

How Social Protection Can Help the Fund for responding to Loss and Damage to Achieve its Goals: A Primer

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CONTENTS

ACKNOWLEDGMENTS	IV
ACRONYMS.....	V
EXECUTIVE SUMMARY	6
THE FUND.....	6
SOCIAL PROTECTION AND LOSS AND DAMAGE	7
THE WAY FORWARD.....	10
RECOMMENDATIONS.....	11
INTRODUCTION	13
THE DEVELOPMENT OF THE FUND FOR RESPONDING TO LOSS AND DAMAGE	13
ESTABLISHMENT OF THE FUND AT COP 28	14
THE CURRENT STATUS OF THE FUND	15
THE RESOURCES AVAILABLE.....	16
THE RELATIONSHIP BETWEEN SOCIAL PROTECTION AND LOSS AND DAMAGE.....	17
WHAT IS SOCIAL PROTECTION?.....	17
WHY IS SOCIAL PROTECTION RELEVANT FOR LOSS AND DAMAGE?	18
WHAT CAN SOCIAL PROTECTION CONTRIBUTE TO FRLD OBJECTIVES?.....	19
HOW CAN SOCIAL PROTECTION INSTRUMENTS BE USED TO RESPOND TO LOSS AND DAMAGE?	20
WHAT ARE THE CONSTRAINTS TO THE USE OF SOCIAL PROTECTION TO ADDRESS LOSS AND DAMAGE?	27
PREREQUISITES FOR USE OF SOCIAL PROTECTION	29
CONCLUSION: RATIONALE FOR USING SOCIAL PROTECTION AS AN INSTRUMENT TO DELIVER ON THE FRLD MANDATE	30
SOCIAL PROTECTION AS AN INSTRUMENT FOR REALISING FRLD OBJECTIVES.....	31
DISCUSSION OF OPTIONS FOR THE WAY FORWARD	31
HOW MIGHT THE FUND INTEGRATE SOCIAL PROTECTION	32
THE PROBLEM OF THE DEFINITION OF LOSS AND DAMAGE	33
CROSS SECTORAL COORDINATION AND STRATEGIC NATIONAL ACTION ...	33

THE PROBLEM OF RESOURCES	34
THE ROLE FOR SOCIAL PROTECTION	34
POTENTIAL ACTIONS FOR FURTHER EXPLORING THE ROLE OF SOCIAL PROTECTION WITHIN THE FRLD	36
RECOMMENDATIONS.....	37
ANNEXE 1: EXAMPLES OF SOCIAL PROTECTION INNOVATIONS OF RELEVANCE TO LOSS AND DAMAGE RESPONSES	39
Respond to rapid and slow onset shocks	39
Reconstruction/Rehabilitation	41
Forced or planned migration	42
Resettlement	43
REFERENCES	44

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The Social Protection Technical Advice, Assistance and Resources (STAAR) Facility is dedicated to expanding and improving the effectiveness of investments in crisis-responsive and gender responsive social protection. STAAR provides independent technical assistance, specialist advice, and bespoke resources to national governments, donors, multilaterals, and CSOs.

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ACRONYMS

ALMP	Active Labour Market Policies
AR	Auxílio Reconstrução
ASP	Adaptive Social Protection
BIM	Barbados Implementation Modalities
CARICOM	Caribbean Community
CCT	Conditional Cash Transfers
CMA	Conference of the Parties serving as the Meeting of the Parties to the Paris Agreement
COP	Conference of Parties
CROC	Climate Relocation of Communities
DRM	Disaster Risk Management
ECHO	European Civil Protection and Humanitarian Aid Operations
FORSUAS	Força de Proteção do SUAS
FRLD	Fund for responding to Loss and Damage
HSNP	Hunger Safety Net Programme
IMIS	Integrated Management Information System
LMIC	Low- and Middle-Income Countries
MARD	Ministry of Agriculture and Rural Development
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
NAPs	Nationally Determined Contributions
NDC	National Adaptation Plans
NGO	Nationally Determined Contributions
OCHA	United Nations Office for the Coordination of Humanitarian Affairs
PET	Programa de Empleo Tempora
PSNP	Productive Safety Net Programme
PWP	Public Works Programmes
RFM	Risk Financing Mechanism
SRSP	Shock-responsive Social Protection
UN	United Nations
WIM	Warsaw International Mechanism

EXECUTIVE SUMMARY

This primer was developed to inform an evidence-based approach to incorporating social protection into policy and financing discussions concerning loss and damage - the negative effects of climate change that occur despite mitigation and adaptation efforts - and to provide recommendations on how social protection might be used to contribute to the objectives of the newly created Fund for responding to Loss and Damage (FRLD). The paper outlines how social protection instruments can be utilised to respond to climate-induced loss and damage, drawing on recent experiences to illustrate how social protection mechanisms can be adapted to facilitate efficient and targeted, nationally led responses to loss and damage.

The paper gives a brief history of the development of the fund, and the ongoing process of institutionalisation, including the current start-up phase, (the Barbados Implementation Modalities or BIM), then explains what social protection is and how it is relevant to achieving the FRLD mandate, setting out how social protection can be used to address various aspects of loss and damage. Finally, the paper considers options for the way forward, based on interviews with loss and damage experts drawn from governments, international organisations and civil society, providing recommendations for the development of the fund, in terms of accommodating social protection in its financing portfolio, and also recommendations relating to the policy, programme design, operational and financing considerations that need to be addressed if social protection is to play an effective role in loss and damage response and that the fund may consider financing.

THE FUND

The [Fund for responding to Loss and Damage](#) was agreed at COP 27 in 2022, to address the 'urgent and growing needs of vulnerable communities in developing countries facing the irreversible impacts of climate change', by financing initiatives to help vulnerable communities recover from climate-related loss and damage resulting from both rapid and slow onset climate-induced crises, responding directly to country-specific needs and priorities, through solutions that are locally driven and contextually appropriate. The creation of the fund marked the culmination of three decades of negotiations surrounding the concept of loss and damage. While other funding mechanisms are relevant to aspects of averting, minimising, and addressing loss and damage, the FRLD is the only fund dedicated to responding to loss and damage due to climate change. It is expected to work closely with the [Santiago Network](#), a mechanism established at COP 25 in 2019 to identify and fund demand-driven technical assistance for addressing loss and damage.

The mandate of the fund, as set out in its Governing Instrument, is broad, encompassing both economic and non-economic losses, with a focus on addressing gaps in current funding. Funding principles established in the COP/CMA decision were that countries should have direct access to the fund and that the emphasis should be on bottom-up, country-owned approaches. Examples of interventions that can be financed through the fund include actions that complement humanitarian responses, address slow-onset changes, facilitate relocation, reconstruction, and recovery, and support climate data collection and the development of national response plans.

A board and a secretariat for the FRLD have been established, and by April 2025, the fund had received pledges of \$768.4 million, a modest amount compared to the estimated climate-related losses for 2025, which range between \$128 billion and \$937 billion.¹ Between 2025 and 2026, as part of its start-up phase, the fund aims to deliver a \$250 million tranche of funding, paid out in grants ranging from \$5 million to \$20 million, with at least half of the funds directed to the least developed countries and Small Island Developing States.² Modalities of fund operation are currently under development, along with the process for agreeing details of the scope of FRLD funding. During the 6th FRLD board meeting in July 2025, the board instructed the secretariat to consult on options for the implementation of the BIM, and decisions relating to the details of how funding will work are likely to continue evolving for some time.

SOCIAL PROTECTION AND LOSS AND DAMAGE

Social protection systems can be used strategically to deliver nationally owned and sustainable responses to the FRLD objectives, including responding to both rapid and slow-onset shocks, as an alternative or complement to short-term humanitarian actions, and contributing both directly and indirectly to intermediate or long-term recovery, reconstruction, rehabilitation, and resettlement. Social protection has been used to address these different challenges in a variety of contexts over recent years: providing income security when labour markets and livelihoods are disrupted, through the use of direct cash transfers; helping to both restore assets and provide wages through public works schemes; helping to rebuild livelihoods through active labour market policies that provide skills development and employment opportunities training; or by providing a mechanism for the delivery of larger one off grants or in kind support to support rehabilitation and resettlement.

Social protection systems are already increasingly being used to provide shock responses, in the form of Shock Responsive Social Protection. Their ability to rapidly deliver large-scale responses to new and existing beneficiaries at times of crisis was attested during the COVID-19 pandemic, when social protection systems were extended to provide enhanced income support and other benefits to a significantly expanded range of beneficiaries at speed.

Examples of social protection programmes being used to respond to rapid and slow onset shocks include:

- » The *Productive Safety Net Programme* (PSNP) in Ethiopia is one of the largest social protection programmes in sub-Saharan Africa. As well as providing ongoing social protection, it was designed to scale up quickly to accommodate an increased caseload, with a dedicated contingency budget to enable rapid implementation, in response to

¹ International Institute for Applied Systems Analysis (2024) [Understanding and quantifying the Loss and Damage policy space](#).

² Climate Analytics. (2025). Loss and Damage Fund gearing up to deliver early support.

slow-onset climate shocks such as drought and food insecurity, as an alternative to humanitarian interventions.³

- » In Brazil, the existing social protection system was used as the basis for a range of responses to the 2024 floods in the south of the country. The federal government response included: temporary extension of the *Bolsa Familia* programme to support additional families; the use of social protection systems to channel private donations; and the implementation of active labour market policies to incentivise companies to keep jobs open while reconstruction took place. In addition, the state government implemented an emergency flood response, the *Programa Volta Por Cima*, which used existing social protection data to rapidly provide additional support to affected families.⁴
- » The national Philippines social assistance programme, the *Pantawid Pamilyang Pilipino Program*, has been used repeatedly as a mechanism to deliver responses to rapid onset shocks, including after Typhoon Haiyan in 2013, when it was used to provide post-disaster relief, including the provision of additional cash transfers and in-kind assistance to existing beneficiaries.⁵

These examples illustrate that building upon existing social protection mechanisms, often set up to tackle non-climate related crises, provides an effective framework upon which the FRLD could deliver strong outcomes.

This experience suggests that social protection has the potential to be an effective mechanism for providing direct assistance to those who need it because of climate-induced loss and damage, offering efficiency benefits by enabling provision at scale and speed. At times of loss and damage, social protection differs from other forms of humanitarian, charitable, or external provision in that it utilises pre-existing national systems, is nationally owned, and is based on national priorities, offering a more sustainable solution than one-off, externally driven interventions. In this way, it is consistent with the FRLD principles of country-led, bottom-up responses.

While national social protection programmes have the potential to play a significant role in contributing to the FRLD agenda, there are challenges in the use of this modality to deliver loss and damage responses, namely: low coverage; the inadequacy of transfer levels; the lack of universal registries; the underdeveloped state of operational systems; and projectisation.

- » Although coverage has expanded rapidly over the last decade, only 52% of the world's population has access to any form of social protection⁶ and in the twenty most climate-vulnerable countries, 91% of the population has no access to any form of social protection.⁷

³ Slater R and Ulrichs, M. (2017) [How is social protection building resilience in Ethiopia? BRACED policy Brief](#). (1CP 28 Annex 1)

⁴ Tabaldi (2025) "Social Protection and Climate Disasters: Brazil's Responses to the 2024 Rio Grande do Sul Floods" University Maastricht, UNU Merit, working Paper series @2025-014; OBCOMP (2024) Overvatorio da comunicacao publica, Volta for CIMA, October 8, 2024

⁵ UNDP (2024) "Resilience in Action: Social Policies to Navigate Uncertainty in Latin America and the Caribbean Thematic Table 1: Adaptive Social Protection Systems for Vulnerable Populations. Technical Note". XVI Ministerial Forum for Development in Latin America and the Caribbean, Barbados, October 30 -31, and November 1. 2024

⁶ World Bank (2025) "State of Social Protection Report 2025: The 2-Billion-Person Challenge" World Bank, Washington, DC. <http://hdl.handle.net/10986/42842> License: CC BY 3.0 IGO."

⁷ ILO (2024) [World Social Protection Report, 2024-26](#).

- » The average value of social assistance transfers in low-income countries is just 11% of the income of poor households, limiting their income security benefits.⁸
- » Many countries do not have universal or interoperable registries with data on whole populations; most social protection registries only hold data on project beneficiaries, or a subset of the population already identified as vulnerable and potentially eligible for existing provision.
- » Systems that enable the operation of social protection (e.g. identification, registration, enrolment, delivery) are not fully developed in many countries, limiting the potential of programmes to deliver rapid response to scale in response to loss and damage challenges.
- » The adoption of a project-based, rather than systems approach to social protection programming in many contexts is also a potential constraint, as it can result in short-term interventions, often established by external agencies to support particular populations, rather than programmes with national reach that are part of a wider system of support.

To enable social protection to provide meaningful responses to loss and damage, policy, programme design, operational and financing measures need to be in place, which the FRLD could consider supporting to create effective national mechanisms for channelling and delivering loss and damage support to affected populations. The prerequisites for effective social protection responses relating to policy, programme design, operational systems and financing are:

- » Social protection *policy* needs to be informed by climate risk analysis and integrated with other key sectoral policies including climate, agricultural, water, and infrastructure policies, as well as humanitarian and DRM (Disaster Risk Management) policies, to align objectives, clarify mandates and priorities, and allocate responsibilities across actors and the development of associated operational protocols. This would also require integrating social protection policy into Nationally Determined Contributions (NDCs) and National Adaptation Plans (NAPs).
- » Social protection programme *design* also needs to be informed by climate risk analysis and include design components to deliver anticipated loss and damage responses, including potential for extension and scale-up in different scenarios. This would include identifying geographically vulnerable areas, potential beneficiaries, and selecting the appropriate instrument. It would also involve preplanning instrument design alterations to accommodate the impacts of loss and damage, as well as anticipating and accommodating anticipatory interventions when the provision of support in advance of known events could reduce adverse impacts.
- » Effective operational systems covering identification, enrolment, registration, payment, delivery, monitoring, and grievances are necessary. These should have pre-planned capacity for extension and operational flexibility to accommodate a range of loss and damage scenarios.
- » Innovative and rapid processes for resource mobilisation are critical for effective responses, including pre-agreed contingency financing agreements, linked to triggers and early warning systems.

⁸ World Bank (2025) "State of Social Protection Report 2025: The 2-Billion-Person Challenge" World Bank, Washington, DC. <http://hdl.handle.net/10986/42842> License: CC BY 3.0 IGO."

THE WAY FORWARD

Interviews with twenty-three experts, drawn from governments, international organisations, and civil society, resulted in a set of suggestions for the way forward in terms of how the FRLD might integrate social protection to better deliver on its mandate. These include:

Social protection mechanisms can provide an effective way to deliver help to those affected by loss and damage, although they will need to increase in scope and size of transfers to do so. While the fund is seen as being focused on responding to loss and damage, this should not preclude the use of anticipatory action where this is cost-effective and reduces suffering. Supporting national efforts to establish social protection systems, with the help of the Santiago Network, could be an effective way to encourage and enable the effective use of other funding arrangements.

Seeking a precise definition of loss and damage to guide funding decisions is unlikely to be productive and may run counter to the aim for the fund to be country-led and respond to national needs. An alternative approach would be to base funding decisions on a framework that allows countries to outline their own needs, objectives, and methods, which could, in turn, help evolve better criteria for funding and action.

The fund should support and enable nationally led initiatives. It should avoid project-based funding and instead invest in building national programmes and policies to enable ongoing future responses to loss and damage.

Given the limited funds available in the start-up period, the fund should seek to invest strategically in the development of mechanisms that can deliver resources directly to affected populations and help to build national systems that can serve as a channel for the effective use of additional funding sources. Social protection systems can provide a proven and effective mechanism for channelling resources efficiently and with demonstrable impact as part of a start-up phase.

The ability of social protection to contribute to a response to loss and damage requires systems to be in place in advance of the loss and damage occurring, and the establishment of policies and procedures that will enable the rapid expansion of coverage, as well as revisions to instrument design and the level of transfer. Support for social protection policy and systems development, potentially building on systems set up for non-climate related responses, to enable future responses to loss and damage could be a highly cost-effective intervention for the fund, working in concert with the Santiago Network.

RECOMMENDATIONS

The recommendations from the report are set out here, in two parts: those relating to the development of the FRLD modalities and priorities relating to social protection as a means to respond to loss and damage; and those relating to the priority investments in social protection systems that are required if they are to be used to deliver efficient loss and damage responses at scale, addressing both immediate and longer term rehabilitation, and resettlement needs which the FRLD may consider financing.

Recommendations for the FRLD development relating to the inclusion of social protection

Given the proven efficacy of social protection systems to deliver help directly to those who need it, the FRLD could:

- » Promote discussion on options to promote the use of social protection to respond to loss and damage, with the G20, V20 and the Cartagena Dialogue.
- » Ensure that technical support on the design and use of social protection to respond to loss and damage is available.
- » Consult, in partnership with the Santiago Network, with parties and subject experts to inform funding criteria and needs for technical assistance.
- » Explore, in partnership with the Santiago Network, country options for enabling existing social protection systems to provide loss and damage responses, potentially including technical options for peer-to-peer learning.
- » Consider funding the provision of social protection payments based on pre-agreed triggers in anticipation of loss and damage impacts to accelerate response times and positive outcomes, including when loss and damage and/or the need for relocation can be quantified in advance.
- » Not seek a precise definition of what social protection interventions are eligible for loss and damage finance, but instead base decisions on national priorities in terms of needs and desired outcomes.
- » Set up working protocols for collaboration with humanitarian actors, ensuring that both funding streams and programming are complementary, and, where possible, based on supporting national systems.

The FRLD will have to make decisions across a wide range of circumstances and choose how to use its limited funds best. The FRLD could:

- » Use funds strategically to facilitate contributions from other funding sources, for example, strengthening existing social protection systems and investing in establishing the loss and damage response capacity.
- » Avoid prescriptiveness in the identification and application of pre-defined indicators in setting funding criteria and instead use a decision process that empowers countries to define needs and objectives in a narrative that defines needs, impacts, and the efficiency of fund use, while still ensuring adequate impact reporting.
- » Ensure financing flows to social protection, considering the need for extended provision to facilitate livelihood changes or resettlement.

Recommendations for priority funding to develop social protection loss and damage response capacity

Priority actions to support social protection loss and damage response capacity for which FRLD support could be made available.

Effectiveness and scale

- » Establishing registries and core social protection operational systems in advance of loss and damage. This is essential to enable the efficiency of the response offered by social protection schemes.
- » Putting in place policies and procedures to enable the expansion and adaptation of regular social protection systems to enable effective loss and damage response capacity, to include climate risk-informed planning with the potential to accommodate loss and damage affected populations at a scale, and providing a level of assistance that is commensurate with needs.

Integrated programming

- » Formally integrating social protection systems-based responses into national loss and damage planning (including in NDCs and NAPs), incorporating provision for responses to both rapid and slow onset shocks, as well as rehabilitation and resettlement, and ensuring cross-sectoral approaches, integration with humanitarian responses, and avoiding projectized approaches.

Policy and Programme design

- » Supporting the development of climate risk-informed policies and systems for social protection that include loss and damage response plans, including the preplanning of direct transfers to affected populations to enable them to rebuild, recover or move.
- » Developing triggers, operational plans, and pre-arranged financing for anticipatory action to reduce impacts and increase efficiencies.

INTRODUCTION

This primer was developed to inform an evidence-based approach to understanding the role of social protection in policy and financing discussions around Loss and Damage - the negative effects of climate change that occur despite mitigation and adaptation efforts - and to provide recommendations on how social protection might contribute to the objective of the newly created Fund for responding to Loss and Damage (FRLD). The paper comprises three parts:

1. **Background on the FRLD** – including the history of the Fund's development and its status, informing social protection actors on the process for developing the fund.
2. **Explores how social protection can contribute to the FRLD mandate** -sets out the rationale for including social protection as a fundable intervention under the FRLD, drawing on evidence from recent literature to explore social protection's actual and potential role in addressing loss and damage challenges and the objectives of the fund, to enable informed consideration of the value of formally including social protection within the FRLD mandate by loss and damage actors;
3. **Options for the way forward** - outlines options and recommendations for effectively integrating social protection into FRLD programming, drawing on the material presented in parts one and two and informed by a series of interviews with twenty-three experts from developing country governments, international organisations, and civil society.

THE DEVELOPMENT OF THE FRLD

The Fund for responding to Loss and Damage (FRLD) was agreed at COP in 27 in 2022, to address the 'urgent and growing needs of vulnerable communities in developing countries facing the irreversible impacts of climate change', by financing initiatives to help vulnerable communities recover from climate-related losses and damage resulting from both rapid and slow onset climate-induced crises, responding directly to country-specific needs and priorities, through solutions that are locally driven and contextually appropriate. The creation of the fund marked the culmination of three decades of negotiations surrounding the concept of loss and damage, outlined below ([Falzon, 2023](#)).

The origin of the fund was rooted in discussions on the founding of the climate convention in 1992, when the proposal to create a fund to be paid into by wealthy countries to compensate affected regions for damage due to sea level rise was first made. However, progress has been slow due to reluctance on the part of developed countries to fully support such an initiative as the liabilities that this implies are significant – while climate impacts are complex and attribution is hard, conservative estimates put the annual cost of loss and damage at \$150-\$300 billion per annum by 2030, in terms of just immediate impacts and reconstruction costs, without taking into consideration the cost of 'lost development' ([Songwe, 2022](#)), costs that are expected to rise with every increment of additional warming as loss and damage impacts increase ([IPCC, 2022](#)). These potentially vast financial liabilities for compensation due to damage from climate change, combined with the difficulty of assessing the damage, have led the developed world to resist calls for the application of the polluter pays principle. In recent years this has been further complicated by the fact that

in the UNFCCC negotiations, the identification of countries obligated to provide financial assistance to developing countries is based on membership of the OECD, but excludes economies that were in transition in 1992, and fails to reflect the significant changes in several countries in terms of both wealth and contributions to greenhouse gases since this time.

It was not until 2013 that the first practical steps were taken to address loss and damage, with the creation of the Warsaw International Mechanism (WIM) (UNFCCC, 2025) – a knowledge producing and coordination initiative with the mandate of ‘enhancing action and support, including finance, technology and capacity building’ (emphasis added), to respond to loss and damage. In 2015, the Paris Agreement (UNFCCC, 2025) formally recognised the importance of ‘averting, minimising and addressing’ loss and damage and called on signatories to ‘enhance understanding, action and support’ to take forward action on loss and damage. The agreement explicitly noted, however, that this did not imply any recognition of liability or compensation for loss and damage, reflecting developed countries’ concern about the financial implications of such a liability.

It was COP 26 in 2021 that finally saw significant progress in addressing loss and damage, as the Glasgow Agreement paved the way for the allocation of specific funds for loss and damage to be distributed through the Santiago Network.⁹ A knowledge-sharing mechanism established at COP 25 in 2019, whose advisory board began work in 2024 and which is mandated to facilitate access to the knowledge, resources, and technical assistance needed to address climate risks comprehensively. Member states also agreed to explore funding options for loss and damage. At COP 27 in 2022, a decision was finally taken to establish a new fund to address loss and damage. This included a commitment to the mobilisation of ‘new and additional sources’ (COP decision 2/CP27), recognising that although funding already existed for adaptation, disaster preparedness, and response, which could assist in averting, minimising, and addressing loss and damage (Transitional Committee, 2023). There was no dedicated fund for loss and damage specifically, and significant funding gaps hindered the effectiveness of interventions in this area.

ESTABLISHMENT OF THE FUND AT COP 28

The Fund for responding to Loss and Damage (FRLD) was formally established at COP 28 in 2023 (COP decision (1/CP/28)). It was agreed that the developed countries should take the lead in providing funds, with other entities encouraged to contribute on a voluntary basis. The fund is governed by a board of twenty-six members from Parties to the Convention and the Paris Agreement, comprising twelve members from developed countries and fourteen from developing countries, and has a dedicated secretariat. Non-state actors can also contribute to and be consulted during board meetings. The mandate of the fund is broad, including responses to both economic and non-economic losses, with a focus on filling gaps in current funding. Examples of interventions that can be financed include actions complementary to humanitarian responses, addressing slow-onset changes, relocation,

⁹ Established in 2019 at COP 25, the Santiago Network is a knowledge-sharing mechanism to catalyse technical assistance, see UNFCCC [The Santiago Network](#). See also: UNDRR (2025) [The Santiago Network](#)

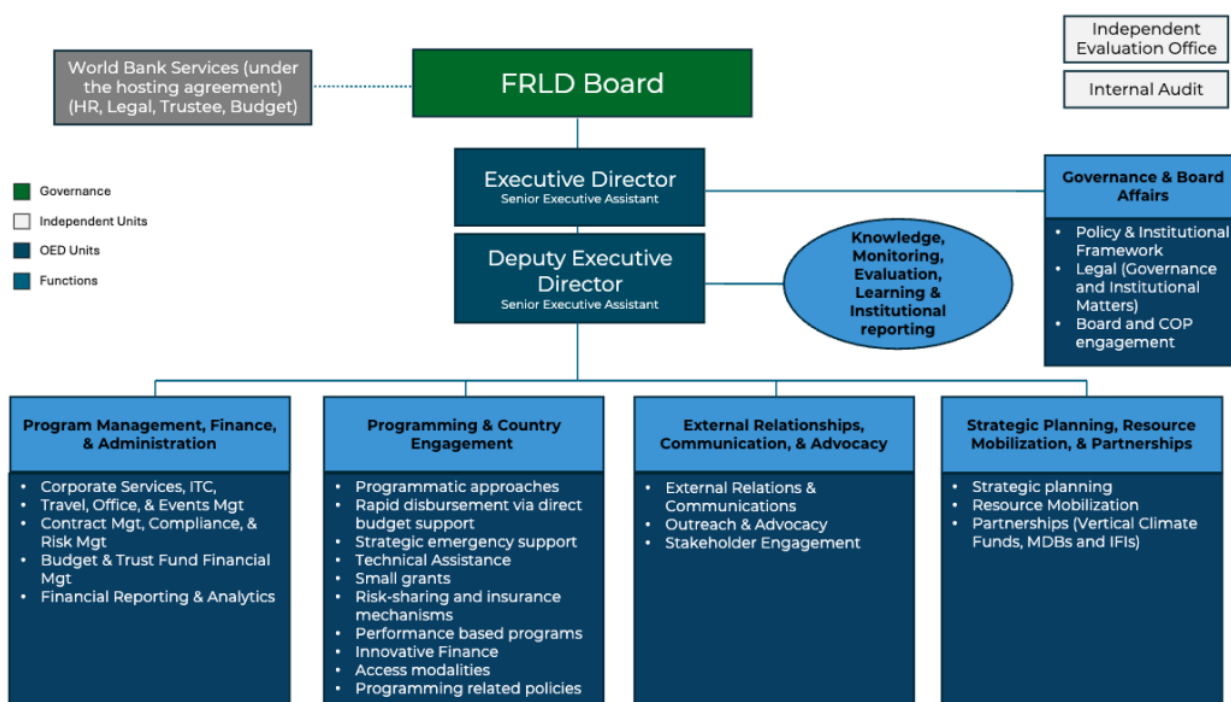
reconstruction, and recovery, as well as assisting with climate data collection and building national response plans (UNFCCC, 2023).

The World Bank was appointed as the fund trustee for an initial four years, holding and administering the fund. This decision was made to use existing procedures and standards to expedite the operationalisation of the fund. The COP decision explicitly noted, however, that while the Bank is responsible for holding the funds, the governing instrument of the fund would supersede Bank policies. The World Bank's choice as trustee was not welcomed by all, especially developing countries, which were concerned that the Bank's procedures might slow down funding processes or restrict funding to organisations already accredited by the Bank. Many would prefer the fund to break with previous financing mechanisms, extend the range of implementing agencies and provide countries with easy-to-access direct funding.

THE CURRENT STATUS OF THE FUND

In the first two years following the announcement of FRLD, Board meetings primarily focused on administrative matters. In 2025, an Executive Director was appointed, and a secretariat was established (UNFCCC, 2024). The secretariat functions were defined in April 2025 at the 5th board meeting and cover the following areas: programme management, finance and administration; programming and country engagement; external relationships, communications, and advocacy; and strategic planning, resource mobilisation, and partnerships.

Figure 1 The Structure of the Board and Secretariat. Source: Presentation at Board 5. Source: Reproduced by the Loss and Damage Coalition.



Abbreviations: COP = Conference of the Parties, IFI = international financial institution, MDB = multilateral development bank.

Additionally, in April 2025, it was agreed to initiate the start-up phase of the fund, referred to as **BIM**, which focuses on supporting country-led, bottom-up national responses to loss and damage (FRLD, 2025). As part of the start-up phase, the aim is to deliver an initial \$250 million tranche of funding between 2025 and 2026, paid out in grants ranging from \$5 million to \$20 million, with at least half of the funds allocated to the least developed countries and Small Island Developing States. The amount of money to be made available was to be reviewed at the April 2026 board meeting.

A detailed work programme to achieve the BIM objectives was also initiated in April 2025, with the secretariat mandated to deliver the following key operational deliverables:

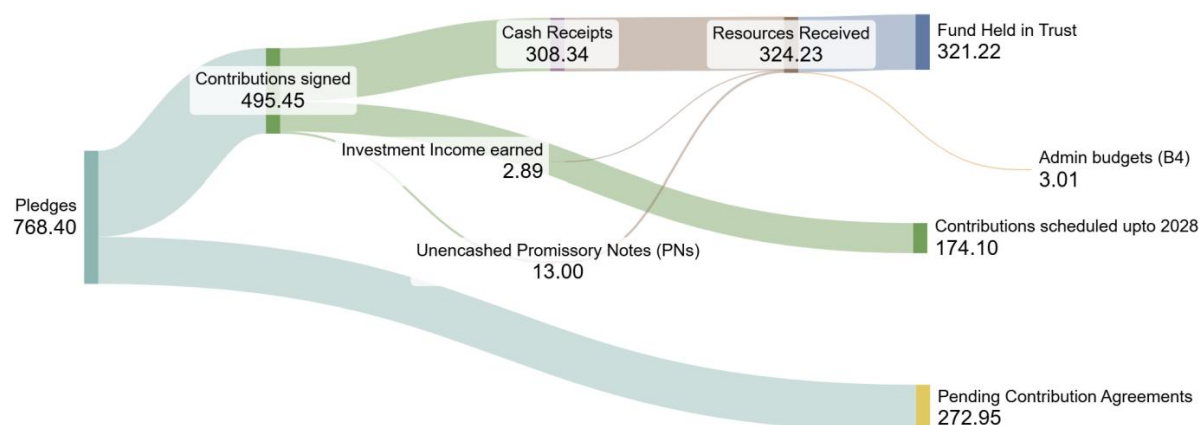
- » Funding criteria and an initial results management framework
- » Terms of reference for a call for proposals/funding requests
- » Modalities to operationalise access to entities already accredited to other climate funds
- » Criteria for developing a partnership with organisations other than those that may provide funds for loss and damage (e.g. national organisations, banks, UN (United Nations), ALMP (Active Labour Market Policies agencies)
- » Draft guidelines for the designation of a national authority or focal point
- » Guidance on how collaboration with the Santiago Network will serve to provide technical assistance, and
- » A proposal for access to the fund via direct budget support

While **funding principles were established in the COP/CMA decision**, namely that countries should have direct access to the fund and that the emphasis should be on bottom-up, country-owned approaches, the process for agreeing on what the FRLD will fund will be informed by the submissions of the secretariat. During the 6th meeting in July 2025, the board instructed the secretariat to consult on options for the implementation of BIM and decisions relating to the details of how funding will work are likely to continue evolving for some time.

THE RESOURCES AVAILABLE

As of April 2025, the fund had received pledges of \$768.4 million, of which \$321 million had been received (see Figure 2).

Figure 2 Fund for responding to Loss and Damage - Resources as of April 2025 in USD. Source: Daily Policy update for the Fifth Meeting of the Board of the Fund for responding to Loss and Damage - Loss and Damage Coalition April 2025



Currently, available funding falls far short of the resources needed. Estimates for residual losses for 2025 alone range from \$128 to \$937 billion (International Institute for Applied Systems Analysis, 2024), and this figure is expected to increase in future years as warming continues. Unless significant additional funding is mobilised, action on loss and damage is likely to be severely constrained, meaning that available resources will need to be allocated strategically if they are to have a significant impact. A resource mobilisation strategy is planned for presentation at the seventh board meeting in late 2025.

THE RELATIONSHIP BETWEEN SOCIAL PROTECTION AND LOSS AND DAMAGE

This section describes the potential role of social protection in contributing to the mandate of the FRLD in terms of ‘addressing a variety of challenges associated with the adverse effects of climate change [...] and the need for climate-resilient reconstruction and recovery’ (UNFCCC, 2023). It explains what social protection is, and how existing systems can be used strategically to deliver nationally owned responses to the FRLD objectives, including: responding to rapid and slow onset shocks, as an alternative or complement to short-term humanitarian actions; and contributing directly to intermediate or long-term recovery, reconstruction, rehabilitation, and resettlement. The primer provides examples of how social protection has been used to address these different challenges in various contexts over recent years, illustrating the relevance of social protection to organisations in addressing the loss and damage challenge. It also describes the inputs required to support the development of nationally designed and owned social protection systems with the capacity to meet national priority needs in relation to loss and damage. Further information on various social protection innovations relevant to the objectives of the FRLD is provided in Annexe 1.

WHAT IS SOCIAL PROTECTION?

The term **social protection** refers to national systems that provide support to protect people against poverty throughout their lives, contributing to income security for individuals in chronic poverty and those facing individual lifecycle challenges (including ill health, maternity, old age, childhood, and unemployment) or external shocks.

There are three main types of social protection: social assistance, social insurance, and active labour market policies ALMP (see Table 1). Social assistance takes the form of state-funded cash or in-kind transfers, fee waivers, and subsidies provided to support priority demographic groups (including children, the elderly, the unemployed, and people with disabilities). Typically, those of working age are not included in the priority groups identified for social assistance. These payments are made without requiring any prior contribution from recipients and are sometimes conditional on the recipient performing specified activities, such as attending a clinic or school. The state also finances social insurance, but it includes a contributory component, meaning that it is only available to those

who have previously paid into national schemes, such as pension or unemployment benefit programmes. State-subsidised crop insurance is sometimes also considered to be a form of social insurance. The third type of social protection is ALMP, a range of interventions that promote employment, through skills training, job search support, employment subsidies and direct employment through state-sponsored public works programmes (PWP).

Table 1 Categories of Social Protection

Social assistance	Cash and in-kind transfers for specific groups (e.g. children, the elderly, the unemployed, people with disabilities), taking the form of grants, fee waivers, provision of food, and subsidies. These payments are made without requiring any prior contribution from the recipient.
Social insurance	Transfers that are contingent on prior contributions from the recipient, such as old-age pensions, contributory unemployment benefits, and sickness benefits.
Labour market policies	Skills training, job search services, employment subsidies, and direct employment creation programmes (public works).

The function of all these interventions is to provide income security in the face of individual lifecycle challenges or collective shocks and stressors that disrupt market-based employment or other livelihood activities. Social protection differs from other forms of short-term or charitable cash transfer provision in that it is based on priorities outlined in national policies and provides support that is predictable, regular, and ongoing, often grounded in national legislation.

WHY IS SOCIAL PROTECTION RELEVANT FOR LOSS AND DAMAGE?

In addition to responding to lifecycle challenges and external shocks, existing national social protection systems also have the potential to deliver loss and damage responses in a way that is nationally owned and sustainable, offering a low-cost alternative or complement to humanitarian responses. In addition to being a medium for providing income security in contexts of slow or rapid onset shocks, components of established social protection systems - such as registries and delivery systems – can also be used for delivering ongoing income support to affected communities during reconstruction, rehabilitation and resettlement, as well as and being a conduit for the targeting and delivery of other interventions such as large lump sum transfers or in kind support.

Over the last decade, national governments and development partners have innovated in the use of social protection to deliver emergency responses and invested in developing the capacity of social protection systems to respond to emergencies in a wide range of contexts, as an alternative or complement to humanitarian interventions and often referred to as ‘shock responsive’ or ‘adaptive’ social protection

(SRSP and ASP). Social protection systems were also extensively used to deliver support during the COVID-19 pandemic: existing systems were expanded to reach new beneficiaries; the level of transfers was increased for existing beneficiaries to help them meet increased costs; and operational systems were utilised to target and deliver new forms of support and promote recovery (Bastagli, 2021). These experiences are relevant to responding to loss and damage and can inform the delivery of loss and damage interventions, offering efficiency benefits by enabling provision at scale and at speed (see Annexe 1 for examples and links to relevant projects).

Social protection has also started to play a role in climate resilience, adaptation, and mitigation responses in recent years. Its relevance in climate programming was recognised in the most recent report of the Intergovernmental Panel on Climate Change, and it is increasingly being included as a formal component of NDCs and NAPs (USP, 2030). The potential for using social protection systems as a basis for loss and damage responses has also been identified by the major multi and bilateral development agencies, including the ILO, World Bank, FAO and civil society institutions working on climate responses (World Bank, 2025) (USP 2030, 2025), although knowledge about its potential role in this area is less well diffused. This primer is intended to address this deficit.

WHAT CAN SOCIAL PROTECTION CONTRIBUTE TO FRLD OBJECTIVES?

There are three main ways that social protection is relevant to loss and damage responses and the FRLD mandate: contributing to income security after an impact, restoring damaged assets (private or public), and supporting individual recovery.

Income security

Social protection can contribute to income security when livelihoods and labour markets are disrupted due to loss and damage, either by directly providing cash (through social assistance or social insurance programmes) or by promoting access to wage income (through active labour market programmes).

Asset restoration/creation

Public works programmes can be used to rehabilitate and rebuild damaged infrastructural and ecosystem assets on which employment and livelihoods depend, or to create new infrastructure that can contribute to alternative livelihoods.

Individual recovery promotion

Additional components, such as one-off cash payments or in-kind support, can be added to existing social protection programmes or extended to populations using social protection registries and delivery mechanisms. This enables individuals to meet the additional costs of rehabilitation or resettlement and helps restore their livelihoods.

HOW CAN SOCIAL PROTECTION INSTRUMENTS BE USED TO RESPOND TO LOSS AND DAMAGE?

The scope of the FRLD, as set out in its governing instrument ([UNFCCC, 2023](#)) is to address “a variety of challenges associated with the adverse effects of climate change, such as climate-related emergencies, sea level rise, displacement, relocation, migration, [...], and the need for climate-resilient reconstruction and recovery”. To promote income security, asset restoration, and individual recovery, social protection systems can be utilised to respond to the impacts of loss and damage, and to address both rapid-onset and slow-onset shocks and reconstruction and resettlement. The deployment of social protection instruments in each of these contexts is described below, along with recent examples.

Rapid Onset Shocks

Social protection can be utilised to provide income security in the context of rapid-onset shocks. In recent years, the use of social protection systems to provide this kind of support has increased significantly. This has either taken the form of scaling up direct transfer provision through the extension of existing programmes or facilitating humanitarian provision using existing social protection programme design and operational systems for targeting, delivery, and governance, rather than through separate and parallel systems. The benefit of integrating social protection and humanitarian responses in this way has become increasingly clear in terms of cost efficiencies, national ownership, and sustainability. There is now an extensive literature on linking social protection and humanitarian programming to realise these benefits.¹⁰

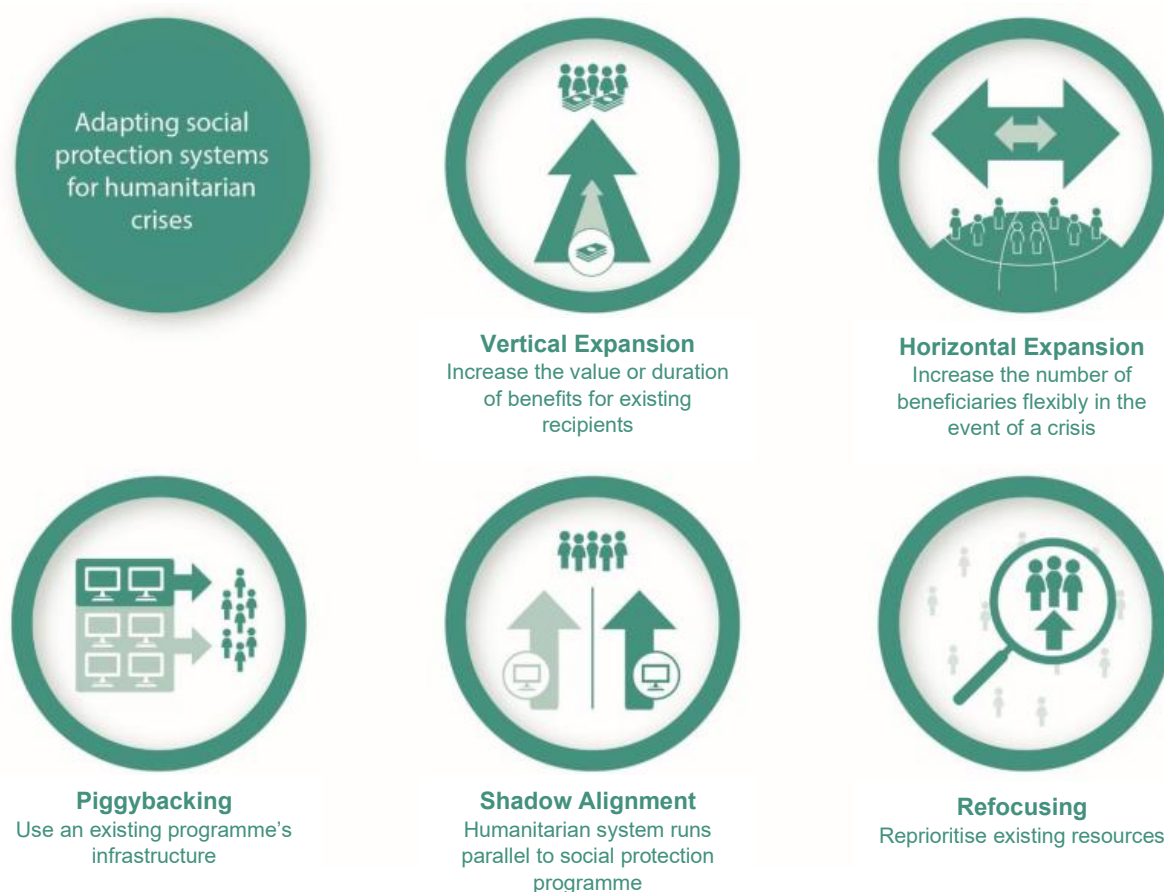
The development of SRSP, which enhances the capacity of social protection systems to respond to shocks, is promoted by many donors and UN agencies as an alternative or complement to humanitarian provision, and is particularly relevant in terms of loss and damage responses ([O’Brien, 2018](#)). The term ‘Adaptive Social Protection (ASP)’ is used by some agencies, including the World Bank, to describe a similar approach in which social protection systems are designed to accommodate shock response capacity, with potential to scale up rapidly during times of crisis, expanding both beneficiary numbers and transfer values ([Bowen, 2020](#)). In terms of delivering on the loss and damage agenda, SRSP and ASP may be considered synonymous; in this primer, the term SRSP is used to encompass both. Where shocks have ongoing impacts on livelihoods and poverty, for example, after severe cyclone damage, medium to long-term provision through national social protection systems may be particularly appropriate, rather than short-term humanitarian support.

However, for existing social protection systems, which are designed to address lifecycle challenges and respond effectively to external shocks, some adaptation is needed. In the social protection literature the main types of adaptation required for shock responsive social protection are summarised as: ‘design tweaks’ – adjusting the design of existing instruments; ‘piggybacking’ – using the infrastructure of an existing programme to

¹⁰ See for example EC, 2019 and SPIAC-B 2025 which sets out a set of principles for linking Humanitarian Assistance and Social Protection which provide a common framework for better supporting affected populations.

deliver new interventions; vertical expansion – temporarily increasing the value or duration of benefits for existing recipients; horizontal expansion – temporarily increasing the number of recipients in an existing programme; and alignment – aligning new interventions with the design of current or planned interventions,¹¹ as illustrated in Figure 3.

Figure 3 Shock Responsive Social Protection Adaptation Types. Source: O'Brien et al. (2018).



Examples of these five ways that social protection can be adapted to provide shock responses are outlined in Table 2 on the following page.

¹¹ O'Brien, C., Holmes, R., Scott, Z., & Barca, V. (2018). *Shock-responsive social protection systems toolkit*. Oxford Policy Management (OPM).

Table 2 Social Protection and the Delivery of Shock Responses.

	Adaptation	Detail	Examples
Design tweaks	Temporary modification of programme design to facilitate programme implementation, and in line with needs.	<p>Reduce the pension age or the minimum contribution requirement.</p> <p>Suspend cash transfer conditionality requirements.</p> <p>Introduce self-registration to expedite scheme enrolment.</p> <p>Revise geographical focus to affected areas.</p>	<p>Social insurance eligibility age and mandatory contribution periods have been reduced to extend coverage in response to reduced employment in high-emission sectors in China (van der Ree, 2019)</p> <p>In Peru's <i>Juntos</i> programme, health and education-related co-responsibilities were suspended due to school and health service closures (Lowe et al, 2021).</p> <p>Timeline and geographical distribution of a recently approved social protection programme in South Sudan revised during COVID to enable more rapid and intensive urban rollout (Roelen et al, 2021)</p>
Piggybacking	Use existing social protection operational systems and/or programmes to deliver additional interventions.	<p>Utilise social protection registries and operational systems as a means for rapid and coordinated beneficiary identification and the delivery of additional state or external programmes.</p> <p>Add additional benefits such as lump sum/asset provision or agricultural extension services.</p> <p>to social protection recipients (often described as 'cash plus')</p>	<p>The emergency flood response <i>Programa Volta Por Cima (PVPC)</i> in Brazil used existing social protection data systems as the basis for targeting an emergency response (Tabaldi, 2025, see box 1).</p> <p>An emergency transfer was made using existing social protection registries in Sri Lanka during COVID-19, reaching existing beneficiaries of the Samurdhi and Social Cash Transfer schemes; those on Social Cash Transfer waiting lists (nearly 200,000 people); and 600,000 households registered on the Samurdhi database who were not eligible as beneficiaries. (Lowe et al, 2021).</p> <p>During the COVID-19 pandemic in Peru, the Bono Independiente caseload was drawn from the social registry, targeting households that worked entirely in the informal sector, excluding those considered 'non-poor' (Lowe et al., 2021).</p>
Vertical expansion	Increase the value of the transfer to accommodate shock-related needs.	Add a supplementary transfer to accommodate the impacts of a shock	<p>Additional emergency payments made to existing beneficiaries during COVID-19 in the <i>Familias en Acción</i>, <i>Jovenes en Acción</i> and <i>Adulto Mayor</i> schemes in Colombia (Roelen et al, 2021)</p> <p>Top-up payments were provided during COVID-19 for beneficiaries of social pensions, <i>PM-Kisan</i>, and <i>PM-Ujjwala</i> in India. (Roelen et al, 2021)</p>
Horizontal expansion	Increase the number of recipients to include those affected by loss and damage.	<p>Include those on the waiting list who meet existing criteria.</p> <p>Revise poverty line eligibility criteria to admit additional households.</p> <p>Adopt geographical targeting in place of poverty targeting.</p>	MGNREGA (Mahatma Gandhi National Rural Employment Guarantee Act) public works programme in India doubled the number of workdays created during Covid to accommodate those returning to rural areas (Shukla, 2021).
Alignment	Align additional interventions with existing social protection design norms to avoid duplication, dysfunction, and tensions.	Ensure additional interventions are consistent (e.g. in terms of eligibility criteria, transfer values or frequency)	In the short term emergency <i>Cadre Commun</i> transfer provided by NGOs and financed by ECHO in Mali in 2014, the transfer level was set at that of the national was set at the value of the of the government <i>Jigisèmèjiri</i> cash transfer programme and disbursed with the same frequency, so beneficiaries could subsequently be transferred into the <i>Jigisèmèjiri</i> programme, and to prevent a mismatch between those receiving government and humanitarian support (O'Brien, 2018)

The federal and state-level responses to the floods in Brazil in 2024 illustrate how an existing social protection system was adapted to deliver a shock response, as outlined in Box 1 below.



Borba, J (2019)

BOX 1: SOCIAL PROTECTION AS A RESPONSE TO THE 2024 FLOODS IN BRAZIL

Major flooding in Brazil in 2024 led to significant innovations in the integration of social protection into the emergency response, and the response made use of both existing social protection programmes and the creation of new ones, providing examples of piggybacking and horizontal and vertical expansion.

At the state level, the emergency *Programa Volta Por Cima* was implemented. The *PVPC* concept had been developed as an emergency response the previous year and was devised based on climate disaster exposure data. It provided a single payment of R\$2,500 (US\$450) to households already enrolled in the single registry who were rendered homeless by the flood, leveraging existing social protection data systems to enable a rapid response and provide additional support to those already enrolled in flood-affected areas.

The federal government response to the floods entailed both tweaks to ongoing social protection programmes including the *Bolsa família*, which expanded to support an additional 68,000 families, and also the introduction of a new programme, the *Auxílio Reconstrução* (AR), to support families directly impacted by the floods, and new active labour market policies, which incentivised national companies to keep jobs open for 100,000 affected workers for a 4 month period while reconstruction took place. Social protection systems were also used to channel private donations to an additional 37,000 families included in the national registry, who were affected but not eligible for state support as their household income was above the cut-off, in an example of piggybacking.

The flood crisis highlighted the need for future preplanning in terms of institutions and policies. As a result, later in 2024, a national rapid-response team within the social assistance system (SUAS) was created to provide immediate aid in emergencies and disasters across the country (the *Força de Proteção do SUAS*, (FORSUAS)), together with a Permanent Committee for Responses through Social Protection in Calamities and Emergencies. The Ministry for Social Development was allocated explicit functions and goals in the national climate plan.

Sources: Tabaldi, 2025; OBCOMP, 2024

There are many other examples of the use of social protection programmes to respond to rapid-onset shocks. The national Philippines social assistance programme, the *Pantawid Pamilyang Pilipino Program* (4Ps), that provides cash transfers to low-income households, has repeatedly been used as a mechanism for the delivery of cash and in-kind post-disaster support, including after Typhoon Haiyan in 2013 (UNDP, 2024) (vertical expansion and piggybacking). A large number of existing public works and cash transfer programmes were extended during the Covid-19 pandemic, and many new programmes were introduced by piggybacking on existing programmes to extend income security to those whose livelihoods were disrupted (Bastagli, 2021). Many new programmes were introduced to include those previously excluded from the provision, such as the urban poor and the working-age population, which piggybacked on existing operational systems to become operational rapidly (Bastagli, 2021). Another notable pandemic example is *MGNREGA Public Works Programme* in India, which doubled the number of person days or work created, compared to 2019, at the peak of the Covid crisis in 2020, in response to the

increase in demand for work in rural areas from those returning to their home areas after urban employment opportunities were terminated, an example of horizontal expansion (Shukla, 2021).

In some instances, social protection responses to rapid (and slow) onset shocks can be anticipatory – utilising early warning systems, prepositioning of finances, and preplanning service extension before a predicted shock, with payments triggered once a predefined threshold is met. This may reduce impacts and lower the cost of the response, offering a relevant approach for some loss and damage contingencies (Cabot Venton, 2020).

Slow Onset Shocks

Social protection has also been used increasingly over the last decade as a cost-effective and nationally owned alternative to humanitarian responses to slow-onset shocks. Well established examples of this kind of programme include the *Productive Safety Net Programme (PSNP)* in Ethiopia, a social protection system that was designed to flex in order to provide extended emergency support in response to drought and food insecurity, as an alternative to repeated ad hoc humanitarian interventions, and the smaller *Hunger Safety Nets Programme (HSNP)* in Kenya, see box 2.



DAI (2013)

BOX 2: SOCIAL PROTECTION AS A RESPONSE TO SLOW ONSET CRISES IN ETHIOPIA AND KENYA

Ethiopia's *Productive Safety Net Programme* was launched in 2005, is one of the largest social protection programmes in sub-Saharan Africa and was designed to provide regular, predictable cash or food transfers to vulnerable households during periods of food insecurity. The programme includes a public works component that creates assets relating to soil and water conservation, irrigation development, road construction, and other infrastructure, as well as a cash transfer component for households lacking labour capacity. During periods of drought, the PSNP is designed to scale up quickly to accommodate an increased caseload and has the capacity to allow for both vertical expansion (increasing the value of transfers) and horizontal expansion (increasing the number of beneficiaries), depending on need.

The PSNP has two mechanisms to finance this scaling up. One is the use of contingency funds, initially held at local, state and national level, that comprise around 20% of the total budget, - although this is frequently used to cover the permanent caseload of people facing chronic food shortages, rather than an emergency caseload facing transitory - and a Risk Financing Mechanism (RFM) established in 2011 to pre-position financial resources and establish mechanisms to trigger a scale-up of the PSNP in the case of a shock.

Kenya's HSNP was informed by the PSNP. It was designed to provide cash transfers to vulnerable populations in semi-arid regions on an ongoing basis, but scale up coverage in response to predetermined triggers relating to the detection of drought conditions (through satellite monitoring and other early warning systems).

Sources: UNDP, 2024; Slater and Ulrichs, 2017

Rehabilitation

Social protection can be used to provide income security during periods of post-shock rehabilitation, pending the reinstatement of regular employment and

livelihoods. This can take the form of cash transfers, public works employment for the duration of labour market disruption, or the implementation of labour market policies that incentivise continued wage transfers, even when work is disrupted. This was the case during the 2024 floods in Brazil (see box 7) and in many OECD countries during COVID-19, when workers continued to be paid, through state subsidies, even though they were unable to work due to infection control policies.

Public works can also contribute directly to asset rehabilitation in terms of post-disaster clean up, infrastructure rehabilitation and even ecosystem restoration. There is a longstanding history of public works being initiated or expanded to support post-crisis rehabilitation, including the Mexican *Programa de Empleo Temporal* (PET), see Box 3 and the response options identified for Typhoon Yagi in Vietnam in 2024.

BOX 3: MEXICAN TEMPORARY EMPLOYMENT PROGRAM (PROGRAMA DE EMPLEO TEMPORAL)

Mexico's Temporary Employment Program *Programa de Empleo Temporal*, was scaled up in response to a range of economic shocks and natural disasters. The programme was overseen by the Ministry of Social Welfare and implemented by several sectoral ministries, and an emergency response and contingency financing mechanism was added in 2003 (the Immediate Temporary Employment Program (*Programa de Empleo Temporal Inmediato* (PETi)) with reduced administration demands (a design tweak) in order to facilitate rapid implementation. The program supported communities to build or rehabilitate basic infrastructure, with activities including cleaning and rehabilitation of housing, and sanitation and solid waste removal for disease control and prevention.

Sources: World Bank 2013; World Bank, 2019

SOCIAL PROTECTION RESPONSE OPTIONS TO 2024 TYPHOON YAGI IN VIETNAM

Typhoon Yagi had a severe and immediate impact on food security and rural livelihoods. The storm destroyed approximately 300,000 hectares of rice, crops, and fruit trees, over 2,000 aquaculture farms, and caused the loss of 2.3 million livestock and poultry, disrupting local food supplies and increasing the prices of common commodities. It affected livelihoods and economic activities in fourteen provinces in Vietnam, impacting 6.6 million workers in the formal and informal sectors. Workers in the agriculture and commerce sectors were particularly severely affected in terms of employment and income losses, facing significant impacts in the immediate, medium, and long term. These impacts were sustained due to disaster-induced disruptions of supply chains, declines in public utility infrastructure production, and disruptions to commerce.

Food security and rural livelihoods were severely disrupted, with small farmers and medium and small enterprises facing acute financial challenges, struggling to repay loans or secure recovery funds, increasing the number of vulnerable people needing social assistance, including those who were part of household relocations.

To assess the extent of damage, economic losses, and recovery needs across key sectors and develop an appropriate recover plan, the Ministry of Agriculture and Rural Development coordinated a Vietnam Multi-Sectoral Assessment for Recovery (VMSA) which was undertaken between October and December 2024 with the participation of line ministries, local governments, and experts from UN agencies, using the 'Post-Disaster Needs Assessment' (PDNA) methodology GFDRR (2008).

The VMSA identified the need for an employment, livelihoods and social protection recovery strategy to support post Typhoon Yagi recovery, with four strategic action lines: promoting access to productive employment opportunities including public works, supporting businesses to sustain operations, safeguarding workers' rights, and protecting the most vulnerable, based on the expansion of existing social protection provision. While these options were identified as potential responses, based on existing social protection provisions, they were not, however, subsequently realised.

Source: Government of Vietnam, 2025.



Bản (2024)

Migration and Resettlement

In addition to responding to slow- and rapid-onset shocks and facilitating rehabilitation, social protection can also be used to support populations experiencing both planned and unplanned migration and resettlement in the face of loss and damage. Social protection has been identified as a component of both internal (domestic) and cross-border resettlement programming in regions already affected by loss and damage as a means to preserve income security ([Pacific Islands Forum, 2023](#)). Domestic provision can be used to support internal resettlement, either by extending existing programmes and ensuring they can accommodate beneficiary mobility, or by developing new instruments. For example, the post disaster needs assessment after the 2024 Typhoon Yagi in Vietnam identified the need to extend provision horizontally for newly vulnerable populations, increase social assistance benefit levels for those resettled from high-risk zones, and provide employment oriented livelihoods support to both newly and previously vulnerable populations to meet the social and economic costs of resettlement and livelihoods rebuilding ([UNDP, 2024](#)), although these interventions have not yet been realised. Current examples include the Fiji Climate Resettlement Grant - one component of a comprehensive legislated framework – which was implemented as part of National Guidelines on Planned Relocation (see box 5).



Loiterton (2020)

BOX 4: FIJI CLIMATE RESETTLEMENT GRANTS

Climate Resettlement Grants were initiated by the Government of Fiji as part of a government legislated process for the planned relocation of communities to support proactive retreat from the impacts of climate change, when *in situ* adaptation efforts fail. Eligibility for relocation support is not dependent on a particular event or impact, but is available if relocation is required due to vulnerability, whether from slow-onset events (such as sea level rise or prolonged drought) or sudden-onset events (such as severe flooding, exposure to cyclones, or landslides).

Resettlement grants are administered under the Fiji Government's Planned Relocation Guidelines, developed in 2018, and financed through a Climate Relocation of Communities (CROC) trust fund. The CROC trust and resettlement programmes are supported by the 2019 Trust Fund Act and the 2021 Climate Change Act, which provide the legal framework for relocation interventions. The trust was designed to support vulnerable communities, settlements and groups adversely impacted by climate change, who were seeking assistance from the Government to relocate after limits to adaptation are met. The Fiji Government contributes to the fund by paying 3% of the revenue raised through Value Added Tax (VAT) on prescribed services, plastic levy, superyacht levy and income tax, and the fund is also supported by international and bilateral funders.

Source: McCord, Knowles, Walsham, and Patel (forthcoming) based on Government of Fiji, 2023a and 2023b

Few countries, however, have comprehensive frameworks to guide planned or unplanned relocation, either domestically or cross-border ([Holmes, 2024](#)), and there are to date few climate risk-informed frameworks for accommodating climate resettlement which anticipate the need for developing a complementary social protection framework to support the process.

For cross-border resettlement, regional agreements ensuring either that social protection payments are continued even when recipients cross-national borders (portability) or that immigrants are incorporated into the social protection systems of receiving countries are ways to ensure that income security is addressed during resettlement. Innovations relating to the portability of existing transfers or accommodation of migrants into national systems have been largely limited to the extension of multi- and bilateral social security agreements governing formal employment ([Holzmann, 2018](#)) or temporary humanitarian flows ([Cantor, 2018](#))([Hagen Zanker, 2021](#)). There is as yet the limited experience of such provision in relation to loss and damage, but initiatives such as the CARICOM (Caribbean Community) Agreement on Social Security (1996), which safeguards CARICOM nationals' entitlement to benefits when moving from one country to another, may offer one potential model of resettlement provision ([CARICOM, 2013](#)) and discussions are ongoing in the region about the operational, institutional and legislative requirements for cross-border climate displacement to be accommodated in national social protection programmes ([Longhurst, 2021](#)).

WHAT ARE THE CONSTRAINTS TO THE USE OF SOCIAL PROTECTION TO ADDRESS LOSS AND DAMAGE?

While national social protection programmes have the potential to play a significant role in contributing to the FRLD agenda, as described above, there are challenges in the use of this modality. The main challenges are low coverage, inadequacy of transfer levels, lack of universal registries, underdeveloped operational systems, and projectization. These are briefly discussed below.

Coverage

A key challenge to using existing social protection systems for delivering income security in response to loss and damage, as outlined in this primer, is the scale of current coverage. Although coverage has expanded rapidly over the last decade, increasing by one-third in lower-middle-income countries between 2010 and 2022 and doubling in low-income countries during the same period ([World Bank, 2025](#)), only 52% of the world's population has access to any form of social protection. In middle-income countries, coverage is only 34% and low-income country coverage is as low as 10% ([ILO, 2024](#)), leaving two billion people in Low- and Middle-income Countries (LMIC) uncovered or inadequately covered ([World Bank, 2025](#)). In the 20 most climate vulnerable countries, 91% of the population have no access to any form of social protection (364 million people), and 75% have no access in the 50 most vulnerable (2.1 billion people)([ILO, 2024](#)).

Without significantly expanded coverage, the potential for social protection to provide an effective role in responding to loss and damage will remain severely constrained in many countries. Expanding provision is a priority for development partners supporting social protection, and the World Bank has committed to scaling up social protection provision to reach an additional 500 million people through national systems by 2030 ([World Bank, 2025](#)). Such an expansion would enhance the potential for social protection to play an effective role in loss and damage responses.

Adequacy

The second key challenge is the low level of many social protection transfers. The average value of social assistance transfers in low-income countries is just 11% of the income of poor households, limiting their impact on income security ([World Bank, 2025](#)). For social protection to provide meaningful support in response to loss and damage impacts that disrupt livelihoods and income-earning opportunities, the level of transfers provided will need to be sufficient to ensure that basic needs can be met. Transfer levels will also need to be significantly higher than in most current programmes. If the objective is to go beyond income security and promote rehabilitation, then additional inputs, such as ‘cash plus’ lump sums or in-kind provisions (such as agricultural or material inputs), would also be needed, which could potentially piggyback on social protection delivery and targeting systems.

Registries

Most developing countries lack universal or interoperable registries with comprehensive data on their entire populations – this also presents a significant challenge to the effective use of social protection for loss and damage responses. Most social protection registries only hold data on project beneficiaries, or a subset of the population that has already been identified as vulnerable and potentially eligible for existing provisions. The populations that will require support in response to loss and damage are likely to extend beyond those already registered and include newly vulnerable populations, both in different geographical locations and socio-economic cohorts from those prioritised in existing schemes. Many countries have multiple separate programme or project registries, which are not interoperable, including those managed by humanitarian and non-governmental actors, and this is challenging in terms of the provision of coordinated large-scale social protection responses to loss and damage. Related data problems include the fact that registries are frequently not up to date, as processes of re-registration and verification are costly and time-consuming, and the fact that in many cases, the foundational ID systems necessary for secure identity verification and implementation are not in place.

Operational systems

The need for effective operational systems for social protection programme delivery is also a challenge. Operational systems (e.g., identification, registration, enrolment, delivery), are not fully developed in many countries, limiting both ongoing social protection system effectiveness and the potential of programmes to be scaled up in response to loss and damage challenges ([Lindert, 2020](#)). The COVID-19 pandemic illustrated that in countries where prior investment had been made in effective operational systems, it was possible to extend provision more rapidly and efficiently than in those with poorly developed systems, where operational systems had to be developed on an ad hoc basis after the shock ([Bastagli, 2021](#)).

Projectisation

The implementation of a project-based, rather than a systems approach to social protection programming in many contexts is also a potential constraint. In many countries, social protection interventions are short-term project-based initiatives, often established by external agencies to support particular populations, rather than part of

national social protection systems based on national priorities, modalities, and resource allocation preferences. In these cases, the capacity to deliver a response to loss and damage, at scale, which is sustainable over time and cost-effective, is compromised. Moving from a situation of small-scale and sometimes project-based and donor-driven social protection to one of nationally owned and developed systems, reflecting national priorities and design preferences, is important if social protection is to play an effective role in the response to loss and damage.

PREREQUISITES FOR USE OF SOCIAL PROTECTION

To enable social protection to provide meaningful responses to loss and damage, key policy, programme design, operational, and financing measures need to be in place.¹²

Policy

Social protection policy needs to be informed by climate risk analysis and integrated with: i) climate policy; ii) relevant sectoral policies (e.g. agriculture, water, infrastructure); and iii) humanitarian/DRM policies, in order to align objectives, clarify mandates and priorities, and allocate responsibilities across actors, with protocols for collaboration, prior to the experience of loss and damage.

Social protection policy also needs to be integrated into NDCs and NAPs, which should include loss and damage response plans. This is both to ensure coordination and to ensure that social protection activities will be eligible for climate financing resources that are contingent on NDC/NAP relevance ([USP, 2030](#)).

Programme Design

Social protection programme design must be informed by climate risk analysis and include design components to deliver anticipated loss and damage responses, including potential for extension and scale-up in different scenarios. This would include identification of geographically vulnerable areas, potential beneficiaries, instrument selection, and operational protocols. These programmes should include triggers linked to early warning systems for financing, anticipatory action, and programme implementation.

Operational systems

The existence of core operational systems that enable efficient ongoing social protection provision is essential if systems are to provide income security in response to loss and damage. Operational systems covering identification, enrolment, registration, payment, delivery, monitoring, and grievances are necessary ([Lindert 2020](#)).

¹² Bowen, T. V., Del Ninno, C., Andrews, C., Coll-Black, S., Gentilini, U., Johnson, K., Kawasoe, Y., Kryeziu, A., Maher, B. P., & Williams, A. M. (2020). *Adaptive social protection: Building resilience to shocks (International Development in Focus)*. Washington, D.C.: World Bank Group.; Costella, C., & McCord, A. (2023). *Rethinking social protection and climate change: The medium-term implications of climate change for social protection policy and programming in the Asia-Pacific region*. Department of Foreign Affairs and Trade (DFAT).

These should have pre-planned capacity for extension and operational changes when loss and damage occur. The most critical systems for loss and damage response are the existence of a registry, individual ID, and flexible payment and delivery systems with the capacity for extension. The most essential systems are some form of updated and consolidated registry, or an integrated management information system (IMIS) enabling interoperability between individual programme MISs and other external databases such as the income tax, or civil registration is essential for registration (Barca, 2014) (Chirchir, 2016), and the existence of foundational ID systems, offering unique identifiers across the population. Systems that can accommodate mobile payments and self-registration are particularly suitable for loss and damage response during periods of disruption. Additionally, contingency arrangements for the provision of in-kind support on a temporary basis may also be necessary, depending on the climate risk context.

Financing

Currently, the main funds providing climate financing are slow to provide resources, with complex processes taking years between application and financing. Effective loss and damage responses will require different, faster processes. For example, pre-agreed contingency financing agreements, linked to triggers and early warning systems, including social protection components to finance programme implementation and transfer costs. These funding arrangements could be facilitated by national loss and damage strategies.

Financing for national system development, in terms of policy and operational systems development, is also necessary to enable effective loss and damage responses.

CONCLUSION: RATIONALE FOR USING SOCIAL PROTECTION AS AN INSTRUMENT TO DELIVER ON THE FRLD MANDATE

This part of the primer has illustrated the rationale for using social protection to deliver on the FRLD mandate. It has demonstrated how existing systems can be leveraged to deliver timely and efficient responses to various aspects of loss and damage, providing income security, supporting rehabilitation and resettlement, and potentially also serving as an effective conduit for targeting and delivering additional inputs. While the detail of how social protection systems might be used in any particular context will be dependent on the type of loss and damage experienced, the nature of existing systems and the preferences of the government, as well as the resources available, this primer has set out the type of contexts in which social protection could play a useful role and set out a range of policy and operational options, illustrating how different social protection instruments and the social protection system itself can be used as part of the policy response to diverse loss and damage impacts. The key findings from this analysis are summarised in a Strengths, Weaknesses, Opportunities and Threats in Figure 4.

Figure 4 Social Protection and the objectives of the Fund for responding to Loss and Damage SWOT Analysis

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Nationally-owned systems: Build on existing national SP systems, enabling sustainability. • Proven mechanisms: Successfully used in shocks (e.g., COVID-19, floods, droughts). • Supports multiple phases: Useful for rapid shocks, slow-onset crises, rehabilitation, and resettlement. • Cost-effective: Leverages infrastructure for efficient delivery (e.g., piggybacking, scalability). • Links with climate policy: Increasingly integrated in NDCs, NAPs, and national disaster frameworks. 	<ul style="list-style-type: none"> • Limited coverage: SP systems often exclude large portions of the population, especially in vulnerable countries. • Inadequate transfer levels: Many programs provide insufficient financial support. • Weak data systems: Lack of integrated, up-to-date registries and foundational IDs. • Projectisation risk: Many SP interventions remain donor-driven, not systemic. • Operational weaknesses: Weak payment, enrolment, grievance, and monitoring systems in many countries. 	<ul style="list-style-type: none"> • Scalability: Can be scaled both vertically and horizontally to reach more people or raise transfer levels. • Support system building: FRLD can help expand SP coverage and infrastructure as part of recovery. • Anticipatory action: Can disburse funds before disasters using early warning systems to reduce impacts and response cost. • Integration potential: Can align with humanitarian and climate responses for more coherent action. 	<ul style="list-style-type: none"> • Insufficient financing: The FRLD's current funding is inadequate relative to loss and damage costs, and the SP financing gap in LMIC is US\$0.56 trillion per annum. • Ambiguity in FRLD mandate: May limit action or cause coordination issues with other loss and damage institutions. • Political resistance: Donor reluctance to fund compensation mechanisms. • Risk of exclusion: Risk of excluding affected populations (eg informal sector workers, urban residents, those not previously vulnerable) due to eligibility barriers in ongoing social protection provision.

SOCIAL PROTECTION AS AN INSTRUMENT FOR REALISING FRLD OBJECTIVES

DISCUSSION OF OPTIONS FOR THE WAY FORWARD

In the third part of this report, options for using social protection as an instrument for realising FRLD objectives are explored. This section is based on a literature review and discussion with twenty-three experts drawn from governments, international organisations, and civil society. It explores how the fund might develop its use of social protection, setting out some of the challenges and issues still to be resolved, including definitional challenges, government and donor issues and resourcing, and how the fund might make use of social protection to achieve its mandate. Options for addressing these issues are presented below.

HOW MIGHT THE FUND INTEGRATE SOCIAL PROTECTION

The fund is currently in its startup phase or BIM, and the process of development and building its operational capacity will take time and require support from a range of funding sources. There is a broad consensus on how the fund should develop during BIM, the main implementation challenges it is facing, and the value of social protection as an instrument for delivering on the fund's objectives.

However, it is clear that the fund needs to offer something new in terms of climate financing, both in terms of providing additionality by focusing on areas not supported by other funds in relation to loss and damage – referred to as ‘filling the gaps’ - and also in the way that it operates, in terms of responding rapidly to national priorities, with a focus on getting resources to people in need quickly and efficiently and integrating with national systems.

The fund could deliver on this objective by focusing on building systems for delivery, to enhance future response capacity, or by concentrating on the provision of direct assistance. Using the fund strategically to develop systems could both enhance delivery capacity and create systems which other potential funding sources could use to channel funds for the delivery of support. The division of responsibilities between the Santiago Network and the fund, in terms of financing systems development on the one hand, and direct assistance on the other, is not yet fully established. Clarifying mandates and formalising operational cooperation between the fund and the network is a priority.

There is a widespread perception that the fund should concentrate on rehabilitation, recovery, and recovering lost development, rather than anticipatory or preparatory action and that addressing the current significant gaps in resources and programming for rehabilitation needs to be the fund's priority, given the growing impact of loss and damage. Anticipatory action is recognised as critical, but can remain primarily the responsibility of other funds. It is, however, important to recognise that anticipatory action does have the potential both to limit loss and damage and to provide support more cost-effectively than if it is delivered after a shock.¹³ For this reason, fund support for anticipatory action, particularly in the case of slow-onset events where impacts can be more easily identified and acted on in advance, might in some instances be considered to be appropriate, making use of early warning triggers and providing support such as cash transfers in anticipation of loss and damage.

¹³ See for example; K4D (2018) *Cost-effectiveness in humanitarian work: preparedness, pre-financing and early action*, Rogers, D and Tsirkunov, V. (2010) *Costs and benefits of early warning systems*, Mechler, R. (2016) *Reviewing estimates of the economic efficiency of disaster risk management: opportunities and limitations of using risk-based cost-benefit analysis*. *Nat Hazards* 81, 2121–2147 (2016). <https://doi.org/10.1007/s11069-016-2170-y>

THE PROBLEM OF THE DEFINITION OF LOSS AND DAMAGE

The fund has struggled to identify a precise definition of loss and damage, and consequently, what is in and out of scope in terms of inclusion in its financing mandate. This definitional challenge is likely to persist as it reflects the fact that in practical terms, there are not clear boundaries between action on loss and damage, preparedness, early response and humanitarian action. This ‘fuzziness’ will need to be accommodated in fund programming criteria, but while the provision of some support across this range of areas will be appropriate, the fund should focus on addressing the identified gap in financing for rehabilitation and reconstruction.

Seeking further precision in defining loss and damage funding, and which social protection initiatives should or should not support is not perceived as productive at this point. Predefining what is in and out of scope for fund recipients could even be unhelpful, given the overriding need to respond to nationally led priorities.

CROSS SECTORAL COORDINATION AND STRATEGIC NATIONAL ACTION

The fund needs to avoid the model of project-based funding, which characterises much other climate-related social protection programming, and instead move to supporting strategic national action. A projectized approach is less likely to contribute to the development of nationally owned, systems-based, and sustainable responses, and will offer limited capacity for further action when projects end, as well as higher overhead costs. Project-based financing is also often donor-led and less likely to conform to the nationally led aspirations of the fund. The demonstration effect of the fund providing resources to support key aspects of national systems development could also increase the appetite of other donors and funds to provide strategic support through national systems in place of continued project-based interventions.

Within national governments, the fragmentation of responsibility for different aspects of loss and damage response across sectors and departments represents a potential challenge to effective action on loss and damage through social protection. Ministries responsible for social welfare, disaster response, environment, and climate, planning and finance all have a role to play in the design and implementation of effective loss and damage responses, which need to be coordinated through national action plans. Inclusion of social protection in these plans is necessary to ensure that the social protection response is relevant and effective, as is social protection inclusion in NDCs and NAPs particularly as this is currently a criterion for eligibility for financing from other major climate funds.

Cross-sectoral coordination can be undermined in projectised approaches that tend to be implemented in collaboration with individual ministries, rather than across government, and this is also a risk when funds are directed to national or international non-governmental actors. By contrast, direct support to national systems through Government budgets has greater potential to enable and encourage cross-government working.

International humanitarian shock responses are also often implemented independently of government processes and separately from social protection-based responses to loss and damage, as well as being financed through different channels. It will be important to bring humanitarian actors into agreements on how loss and damage financing will coordinate with humanitarian provision.

THE PROBLEM OF RESOURCES

The fund's current budget is modest, with grants during the initial start-up phase being limited to between \$5 and \$20 million in the context of estimates of immediate impacts and reconstruction costs in the order of \$150-\$300 billion per annum by 2030. The discrepancy between currently available resources and growing needs highlights the need to use existing funds strategically. One option is to use some of the available funds during the start-up phase to catalyse systems development, creating policies and operational mechanisms to enable channelling and distributing funding from a wider set of funding arrangements, rather than attempting to use them directly for reconstruction. In terms of social protection, this would entail some combination of ensuring funds go directly to meet the needs of those affected by loss and damage as well as helping to build national policy and system capacity to enhance future reach and effectiveness.

Hence, given the limited scale of the fund in relation to loss and damage impacts, it may be appropriate, at least during the start-up phase, to concentrate on the development of strategic aspects of social protection systems in order to enable future provision of income security directly to affected people, supporting income security, livelihoods development and resettlement, as the possibility of financing significant infrastructure restoration directly may be limited. To enable this direct provision, it may well be necessary to invest in national policies and systems development could also enable funding from others and make all future funding more cost-effective.

THE ROLE FOR SOCIAL PROTECTION

As illustrated in part 2, social protection is potentially an important mechanism to deliver loss and damage assistance directly to affected people at scale. Existing social protection systems have been used in many contexts to respond to shocks and disasters and help to deliver reconstruction and rehabilitation as well as support recovery. In the context of loss and damage, social protection can be used to preserve income security when livelihoods are disrupted, restore the private and public assets on which livelihoods depend, and support recovery. It can achieve this through a range of approaches: through direct transfers; by acting as a channel to target additional financial and in-kind support; and as an instrument to mobilise labour to restore damaged infrastructure. It can provide income security to address the labour market disruption pending rehabilitation, and if a public works approach is adopted, programmes can be designed to directly contribute to reconstruction and rehabilitation as well as offering a temporary wage. The transfer of cash through social protection interventions can be used to address both economic and non-economic losses, enabling those affected to make decisions according to their own priorities.

To deliver these impacts however, social protection systems will need to be strengthened, and both programme policy and design will need to be reviewed in the light of climate risk analysis to ensure it is appropriate to address loss and damage challenges.

For social protection to be able to contribute significantly to a loss and damage response, a core social protection system needs to be in place, which has both policies and operational systems that are sufficiently well developed to be able to flex in response to loss and damage impacts and provide support at scale. Although provision has expanded significantly over recent decades, and 185 countries have now adopted the ILO Social Protection Floors Recommendation no 202, which includes the aspiration to reach universal coverage, many countries do not yet have well-developed systems. Less than 9% of the population in most climate-affected countries are covered by any form of provision. Currently, many countries lack the effective national ID systems and large-scale registries that cover a significant proportion of the population –essential requirements for effective loss and damage responses, which will affect a wider section of the population than those currently targeted by social protection.

For this reason, investment in social protection system development has been identified as an important option for FRLD investment, and as an area for technical support from the Santiago Network. A social protection system, once built or strengthened with fund support, would continue to be available to provide rapid assistance to address various aspects of future loss and damage, functioning both as a mechanism to provide urgent help to those affected, and to provide operational systems (registries, distribution systems etc) that can be used to channel additional resources to support rehabilitation and reconstruction. In many countries, investment in social protection systems development and programming innovations that took place during COVID-19 have resulted in the extension of sustained capacity for both ongoing provision and future crisis response. The same would be true for investment in systems development for loss and damage response.

In addition to the need for an effective social protection system, addressing programme policy and design issues is also critical. The fact that most existing social protection systems are only able to provide small regular transfers to specific subsets of the population, usually the poorest and most vulnerable, is a constraint in terms of delivering a meaningful response to loss and damage. Measures to plan for extended provision in line with anticipated loss and damage impacts need to be informed by climate risk analysis and would include considerations such as preplanning revised eligibility criteria and increasing the level of the transfer in response to loss and damage impacts. Similarly, ensuring policy coherence across relevant sectors and with humanitarian and disaster management actors prior to loss and damage impacts is also identified as essential. Support for programme design innovation and policy integration are also important options for FRLD financing and potential Santiago Network technical support.

POTENTIAL ACTIONS FOR FURTHER EXPLORING THE ROLE OF SOCIAL PROTECTION WITHIN THE FRLD

Section 2 points to social protection being able to fulfil several objectives of the FRLD in providing country-led direct help to affected populations through national systems, it also has the potential to be cost-effective, to provide support in advance of damage after early warning triggers are met. The secretariat of the board could actively explore the demand for support for social protection as a response to loss and damage, and work in partnership with the Santiago Network to consult parties and subject experts to inform funding criteria and needs for technical assistance. Wider views to augment the work of the secretariat and to assess demand for practical next steps could be explored in dialogues outside the United Nations Framework Convention on Climate Change (UNFCCC) processes. Meetings of parties and experts could be facilitated by groupings such as the G20, V20 and the Cartagena Dialogue.

The use of social protection to respond to loss and damage requires that countries have policies and procedures in place to register people, assess needs and make the transfers. Even where regular social protection systems are in place events causing loss and damage are likely to affect a wider section of the population than usually receive assistance and affect people more deeply. Social protection systems would have to be adapted to cover more people and provide levels of transfers appropriate to need. The FRLD secretariat, in partnership with the Santiago Network, could explore with countries options for either putting in place systems for response or adapting existing systems. A specific technical offer, incorporating options for peer-to-peer learning, could be developed. Where systems are developed, the FRLD could explore the scope for other funding arrangements to pre-qualify systems that have been put in place and tested by the FRLD for more substantial funding in times of need.

Social protection transfers provided before disaster strikes can be effective in reducing and avoiding loss and damage. They can also be used to provide immediate humanitarian assistance after a disaster as well as help to rehabilitate and rebuild. Humanitarian response is often delivered by international agencies with a tight focus on immediate need. There is an increasing focus on the use of cash transfers in emergencies (Doocy, 2017), but effective action on loss and damage rehabilitation requires longer-term engagement. In developing partnerships with other organisations, the FRLD should ensure that it has clear working procedures and understanding with humanitarian actors. This could include working with OCHA to explore ways in which funding streams can be coordinated to provide seamless provision to affected populations.

Providing assistance before loss and damage occurs can reduce loss and damage as well as speed up rehabilitation at a lower cost than if the response started after the damage has been incurred. Increasingly, it is likely that rehabilitation will require populations to relocate and adopt new forms of livelihood. Recognising the desire for the FRLD to fill gaps and provide new funding, the fund should consider funding social protection payments before loss and damage occur, where this can directly assist in speeding up rehabilitation. This is likely to be particularly appropriate for slow-onset events, where loss and damage, and/or

the need for relocation, can often be quantified in advance. In funding rehabilitation, the fund should consider that social protection support may go beyond initial capital needs for housing, etc but also require longer-term transfers to facilitate livelihood changes.

The FRLD and its board will have to make funding decisions across a wide range of country circumstances. There is a strong desire to ensure that the fund is both flexible and responsive, and that it builds and enables national systems.

Given the wide variety of situations that the fund will be called upon to respond to, it will be challenging to establish clear indicators of success that suit all. Extensive funding rules and guidelines will also threaten to push the fund towards a top-down set of indicators and guidelines. The FRLD could consider a funding decision process that centres on the circumstances and needs of the country. Using a theory of change approach that sets out why funds are needed and how they will have an impact could be helpful. The theories of change put forward should be detailed enough for the board to assess how efficient the system proposed is in getting funds to affected people.

RECOMMENDATIONS

The recommendations from the report are set out here, in two parts: those relating to the development of the FRLD modalities and priorities relating to social protection as a means to respond to loss and damage; and those relating to the priority investments in social protection systems that are required if they are to be used to deliver efficient loss and damage responses at scale, addressing both immediate and longer term rehabilitation, and resettlement needs which the FRLD may consider financing.

Given the proven efficacy of social protection systems to deliver help directly to those who need it, the FRLD could:

- » Promote discussion on options to promote the use of social protection to respond to loss and damage, with the G20, V20 and the Cartagena Dialogue.
- » Ensure that technical support on the design and use of social protection is available.
- » Consult, in partnership with the Santiago Network, with parties and subject experts to inform funding criteria and needs for technical assistance.
- » Explore, in partnership with the Santiago Network, country options for enabling existing social protection systems to provide loss and damage responses, potentially including technical options for peer-to-peer learning.
- » Not seek a precise definition of what social protection interventions are eligible for loss and damage finance, but instead base decisions on national priorities in terms of needs and desired outcomes.

The FRLD will be working in a context where humanitarian funding is also used, and as such, the FRLD could:

- » Set up working protocols for collaboration with humanitarian actors, ensuring that both funding streams and programming are complementary, and where possible, based on supporting national systems.

Evidence shows that acting before impacts occur can reduce suffering and the cost of response. The FRLD could:

- » Consider funding the provision of social protection payments based on pre-agreed triggers in anticipation of loss and damage impacts to accelerate response times and positive outcomes, including when loss and damage and/or the need for relocation can be quantified in advance.

The FRLD will have to make decisions across a wide range of circumstances and choose how to best use its limited funds. The FRLD could:

- » Use funds strategically to facilitate contributions from other funding sources, for example, strengthening existing social protection systems and investing in establishing the loss and damage response capacity.
- » Avoid the use of pre-defined indicators in setting funding criteria and instead use a decision process that empowers countries to define needs and objectives in a narrative that defines needs, impacts, and the efficiency of fund use.
- » Ensure financing flows to social protection, considering the need for extended provision to facilitate livelihood changes or resettlement.

Priority actions to support social protection loss and damage response capacity for which FRLD support could be made available:

Effectiveness and scale

- » Establishing registries and core social protection operational systems in advance of loss and damage. This is essential to enable the efficiency of response offered by social protection schemes.
- » Putting in place policies and procedures to enable the expansion and adaptation of regular social protection systems to enable effective loss and damage response capacity, to include climate risk-informed planning with the potential to accommodate loss and damage-affected populations at a scale and providing a level of assistance that is commensurate with needs.

Integrated programming

- » Formally integrating social protection systems-based responses into national loss and damage planning (including in NDCs and NAPs), incorporating provision for responses to both rapid and slow onset shocks, as well as rehabilitation and resettlement and ensuring cross-sectoral approaches, integration with humanitarian responses and avoiding projectized approaches

Policy and Programme design

- » Supporting the development of climate risk-informed policies and systems for social protection that include loss and damage response plans, including the preplanning of direct transfers to affected populations to enable them to rebuild, recover or move.
- » Developing triggers, operational plans, and pre-arranged financing for anticipatory action to reduce impacts and increase efficiencies.

ANNEXE 1: EXAMPLES OF SOCIAL PROTECTION INNOVATIONS OF RELEVANCE TO LOSS AND DAMAGE RESPONSES

Respond to rapid and slow onset shocks

Social Protection Contribution	Modality	Comment	Programme adaptations	Requirements	Example
Cash transfer /in-kind provision (social assistance and social insurance)	Extended provision through existing national transfer schemes:	Additional resources can be transferred rapidly using existing systems	» Design tweaks » Vertical expansion » Horizontal expansion	Integration of climate risk information into social protection planning	Change criteria for social insurance payout (e.g. reduce mandatory contribution period or retirement age in China to extend eligibility during carbon transition job losses (van der Ree, 2019); include those not previously registered in South Africa in response to COVID-19 (Alfers, 2021) or allowing on demand registration using an innovative SMS registration platform in Togo also during Covid-19 (Lowe et al, 2021).
	Extension of national transfer schemes to more beneficiaries	Payment can be anticipatory (made in advance of shock) to reduce the negative impact if triggers are in place and pre-agreed contingency financing is available		Development of a universal registry	Suspend health and education-related social assistance conditionalities during crisis, Peru (Lowe et al, 2021)
	Increase the value of transfer national transfer scheme to existing beneficiaries			Effective operational systems	Revise eligibility criteria for social assistance, to include those above the poverty threshold to cover populations in affected geographical areas, those in affected employment sectors, increase the poverty cut-off for inclusion, or
				Operational protocols	extend coverage to those on the social assistance waiting list (Lowe et al, 2021)
				Policy coordination - disaster response/humanitarian and social protection	Extend provision to all urban informal workers in Peru (Lowe et al, 2021)
				Integration of social protection into the	

				climate response plan	Simplify design to expedite – Brazil floods – single value, not calibrated to household size
				Pre-arranged finance	
				Early warning systems and triggers in place alongside Contingency Financing Mechanisms for anticipatory provision	Policy changed to extend emergency provision to refugees (Republic of Congo – (Hagen Zanker and Both, 2021)
					New self-registration initiatives provided opportunities for previously-overlooked households to be considered for crisis response programmes, through simplified and often digital (SMS, phone, app or web) application processes that were available either during a one-off window or on a rolling ‘on-demand’ basis – e.g. Togo Novissi programme (Lowe et al, 2021)
					Introduce new delivery modes using mobile payments where cash delivery not feasible, and cash delivery where normal banking systems were disrupted during Covid-19 (Lowe et al, 2021)
					MGNREGA public works programme scale of operation doubled Covid-19 (Shukra and Tibrewala, 2021)
Cash transfer /in kind provision (social assistance and social insurance)	Use national social protection registry and systems to deliver additional / new social protection interventions	Registry and payment systems can be used to target and deliver additional cash or in kind interventions	Piggy backing	Preplanned additional shock response components enabling the implementation of new social protection programme in addition to existing	Following major disasters such as Typhoon Haiyan in 2013, the <i>Pantawid Pamilyang Pilipino Program</i> (4Ps) conditional cash transfer (CCT) programme in the Philippines used to deliver post-disaster relief, including cash transfers and in-kind assistance (UNDP, 2024)
					Introduce additional short-term payment in response to Covid-19 using the social protection beneficiary registry in Sri Lanka (Lowe et al, 2021)
Assistance outside the national social protection system	Use national social protection registry and/or national operational systems for delivery or norms to deliver complementary cash transfer or in kind provision	Registry and payment systems can be used to target and deliver additional cash or in-kind interventions to avoid duplication,	Piggy backing Alignment	Coordination with domestic and external humanitarian actors	Emergency donor funded response designed to be consistent with national social protection norms in the <i>Jigisèmèjiri</i> programme, in Mali (Roelen, 2021)

by non-social protection actors (domestic or international humanitarian actors)

reduce costs and avoid tension

Protocols for interoperability

Reconstruction/Rehabilitation

Social Protection Contribution	Modality	Comment	Programme adaptations	Requirements	Example
Cash transfer /in-kind provision (social assistance and social insurance) and Active Labour Market Policies	Provide income/in-kind support during reconstruction through existing programmes	As above	<ul style="list-style-type: none"> » Design tweaks » Vertical expansion » Horizontal expansion » Piggybacking 	Assessment of livelihoods impact and income support requirements, and duration	Retain and pay workers while productive infrastructure is reconstructed, as in Brazil during the 2024 floods (Tabaldi, 2025)
Cash transfer /in-kind provision (social assistance and social insurance)	Use national social protection registry and systems to deliver additional/new social protection interventions	Registry and payment systems can be used to target and deliver additional cash or in-kind interventions	Piggy backing	Preplanned additional shock response component	Implement a new social protection programme in addition to the existing
Assistance outside the national social protection system	Use national social protection registry and/or national operational systems for delivery of complementary cash transfer in-kind provision by non-social protection actors	Registry and payment systems can be used to target and deliver additional cash or in-kind interventions to avoid duplication, reduce costs, and avoid tension	Piggy backing	As above plus Coordination with domestic and external humanitarian actors Protocols for interoperability	Implement new programme using social protection systems
Public Works Employment	Deploy a national public works programme to carry out	Generate labour demand in the affected area to compensate for	<ul style="list-style-type: none"> » Design tweak » Horizontal expansion 	Policy coordination between the social protection ministry, ministries with responsibility for	Increase wages and scale up the budget, doubling the number of employment person days generated

reconstruction/rehabilitation

employment/livelihoods disruption

» Vertical expansion

reconstruction planning and the ministry of the sector affected by Loss and Damage

in June and July 2020, compared to 2019

Potential to scale up existing programmes or generate new ones using existing operational systems and modalities

Pre-planning of potential interventions

PSNP scale up in response to transitory hunger shocks

Forced or planned migration

Social Protection Contribution	Modality	Comment	Programme adaptations	Requirements	Example
Cash transfer /in-kind provision (social assistance and social insurance)	<p>Extend provision through existing national transfer schemes:</p> <p>Extension of national transfer schemes to more beneficiaries in affected areas</p> <p>Increase the value of transfer national transfer scheme to existing beneficiaries in affected areas</p>	<p>Provide income during reconstruction.</p> <p>Use existing or new social protection programmes to ensure provision of income/in-kind support during domestic or cross-border migration, through ensuring portability of existing transfers and/or provision of migration specific transfers</p> <p>Use registry as a basis for domestic/cross-border provision</p>	<p>Piggy backing</p> <p>Alignment</p>	<p>Policy coordination between the social protection ministry and ministries with responsibility for relocation in the receiving location (domestic and/or cross-border)</p> <p>Protocols for domestic/cross-border transfer portability, or provision in the recipient country</p> <p>Operational systems to facilitate both domestic and cross-border transfer portability, including cross-border ID recognition</p> <p>Alignment to harmonise</p>	<p>Emergency cash programmes for refugees in Pakistan (UNHCR) and Jordan (UNICEF) intentionally aligned assistance for refugees, with government schemes for citizens, to avoid confusion and social tensions. (Hagen-Zanker and Both, 2021)</p>

Resettlement

Social Protection Contribution	Modality	Comment	Programme adaptations	Requirements	Example
Cash transfer /in-kind provision (social assistance and social insurance)	Domestic resettlement:	Provide income during resettlement pending the development of alternative livelihoods or employment	Alignment Tweak	<p>Domestic resettlement:</p> <ul style="list-style-type: none"> » Ensure portability of existing transfers or develop new transfer programme for resettlement » Ensure adequacy of transfer level » Develop a new transfer policy » Alignment to harmonise the settler/receiving location transfer norms <p>Cross-border resettlement:</p> <ul style="list-style-type: none"> » Ensure portability or negotiate a provision in the receiving location » Alignment to harmonise the settler/receiving location transfer norms 	Fiji Cash transfers (Government of Fiji, 2023a and 2023b)
Active Labour Market Programmes	Provide skills training, job search support, job subsidies and direct employment, e.g. through public works programmes to promote employability and maintain income in a new location	Enable migrants to find employment in new context		Policy coordination between the social protection ministry and ministries with responsibility for labour and livelihoods in the receiving location	

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