



Overview of the Fund's Start-up Phase

**Africa Climate Week
September 1st 2025**

FRLD Secretariat



Objectives of the FRLD

To assist developing countries that are particularly vulnerable to the adverse effects of climate change in responding to economic and non-economic loss and damage (L&D) associated with the adverse effects of climate change, including extreme weather events and slow onset events. [Governing Instrument paragraph 2]

The Fund will provide finance for **addressing a variety of challenges associated with the adverse effects of climate change**, such as climate-related emergencies, sea level rise, displacement, relocation, migration, insufficient climate information and data, and the need for climate-resilient reconstruction and recovery.

The Fund will:

- Be a new channel for multilateral finance
 - Assist countries in mobilizing external finance to strengthen efforts to responding to L&D
 - Focus on priority gaps within the current landscape of institutions
 - Promote coherence and complementarity to promote access, avoid duplication, and reduce fragmentation
 - Pursue country ownership approach
 - Seek to promote and strengthen national response systems through, among other means, the effective involvement of relevant institutions and stakeholders, including non-State actors
 - Be scalable and flexible, practice continuous learning, guided by M&E processes, strive to maximize impact while promoting environmental, social, economic and development co-benefits
 - Take a culturally sensitive and gender-responsive approach
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Start-up phase of the FRLD

The Board **approved Decision B.5/D.4** to establish the **Barbados Implementation Modalities (BIM)** which includes:



\$250 million for
2025 and 2026



Range of **\$5 million**
to \$20 million
grants per
proposal/funding
request

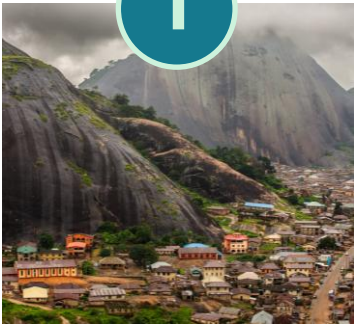


Minimum allocation
floor of 50% for SIDS
and LDCs

We aim to launch call for proposals later this year, subject to Board decision.

Key components for operationalizing the BIM

1



**Project/
programme
cycle**

2



**Funding
criteria**

3



**Results
measurement
framework**

4



**Initial access
modalities**

5



**Proposal for direct
budget support**

Funding modalities and instruments

1



Projects and programmes

2



Budget support

Key elements:

- Bottom-up, country-led and country-owned approaches to loss and damage that promote and strengthen national responses;
- Effective engagement with all relevant stakeholders, including people and communities in climate-vulnerable situations;
- Aiming to test, learn and refine operational modalities, access modalities, financial instruments and funding structures;
- Aiming to explore engagement with the private sector, where relevant, in contributing to loss and damage;
- Providing grant funding through which countries may test interventions to combine the grants with other financial instruments in deploying different funding modalities.

Guidance for FRLD focal points

Countries may designate a national authority or national focal point to be responsible for overall management, and implementation of activities, projects, and programmes supported by the Fund.

- **Take into consideration already existing focal points relevant to loss and damage,** with a view to enhancing national coherence, coordination, and synergies.
- **Clear mandate and capacity for cross-sectoral coordination** to effectively manage loss and damage programming.
- **Consulted on any proposals/funding requests** for any access modalities.
- **Maintain regular communication** with the FRLD secretariat, including submission of all reports and updates.
- **Sign and submit proposals/funding requests** based on the access modalities available.

FRLD



Fund for responding to Loss and Damage