

Climate Action Network UK

COP30 Priorities for Loss & Damage



COP30 is taking place amid the **escalating frequency and severity of climate change impacts**, made painfully clear by the recent devastating impacts of Hurricane Melissa on Jamaica and the wider region – one of the strongest hurricanes ever to hit the Atlantic, made four times more likely by human-made climate change. Nationally Determined Contributions (NDCs) and keeping 1.5°C alive are front of mind for COP30, but it is as important to urgently address the **escalating loss and damage (L&D) that communities around the world are facing right now**.

The **Fund for Responding to Loss and Damage (FRLD)** was agreed at COP27 in 2022, and was a major victory for countries and communities on the frontline of the climate emergency. Since then, progress to operationalise the FRLD has been slow, but the first call for proposals was launched on the first day of COP30 in Belém. Currently, the FRLD has received about **0.1% of the estimated L&D finance needed by developing countries**, and a massive scale up of resources is urgently needed to start taking action at the scale required.ⁱ While the launch of the start-up phase is very much welcomed, there are limitations on its potential effectiveness given the lack of a dedicated mechanism for direct access to small grants for communities and provision for rapid response for fast-onset events. These limitations must be addressed in future phases of the fund.

Given the time-lag between agreeing the FRLD and getting it up and running, the political momentum garnered to address L&D has waned, and COP30 urgently needs to provide **renewed momentum on L&D**. This year's **Advisory Opinion on the Obligations of States in respect of Climate Change from the International Court of Justice (ICJ)** has reiterated that under international law, States have legally binding obligations to cooperate on L&D and must provide finance, and that all those harmed by the climate emergency have a right to remedy that responsible States must fulfil. That means that **countries - including the UK - with high levels of historical responsibility for the climate emergency, have to address the damage caused**.

The UK was one of the first contributors to the FRLD and has played an active role on its Board. Building on this, we now call on the UK to redouble efforts to maximise the ability of this vital institution to have impact and fulfil its intended goals, by announcing at COP30 a **new and additional commitment to the FRLD** as part of the UK's next international climate finance commitments (ICF4), and by championing actions, initiatives, and policies in the FRLD and beyond that **deliver inclusive, gender-transformative, and human rights-based action to address L&D from climate change**.

Scale-up finance for the FRLD

Funding to the FRLD falls far short of what is needed and must urgently be scaled up. By late September 2025, just USD 790.24m had been pledged to the FRLD.ⁱⁱ Of these funds, only USD 250m have been allocated to implementing projects in the start-up phase in 2026. Yet recent analysis estimates the needs in 2025 to be between USD 128bn and 937bn, with an average around USD 395bn.ⁱⁱⁱ

The importance of the FRLD for channelling L&D finance cannot be understated. This is a **democratic fund** under the instruction of the UNFCCC COP, specifically **mandated to enable countries and communities**

to address L&D. The Board also comprises a balance of recipient and contributor countries working together, an important governance feature unique to the UN Climate Funds that civil society and recipient countries strongly support, and that sets them apart from the Global North dominated Multilateral Development Banks (MDBs), International Financial Institutions (IFIs), and global humanitarian system. It is for these reasons that this must become **the primary vehicle for finance to address L&D**, given the structural inequities and poor track record for reaching communities of other financial institutions.

We call on the UK to demonstrate support to countries and communities on the frontline of climate change impacts by:

- Announcing an **ambitious and high-quality five-year ICF4 commitment** at COP30 that explicitly includes new and additional finance for L&D, without taking resources away from other vital spending for adaptation and poverty reduction.
- Including in ICF4 a **new commitment to the FRLD**, in support of the global New Collective Quantified Goal (NCQG) commitment to triple UN Climate Funds climate finance by 2030.
- Introducing measures in the UK to generate the new public finance needed by **fairly taxing the largest polluters and wealthiest in our society**, starting with a commitment at COP30 for a percentage of Energy Profits Levy going to the FRLD.
- **Supporting international polluter-pays mechanisms** to raise additional finance globally for the FRLD and wider climate finance needs, ensuring a concrete outcome to progress this at COP30.

Guidance to the FRLD

The COP and CMA are mandated to each year approve the annual report and provide guidance to the FRLD. Last year at COP29, only non-substantive guidance was adopted given the early stages of the FRLD set up. This year, with the call for funding requests for the Fund's start-up phase - the Barbados Implementation Modality (BIM) - launched at COP30, and the Resource Mobilisation Strategy delayed until the ninth meeting of the Board in July 2026, **substantive guidance from the COP and CMA is required**. This is not to override the work of the Board, but to provide the necessary guidance from all Parties to ensure the FRLD fulfils its mandate to deliver for countries and communities on the frontline of the climate emergency.

We call on the UK to support the formulation and adoption of substantive guidance at COP30 that:

- Requires the Board to **adequately scrutinise the World Bank's operations as interim host**, to ensure that World Bank processes do not create barriers to the cost-effectiveness and accessibility of the FRLD, and that it fully meets all 11 conditions set at COP28.
- Requires the FRLD to **develop and adopt in 2026 an ambitious Resource Mobilisation Strategy based on L&D needs**, including the needs of marginalised populations, so that countries and communities on the frontline have access to the finance they need to address L&D not of their making. The guidance should refer to the NCQG decision, especially paragraph 16 that calls for tripling finance from the UN Climate Funds.
- Requires all Parties who have pledged to the FRLD to **convert the pledges into contributions** in a timely manner.
- Ensures the **BIM reaches communities on the frontline** by incentivising countries to facilitate access to funding for communities and marginalised groups, and **prioritise learning on community access** during the BIM to inform long-term operations.
- Urges the FRLD to **enable rapid disbursement** in case of fast onset events, including in the BIM.

- Requires the FRLD to embed a **locally-led, gender-transformative and human rights-based** approach.
- Requires the FRLD to **adopt in 2026 an active observer policy** that establishes seats for youth, women, Indigenous Peoples, and environmental non-governmental organisations, in line with the Governing Instrument.
- Requires the FRLD to advance work in 2026, in consultation with rights-holders, on essential long-term policies including:
 - a dedicated set of **environmental and social safeguards** reflecting best practice and international human rights standards, and **inclusion and human rights policies**, including policies for gender, Indigenous Peoples, and people with disabilities, and
 - **modalities for community access**, including through a dedicated small-grants window.

Review of the Warsaw International Mechanism

The Warsaw International Mechanism (WIM) review must be finalised at COP30 following the impasse at COP29. The review must be an opportunity to **reaffirm L&D as a crucial pillar of climate action alongside mitigation and adaptation, and highlight the current lack of prioritisation**. All Parties must work constructively to ensure the WIM review is finalised and delivers significant improvements to the L&D landscape to ensure greater impact for countries and communities on the frontline. The WIM review must

- Call on developed country Parties to substantially increase the **provision of public grant finance to address L&D**, especially via the FRLD and for the Santiago Network for L&D. It is not enough to acknowledge the “significant gaps that remain in responding to the increased scale and frequency of loss and damage and the recognition of the need for urgent and enhanced action and support for averting, minimising and addressing loss and damage”, as included in the NCQG decision and reiterated in the informal note produced by co-chairs at SB62 - the resources must be provided to address that gap.
- Mandate the preparation of a global, periodic **status of L&D report** that synthesises information on the L&D being experienced and forecasted, associated costs, L&D funding available and the finance gap, lessons learned and best practices, solutions, and policy advice. Such a report is essential to understand critical financial and technical assistance gaps, and best practices. It would both contribute to elevating the importance of swift action to address L&D in the agenda and enable the coordination, design, and delivery of effective actions through the FRLD and the Santiago Network. As included in the SB62 co-facilitators’ informal note, this report should “showcase experiences and promote understanding of integrating cross-cutting vulnerability and human rights analyses in averting, minimising, and addressing loss and damage in developing countries that are particularly vulnerable to the adverse effects of climate change.” We urge the UK to fight to retain this text and **strengthen references to human rights** across the UNFCCC.
- Request the WIM Executive Committee (ExCom) to swiftly finalise the **voluntary guidelines on integrating L&D in Biennial Transparency Reports (BTRs)**, integrating both Party and observer recommendations, and request the ExCom to develop **voluntary guidelines on the inclusion of L&D in NDCs**. Both guidelines are needed to address persistent gaps in L&D reporting.
- Recognise the importance of a **human rights-based, inclusive, and gender-transformative approach**, and require the ExCom to develop guidelines on this to inform the work of all UNFCCC L&D mechanisms and institutions (including FRLD and the Santiago Network), working **collaboratively with relevant UN institutions and right-holders**, and taking into account the UN Secretary General’s analytical study prepared for the Human Rights Council.

Political prioritisation for Loss & Damage

Currently issues related to L&D are discussed in a piecemeal manner at COPs, in relation to the adoption of annual reports of the FRLD, the Santiago Network for L&D, in the WIM ExCom, and the WIM review every five years. This does not provide a predictable regular space to advance L&D in a holistic manner and confines L&D negotiations to technical discussions lacking serious political attention. This despite the rapidly increasing frequency and severity of climate change around the world and the corresponding human and economic L&D.

With the significant development of the L&D support landscape under the UNFCCC and its Paris Agreement, including the operationalisation of the FRLD and the Santiago Network, **L&D has unquestionably been cemented as the third pillar of climate action alongside mitigation and adaptation.** It must therefore be treated as such with consistent and coherent high-level engagement. Options to provide Parties with the political space they need to discuss the scale-up L&D action and support could include a standing agenda item on L&D.

About CAN-UK

Climate Action Network UK (CAN-UK) is the UK network of international development and environment NGOs working together at the nexus of poverty, nature, and climate, for climate justice and sustainable development for all. <https://can-uk.org>

CAN-UK is also the UK node of Climate Action Network (CAN), a global network of more than 1,900 civil society organisations in over 130 countries driving collective and sustainable action to fight the climate crisis and to achieve social and racial justice. <https://climatenetwork.org>

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References

ⁱ <https://www.climatechangenews.com/2025/10/03/the-icj-climate-ruling-has-major-implications-for-the-loss-and-damage-fund/> This figure is calculated based on the amount of USD 559.65m received by the FRLD (as reported by the World Bank <https://fifitrustee.worldbank.org/en/about/unit/dfi/fifitrustee/fund-detail/frld>) and the estimated L&D needs in 2025 amounting to a median of USD 395bn per year <https://www.nature.com/articles/s43017-024-00565-7>

ⁱⁱ https://www.frlld.org/sites/default/files/FRLD_B.7_4%20Report%20by%20the%20interim%20Trustee%20on%20the%20status%20of%20FRLD%20Trust%20Fund%20resources_0.pdf

ⁱⁱⁱ <https://www.nature.com/articles/s43017-024-00565-7>