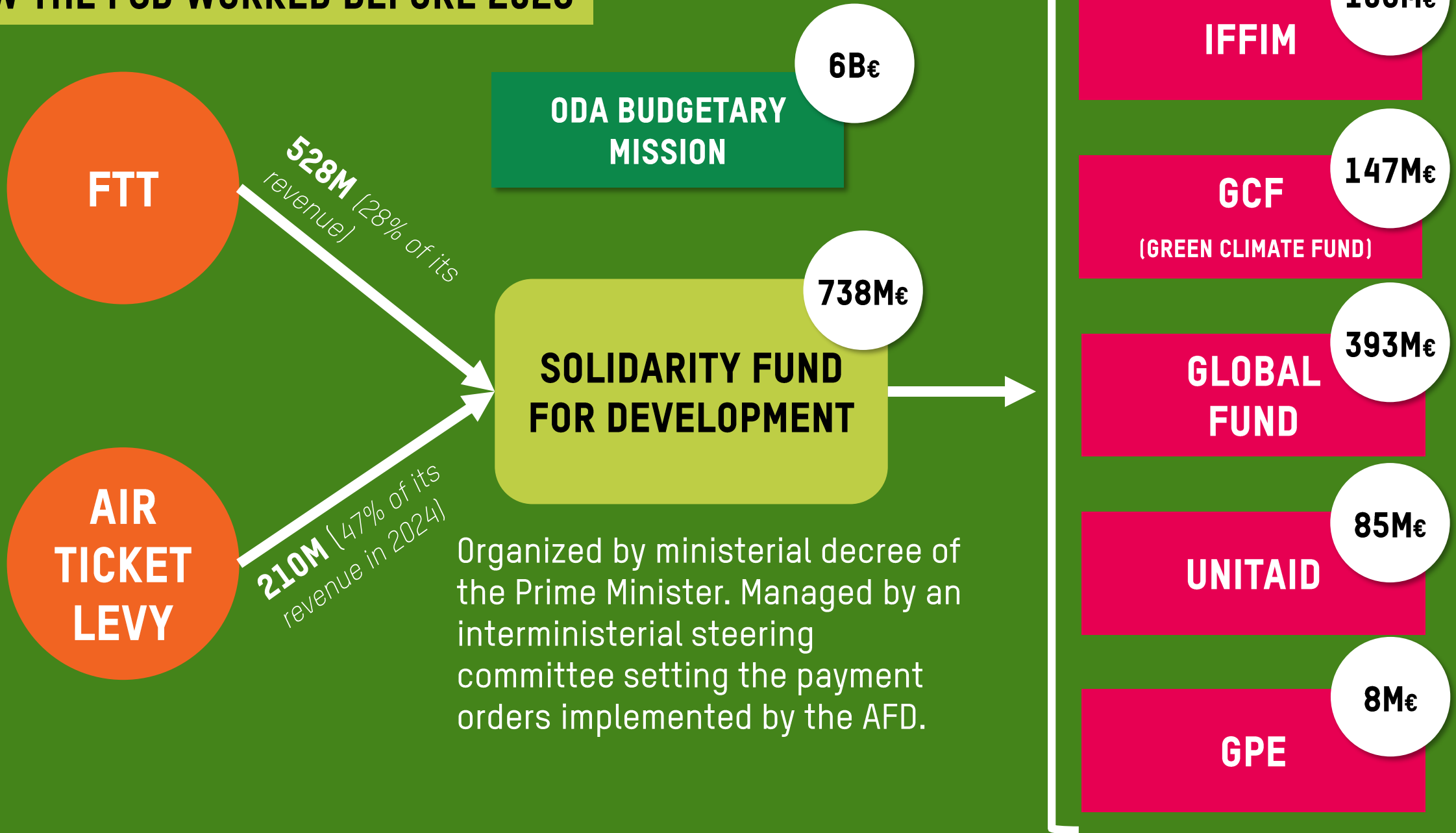


**HOW TO OPEN A LOSS & DAMAGE WINDOW
INTO THE FRENCH SOLIDARITY FUND ?**

- The "Solidarity Fund for Development" was established in 2005 **to collect the revenues from the airline ticket levy.**
- Following the introduction of the **Financial Transaction Tax** (FTT) and its ambition to finance development, part of its revenues went into the fund **from 2013.**
- **This fund has a strong link to health** as it initially financed health-related funds and then expanded to other issues such as climate.

The FSD has always been a way for France to fulfill its commitments on the international stage which is why it must, in the future, **have to finance Loss and Damage.**

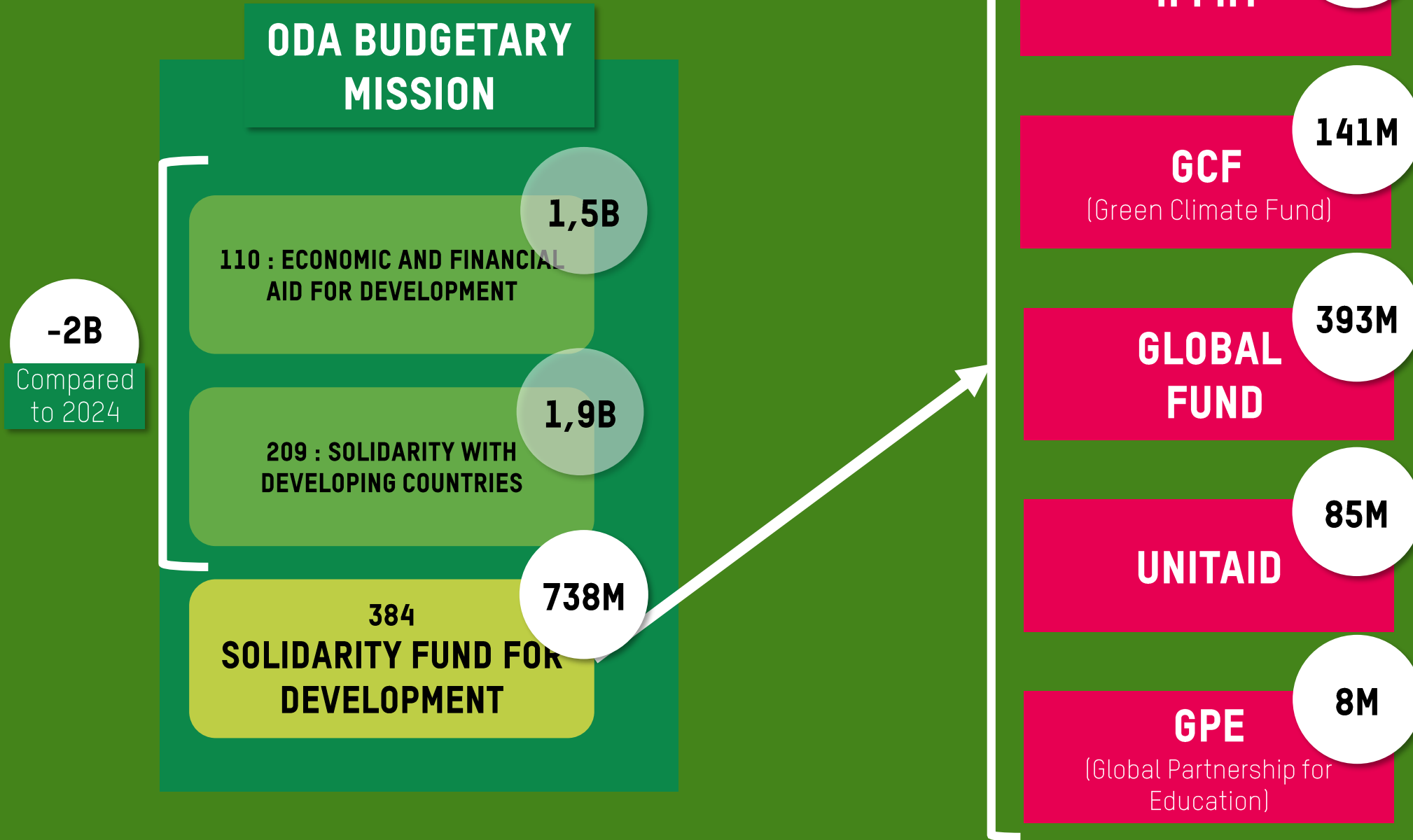
HOW THE FSD WORKED BEFORE 2025



WHY DID THIS CHANGE?

- The government states that the French Solidarity Fund not respect the 2021 organic finance law, **which mandates a legally recognized beneficiary and a clear link between tax revenue and its use.**
- In the new budget, **the government will replace the French Solidarity Fund with a new budgetary program, ending solidarity tax allocations.**
- In the 2025 french bills, **the revenues from both taxes have increased by 1.6B€ but not earmark anymore to solidarity.**

HOW THE FSD WORKED SINCE 2025



WHAT DOES THIS NEW PROGRAM LOOK LIKE ?

The government wishes to ensure the continuity of the fund and its spirit by keeping the appropriations and pursuing its mission.

This program will now be managed by the Directorate General for Multilateral Affairs and Globalisation (DGM) within the Minister of Foreign Affairs.

It is noted that this budgetary program will not be subject to budgetary regulation measures.

WHAT CAN WE DO NOW ?

INFLUENCE THE DGM

We have lost the allocation of taxes, but we have gained a lot in transparency regarding the solidarity fund for development. It is now the DGM that has control over the FSD and will be able to decide on its allocations. **They must therefore be fully convinced that the FSD is a tool for financing loss and damage.**

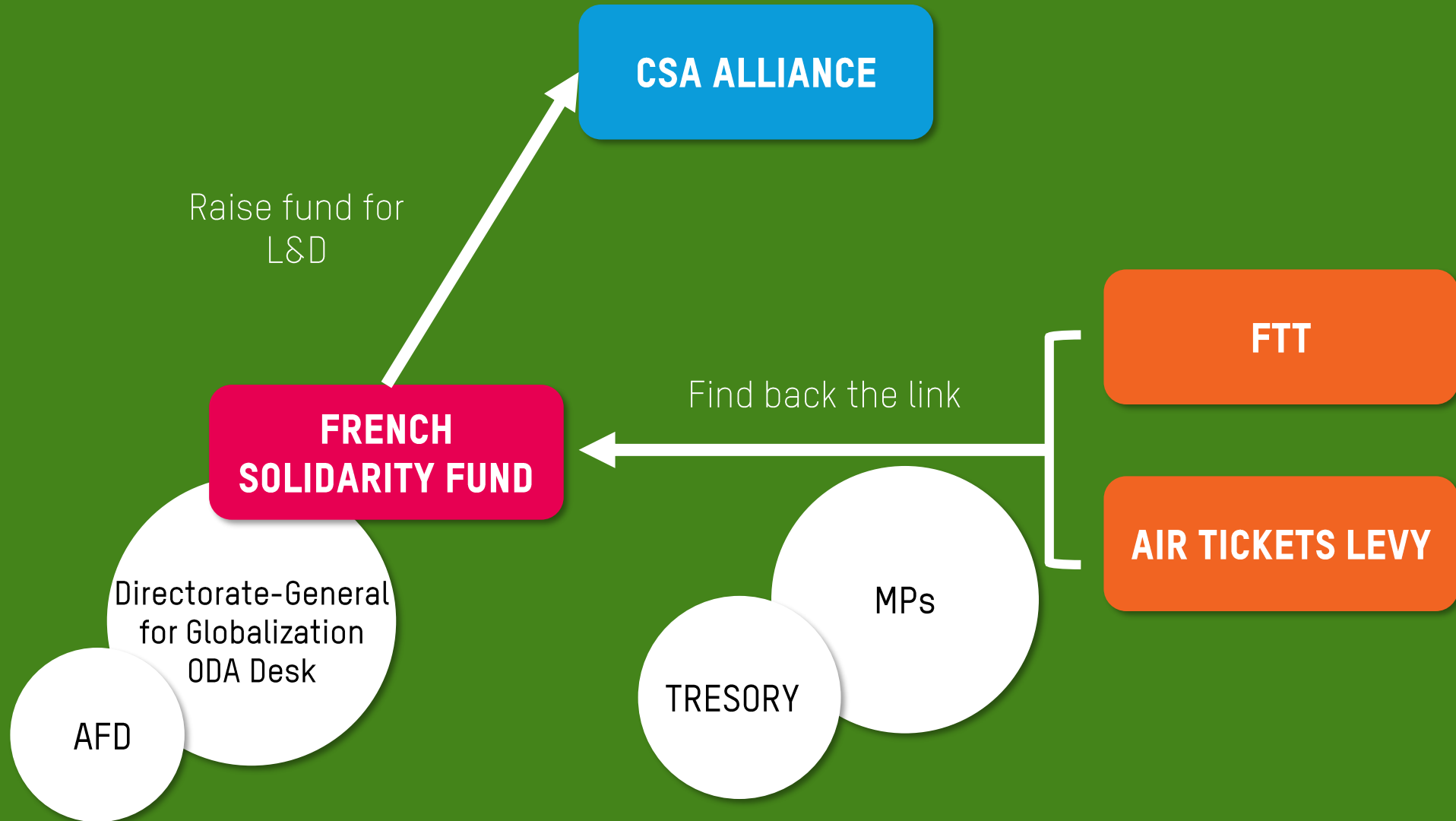
In this case, support for one fund would have to be reduced to include loss and damage, which is a position that seems untenable for our advocacy.

RAISE MONEY FOR THE SOLIDARITY FUND FOR DEVELOPMENT

- **A legal link** : keep up the fight in parliament, particularly for the next budget, where MPs could once again defend the allocation of taxes.
- **A symbolic link** : push the Tresor to raise the budget of the Solidarity Fund for development budgetary program with the increase of the taxes for 2025

This fight will permit to raise more revenues for the FSD with the increase of the taxes.

CLIMATE SOLIDARITY ALLIANCE



THANK YOU !