DRAFT TEXT
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CMA 8 agenda item 11(d)
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

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Draft decision -/CP.31

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,

Recalling decisions 2/CP.27 and 2/CMA.4; 1/CP.28 and 5/CMA.5; 5/CP.29 and 11/CMA.6; 6/CP.29 and 12/CMA.6; and 4/CP.30 and 8/CMA.7,

1. *Takes note of* the annual report of the Board of the Fund for responding to Loss and Damage for 2026[1] and the information therein;

2. *Welcomes* the progress in operationalizing the Fund and *expresses appreciation* to the Board of the Fund, the Co-Chairs of the Board and the secretariat for supporting the operationalization;

3. *Welcomes with appreciation* the ratification by the Government of the Philippines of the Host Country Agreement between the Government of the Republic of the Philippines and the Board of the Fund and *recognizes* the significant contributions of the Government to the work of the Board in delivering on its mandate, including through the regular hosting of Board meetings;

4. *Welcomes* the first call for funding requests under the Barbados Implementation Modalities and the receipt of 176 funding requests from 119 developing countries thereunder;

5. *Also welcomes* the first extraordinary meeting of the Board, which took place on 22 October 2026, and the decision taken at that meeting to provisionally set aside USD 21.6 million for piloting an approach allowing for the new submission of a funding request under the Barbados Implementation Modalities outside of the submission period in the context of an urgent request for support following a catastrophic climate-related extreme event;[2]

6. *[Urges* the Board to expedite the review and approval of funding requests submitted under the Barbados Implementation Modalities,[3] taking into consideration, as appropriate, the need to respond to countries' requests in a timely manner and to ensure the fair and equitable consideration of funding requests submitted for approval;

7. *Notes with concern* the significant demand for support under the Barbados Implementation Modalities, with USD 2.8 billion in funding requests received during the submission period against a total allocation of USD 342 million;

8.

Option 1:

Emphasizes the urgent need for adequate capitalization of the Fund and *calls on* developed country Parties to provide new substantial, predictable and grant-based contributions to

[1] FCCC/CP/2026/7–FCCC/PA/CMA/2026/12.
[2] Board decision B.Ex1/D.1.
[3] In accordance with Board decision B.5/D.4.

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significantly scale up the Fund's resources in line with the growing needs of developing countries;

Option 2:

Recognizes the importance of adequate and predictable resources for the Fund, and encourages continued efforts to scale up the Fund's resources, consistent with its Governing Instrument;

Option 3:

No text.

9. *Notes with concern* that only USD 485.77 million of the USD 822.71 million pledged to the Fund had been received as at 31 July 2026 and *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;

10. *Welcomes* the decision of the Board to develop the long-term fundraising and resource mobilization strategy following a two-stage approach[4,5] and *requests* the Board to mobilize additional resources for, inter alia, the Barbados Implementation Modalities, commensurately with the demonstrated demand for support under the Modalities and the scale of loss and damage in developing countries;

11. *Welcomes* the operationalization of the country support system under the Barbados Implementation Modalities[6] and *requests* the Board to expedite its implementation and to ensure regular reporting by the Executive Director of the Fund under the forthcoming accountability framework;[7]

12. *Welcomes* the approval by the Board of the results measurement framework for the Barbados Implementation Modalities, including its affirmation that the framework and its indicators do not constitute eligibility, selection or approval criteria,[8] and *requests* the Board to ensure that the framework is applied in a manner that is proportionate to the capacities of developing countries;

13. *Welcomes* the adoption by the Board of the access modalities for the Barbados Implementation Modalities,[9] including direct access via direct budget support through national Governments, *affirms* that all developing countries are allowed to directly access resources from the Fund and *requests* the Board to ensure that all Fund access modalities are operationalized in conformity with paragraph 20(e) of decisions 1/CP.28 and 5/CMA.5 and paragraph 8 of decisions 4/CP.30 and 8/CMA.7;

14. *Requests* the Board, in developing the long-term model for the Fund, to draw on lessons learned in operationalizing the Barbados Implementation Modalities, including initial results and countries' experience of the requirements and process for submitting funding requests thereunder;

15. *Welcomes* the updated workplan of the Board and *looks forward* to the Board's consideration, at its 10th meeting, of the elements and sequence of development of the long-term model for the Fund, including options for the essential elements of the long-term model to be concluded prior to launching the replenishment, and of a proposal on the elements and timeline of the replenishment process, including options for fast-tracking the replenishment process with a view to ensuring operational continuity of the Fund while maintaining its ability to respond to demonstrated demand and advancing the transition to the long-term model;[10]

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[4] Board decision B.8/D.8.
[5] In accordance with Board decision B.7/D.7, para.(b) and para. 16 of decisions 5/CP.29 and 11/CMA.6.
[6] Board decision B.8/D.6.
[7] See Board decision B.8/D.6.
[8] Board decision B.9/D.3.
[9] Board decision B.8/D.3.
[10] Board decision B.9/D.7.

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16. *Encourages* the Board to develop the long-term model for the Fund and design the process for the first replenishment of the Fund in a manner that is closely aligned with the mandate, objectives and scope of the Fund as a whole, as set out in its Governing Instrument,[11] is fully consistent with the principles and arrangements established in the Governing Instrument and seeks to ensure efficiency, transparency and complementarity with other elements of the loss and damage and climate finance architecture under and outside the Convention and the Paris Agreement and to demonstrate the Fund's distinct role and comparative advantages within this architecture;

17. *Looks forward* to the outcomes of activities under the updated workplan and the Board's consideration of the long-term model of the Fund, including:

(a) Developing the long-term model of the Fund, including consideration of rapid disbursement modalities and a small grants policy, and work on access modalities;

(b) Continuing efforts to strengthen coherence and complementarity with existing arrangements for responding to loss and damage, including through the high-level dialogue held annually under the Fund and in close collaboration with the Santiago network for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change;

(c) 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;

(d) Considering a policy on financial instruments;

(e) All other activities included in the workplan.

18. *Welcomes* the reliance of the Fund on existing accreditations of entities to the Adaptation Fund, the Global Environment Facility and the Green Climate Fund for the Barbados Implementation Modalities[12] and *encourages* the Fund to strengthen the capacities of direct access entities and facilitate access to funding for diverse entities, including local and national civil society organizations, community-based organizations and humanitarian organizations, including with a view to strengthening the direct access modalities for the Fund, as applicable, and enhancing the timely and effective delivery of support to populations affected by loss and damage;

19. *Requests* the Board to ensure, through its engagement with the World Bank, as host of the secretariat and interim trustee of the Fund, that the hosting and trustee arrangements enable the full operationalization of all Fund access modalities and all steps of the funding cycle, in accordance with the conditions set out in paragraph 20 of decisions 1/CP.28 and 5/CMA.5, and to include related information in its annual report to the Conference of the Parties;

20. *Encourages* the Board to further strengthen the work of the Fund for responding to Loss and Damage on complementarity and coherence with other multilateral climate funds, including its efforts to strengthen collaboration with the Adaptation Fund, the Global Environment Facility and the Green Climate Fund;

21. *Encourages* the Board to promote inclusive, context-responsive approaches in its operations and in programming under the Fund, including by providing tailored support for vulnerable communities, recognizing that diverse challenges and barriers may affect equitable access to support;

22. *Invites* the Board to enhance the inclusion of [local communities and]Indigenous Peoples, ensure safeguards for the rights of Indigenous Peoples, [in particular free, prior and informed consent for funded actions,] and incorporate Indigenous Peoples' perspectives and diverse knowledge systems into the decision-making processes of the Fund;]

[11] Contained in annex I to decisions 1/CP.28 and 5/CMA.5.

[12] Board decision B.7/D.6.

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23. *Invites* Parties to submit views and recommendations on elements of guidance for the Fund via the submission portal[13] no later than 10 weeks prior to the thirty-second session of the Conference of the Parties (November 2027);

24. *Requests* the Standing Committee on Finance to take into consideration the submissions referred to in paragraph xx above when preparing its draft guidance for the Fund for consideration by the Conference of the Parties at its thirty-second session;

25. *Also requests* the Board to include in its annual report to the Conference of the Parties information on the steps it has taken to implement the guidance provided in this decision.

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[13] https://submissions.unfccc.int.

Draft decision -/CMA.8

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; 6/CP.29 and 12/CMA.6; and 4/CP.30 and 8/CMA.7,

1. *Mirroring of paras. 1-5 and 23-25 from COP decision above*

2. *[Mirroring of paras. 6-22 from COP decision text above]*

3.

Option 1:

Recalls paragraph 16 of decision 1/CMA.6 and *emphasizes* the importance of operationalizing the pursuit of efforts to at least triple annual outflows from the operating entities of the Financial Mechanism, the Adaptation Fund, the Least Developed Countries Fund and the Special Climate Change Fund from 2022 levels by 2030 at the latest with a view to significantly scaling up the share of finance delivered through them in delivering on the new collective quantified goal on climate finance.

Option 2:

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.

Option 3:

No text.

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