

Decision -/CMA.7

Report of the Fund for responding to Loss and Damage and guidance to the Fund for responding to Loss and Damage

The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement,

Recalling decisions 2/CP.27 and 2/CMA.4; 1/CP.28 and 5/CMA.5; 5/CP.29 and 11/CMA.6; and 6/CP.29 and 12/CMA.6,

1. *Takes note* of the annual report of the Board of the Fund for responding to Loss and Damage for 2025, and the information therein;¹
2. *Welcomes* the rapid progress of the Board in operationalizing the Fund, in particular the establishment of the Barbados Implementation Modalities, consisting of a first set of interventions in grants for the calendar years 2025 and 2026 supporting bottom-up, country-led and country-owned approaches to supporting and strengthening national responses to loss and damage, including decisions taken with respect to funding criteria and direct access modalities under the Barbados Implementation Modalities, and *expresses support* for the further operationalization of the Fund;
3. *Welcomes* the launch of the call for funding requests for the Barbados Implementation Modalities;
4. *Expresses appreciation* to the secretariat of the Fund for responding to Loss and Damage for supporting the operationalization of the Fund, as well as to the secretariats of the UNFCCC and the Green Climate Fund and the United Nations Development Programme for jointly forming the interim secretariat for the Fund and providing support to the Board during the transition period until the establishment of the independent secretariat, which was completed at the 7th meeting of the Board;
5. *Also expresses appreciation* to the Government of Barbados for hosting the 5th meeting of the Board, and to the Government of the Philippines for hosting the 6th and 7th meetings thereof in its capacity as host country of the Board;
6. *Welcomes* the financial pledges made to the Fund by the Governments of Iceland, Japan, Latvia, Luxembourg and Spain, and the government of the Walloon Region of Belgium, which, together with the other pledges mentioned in table 1 of annex II in the annex to document FCCC/CP/2025/10/Add.1–FCCC/PA/CMA/2025/14/Add.1, amount to the equivalent of USD 817.01 million;
7. *Also welcomes* the adoption by the Board of its workplan for 2026² and *looks forward* to the outcomes of the activities under the workplan, including:
 - (a) Delivering the Barbados Implementation Modalities, including through the development of a risk management framework;
 - (b) Developing the long-term operating model of the Fund, including consideration of rapid disbursement modalities and a small grants policy, and work on access modalities, to be informed by the Barbados Implementation Modalities;
 - (c) Developing a long-term resource mobilization strategy and plan;³
 - (d) Continuing efforts to strengthen coherence and complementarity with existing arrangements for responding to loss and damage, including through close collaboration with

¹ FCCC/CP/2025/10–FCCC/PA/CMA/2025/14 and Add.1.

² Board decision B.7/D.2. The workplan is contained in annex I to Board document FRLD/B.7/11.

³ In accordance with Board decision B.7/D.7, paragraph (b).

the Santiago network for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change;

(e) Considering the draft policy on the participation of active observers in Board meetings and related proceedings and the proposal for guidelines on consultative forums for engaging and communicating with stakeholders, including consideration of women, youth and Indigenous Peoples in line with the Governing Instrument of the Fund;⁴

(f) All other activities included in the workplan;

8. *Welcomes* the various access modalities established under the Barbados Implementation Modalities and *notes with appreciation* the Board's reiteration that national Governments of all developing countries may submit funding requests using the modality of direct access via direct budget support through national Governments under the Barbados Implementation Modalities, subject to processes and modalities to be decided by the Board;

9. *Notes with concern* the delay in the adoption of the long-term fundraising and resource mobilization strategy and plan and *requests* the Board to expedite its consideration of the strategy and plan in line with paragraph 16 of decisions 5/CP.29 and 11/CMA.6;

10. *Appreciates* the confirmation by the Board of the importance of multilingualism and its request to the secretariat of the Fund to translate the final version of the funding request template, subject to budget availability;⁵

11. *Looks forward* to the Board including, in its subsequent workplan, work on outstanding matters under the Governing Instrument of the Fund, including any outstanding policies;

12. *Welcomes* the decision by the Board⁶ that the first replenishment process of the Fund will start in 2027 and *looks forward* to a successful first replenishment;

13. *Reiterates* paragraph 10 of decisions 5/CP.29 and 11/CMA.6, noting its importance for further allocation of resources for future work, including the Barbados Implementation Modalities;

14. *Urges* the Board to ensure that the modalities and processes under the Barbados Implementation Modalities and the long-term operating model of the Fund will avoid disproportionate bureaucratic obstacles to the access of resources;

15. *Also urges* the Board to maintain high fiduciary standards, environmental and social safeguards, financial transparency standards and accountability mechanisms while implementing the Barbados Implementation Modalities and the long-term operating model;

16. *Recalls* decision 1/CMA.6 and *requests* the Board to take into account, as appropriate, relevant paragraphs therein in its upcoming and future related work;

17. *Invites* Parties to submit views and recommendations on elements of guidance for the Fund via the submission portal⁷ no later than 12 weeks prior to the eighth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (November 2026);

18. *Requests* the Standing Committee on Finance to take into consideration the submissions referred to in paragraph 17 above when preparing its draft guidance for the Fund for consideration by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its eighth session;

19. *Also requests* the Board to include in its annual report to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement information on the steps it has taken to implement the guidance provided in this decision.

⁴ Annex I to decisions 1/CP.28 and 5/CMA.5.

⁵ Board decision B.7/D.4, paragraph (h).

⁶ Board decision B.7/D.7, paragraph (e).

⁷ <https://www4.unfccc.int/sites/submissionsstaging/Pages/Home.aspx>.