THE LOCAL GOVERNMENTS AND MUNICIPAL AUTHORITIES (LGMA) CONSTITUENCY

COP31 Guidance for Negotiators on

LOSS & DAMAGE

The LGMA Guidance for Negotiators accompanies the LGMA COP31 Position and provides detailed recommendations, context and proposed negotiating text, setting out how each ask can be operationalized.

cities-and-regions.org/cop31-lgma-position

Executive summary

Loss and Damage is fundamentally an issue of climate justice, as those who have contributed the least to the climate crisis are the ones who bear the brunt of its adverse effects. Local, regional and subnational governments are critical actors in addressing Loss and Damage as the closest level of government to communities, and locally led action is fundamental to ensure that resources reach those at the frontline of impacts. For national and international responses to Loss and Damage to be effective, local and subnational governments must be recognized as core political, institutional, and financial partners, and must be ensured direct and simplified access to Loss and Damage assessment tools and financing.

Background

Responding to climate-induced losses and damages is crucial in the current climate crisis and a key dimension of climate justice. Climate impacts interact with and intensify pre-existing social, economic, spatial, territorial, and gender inequalities. Beyond the destruction of physical assets and infrastructure, non-economic Loss and Damage encompasses social, cultural, and well-being losses, including impacts on health, housing, livelihoods, care systems, cultural heritage, identity, and community networks.

These losses are experienced and managed territorially. Local and subnational governments are responsible for addressing their everyday consequences while maintaining essential public services during and after climate impacts. They coordinate emergency response, social protection, housing, and basic services; support displaced and affected populations; protect community and cultural assets; and lead the longer-term recovery and regeneration of territories. Local and subnational governments must therefore be recognized not only as first responders or project implementers, but as political, institutional, and financial partners throughout the entire Loss and Damage architecture.

Recovery processes can increase unpaid and underpaid care burdens, exclude particular groups from housing, compensation, services, livelihoods, and finance, and deepen pre-existing inequalities. This risk arises when the restoration of local public services and the regeneration of affected territories are not designed with local and subnational governments, affected communities, and rights holders, including women, youth, Indigenous Peoples, farmers, climate-displaced people, and persons with disabilities, and when they are not informed by cultural heritage, traditional and local knowledge, disaggregated data, and independent research. In many Global South cities, residents of informal settlements are among the most affected and the least compensated, as the lack of formal land tenure often excludes them from damage assessments, compensation, and reconstruction support. Post-disaster recovery can then become a pathway to their displacement. These dynamics in turn reduce the resilience of territories and populations to climate shocks.

COP31 must therefore place equitable, locally led recovery - with local and subnational governments at its core - at the center of the Loss and Damage agenda. The Fund for Responding to Loss and Damage (FRLD or “the Fund”), the Warsaw International Mechanism (WIM), and the Santiago Network should support local and subnational government approaches that assess who experiences losses, who receives resources, who participates in decisions, and how recovery affects different population groups and territories.

Key asks

Access to funding for local governments

- Establish project selection criteria that mandate local and subnational government engagement in the Fund's selected projects throughout the duration of the Fund's Start-Up Phase (2026-2028) and beyond.
- Secure direct and simplified access for local and subnational governments to the FRLD, in line with the requirements in the Fund's Governing Instrument, with dedicated allocations for subnational and community-led projects.
- Ensure that the FRLD establishes a small grants facility for flexible, grant-based support at the local level, prioritizing communities and vulnerable groups.

Loss and Damage governance

- Strengthen the Warsaw International Mechanism and Santiago Network to ensure local governments are able to both contribute to and benefit from the knowledge, technical assistance, and coordination provided by these networks.
- Advance the strategic recognition of Loss and Damage as the third pillar of climate action, equal to mitigation and adaptation, embedded in the Global Stocktake and across the UNFCCC agenda.
- Guarantee that locally led Loss and Damage assessment mechanisms and tools are inclusive, respect the rights of women, Indigenous Peoples, youth and children, and persons with disabilities, and address both economic and non-economic losses. Ensure that the recognition of losses and access to recovery support are not conditioned on formal land tenure, including for residents of informal settlements and holders of customary or collective tenure.
- Adopt the B.9 draft policy on active observers, to facilitate meaningful, transparent, and inclusive participation in the Board, recognizing local and subnational governments' central role in responding to Loss and Damage.

What the LGMA can offer

The Local Governments and Municipal Authorities (LGMA) Constituency is ready to support Parties and actively contribute to the development of the Loss and Damage architecture, including the FRLD, WIM, and Santiago Network:

- Integrating local experiences, expertise, and best practice into national strategies and international assessments to ensure response actions are locally relevant and effective.
- Mobilizing risk data, technical capacity, and urban best practices from local, regional and subnational governments to support the WIM and Santiago Network as active partners in developing effective subnational responses to Loss and Damage.

- Nominating an LGMA focal point to represent the Constituency as an active observer on the Board of the FRLD, ensuring subnational perspectives, urban realities, and local needs inform decision-making, with defined modalities for engagement in line with the yet-to-be-defined Observer Policy.

Loss & Damage Working Group

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