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Matters relating to finance
Report of the Fund for responding to Loss and Damage and guidance to the Fund for responding to Loss and Damage

Conference of the Parties serving as the meeting of the Parties to the Paris Agreement
Seventh session
Belém, 10–21 November 2025
Item 10(d) of the provisional agenda
Matters relating to finance
Report of the Fund for responding to Loss and Damage and guidance to the Fund for responding to Loss and Damage

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

Note by the secretariat*

1. The Conference of the Parties (COP) and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) approved the Governing Instrument of the Fund for responding to Loss and Damage (FRLD).[1] The Governing Instrument provides, inter alia, that the Board of the FRLD will submit annual reports to the COP and the CMA for their consideration.

2. The arrangements between the COP, the CMA and the Board of the FRLD stipulate information that the Board will or is encouraged to include in its annual reports to the COP and the CMA.[2] This includes, inter alia, information on the implementation of policies, programme priorities and eligibility criteria, including information on action taken by the Board in response to guidance provided by the COP and the CMA.

3. In response to the provision referred to in paragraph 1 above, the secretariat of the FRLD submitted on 5 September 2025 the report contained in the annex. It is reproduced here as submitted, with the original pagination.

4. The Governing Instrument of the FRLD also provides that the Board of the FRLD will receive guidance from the COP and the CMA on its policies, programme priorities and eligibility criteria and take appropriate action in response to the guidance received from the COP and the CMA.

* The present report was submitted to the conference services for processing after the deadline in order to include the outcomes of the sixth meeting of the Board of the Fund for responding to Loss and Damage.

[1] Para. 2 of decisions 1/CP.28 and 5/CMA.5. The Governing Instrument is contained in annex I to those decisions.

[2] Paras. 12, 13 and 15 of the annex to decisions 6/CP.29 and 12/CMA.6.

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Annex

[English only]

Report of the Board to the Conference of the Parties at its thirtieth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its seventh session

This document contains the report of the Board to the Conference of the Parties at its thirtieth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its seventh session.

FRLD
Fund for responding to Loss and Damage

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Executive summary

1. In the reporting period, the **Board of the FRLD took decisive steps towards full operationalization of the FRLD, with the primary focus of the Board on balancing laying the institutional foundation of the Fund and delivering finance for responding to loss and damage.** This is particularly evident in the establishment of the Barbados Implementation Modalities (with the acronym BIM), which consists of a first set of interventions to respond to loss and damage, for the calendar years of 2025 and 2026, for a total of USD 250 million.

2. At the same time, the Board **continued to make steady progress in establishing a robust policy framework to underpin its work**. The Board adopted procedures for taking decisions between meetings, additional rules of procedure, a travel policy for the Board, guidance for FRLD focal points and guidelines on the participation of advisers in Board meetings and committee meetings. The Board continues to consult on and refine observer-related policies. Further, the Board established a standing Budget Committee.

3. **The annual high-level dialogue (HLD) on coordination and complementarity, co-convened by the FRLD and the United Nations Secretary-General, was launched on the margins of the World Leaders Action Summit in November 2024, after which the first dialogue took place in April 2025 on the margins of the Spring Meetings of the World Bank Group and the International Monetary Fund.** The HLD gathered over 100 participants representing 44 different entities, including multilateral development banks, United Nations agencies, national governments, civil society and philanthropic actors. It gave rise to dialogue on streamlining access to climate finance and reducing fragmentation, as well as strong calls for agility, speed and locally led solutions in responding to loss and damage as a result of climate change.

4. Beyond the HLD, **the FRLD also proactively strengthened its strategic partnerships to enhance coordination and complementarity with related institutions.** This included the signing of letters of intent with the Adaptation Fund and the Santiago Network, as well as engagements with other multilateral climate funds.

5. **The transition from the interim secretariat to the new, dedicated and independent Secretariat of the FRLD has accelerated.** Under the leadership of the Executive Director, a smooth transition process was ensured and an organizational structure for the independent Secretariat was developed, while the capacity of the Secretariat to support key functions of the FRLD has been enhanced, including through hiring long- and short-term staff. It is anticipated that the transition will be completed by the end of the seventh meeting of the Board, at which point the interim secretariat arrangement will be discontinued.

I. Introduction

A. Mandate

1. The twenty-eighth session of the Conference of the Parties (COP) and the fifth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) designated the Fund for responding to Loss and Damage (hereinafter referred to as the FRLD) as an entity entrusted with the operation of the Financial Mechanism of the Convention, also serving the Paris Agreement, which will be accountable to and function under the guidance of the COP and the CMA.

2. This second annual report of the Board of the FRLD is submitted to the COP and the CMA in accordance with the Governing Instrument of the Fund[1] and the arrangements between the COP, the CMA and the Board.[2]

3. Further, in accordance with the arrangements between the COP, the CMA and the Board, the Board is to report to the COP and the CMA on the following matters in its annual reports:

(a) Information on the implementation of policies, programme priorities and eligibility criteria, including information on action taken by the Board in response to guidance provided by the COP and the CMA;

(b) A synthesis of the different activities under implementation and a list of the activities approved, as well as a financial report;

(c) Information on all activities financed by the Fund;

(d) Action taken to develop, operate and review the resource allocation system referred to in paragraphs 60–61 of the Governing Instrument;

(e) Any reports of the independent evaluations of the performance of the Fund referred to in paragraphs 64–65 of the Governing Instrument;

(f) Information on how it has drawn on expert and technical advice, including from the relevant constituted bodies established under the Convention and the Paris agreement, as appropriate;

(g) Information on the high-level dialogue (HLD) referred to in paragraph 11 of annex II to decisions 1/CP.28 and 5/CMA.5, as described in paragraph 12 of annex II to those decisions;

(h) Information on action taken to enhance coordination and complementarity pursuant to paragraphs 51–53 of the Governing Instrument, as well as recommendations to the COP and the CMA pursuant to paragraph 22(s) of the Governing Instrument.

4. Further, the arrangements encourage the Board to include information in its annual reports on how it has established consultative forums for engaging and communicating with stakeholders, pursuant to paragraph 28 of the Governing Instrument, and how it has developed and managed mechanisms to promote the input and participation of stakeholders, pursuant to paragraph 29 of the Governing Instrument. The arrangements also state that the Board will include information in its annual reports to the COP and the CMA on its long-term fundraising and resource mobilization strategy, as appropriate.

[1] United Nations Framework Convention on Climate Change (UNFCCC) decisions 1/CP.28, para. 2, and 5/CMA.5, para. 2. The Governing Instrument of the Fund is contained in annex I to those decisions.

[2] UNFCCC decision 6/CP.29 and 12/CMA.6. The arrangements are contained in the annex to those decisions.

B. Scope of the report

5. This report provides an overview of the actions taken in response to guidance provided in UNFCCC decisions 5/CP.29 and 11/CMA.6 (see the table below) and the overall progress and milestones achieved by the Board in relation to those actions. It covers the period from 21 September 2024 to 31 July 2025, during which the Board held three meetings: B.4 (Manila, Philippines, 2–5 December 2024,), B.5 (Bridgetown, Barbados, 8–10 April 2025) and B.6 (Cebu, Philippines, 9–11 July 2025).

6. The report contains the following sections:

(a) Response to guidance provided by the COP and the CMA;

(b) Work undertaken by the Board during the reporting period;

(c) Action taken to enhance coordination and complementarity;

(d) Stakeholder engagement;

(e) Transition to the new, dedicated and independent Secretariat of the FRLD.

II. Response to guidance provided by the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement

7. UNFCCC decisions 5/CP.29 and 11/CMA.6 contain the guidance to the FRLD, while decisions 6/CP.29 and 12/CMA.6 contain the arrangements between the COP, the CMA and the Board of the FRLD, including a request to the Board.

8. The above-mentioned decisions that contain the guidance to the FRLD include welcoming paragraphs with respect to, among other things, the report of the Board for 2024, the rapid progress of the Board in operationalizing the Fund and the confirmation by the Board that the conditions set out in paragraph 20 of UNFCCC decisions 1/CP.28 and 5/CMA.5 can be met by the World Bank during the interim period.

9. The table below summarizes the guidance to the FRLD contained in UNFCCC decisions 5/CP.29 and 11/CMA.6 and the progress on the agreed actions by the Board and the FRLD Secretariat in response to the guidance, up to and including actions reported at the sixth meeting of the Board (B.6), in accordance with decision B.6/D.5.

Summary of the guidance received from the Conference of the Parties to the United Nations Framework Convention on Climate Change at its twenty-ninth session and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its sixth session and progress on the agreed actions by the Board and the FRLD Secretariat

UNFCCC decision	*Guidance item*	*Progress by the Board/FRLD Secretariat on the agreed actions, in accordance with decision B.6/D.5*
Decision 5/CP.29, para. 10, and decision 11/CMA.6, para. 10	*Notes* the importance of converting pledges to contributions in a timely manner, *urges* the conversion of pledges as soon as possible, and *requests* the Board to engage with the relevant Parties for the timely conversion of pledges to fully executed contribution agreements or arrangements to increase the predictability of resources for the Fund;	In accordance with the proposed actions considered by the Board at B.6 and its decision B.6/D.5, the FRLD Secretariat with the support of the interim Trustee continued to engage with relevant Parties on this matter. At B.6,[a] the interim Trustee reported that, as at 27 June 2025, the total amount of pledges in USD equivalent stood at USD 788.8 million, while the amount received in the Fund was USD 361.0 million; while contribution agreements had been signed with most of the contributors and, of three agreements not yet finalized, one was being drafted and two had not been initiated.

UNFCCC decision	*Guidance item*	*Progress by the Board/FRLD Secretariat on the agreed actions, in accordance with decision B.6/D.5*
Decision 5/CP.29, para. 20, and decision 11/CMA.6, para. 20	*Also requests* the Board of the Fund to include in its annual report to the Conference of the Parties (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.	This table contains relevant information in this regard.
Decision 6/CP.29, para. 5, and decision 12/CMA.6, para. 5	*Requests* the Board to report on the implementation of the arrangements referred to in paragraph 4 above in its annual reports to the COP, starting at its thirtieth session (November 2025), and the CMA, starting at its seventh session (November 2025).	The present report in its different sections provides relevant information on the implementation of the arrangements between the COP, the CMA and the Board.

Abbreviations: B.*n* = the *n*th meeting of the Board, CMA = Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, COP = Conference of the Parties to the United Nations Framework Convention on Climate Change, FRLD = Fund for responding to Loss and Damage, UNFCCC = United Nations Framework Convention on Climate Change.

[a] See document FRLD/B.6/5/Rev.1, available at https://unfccc.int/sites/default/files/resource/FRLD_B.6_5_Rev.2_Status_of_resources_report_of_the_Trustee.pdf.

10. Pursuant to the arrangements between the COP, the CMA and the Board, the Board reports on the implementation of the arrangements beginning at COP 30 and CMA 7. This report provides relevant information in its different sections, as enumerated in the arrangements and updated on the basis of the outcomes of B.6.

III. Work undertaken by the Board during the reporting period

A. Information on implementation of policies, programme priorities and eligibility criteria

1. The Barbados Implementation Modalities

11. As requested by the Board in decision B.2/D.10, the Executive Director of the FRLD, supported by the interim secretariat, presented at B.4 propositions outlining (1) options and choices for the FRLD to further operationalize a bottom-up country-led approach that promotes and strengthens national responses to loss and damage and (2) options for early interventions by the FRLD as early as 2025–2026.

12. Building on the guidance of the Board shared at B.4 and as requested by the Board in decision B.4/D.3, the Executive Director, supported by the interim secretariat and the independent Secretariat, presented at B.5 a proposal for the start-up phase of the FRLD.

13. At B.5, the Board established the Barbados Implementation Modalities (with the acronym BIM) to respond to loss and damage consisting of a first set of interventions, for the calendar years 2025 and 2026, for a total of USD 250 million.[3] The possibility for a further allocation will be reviewed at B.8 (April 2026).

14. The BIM will support bottom-up, country-led and country-owned approaches to loss and damage that promote and strengthen national responses to loss and damage and deliver results and positive impacts for particularly vulnerable developing countries, including through the building of national responses and systems that includes the effective engagement of all stakeholders, including in particular people and communities in climate-vulnerable situations, in accordance with UNFCCC decisions 1/CP.28 and 5/CMA.5, annex II, paragraph 18, with the aim of testing, learning and refining operational modalities, access modalities, financial instruments and funding structures.[4]

[3] FRLD decision B.5/D.4.

[4] FRLD decision B.5/D.4, para. (d).

15. The BIM will be implemented in parallel with the development of the longer-term operational policies and procedures of the FRLD, in accordance with the workplan of the Board for 2024–2025, which will be updated on a rolling basis, pursuant to decision B.2/D.10.[5] The FRLD will finance the BIM through grants amounting to USD 250 million. Countries may test interventions whereby those grants are subsequently combined with other financial instruments in deploying different funding modalities.[6]

16. The Board further decided to launch a call for proposals and/or funding requests from developing countries and requested the Secretariat, under the guidance of the Co-Chairs, to develop several papers for operationalizing the BIM.

17. According to paragraph 42 of the Governing Instrument, developing countries that are particularly vulnerable to the adverse effects of climate change are eligible to receive resources from the Fund. Further information regarding the funding criteria was presented at B.6.

18. At B.6, the Board discussed elements of the project/programme cycle as well as the activities eligible for funding and the funding criteria for the BIM. Under decision B.6/D.1, the Board requested the Secretariat, under the guidance of the Co-Chairs, to continue consultations on the BIM based on the outcomes of B.6, with a view to circulating an updated document in accordance with the rules of procedure for consideration and adoption at B.7.

19. Under decision B.6/D.2, the Board requested the Co-Chairs, with the assistance of the Secretariat, to engage with the interim Trustee to identify the modalities for facilitating direct access via direct budget support as part of the BIM as well as for the long-term model of the Fund, while noting the precedent practices of direct budget support provided by the World Bank and other relevant entities both multilateral and bilateral including on areas outside of climate change, in compliance with UNFCCC decisions 1/CP.28 and 5/CMA.5, and to present the result of this engagement, with different options, their associated implications and, where relevant, further guidance for implementation, to the Board at B.7.

2. Policies developed and implemented in the reporting period

20. In the reporting period, the Board made substantial progress in building its institutional and operational foundation through the adoption of various policies and procedures. At B.4 the Board adopted procedures for taking decisions between meetings, additional rules of procedure of the Board, and the travel policy for the Board.[7] These decisions laid the groundwork for clear and transparent governance.

21. At B.5 the Board adopted guidelines on the participation of advisers in Board meetings and meetings of committees. These guidelines help to ensure that Board members have technical and policy support during the meeting while clarifying how such advisers are designated, the modalities of their participation in committees, and the accountability of Board members for the conduct of their respective advisers during and in connection with Board meetings. Further, at B.6, by decision B.6/D.3, the Board adopted the guidance for FRLD focal points.

22. The Board also made progress on its observer-related policies. Specifically, the Board adopted interim arrangements for the accreditation of observers, which allow observer organizations already accredited to the UNFCCC, other operating entities of the financial mechanism of the Convention, the Adaptation Fund, the Special Climate Change Fund and the Least Developed Countries Fund to be eligible to be considered as accredited observer organizations of the FRLD. This decision helps to ensure continued stakeholder engagement, transparency and inclusion of observer perspectives until a comprehensive framework on overall observer engagement is adopted by the Board. The Secretariat conducted consultations on the draft policy on the participation of active observers in Board meetings and related proceedings as well as on the guidelines on consultative forums for engaging and communicating with stakeholders.

[5] FRLD decision B.5/D.4, para. (e).
[6] FRLD decision B.5/D.4, para. (i).
[7] See https://unfccc.int/sites/default/files/resource/B.4%20Compendium.pdf.

23. At B.5 the Board also established a standing Budget Committee to oversee the administrative budget and approved the Budget Committee's terms of reference. At B.6 the Budget Committee elected new Co-Chairs.

B. Action taken to develop, operate and review the resource allocation system

24. At B.5 the Board decided that the funding for the BIM will incorporate the elements for a resource allocation parameter in accordance with paragraph 60 of the Governing Instrument, with a minimum allocation floor of 50 per cent for small island developing States and the least developed countries considering the limited resources available, while safeguarding against the over-concentration of support provided by the Fund in any given country, group of countries or region and, in accordance with paragraph 61 of the Governing Instrument, will be dynamic and reviewed by the Board.[8]

C. Status of resources and financial report

25. At B.6 the World Bank as interim Trustee of the Fund submitted for Board consideration the status of resources in the Fund as at 27 June 2025. Specifically, the total amount of pledges in USD equivalent stood at USD 788.8 million. The amount received in the Fund was USD 361.0 million. The interim Trustee further reported that contribution agreements had been signed with most of the contributors. Of three agreements not yet finalized, one was being drafted and two had not been initiated at the time of reporting. The Secretariat is tracking the conversion of pledges to fully executed contribution agreements or arrangements in accordance with the guidance provided by COP 29 and CMA 6.

26. In addition to the above-mentioned pledges, the Government of Japan, implementing its initial contribution pledge announced at COP 28, disbursed USD 10 million to the UNFCCC, one of the entities of the interim secretariat of FRLD, to support the operationalization of the FRLD during its transitional phase.

27. The Secretariat continues to report to the Board on the execution of the administrative budget. Such reports are endorsed by the Budget Committee and submitted to the Board as an annex to the reports on the activities of the Secretariat.[9]

D. Long-term resource mobilization strategy

28. The Secretariat, under the guidance of the Co-Chairs of the Board, began work on developing the framework and plan for developing a long-term resource mobilization strategy. Under decision B.6/D.4, the Board requested the Secretariat to prepare a draft long-term resource mobilization strategy and plan through an inclusive and iterative consultation process with the Board to be considered by the Board at B.7. The Board further requested that the strategy be guided by UNFCCC decisions 5/CP.29 and 11/CMA.6, paragraph 16, and decisions 1/CP.28 and 5/CMA.5, paragraph 12, and paragraphs 54–56 of the Governing Instrument of the FRLD.

E. Other information

29. Pursuant to the arrangements between the COP, the CMA and the Board, the Board was requested to include in its annual reports to the COP and the CMA various categories of information that are not yet applicable given the current level of maturity of the FRLD. Such information includes a synthesis of different activities under implementation and a list of the

[8] FRLD decision B.5/D.4, para. (h).

[9] See annex II to document FRLD/B.6/2, available at https://unfccc.int/sites/default/files/resource/FRLD_B.6_2_Report_on_the_activities_of_the_Secretariat.pdf.

activities approved; information on all activities financed by the FRLD; and any reports of the independent evaluations of the performance of the FRLD. Information on these aspects will be included in future reports as soon as related progress has been made.

IV. Action taken to enhance coordination and complementarity

A. High-level dialogue on coordination and complementarity

30. The COP and the CMA stipulated that the FRLD will act as the platform for facilitating coordination and complementarity under the funding arrangements for responding to loss and damage by establishing and operationalizing an annual HLD on coordination and complementarity,[10] to be co-convened by the FRLD and the United Nations Secretary-General. The annual HLD was launched on the margins of the World Leaders Climate Action Summit in Baku, Azerbaijan, on 12 November 2024.[11]

31. Following this launch event, the first annual HLD took place on 25 April 2025 on the margins of the Spring Meetings of the World Bank Group and the International Monetary Fund in Washington, D.C., United States of America. Overall, the event gathered over 100 global leaders and representatives of 44 different entities, including multilateral development banks, United Nations agencies, national governments, civil society and philanthropic actors to discuss how to overcome fragmentation in the climate finance landscape. The dialogue gave rise to commitments to streamline access to climate finance and reduce fragmentation, alongside strong calls for agility, speed and locally led solutions in climate response. The report of the first HLD prepared by the Secretariat is contained in annex II, while the recommendations[12] arising from the dialogue are as follows:

(a) The HLD called for the implementation phase to set agile precedents and demonstrate early impact. With USD 768 million pledged and USD 250 million now being programmed, the FRLD enters its first phase of implementation. This moment offers a critical opportunity to define flexible, needs-driven delivery mechanisms and demonstrate early impact that reflects the ambitious mandate of the FRLD;

(b) Collaboration, local leadership and community access were repeatedly mentioned by stakeholders, who called for prioritizing bottom-up community-driven interventions, protecting human rights and ensuring better access to funding for locally led solutions;

(c) Institutions stressed the role of insurance, guarantees and pre-arranged finance, citing the need to mobilize private and philanthropic capital, subsidize premiums and capitalize regional risk pools. Notably, less than 2 per cent of current disaster finance is pre-arranged, underscoring the urgency of scaling these tools;

(d) Scientific and anticipatory systems must underpin financial mechanisms, from climate risk indices to early warning platforms. Actors called for aligning credible scientific data with disbursement triggers, emphasizing that anticipatory action not only saves lives but also reduces costs and protects dignity;

(e) Stakeholders urged the FRLD to move from gathering ideas to delivering measurable solutions. Depending on which decisions are made at B.6 and B.7, the first call for proposals might be issued before or at COP 30 in Belém, Brazil.

B. Expert and technical advice

32. Pursuant to the arrangements between the COP, the CMA and the Board of the FRLD, the annual report is required to include information on how the Board has drawn on expert

[10] UNFCCC decision 1/CP.28, annex II, para. 8, and decision 5/CMA.5, annex II, para. 8.

[11] A report on the launch event of the high-level dialogue is available at https://unfccc.int/sites/default/files/resource/B4-12_HLD_Launch_report.pdf.

[12] These recommendations were drafted by the Secretariat on the basis of the report of the first HLD.

and technical advice, including from the relevant constituted bodies established under the Convention and the Paris Agreement, as appropriate.

33. The Executive Committee of the Warsaw International Mechanism for Loss and Damage (WIM) and the secretariat of the Santiago Network were both represented at the first HLD on coordination and complementarity.

34. During the sixty-second sessions of the subsidiary bodies under the Convention which took place in Bonn, the Secretariat participated in a special event on the "Full Operationalization of the Santiago network: Advancing a critical pillar of the loss and damage architecture".

C. Other action taken to enhance coordination and complementarity

35. In the reporting period, the FRLD also proactively strengthened its strategic partnerships to enhance coordination and complementarity with related institutions. A letter of intent was signed with the Santiago Network with the aim of improving access to technical and financial support for vulnerable countries, enhancing coordination and sharing best practices. Similarly, a letter of intent was signed with the Adaptation Fund: it outlines a framework for joint innovation and scalable solutions, while prioritizing inclusivity and sustainability. These partnerships aim to minimize fragmentation, streamline assistance for responding to loss and damage and amplify the impact.

36. The Secretariat engaged, under its own initiative, with other multilateral climate funds including the Climate Investment Funds, the Global Environment Facility and the African Development Bank, and the Inter-American Development Bank. This involved discussions on enhancing collaboration and partnerships between the FRLD and relevant organizations and agencies. In addition, on the sidelines of the sixty-second sessions of the subsidiary bodies, the FRLD Board Co-Chairs met with the Co-Chairs of the Santiago Network Advisory Board and of the WIM Executive Committee to discuss collaboration and complementarity.

37. In addition, the Executive Director represented the Secretariat on a panel discussion as part of a special event on "Comprehensive approaches to reduce loss and damage: bridging climate action and disaster risk reduction" during the Global Platform for Disaster Risk Reduction, which took place in Geneva, Switzerland, on 5 June 2025.

V. Stakeholder engagement

38. Work has continued on the guidelines for establishing consultative forums to engage and communicate with stakeholders, and on the development and management of mechanisms to promote the input and participation of stakeholders, pursuant to paragraphs 28 and 29 of the Governing Instrument respectively. Progress has also been made with respect to the development of a policy on active observers, pursuant to paragraph 20 of the Governing Instrument.

39. The work on developing the framework for stakeholder engagement has continued in the reporting period. Specifically, at B.4 and B.6, the Board adopted decisions guiding further work on this matter, as summarized below.

40. The Board requested the Secretariat to further develop the draft policy on the participation of active observers in Board meetings and related proceedings (decision B.4/D.6). Similarly, the Board requested the Secretariat to develop a proposal for guidelines on consultative forums for engaging and communicating with stakeholders (decision B.4/D.8). In accordance with those decisions, in May 2025, the draft policy documents were circulated to the Board and the nine UNFCCC observer constituencies for written comments. In addition, the Executive Director convened an informal virtual consultation on both policy documents with the observer constituencies on 2 June 2025. The draft policy documents were further developed by incorporating written comments from the Board and written and oral comments from observer constituencies, received during the consultation period.

41. Under decision B.6/D.6, the Board requested the Secretariat to continue inclusive and iterative consultations with the Board and the representatives of the nine observer constituencies of the UNFCCC. It also requested the Secretariat, in collaboration with these observer representatives, to co-convene consultations with other relevant stakeholders on a draft policy on the participation of active observers in Board meetings and related proceedings and a draft proposal for guidelines on consultative forums for engaging and communicating with stakeholders, and to present the draft policy and proposal for guidelines for consideration by the Board at B.9.

42. The Board has continually welcomed views and inputs offered by observers, in particular through the "dialogue with civil society" agenda item during Board meetings. At B.4, as part of this agenda item, observers organized a workshop for the Board on mainstreaming community access in the FRLD. Observers shared information on, for example, the principles of community access, different community access modalities, recommendations with respect to operationalizing community access and case studies from different funds and programmes.

VI. Transition to the new, dedicated and independent Secretariat of the FRLD

43. The COP and the CMA established an interim secretariat for the FRLD to provide support, including administrative support, to the Board of the Fund during the transitional period until the establishment of the new, dedicated and independent Secretariat.[13] This interim secretariat was jointly formed by the secretariats of the UNFCCC and the Green Climate Fund and the United Nations Development Programme. COP 29 and CMA 6 expressed appreciation to the entities forming the interim secretariat, and looked forward to a smooth and cost-effective transition of the interim secretariat's functions under the new, dedicated and independent Secretariat.[14]

44. In the reporting period, the transition from the interim secretariat to the independent Secretariat has progressed steadily and accelerated. During B.4, the Executive Director presented a workplan and budget proposal for 1 January to 30 June 2025, which focused on two priorities, one of which was establishing a road map for the transition and accelerating the consolidation of functions from the interim secretariat to the independent Secretariat.

45. The progress of the transition is also reflected in the increase in the number of staff of the independent Secretariat in accordance with the workplans and administrative budgets approved by the Board for the independent Secretariat for 2025.[15] Since the onboarding of the Executive Director, Ibrahima Cheikh Diong, in November 2024, and the Deputy Executive Director, Mathilde Bord-Laurans, in May 2025, three full-time staff joined the team. In addition, the FRLD is in the process of hiring programme managers to lead key functions – governance and board affairs, programming and country engagement, communications and resource mobilization, and administration and operations – along with several short-term contract staff to provide additional support.

46. The official website of the FRLD was launched in April 2025. This stand-alone website, administered by the independent Secretariat, increasingly hosts information pertaining to the FRLD and the work of the Board and by B.7 will serve as the central repository of news, documents and other FRLD-related materials.

[13] Decision 1/CP.28, para. 26 and decision 5/CMA.5, para. 26.
[14] Decision 5/CP.29, para. 8 and 11/CMA.6, para. 8.
[15] FRLD Decisions B.4/D.4, paras. (a) and (c), and B.5/D.2, paras. (a) and (c).

Annex I

Members and alternate members to the Board of the Fund for responding to Loss and Damage as at 31 July 2025

Constituency	*Board members*	*Alternate Board members*
Developed countries	Laurence Ahoussou (Canada)	Vacant
Developed countries	Antonella Baldino (Italy)	Karima Oustadi (Italy)
Developed countries	Natascha Beinker (Germany)	Simon Stumpf (Germany)
Developed countries	Georg Børsting (Norway)	Karoline Kjeldsen (Norway)
Developed countries	Jose Gabriel Delgado Jimenez (Austria)	Georges Gehl (Luxembourg)
Developed countries	Jean-Christophe Donnellier (France) **(Co-Chair)**	Antoine Bergerot (France)
Developed countries	Jan Dusik (European Union)	Orla Kilcullen (Ireland)
Developed countries	Gerard Howe (United Kingdom)	Margarete Knorr (United Kingdom)
Developed countries	Kirsty McNichol (Australia)	Tessa Kelly (Australia)
Developed countries	Hiroki Matsui (Japan)	Tsutomu Itsumi (Japan)
Developed countries	Anna Merrifield (Finland)	Johanna Pietikäinen (Finland)
Developed countries	Ana Paula Rodrigues (Portugal)	Inmaculada Paniagua Brieva (Spain)
Asia-Pacific States	Abdulrahman Fahad A Alrowished (Saudi Arabia)	Ali Tauqeer Sheikh (Pakistan)
Asia-Pacific States	Abdulla Balalaa (United Arab Emirates)	Didar Temenov (Kazakhstan)
Asia-Pacific States	Mark Dennis Joven (Philippines)	Gholamhossein Darzi (Iran)
African States	David Chama Kaluba (Zambia)	Selam Kidane Abebe (Ethiopia)
African States	Mohamed Ibrahim Nasr Salem (Egypt)	Nsiala Tosi Mpanu Mpanu (Democratic Republic of the Congo)
African States	Richard Sherman (South Africa) **(Co-Chair)**	Sumaya Ahmed Zakieldeen Hamdan (Sudan)
Latin American and Caribbean States	Liliam Beatris Chagas de Moura (Brazil)	Maria Victoria Gandini (Argentina)
Latin American and Caribbean States	Elena Cristina Pereira Colindres (Honduras)	Jaime Tramon (Chile)
Latin American and Caribbean States	Henrietta Elizabeth Thompson (Barbados)	Anthony Robert Ferguson (Bahamas)
Small island developing States	Peter George Jr. Abraham (Antigua and Barbuda)	Laura Elisabeth Agathine (Seychelles)
Small island developing States	Daniel Jerome Lund (Republic of Fiji)	Ahmed Waheed (Maldives)

Constituency	*Board members*	*Alternate Board members*
Least developed countries	Adao Soares Barbosa (Timor Leste)	Maheshwar Dhakal (Nepal)
Least developed countries	Ibila Djibril (Benin)	Madeleine Rose Diouf (Senegal)
Developing countries not included in the regional groups and constituencies referred to in paragraph 17(b–f) of the Governing Instrument	Nona Budoyan (Armenia)	Oday Hadi Haddawee Al-Bayati (Iraq)

Annex II

Report of the high-level dialogue 2025

The report of the high-level dialogue 2025 is contained in the following pages:

FRLD
Fund for responding to Loss and Damage

HIGH LEVEL DIALOGUE

Strengthening Responses to Loss and Damage through Complementarity, Coherence and Coordination Report

FRLD CO-CHAIR

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Executive Summary

The Fund for responding to Loss and Damage (FRLD), under the leadership of its Board and in collaboration with the United Nations Secretary-General, convened its inaugural High-Level Dialogue (HLD) on the margins of the 2025 World Bank and IMF Spring Meetings in Washington, D.C. The HLD, which ran under the theme "Strengthening Responses to Loss and Damage through Complementarity, Coherence and Coordination", followed a decision taken at the Fund's fourth Board meeting to launch the Dialogue process to operationalize the Fund's mandate as a global coordination platform across funding arrangements

Established under decisions 1/CP.28 and 5/CMA.5 to create a dedicated platform to enhance coordination among funding arrangements under the UNFCCC and the Paris Agreement, the HLD was mandated as an annual forum to advance collaboration on climate-induced loss and damage. Its objective is to facilitate structured exchanges of knowledge, identifying gaps, and strengthening synergies among institutions engaged in responding to climate-induced loss and damage. By promoting transparency and reinforcing country ownership, it aims to generate practical recommendations to improve cooperation and alignment on operational priorities.

The Dialogue brought together more than 100 participants representing 44 different entities, including multilateral development banks, UN agencies, national governments, civil society, and philanthropic actors to overcome fragmentation in the climate finance landscape. By fostering strategic alignment among stakeholders, the event established a shared roadmap to optimize resource flows and accelerate climate action. This first edition set a precedent for future engagements, emphasizing actionable ideas and drawing attention to gaps and opportunities across the system.

As the FRLD transitions to its first implementation phase under the Barbados Implementation Modalities (BIM), the Dialogue was a critical step toward operationalizing the Fund and building a unified global response to climate-induced loss and damage. Importantly, it generated crucial early momentum and clarified essential coordination needs for effective implementation.
Outcomes from this session will inform the Board's future deliberations and the FRLD's contribution to the UNFCCC process, reinforcing the Fund's role as a connector, knowledge hub, and catalyst for coherent, community-focused climate action.

85
guests representing

43
international organizations

Operational Foundations & Vision

Since its establishment at COP27 in Sharm El Sheikh, Egypt, and the decision to operationalize it at COP28 in Dubai, United Arab Emirates (UAE), the FRLD has advanced swiftly, backed by the $768 million in pledges from 27 countries. The Fund is now working towards implementing its initial allocation of $250 million under the Barbados Implementation Modalities (BIM) for 2025–2026. This phase offers stakeholders, who have consistently advocated for flexible and innovative design approaches, an opportunity to shape the Fund's long-term modalities.

The HLD provided a platform for the diverse stakeholders to share best practices, lessons learnt and ideas to enhance global responses to what are undoubtedly escalating needs from climate-induced crises. In line with the Fund's structure, these partnerships will enable the development of streamlined mechanisms for the effective disbursement of its resources to maximize impact.

$768
million pledged by

27
countries

Key Recommendations

- **Use the implementation phase to set agile precedents and demonstrate early impact:** With $768 million pledged and $250 million now being programmed, the FRLD enters its first phase of implementation. This moment offers a critical opportunity to define flexible, needs-driven delivery mechanisms and demonstrate early impact that reflects the Fund's ambitious mandate.

- **Advance strategic complementarity across systems:** Coordination with existing systems is essential, as the Fund must complement support already delivered through climate funds, humanitarian systems, and multilateral development banks, with the goal of avoiding duplication, financing gaps, and improving efficiency.

- **Embed local leadership into operational design:** Collaboration, local leadership, and community access were repeatedly mentioned by stakeholders, who called for prioritizing bottom-up, community-driven interventions, protecting human rights, and ensuring better access to funding for locally led solutions.

- **Scale innovative risk financing mechanisms:** Institutions stressed the role of insurance, guarantees, and pre-arranged finance, citing the need to mobilize private and philanthropic capital, subsidize premiums, and capitalize regional risk pools. Notably, less than 2% of current disaster finance is pre-arranged, underscoring the urgency of scaling these tools.

- **Anchor decisions on science and anticipatory action:** Scientific and anticipatory systems must underpin financial mechanisms, from climate risk indices to early warning platforms, actors called for aligning credible scientific data with disbursement triggers, emphasizing that anticipatory action not only saves lives but reduces costs and protects dignity.

- **Prioritize urgency with clear accountability:** Urgency, accountability, and alignment must shape the Fund's next phase. Stakeholders urged the FRLD to move from gathering ideas to delivering measurable solutions. As noted, the first call for proposals is expected before COP30 in Belém, with further board deliberations planned for July in Cebu and October in Manila.

Keynote Addresses

teemed keynote speakers laid the foundations for the dialogue, stressing the urgency to act collaboratively to ensure the success of the Fund in addressing climate loss and damage as an imperative for comprehensive global climate action. Here are some of their key statements and recommendations:

From Pledges to Practice: Operationalizing the FRLD
Keynote speakers underscored that addressing the climate crisis remains an urgent global priority, reaffirming the central role of Paris Agreement and the UNFCCC as foundational frameworks for coordinated action. They called for the integration of loss and damage as a core pillar of climate action, alongside mitigation and adaptation. They acknowledged the historic decisions taken during COP27 and COP28 to create the Fund, and the subsequent pledges made to support it, as significant in closing the gap in global finance. Speakers highlighted the need to move to implementation with urgency, and welcomed adoption of the Barbados Implementation Modalities (BIM) as a key milestone in reaching the most vulnerable, underscoring the need for scaling up funding to meet growing needs.

The Climate Crisis Requires a Coordinated Unified Global Response
The Dialogue was seen as an opportunity to build stronger links between humanitarian, development, and climate financing actors. There was a strong consensus on the need to strengthen multilateral cooperation, reinforcing that the Fund cannot work in isolation. The convening marked a step forward in creating a more effective and interconnected response to loss and damage. There was a resounding call to prioritize cooperation, creativity, and coordination through a shared agenda, over competition and fragmented efforts.

<2%

of all disaster funding is pre-arranged, and that number needs to increase

Centre for Disaster Protection. (2025, January). Crisis Protection 2.0: Future-proofing our world. High-Level Panel on Closing the Crisis Protection Gap

Climate Impacts Are Escalating, Especially in Vulnerable Countries
The experiences shared during the Dialogue illustrated the growing toll of climate events on education systems, health infrastructure, food security, and livelihoods. Speakers noted the devastating effects of recent storms, floods and heatwaves, particularly in countries like the Philippines. These impacts are not hypothetical or long-term projections; they are a present and escalating reality. The urgency to close the funding gap was strongly felt, as was the need to ensure support reaches the communities already living through the worst effects of climate change with urgency.

Richard Sherman, Co-Chair, FRLD: *We are here to listen to you, to your ideas, to hopefully come out with a greater sense of common purpose and how we can work together to maximize our purpose [which] is to support developing countries, to respond and address loss and damage events, and minimize the impact on vulnerable communities and help the process of rehabilitation and reconstruction.*

Jean-Christophe Donnellier, Co-Chair, FRLD: *We have been quite busy this last year with setting up the institutional foundation of this fund. Now we are moving resolutely towards the concrete operationalization of the fund, and this depends not only upon ourselves. It depends on you. And why is that? Our common purpose is the global response to loss and damage, and how to make sure that this global response is timely, adequate, comprehensive, and efficient. I am completely convinced that to achieve that it is crucial that we are working together, within our mandate, in a complementary manner, answering with coherence and coordination to streamline the global response to loss and damage across all our bodies.*

“Geopolitical issues are pulling resources away from the climate agenda. Countries need to keep promises made in Baku and we will continue to call for greater contributions to respond to loss and damage.

First Round table Discussion

Summary

The first roundtable session, moderated by the Executive Director of FRLD, Ibrahima Cheikh Diong, addressed climate finance coherence to enhance response to loss and damage, noting persistent fragmentation, the need for clearer roles, and strengthened collaboration among institutions. Stakeholders called for improved coordination between climate and humanitarian actors, better use of existing instruments, and greater transparency in financial flows, emphasizing country ownership, locally-led responses through inclusive engagement with affected communities. They stressed that the Fund should complement rather than replicate other mechanisms, and promote agility and innovation in its design. FRLD Co-Chairs outlined immediate concrete actions: presenting entities for accreditation at the July Board Meeting and completing the investment framework by October. The BIM offer an opportunity to test collaborative approaches, and partnership will be essential for the Fund's long-term success.

Country Perspectives

Representatives from countries emphasized the disproportionate impacts of climate change on those that can least afford the cost of recovery and rebuilding, underscoring the urgent collective climate efforts. While appreciating the progress made since the establishment of the FRLD, and welcoming the initial pledges to support the Fund, countries pressed for the mobilization of additional resources through new innovative ways of financing. They hailed the adoption of the Climate Finance Bill at COP29 which calls for scaling up climate finance to $1.3 trillion per year by 2035, as another landmark decision that requires swift action.

Importantly, countries expressed their expectations for meaningful impacts from the Fund, highlighting the need for critical checks and balances while ensuring simplicity and agility in processes. They also reaffirmed the need for coordination and collaboration among funds, mechanisms and stakeholders to address loss and damage, and called on industrialized and emerging economies to act swiftly to stop global warming, and prioritize mitigation globally as a first line of defense.

Multilateral Development Banks: Scaling Institutional Collaboration

Multilateral Development Banks (MDBs) reaffirmed their commitment to advancing the FRLD's objectives, stressing the need for urgent, coordinated action as climate impacts intensify. They pledged to leverage their technical expertise to complement the Fund's efforts, prioritizing private sector engagement, climate action scaling, and mobilization of blended finance and philanthropic resources. They called for collaboration amongst themselves, and with the UN system, philanthropies, and member countries, including sharing their resources, towards strengthening institutional capacities and project delivery through enhanced project preparation, technical assistance and data-driven support to incorporate loss and damage into national climate strategies. They also emphasized shifting from reactive to preventive approaches, leveraging blended finance, and accelerating access to early warning systems and innovative financial tools.

MDBs detailed regional climate impacts, highlighting the acute vulnerabilities of small island states, Africa and the Caribbean where impact will also worsen food insecurity and child malnutrition. They showcased their contributions in supporting climate response and in implementing other development programmes, calling for stronger partnerships, expanded access to insurance, and greater use of guarantees and philanthropic capital. They reiterated country-led, bottom-up approaches to promote project ownership, and urged actors to also include cities in their response - where 80% of people live.

UN System: Leveraging Technical Expertise for Anticipatory Action
UN entities committed to supporting the Fund through evidence-based and locally informed strategies that prioritize the most vulnerable communities and promote the use of early warning systems and anticipatory action. They stressed the need to ground early responses in credible science and to align technical capacity with financial mechanisms for faster, more effective interventions, calling for a 3-point sequential approach to loss and damage: averting, minimizing and addressing loss and damage to ensure financial prudence.

The UN called for the deployment of resources where vulnerability is greatest, with calls for more child-focused finance, data tools like risk indices, and the integration of child-centric and conflict-sensitive metrics into climate strategies. Emphasis was placed on prevention over response, leveraging social protection systems, and allocating resources strategically amid funding constraints. Speakers noted that the Fund's success will depend on its ability to attract capital, catalyze additional finance, and demonstrate tangible results, with UN entities offering technical assistance and platforms to help operationalize these goals.

“We are already dealing with our own bureaucracies in our respective countries. As we take this forward and as the management and the board consider its operationalization, ensuring the integrity of the processes and the checks and balances, our message is that simplicity and agility should be, in our humble view, the guiding principles.

Second Roundtable Discussion

Summary
The second roundtable, moderated by Omar Ben Yadder, Managing Director of IC Publications, focused on perspectives from civil society organizations, humanitarian agencies, and other partners working directly with affected communities. Discussions emphasized the critical importance of local action, preventive approaches, and inclusive financing mechanisms that reach vulnerable populations. Key themes included the need for simplified access to funding for local organizations, child-centric approaches, anticipatory action, insurance mechanisms, and addressing climate-induced displacement. Speakers called for the Fund to transform climate finance by prioritizing bottom-up, community-driven initiatives while leveraging existing mechanisms rather than creating parallel systems.

Civil Society and Community Actors: From Principle to Practice
Civil society organizations called on the FRLD to move from "business as usual" by working with local actors and ensuring that funding responds directly to the needs of those most affected communities. They urged the Fund to work with established institutions and minimize the use of intermediaries while driving for locally-led initiatives ((25% of FRLD support directed to local levels) community participation, including decision-making roles for affected populations. They stressed that the Fund must act as a coordination hub rather than a gap filler, backed by substantial grant-based resources. They welcomed the BIM as a substantial step towards operationalization, urging the Fund to adopt simplified processes by learning from pioneering climate finance mechanisms. Six criteria were proposed to define effective loss and damage finance:

- Recognize and comprehensively address loss and damage;
- Be obligatory and compensatory with non-debt-creating instruments;
- Be new, additional, predictable and adequate;
- Prioritize direct access for developing countries and affected communities;
- Ensure meaningful participation of affected local communities;
- Acknowledge and promote intersectional human rights;

Actors stressed the need for homegrown initiatives and equitable fund allocation, recommending that a defined share of resources be channeled to the local level. They raised concerns about access barriers for grassroots organizations, including complex compliance requirements and lack of representation in governance structures, calling for simplified access procedures and inclusive governance. The role of pre-arranged finance was highlighted, with strong support for mechanisms that allow funds to be deployed before disasters strike.

Actors also called for finance systems that address overlapping vulnerabilities and urged the Fund to:

- Integrate climate-driven displacement (e.g., planned relocation from high-risk areas) into loss and damage responses;
- Integrate issues of climate mobility into loss and damage, including promoting planned relocation from high-risk areas;
- Establish a dedicated funding mechanism for fragile states, recognizing the intersection of climate impacts and fragility; and
- Incorporate disease outbreaks in climate response, e.g. cholera and malaria, that are exacerbated by climate change.

Insurance and Risk Transfer: Bridging the Protection Gap
Stakeholders highlighted insurance and pre-arranged finance as essential tools for reducing the impact of climate-related disasters and availing critical initial response capital. They called for expanded investment in risk transfer systems, including capacity building, premium subsidies, and regional risk pool capitalization. These mechanisms were praised for enabling rapid disbursement of funds (sometimes within days), to help maintain food security and restore infrastructure.

“No single fund can address this challenge alone, so strengthening our response to loss and damage need to be built on the principles of complementary, coherence and coordination, and underpinned by a spirit of global solidarity.

This is not a moment for business as usual, or competition between different entities. This is a moment for innovative ideas, for maximum cooperation, maximum collaboration. To be creative, collaborative and constructive

Concerns were raised about the low insurance coverage across vulnerable countries, which limits institutional capacity to respond effectively. Stakeholder urged the integration of insurance into national strategies and broader resilience plans, sharing examples of how risk pooling has helped deliver swift relief after extreme weather events. They stressed the importance of pairing insurance with other pre-arranged finance tools to ensure timely and effective response.

It was suggested that the Fund embed insurance into its operational model and explore links to credit enhancement for local banks, protection of critical public assets, and the strengthening of disaster risk management systems.

Governance, Access, and Future Steps

Speakers underscored sound governance, equitable access, and forward planning as essential for the Fund's success, calling for a clear, agile, and accountable operational structure, supported by strong institutional capacity across the Secretariat and delivery partners. Country ownership and subsidiarity were emphasized, along with the importance of simplifying access processes without sacrificing integrity to enable faster response. Looking ahead, stakeholders called for access modalities that address the characteristics of loss and damage, including non-economic and slow-onset impacts. Proposals included piloting multi-track or multi-window approaches to balance readiness with rapid response. Emphasis was placed on consulting affected communities, testing early operational models, and ensuring the Fund's governance evolves through feedback and practical experience.

9 out of 10 most climate-vulnerable nations are in Africa. By 2050, climate-induced food insecurity could increase undernourishment in Sub-Saharan Africa to 90 million people, with stunting in children increasing by 31% in severe warming scenarios

216m

people who may migrate internally due to climate change

World Bank. (2023). Climate and development: An agenda for action—Emerging insights from World Bank Group 2021–2025 country climate and development reports.

Conclusion

The HLD on Complementarity, Coherence and Coordination served as a critical milestone in shaping a more collaborative and inclusive global response to climate-induced loss and damage. By convening diverse partners across institutions, the dialogue provided a platform to align expectations, exchange practical insights, and reinforce the importance of working together as the Fund transitions from set-up to delivery.

The FRLD Co-Chairs highlighted several key operational priorities. Jean-Christophe Donnellier called on partners to contribute to shaping the Fund's long-term operational modalities under the BIM, pledging that a Board-level follow-up would consider all ideas raised.

Richard Sherman reiterated the importance of country ownership and reminded actors that the Fund's success will hinge on collaboration: "We need to be at a fund operational level, and we need you to be [the Fund's delivery partners] at the local level, with the country governments [and local authorities]. We are not a fund with country offices, so we effectively hire you to do that work for us." He added, "We do not intend on replicating things that were important but have proven to have failed," noting that even with financial commitments, "having money doesn't mean we can spend it easily, but it means putting systems in place to develop effective impact. That onus sits with all of us."

A central theme running through the dialogue was the importance of ensuring that the Fund delivers at the community level, through timely, accessible, and needs-based support. This will require speed, simplicity, and active engagement from all stakeholders. The Secretariat, confirmed that all contributions would inform the Secretariat's engagement strategy, and the upcoming Board discussions in July and October. The first call for proposals expected ahead of COP30.

Looking ahead, the Fund's impact will rest not only on institutional design, but on the commitment of partners to coordinate, act, and deliver. As shared intent now shifts toward implementation, the FRLD's ability to align flexible delivery with local needs and mobilize diverse resources will be critical in positioning it as a cornerstone of global climate resilience.

2.4%

of climate finance is currently child-focused

UNICEF. (2023). Falling short: Addressing the climate finance gap for children – Executive summary.

Annexes – HLD AGENDA

Time	Session
08:00 - 08:45	**Opening Session** **Opening Remarks** **Keynote Address**
08:45 - 08:55	**Scene setting** Joint Statement by Funding Arrangements and other relevant climate actors on "Complementarity, Coherence, and Coordination"
08:55 - 10:15	**Roundtable Discussion 1** New Partnerships for Enhanced Responses to Loss and Damage *Format: Roundtable Discussion*
10:15 - 11:30	**Roundtable Discussion 2** Additional recommendations & Strategic Partnerships for Loss and Damage, Asian Infrastructure Investment Bank (AIIB)
11:30-11:45	**Closing Session** Summary of Key Takeaways & Way Forward • Key takeaways • Closing remarks and way forward
11:45 - 12:00	**Refreshments & Networking**

72m

people pushed into emergency hunger by sheer climate

World Food Programme. (2024, May 17). As floods hit dozens of countries, WFP urges investment to protect weather-battered communities.

Annexes - Press Release

World Leaders and Institutions Convene at First FRLD High-Level Dialogue to Advance Climate Resilience and Support for Vulnerable Nations

Washington, D.C., 25 April 2025 — Today, the Fund for responding to Loss and Damage (FRLD) held its inaugural High-Level Dialogue on the sidelines of the World Bank-IMF Spring Meetings, convened under the leadership of the FRLD Board and in coordination with the United Nations Secretary-General.

Under the theme "Strengthening Response(s) to Loss and Damage through Complementarity, Coherence, and Coordination", the Dialogue brought together senior representatives of partner governments, multilateral development banks, international financial institutions, UN agencies, climate funds, philanthropic organizations, risk financing and insurance entities and civil society actors to foster collective action in response to the growing impacts of climate change.

The Dialogue welcomed high-level speakers, including COP29 President H.E. Mukhtar Babayev, Ministers from Pakistan, South Africa, and Germany, as well as other senior representatives. In opening remarks, the Co-Chairs of the FRLD Board, Jean-Christophe Donnellier and Richard Sherman, welcomed participants and emphasized the spirit of global solidarity that led to the creation of the Fund. They noted that the Dialogue comes at a critical juncture in the Fund's development and called for strengthened cooperation to deliver timely and effective support to the most vulnerable nations.

"This Fund was launched to strengthen our global capacity to respond to loss and damage, and this requires a response that is timely, adequate, comprehensive and efficient. It is therefore crucial that we work together to streamline our collective global response," emphasized Donnellier.

The Minister of Finance of Pakistan, Muhammad Aurangzeb, added the need for speed in responding to loss and damage: "Climate change is an existential threat; we are living it. Even before the floods of 2022. As the Fund becomes operational, our request is for simplicity and agility. We are dealing with our own internal bureaucracies in our own countries. We can't have decisions to take years; what we need are speedy disbursements."

A key milestone of the event was the presentation of Proposed Actionable Commitments on Accelerating Action on Climate-Induced Loss and Damage by the Executive Director, Ibrahima Cheikh Diong, on behalf of the Fund and peer financial institutions. He reaffirmed a collective commitment to unify global responses and reduce fragmentation in funding streams: "Today marks the beginning of a new era of coordinated action driven by global solidarity and leadership. We reaffirm our collective commitment with our partners and stakeholders to reduce fragmentation in funding streams and ensure that resources are delivered effectively to those who need them most. Our shared goal is clear: to ensure that the most vulnerable nations affected by climate-induced loss and damage, receive timely and effective support that reflects their priorities and realities".

This laid the foundation for two roundtables that explored how institutions can better align mandates, close funding gaps, and build strategic partnerships. Participants discussed opportunities to streamline access to finance, support national readiness and pre-arranged financing mechanisms, and enhance collaboration among funding arrangements such as the Climate Investment Funds, the Adaptation Fund, the Santiago Network and Global Shield. The issue of prevention was brought up, including better use of data and technology. With the gap between the financing available and the needs, prudent and smart approach is necessary.

"The Santiago Network and FRLD are linked by design but also purpose. One of our core functions is to enable access to finance, technology and capacity building. The Santiago Network brings an existing toolbox, technical guidance and technical assistance platform and a regional presence with 15 members ready to provide support. This is a call to expand our collective response to Loss & Damage. We need to collaborate but also act in synchronicity" said Carolina Fuentes Castellanos, Director of the Santiago Network Secretariat.

The event concluded with reflections and recommendations on the way forward, highlighting the FRLD's ambition to begin disbursing an initial $250 million primarily delivered in grants to support bottom-up, country-led and community-driven interventions, with at least 50% of funding earmarked for Small Island Developing States (SIDS) and Least Developed Countries (LDCs). The Co-Chairs reaffirmed the Fund's commitment to being an inclusive and coordinating force within the climate finance ecosystem.

The full outcomes from this dialogue will be included in the FRLD's annual report that will be presented at the upcoming COP and CMA, shaping future climate finance policies. The dialogue will set the stage for continuous engagement, ensuring sustainable and inclusive financial mechanisms for affected communities.

IFRC