

# COP28: a call for action on the Loss and Damage Fund and funding arrangements

The Loss and Damage Fund and funding arrangements should be determined by, and structured to meet, the actual needs of people on the front-line of the climate crisis. This call for action consolidates recommendations from the anticipatory action community for negotiators working on the Loss and Damage Fund and funding arrangements.



## Members of the anticipatory action community call on government parties and other stakeholders to take the following actions.

### 1. Make anticipatory action eligible as part of comprehensive approaches under the Loss and Damage Fund and scaled-up funding arrangements.

Anticipatory action is a proven approach to minimize losses and damages by enabling relevant actors, especially affected communities, to act ahead of an imminent disaster instead of having to respond to it. In recent years, several policy fora and processes have recognized this role in protecting people from the impacts of extreme events and called for it to be scaled up,<sup>1</sup> including the Transitional Committee (2023 [↗](#)). In 2022, there were 167 anticipatory action frameworks active or under development in 61 countries, but these only covered 7.6 million people (Anticipation Hub 2023 [↗](#)). To truly reach scale and ensure more people are protected through anticipatory action, it is essential that there is adequate financing to support relevant actors, for anticipatory action system-building but also to release more funds ahead of forecast hazards – as part of the comprehensive approaches needed to minimize losses and damages.

Despite some progress, funding for anticipatory action is limited – it comprises just 0.2 per cent of overall humanitarian funding (Plichta and Poole 2023 [↗](#)) – hard to access, especially for local actors (including government authorities), entirely discretionary, and comes primarily from a few humanitarian donors (REAP 2022 [↗](#)).

In light of this, the Loss and Damage Fund and relevant funding arrangements should contribute to closing this gap by integrating anticipatory action into its financing programme as one part of a comprehensive approach to minimize losses and damages. This should include funding for anticipatory action system-building and activations.

Anticipatory action formally links robust forecasts and risk analysis to frameworks (i.e., action plans) that are supported by prearranged financing. The frameworks clarify who does what, when and how before a forecast hazard hits (or its worst impacts are felt). The frameworks are set in motion (activated) when critical forecast thresholds (triggers) are reached. Well-planned anticipatory action saves lives and livelihoods, helps to preserve people's dignity and provides value for money (Anticipation Hub 2022 [↗](#)).

### 2. Ensure that loss and damage funding for anticipatory action is new, adequate, readily available and flexible.

Acknowledging that existing humanitarian funds for anticipatory action fall short of what is needed to minimize the current and future impacts of climate change, loss and damage funding for anticipatory action should be:

- **new** and additional to current funding for anticipatory action; in other words, humanitarian funding should not be relabelled as loss and damage funding
- **adequate** and needs-based, rather than discretionary, and aligned with scaled-up, prearranged finance to get ahead of disasters
- **readily available**, especially at the local level, to allow for quick actions ahead of a hazard
- **flexible**, so that local actors can change track as situations evolve.

### 3. Ensure local ownership of projects and programmes through direct-access modalities.

Loss and damage funding will seek to promote and strengthen national responses for addressing loss and damage by pursuing country-led approaches, including the effective involvement of relevant institutions and stakeholders (Transitional Committee 2023 [↗](#)). Local actors – including national and local government authorities, national and local non-governmental organizations, National Red Cross and Red Crescent Societies, community-based and other local organizations – play a vital role in anticipatory action. They help to issue forecasts and early warnings, develop triggers and frameworks, and implement anticipatory actions ahead of a hazard. Furthermore, they often comprise local people, who may be better placed to understand what communities want and need. To date, though, local actors often struggle to access the finance needed to implement anticipatory actions or build local capacities.

<sup>1</sup> See, for example: [the political declaration of the high-level meeting on the midterm review of the Sendai Framework for Disaster Risk Reduction 2015–2030](#) [↗](#) A/77/L.70; [the G7 declaration on strengthening anticipatory action in humanitarian assistance](#) [↗](#); [the EU Council conclusions on addressing the humanitarian funding gap](#) [↗](#), 9282/23; the African Union's adoption of the [Institutional and Operational Framework for Multi-Hazard Early Warning and Early Action System for Africa](#) [↗](#); and the [ASEAN Framework on Anticipatory Action in Disaster Management](#) [↗](#).

Loss and damage funding should enhance country ownership of projects and programmes by including a dedicated window for direct-access entities – that is, local actors – whereby both funding decisions and project oversight take place at the national or subnational level, based on national or subnational anticipatory action roadmaps and plans. This will help to ensure coherence and complementarity with wider policies, systems, strategies and programmes.

This can be achieved by, for example, establishing a dedicated facility which includes funding for national anticipatory action plans and anticipatory action system-building, as one part of a comprehensive national approach to addressing loss and damage. The Transitional Committee (2023, point 48 [↗](#)) suggests a range of other direct-access modalities which could support delivery.

Empowering local stakeholders to lead anticipatory action – including programme design and implementation, and funding decisions – could be one aspect of wider approaches to minimize losses and damages. It gives communities on the frontline of climate change a voice in decisions that directly affect their lives and livelihoods. Moreover, it secures a degree of sustainability for programmes.

#### 4. Focus on the most vulnerable people.

Loss and damage funding for anticipatory action should prioritize the most vulnerable people, using risk and climate-vulnerability maps where possible. In some cases, focusing on the most vulnerable would mean channelling finance to countries that are particularly vulnerable to climate change (e.g., Least Developed Countries, Small Island Developing States), but this can also mean channelling finance within countries to particular populations that are highly vulnerable, or countries that are facing compound risks.

#### 5. Fund anticipatory action system-building alongside activations.

The Loss and Damage Fund and funding arrangements should include finance for anticipatory action system-building, as part of comprehensive approaches to minimize losses and damages. These investments should be guided by national and subnational anticipatory action roadmaps and plans, and may include support for, inter alia: developing robust, actionable forecasts; establishing legal, policy and operational frameworks and procedures to enact once a forecast indicates the likely occurrence of loss and damage; and capacity-strengthening efforts. Combined, these should aim to ensure that actors on the ground can turn early warnings into anticipatory action.

The loss and damage funding arrangements already recognize, and call for, scaled-up anticipatory action through the UN's Central Emergency Response Fund, the IFRC's Disaster Relief Emergency Fund, the Start

Fund and country-based pooled funds ([Transitional Committee 2023](#) [↗](#)). These provide rapid funding ahead of, or at the onset of, a hazardous event. Support to such centralized facilities and other intermediaries could also be provided by the Loss and Damage Fund, especially in fragile and conflict-affected contexts.



#### References

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The Anticipation Hub is an initiative of