



## ADAPTATION FUND

# Adaptation Fund Board Approves Record US\$ 137 Million in New Projects; Doubles Country Cap to US\$ 40 Million

Milestone Decisions Respond to Countries' Adaptation Needs and UN Goal to Triple Volume

Bonn, Germany (*April 17, 2025*) – In a set of milestone decisions at its 44<sup>th</sup> meeting, the Adaptation Fund (AF) Board approved over US\$ 137 million in new projects – a new record that eclipsed the US\$ 100 million mark in a single Board meeting for the first time since its operations began 18 years ago.

Further, the Board doubled the Fund's country spending caps from US\$ 20 million to US\$ 40 million while also raising the cap on individual single-country projects from US\$ 10 million to US\$ 25 million, and raising the cap on regional projects from US\$ 14 million to US\$ 30 million.

The US\$ 137 million in new projects included approvals of 16 full concrete adaptation projects on the ground, which raises the Fund's total to nearly US\$ 1.4 billion committed to about 200 projects across the globe. The Board also endorsed another 15 project concepts and pre-concepts, and committed over \$1.2 million in project formulation grants to help develop them further.

Several countries received AF funding for the first time, including **Saint Kitts and Nevis** (which is a small island developing state), **Somalia** (a least developed country), **Bosnia and Herzegovina**, **Eswatini**, and **Philippines**, representing 37% of the total funding approved. Further, several countries received funding for the first time through the Fund's single-country Locally Led Adaptation (LLA) program. These included **Senegal** (also a least developed country), **Armenia**, **Bhutan**, and **Cote d'Ivoire**. The Caribbean Community Climate Change Centre, a regional implementing entity of the Fund, had its first project concept endorsed by the Fund and will receive a US\$ 130,200 grant to further develop the proposal in St. Kitts and Nevis.

The Board also approved US\$ 30 million for the launch of a new regional aggregator program for channeling LLA grants to a wide range of local actors including non-accredited entities, to accompany its existing funding windows for single-country LLA programs. It also continued its [innovation](#) in adaptation programme, as well as the Fund's learning, scale-up and regular regional project grant programmes. All of these grants are offered to countries in addition to its regular country projects and are not subject to the country spending caps.

These funding decisions are aligned with the mandate the Fund received from Parties at the UN COP29 climate conference last year that calls for a [tripling of outflows](#) from 2022 levels by 2030.

The Board will review the new country spending caps after the Fund's current five-year medium-term [strategy](#) concludes in 2027 and before the next one begins, with an eye to fulfilling the tripling of outflows by 2030.

Additionally, the Board amended its legal agreements for implementing entities in the administration of project grants to allow entities to apply their rules, policies, standard practices and procedures that should enable them to comply with AF's policies, guidelines, standards and procedures. These changes, along with the increased country spending caps, will strengthen the Fund's ability to channel more adaptation resources to where they are most needed.

*"This meeting was a remarkable success. The Board's decisions will help to greatly further the important work of the Adaptation Fund in serving the most climate-vulnerable communities around the world. Approving a record amount of new project funding and doubling the country funding cap for countries puts the Fund on target to meet its share of the new collective quantified goal on climate finance (NCQG) set last year,"* said the Board's new Vice-Chair **Mr. Washington Zhakata**, of Zimbabwe. Zhakata served as the meeting's Chair in the absence of new Board Chair **Mr. Antonio Navarra** of Italy, who was unable to attend last week's meeting.

*"The Board's approval of such a large work program reflects the tremendous adaptation needs vulnerable countries are facing and helps put the Adaptation Fund on the path to meet the goals of the NCQG to triple its flows of approved projects. As well, doubling the cap on funding that countries can access to US\$ 40 million is a huge milestone for the Fund, and will help us reach more vulnerable communities that are in urgent need of adaptation solutions,"* said **Mikko Ollikainen**, Head of the Adaptation Fund. *"I am very pleased with these outcomes, which endorse the great work the Fund is already doing in delivering tangible impacts to developing countries, and will help us fund more and larger projects to meet their growing adaptation needs."*

Other key decisions included the Board accrediting the National Environment Trust Fund (NETFUND) of **Kenya** as the Fund's 36<sup>th</sup> national implementing entity (NIE) under the Fund's pioneering [Direct Access](#) modality, which helps drive country ownership in adaptation. Kenya marks the first country to have two NIEs with the Fund. The Board previously authorized countries to have up to two NIEs to help build national capacities to address adaptation sustainably over the long term. Kenya's other NIE is the National Environment Management Authority.

The Board also reaccredited two of its existing NIEs, the Protected Areas Conservation Trust in Belize and the Interprofessional Fund for Agricultural Research (FIRCA) in Côte d'Ivoire.

The Board further set the Fund's 2025 resource mobilization goal at a floor of US\$ 300 million, which is aimed at addressing the urgency of climate change and the [global adaptation financing gap](#). Demand for the Fund's work continues to rise, with a nearly US\$ 600 million pipeline of projects in development.

The 16 full proposals approved, which are tailored to address countries' adaptation needs in the most vulnerable communities, include projects in:

- **Argentina**, US\$ 10 million, implemented by the Development Bank of Latin America

- **Armenia**, US\$ 4.9 million, implemented by the Environmental Project Implementation Unit (*LLA project*)
- **Bangladesh**, US\$ 10 million, implemented by the International Center for Integrated Mountain Development
- **Bosnia and Herzegovina**, US\$ 10 million, implemented by the International Fund for Agricultural Development (IFAD)
- **Côte d'Ivoire**, US\$ 4.9 million, implemented by FIRCA (*LLA project*)
- **Honduras**, US\$ 4 million, implemented by the Comisión Acción Social Menonita (*Direct Access project*)
- **Lebanon**, US\$ 4.3 million, implemented by IFAD
- **Lesotho**, US\$ 10 million, implemented by the World Food Programme
- **Mongolia**, US\$ 2 million, implemented by IFAD
- **Panama**, US\$ 10 million, implemented by Fundación Natura (*Direct Access project*)
- **Philippines**, US\$ 9.9 million, implemented by the United Nations Industrial Development Organization
- **Somalia**, US\$ 10 million, implemented by IFAD
- **Uzbekistan**, US\$ 10 million, implemented by IFAD
- **Yemen**, US\$ 9.9 million, implemented by UN-Habitat
- **Cameroon, Central African Republic, Chad, Niger and Nigeria** (*regional project*), US\$ 11.6 million, implemented by the World Meteorological Organization
- **Cuba and Panama** (*regional project*), US\$ 14 million, implemented by IFAD

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## ABOUT THE ADAPTATION FUND

Since 2010, the Adaptation Fund has committed nearly US\$ 1.4 billion for climate change adaptation and resilience projects and programmes, including almost 200 concrete, localized projects on the ground in the most vulnerable communities of developing countries around the world approaching 50 million total beneficiaries. It also pioneered Direct Access empowering country ownership in adaptation, and operationalized other novel programmes such as Locally Led Adaptation and the Fund's Innovation Facility.

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