

Adaptation Fund Board
Forty-sixth meeting
Bonn, Germany

Revised Draft Adaptation Fund Resource Mobilization Strategy for the period from 2026 to 2029

Strategic Considerations

- The Adaptation Fund’s current Resource Mobilization Strategy (2022-2025) has been generally successful in increasing voluntary contributions, securing more multi-annual commitments, attracting additional contributors, and exploring alternative sources. However, challenges related to the unpredictability and scale of resources continue to hinder the Fund's growth.
- The Adaptation Fund’s new Resource Mobilization Strategy must build on previous successes and address existing challenges. The strategy must also be adaptive to the evolving climate finance landscape and consider its increasing demand and ambition to enable the Fund to at least triple its annual outflows by 2030.
- The Board considered the first draft Resource Mobilization Strategy for 2026 to 2029 at its forty-fifth Board meeting and decided to request the secretariat to revise the draft strategy taking into account the Board’s discussions and to consult with the Board during the intersessional period.
- This document presents a revised draft Resource Mobilization Strategy for the Fund’s for the next period of 2026 to 2029 that reflects the comments received from the Board during the previous Board meeting and during a virtual intersessional consultation session.

Purpose

1. In line with decision B.45/2, this document presents a revised draft Resource Mobilization Strategy for the Fund for the period from 2026 to 2029. This revised draft strategy contains the following sections: background and context; an enhanced “case for investment” in the Adaptation Fund (the Fund); revised specific resource mobilization strategies for the 2026-2029 period; scenarios for at least tripling outflows and related resource mobilization pathways; and an enhanced resource mobilization process and target setting approach.

Recommended Decisions

2. The Adaptation Fund Board, having considered the information contained in document AFB/B.45/7/Rev.2, decides:
 - a) To approve the new resource mobilization strategy for the period 2026 to 2029 (the strategy), as contained in Annex I to document AFB/B.46/7/Rev.2;
 - b) To communicate the strategy widely to the Adaptation Fund’s stakeholders and to request the secretariat to support the Board in doing so;
 - c) To request the secretariat to draft, in close consultation with the resource mobilization task forces set up through decisions B.19/29 and B.24/28, a resource mobilization action plan

based on the strategy, providing a description of the detailed steps and actions required to implement the strategy and further clarifying the combination of approaches the Fund would implement to mobilize resources for the period, while remaining consistent with the Fund's mandate, objectives, principles, and governance arrangements, for the Board's consideration at its forty-seventh meeting;

- d) To appoint the following members to the resource mobilization task force:
 - i. Mr. Antonio Navarra (Italy, Western Europe and Other)
 - ii. Ms. Nina Alsen (Germany, Western Europe and Other)
 - iii. To be confirmed
 - iv. Ms. Bertha I. Argueta (Honduras, Latin America and the Caribbean)
 - v. Ms. Naima Oumoussa (Morocco, Africa)
 - vi. Mr. Abdulaziz Albutti (Saudi Arabia, Asia-Pacific); and
- e) To request the task force referred to, among other things, guide the development of the action plan referred to in sub-paragraph (c) and the implementation of the strategy in an open, transparent and consultative manner.

Background and Context

3. The Fund's current Resource Mobilization Strategy (2022-2025) which was intended to conclude in 2025 but whose implementation was extended by the Board through decision B.45/2 until a new strategy is approved, has been instrumental in enhancing targeted resource mobilization efforts and raising awareness of the Fund's comparative advantages. The current strategy has been generally successful in achieving its key objectives and outcomes across its six specific strategies:

- Awareness raised on the Fund's comparative advantage
- Continued and increased voluntary contributions from existing national and subnational contributors
- Contributions secured from new contributor governments, expanding its contributor base from 22 to 31
- Multi-year commitments secured
- Innovative financial mechanisms and alternative funding sources, such as carbon markets, explored
- Increased individual and organization donations through the Fund's website "donate button"

The strategy also strengthened the Fund's engagement with current and potential contributor governments through targeted outreach and communications. These efforts resulted in increased voluntary contributions, more predictable funding flows, and enhanced visibility and recognition of the Fund's role in adaptation finance.

4. Challenges related to the unpredictability and scale of resources continue to hinder the Fund's growth. Despite notable progress, the strategy faced several challenges, including uncertainty around the timing and scale of revenues from new sources such as Article 6.4 emission reductions, limited private sector contributions, and the limited scope of voluntary multi-year pledges, which posed challenges to long-term funding predictability. Some pledges were disbursed over several years without having formal multi-year agreements, which complicated resource tracking. Additionally, while outreach expanded, securing consistent contributions from a broader donor base and non-traditional sources remained a challenge.

5. The Board, at its 44th meeting in April 2025 considered a comprehensive update on the implementation of the Fund's current Resource Mobilization Strategy (2022 – 2025) contained in document AFB/B.44/12/Rev.2 and decided:
- a) To approve a new resource mobilization target from a floor of US\$ 300 million for 2025;
 - b) To request the Secretariat, in consultation with the Resource Mobilization Task Force and relevant stakeholders, to prepare a draft resource mobilization strategy for the period 2026 to 2029, for the Board's consideration at its forty-fifth meeting;
 - c) To request the Secretariat to draft a related action plan for the Board's consideration at its forty-sixth meeting.

(Decision B.44/45)

6. The Board, at its 45th meeting in October 2025 (AFB.45), having considered the information contained in document AFB/B.45/7, decided to request the secretariat:
- a) To revise the draft resource mobilization strategy for the period 2026–2029 contained in annex I to document AFB/B.45/7, taking into account the Board's discussion at its forty-fifth meeting and guidance from the Board's resource mobilization task force, for the Board's consideration at its forty-sixth meeting;
 - b) To consult with the Board during the intersessional period to support the preparation of the next draft;
 - c) To continue to implement the current resource mobilization strategy until the next strategy was approved.

(Decision B.45/2)

Update on resource mobilization for 2025 and for the period from 2022 to 2025

7. During the COP30 Climate Change Conference in Belem, Brazil, the secretariat on behalf of the Board co-organized the Fund's annual High-Level Contributor Dialogue, together with Brazil's COP30 Presidency, on 17 November 2025. The event was moderated by the Vice-Chair of the Board, Mr. Washington Zhakata (Zimbabwe, African States) and attended by other high-level stakeholders from the COP30 Presidency, the UNFCCC Secretariat, and contributor and recipient governments, as well as representatives of the civil society. It was a successful event which demonstrated some continued momentum in the Fund's resource mobilization with a total of USD 138.24 million in new pledges from 11 national and sub-national contributors (see Table 1 below).¹
8. Through the Adaptation Fund "Donate button" on the AF website and administered by the United National Foundation (UNF), the Fund mobilized USD 1,424.19 in donations bringing the total resources mobilized for 2025 to USD 138.25 million.

¹ For further details on the Contributor Dialogue, please see official press release available on the AF website: <https://www.adaptation-fund.org/adaptation-fund-mobilizes-over-us-133-million-for-most-vulnerable-at-cop30-in-brazil/>.

Table 1: Resource mobilization outcome for 2025 - Total pledges

	CURRENCY	AMOUNT (SINGLE-YEAR PLEDGE)	CONV RATE 15 NOV 2025	AMOUNT IN USD	AMOUNT (MULTI-YEAR PLEDGE)	CONV RATE 15 NOV 2025	AMOUNT (MULTI-YEAR PLEDGE) IN USD
BELGIUM - BRUSSELS REGION	EUR	2,867,207	0.865	3,314,689.94			
BELGIUM - WALLOON REGION	EUR	3,000,000	0.865	3,468,208.09			
GERMANY	EUR	60,000,000	0.865	69,364,161.85			
ICELAND	ISK				85,000,000	127.04	669,080.60
IRELAND	EUR	10,000,000	0.865	11,560,693.64			
LUXEMBOURG	EUR	5,000,000	0.865	5,780,346.82			
PORTUGAL	EUR	1,000,000	0.865	1,156,069.36			
REPUBLIC OF KOREA	KRW				1,200,000,000	1467.22	817,873.26
SPAIN	EUR	5,000,000	0.865	5,780,347			
	EUR	15,000,000	0.865	17,341,040			
SWEDEN	SEK	130,000,000	9.468	13,730,460.50			
SWITZERLAND	CHF				4,203,530	0.799	5,260,988.74
TOTAL 2025 (USD)				131,496,017.49			6,747,942.60
GRAND TOTAL (USD)							138,243,960.09

9. This brings the Fund's resources mobilized under the current strategy from 2022 to 2025 to a total of USD 700.15 million. While overall the trend across strategic periods has been increasing, it represents an incremental increase, with a trend in recent years of decreasing annual pledges and not meeting the annual resource mobilization targets (see Table 2 below).

Table 2: Resource mobilization outcomes against targets across strategic periods

RESOURCE MOBILIZATION STRATEGY (RMS) PERIOD	RM TARGET YEAR / PERIOD	RM TARGET AMOUNT	RM TARGET OUTCOME
INITIAL FUNDRAISING PERIOD (2013–2016) US\$ 322.30 million (~US\$ 0.32 bn)	2012 2013	US\$ 100 million until the end of 2013	US\$ 104.30 million (2013)
	2014 2015	US\$ 80 million per year	US\$ 62 million (2014) US\$ 75 million (2015)
	2016	US\$ 80 million per year	US\$ 81 million (2016)
RMS-1 (2017–2020) US\$ 427.00 million (~US\$ 0.43 bn)	2017	US\$ 80 million per year	US\$ 93 million (2017)
	2018 2019 2020	US\$ 100 million per year	US\$ 129 million (2018) US\$ 89 million (2019) US\$ 116 million (2020)
	2021	US\$ 120 million per year	US\$ 353.32 million (2021)
Transitional year (no RMS) US\$ 353.32 million (~US\$ 0.35 bn)			
RMS-2 (2022–2025) US\$ 700.15 million (~US\$ 0.70 bn)	2022	US\$ 120 million per year	US\$ 241.03 million (2022) <i>17 contributors</i>
	2023	US\$ 300 million per year and a higher number of contributors than the previous year	US\$ 188.03 million (2023) <i>14 contributors</i>
	2024	US\$ 300 million per year and a higher number of contributors than the previous year	US\$ 132.85 million (2024) <i>11 contributors</i>
	2025	From a floor of US\$ 300 million	US\$ 138.24 million (2025) <i>11 contributors</i>

Intersessional Board consultation session and comments

10. The Board organized two virtual, intersessional Board consultation sessions to invite guidance and feedback on the revisions of the draft strategy presented at AFB.45 (2 and 3 February 2026).
11. The following comments from Board members and alternates during discussions at AFB.45 and intersessionally were taken into account and guided the revision of the draft resource mobilization strategy (2025 to 2029) in the Annex to this document:
 - **Case for Investment / comparative advantage** - Board members emphasized:
 - The importance of clearly articulating the Fund’s role, relevance and value proposition in the overall climate finance architecture

- The need to demonstrate effectiveness, catalytic impact, innovation, and experience with direct access as key elements of attractiveness to contributors
- Ensuring AF remains relevant and differentiated as the landscape evolves
- **Stronger alignment with the evolving finance landscape to keep the Fund relevant** – Board members suggested that the strategy should explicitly reflect:
 - NCQG expectations and implications for scale (NCQG mandate for UNFCCC climate funds to “at least triple their annual outflows by 2030 from 2022 levels”): Board members indicated that potential scenarios for tripling AF outflows by 2030 should be considered as part of the strategy
 - The emerging role of Articles 6.2 and 6.4 of the Paris Agreement
 - Continued focus on voluntary contributions with increasing and expanding contributor base, with innovative sources and private sector finance as complements
- **Backward- and forward-looking approach:** Board members highlighted:
 - the need to assess what has worked and not worked under current strategy and the need to identify opportunities for going beyond current approaches while preserving the Fund’s core principles and governance arrangements and its grant-based, full-cost-of-adaptation mandate.
 - Greater clarity on ambition and success of strategy beyond amounts mobilized, such as progress in diversification of the contributor base, predictability and multi-year commitments, and catalytic impact and positioning of the Fund.
- **Enhanced resource mobilization process and target setting approach** – Board members called for:
 - A well-structured process and multi-year target setting for enhanced outreach with active involvement of the Board and other potential climate champions
 - Move beyond current ad hoc, annual resource mobilization targets to multi-year process and target-setting, while retaining flexibility for contributors
- **Governments contributors and outreach** - Board members emphasized:
 - The continued importance of public contributors as the backbone of AF financing
 - The need to expand the contributor base, including outreach beyond traditional contributors
 - The importance of strengthening engagement with existing contributors, not losing focus while pursuing new ones
- **Article 6 as a strategic opportunity** - Board members emphasized:
 - Article 6 as a mandated and potentially significant funding stream under the Paris Agreement
 - The need for the Fund to be prepared institutionally and operationally, despite uncertainty on timing and scale
 - The role of Article 6 in enhancing the Fund’s relevance and attractiveness in the evolving climate finance landscape
 - Several countries are already engaging in Article 6.2 bilateral agreements and the Fund should engage with relevant countries and stakeholders
 - Strong interest in ensuring AF can contribute to making Article 6 operational for adaptation
- **Private and innovative complementary sources, as appropriate**- Board members emphasized:

- Openness to exploring innovative and complementary sources to scale resources, alongside public contributions within AF mandate and policies

Potential Options and Approaches for Enhancing the Fund’s Resource Mobilization Process and Target Setting

12. The Fund’s next Resource Mobilization Strategy for the period of 2026 to 2029 will be set in the context of:

- a) Increasing demand for adaptation funding by developing countries to implement their planned adaptation actions and priorities as outlines in their National Adaptation Plans (NAPs), adaptation components of their Nationally Determined Contributions (NDCs) and other adaptation plans and strategies; and
- b) An evolving climate finance landscape, including the UNFCCC’s new collective quantified goal on climate finance (NCQG) which includes the decision “that a significant increase of public resources should be provided through the operating entities of the Financial Mechanism, the Adaptation Fund, the Least Developed Countries Fund and the Special Climate Change Fund and to pursue efforts to at least triple annual outflows 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” (see UNFCCC decision 1/CMA.6, para. 16). The NCQG also reaffirms, in this context, Article 9 of the Paris Agreement and decides to set a goal, in extension of the goal referred to in paragraph 53 of decision 1/CP.21, with developed country Parties taking the lead, of at least USD 300 billion per year by 2035 for developing country Parties for climate action: (a) From a wide variety of sources, public and private, bilateral and multilateral, including alternative sources; (b) In the context of meaningful and ambitious mitigation and adaptation action, and transparency in implementation; (c) Recognizing the voluntary intention of Parties to count all climate-related outflows from and climate-related finance mobilized by multilateral development banks towards achievement of the goal set forth in this paragraph²; (see UNFCCC decision 1/CMA.6, paragraph 8).
- c) The COP30 Global Mutirão decision reaffirmed the doubling by 2025 in paragraph 18 of decision 1/CMA.3, called for efforts to at least triple adaptation finance by 2035 in the context of decision 1/CMA.6, including paragraph 16 thereof, and urged developed country Parties to increase the trajectory of their collective provision of climate finance for adaptation to developing country Parties (UNFCCC Decision 1/CMA.7, paragraph 53).

13. The tripling of the annual outflows from the UNFCCC climate funds will be measured collectively for all funds and interpretations may vary about the definition of outflows. However in the context of the Adaptation Fund, based on funding approvals of US\$ 136 million in 2022, to meet the NCQG tripling ambition, the Fund should reach funding approvals of at least US\$ 408 million by 2030.

² This does not prejudice any decision under any governing body of any multilateral development bank, noting that each bank operates within its own mandate and governance structure and the intention reflected in this paragraph relates to the Paris Agreement.

14. For the next strategic period from 2026 to 2029, the Board may consider a combination of different options and approaches for enhancing its resource mobilization process and target setting to support the Fund on a pathway towards at least tripling its annual outflows by 2030 at the latest, while contributing to the tripling of adaptation finance by 2035. These options and approaches do not represent mutually exclusive choices, rather they are approaches to consider to support the implementation of the resource mobilization strategy.

Option 1 - Status Quo: This option would maintain the current approach, and annual resource mobilization targets would continue to be set as under previous practice.

Option 2 - Illustrative Scenarios: Under this option, the Board may consider several possible pathways for resource mobilization inflows in line with the goal to at least triple the Fund's annual outflows by 2030. Each scenario is illustrative, designed to show potential growth trajectories over the next four-year period of RMS-3 (2025 to 2029) towards reaching US\$ 400 million in outflows by 2030 (see Graph 2 below). They reflect RMS-3 as a transition period towards expected availability of revenues from the new Article 6 funding sources, with their exact scale and timing remaining uncertain. These scenarios do not represent resource mobilization targets, however they could inform the Board's consideration of aspirational cumulative targets:

1) **Scenario A: US\$ 1.1bn (over 50% increase from RMS-2) - Baseline delivery and growth pathway (Constrained environment, consolidation focus)**

Rationale/ assumptions:

- Minimum credible pathway for meeting NCQG expectations with modest ambition of 60% increase from previous RMS period
- Reflects a constrained global context and continued pressure on public budgets.
- Resource mobilization remains predominantly contributor driven with complementary additional sources

2) **Scenario B: US\$ 1.25bn (over 75% increase from RMS-2) - Improved performance scenario**

Rationale/ assumptions:

- Building on Scenario A and assuming a higher success rate of resource mobilization measured by stabilization of contributor numbers, reduced volatility in annual contributions and higher share of multi-year commitments
- Under this scenario, resource mobilization continues to rely on traditional public contributors, with increasing share of non-traditional and private contributors

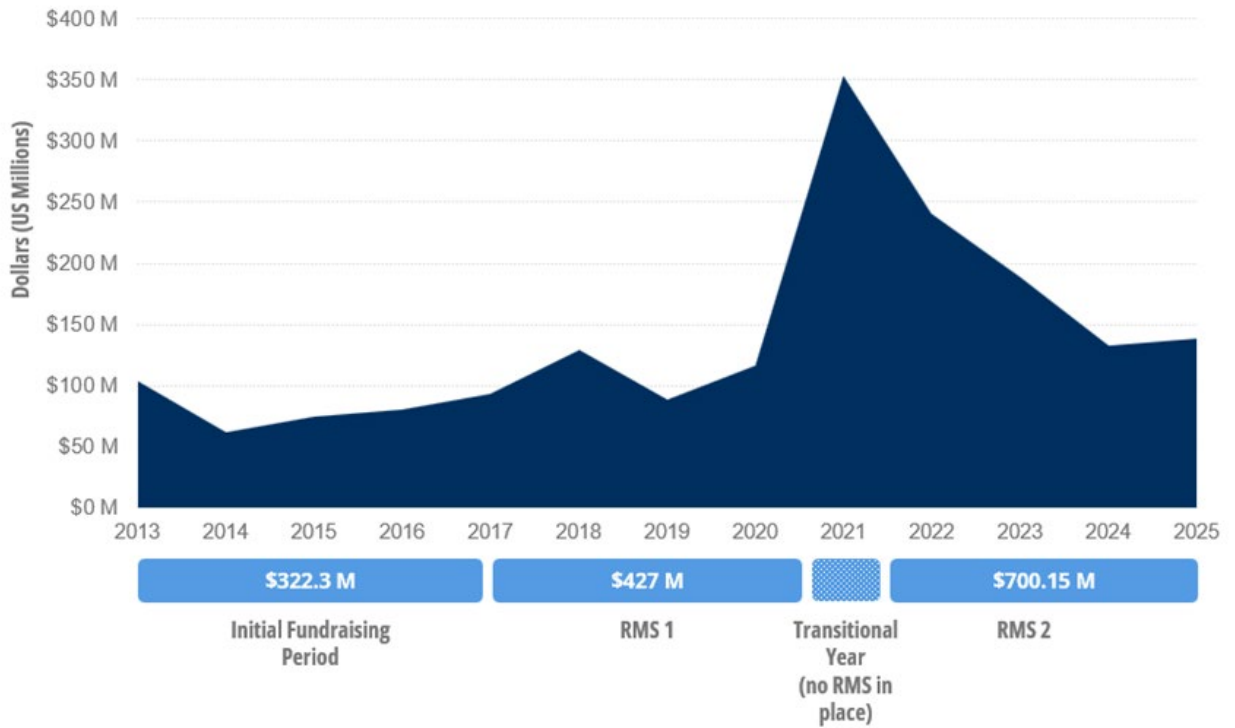
3) **Scenario C: US\$ 1.4bn (100% increase from RMS-2) - Enabling conditions and diversification pathway**

Rationale/ assumptions:

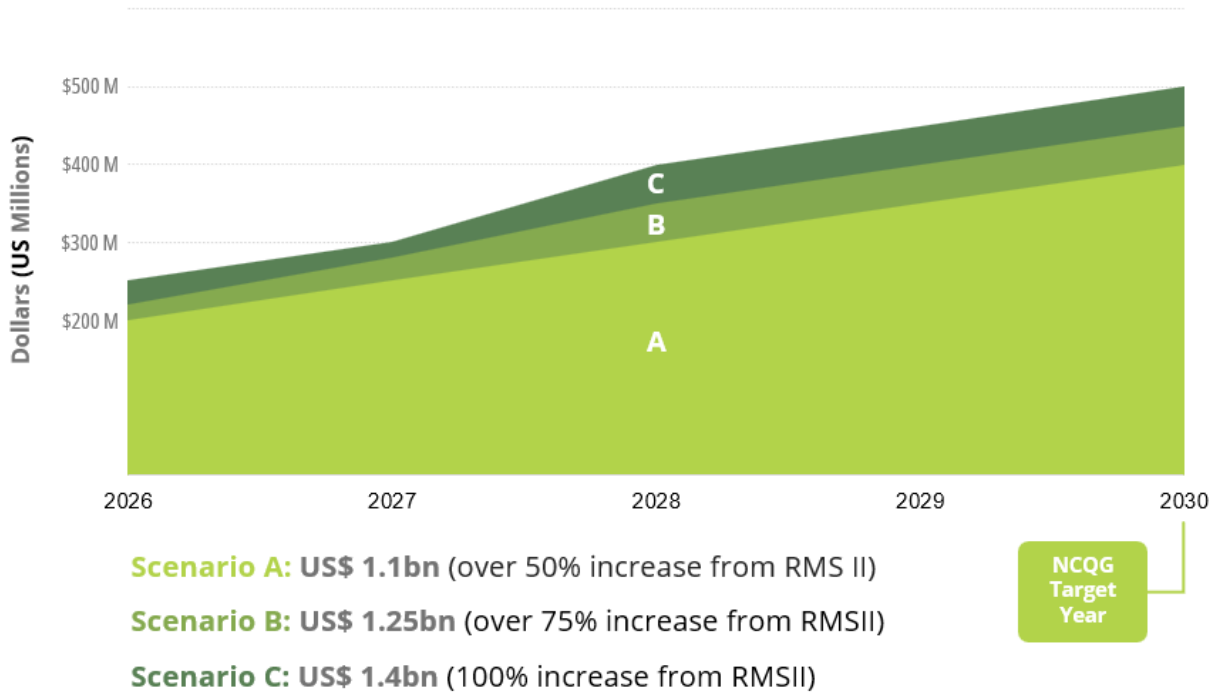
- This represents an upper range illustrative pathway, contingent on a favorable operating environment, including relevant policy, market, and institutional developments.
- In addition to continued voluntary contributions, enabling conditions emerge during RMS-3 for additional revenue sources to complement voluntary contributions such as Article 6-related revenues, innovative instruments, or other non-traditional flows, in line

with the AF mandate and policies, and recognizing uncertainty around their scale, timing, and stability.

Graph 1: Resource Mobilization Outcomes in previous periods (2013 to 2025)



Graph 2: Resource Mobilization Scenarios (2026 to 2030)



15. To ensure its continued attractiveness to contributor governments and to developing countries and implementing entities, the Adaptation Fund may explore approaches that help scale, leverage, or catalyze adaptation funding from other partners, where deemed appropriate by developing countries and implementing entities and within accepted Fund policy guardrails. Efforts to experiment with and pilot such approaches will likely be important to supporting efforts to attract future public sector voluntary contributions.
16. *Current resource mobilization target setting and pledge process.* The Fund’s current practice of organizing its resource mobilization outreach has evolved from the Fund’s initial fundraising efforts in 2012 through the two more structured resource mobilization strategies (RMS-1 and RMS-2). As part of these strategies, the Board has set annual or biannual resource mobilization targets and has mandated its secretariat to undertake targeted outreach to potential contributor governments communicate the Fund’s comparative advantage, its results and impact, its resource needs and the resource mobilization target. The AF Board organizes annual high-level Contributor Dialogues in conjunction with the UNFCCC COPs and in partnership with the respective COP Presidencies to provide a high-level forum for contributor governments to voice their support for the Adaptation Fund and announce new pledges.
17. *Challenges with the current resource mobilization process.* While these practices provide a general structure for the Board’s efforts to mobilize voluntary contributions, the annual or biannual nature of the target-setting and pledging process leads in practice to relatively ad hoc, short-term and unpredictable pledging patterns that lack the long-term financial visibility

required for strategic planning and growth of the Fund. Furthermore, the mandate from the NCQG decision for at least tripling outflows by 2030 elevates the importance of considering a multi-year pathway for UNFCCC adaptation financing institutions such as the Adaptation Fund.

18. *Practices of peer climate funds.* Insights from the practice of other multilateral climate funds, such as the Global Environment Facility (GEF) and the Green Climate Fund (GCF), as well as the GEF-managed Least Developed Countries Fund (LDCF) and Special Climate Change Fund (SCCF) demonstrate that structured, four-year resource mobilization cycles have become the benchmark for effective climate finance. While the GEF and GCF utilize formal four-year replenishment cycles, the LDCF and SCCF also rely on voluntary contributions similar to the AF and benefit from adopting four-year aspirational target-setting frameworks in conjunction with GEF replenishment cycles. These longer-term processes provide enhanced structure and predictability to both contributors and recipients.
19. Due to the Adaptation Fund's diversity of funding sources beyond voluntary contributions and unique institutional set up, the aim is not to fully align with other climate funds. However, the Adaptation Fund could use some of the best practices, where possible, such as the aspirational four-year roadmap that encourages multi-year commitments while maintaining full flexibility for contributors to sequence their pledges, contributions, and payments schedules in line with their respective budget cycles and priorities. Such a multi-year process should more strongly engage Board members, contributor and recipient governments, as well as other potential champions, to foster longer-term political commitment and institutional ownership.
20. During the RMS-3 implementation period (2026-2029), and as part of the RMS-3 Action Plan, the Board may consider to develop and implement an enhanced, multi-year resource mobilization and target-setting process. Potential characteristics for the enhanced process include:
 - *Rolling multi-year RM framework with aspirational pathways toward at least tripling outflows by 2030.*
 - *Retain annual resource mobilization targets but develop them for a multi-year period.* Rather than developing annual or bi-annual targets, the new target setting process should establish an aspirational, cumulative target (or several scenarios) for a four-year period, to complement annual, progressive targets for this period. This could help foster an expectation that if resource inflows do not reach the annual target in a specific year, the resulting gap could be made up during the following years.
 - *The enhanced pledging process would actively encourage multi-year pledges.* Multi-year commitments are now a well-established best practice in the Fund's resource mobilization efforts. Even formal, multi-year replenishment processes used by other climate funds provide flexibility to contributor governments on the staggering and timing of payment schedules within or beyond the four years.
 - *As part of its resource mobilization action plan, the Board may consider exploring the option of organizing a multi-year pledging event in 2027, in addition to annual Contributor Dialogues, inviting contributors to signal indicative multi-year pledges through 2030. 2027 also*

coincides with the completion of the current strategy period of the second Medium-Term Strategy (MTS-2), and the development of the next MTS-3.

21. *More actively engage Board members, current contributors, Party representatives, and other potential champions in efforts to advocate for Fund resource mobilization.* The enhanced process could also include steps and activities to engage Board members, representatives from contributor countries, and other leaders to serve as “high-level champions” for the Adaptation Fund. These champions could play a more active role as ambassadors for the Fund, engaging in discussions and events with current and prospective contributors to advocate for voluntary contributions to the Fund.
22. Any additional strategies and activities may carry budget implications and may require enhanced resource mobilization capacity in the secretariat to deliver on increased ambition. Any budget implications would be brought to the Board through normal planning and approval processes.

ANNEX 1: RESOURCE MOBILIZATION STRATEGY (2026 – 2029)



ADAPTATION FUND

Helping developing countries build resilience and adapt to climate change

RESOURCE MOBILIZATION STRATEGY (2026 – 2029)

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Executive Summary

1. The Adaptation Fund’s draft 2026-2029 Resource Mobilization Strategy recognizes that the next three years are a vital period for both evolving and scaling the resource mobilization approach for the Fund, and for navigating a highly dynamic and uncertain global context for resource mobilization. The strategy explores opportunities to diversify and scale resource mobilization to meet the ambition embodied in the NCQG for climate finance, COP30’s Global Mutirão decision’s call to at least triple adaptation finance by 2035 while urging developed country Parties to increase the trajectory of their collective provision of climate finance for adaptation to developing country Parties, and the growing need for grant-focused finance for developing countries to adapt to intensifying climate change impacts.
2. To support resource mobilization activities, the strategy outlines an enhanced case for investment (CFI) which encompasses eleven compelling attributes grouped in four clusters:
 - Legacy of and promise for impact
 - Empowering local leadership for scalable and sustainable systems change
 - Unique and effective governance
 - Strong and agile processes and systems that partners can leverageThe Fund aims to use the CFI as a tool for organizing and strengthening the evidence base to support resource mobilization for the Fund. The CFI will also inform strategic communications efforts that support resource mobilization.
3. The 2026-2029 Resource Mobilization Strategy includes five main strategy elements which are explored in detail in the strategy, including:
 - 1) Continue to raise awareness of the Case for Investment (CFI) and the Adaptation Fund’s comparative advantages
 - 2) Sustain, strengthen, and expand public contributor support and multi-year commitments
 - 3) Prepare for and channel Paris Agreement Article 6-related “share of proceeds” revenues and voluntary market flows
 - 4) Assess the feasibility of piloting private, philanthropic, and other revenue sources, where appropriate, in a manner consistent with the Fund’s mandate, objectives, principles, and governance arrangements
 - 5) Strengthen resource mobilization-related outreach and communications
4. The strategy recognizes the near-term importance of cultivating, sustaining, and receiving voluntary government contributions, from a larger number of contributors to the Fund, while simultaneously investing in the development and scaling of a range of sources alternative to government funding, where appropriate. These include share of proceeds from carbon markets and other cooperative approaches under the Paris Agreement, philanthropic partnerships for resource mobilization, voluntary private sector contributions and resource mobilization, crowdsourced donations, and other approaches. Successful implementation of this strategy will require expanded capacities at the Fund and focused work to address key enabling policies, procedures, and systems, while remaining consistent with the Fund’s mandate, objectives, principles, and governance arrangements. Based on the Resource Mobilization Strategy (2026 to 2029) an Action Plan will be developed for the Board’s consideration in October 2026. The Action

Plan will provide a description of the detailed actions required to implement the approved strategy, and further clarifying the combination of approaches the Fund will implement to mobilize resources for the period.

Background and Context

5. The Fund's current Resource Mobilization Strategy 2022-2025 (RMS-2) concluded in 2025 and has been instrumental in enhancing targeted resource mobilization efforts and raising awareness of the Fund's comparative advantages. The current strategy has been generally successful in achieving its key objectives and outcomes across its six specific strategies:
 - Awareness raised on the Fund's comparative advantage
 - Continued and increased voluntary contributions from existing national and sub-national contributors
 - Contributions secured from new contributor governments, expanding its contributor base from 22 to 31
 - Multi-year commitments secured
 - Innovative financial mechanisms and alternative funding sources, including carbon markets, explored
 - Increased individual and organization donations through the Fund's website "donate button"
6. Challenges related to the unpredictability and scale of resources continue to hinder the Fund's growth. Despite notable progress, the strategy faced several challenges, including uncertainty around the timing and scale of revenues from new sources such as Article 6.4 emission reductions, limited private sector contributions, and the lack of a formal multi-year funding process, which posed challenges to long-term funding predictability. Some pledges lacked formal multi-year agreements, complicating resource tracking. Additionally, while outreach expanded, securing consistent contributions from a broader base and non-traditional contributors remained an ongoing challenge.
7. The Fund's next Resource Mobilization Strategy for the period of 2026 to 2029 (RMS-3) will be set in the context of:
 - a) Increasing demand for adaptation funding by developing countries to implement their planned adaptation actions and priorities as outlines in their National Adaptation Plans (NAPs), adaptation components of their Nationally Determined Contributions (NDCs) and other adaptation plans and strategies; and
 - b) The evolving climate finance landscape, including relevant UNFCCC decisions and mandates:
 - New Collective Quantified Goal on Climate Finance (NCQG) which includes the decision "that a significant increase of public resources should be provided through the operating entities of the Financial Mechanism, the Adaptation Fund, the Least Developed Countries Fund and the Special Climate Change Fund" and "to pursue efforts to at least triple annual outflows 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 contained in paragraph 8" (see UNFCCC decision 1/CMA.6, para. 16).

- The NCGQ also reaffirms, in paragraph 8, Article 9 of the Paris Agreement and decides to set a goal, in extension of the goal referred to in paragraph 53 of decision 1/CP.21, with developed country Parties taking the lead, of at least USD 300 billion per year by 2035 for developing country Parties for climate action: (a) From a wide variety of sources, public and private, bilateral and multilateral, including alternative sources; (b) In the context of meaningful and ambitious mitigation and adaptation action, and transparency in implementation; (c) Recognizing the voluntary intention of Parties to count all climate-related outflows from and climate-related finance mobilized by multilateral development banks towards achievement of the goal set forth in this paragraph.³
- COP30 Global Mutirão decision that “[r]ecalls paragraph 18 of decision 1/CMA.3, calls for efforts to triple adaptation finance compared to 2025 levels by 2030, and urges developed country Parties to increase the trajectory of their collective provision of climate finance for adaptation to developing country Parties (see UNFCCC decision 1/CMA.7, paragraph 53).

8. Annex 2 summarizes the evolution of the Fund’s resource mobilization strategies, including attributes of the current draft strategy (RMS-3).

³ This does not prejudice any decision under any governing body of any multilateral development bank, noting that each bank operates within its own mandate and governance structure and the intention reflected in this paragraph relates to the Paris Agreement.

Strengthened Case for Investment in the Adaptation Fund

9. Establishing a clear, compelling, evidence-based Case for Investment (CFI) in the Adaptation Fund is a key foundation for resource mobilization efforts. In spring 2025, the Adaptation Fund engaged a wide range of partners in a collaborative consultation process to develop a compelling CFI for the Adaptation Fund. The Fund retained a consulting firm to conduct confidential CFI discussions with 37 representatives from multilateral implementing entities, national implementing entities, regional implementing entities, contributors, civil society organizations, and foundations. From these consultation discussions and workshops with Secretariat staff, the Adaptation Fund identified eleven compelling attributes, or reasons for investment, that comprise a CFI for the Adaptation Fund (see Box 1 below). The CFI and compelling attributes has been further revised based on inputs from the Adaptation Fund Board.
10. The Adaptation Fund envisions using these CFI attributes to inform communications tailoring for different audiences to strengthen awareness of the Fund's comparative advantages.:
 1. Pioneering and Trusted Leader in Climate Adaptation Finance
 2. Effective Channel for Catalytic Adaptation Impact
 3. A Platform that Enables Innovation, Direct Access, Learning and Scaling up
 4. A Unique and Inclusive Governance Model
 5. A Credible and Governed Channel for Translating Article 6 into Adaptation Impact
11. The following Investment Case Statement for the Adaptation Fund summarizes the compelling attributes and institutional value proposition:

BOX 1: INVESTMENT CASE STATEMENT

The Adaptation Fund is a pioneering multilateral climate fund that is uniquely positioned to mobilize diverse international sources of climate finance - including public, private, and agreed sources alternative to government funding - and channel them efficiently and directly to the local level for urgently needed and high-impact climate adaptation solutions in the most vulnerable countries and communities.

By leveraging two decades of experience with streamlined access procedures and inclusive governance, including by promoting direct access, the Adaptation Fund is the ideal channel for contributors seeking to maximize the impact of their contribution by investing in locally led adaptation, innovation and learning for scaling up results.

By aiming to mobilize resources from various sources to enable the tripling of its annual outflows by 2030, the Fund will help accelerate climate adaptation action and catalyze impact for vulnerable people and ecosystems.

Box 2: Compelling Attributes of the Adaptation Fund

Pioneering and Trusted Leader in Climate Adaptation Finance

- **Pioneering History of Impact and Return on Investment** Since 2008, the Fund has been a pioneer in climate adaptation finance, developing new models and approaches and building trust at many levels. The Fund has a 20 years history of impact with 65+ million beneficiaries for US\$ 1.39 billion invested plus a rich knowledge base on climate adaptation solutions.

- **Strong and Growing Demand** US\$ 1 billion pipeline of high-quality projects in 2025.

Effective Channel for Catalytic Adaptation Impact

- **Streamlined and Agile Processes** The Fund has a lean and efficient operating processes and systems that allow for fast resource allocation and disbursement while enabling flexible support.

- **Established Systems and Scalable Program Infrastructure** Contributors can leverage the Fund's Results Based Management systems and infrastructure, including accreditation processes, environmental and social safeguards, and monitoring, evaluation, and knowledge systems.

- **Catalytic Impact** The Fund has been widely successful in facilitating investment by others—including peer climate funds, bilateral donors, development banks, and the private sector—by strengthening enabling environments, mitigating real and perceived risks, and piloting innovative approaches that can be scaled.

A Platform that Enables Direct Access, Learning, Innovation, and Scaling

- **Direct Access and Locally Led Adaptation** By prioritizing direct access and LLA, the Fund supports county-owned solutions grounded in local knowledge and responsive to regional contexts.

- **Focus on Capacity Building and Readiness** The Fund invests in institutional capacity and learning through its Readiness Program, supporting durable capacity for accreditation, projects, and management.

- **Innovation in Adaptation Solutions** The Fund's Innovation Facility supports new, more effective adaptation solutions using pilot projects and proof-of-concept initiatives to foster learning and scaling.

- **Scalability** The Fund's funding model often catalyzes larger-scale investments by others, through small-scale project interventions in early stages that demonstrate replicability and scaling potential.

Box 2: Compelling Attributes of the Adaptation Fund (continued)

A Unique and Inclusive Governance Model

- **Trust and Broad Credibility** The Fund is uniquely trusted by both developed and developing countries, with a reputation for transparent governance and a track record of effective fund distribution.

- **Representative Governance Structure** The governance model balances inclusivity (including CSO engagement) with operational efficiency, facilitating streamlined, transparent decision-making.

A Credible and Governed Channel for Translating Article 6 into Adaptation Impact

- **Established Recipient of Carbon Markets Share of Proceeds** The Fund is positioned as a credible and governed recipient of carbon market share of proceeds authorized under the Paris Agreement, promising a scaling and sustained source of longer-term funding for climate adaptation impact.

- **Unique Capability to Receive Donations** The Fund is uniquely able to receive and disburse donations from foundations, businesses, and individuals, connecting actors across global societies with adaptation financing to developing countries.

Specific Strategies for Resource Mobilization (2026-2029)

12. This section describes the five specific strategies in the Adaptation Fund’s Resource Mobilization Strategy 2026 – 2029 (RMS-3) that the Fund may implement, and that would be further developed and clarified as part of the Resource Mobilization Action Plan, based on their feasibility and alignment with the Fund’s mandate, objectives, principles, and governance arrangements.

Box 3: Specific Resource Mobilization Strategies (2026-2029)

- 1) **Continue to raise awareness of the Case for Investment (CFI) and the Adaptation Fund’s comparative advantages**
- 2) **Sustain, strengthen, and expand public contributor support and multi-year commitments**
- 3) **Prepare for and channel Paris Agreement Article 6-related “share of proceeds” revenues and voluntary market flows**
- 4) **Assess the feasibility of piloting private, philanthropic, and other revenue sources, where appropriate, in a manner consistent with the Fund’s mandate, objectives, principles, and governance arrangements**

1) Continue to raise awareness of the Case for Investment (CFI) and the Adaptation Fund's comparative advantages

13. Raising awareness of the Adaptation Fund and its Case for Investment (CFI) and comparative advantages is vital as the Fund seeks to increase and broaden its resource mobilization from various sources, including voluntary governments contributions, carbon market revenues, and private sector actors, including foundations, philanthropies, and others.

The Adaptation Fund Board supported by its secretariat will focus on the following expected activities:

- Continue to implement its Medium-Term Strategy, leveraging the Fund's comparative advantage and raising awareness on its impact across strategic areas, including direct access, locally led adaptation, innovation, learning and sharing, readiness and institutional capacity-building, empowering the most vulnerable groups as agents of change, promoting gender-responsive climate finance, and scaling up adaptation finance.
- Continue to actively collaborate with other multilateral climate funds (MCFs) and strengthen linkages with other UNFCCC bodies to raise awareness on the Fund's unique role and comparative advantage in the climate finance space.
- Conduct dedicated outreach on the Fund's strengthened Case for Investment and continue to strengthen it based on evidence and input from partners and stakeholders.
- Update the Adaptation Fund's Resource Mobilization webpage to feature the Case for Investment and to showcase the Fund's unique ability to mobilize resources from various sources.

2) Sustain, strengthen, and expand public contributor support and multi-year commitments

14. During the period of this Resource Mobilization strategy (2026-2029), voluntary contributions from governments will likely remain a key source of funding for the Fund, while some resources from new funding sources from Article 6 or private sector contributions may become available. Since its inception, the Fund has successfully mobilized a cumulative amount of USD 1.9 billion of voluntary contributions (as of 31 December 2025) from a total 30 national and subnational governments. Out of these, seven contributors have made multi-year commitments. Following the sudden decrease of its initial funding source in 2012, the Adaptation Fund in its initial fundraising period (2013 to 2016) mobilized over USD 322 million, increasing to USD 427 million under its first Resource Mobilization Strategy (2017 to 2020), and USD 700 million under its second Resource Mobilization Strategy (2022 to 2025). The record amount per year was USD 350 million in 2021.

15. Building on these achievements, the Adaptation Fund under RMS-3 will continue to advocate for increased voluntary contributions and multi-year commitments from previous and potential new contributor governments to increase predictability of funding flows. The Adaptation Fund Board supported by its secretariat will focus on the following expected activities:

- a) *Resource mobilization targets.* To encourage voluntary public contributions, the Board will continue its practice of setting annual resource mobilization targets and will explore the setting of aspirational multi-year targets for the strategic period up to 2030 as part of a more

structured resource mobilization process. The Adaptation Fund will continue to organize annual high-level Contributor Dialogues in conjunction with the UNFCCC COPs and in collaboration with relevant COP Presidency government

- b) *Encouraging multi-year pledges.* The Adaptation Fund will continue to advocate for contributor governments to consider multi-year commitments. Multi-year commitments are now a well-established best practice in the Fund's resource mobilization efforts. They provide much-needed predictability and more secure funding inflows, particularly in the absence of a multi-year replenishment process used by other climate funds. The predictability afforded by multi-year funding commitments enables the Fund to more efficiently plan around staffing, programming, and project pipeline management, which in turn enables developing countries and implementing entities to plan more effectively and efficiently. As part of the enhanced, multi-year resource mobilization process, the Board may explore options for organizing a multi-year pledging event (for example in 2027), inviting contributors to signal indicative multi-year pledges through 2030 to meet the potential aspirational multi-year target, while retaining flexibility for contributors to align pledges and payment schedules with national budget cycles. 2027 would coincide with the conclusion of the second Medium-Term Strategy (MTS-2) and the development of the next strategic period (MTS-3).
- c) *Mobilizing new contributors.* The Adaptation Fund will undertake dedicated outreach with the aim of maintaining and increasing the number of contributors, including non-traditional contributors, especially in the near to medium term.

3) Prepare for and channel Paris Agreement Article 6-related revenues and voluntary market flows

16. *A Proven Architecture for Innovative Sources of Funding:* The Adaptation Fund remains the only multilateral fund to have successfully operationalized and managed a direct, automated revenue stream from international carbon markets. This is not only a historical achievement; it is also a unique comparative advantage signaling the Fund's institutional readiness and experience to channel innovative sources of funding. Since its inception, the Fund has successfully mobilized over 220 million USD from the Fund's initial funding source of the sales of certified emission reductions (CERs) under the Kyoto Protocol's Clean Development Mechanism (CDM). This constitutes over 10 per cent of its 2.1 billion USD in cumulative resources in the AF Trust Fund (as of 31 December 2025). While early estimates of the potential resources to be generated for the Fund through this funding source varied widely, they ranged upwards of a billion dollars. In reality, however, between 2009 and 2023, before the drastic and largely permanent fall in CER prices between 2011-2012, and related factors.
17. While CDM monetization no longer represents a significant or reliable source of funding (in 2025 the Fund received 4.4 million USD from CER sales), it represents a considerable achievement and a proven, Board-governed model for SOP monetization. The Adaptation Fund can build on its experience and track record for a successful transition towards its new agreed funding source under the Article 6 Paris Agreement Crediting Mechanism and voluntary contributions under the Article 6.2 Paris Agreement Cooperative Approaches and other voluntary share of proceeds. While current projections of potential revenues from this source remain uncertain, early expert

analysis suggests significant potential over time, ranging from tens of millions USD in conservative scenarios to several billion USD in high-end demand scenarios depending on market update and enabling infrastructure.

18. In this next strategic period, the Adaptation Fund Board, through its Resource Mobilization Strategy (2026–2029), will capitalize on this unique mandate and institutional readiness to position the Fund as a primary institutional partner for the efficient channeling of share of proceeds and other relevant innovative sources of funding into effective adaptation support for the most vulnerable:

a) *Article 6.4 Paris Agreement Crediting Mechanism (PACM)*. Article 6.4 establishes a centralized mechanism administered under the authority of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA).⁴ It includes a mandatory SOP to the Fund:

- A five percent share of each issuance of Article 6.4 Emission Reductions (A6.4ERs),
- A three percent of the monetary issuance fee paid for each issuance to be transferred to the Fund, and
- A transfer of eligible CERs from the Kyoto Protocol to carry over to the Paris Agreement.

The Article 6.4 PACM is intended to build on and enhance the automatic revenue-generation function. In March 2026, the Supervisory Body has approved the first credits to be issued under the mechanism, while developments are underway to build and operate the core digital infrastructure for the Article 6.2 and 6.4 registries. It is important to note that Parties may opt to allocate more than the minimum five percent in-kind share of each issuance to the Fund under the Article 6.4 PACM. For example, a recent policy brief on conditions for using international carbon credits towards the EU's 2040 Climate Target recommended an allocation of a larger share to the Fund (e.g., 10 percent) to help close the climate finance "ambition gap."⁵

b) *Article 6.2 – Cooperative approaches*. Participating Parties and stakeholders using cooperative approaches under Article 6.2 Paris Agreement are strongly encouraged to contribute resources for adaptation, in particular through contributions to the Adaptation Fund. This mandate represents an emerging opportunity for additional voluntary contributions and share of proceeds to the Adaptation Fund. Several Parties have already entered into Article 6.2 agreements and may be open to piloting voluntary monetary contributions or share of proceeds (SOPs). The Board may consider options for monetizing potential Article 6.2 SOPs.

c) *Voluntary Carbon Market (VCM)*. The voluntary carbon market continues to evolve, with growing interest in integrating adaptation finance into related frameworks. For example, the

⁴ For more information, see <https://unfccc.int/process-and-meetings/the-paris-agreement/article-64-mechanism>

⁵ Schneider et al. Conditions for Using International Carbon Credits towards the EU's 2040 Climate Target: Policy Brief. Oeko-Institut. June 30, 2025. <https://www.oeko.de/fileadmin/oekodoc/Conditions-for-using-international-carbon-credits-towards-the-EU-climate-target.pdf>

Core Carbon Principles of the Integrity Council for the Voluntary Carbon Market (ICVCM) include a voluntary 5% share of proceeds for the Adaptation Fund.

- The Adaptation Fund Board supported by its secretariat will focus on the following expected activities: As part of its outreach to contributors and stakeholders, raise awareness on the Fund’s unique mandate and institutional readiness to position it as a primary institutional partner for channeling share of proceeds and innovative sources of funding to urgently needed adaptation for the most vulnerable.
- Coordinate with the UNFCCC Secretariat, the Trustee and other relevant actors (such as the PACM Supervisory Body and the World Bank) to explore how to support the delivery and monetization of SOP contributions under Article 6.4 and 6.2.
- Explore how to position the Adaptation Fund in Article 6.2 Cooperative Approaches to facilitate pilot contributions to the Fund, such as by promoting the inclusion of the Adaptation Fund in bilateral authorization documents or agreements
- Explore further opportunities to incorporate voluntary contributions to the Adaptation Fund into crediting infrastructure such as registries, platforms, or standards.

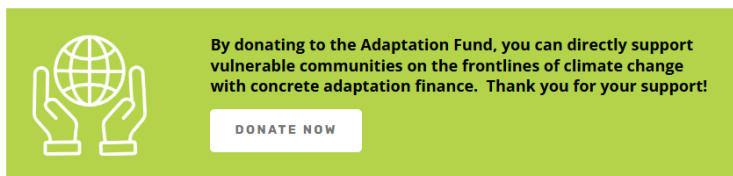
4) Assess the feasibility of piloting private, philanthropic, and other revenue sources, where appropriate, in a manner consistent with the Fund’s mandate, objectives, principles, and governance arrangements

19. *Institutional framework for private sector contributions:* The Adaptation Fund has the unique ability to mobilize resources from a wide range of non-governmental sources: in addition to innovative sources and share of proceeds sources, the Fund is institutionally ready to receive including private sector contributions, such as from foundations and philanthropy, private companies and individuals.

- a) One pathway for private sector contributions to the Adaptation Fund is through an online donation platform (“Donate button”) on the AF website, which is managed in partnership with the United Nations Foundation (UNF). This donation platform provides a direct and streamlined pathway for private actors and the public to contribute to global adaptation efforts and international solidarity.⁶

Donate Now

Interested individuals and organizations can also donate directly through the Adaptation Fund website at any time:



⁶ See the donation link on the AF website: <https://www.adaptation-fund.org/donate/>.

- b) As a second option, the Adaptation Fund Board in December 2020 through Decision B.35-36/9 put in place the necessary institutional framework for private sector contributions to the Adaptation Fund by approving the “procedural steps to be taken to receive contributions from sources alternative to government funding”⁷. The procedural steps provide the necessary legal and administrative process to facilitate contributions from non-sovereign entities, ensuring that the Fund remains a flexible and accessible partner for a wide variety of global climate finance stakeholders.

20. *Engaging the private sector at the project-level for leverage and scale up*: The Fund’s second Resource Mobilization Strategy (RMS-2) for 2022-2025 focused through one specific strategy on “exploring options of other innovative source of funding to scale up funding.”

- a) The Adaptation Fund has been collaborating with peer multilateral and bilateral climate funds, implementing entities, the private sector, philanthropy, non profits, and others to successfully leverage, replicate and scale up funding from other sources through Adaptation Fund supported projects Over 20 AF projects have been successfully scaled up with additional funding with a growing database of such examples.⁸ By directly supporting the implementation of developing countries’ National Adaptation Plans (NAPs) and Nationally Determined Contributions (NDCs), the Adaptation Fund also supports countries’ overall adaptation investment planning and identification of funding opportunities, as well as their capacity to access other sources of climate finance.⁹
- b) *Innovative funding windows*: During the implementation of its second Resource Mobilization Strategy (RMS-2), as well as the second Medium-Term Strategy (MTS-2), the Adaptation Fund has successfully set up specific funding windows for innovation and locally led adaptation with set aside funding for piloting high-impact and locally-led innovations for adaptation. As a unique feature among multilateral climate funds, some of these funding windows allow non-accredited, private sector entities to directly access small grants for innovative and locally-led adaptation.

21. *Leveraging institutional readiness and experience to further pilot and scale up engagement of non-sovereign sources*: Building on this foundation of institutional frameworks and project-level experience, the Fund is well positioned for continued targeted exploration of private and philanthropic resource mobilization. This involves targeted campaigns for piloting and utilizing the established institutional pathways for receiving non-sovereign contributions; in parallel leveraging the evidence base from its innovation windows and project-level de-risking activities to demonstrate the Fund’s value proposition to potential partners. During the 2026–2029 period,

⁷ The procedural steps are outlined in Board document AFB/B.35-36/3.Rev.1 available here: <https://www.adaptation-fund.org/document/procedural-steps-for-receiving-contributions-from-sources-alternative-to-government-funding-2/>.

⁸ See selected case studies in the AF knowledge publication “[Scaling up adaptation finance: Experiences and lessons learned from the Adaptation Fund portfolio of projects and programmes](#)”.

⁹ See the AF knowledge publication on “Alignment of Adaptation Fund Portfolio with National Adaptation Plans (NAPs) and Nationally Determined Contributions (NDCs)” and a joint publication with NDC Partnership, ADB and Commonwealth Secretariat on [Adaptation Financing Supplement to the Climate Investment Planning and Mobilization Framework](#).

the Board may focus on a limited number of well-structured pilot initiatives to test these pathways, in a manner consistent with the Fund’s mandate, objectives and principles, and governance arrangements. While the Board does not envision these sources to constitute a significant share of revenue in the near term, they can complement other sources, enhance Fund outflows in certain cases, and provide valuable learning opportunities for future and broader scaling of adaptation funding to developing.

BOX 4: UNLOCKING PRIVATE SECTOR INVESTMENT THROUGH CATALYTIC USE OF GRANTS FOR INNOVATION AND DE-RISKING

Innovation, technology, and private sector engagement are crucial to accelerating adaptation and mobilizing adaptation investments. The Adaptation Fund’s mission under its second Medium-Term Strategy⁸ is to finance adaptation action, innovation, and learning through grants to catalyze further adaptation finance. By supporting early-stage interventions, innovative models and calculated risk-taking, the Fund helps demonstrate proof of concept for promising adaptation solutions and open pathways for further investment, including from the private sector.

For example, an Adaptation Fund-supported project in Bhutan is introducing an innovative weather index-based microinsurance scheme for smallholder farmers to enhance resilience and food security.⁹ An AF-supported project in Vietnam is using this funding to introduce microfinance solutions tailored to build adaptation businesses.

The Adaptation Fund supports innovation by providing grant-financing for new or improved approaches to adaptation, such as climate-resilient crops, smart water management systems, and early warning systems. In addition, the Fund’s Innovation Facility, including the Adaptation Fund Climate Innovation Accelerator (AFCIA), provides dedicated grant funding for the testing, rolling out, and scaling up of innovative adaptation practices. Through this facility, the Fund supports social, technological, institutional, and financial innovations that strengthen local resilience and can later be replicated or expanded by national actors, development partners, or private investors.

For example, an Fund-supported project in Burundi under AFCIA is successfully testing a new portable dam solution with cutting-edge technology to address both floods and droughts, making such solutions ready for further investments including from the private sector.

Private sector resource mobilization

22. *Challenges of mobilizing private sector finance and donations for adaptation.* Private investment in climate adaptation faces several challenges, including the difficulty of generating direct financial returns from adaptation projects. Despite high return on investment, many adaptation

¹⁰ See Medium-Term Strategy available at: <https://www.adaptation-fund.org/document/medium-term-strategy-2023-2027/>.

¹¹ See AF project in Bhutan: “[Adaptation to Climate-Induced Water Stresses through Integrated Landscape Management in Bhutan](#)” and related [project story](#).

¹² See AF project in Vietnam: “[Enhancing the resilience inclusive and sustainable eco-human settlement development through small scale infrastructure interventions in the coastal regions of the Mekong Delta in Viet Nam](#)”.

projects provide more diffuse benefits that do not accrue in the form of direct revenue flows sufficient to make projects bankable for private sector investment. In addition, adaptation projects often involve long payback periods and are perceived as high-risk due to lacking enabling environments and limited data on outcomes. Finally, consultation discussions with several private sector experts suggest that private sector actors often prefer to focus donations on specific geographic or topical areas that correspond with their company locations, service or issues areas, and/or company Environment, Social, and Governance (ESG) priorities. For example, private sector entities (particularly multinational corporations) sometimes invest in projects implemented or managed by governments or CSOs as part of their corporate ESG commitments to offset impacts and to strengthen their social license to operate in communities where they are active.¹³ Despite these challenges, the Adaptation Fund sees opportunities to explore greater private sector resource mobilization through encouraging donations to the Fund.

23. *Private sector donations.* The Adaptation Fund may pilot focused campaigns to invite donations to the Fund from private sector organizations, including corporate foundations, after careful assessment of the alignment of these potential donations with the Fund’s mandate, objectives and principles, and governance arrangements. Private entities can make contributions directly to the Adaptation Fund Trust Fund, following Board-approved procedural steps for receiving funding from sources alternative to governmental funding.¹⁴ The Fund would likely target potential pilot partnership or campaign activities to secure donations from companies and corporate foundations with activities in developing countries and past records of interest and investment in adaptation needs. While private sector donations are not likely to become a major source of Fund revenue, they could be a valuable, diversified source of funding with the added benefit of raising private sector awareness of the important market enabling environment and innovation projects that the Fund supports.

24. *Targeted private sector contributions to sector and thematic Fund investment windows.* The Fund could explore the creation of one or more funding windows targeting specific types of projects that the Adaptation Fund supports, such as projects in the agriculture, coastal zone management, food security, forests, or water management sectors that may be strongly linked to a company’s operations or business sectors. Similarly, the Fund could consider establishing a funding window under the Innovation Facility designed to provide grants supporting innovative adaptation financing that enhances the engagement of the local private sector in developing countries. Piloting some funding windows could be attractive to private sector contributors, but it would need to be done in a manner that aligns with the needs and priorities of developing countries, as expressed in their NAPs and other planning instruments.

¹³ For example, many corporate executives recognize the strategic value of water resource management for their business operations and are engaged in initiatives such as the UN CEO Water Mandate (<https://ceowatermandate.org/resilience/>), the Water Resilience Coalition, and the Alliance for Water Stewardship. These initiatives provide platforms for helping to coordinate private sector investment in programs and projects in water basins in developing countries.

¹⁴ Procedural steps are outlined in AFB document AFB/B.35-36/3/Rev.1 and were approved in AFB decision B.35-36/9.

Potential activities to pursue under the 2026-2029 Resource Mobilization strategy include:

- Conduct further consultations with prospective partners, experts and national stakeholders in developing countries to identify and select specific pilot campaigns or efforts to mobilize private sector resources that are aligned with the needs and priorities of developing countries.
- Support development and implementation of a limited number of appropriate and promising pilot, aligned with the Fund’s mandate, objectives, principles, and governance arrangements, to mobilize private sector resources, and support aligned learning activities.

Philanthropic resource mobilization

25. Philanthropies interested in climate adaptation and related thematic and sectoral issues can be important partners to the Fund for resource mobilization in the coming years. Philanthropic interest in climate adaptation in developing countries has grown rapidly during the past few years. For example, the Adaptation and Resilience Funder Collaborative (ARC) was launched in 2023 and has more than 50 participating foundations interested to scale global grantmaking for climate adaptation and resilience. Recent research found that philanthropy invested more than US\$ 870 million in adaptation and resilience initiatives globally in 2024 (a record, doubling philanthropic grantmaking in adaptation since 2021), and total investment is anticipated to grow in the future.¹⁵ Under the RMS-2 (2022-2025), the Fund has conducted consultations with foundations and worked to cultivate relationships with several major philanthropies, which have informed understanding of potential challenges and opportunities to pilot philanthropic donations and partnerships under the new strategy.

- a) *Challenges of mobilizing philanthropic donations for adaptation.* Consultations with foundations suggest that there are potential challenges that may constrain donation. First, many foundations appear to have limited awareness of the Fund, its operating modalities, its donation platform, and its performance record. Second, there is a broad perception in the philanthropic sector that multilateral institutions and funds do not move with the speed or efficiency that is well matched for philanthropic investment. Third, many foundations prefer to make grants directly to civil society organizations in the field and may be reluctant to invest through an intermediary. Fourth, some foundations are hesitant to invest in multilateral platforms out of concern that their involvement may “crowd out” developed countries’ responsibilities for contribution. And fifth, many foundations have geographic, thematic, and sectoral areas of interest, and they may be constrained to only fund opportunities that fit these focal areas.
- b) *Mobilizing philanthropic donations to the Adaptation Fund.* Despite these potential challenges, the Fund sees important opportunities to broaden its efforts to engage with philanthropies to enhance awareness of the Fund, its activities, and the opportunity for donation. Engagement with funder collaboratives (such as ARC and Asia Philanthropy Circle) and foundations who serve as focal points for thematic and regional funder coordination offer potentially efficient pathways for engaging with numerous foundations. The Fund

¹⁵ ClimateWorks Foundation. *Foundation funding for climate change adaptation and resilience*. November 2025. <https://www.climateworks.org/report/foundation-funding-for-climate-change-adaptation-and-resilience-2025/>.

donation platform makes it easy for the Fund to receive contributions from foundations. As outlined in the CFI, the Fund has streamlined and agile processes and systems that philanthropic partners can leverage for efficient and effective re-granting to support Fund's large pipeline of vetted projects around the world. This option may be particularly appealing to foundations or donors who lack staff capacity to identify and vet grantees and projects on their own.

- c) *Targeted philanthropic contributions to sector and thematic Fund investment windows.* As noted above, many foundations have specific sectoral and thematic areas of interest. Similar to the concept mentioned above for securing private sector contributions, the Fund could explore opportunities to develop new or expanded grant funding windows addressing specific Fund programs (e.g., the innovation accelerator, locally-led adaptation program) or sectors (e.g., water management, forests, coastal zone resilience), that align with the needs and priorities of developing countries. The Fund could work collaboratively with foundations, funder networks, and national stakeholders to develop the windows and secure philanthropic contributions to them. These new funding windows would be managed by the Fund in accordance with existing Board-approved processes and procedures, and they would be available to all developing countries and implementing entities.

Potential activities to consider under the 2026-2029 Resource Mobilization strategy include:

- Conduct targeted outreach and communications to foundations and funder collaboratives to enhance awareness of the Fund's operating modalities, donation platform, performance record, and the case for investment in the Fund.
- Explore opportunities to develop pilot partnerships with philanthropic networks and platforms to channel donations to the Fund, aligned with the Fund's mandate, objectives, principles, and governance arrangements
- Explore and pilot other innovative partnership opportunities with foundations to scale adaptation financing through and alongside Fund projects in accordance with established Board-approved Fund processes and procedures.
- The results of the pilots, in terms of the achievement of their objectives, will be evaluated by the Adaptation Fund Board at its 52nd meeting, with the aim of evaluating their scaling and inclusion as part of the strategy of mobilizing resources on an ongoing basis.

Donations from individuals and crowdfunding

26. As noted, the Fund is unique among multilateral climate funds with its ability to easily receive direct donations from individuals, businesses, foundations, and other actors through the Fund's partnership with the United Nations Foundation and its online donation platform. From 2021 through 2024, the Fund received a total of US\$ 26,777 via this donation route. Though modest relative to institutional pledges, this figure reflects progress in engaging non-governmental donors, an area that has traditionally remained underrepresented in the Fund's resource portfolio. There is precedent for growing crowdfunded donations in ways that provide significant

funding for international institutions, although it requires focused campaign efforts and capacity investments to support them.¹⁶

To scale such donations, the Fund would need expanded outreach and communications capacity, as well as public-facing campaigns to engage targeted audiences. The Fund could also explore opportunities to develop partnerships, with media outlets, philanthropic networks, youth climate groups, and others, to increase the visibility of donation opportunities and develop tailored engagement strategies for different audiences. Attention would be needed to position climate adaptation in compelling and accessible ways using strategic communications and campaign activities, such as goodwill ambassadors and public service media campaigns or partnerships.

Potential activities to pursue under the 2026-2029 Resource Mobilization strategy include:

- Develop and implement a series of focused outreach campaigns to mobilize donations, leveraging innovative partnership, social media, and outreach campaign strategies. Structure these campaigns in ways that support impact analysis and learning to inform subsequent campaign activities.

5) Strengthen resource mobilization-related outreach and communications

27. Under RMS-3, expanded communications and outreach activities and capacity dedicated to resource mobilization are needed to support dedicated and multi-year resource mobilization campaigns from various sources. The Board supported by the secretariat will focus on the following activities:

- Develop a dedicated resource mobilization communication and outreach plan to support implementation of RMS-3.
- Design and implement enhanced outreach activities such as a multi-year pledging event in 2027 and dedicated resource mobilization and donation campaigns through various channels
- Enhance engagement of interested Board members, current contributors, and other Parties and stakeholders as champions for the Fund's advocacy and resource mobilization, including for outreach to prospective emerging contributors.
- Strengthen awareness of the Fund's comparative advantages and case for investment across diverse audiences.
- Support outreach related to prepare for, cultivate, and channel Paris Agreement Article 6-related revenues and voluntary market flows to the Fund.
- Support the development of new partnerships with philanthropic organizations, the private sector, and other stakeholders.

¹⁶ For example, UNICEF has significantly expanded its private donor engagement, with roughly one-third of its annual funding from private donation sources. This includes a portfolio of foundation partners, corporate donors, and, notably, individual supporters contributing through pledge-giving and campaigns in over 50 countries. UNICEF's model shows how individual giving can become a pillar of resource mobilization, particularly as ODA disbursements face pressure. National UNICEF committees in 32 countries help drive these efforts by enabling tax-deductible charitable donations, supported by celebrity UNICEF Goodwill Ambassadors. These structures allow UNICEF to tap into widespread public support and mobilize resources at scale, often quickly and with fewer restrictions than institutional funding or donor contributions.

ANNEX 1: STAKEHOLDER CONSULTATIONS

1. The secretariat conducted an open and inclusive process to inform the development of the draft 2026-2029 Resource Mobilization Strategy. The secretariat thanks these organizations and individuals for sharing their insights and perspectives, which have informed the CFI and this draft Resource Mobilization Strategy.
2. Representatives from the Board, recipient and contributor governments, implementing entities, civil society and research organizations, and private sector organizations were invited to provide input through the online survey and/or consultation interviews. The secretariat received 43 responses to the online survey and conducted consultation discussions with 50 individuals representing 30 organizations.
3. All Adaptation Fund **Board members and alternates** were invited to complete the online survey.
4. Representatives from all **contributor country governments** were invited to complete the online survey and those who expressed interest participated in consultation interviews (including representatives from the European Union, Germany, and the United Kingdom)
5. Consultation interviews were also conducted with representatives from the following **national, regional and multilateral implementing entities**:
 - Bhutan Trust Fund for Environmental Conservation (Bhutan)
 - Centre de Suivi Ecologique CSE (Senegal)
 - Department of Environment (Antigua & Barbuda)
 - Environmental Project Implementation Unit (Armenia)
 - Fundecooperación para el Desarrollo Sostenible (Costa Rica)
 - International Center for Integrated Mountain Development (Nepal)
 - Protected Area Conservation Trust (Belize)
 - The Interprofessional Fund for Agricultural Research (FIRCA) (Côte d'Ivoire)
 - Caribbean Development Bank (Barbados)
 - Observatoire du Sahara et du Sahel (Tunisia)
 - Secretariat of the Pacific Regional Environment Programme (Samoa)
 - Asian Development Bank (ADB)
 - Fund for Responding to Loss and Damage (FRLD)
 - International Fund for Agricultural Development (IFAD)
 - United Nations Development Programme (UNDP)
 - United Nations Framework Convention on Climate Change (UNFCCC)
 - World Meteorological Organization (WMO)
6. Representatives from the following **civil society organizations and research organizations** completed the online survey and/or participate in consultation interviews.
 - Asian Peoples Movement on Debt and Development (Philippines)
 - Cadre Cameroon Association (Cameroon)

- Christian Aid
- Climate Change Research and Cooperation Centre (Mongolia)
- ECCO Climate (Italy)
- FirecircleTT To End All forms of Abuse (Trinidad and Tobago)
- Germanwatch
- Greener Tanzania Livelihood Organizations (Tanzania)
- HELVETA Swiss Intercooperation (Peru)
- Indigenous Women and Peoples Association of Chad (AFPAT) (Chad)
- International Institute for Environment and Development (IIED)
- Islamic Relief Worldwide
- Stockholm Environment Institute
- United Nations Foundation
- Village Farmers Initiative (Nigeria)
- Yobe State Agency for the Control of Aids (Nigeria)

7. Representatives from the following **philanthropic and private sector focused organizations** participated in consultation discussions.

- Alliance for Water Stewardship
- Glasgow Financial Alliance for Net Zero (GFANZ)
- Aga Khan Foundation
- Bezos Earth Fund
- Bill and Melinda Gates Foundation
- Bloomberg Philanthropies
- Climate Justice Resilience Fund
- ClimateWorks Foundation
- Rockefeller Foundation

ANNEX 2: EVOLUTION OF ADAPTATION FUND RESOURCE MOBILIZATION (RM) STRATEGIES

	Previous RM Strategy (RMS-1) 2017-2020	Current RM Strategy (RMS-2) 2022-2025	Proposed RM Strategy (RMS-3) 2026-2029
RM Target	<p>Biennial targets</p> <ul style="list-style-type: none"> • US \$80 million per year target for 2016-2017 (Decision B.27/36) • US \$90 million per year target for 2018-2019 (Decision B.31/31) • US \$120 million per year target for 2020-2021 (Decision B.35.b./22) 	<p>Annual targets (in practice, not in strategy)</p> <ul style="list-style-type: none"> • 2022 Target: US \$120 million per year • 2023 Target: US\$ 300 million & a higher number of contributors than the previous year • 2024 Target: same as previous year • 2025 Target: from a floor of US\$ 300 million <p>Progressive Target definition taking into account the Glasgow Climate Pact goal of doubling adaptation finance by 2025</p>	<p>Explore new target setting approaches beyond annual or even biennial targets, for example</p> <p>Explore options to develop a multi-year resource mobilization target setting approach that may support scaling pathways to 2030 aligned with the NCQG for climate and the goal of tripling of adaptation finance by 2035 in line with the Global Mutirão decision.</p>
Focus for funding	<p>Focus on governmental contributions.</p> <ul style="list-style-type: none"> • <i>National governments</i>: continue to foster relations with existing and past funders • <i>Sub-national governments</i>: raise visibility amongst networks and alliances of regions and cities, explore potential to mobilise further resources at sub-national level 	<p>For government contributions:</p> <ul style="list-style-type: none"> • Secure multi-year commitments from existing or new potential contributors • Map out potential sub-national and national contributors • Outreach to new potential national and sub-national contributors • Invest in outreach and regular communication with current contributors 	<p>Focus on government contributions & transition to Article 6.4 SOPs and voluntary contributions from Article 6.2</p> <ul style="list-style-type: none"> • Secure and sustain multi-year commitments from existing and new potential national and subnational contributors • Further enhance communications with current and prospective contributors
Communications approach	<ul style="list-style-type: none"> • Government contributions needed as bridge to post-2020 • Stress Fund’s high potential to contribute to the implementation of the Paris Agreement. • Highlight possibilities to link Fund to new market mechanism under the Paris Agreement 	<ul style="list-style-type: none"> • Raise awareness of the comparative advantages of the Adaptation Fund • Continue to embed in the Fund’s overall communications strategy to streamline messaging on the unique nature of the Fund 	<ul style="list-style-type: none"> • Develop a RM communications and outreach plan • Continue to raise awareness of the CFI and comparative advantages of the Fund • Expand and strengthen the Fund’s resource mobilization related communication capacity to support targeted outreach, campaigns, and communications:
Private sector/ Philanthropy RM strategy	<ul style="list-style-type: none"> • Maintain light-touch contacts with foundations and private sector in case of opportunities 	<ul style="list-style-type: none"> • Explore additional options with private sector and foundation donors • Examine alternative ways non-government donors can make contributions to Fund (i.e., to donate to the Fund through the regular Trustee process vs a “Donate” button) 	<ul style="list-style-type: none"> • Develop a limited number of pilot partnerships and campaigns to attract contributions from private sector, philanthropy, and individuals • Explore opportunities to scale, leverage, and catalyze adaptation funding from partners, where appropriate and consistent with Fund policies and procedures