



Synergies between FRLD and the CLIMA Bill

Enhancing Philippine actions against loss and damage

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BACKGROUND

The imperative of addressing losses and damages, or adverse observed impacts and/or projected risks and can be economic and/or non-economic in the Philippines¹, is growing with each passing year. The year 2024 alone saw the nation experience both sides of climate extremes, from the record-breaking heat waves during the summer months to enduring an unprecedented six tropical cyclones within a span of one month, towards the end of the year.

The rising economic and non-economic costs of the climate crisis that developing countries and the most vulnerable communities have endured in recent years have led to the Loss and Damage (L&D)² workstream being an undisputed third pillar of climate action. Numerous initiatives have been created to understand this issue, from research on the boundaries between adaptation and L&D to studies on how communities are affected in economic and non-economic ways.

Yet addressing it is fundamentally different from adaptation or mitigation. It is the pillar of climate action that most directly indicates if justice has been achieved by those hardest-hit by its impacts, largely depending on if they have been properly compensated for losses and damages and if the polluters responsible have been held accountable for their practices.

L&D is also different from the loss and damage concept associated with the disaster paradigm that still dominates much of the Philippine policy framework. While the disaster-equivalent term is associated with sudden, severe events that cause widespread destruction, loss of life, and disruption to communities, L&D has a deeper connotation of human rights, accountability, and long-term scale of effects that signify being beyond what communities can handle.

With this distinct context, there is a need for a new approach to responding to L&D in the Philippines. While the country has earned a reputation for pioneering ecological laws and policies at the global level, none of them are sufficient to respond to the challenges related to this issue. Gaps in national L&D governance are what are being addressed by a proposed law, the Climate Accountability (CLIMA) Bill.

The emergence of L&D at the global level has led to a series of decisions in the past decade of the UNFCCC Conference of Parties (COPs) that introduced mechanisms to respond to this issue. The advocacy of the most vulnerable countries and communities shaped the L&D governance landscape to be defined by the Warsaw International Mechanism, the Santiago Network on Loss and Damage (SNLD), and the Fund for Responding to Loss and Damage (FRLD).

This paper aims to examine the interlinkages of the FRLD and the CLIMA Bill in defining the Philippines's approach to averting, minimizing, and responding to L&D. It intends to specifically highlight the following:

- The salient features and latest developments regarding the FRLD and the CLIMA Bill that are most relevant to the Philippine context on L&D;
- The ways in which the enactment of the CLIMA Bill would benefit its overarching strategies to address L&D and enhance climate resilience; and
- The points of convergence between the priorities under the FRLD and the CLIMA Bill that would enhance the country's L&D strategies, including on how its potential actions on one agenda influences the other and vice-versa.

¹ IPCC (2021). Summary for Policymakers. In: *Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change* [Masson-Delmotte, V., P. Zhai, A. Pirani, S.L. Connors, C. Péan, S. Berger, N., ... & B. Zhou (eds.)]. Cambridge, United Kingdom and New York, NY, USA, Cambridge University Press.

² This refers to the political and policy framework and the ongoing dialogue within the UNFCCC to address the consequences of climate change that go beyond what is possible to adapt to.

FUND FOR RESPONDING TO LOSS AND DAMAGE

Overview of mandate and structure

The FRLD was established at UNFCCC COP29/CMA4, through decisions³ that established new funding arrangements for assisting developing countries vulnerable to losses and damages. Its mandate covers “a focus on addressing loss and damage to assist developing countries that are particularly vulnerable to the adverse effects of climate change in responding to economic and non-economic loss and damage associated with the adverse effects of climate change, including extreme weather events and slow onset events”.

The FRLD was accepted at COP28 and CMA5 in Dubai, as an entity entrusted with the operation of the Financial Mechanism of the Convention, which also serves the Paris Agreement. It will be accountable to both the COP and the CMA, functioning through a Governing Instrument that was also adopted during the same conference.

Per the decisions at COP28 and CMA5, the World Bank was designated as the interim trustee and host of the FRLD Secretariat. It was invited to be its financial intermediary fund host for an interim period of four years, while following a set of conditions⁴ to ensure the independence and autonomy of the FRLD Board and fund disbursement under this mechanism. These conditions were assessed to have been met during the 3rd Board Meeting held on 10-12 September 2024.

Its Board consists of 26 members from Parties to the UNFCCC and the Paris Agreement, specifically 12 from developed nations and 14 from developing countries. The constitution of members accounts for geographical representation through the following groups: developed countries, Asia-Pacific, Africa, Latin America and Caribbean, Small Island Developing

States, least developed countries, and other nations.

The Philippines is a member of the Board representing Asia-Pacific for 2024 and 2026, while serving as an alternate member for 2025. At the 2nd Board meeting on 12 July 2024, it was also selected to host said Board. Through the enactment of Republic Act 12019 (“The Loss and Damage Fund Board Act”) and already finalized the Host Country Agreement by UNFCCC COP29, the country has granted the Board the juridical personality and legal capacity for fulfilling its roles and functions.

As of March 2025, the FRLD has a total of **USD765.59 million** of pledges made by 27 contributing countries and sub-national governments. Out of this, USD218.39 million have been formalized through Contribution Agreements with the following nations: Austria, Denmark, Germany, Ireland, Netherlands, Norway, the United States, and the Wallonia Region of Belgium.

What were the decisions made from B.4?

The Philippines hosted the 4th Board meeting (B.4) on 2-5 December 2024, the first meeting after COP29 and since becoming its host. During this meeting, the following were the major decisions by the Board.

Workplan towards full operationalization

Arguably the biggest decision made at B.4 is the request by the Board to the Secretariat for the development of a broad workplan for the initial operationalization of the FRLD by 2027. The period 2025-2026, otherwise known as the “start-up” phase, will serve as the time to test and refine operational approaches to be developed and implemented in parallel with longer-term operational policies and procedures. It will also be the period for

³ Decisions 2/CP.27 and 2/CMA.4

⁴ As outlined under paragraphs 20 to 24 of decisions 1/CP.28 and 1/CMA.5

implementing interventions to address L&D priority areas.

This approach is designed to balance urgency and diligence; to immediately respond to challenges given available resources and methodologies, while generating evidence to adjust and refine the formulation and execution of long-term strategies. These would be reflected in the “scaling-up phase” of the FRLD operationalization, taking place in 2026-2027.

Included in the proposal for the start-up phase are the following⁵:

- A first set of interventions, in support of bottom-up, country-owned approaches, including technical support and a direct budget support system;
- Simplified procedures and criteria for fast-tracked screening to determine functional equivalency, including for safeguards and standards in line with paragraph 50 of the Governing Instrument;
- Support the Board’s work in developing the mechanism in paragraph 22(f) of the Governing Instrument and as laid out in the workplan of the Board in the appendix to decision B.2/D.10;
- List of entities for fast-track screening (Governing Instrument, para. 49(b));
- Initial resource allocation system in line with paragraph 60 of the Governing Instrument; and
- Initial results management framework.

Other major decisions at B.4 that set more details toward the FRLD’s full operationalization of the FRLD include the following:

- A plan for transitioning to a new, dedicated, and independent Secretariat, with a core technical team and defined organization structure, coupled with results-based key performance

indicators. This will be influenced by the adopted budget for both the interim and independent Secretariat during the start-up phase.

- The Secretariat will support the Board in preparing and implementing a long-term resource mobilization and plan, including supporting converting current and future pledges into contributions to the FRLD. Progress on this will be represented during B.6 and B.7.

Other key decisions

- Arrangements were determined for establishing and operationalizing the **Annual High-Level Dialogue on complementarity and coherence**. The goal of this event, which was launched at COP29, is to be a space for knowledge-sharing and capacity-building to identify strategies on developing financing modalities that can aid in averting, minimizing, or addressing L&D. It is slated to take place on late April 2025, on the margins of the Spring Meetings of the World Bank Group and the International Monetary Fund. It will have no more than 30 attendees from different institutions and sectors, based on the decision made at COP29.
- The **Additional Rules of Procedure of the Board** were also approved at B.4. Among the key details is that the FRLD Board will meet at least three times a year in-person, with two of these being held in the host country, unless otherwise decided by the Board. This is aligned with the current schedule of meetings for 2025, with B.6 and B.7 likely to take place in the Philippines.
- Decisions on the **arrangements for the participation of Active Observers and consultative forums for engaging and communicating with stakeholders** will instead be decided at the 5th Board

⁵ United Nations Framework Convention on Climate Change. (2025). *Decisions of the Board – fourth meeting of the Board, 2-5 December 2024* [FRLD/B.4/14]. <https://unfccc.int/sites/default/files/resource/B.4%20Compendium.pdf>

meeting (B.5) on April 2025 in Barbados. This was because the present Active Observers⁶ persuaded the Board that more time is needed to fully consult their respective UNFCCC constituencies on these issues, which will directly impact their participation in FRLD activities.

- Another decision adopted at B.4 was establishing a “**blanket**” **accreditation process** for observers. Under this process, accredited observer organizations in other financing mechanisms under the UNFCCC (i.e., Global Environment Facility (GEF), Green Climate Fund (GCF)) and other mechanisms like the Adaptation Fund (AF) may also become accredited under the FRLD through a streamlined process. This system will be in place for a period not exceeding three years, or until a permanent system is set-up.

What are the current priorities?

On 28 March 2025, the FRLD Secretariat published its proposal for the start-up phase of the FRLD, which contains the following priorities and corresponding proposed options:

- ***Bottom-up, country-owned, programming areas.*** These include activities complementary to humanitarian actions taken immediately after an extreme weather event, those needed for intermediate or long-term recovery, reconstruction, or rehabilitation, and responses to slow onset events.

- ***Funding modalities.*** These include programmatic approaches for long-term needs for responding to loss and damage, rapid disbursement via direct budget support for responding to immediate impacts of climate-induced extreme weather events, and readiness support for strengthening country-led programming for responding to loss and damage.
- ***Financial instruments.*** For the start-up phase, grants are prioritized as the main financial instrument. Other instruments such as concessional loans, guarantees, and equity are planned to be included in the following phases.
- ***Access modalities.*** A phased blanket approval of a subset of the 155 entities already accredited to the GCF, GEF, and AF are planned for B.5 and B.7, covering government ministries, development banks and other financial institutions, United Nations agencies, and civil society organizations. A simplified screening process would be implemented, accounting for standards and safeguards to be used by the FRLD.
- ***Resource allocation framework.*** Programming caps will be set for programmatic approaches, technical assistance support, and rapid disbursement via direct budget support. A 25-50% floor for allocation to Least Developed Countries and Small Island Developing States is also being considered.

⁶ The nine UNFCCC constituencies are: Business and Industry NGOs (BINGO), Environmental NGOs (ENGO), Farmers, Indigenous Peoples Organizations (IPO), Local Government and Municipal Authorities (LGMA), Research and Independent NGOs (RINGO), Trade Union NGOs (TUNGO), Women and Gender (WGC), and Youth NGOs (YOUNGO)

CLIMATE ACCOUNTABILITY BILL

The CLIMA Bill is a proposed legislation that aims to strengthen accountability from corporations that significantly contribute to greenhouse gas emissions (or “carbon majors”) and provide support for those affected by losses and damages. If enacted, it would mark the first law specifically addressing L&D in the Philippines, and the first of its kind on any other sovereign state in the world.

The bill is largely inspired by the findings of the [National Inquiry on Climate Change \(NICC\)](#), a seven-year inquiry by the Commission on Human Rights (CHR) that investigated the accountability of carbon majors in human rights violations caused by their GHG emissions and other climate-affecting practices. Among its major recommendations is that these corporations can be held liable for such actions; while not a legally-binding document, this pioneering inquiry sets a precedent for other States and national human rights institutions to follow.

The CLIMA Bill, filed as House Bill 9609, has been approved by the House of Representatives Committee on Climate Change (HORCCC) on 4 February 2025.

Salient points

National L&D Fund

The CLIMA Bill would establish a national L&D fund known as the “Climate Change Actions Welfare and Support (CLAWS) Fund”⁷, a domestic equivalent of the FRLD. It would be set as a special fund in the Bureau of the Treasury to respond to claims made by those affected by climate impacts. The claims may take the form of compensation for economic and non-economic harms, technology transfer, capacity-building, financial support, relocation, and recovery and rehabilitation measures.

The CLAWS Fund would have an initial allotment of PHP50 million under the next General Appropriations Act after the bill’s enactment. This can be increased through donations, endowments, grants, contributions, and penalties imposed on businesses, as described below. Its scope focusing on L&D is also different from the People’s Survival Fund (PSF), which is mandated to address the needs of municipalities at highest climate risk on adaptation.

This fund would be overseen by a CLAWS Board, attached to the CHR. It is proposed to consist of nine members, four of whom are permanent members that are members of the Philippine Bar with at least a decade of experience in the practice of environmental law or human rights. The other members would be two climate scientists, preferably those with experience in climate attribution science, two from the private sector, and one from civil society. The Vice-Chairperson of the Climate Change Commission (CCC) or one of its other Commissioners would be an *ex officio* member.

Alignment with the NDC

While the CLIMA Bill mainly focused on L&D, it could also aid in the Philippines’s other initiatives to achieve its self-determined climate targets. The most notable of these pertains to its implementation of the Nationally Determined Contribution (NDC) to the Paris Agreement.

Under this bill, a national GHG registry will be created under the CCC, strengthening the system set under [Executive Order 174](#). This registry will cover different purposes, including the NDC monitoring of all regulatory activities, GHG data consolidation for the country’s reporting to the UN, and storing GHG inventories from non-government stakeholders that can be further disaggregated at the unit level.

⁷As stated under HB9609, although this could still be subject to revision pending further deliberations in the 20th Congress. For the purposes of this paper, the national L&D fund will be referred to as the CLAWS Fund.

Another feature is the imposition of an emission penalty to businesses. A threshold for acceptable GHG emissions would be set after due consultation among national government agencies, including those involved in the national GHG inventory system (i.e., Department of Environment and Natural Resources (DENR), Department of Agriculture, Department of Energy, Department of Transportation). This threshold would also be determined by the country's targets under its NDC, most notably the *current* target of 75% emissions avoidance and reduction within 2020-2030, compared to a business-as-usual scenario⁸.

Any business that breaches the threshold for acceptable emissions would be subjected to an emission penalty, based on data from the national GHG registry. This penalty would be redirected to the CLAWS Fund, aligned with the "polluter pays" principle.

Framework for business accountability

The other core component of the CLIMA Bill is enhancing the framework for corporate accountability, in the context of the climate crisis. Businesses would be mandated to conduct several activities, in alignment with the long-term strategy for the NDC Implementation Plan. Among such activities, which exemplify due diligence standard of care in the conduct of business, are the following⁹:

- Businesses will disclose to the Securities and Exchanges Commission climate-related financial disclosures and the names of those who authorized the climate-related financial transactions, including opportunities and risks from climate impacts, new climate policies and measures across the value chain.
- Businesses must measure, analyze, and report their GHG emissions, throughout their value chains, to comply with the standards based on the most recent scientific methodologies and reports of the Intergovernmental Panel on Climate Change (IPCC).
- Businesses must ensure that in the conduct of their operations and activities throughout their value chains, efforts must be made not just to counter the adverse impacts of climate change, but also to ensure the protection of human and vulnerable people and communities' rights. They must also respect, protect, and promote the rights of stakeholders, including in the context of climate change as stated under the United Nations Guiding Principles on Business and Human Rights.
- Businesses must exhibit due diligence through on-the-ground assessments of adverse impacts through stakeholder participation, held on a regular basis with reports released on a semi-annual period, through surveys, assemblies, focus group discussion, and other relevant modalities. This must especially be practiced in all cases and contexts involving indigenous peoples.
- Businesses must develop a decarbonization plan, containing its mitigation and adaptation strategies, and report on the status of this plan on an annual basis to government agencies.
- Businesses must submit an annual compliance report of their findings, and initiatives to address all the aforementioned issues and concerns, as covered by the CLIMA Bill.

⁸ The Philippine NDC is currently being updated as part of its commitment as a signatory to the Paris Agreement.

⁹ "Businesses" mentioned in this section would apply to businesses that reported a revenue of more than PHP15 billion in the previous tax year, and carbon majors, regardless of amount of gross income.

SYNERGIES BETWEEN FRLD AND CLIMA BILL

The Philippines is in a strategic position to exhibit global leadership in addressing L&D, through its current role as the FRLD Board host aided by the potential enactment of the CLIMA Bill.

As one of the most climate-vulnerable nations and a long-time vocal champion for climate justice at the global level, the Philippines hosting the Board demonstrates the political leadership that developing countries bring to international climate governance and the implementation of global actions that strive to reduce climate risks and avert, minimize, and address L&D.

Yet the Philippines must also figuratively “walk the talk”; its recent initiatives to showcase domestic-level actions on adaptation and mitigation at UNFCCC COP28 and COP29 should also be consistently reflected with how it addresses L&D at the national and sub-national levels.

The CLIMA Bill provides a fitting synergy, an opportunity for the Philippines to back up its global calls for climate justice with a pioneering national mechanism that responds to the needs of its citizens that are hit the hardest by climate impacts. The CLAWS Fund, if created, is the most fitting entity to receive any support the country could access from the FRLD; this is also acknowledged under the proposed law itself.

The Philippine government has identified a series of climate policy milestones for 2025, on the road to UNFCCC COP30 in Belem, Brazil as a demonstration of its efforts to accelerate climate action. Among these are the NDC updating, developing policies related to Article 6 of the Paris Agreement, and the localization of the National Adaptation Plan. The enactment of the CLIMA Bill by the Philippine government by the time of COP30 not only informs the FRLD about a best practice on national and local-level

mechanisms on L&D financing, but also gives the country another milestone it can present in Belem.

By capably fulfilling its role as both a Board member and its host and enacting said bill, the country can further improve its reputation and credibility. This is necessary to securing more finance and other means of implementation needed for enforcing its climate plans, including the NDC; this would steer the country towards its desired direction of low-emissions, climate-resilient development.

The latest developments on the FRLD, specifically during the start-up phase, can also further improve the content and potential enforcement of the CLIMA Bill. The same can be said regarding the Philippines’s engagements with said global mechanism, with several points of synergy between these two.

Access to the funds

Notwithstanding issues regarding its resource allocation, the FRLD is likely to provide support to countries that demonstrate readiness and capacity to access its funds and implement solutions relevant to its mandate. For example, Vanuatu launched a technical assistance programme under the Santiago Network for Loss and Damage, as preparation for its eventual application for a grant to the FRLD¹⁰.

Enacting the CLIMA Bill during the next Congress and the subsequent creation of the CLAWS Fund would present a similar case for the Philippines, ensuring it would be among the first to access available support under the FRLD. It provides the country a clear designated entity to receive the funds, while also responding to claims of individuals and communities most affected by extreme weather events or slow onset events.

¹⁰ Roberts, A. (2024, December 7). Vanuatu becomes first country to partner with UN's new Santiago Network on Loss & Damage. *Daily Post Digital Network*. https://www.dailypost.vu/news/vanuatu-becomes-first-country-to-partner-with-uns-new-santiago-network-on-loss-damage/article_39427e6a-9931-50e5-ad3d-414a7e6c64ca.html

How the FRLD determines the criteria and process with which countries get to access disburseable funding would set an example for availing resources under national-level mechanisms, such as the CLAWS Fund in the event of the enactment of the CLIMA Bill. Details of the screening process (i.e., criteria, accreditation) will depend on the form of access modality; for the aforementioned bill, the modality must be in the form of grants, in recognition of addressing L&D as a mechanism for upholding accountability, with a simplified process to enable the most vulnerable communities to access them more urgently.

Since the creation of the FRLD, non-government stakeholders have been lobbying for the establishment of a direct community access modality, a unique feature compared to other global financing mechanisms within the climate landscape. This is in acknowledgment of existing inequalities and inefficiencies regarding representation of the needs of the most vulnerable groups and sectors (i.e., youth, women, Indigenous Peoples, persons with disabilities) in national decision-making process.

Similarly, a direct access by non-government stakeholders is expected to be the main modality for applying for claims under the CLAWS Fund, which contrasts with the likes of the People's Survival Fund (PSF) that is only directly accessible to local government units. If enacted within 2025, it would serve as a best practice that could inform the FRLD on creating such a mechanism that would benefit the most vulnerable communities.

Improving data management

Developing the Philippines's approach to assessing its needs and strategies on L&D is not only aligned with the FRLD's prioritization of developing inclusive, bottom-up, and country-led approaches for national L&D responses, but also relevant to some of the key issues brought

up during the HORCCC meetings on the CLIMA Bill.

Arguably the most critical of these is the need to improve the data collection and management system on losses and damages, which is currently oriented towards assessing economic costs and the effects of extreme weather events (i.e., Damage and Loss Assessment). This would help the country regarding access to another of FRLD's priority interventions during the start-up phase, on grants-based rapid disbursement for countries hit by climate-induced extreme weather events.

However, there is a need for improving how its assessments cover non-economic losses and damages and the effects of slow onset events¹¹, which are likely to be far more costly in the long-term to the country, especially the most vulnerable communities. Improving the current L&D-relevant data collection and management systems in aid of vulnerability reductions and averting worse impacts could be one of the Philippines's priority themes for its proposals to the FRLD. The implementation of relevant laws that could improve accounting of losses and damages, such as the Republic Act 11995 ("Philippine Ecosystems and Natural Capital Accounting System Act"), is also key to this.

Resource mobilization

The outcomes of the Annual High-Level Dialogue on complementarity and coherence will inform the development of the FRLD long-term resource mobilization plan. It can also provide lessons in situating the CLAWS Fund to be set up under the CLIMA Bill, in the landscape of climate and disaster financing in the Philippines.

During the HORCCC meetings, stakeholders brought up how other relevant national and local funding mechanisms (i.e., National and Local Disaster Risk Reduction Management Funds, PSF) can be utilized to implement programs, projects, and activities in aid of averting and

¹¹ Domingo, S. & Manejar, A. (2023). Study on climate change and disaster-related loss and damage accounting. *Philippine Institute for Development Studies*, doi:10.62986/dp2023.47

minimizing losses and damages, through strengthening adaptation and resilience-building. Other sources to augment the CLAWS Fund, such as the Joint SDG Fund, have also been brought up.

Conversely, amid concerns about the lack of sufficient resources under the FRLD, there is a need to identify other potential sources of support for developing countries and the most vulnerable communities and to ensure that these resources are used to address priority issues and areas. This Dialogue should improve the understanding of what counts as L&D-related financing, from the global to the sub-national levels.

Development of a L&D Action Plan

All previously-mentioned points would contribute to the undertaking of developing an inclusive, bottom-up, and country-owned programmatic approach on addressing L&D. This is necessary for the Philippines to identify how to enhance its system of assessing climate risks and vulnerabilities, amidst rising costs of L&D. This can be strengthened through having added knowledge and capacities on assessing the impacts of slow onset events and non-economic losses and damages.

The output of this approach must be the development of a National Loss and Damage Action Plan, which could be the equivalent for L&D what the NDC and the National Adaptation Plan are to mitigation and adaptation, respectively. It should also complement the current versions of the National Disaster Risk Reduction Management Plan and the National Climate Change Action Plan, while being reflected in corresponding local equivalents of these plans.

The development of an L&D Action Plan would require the strengthening of capacities of the Philippine government. As of this writing, the DENR engaged the United Nations Development Programme to undertake the scoping of the climate and disaster financing landscape and the formulation of a roadmap for the country to access the FRLD¹². These initiatives have resulted in the identification of the following gaps that could hinder the country's access:

- Insufficient capacity for estimating losses and damages;
- Poor availability and accessibility of data;
- Lack of interoperability across databases; and
- Dependence on externally-produced risk models.

¹² This is based on a presentation by the DENR during the event “Advancing CMIP6 Application to Build Coastal Resilience in the Philippines: Outputs, Lessons, and Opportunities from the Practitioner Inundation Scenarios Mapping (PRISM) Project” held in Quezon City on 5-7 March 2025.

Table 1. Summary of points of synergy between the Philippines’s engagements under the FRLD and the potential enactment of the CLIMA Bill.

Thematic area	Points of synergy
Access to funds	<ul style="list-style-type: none"> • The CLAWS Fund provides a clear primary entity designated to receive support secured from the FRLD. • How the FRLD determines the criteria and process for accessing funding would set an example for availing resources under the CLAWS Fund. • A direct community access modality under the CLAWS Fund can inform the FRLD about setting a similar mechanism.
Improving data management	<ul style="list-style-type: none"> • Improving the Philippines’s data collection and management system on losses and damages, especially on non-economic losses and damages and slow onset events, is aligned with current priorities as stated by the FRLD’s start-up phase and the CLIMA Bill.
Resource mobilization	<ul style="list-style-type: none"> • The outcomes of the 2025 Annual High-Level Dialogue on complementarity and coherence will inform the development of the FRLD long-term resource mobilization plan and situating the CLAWS Fund in the landscape of national and multilateral climate and disaster financing.
Development of an L&D Action Plan	<ul style="list-style-type: none"> • The formulation of an L&D Action Plan should be the basis of the Philippines’s engagements towards securing support under the FRLD and other entities under the UNFCCC’s L&D governance landscape; it would also influence the operationalization of the CLIMA Bill, in the event of its enactment.

RECOMMENDATIONS

The FRLD and the CLIMA Bill represent an opportunity for the Philippines to redefine L&D actions at the global and national levels. Through its current role as the FRLD Board host-member and the passage of said bill into law, it could set an example for other countries to follow, while also displaying its reassertion of its leadership on responding to the global challenges imposed by the climate crisis. Both are aligned with the national government’s strategy of projecting to the rest of the world the image of the Philippines not just as a country of resilient reactors, but a nation of initiators of change.

With the goals of enhancing the country’s approaches to averting, minimizing, and responding to L&D and steering millions of Filipinos towards a low-emissions, climate-resilient future where no one is left behind, this paper makes the following policy recommendations regarding the Philippines’s

engagements related to FRLD and the CLIMA Bill:

- ***The CLIMA Bill must be enacted into law by the Philippine government by the time of UNFCCC COP30 to be held on November 2025 in Belem, Brazil.*** Its enactment would create the CLAWS Fund, a national fund responding to claims of victims of climate-related impacts that would serve as the main designated entity to manage the country’s received support under the FRLD. The creation of this entity would also accelerate the readiness of the Philippines to access said funding mechanism, while demonstrating to the global community its willingness to back up its global calls for climate justice with domestic policies and actions and acknowledging the urgency of responding to the needs of its citizens.

Enacting this bill would also exhibit coherence with the ongoing updating of the NDC, which is likely to highlight the imperative of L&D in the national context, based on observations from recent multistakeholder engagements.

- ***The formulation of a National L&D Action Plan must be prioritized by the national government within the next two years***, as a response to the rising irreversible costs of the climate crisis, and aligned with the priorities of the FRLD. It must be developed through a multistakeholder approach, ensuring that the high-risk communities and local representatives are adequately represented and given opportunities for meaningful participation. This plan must include, the following components: data on country-specific climate vulnerabilities; issues, case studies, and proposed interventions related to non-economic losses and damages and slow onset events; estimated costs of L&D and addressing it, including non-economic losses and damages and slow onset events; concrete strategies for addressing existing L&D and avoiding or minimizing future L&D, with financing and monitoring plans; coherence with national policies and frameworks; and roles and responsibilities of all

stakeholders and sectors at the national and sub-national levels.

- ***More multistakeholder knowledge-sharing and capacity-building activities must be conducted to enable access to FRLD and effective potential implementation of the CLIMA Bill.*** These activities should be targeted at national and local decision-makers, climate adaptation, disaster risk reduction practitioners, civil society organizations, and local communities to ensure both “whole-of-government” and “whole-of-society” approaches are upheld, resulting in the strengthening of the Philippines’s overarching strategies against L&D.
- ***The definition of climate finance in the Philippine context must be updated under the CLIMA Bill.*** Under RA 10174, climate finance is defined as “resources that have been allocated or may be utilized towards the climate change adaptation and mitigation requirements of the country and its vulnerable communities”. However, this leaves L&D finance out of this concept. An updated definition must be included in the CLIMA Bill to reflect the significance of addressing L&D under the Philippine context of financing solutions against the climate crisis.

Aksyon Klima Pilipinas is the Philippines's leading civil society coordination network for climate action, aiming to build campaigning capacities and leadership among its partner communities, NGOs, and the academe on climate and environment-related policies and issues.

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