the lead.¹¹⁶ This includes innovative taxes such as solidarity levies on aviation and shipping, a Financial Transaction Tax and a Climate Damages Tax. To ensure equity, the WIM ExCom has developed clear guidance on mobilising innovative sources that are new, fair and redistributive, predictable, publicly-controlled and that follow the polluter-pays and pro poor principles and respect the right to development.

Loss and Damage finance is also flowing directly from innovative sources to the FRLD and Santiago Network, following the guidance provided by the ExCom.¹¹⁷ However, these direct flows do not reduce developed countries' obligations. Table 1 provides a non-exhaustive list of innovative sources of climate finance that are being mobilised in 2030, the total revenue that each source could generate for climate action and the potential allocation to Loss and Damage finance.¹¹⁸ The table shows that at least 4.8 trillion USD can be mobilised for Loss and Damage in 2030, this is more than 6.6 times the 724.43 billion USD needed each year.

Table 1: Innovative Sources of Loss and Damage Finance

INNOVATIVE SOURCE	TOTAL REVENUE FOR CLIMATE ACTION Average revenues per year with high and low range	POTENTIAL ALLOCATION TO LOSS AND DAMAGE FINANCE At one third of revenue per year (billion USD)
Climate Damages Tax / Fossil fuel extraction levy	384 billion USD [150 billion USD to 618 billion USD] ^{119,120}	128
Cap and share system	Over 5 trillion USD ¹²¹	1666.6
Wealth tax	2920 billion USD [200 billion to 5.64 trillion USD] ^{122, 123, 124, 125, 126}	973.3
Minimum corporate tax	475 billion USD (global) [395 billion USD (annex II)]	158.3
Tax on maritime shipping	1030 billion USD [60 billion USD to 2 trillion USD] ^{127, 128, 129, 130, 131, 132, 133, 134, 135}	343.3
Windfall tax on fossil fuel profits	A 90 percent tax windfall profits could raise close to 382 billion USD (in 2023) ¹³⁶	127.3
Air passenger levy	84 billion USD [4 billion USD to 164 billion USD] ^{137, 138, 139}	28
Financial Transactions Tax	211.9 billion USD [5 billion USD to 418.8 billion USD] ^{140, 141, 142, 143, 144, 145, 146}	70.6

INNOVATIVE SOURCE	TOTAL REVERNEW FOR CLIMATE ACTION Average revenues per year with high and low range	POTENTIAL ALLOCATION TO LOSS AND DAMAGE FINANCE At one third of revenue per year (billion USD)
Fossil fuel subsidy phase out	245 billion USD ^{147, 148, 149}	81.6
Redirect / reissue Special Drawing Rights (SDRs)	255.8 billion USD [11.6 billion USD to 500 billion USD]	85.2
A Tax on Stock Buyback	A 1% tax is expected to raise about 74 billion USD for the next 10 years. ¹⁵⁰	24.6
Taxing private jet operation	1.63 billion USD ¹⁵¹ (in the UK alone)	0.54
Air Passenger Duty for private jets / Superyacht Ownership Tax	1.12 billion USD ¹⁵² (in the UK alone)	0.37
A levy on private jet fuel	5.045 billion USD [4.26 billion USD to 5.83 billion USD] ¹⁵³	1.68
Stop Funding Fossils	846 billion USD ^{154,155}	282
Savings from avoidable highway and road expansion	395 billion USD ¹⁵⁶	131.6
Corporate Rate Tax	475 billion USD ^{157, 158}	158.3
Cracking down on tax evasion.	483 billion USD ^{159, 160}	161
Tax on sales of of big technology, arms, and luxury fashion companies	112 billion USD ¹⁶¹	37.3
Redistributing public military spending	454 billion USD ¹⁶²	151.3
Cancel debt	142 billion USD ¹⁶³	47.3
Levy on plastics	425 billion USD [350 billion USD to 500 billion USD] ¹⁶⁴	141.6
TOTAL		4799.79

QUALITY

In 2030, the FRLD is overseeing the implementation of equitable, justice and rights-aligned criteria for what should and should not be counted as Loss and Damage finance that has been developed in collaboration with the ExCom.¹⁶⁵ This criteria ensures that Loss and Damage responses do not increase debt, nor further reduce fiscal space in developing countries or contribute to climate wrecking activities. When making Loss and Damage contributions to the FRLD, WIM ExCom, Santiago Network, or any other entity under the Loss and Damage Funding Arrangements, developed countries are required to prove that finance is new and additional. They are also required to put in place contribution agreements within 6 months of making a pledge with timelines for delivering funds no longer than 24 months. In line with Article 9.5 of the Paris Agreement, developed countries are also required to biennially communicate indicative quantitative and qualitative information related to their Loss and Damage contributions.¹⁶⁶

ACCESS

In 2030, the criteria for Loss and Damage finance implemented by the FRLD ensures direct access to funding for all developing countries and the subnational, national and regional entities and communities within them. As the central coordinating entity of the Loss and Damage Funding Arrangements the FRLD promotes the understanding that direct access to Loss and Damage finance is central to developed countries' legal obligation to cooperate.

INSTRUMENTS

The FRLD disburses grants only.¹⁶⁷ Where developing countries or communities choose to leverage other forms of Loss and Damage finance with the grants that they receive from the FRLD, clear guidance¹⁶⁸ on what types of concessionality should be considered equitable is provided by the Fund. The FRLD also ensures that creditors follow responsible lending and borrowing principles — such as, the United Nations Conference on Trade and Development's Principles on Promoting Responsible Sovereign Lending and Borrowing.¹⁶⁹

Where developing countries choose to allocate funding from the FRLD to risk management and pooling mechanisms and other forms of insurance mechanism, the FRLD provides guidance and promotes the use of the technical guide developed by the ExCom on appropriate uses of insurance for responding to Loss and Damage.

ACHIEVING THE VISION

V

The vision we have shared for Loss and Damage is not just achievable but essential to ensure that support to respond to Loss and Damage is available at scale and delivered in a timely manner in 2030 by the Loss and Damage support system. Table 2 illustrates the upcoming key moments and ongoing process under the UNFCCC across the next five years. In the section below we detail what actions would need to be taken by when under each body and/or process to achieve this vision.¹⁷⁰

Table 2: Key moments and process for Loss and Damage in the next five years

2025		2026			2027			2028			2029			2030						
COP / CMA																				
COP 30 / CMA 7 / SB 63	SB 64		COP 31 / CMA 8 / SB 65		SB 66		COP 32 / CMA 9 / SB 67		SB 68		COP 33 / CMA 10 / SB 69		SB 70		COP 34 / CMA 11 / SB 71		SB 72		COP 35 / CMA 12 / SB 73	
Third WIM Review											Second Globalstocktake								Fourth WIM Review	
NDC 3.0	Third GST NDC dialogue		BTR 2.0		Fourth GST NDC dialogue				Fifth GST NDC dialogue		BTR 3.0		Sixth GST NDC dialogue				Seventh GST NDC dialogue		NDC 4.0 BTR 4.0	
Report of the FRLD and joint report of the WIM ExCom and Santiago Network. Guidance from the COP/CMA			Report of the FRLD and joint report of the WIM ExCom and Santiago Network. Guidance from the COP/CMA				Report of the FRLD and joint report of the WIM ExCom and Santiago Network. Guidance from the COP/CMA				Report of the FRLD and joint report of the WIM ExCom and Santiago Network. Guidance from the COP/CMA				Report of the FRLD and joint report of the WIM ExCom and Santiago Network. Guidance from the COP/CMA				Report of the FRLD and joint report of the WIM ExCom and Santiago Network. Guidance from the COP/CMA	
Baku to Belém Roadmap to 1.3T (ongoing to 2035)																				
FRLD																				
B7	B8	B9	B10		B11	B12	B13	B14	B15	B16		B17	B18	B19		B20	B21	B22		
	Second HLD			Third HLD			Fourth HLD			Fifth HLD			Sixth HLD							
Launch of the call for proposals for the BIM at COP 30									FRLD becomes an independent fund.											
Barbados Implementation Modalities																				
Development of the long term modalities of the FRLD																				
Santiago Network																				
AB 5	AB 6		AB 7		AB 8		AB 9		AB 10		AB 11		AB 12		AB 13		AB 14		AB 15	
					Independent review.						Hosting agreement renewal.									
WIM ExCom																				
ExCom 23	ExCom 24		ExCom 25		ExCom 26		ExCom 27		ExCom 28		ExCom 29		ExCom 30		ExCom 31		ExCom 32		ExCom 33	

To help developing country Parties and civil society achieve this vision, we provide a number of recommendations below on how to leverage key moments and processes. These recommendations are intended to help deliver the elements of this vision not already mandated and to expedite the development of key policies and their implementation.

RECOMMENDATIONS

WIM EXCOM

- Under the third review of the WIM at COP 30/CMA 7 in 2025, Parties must:
 - Request the ExCom to develop voluntary guidelines for the inclusion of Loss and Damage in NDCs and technical guides on quantifying Loss and Damage needs and cost (and to consider developing as many as possible of the other knowledge products listed in chapter 2).
 - Put in place a dedicated budget for the ExCom's Expert Group Activities activities.
 - Give clear guidance to enhance the work of the Action and Support Expert Group.
 - Mandate the ExCom to revise the terms of reference for each Expert Group.
 - Request the ExCom to expand its membership to include Active Observers and the membership of its Expert Groups.
 - Request the ExCom to undertake an annual survey to identify developing countries knowledge product needs.
 - Request the ExCom to translate all knowledge products into the six UN languages.
 - Request the ExCom in collaboration with the FRLD, Santiago Network and UNDRR, to develop and keep up to date an open access Loss and Damage Tracking Database that will be hosted by the FRLD.
 - Request the ExCom in collaboration with the FRLD and Santiago Network, to convene regular meetings with the members of its Expert Groups, the members of the Santiago Network, the implementing entities of the FRLD and entities that make up the Loss and Damage Funding Arrangements.
 - Request the ExCom in collaboration with the FRLD and Santiago Network to regularly liaise and convene meetings with UNFCCC national focal points, Loss and Damage contact points, national liaisons to the Santiago Network, and FRLD Focal Points to build their capacity and to create a directory of these stakeholders.
- Starting in 2026, the ExCom and Expert Groups must use their meetings strategically to advance work so that the various knowledge products, activities and support described in chapter 2 can be delivered by 2030. This will require an ambitious five year rolling work plan and plan of action for each expert group.
- Parties must provide guidance at each COP/CMA on the road to COP 30 to expedite the work of the WIM ExCom in response to the progress reflected in the ExCom's annual report.

SANTIAGO NETWORK

- Under the third review of the WIM at COP 30/CMA 7 in 2025, Parties must:
 - Mandate the Santiago Network's Advisory Board to develop the terms of reference for a biennial State of Loss and Damage Report.
 - Request the Santiago Network Secretariat to significantly increase outreach to local, national and regional OBNEs in developing countries to increase the diversity of the network's membership.
 - Request the Santiago Network to establish an open data library on its website, to keep it regularly updated and to share data with the FRLD, ExCom, and when it is ready the Loss and Damage Tracking Database.
 - Request the Advisory Board of the Santiago Network to expand its composition to include the RINGO and ENGO constituencies and put in place a robust observer policy that ensures meaningful participation.
 - Request the Advisory Board of the Santiago Network to expedite the implementation of its resource mobilisation strategy to ensure that the network is able to allocate at least 129.2 million USD a year to technical assistance by 2030.
 - Request the Santiago Network's Advisory Board to take into account the obligation of states to respect, protect, and fulfill human rights when developing the framework to enhance community engagement with the Santiago Network. Also request the framework to provide guidance to ensure the meaningful engagement of all people in vulnerable situations, with special attention to the needs of Indigenous Peoples, people with disabilities, women, LGBTQI+ people, children and youth, older persons, and refugees, migrants and displaced people.
- The Santiago Network's Advisory Board must adopt the terms of reference for the State of Loss and Damage Report in 2026 and then catalyse a member or a consortium of members to deliver the report shortly afterwards. Starting in 2026, the report must then be delivered every year after.
- The Santiago Network Secretariat must commission the independent review of the network in 2027 to ensure that it is complete before Parties consider the hosting arrangements for the network at COP 33 in 2028.
- When providing guidance under the COP/CMA on the renewal of the hosting contract for the Santiago Network. Parties must request UNOPS to significantly reduce their management fee.
- The Advisory Board should decide on modalities to catalyse urgent technical assistance within 48 hours of the receipt of a request and agree on a minimum percentage for the percentage of technical assistance funded by the Santiago Network for communities at its sixth meeting in 2026.

FUND FOR RESPONDING TO LOSS AND DAMAGE AND FUNDING ARRANGEMENTS

- As part of the COP / CMA at guidance to the FRLD in 2025, Parties must:
- Decide that the scale of the FRLD will be at least 400 billion USD a year and set a target for capitalization by 2030 and for the first replenishment in 2034.
- Request the Board of the FRLD in collaboration with the ExCom's Action and Support Expert Group to develop a criteria for what should and should not be counted as Loss and Damage finance building on the work of the SCF.
- Request the Board of the FRLD to expedite work to develop and implement the Fund's long term policies on rapid dispersal, triggers, and small grants, and to develop modalities for direct access to communities, sub national governments and municipal authorities.
- Request the Board of the FRLD to put in place:
 - A dedicated set of environmental and social safeguards.
 - A dedicated grievance mechanism.
 - Policies on human rights, gender, access to information and transparency and conflict of interests.
 - A policy on people in vulnerable situations that pays special attention to the needs of Indigenous Peoples, people with disabilities, women, LGBTQI+ people, children and youth, older persons, and refugees, migrants and displaced people.
- Request the Board of the FRLD to finalise the adoption of the FRLD's resource mobilisation strategy no later than B 9 in 2026. Also request this strategy to be commensurate with the goal of capitalising the FRLD with at least 400 billion USD a year by 2030 and for the first replenishment to take place in 2034.
- Request the Board of the FRLD in collaboration with the ExCom's Action and Support Expert Group to expedite the development of the mechanisms necessary to track financial flows through the Funding Agreements.
- Request the Secretariat of the FRLD to host a simplified open data library on the Fund's website, to keep it regularly updated and to share data with the Santiago Network, ExCom, and when it is ready the Loss and Damage Tracking Database.

ENDNOTES

- 1 Note that by 2030 the Expert Group on Non Economic Losses has changed its name to reflect the importance of addressing non economic damage to avoid permanent loss.
- 2 The figure also shows the relevant governing bodies related to Loss and Damage response: The Conference of Parties (COP) and Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA), The Subsidiary Bodies: the Subsidiary Body for Scientific and Technological Advice (SBSTA) and Subsidiary Body for Implementation (SBI); The Constituted Bodies: Constituted Bodies: The WIM and Santiago Network and the Executive Committee of the WIM and its Expert Groups, the Santiago Network's Advisory Board, Secretariat, membership and national liaisons and the FRLD's Board and Secretariat; the Financial Mechanism of the UNFCCC; and the relevant focal points and contact points: UNFCCC National Focal Points, and Loss and Damage Contact Points; The operating entity: The FRLD.
- 3 In line with Common But Differentiated Responsibilities and Respective Capabilities (CBDR-RC),
- 4 Paragraph 2 (page 6) of the Governing Instrument of the FRLD.
- 5 Paragraph 4 (page 16) of the Loss and Damage Funding Arrangements.
- 6 Paragraph 4 (page 16) of the Loss and Damage Funding Arrangements indicates that the "The Fund should operate in a manner that promotes coherence and complementarity with new and existing funding arrangements for responding to loss and damage associated with the adverse effects of climate change across the international financial, climate, humanitarian, disaster risk reduction and development architectures." Paragraph 131 (page 17) of decision Decision 1/CMA.5 on outcome of the first Global Stocktake: Calls on Parties and relevant institutions to improve coherence and synergies between efforts pertaining to disaster risk reduction, humanitarian assistance, rehabilitation, recovery and reconstruction, and displacement, planned relocation and migration, in the context of climate change impacts, as well as actions to address slow onset events, in order to make progress in averting, minimizing and addressing loss and damage associated with climate change impacts in a coherent and effective manner.
- 7 Paragraph 4 (page 16) of the Loss and Damage Funding Arrangements. Relevant actors and contributors are urged to scale up anticipatory approaches through mechanisms such as the Central Emergency Response Fund, the Disaster Response Emergency Fund, the Start Network and country-based pooled funds.
- 8 Paragraph 24 (page 18) of the Funding Arrangements.
- 9 Paragraph 25 (page 18) of the Funding Arrangements.
- 10 Paragraph 17 (page 18) of the Funding Arrangements.
- 11 Our 2024 calculations suggest that developing countries require 724.43 billion USD to flow through the Loss and Damage Funding Arrangements to meet their needs. See page 46 of "Loss and Damage as the Third Pillar of Climate Action: Delivering a Loss and Damage Sub Goal Under the NCQG at COP 29".
- 12 The three functions of the WIM are: 1). enhancing knowledge and understanding of comprehensive risk management approaches to address loss and damage; 2). strengthening dialogue, coordination, coherence, and synergies among relevant stakeholders; and; 3). enhancing action and support to address loss and damage, including finance, technology, and capacity-building.
- 13 See the Santiago Network's workplan for 2026-27 for more information.
- 14 See the Santiago Network's workplan for 2026-27 and strategic priority 3.3 (f) of the Santiago Network Strategy for more information.
- 15 There are many paragraphs within the FRLD's Governing Instrument and the Loss and Damage Funding Arrangements that suggest the need for such as coordination mechanisms. In particular Para 35 (c) (page 11), of the Governing Instrument indicates that the FRLD should: "Develop and implement procedures for coordinating the activities of the Fund with those of other relevant funding arrangements". Other relevant paragraphs from the Governing Instrument include: 22 (page 8), 35 (d), (k) (page 11), 52 (page 13), 62 (page 14), and 68 (page 15). Relevant paragraphs from the Loss and Damage Funding Arrangements include: 20 (page 18) and 22 (page 18).
- 16 See UNICEF's child statistics data here.
- 17 See UNHCR's data work on refugees here.
- 18 See IOM's Global Migration Data Analysis Centre and the Displacement Tracking Matrix.
- 19 See UNDP's human development data here.
- 20 See the WHO's data here.
- 21 See WFP data here.
- 22 Paragraph 22 (page 18) of the Loss and Damage Funding Arrangements.

- 23 Paragraph 20 (page 18) of the Loss and Damage Funding Arrangements.
- 24 ENGO is normally represented by members of [Climate Action Network International](#) (CAN-I) and the [Global Campaign to Demand Climate Justice](#) (DCJ).
- 25 For example see the [terms of reference](#) of the Taskforce on Displacement.
- 26 To date the ExCom has held three meetings of its thematic Expert Groups. The [latest](#) was held on the 25th of September 2025 ahead of the [23rd Meeting of the ExCom](#).
- 27 Based on scaling up by a factor of ten the UNFCCC's [proposed budget for the biennium 2025-2026](#) for the activities envisaged in the workplan of the WIM ExCom for 25-26 at 60,35,373 Euros (7105203.46 USD) (see page 43). Note that the budget does not differentiate between the WIM ExCom and the [Adaptation Committee](#), [Least Developed Countries Expert Group](#), and [Facilitative Working Group](#), making it hard to identify what budget is allocated specifically for WIM ExCom activities. Therefore we divided the figure for all five constituted bodies equally to derive a figure of 1,421,040 USD for the WIM ExCom.
- 28 For example see [Vanuatu's NDC 3.0](#).
- 29 For example see [Nepal's NAP 2021-2050](#).
- 30 Paragraph 9 (page 7) of the [governing instrument](#) of the FRLD indicates that "support provided by the Fund may include developing national response plans".
- 31 The scope of LDRPs are nationally determined. Yet generally, these plans outline how a country coordinates resources and responsibilities related to averting, minimising and addressing Loss and Damage.
- 32 Paragraph 60 (page 9) of decision [Decision 1/CMA.5](#) on outcome of the first [Global Stocktake](#) "Requests the secretariat to prepare a regular synthesis report on adaptation information provided by Parties in their biennial transparency reports, adaptation communications and nationally determined contributions;
- 33 For example [Indigenous and local approaches to integrated wildfire management](#).
- 34 The [Climate Technology Centre and Network](#) (CTCN) and [GCF Readiness Programme](#) fulfilled an average of [45.7](#) and [87.5](#) requests per year respectively. With developing countries requesting readiness support from the GCF an average of [5.86 times](#) in a 10 year period (0.58 request per year).
- 35 The [2026 annual budget](#) of the Santiago Network provisions for 20 technical assistance requests at an average of 350 thousand USD per requests with an anticipated disbursement rate of 70%. Vanuatu reported total resources for the delivery of its technical assistance request, including what was received from the Santiago Network and one of the OBNE's delivering the request, to be 700 thousand USD. The Santiago Network Secretariat indicated that they expected requests in the range of 100-150 thousand USD but they are seeing requests, including Vanuatu's, in the range of 250-500 thousand USD. See more information in box 1 on page 12 [here](#).
- 36 This figure responds to the constraints of UNOPS standard rules and regulations in relation to levels of evaluation and capacity assessment where funds will be released by the Santiago Network to support the catalyzation of technical assistance for communities. By keeping grants to 50 thousand USD or less, money can be released quicker with less paperwork, thereby enabling the network to maintain a lean secretariat. This issue was highlighted by UNOPS at the fourth meeting of the Advisory Board of the Santiago Networks Advisory Board. See page 49 of our daily policy updates [here](#).
- 37 The [memorandum of understanding](#) between the COP and the CMA and the UNDRR and UNOPS regarding the hosting of the Santiago Network secretariat affirms that the the costs associated with the Santiago Network secretariat and the mobilization of the services of the network shall be funded from various sources, including developed country Parties and others. The [Resource Mobilisation Strategy 2026-2028](#) of the Network speaks to "examining possibilities for broadening resource channels including through...innovative finance instruments". See paragraph 6 (b) on page 4.
- 38 Paragraph 45 (page 7) of the [memorandum of understanding](#) between the COP and CMA and UNDRR and UNOPS regarding the hosting of the Santiago network secretariat.
- 39 The [2026 budget](#) of the Santiago Network indicates that UNOPs charged a 4.18% management fee totalling 420,112 USD.
- 40 Paragraph 38 (page 6) of the [memorandum of understanding](#) between the COP and CMA and UNDRR and UNOPS regarding the hosting of the Santiago network secretariat, indicated that the Santiago Network secretariat will commission one independent review of the performance of the network so that the findings of the review can feed into the subsequent review of the WIM. However, to inform the CMA and COP on the decision of whether or not to keep UNDRR and UNOPs as the host consortium at the end of the first year hosting period in 2028 this review will need to be carried out in 2027. The review is mandated to consider amongst other things the sustainability and sources of funding, adequacy of funding levels relative to technical assistance requests, timeliness, effectiveness, engagement, gender-responsiveness and delivery of technical assistance to communities.

- 41 Projected Santiago Network Secretariat costs based on upscaling the total [annual budget of the Santiago network 2026](#) which provisions for 20 technical assistance requests with total costs at 10,565,870 USD, less the cost of technical assistance implementation (5,665,870 USD) equaling 4,850,870 USD by a factor of 11.14 to reflect the Secretariat, hosting and support costs associated with delivering a total of 1672 requests a year in 2030 respectively. This is based on the assumption that the Secretariat could deliver 150 requests in 2026 with the same Secretariat costs if the majority were community requests that required less capacity to process (i.e. processing three requests per week).
- 42 See further details of this planned work on page 6 of the Santiago Network's [workplan for 2026-27](#).
- 43 At its [fourth meeting](#), the Santiago Network's Advisory Board [decided](#) (Decision 7.2.3, page 6) that the Advisory Board will "review the regional presence of the Santiago Network in 2028, and periodically thereafter, in line with the technical assistance needs and demands identified by developing countries, with a view to ensuring a more effective, coordinated, and context-specific response".
- 44 Paragraph 26 of the [Santiago Network Strategy](#).
- 45 See further details of this planned work under action area 29 page 12 of the Santiago Network's [workplan for 2026-27](#).
- 46 The CTCN has [930 members](#) after 11 years and the CGF Readiness program has approximately [2808 delivery partners](#) after 10 years.
- 47 The membership of the Santiago Network is currently made up of 50 per cent of OBNEs operating at the global level. See page 78 of our [daily policy updates](#) from the fourth meeting of the Advisory Board for further information.
- 48 See further details of the plans for the Santiago Network's portal under action area 16 on page 9 of the networks [workplan for 2026-27](#).
- 49 As suggested in paragraph 21 (a) of [the paper prepared](#) for B7 by the Secretariat of the FRLD on modalities for complementarity and coherence with the Santiago Network. Examples include, building the foundations for country-led programming and implementation through the preparation of national loss and damage assessments, databases, financing frameworks, proposal development, monitoring and training.
- 50 As suggested in paragraph 21 (b) of [the paper prepared](#) for B7 by the Secretariat for B7 on modalities for complementarity and coherence with the Santiago Network.
- 51 As suggested in paragraph 21 (c) of [the paper prepared](#) for B7 by the Secretariat for B7 on modalities for complementarity and coherence with the Santiago Network.
- 52 As suggested in paragraph 21 (e) of [the paper prepared](#) for B7 by the Secretariat for B7 on modalities for complementarity and coherence with the Santiago Network.
- 53 As suggested in paragraph 21 (f) of [the paper prepared](#) for B7 by the Secretariat for B7 on modalities for complementarity and coherence with the Santiago Network.
- 54 As articulated in the [informal note](#) sent to COP 30 / CMA 7 by Parties at the conclusion of deliberations on the third review of the WIM at the 2025 [June Climate Meetings](#).
- 55 See our [draft discussion paper](#) on the State of Loss and Damage Report.
- 56 As proposed under action item 10 on page 7 of the Santiago Network's [workplan for 2026-27](#).
- 57 As proposed in the report of the [fifth meeting](#) of the Advisory Board of the Santiago Network, Annex A - List of intersessional decisions, Approach for determining the minimum percentage of technical assistance funded directly by the Santiago network directed to communities particularly vulnerable to the adverse effects of climate change, b (ii).
- 58 As proposed in the report of the [fifth meeting](#) of the Advisory Board of the Santiago Network, Annex A - List of intersessional decisions, Approach for determining the minimum percentage of technical assistance funded directly by the Santiago network directed to communities particularly vulnerable to the adverse effects of climate change, b (iii).
- 59 At the 6th meeting of the Board of the FRLD, the developing country constituency to the Board reiterated the call for the Fund to program at least 100 billion USD a year by 2030 in a [Fill the Fund press conference](#). (You can see the recording [here](#) and read the developing countries' joint statement [here](#)). Our analysis in 2024 estimated the Loss and Damage needs in developing countries to be [723.45 billion USD](#) a year, of which the FRLD will need to disburse at least [400 billion USD](#) each year. Whilst recent economic quantification by scientists has estimated the needs of developing countries in 2025 to be between [128 and 937 billion USD](#) with a mean of 395 billion USD.
- 60 Paragraph 55 (page 13) of the [governing instrument](#) of the FRLD.
- 61 Paragraph 20 (e) (page 11) of decision B.7/D.7 agreed that the first replenishment process will start in 2027. See the [compendium of decisions from B7](#).
- 62 The relevant paragraphs of the [governing instrument](#) of the FRLD are 6 (page 6), 8 and 9 (page 7).
- 63 Paragraph 60 (f) (page 14) of the [governing instrument](#) of the FRLD.
- 64 Paragraph 61 (page 14) of the [governing instrument](#) of the FRLD.

- 65 Paragraph 22 (k) (page 8) of the [governing instrument](#) of the FRLD indicates that the Fund may establish additional thematic substructures to address specific activities, as appropriate.
- 66 Paragraph 41 (page 12) of the [governing instrument](#) of the FRLD indicates that the Fund will have a streamlined and rapid approval process with simplified criteria and procedures.
- 67 Paragraph 22 (i) (page 8) of the [governing instrument](#) of the FRLD indicates that the Board will develop relevant indicators and triggers to clarify access to different sources of support provided through the Fund.
- 68 Paragraph 34 (page 10) of the [governing instrument](#) of the FRLD indicates that regional desks may support and facilitate access to the Fund, as appropriate. If the FRLD were to employ an approach similar to the [Central Emergency Fund \(CERF\)](#) to rapid disbursement then the regional desk would play key roles in the rapid disbursement of support. Under the CERF Resident and Humanitarian Coordinators play key roles in requesting funding from the CERF. See how the CERF works [here](#) and the roles and responsibilities of the coordinators [here](#).
- 69 Based on the GCF's [no objection procedure](#) where all funding proposals submitted to GCF must be accompanied by a no-objection letter.
- 70 Paragraph 29 (page 10) of the [governing instrument](#) of the FRLD indicates the Fund will develop mechanisms to promote the input and participation of stakeholders.
- 71 Paragraph 60 (e) (page 12) of the [governing instrument](#) of the FRLD recognises that data or information may be limited for specific countries and regions.
- 72 IPCC, AR6, Chapter 11: [Weather and Climate Extreme Events in a Changing Climate](#).
- 73 Paragraph 17 (page 10) of the [Loss and Damage Funding Arrangements](#) indicates that Parties and relevant institutions should consider developing and implementing additional funding arrangements for improving the speed of disbursement, and especially prearranged finance, for responding to various challenges, such as climate-related emergencies, slow onset events, displacement, relocation, migration, insufficient climate information and data, and the need for climate-resilient reconstruction and recovery.
- 74 Paragraph 49 (a) (page 12) of the [governing instrument](#) of the FRLD.
- 75 Paragraph 49 (b) (page 12) of the [governing instrument](#) of the FRLD.
- 76 Paragraph 49 (d) (page 12) of the [governing instrument](#) of the FRLD.
- 77 Paragraph 22 (k) (page 8) of the [governing instrument](#) of the FRLD indicates that the Board can establish additional thematic substructures to address specific activities, as appropriate.
- 78 The CGF has [153 accredited entities](#) after 10 years of operation and the [Adaptation Fund](#) has [62 accredited entities](#) after 18 years of operation. Under [the decision](#) operationalising access modalities for the BIM taken at B7, a list of over 300 implementing entities from the Adaptation Fund, GCF and GEF was adopted (see page 29 onwards).
- 79 Paragraph 50 (page 13) of the [governing instrument](#) of the FRLD indicates that the Fund will develop simplified procedures and criteria for fast-tracked screening to determine functional equivalency with internationally recognized standards of national and/or regional funding entities' safeguards and standards to manage funded programmes and projects in country, as appropriate.
- 80 Examples include [Fundo Casa](#), [María Fund](#) and [Pawanka Fund](#).
- 81 The relevant paragraphs in the [governing instrument](#) of the FRLD are: 47 (page 12), 53 (page 13), 67 and 68 (page 15). Also relevant is the decision taken on complementarity with the Santiago Network at B7 ([DECISION B.7/D.8](#), page 12) under which the Board took note of the FRLD Secretariat proposals for [modalities for complimentary and coherence with the network](#) and tasked the Secretariat to develop a draft proposal for the FRLD's country support system under the BIM for B8.
- 82 Paragraph 47 (page 12) of the [governing instrument](#) of the FRLD.
- 83 Based upon the GCF's [provision of readiness between 2015-2025](#). Where 875 readiness requests were fulfilled to 142 developing countries.
- 84 Based on the [average scale](#) of a readiness request delivered by the GCF. Between 2015-2025, [875 readiness requests](#) to 142 developing countries were approved with resources allocated totaling 749.13 million USD.
- 85 See what this entails in our brief "[Loss and Damage Fund: A Participation Blueprint](#)".
- 86 As listed in paragraph 20 (page 8) of the [Governing Instrument](#) of the FRLD. Note that Farmers, Trade Union Non-Government Organisations (TUNGO), refugees, migrants and displaced persons would still be able to engage with the work of the FRLD through its consultative forums and through their engagement with Active Observers.
- 87 Paragraph 27 (page 9) of the [Governing Instrument](#) of the FRLD indicates that "the Fund will make arrangements to allow for the effective participation of observers in its meetings, including developing and carrying out an observer accreditation process."

- 88 Paragraph 71 (page 15) of the [governing instrument](#) of the FRLD indicates that “activities financed by the Fund will use the implementing entity’s independent grievance redress mechanism to address complaints related to activities financed by the Fund”. However, we believe that to ensure that the FRLD takes ownership and is accountable for any harm, a dedicated grievance mechanism must be put in place.
- 89 Paragraph 23 (page 5) of the [Governing Instrument](#) of the FRLD.
- 90 See how we arrived at this valuation in our brief: [“Reminder the the Board: The World Bank and Loss and Damage Fund are Uncomfortably Paired”](#).
- 91 Paragraph 32 (page 10) of the [governing instrument](#) of the FRLD.
- 92 Paragraph 22 (i) (page 8) of the [governing instrument](#) of the FRLD.
- 93 Paragraph 35 (m) (page 11) of the [governing instrument](#) of the FRLD indicates that the Fund’s Secretariat will assist countries in engaging with the Fund through its processes and procedures.
- 94 Resident and Humanitarian Coordinators for the CERF play key roles in requesting funding from the CERF. See how the CERF works [here](#) and the roles and responsibilities of the coordinators [here](#).
- 95 During a humanitarian emergency [National Red Cross/Red Crescent Societies](#) will request rapid disbursement of funds from the [IFRC’s Disaster Response Emergency Fund \(DREF\)](#). Find out more about how this happens [here](#).
- 96 Paragraph 51 (page 13) of the [Governing Instrument](#) of the FRLD.
- 97 Paragraphs 6 and 7 (page 16) of the [Loss and Damage Funding Arrangements](#).
- 98 Paragraph 9, page 16, of the [Loss and Damage Funding Arrangements](#).
- 99 Paragraph 51 (page 13) of the [Governing Instrument](#) of the FRLD indicates that the Fund “will promote efforts that enhance complementarity and coherence, such as the exchange of information and good practices and consultation with existing and new mechanisms.” Paragraph 11 (page 16) of the [Loss and Damage Funding Arrangements](#) unpacks the objective of the HLD.
- 100 Paragraph 15 (page 17) of the [Governing Instrument](#) of the FRLD.
- 101 Paragraph 63 (page 14) of the [Governing Instrument](#) of the FRLD.
- 102 Paragraph 64 (page 15) of the [Governing Instrument](#) of the FRLD.
- 103 Paragraph 65 (page 15) of the [Governing Instrument](#) of the FRLD.
- 104 See [Oxfam’s](#) brief for details of what reforms are required: [“Beyond Crises: The future of Special Drawing Rights as a source of development and climate finance”](#).
- 105 Ibid.
- 106 Annex I countries are responsible for 90% of climate breakdown. See Jason Hickel’s paper: [“Quantifying national responsibility for climate breakdown: an equality-based attribution approach for carbon dioxide emissions in excess of the planetary boundary”](#).
- 107 Relevant [UNFCCC](#) Articles include 4.3-4.5 (page 14 and 14). Relevant Articles of the [Paris Agreement](#) include Article 8 (page 12) and 9.1 and 9.3 (page 13).
- 108 Including the [Vienna Convention for the Protection of the Ozone Layer](#) and the [Montreal Protocol](#).
- 109 See our brief on the ICJ AO: [“The Obligations of States in respect of Climate Change: What does the International Court of Justice Advisory Opinion mean for the work on Loss and Damage under the UN climate change regime?”](#).
- 110 The AO from the ICJ can be accessed [here](#), the AO from the IACHR can be accessed [here](#). For our debrief on the implications for Loss and Damage from the ICJ AO see here: [“The Obligations of States in respect of Climate Change: What does the International Court of Justice Advisory Opinion mean for the work on Loss and Damage under the UN climate change regime?”](#).
- 111 The [African Court on Human and Peoples’ Rights \(AfCHPR\)](#) is considering a request for an advisory opinion on climate change, submitted by a coalition of NGOs led by the [Pan African Lawyers Union \(PALU\)](#) in May 2025.
- 112 Paragraph 262 (page 82) of the [ICJ AO](#).
- 113 Paragraph 364 (page 107) of the [ICJ AO](#).
- 114 See our brief on the ICJAO [“The Obligations of States in respect of Climate Change: What does the International Court of Justice Advisory Opinion mean for the work on Loss and Damage under the UN climate change regime?”](#).
- 115 Paragraphs 444-456 and 457 (4) (page 126 and 127) of the [ICJ AO](#).
- 116 Article 9.3 (page 13) of the [Paris Agreement](#), is clear that developed country Parties should continue to take the lead in mobilizing climate finance from a wide variety of sources, instruments and channels, noting the significant role of public funds [...] taking into account the needs and priorities of developing country Parties.

- 117 Paragraph 54, page 13, of the governing instrument of the FRLD indicates that the Fund must be able to receive contributions from a wide variety of sources of funding, including grants and concessional loans from public, private and innovative sources, as appropriate. In our view the only appropriate type of funding for Loss and Damage is grants.
- 118 This table builds on the important work done by Oil Change International on identifying sources of climate finance in their (2024) brief: "We Can Pay for It Measures for Rich Countries to Raise Public Funds for the New Climate Finance Goal and Other Domestic and International Public Interest Priorities".
- 119 See Oil Change International's (2024) brief: "We Can Pay for It Measures for Rich Countries to Raise Public Funds for the New Climate Finance Goal and Other Domestic and International Public Interest Priorities".
- 120 See CAN Europe's (2023) brief: "New resources for public climate finance and for the Loss and Damage Fund Exploring taxes and levies at EU and multilateral level".
- 121 See Equal Right's (2023) brief "Climate Justice Without Borders".
- 122 See G. Zucman's (2024) brief: "A blueprint for a coordinated minimum effective taxation standard for ultrahigh-net-worth individuals".
- 123 See Oxfam's (2023) brief: "Survival of the Richest - How We Must Tax the Super-Rich Now to Fight Inequality".
- 124 See Oil Change International's (2024) brief: "We Can Pay for It Measures for Rich Countries to Raise Public Funds for the New Climate Finance Goal and Other Domestic and International Public Interest Priorities".
- 125 See CAN Europe's (2023) brief: "New resources for public climate finance and for the Loss and Damage Fund Exploring taxes and levies at EU and multilateral level".
- 126 See Project Syndicate's (2024) article: "Taxing Polluters Is the Key to Climate Justice".
- 127 See Oil Change International's (2024) brief: "We Can Pay for It Measures for Rich Countries to Raise Public Funds for the New Climate Finance Goal and Other Domestic and International Public Interest Priorities" and Lloyd's List article "Marshall Islands demands \$100 tax on shipping emissions".
- 128 See UNCTAD's (2023) paper: "Taking Responsibility Towards a Fit-for-Purpose Loss and Damage Fund".
- 129 See Oil Change International's (2024) brief: "We Can Pay for It Measures for Rich Countries to Raise Public Funds for the New Climate Finance Goal and Other Domestic and International Public Interest Priorities" and Lloyd's List article "Marshall Islands demands \$100 tax on shipping emissions".
- 130 See Baresic et al. (2022) paper: "Closing the Gap an Overview of the Policy Options to Close the Competitiveness Gap and Enable an Equitable Zero-Emission Fuel Transition in Shipping".
- 131 See the World Bank's (2022) report: "Carbon Revenues From International Shipping : Enabling an Effective and Equitable Energy Transition".
- 132 See the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping's (2021): "Options Paper on Market-Based Measures".
- 133 See Oil Change International's (2024) brief: "We Can Pay for It Measures for Rich Countries to Raise Public Funds for the New Climate Finance Goal and Other Domestic and International Public Interest Priorities".
- 134 Ibid.
- 135 See Oxfam's (2023) brief: "Footing the Bill" and T. Gore and M. Lutes's (2011) Oxfam and WWF brief: "Out of the Bunker: Time for a fair deal on shipping emissions".
- 136 See Action Aid's (2024) brief: "Taxing windfall profits of fossil fuels and financial companies can boost climate finance".
- 137 See UNCTAD's (2023) paper: "Taking Responsibility Towards a Fit-for-Purpose Loss and Damage Fund".
- 138 See Kellogg, E., & Zheng, S. (2024) paper: "Taxing aviation for loss and damage caused by climate change".
- 139 See Oil Change International's (2024) brief: "We Can Pay for It Measures for Rich Countries to Raise Public Funds for the New Climate Finance Goal and Other Domestic and International Public Interest Priorities".
- 140 See Pekanov A and Schratzenstaller M's (2019) paper. "A Global Financial Transactions Tax : theory, practice and potential revenues".
- 141 See the (2010) report of the Secretary General's High-Level Advisory Group on Financing Climate Change.
- 142 See DG Taxud's (2013) brief: "Impact Assessment for a Financial Transaction Tax".
- 143 See Oxfam's (2012) brief: "Financial Transaction Tax campaign: Evaluation report 2012".
- 144 See the (2024) Climate Home News article "Developing countries suggest rich nations tax arms, fashion and tech firms for climate".
- 145 See Pekanov A and Schratzenstaller M's (2019) paper. "A Global Financial Transactions Tax : theory, practice and potential revenues".

- 146 Ibid.
- 147 See UNCTAD's (2023) paper: "[Taking Responsibility Towards a Fit-for-Purpose Loss and Damage Fund](#)".
- 148 See Oxfam's (2023) brief: "[Footing the Bill](#)".
- 149 See Christian Aid's (2022) brief "[The Loss and Damage Finance Facility Why and How](#)".
- 150 See Theo Vermaelen, INSEAD's (2023) brief: "[Biden's Misguided Tax on Share Buybacks](#)".
- 151 See Oxfam's (2024) brief: "[Fair taxes on private jets and superyachts could have raised up to £2 billion last year to help combat the climate crisis.](#)"
- 152 Ibid.
- 153 See the [Solidarity Levies Taskforce's](#) (2024) report: "[Global Solidarity Levies Task Force Synthesis of responses to the consultation on straw-man options for solidarity levies](#)".
- 154 See [Oil Change International's](#) (2024) brief: "[We Can Pay for It Measures for Rich Countries to Raise Public Funds for the New Climate Finance Goal and Other Domestic and International Public Interest Priorities](#)".
- 155 See [Oil Change International's](#) (2024) brief: "[Road to COP29: Shifting and unlocking trillions for a just energy transition](#)".
- 156 See IEA (2019) paper: "[The Future of Rail, Opportunities For Energy and the Environment](#)".
- 157 See the [World Inequality Report](#) (2022), Chapter 8, scenario with 25% minimum and no carveouts.
- 158 See [Oil Change International's](#) (2024) brief: "[We Can Pay for It Measures for Rich Countries to Raise Public Funds for the New Climate Finance Goal and Other Domestic and International Public Interest Priorities](#)" and [World Inequality Report](#) (2022), Chapter 8, scenario with 25% minimum and no carveouts.
- 159 See [ActionAid Australia's](#) (2024) brief: "[Finding the Finance](#)".
- 160 See the Tax Justice Network, Global Alliance for Tax Justice, and Public Services International's (2021) report: "[The State of Tax Justice 2021](#)".
- 161 See the (2024) [Climate Home News](#) article "[Developing countries suggest rich nations tax arms, fashion and tech firms for climate.](#)"
- 162 Based on the 2021-2023 average according to the [SIPRI Military Expenditure Database](#).
- 163 See [Oil Change International's](#) (2024) brief: "[We Can Pay for It Measures for Rich Countries to Raise Public Funds for the New Climate Finance Goal and Other Domestic and International Public Interest Priorities](#)". G7 and Annex II-led multilateral lenders only. For [Annex II](#) figure, this is the annual average of 2021-2024 debt payments in the 82 low and lower middle income countries based on the ratio of debt held by G7 governments, G7 private lenders, bonds governed by G7 law and to multilateral institutions where Annex II countries have a voting majority. See [Debt Justice's](#) (2022) brief: "[G7 responsibility for debt crises in lower income countries](#)".
- 164 See the Minderroo Foundation's (2024) brief: "[The Polymer Premium: A Fee on Plastic Pollution](#)".
- 165 Paragraph 57 (page 13) of the [governing instrument](#) of the FRLD indicates that the Fund will make use of "debt sustainability considerations and criteria developed by the Board".
- 166 Article 9.5 (page 13) of the [Paris Agreement](#).
- 167 Paragraph 57 (page 13) of the [governing instrument](#) of the FRLD indicates that the Fund will provide financing in the form of grants and highly concessional loans. However, developing countries and civil society have been clear that the only appropriate type of funding for Loss and Damage is grants. This is due to the high debt burdens of developing countries and the immoral nature of developed countries wishing to profit from a crisis that they bear responsibility for.
- 168 This guidance is based upon a [submission](#) made by the [Alliance of Small Island States](#) (AOSIS) in 2024 to the ad hoc work program of the [New Collective Quantified Goal on Climate Finance](#) and the [joint statement](#) made by AOSIS and the [Least Developed Countries Group](#) at the same meeting.
- 169 Para 58 (page 13) of the [governing instrument](#) of the FRLD requires the Fund to take into account debt sustainability when deploying any financial instrument other than grants. UNCTAD has provided [Principles on Promoting Responsible Sovereign Lending and Borrowing](#) that should be deployed by the FRLD.
- 170 Although we have pointed to the wider reforms needed to unlock climate finance, our focus remains on Loss and Damage under the UNFCCC in this section. For further information on e.g. tax and debt reform, we recommend following the links to the various resources that are referenced.

Cover image: Loss and Damage support at scale has the power to enable communities on the front lines in developing countries to thrive and not just survive in this moment of climate crisis. (Shutterstock / Shovon SIS).

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