

Key Updates from the Adaptation Fund

Annual NIE Readiness Seminar,
Addis Ababa, Ethiopia, 8 September 2025

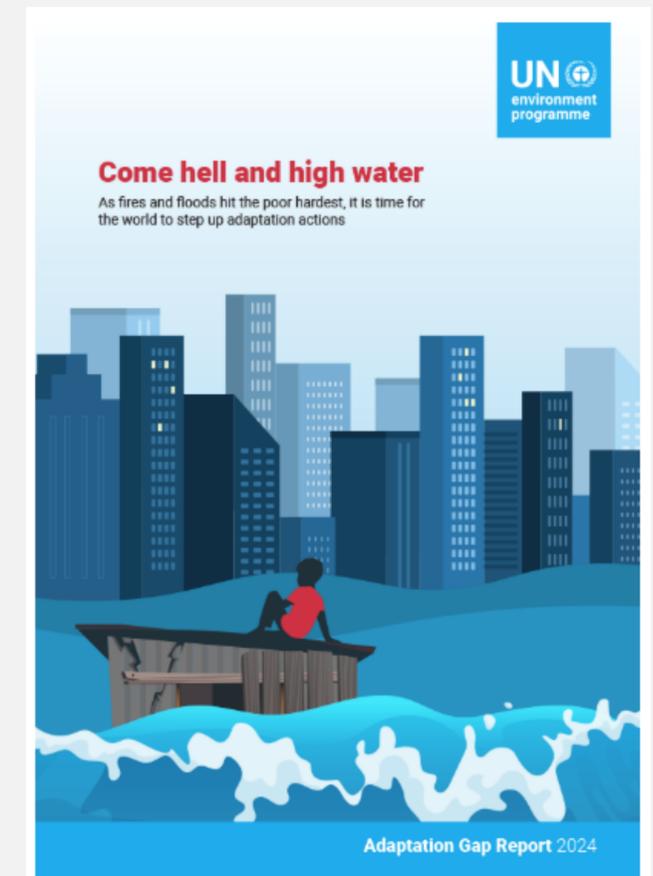
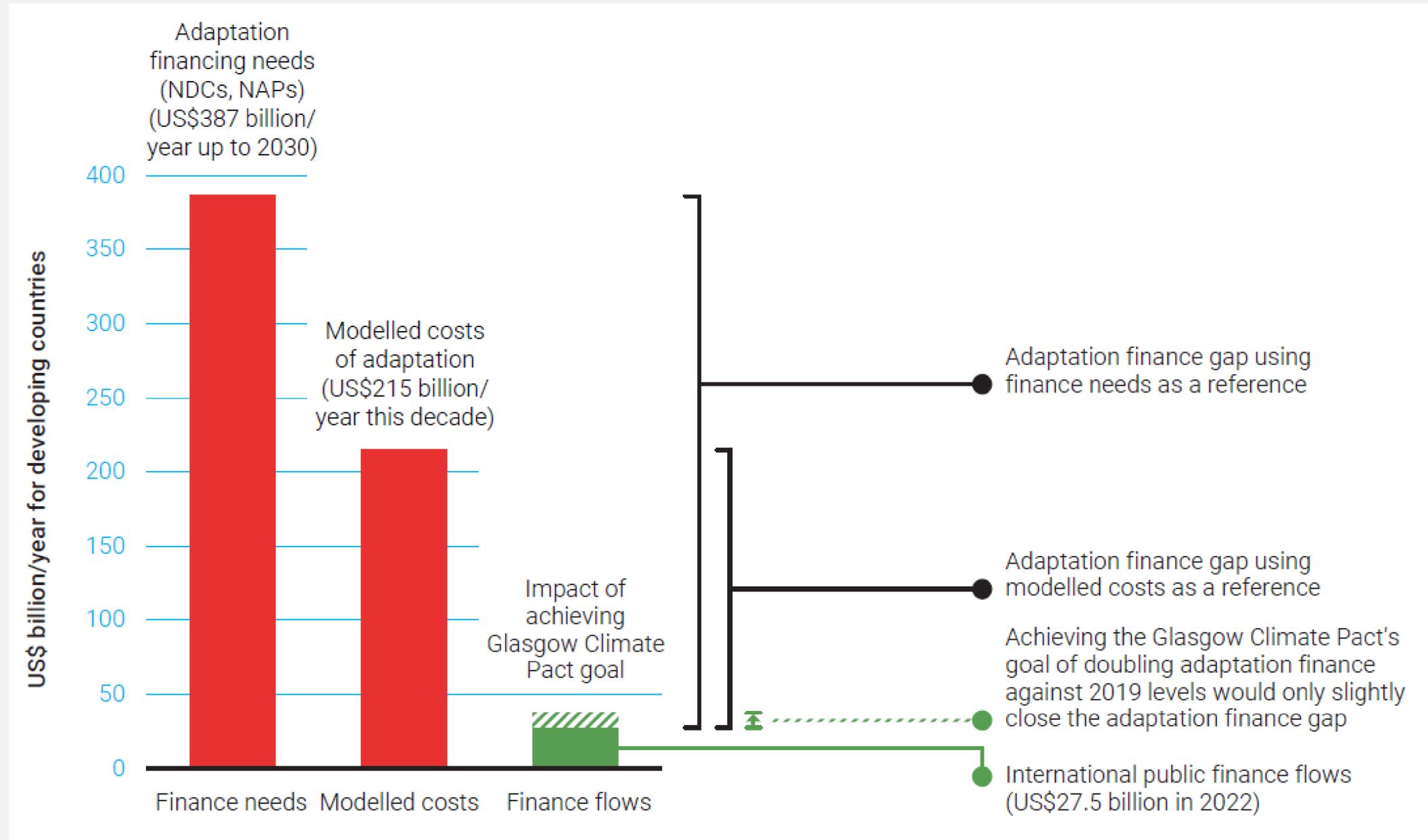


ADAPTATION FUND

LEADING ADAPTATION FINANCE,
DELIVERING TANGIBLE IMPACT



Adaptation finance gap



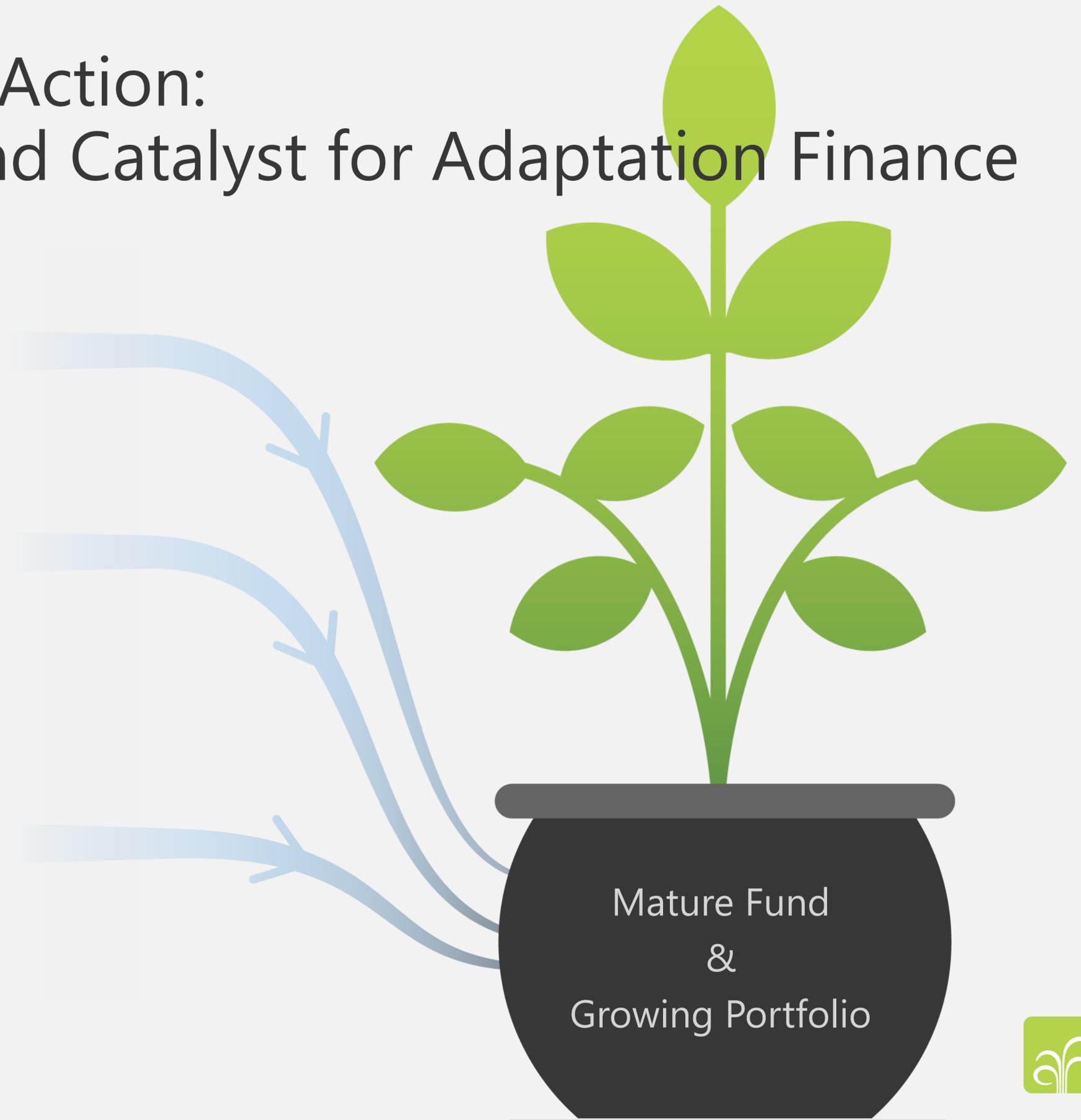


Adaptation Fund in Action: Leader, Innovator and Catalyst for Adaptation Finance

Established in 2001 under the UNFCCC Kyoto Protocol to finance concrete adaptation projects in developing countries & operationalized in 2007

Since 2019 officially serving the Paris Agreement & currently transitioning to exclusively serving the PA

Pursues efforts to at least triple annual outflows from AF & other UNFCCC climate funds by 2030 from 2022 levels





Key Features of the Adaptation Fund



STREAMLINED & SIMPLIFIED ACCESS PROCEDURES



GRANTS FOR CONCRETE ADAPTATION & NO CO-FINANCING REQUIREMENT



NO PRISCRIBED SECTORS OR APPROACHES



NAPs & NDC ALIGNMENT



SCALABILITY OF INVESTMENTS





AF Portfolio: Regional distribution

TOTAL 199 projects | US\$1.4B

SUPPORT TO LDCs & SIDS

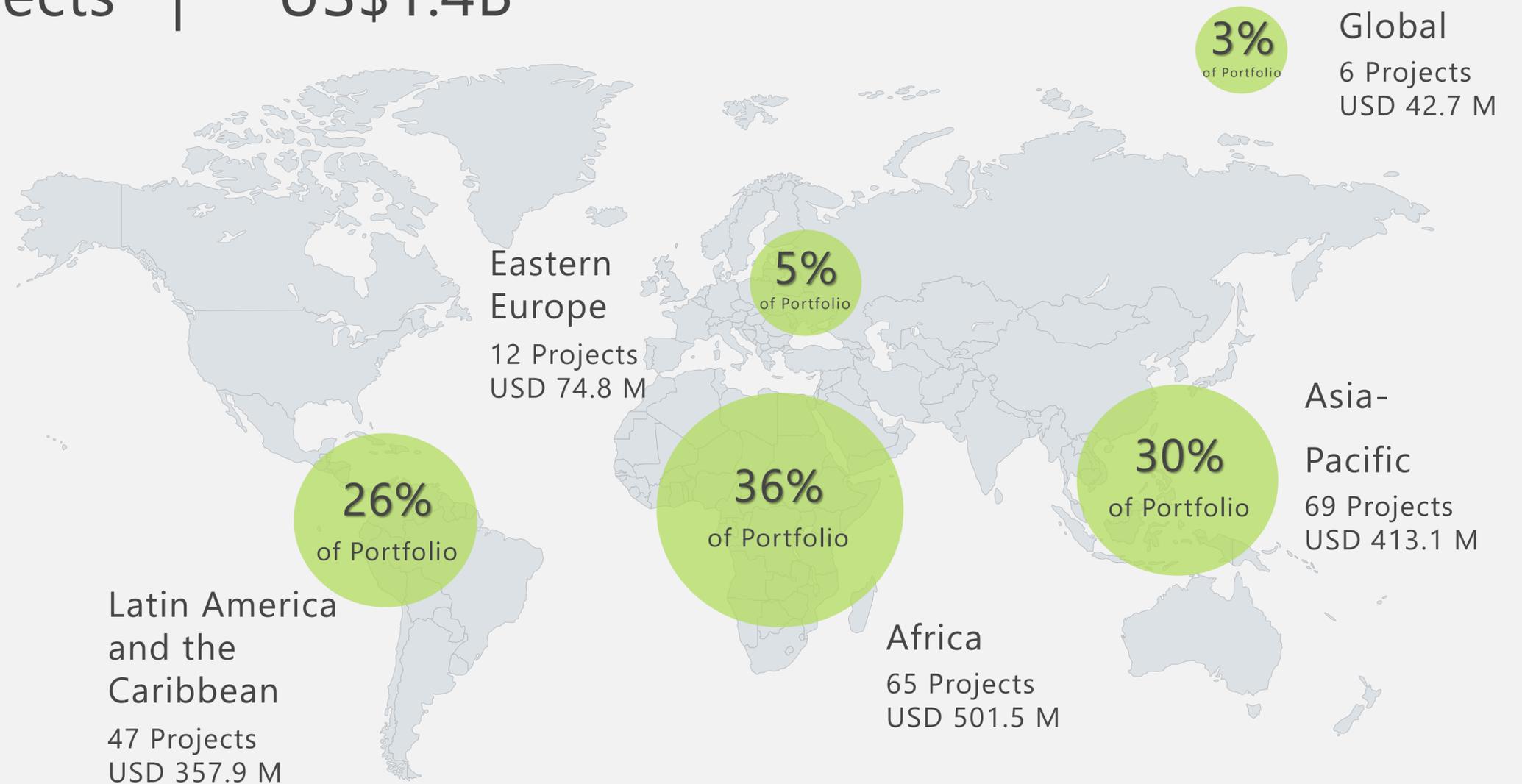
Almost half of AF portfolio in LDCs and SIDS

LEAST DEVELOPED COUNTRIES

USD 448M
32% of portfolio

SMALL ISLANDS DEVELOPING STATES

USD 239M
17% of portfolio



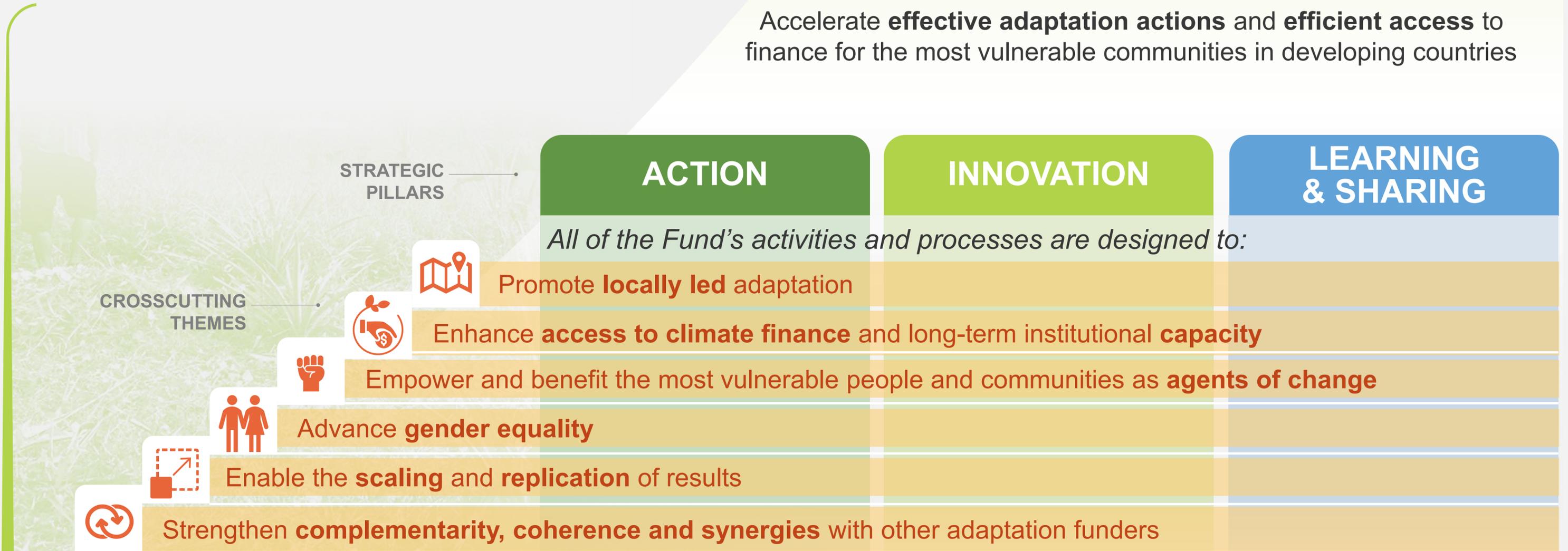
Growing demand for AF financing:
US\$960M of proposals in active pipeline



Medium-Term Strategy (2023-2027)

Theory of change

Finance concrete adaptation projects and programmes that are country driven and based on the needs, views and priorities of developing countries that particularly vulnerable to the adverse impacts of climate change.





COP 29: New Collective Quantified Goal on climate finance (1)

- New goal of at least **\$300 billion annually by 2035** from a **wide variety of sources** and counting all climate-related outflows from and **climate-related finance mobilized by multilateral development banks.**
- Launched the “**Baku to Belém Roadmap to 1.3T**”, aiming at scaling up climate finance to developing country Parties to support low greenhouse gas emissions and climate-resilient development pathways and implement NDCs and NAPs.
- NCQG text includes **important provisions for MCFs, including AF.**





COP 29: New Collective Quantified Goal on climate finance (2)

“13. Recognizes that multilateral climate funds, including the operating entities of the Financial Mechanism, **the Adaptation Fund**, the Least Developed Countries Fund and the Special Climate Change Fund, **are key in supporting developing country Parties** and encourages Parties to work through the governing bodies on which they serve to continue enhancing climate finance, **including with respect to coherence, complementarity and access;**”

“16. **Decides that a significant increase of public resources** should be provided through the operating entities of the Financial Mechanism, **the Adaptation Fund**, the LDCFund and the SCCFund also **decides to pursue efforts to at least triple annual outflows from those Funds from 2022 levels by 2030 at the latest** with a view to **significantly scaling up the share of finance delivered through them** in delivering on the goal ...;”





COP 29: New Collective Quantified Goal on climate finance (3)

“24. Calls on multilateral climate funds, including the operating entities of the Financial Mechanism, **the Adaptation Fund**, the Least Developed Countries Fund and the Special Climate Change Fund, to strengthen their efforts to enhance access and promote effectiveness, including by, as appropriate:

- (a) **Scaling up and prioritizing direct access;**
- (b) Simplifying and **harmonizing** application pre-approval and post-approval requirements and disbursement processes;
- (c) Establishing **flexible information requirements;**
- (d) Promoting **programmatic approaches;**
- (e) Streamlining **reporting requirements;**”





Updates from the 44th AF Board Meeting: Funding for projects

- Doubling of country cap from 20 million to **USD 40 million**
- Increase of single-country project/programme cap from USD 10 million to up to **USD 25 million**
- Increase of regional project/programme cap from **USD 14 million** to up to **USD 30 million** (incl. for regional Locally Led Adaptation programmes)
- New funding window for **regional Locally-Led Adaptation** projects/ programmes
- Innovation funding window: New call for Expression of Interest issued for the **AFCIA Partnership**
- Board requested the secretariat to prepare an **analysis of the implications of the NCQG decision**

44th AF Board Meeting,
April 2025



Adaptation Fund

Funding Windows



PILLAR	FUNDING WINDOW	ACCREDITED ENTITY TYPE	MAXIMUM FUNDING AMOUNT
ACTION	Single Country	NIE, RIE, MIE	Up to USD 25 Million <i>per Project/Programme (within USD 40 million cap)</i>
	Regional/LLA Regional	RIE, MIE	Up to USD 30 Million <i>per Project/Programme</i>
	LLA Single Country Projects/Programmes	NIE, RIE, MIE	USD 5 Million <i>per Project/Programme</i>
	Project Scale Up	NIE	USD 100,000 <i>per Grant</i>
INNOVATION	Small (single country)	NIE	USD 250,000 <i>per Project USD 750,000 with learning</i>
	Large (single country or regional)	NIE, MIE, RIE	USD 5 Million <i>per Project/Programme</i>
	Adaptation Fund Climate Innovation Accelerator	Non-accredited	Up to USD 250,000 <i>per Grantee/Innovator</i>
LEARNING & SHARING	Learning Grants	NIE	USD 500,000 <i>per Grant USD 750,000 with innovation</i>
READINESS	Readiness Support Package Grant	NIE	USD 150,000 <i>per NIE</i>
	Technical Assistance Grant for the Environmental and Social Policy and Gender Policy	NIE	USD 25,000 <i>per NIE</i>
	Technical Assistance Grant for the Gender Policy	NIE	USD 10,000 <i>per NIE</i>



Accredited Implementing Entities

Legend

- IE Implementing Entity
- RIE Regional Implementing Entity
- MIE Multilateral Implementing Entity
- NIE National Implementing Entity

-
- SIDS Small Island Developing States
 - LDC Least Developed Countries

61 IEs
Accredited
to date



Accredited NIEs Distribution*

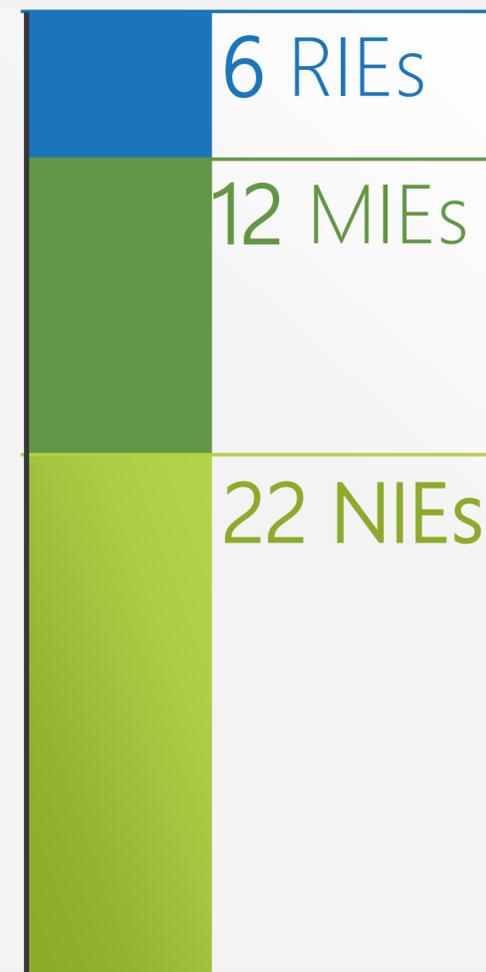
- 7 NIEs from SIDS
- 14 NIEs from LDCs
- 16 NIEs from other developing countries

* Tuvalu is both an LDC and SIDS and thus counted twice in this breakdown

Out of the
accredited ones,

40 IEs
have been
reaccredited

70% of the
total





Streamlined Project Submission & Approval Process



Implementing Entities (IEs) are invited to submit project proposals and concepts **on a rolling basis** for all funding windows



To submit a proposal, the IE should submit to the AFB secretariat the relevant proposal template & a **valid Letter of Endorsement signed by the DA**, with the DA copied



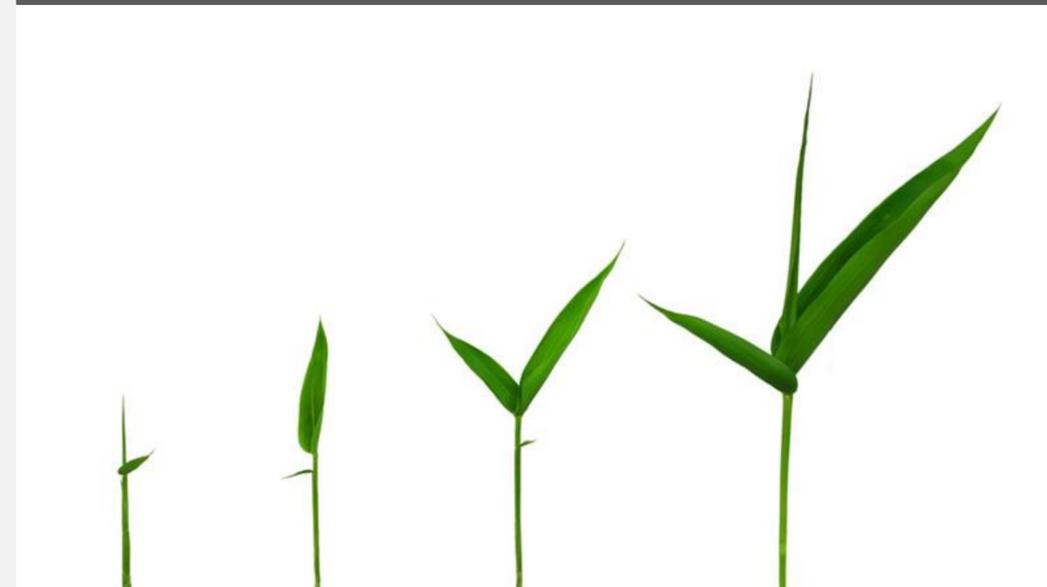
AFB secretariat will deliver a **first technical review within 3 weeks** to allow IEs several rounds of resubmission until the proposal is technically cleared



AF Board approval: Board considers technically cleared proposals and concepts that are technically cleared during its biannual Board meetings in April & October of each year.

Project proposal templates and guidance documents available at:

<https://www.adaptation-fund.org/apply-funding/project-funding/project-proposal-materials/>





Complementarity & Coherence with other Climate Funds

Increasing collaboration with other Multilateral Climate Funds (MCFs) on **ENHANCING ACCESS AND INCREASING IMPACT:**

- Joint declaration of the heads of the Adaptation Fund, the Climate Investment Funds, the Global Environment Facility and the Green Climate Fund (COP28)
- MCF Heads are committed to this agenda – going forward to include FRLD
- Increasing MCFs collective impact on results indicators, monitoring and evaluation, knowledge exchange, accreditation, and joint programming and capacity-building
- Launch of Joint Climate Project Explorer at COP29

<https://climateprojectexplorer.org/>

COLLABORATION WITH GCF ON DIRECT ACCESS & SCALING UP:

- Fast-track accreditation for GCF accredited entities
- AF-GCF Scaling up framework – at least 20 AF projects scaled up by GCF
- Joint Community of Practice for Direct Access Entities

CLIMATE
PROJECT
EXPLORER

SEARCH ALL

Multilateral Climate Funds

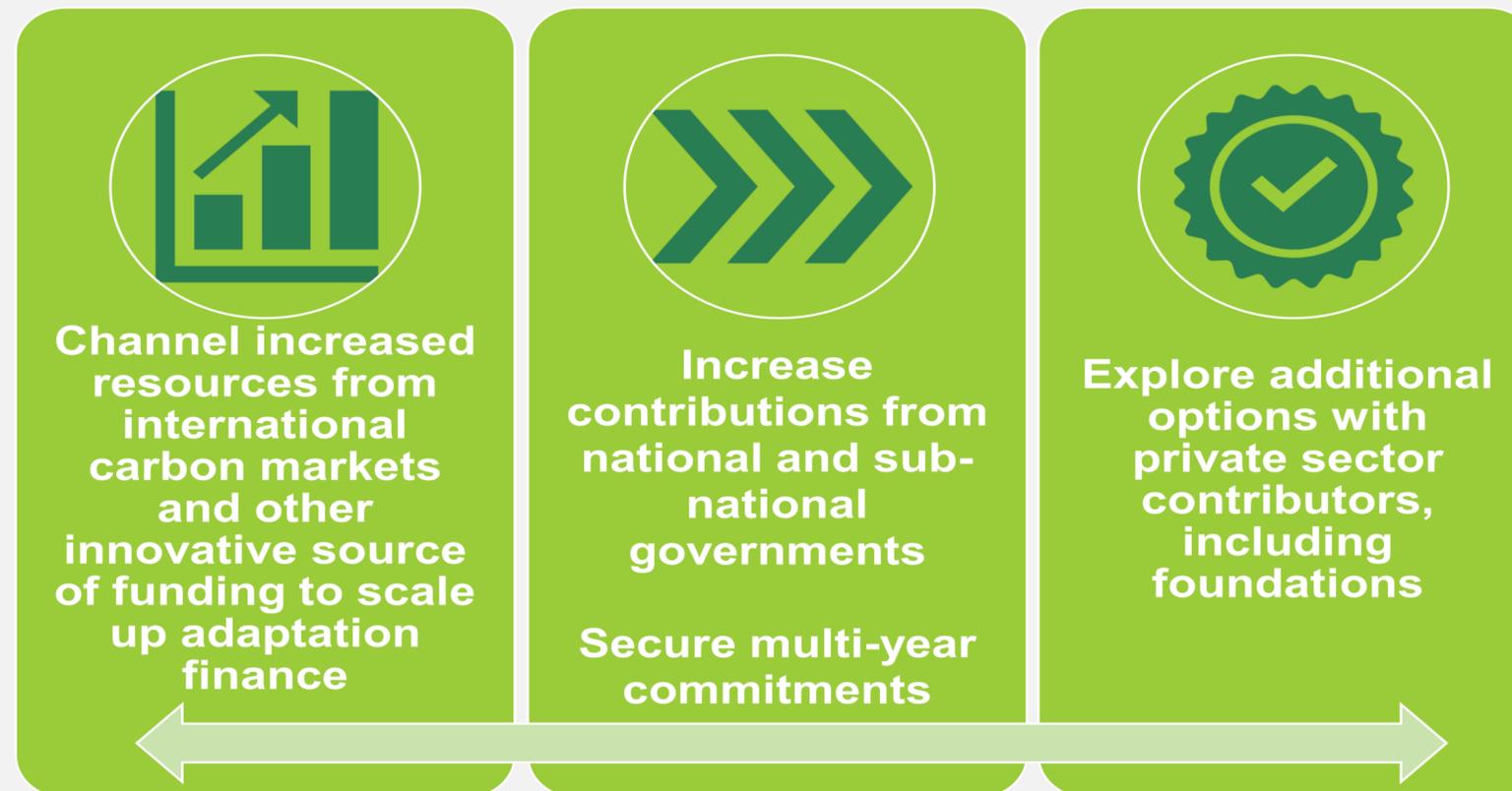
Suggestions: [Adaptation](#) [Extreme Weather](#) [Philippines](#)





AF Resource Mobilization Target & Strategy

➤ Current Resource Mobilization Strategy (2022 to 2025)



➤ Next Resource Mobilization Strategy (2026 to 2029) under development

➤ **2025 Resource Mobilization Target: from a floor of US\$ 300M**

➤ **2025 Contributor Dialogue during COP30 in Belém, Brazil**





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CATALYSING IMPACT

THANK YOU