



ADAPTATION FUND

LOCALLY-LED ADAPTATION & INNOVATION

NIE Seminar

Addis Ababa, 10th September 2025

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.

GOAL

Protect **people, livelihoods** and **ecosystems** through climate-resilient development

VISION

Enhance **adaptative capacity**, strengthen **resilience** and **reduce vulnerability** to climate change

MISSION

Accelerate **effective adaptation actions** and **efficient access** to finance for the most vulnerable communities in developing countries

STRATEGIC PILLARS

ACTION

INNOVATION

LEARNING & SHARING

All of the Fund's activities and processes are designed to:

CROSSCUTTING THEMES



Promote **locally led** adaptation



Enhance **access to climate finance** and long-term institutional **capacity**



Empower and benefit the most vulnerable people and communities as **agents of change**



Advance **gender equality**



Enable the **scaling** and **replication** of results



Strengthen **complementarity, coherence and synergies** with other adaptation funders



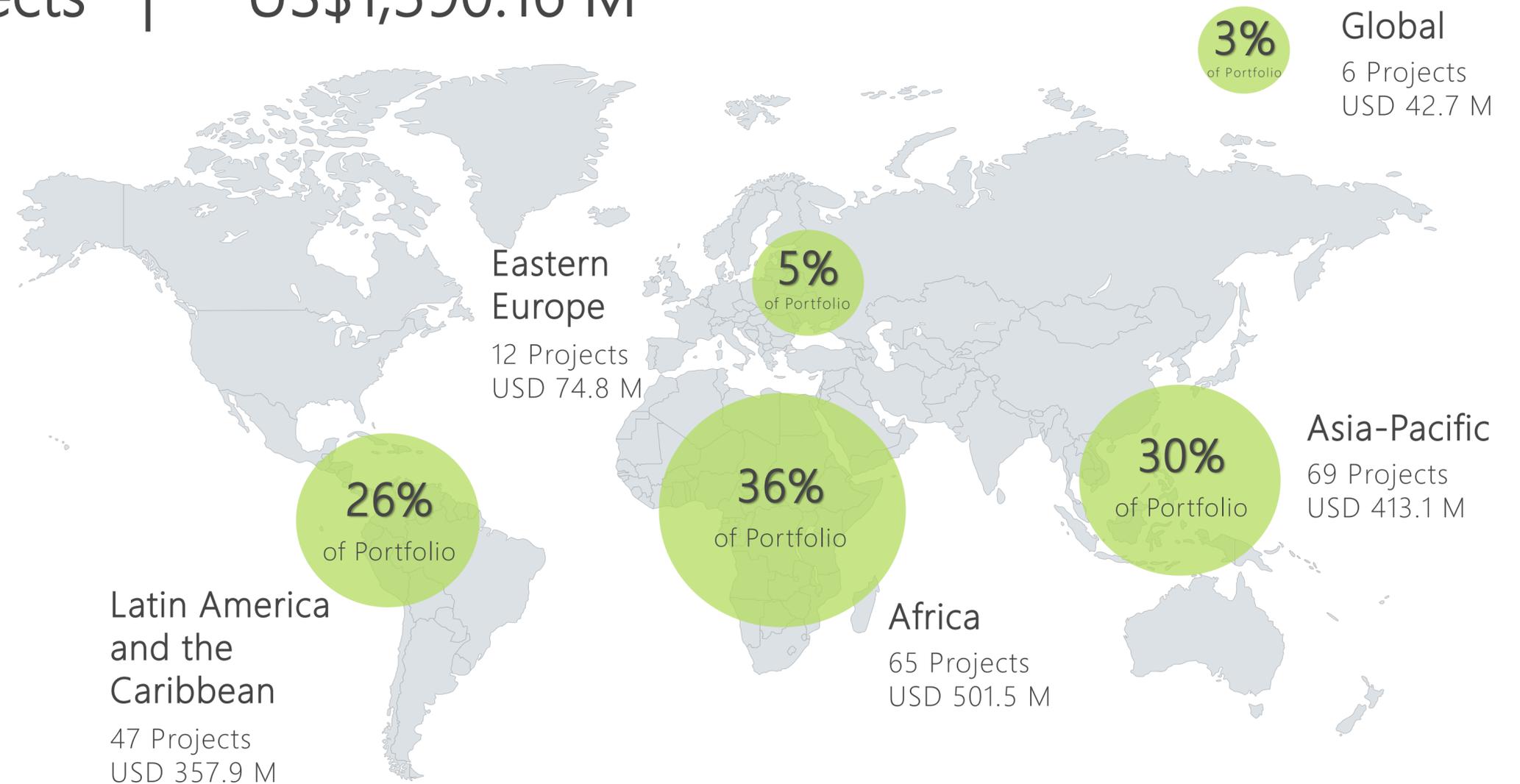


AF Portfolio: Regional distribution

TOTAL 199 projects | US\$1,390.16 M

PROJECT & PROGRAMME DISTRIBUTION

Single Country:	148
Regional:	27
LLA:	6
Small Innovation:	9
Large Innovation:	3
AFCIA:	6



Growing demand for AF financing:
MORE THAN US\$950M of proposals in active pipeline



Key Criteria for Adaptation Fund Project/Programmes



COUNTRY ELIGIBILITY



PROJECT ELIGIBILITY



RESOURCE AVAILABILITY



ELIGIBILITY OF ENTITY



IMPLEMENTATION ARRANGEMENTS

Locally-Led Adaptation



- The Adaptation Fund has pioneered **access modalities that support local leadership** in climate adaptation, including through:
 - **Direct Access** (DA) where countries can access finance directly through national entities
 - **Locally-Led Adaptation** (previously EDA) which empowers local actors to play a leading role
- People and communities are on the frontlines of climate change, yet they often lack a voice in how to address the impacts.
- Bringing local actors into **decision making and having control over financing** improves the effectiveness and sustainability of adaptation solutions.
- Provides **context specific solutions** that are responsive to local needs
- **Greater appetite for USPs** with valid justification



LLA Principles



1 Devolving decision making to the lowest appropriate level



2 Addressing structural inequalities faced by women, youth, children, disabled and displaced people, Indigenous Peoples and marginalised ethnic groups



3 Providing patient and predictable funding that can be accessed more easily



4 Investing in local capabilities to leave an institutional legacy



5 Building a robust understanding of climate risk and uncertainty



6 Flexible programming and learning



7 Ensure transparency and accountability



8 Collaborative action and investment

Adaptation Fund

Funding Windows



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



Project Formulation Grants (Available to NIE, RIE, MIE)

	Less than USD 2M	USD 2M to 5M	USD 5M and above	Locally-led adaptation
Single country projects	\$50,000	\$100,000	\$150,000	\$150,000 +\$100,000*
Regional projects and programmes			\$150,000 (2 countries min.) +\$15,000 per additional country Max \$250,000	\$165,000 (3 countries min.) +\$15,000 per additional country Max \$350,000* <small>*(+ \$100,000 on a case-by-case basis)</small>

Optional 3-step approach: Only Single-country LLA and all Regional



Maximum at *Pre-concept* stage is **20% of the maximum total PFG applicable** (only regional and LLA)





Locally Led Adaptation

New E-Learning Course on AF LLA Grants & Proposal Preparation

AVAILABLE IN ENGLISH, SPANISH & FRENCH

1. LLA: Training

Locally Led Adaptation Grants: An Introduction

Climate change • Climate change refers to long-term shifts in...

Watch later Share

Section 2

Case studies of LLA: Honduras and Peru

ADAPTATION FUND 10

Watch on YouTube

2. LLA: Project Proposal Preparation

Locally Led Adaptation Grants: Project Proposal Preparation

Focus area: Part III

- Mechanisms that will ensure direct access to finance for local communities
- Actions that will contribute to building local capabilities in a sustainable manner
- The planned consultative process, with an emphasis on involving vulnerable groups, including gender considerations

Watch later Share

ADAPTATION FUND 16

Watch on YouTube

Available on AF website:

<https://www.adaptation-fund.org/document/locally-led-adaptation-e-course/>

Innovation at the Adaptation Fund

- Innovation is becoming increasingly important to meet the global adaptation challenge, given the **urgency of climate action** and **scarcity of public resources** for adaptation.
- Innovation projects are an opportunity to leverage the Fund's comparative advantage to **test and trial new practices and technologies**, and contribute to an **evidence-base** of successful innovation in climate adaptation.
- We are able to take on **more risk** involved than projects under our regular funding windows, and there is also greater potential for **more impactful** and transformational interventions.

INNOVATION

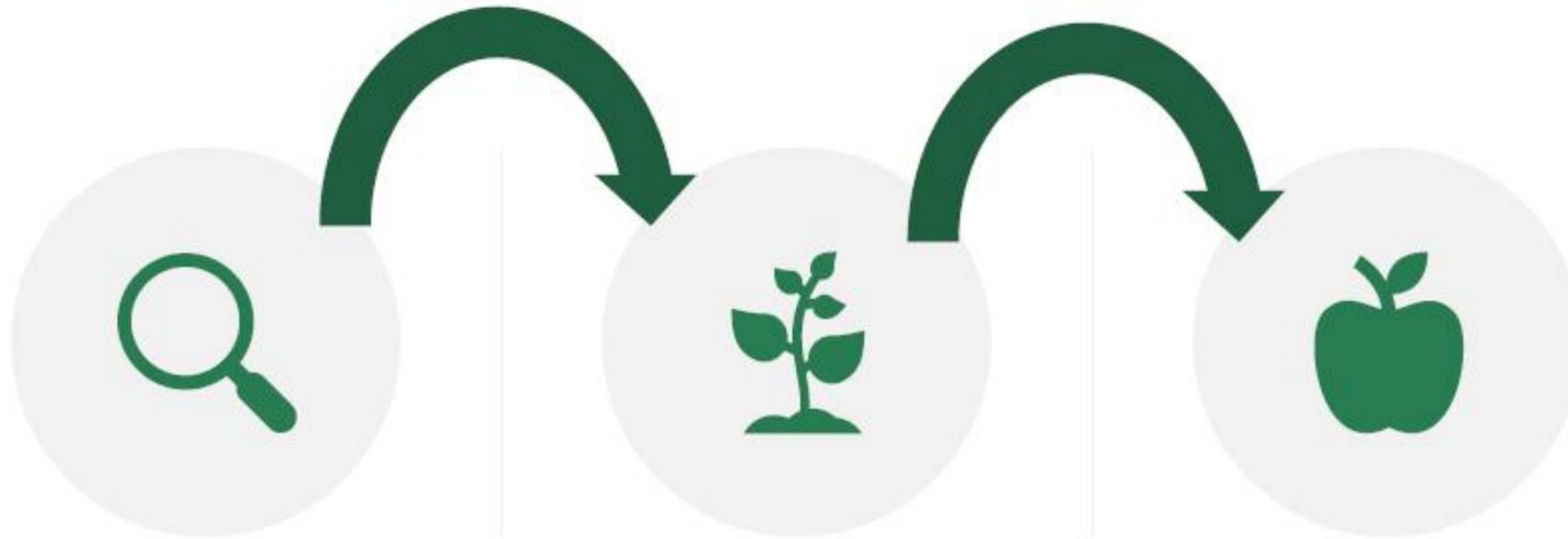
Modalities for funding the development and diffusion of innovative adaptation practices, tools and technologies are expanded and risk-taking is encouraged

EXPECTED RESULTS

1. New innovations and risk-taking encouraged and accelerated
2. Successful innovations replicated and scaled up
3. Access and capacities enhanced for designing and implementing innovation
4. Evidence base generated and shared



What is Innovation?



Understood as the creating, testing, deployment or diffusion of new, adapted or improved adaptation solutions

Developed contextually and with the inclusion of the communities most vulnerable to climate change

Emphasis on iterative deployment where change, learning, and new information are embraced



ADAPTATION FUND

What does the Adaptation Fund consider innovation?



Transformative or
disruptive
solutions



Revival and
repurposing of
traditional or
indigenous
practices



Adapting a
technology to a new
location



Process, system,
or social
innovation



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	NIE, RIE, MIE	USD 5 Million <i>per Project/Programme</i>
	LLA Aggregator	Non-accredited	Up to USD 250,000 <i>per Grantee</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 (AFCIA)	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 Support Package Grant	NIE	USD 150,000 <i>per NIE</i>
READINESS	Technical Assistance Grant for the ES & GP	NIE	USD 25,000 <i>per NIE</i>
	Technical Assistance Grant for the GP	NIE	USD 10,000 <i>per NIE</i>

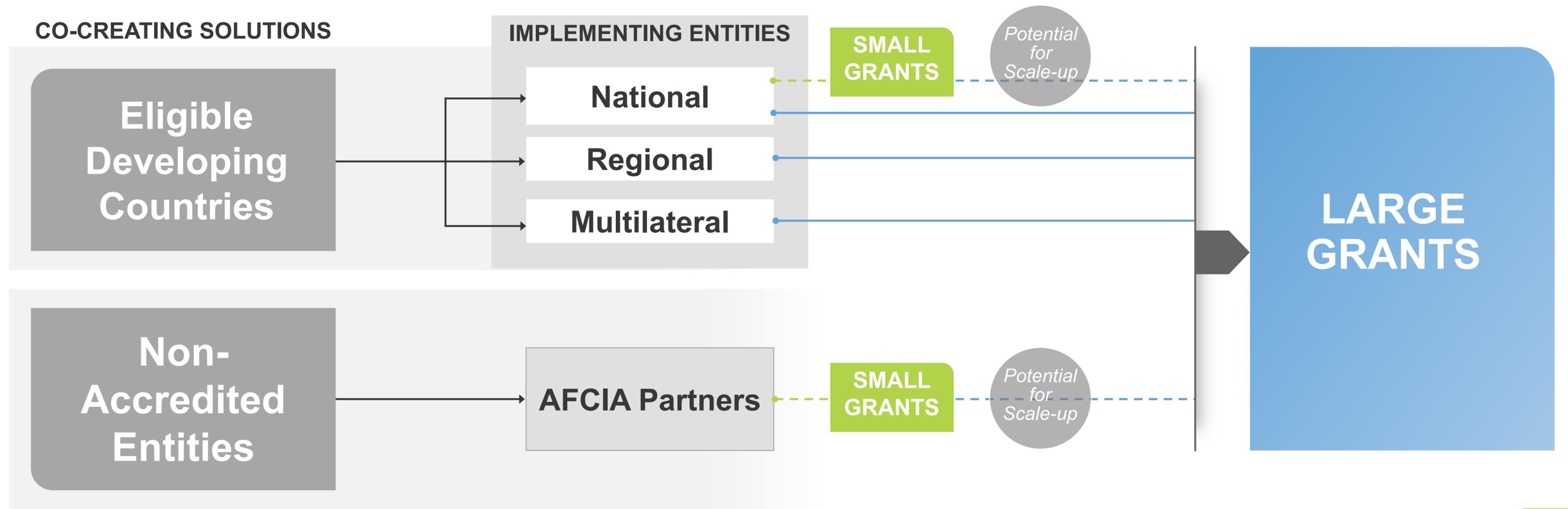


INNOVATION Funding Window

outside of
country
cap

Types of Interventions

- Pilot
- Demonstrate
- Improve
- New
- Adapted technology solutions or practices



Innovation small grants

Test, evaluate, roll out and scale up innovative adaptation practices, products and technologies.



New innovations encouraged and accelerated.

Development of innovative adaptation practices, tools and technologies encouraged and accelerated

Evidence base generated.

Evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to assess scaling up



Large innovation projects

Test, evaluate, roll out and scale up innovative adaptation practices, products and technologies.

NIE, RIE,
MIE



5 Million



Successful innovations rolled out.

Innovative adaptation practices, tools and technologies that have demonstrated success in one country spread to new countries/regions;

Viable innovations scaled up.

Innovative adaptation practices, tools and technologies that have demonstrated viability at a small scale piloted at larger scales.



ADAPTATION FUND

A few key takeaways



- All projects regardless of funding window must meet **key AF criteria** and **demonstrate adaptation reasoning**.
- LLA projects should **operationalize the 8 principles of Locally-Led Adaptation** and put local actors at the heart of the intervention.
- Innovation projects should **incorporate innovation rationale** – where they identify a climate-induced challenge and demonstrate how an adaptation innovation contributes to overcoming that problem.
- LLA and Innovation projects are **outside the country cap**.
- Funding windows **most relevant to NIEs**:
 - Single-country LLA (USD 5 million)
 - Small grants innovation (USD 250,000)
 - Large grants innovation (USD 5 million)

Resources

- Locally Led Adaptation E-course ([English](#), [French](#), [Spanish](#))
- Local Leadership in Adaptation Finance [study](#)
- Innovation Small Grants E-course ([English](#), [French](#), [Spanish](#))
- Adaptation Futures 2025: Innovation Spotlight [webpage](#)





ADAPTATION FUND

THANK YOU

Website: www.adaptation-fund.org
Email: afbsec@adaptation-fund.org



Project from
LAC

DOMINICAN REPUBLIC

Innovation Small Grants Project

Strengthening of a Replicable Micro Ecosystem of Accelerated Technological Innovation for Adaptation and Mitigation to Climate Change in Dominican Republic through the Development of a Pilot Thermo Solar Desalination Appropriate Technology



Project Amount: USD 249,929

Implementing Entity: IDDI

Implementation Period: 2021-2024

Project Objective: Accelerate the development of technologies for adaptation to climate change of marine-coastal areas, especially in island countries (large and SIDS).

Project Components:

1. Development of the technology including the prototype for testing at a Dominican Republic University;
2. Pilot test of prioritized adaptation technology in a selected community in Dominican Republic;
3. Knowledge management to capture and disseminate lessons learned.