



**ADAPTATION FUND**

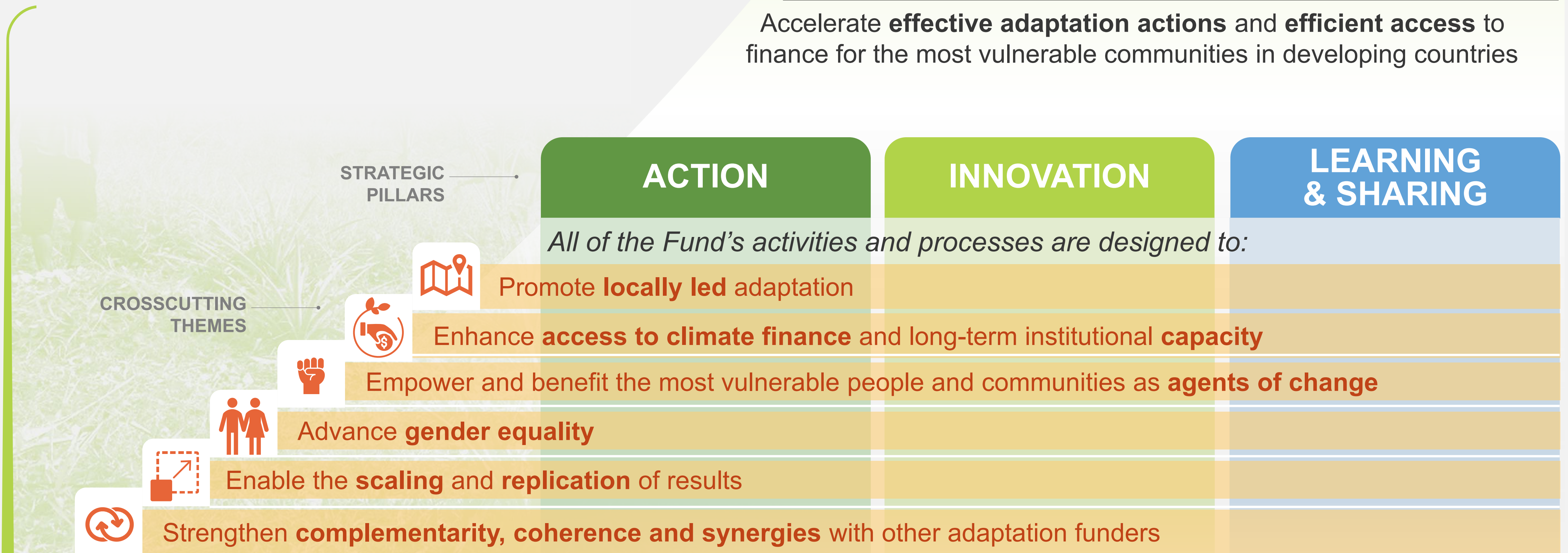
# Innovation at the Adaptation Fund

Readiness Webinar  
Virtual  
19th March 2026

# 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.



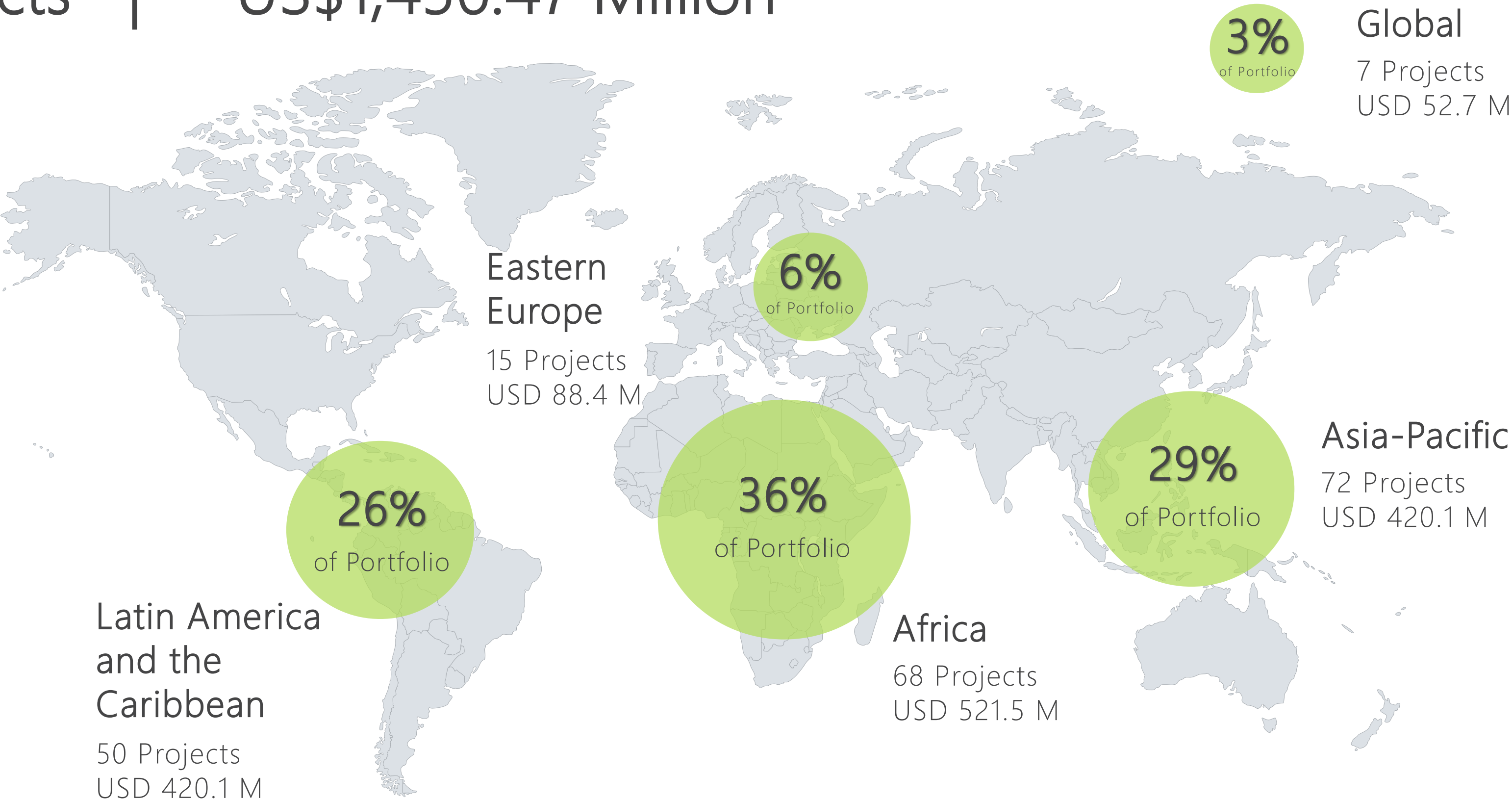


# AF Portfolio: Regional distribution

TOTAL 212 projects | US\$1,456.47 Million

## PROJECT & PROGRAMME DISTRIBUTION

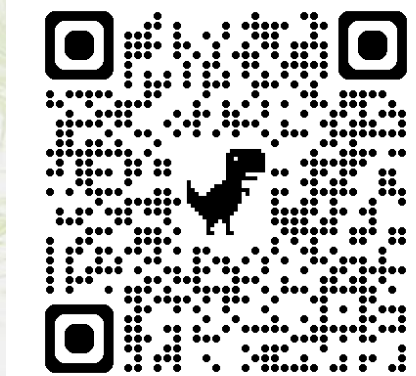
Single Country:	<b>154</b>
Regional:	<b>27</b>
LLA Single-Country:	<b>6</b>
LLA Aggregator:	<b>1</b>
Small Innovation:	<b>9</b>
Large Innovation:	<b>7</b>
AFCIA:	<b>7</b>
Bundled Innovation/Learning:	<b>1</b>



Growing demand for AF financing:  
US\$1,100 Million of proposals in active pipeline

# Adaptation Fund

# Funding Windows



PILLAR	FUNDING WINDOW	ACCREDITED ENTITY TYPE	MAXIMUM FUNDING AMOUNT
<b>ACTION</b>	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 500,000 <i>per Grantee</i>
	Project Scale Up	NIE	USD 100,000 <i>per Grant</i>
<b>INNOVATION</b>	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>
<b>LEARNING &amp; SHARING</b>	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>
<b>READINESS</b>	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 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, technologies, institutional models**, and contribute to an **evidence-base** of successful innovation in climate adaptation.
- While these projects inherently carry **higher risk** than projects under regular funding windows, they also hold the potential for **greater impact**.

## 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

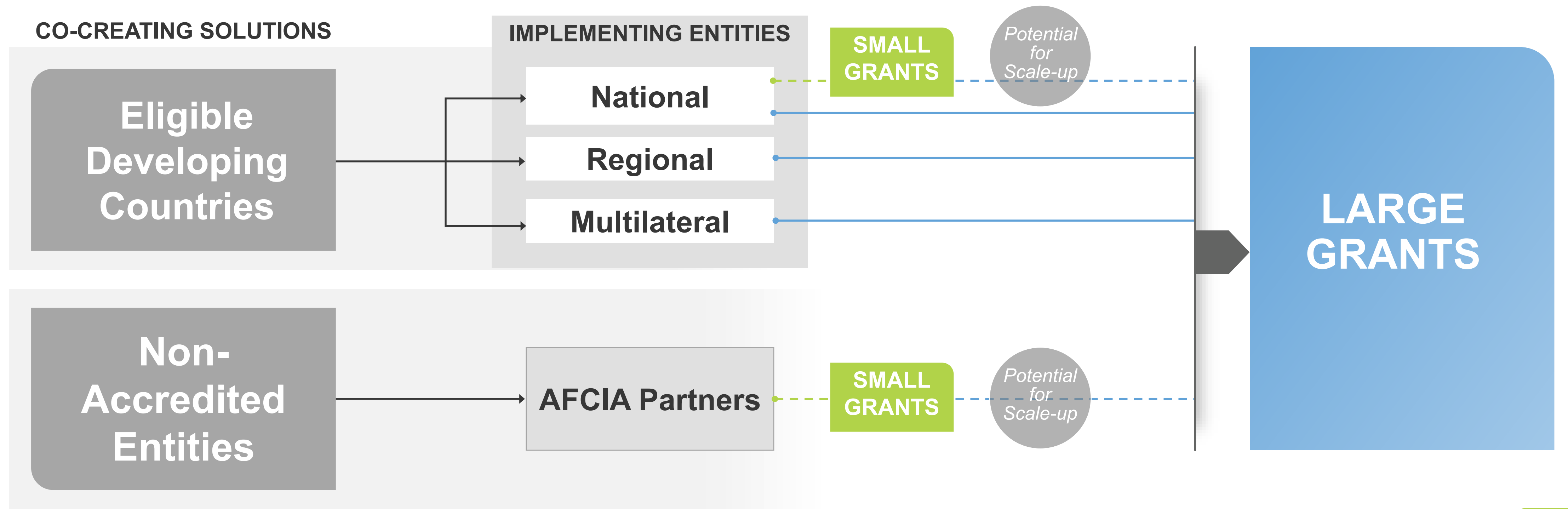


# INNOVATION Funding Window

outside of  
country  
cap

## Types of Interventions

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



# What Does the AF Innovation Portfolio Look Like Today?

Distinct but complementary windows, targeting different stages and scales of adaptation solutions

## Small Innovation Grants (NIE)

### What these projects look like

- **Community-based/led solutions** (e.g., watershed resilience, agro-biodiversity, invasive species management, eco-tourism, climate-smart agro-sylvo-pastoral farms, farmer-led experimentation)
- **Local technology applications** (e.g., water barriers, desalination technology)
- **Capacity-building and knowledge innovation** (e.g., youth education modules, competitive selection of ideas from university students )

**Geographic spread:** Armenia, Antigua& Barbuda, Bhutan, Chile, Dominican Republic, Indonesia (2), Senegal, Uganda

Early-stage, locally embedded innovation

Strong role for demonstration, learning and replication

Mix of technology, knowledge, ecosystem and livelihood solutions

Frequent emphasis on community systems, local capacity and practical field application

## Large Innovation Projects (NIE, RIE, MIE)

### What these projects look like

- **Innovative financing mechanisms** (e.g., SMEs, performance-based incentives)
- **Technology and systems innovation** (e.g., hydromet hubs)
- **Sectoral transformation** (e.g., water, agriculture, wetlands)

**Geographic spread:** Balkans (regional project), West and East Africa (including Gambia, Tanzania, Kenya and Uganda), Caribbean (Belize), South Asia (Bangladesh), and Southeast Asia (Viet Nam).

**Scaling-oriented and systems-level innovation:** Moving beyond pilots to wider application and impact

**Strong role for institutional, financial and partnership models:** Including innovative financing, platforms and service systems

**Mix of technology, finance, governance and delivery innovations:** Not just solutions, but how they are financed and implemented

**Frequent emphasis on replication, scaling pathways and long-term sustainability:** National and regional reach with potential for transformation

# AFCIA Partners

As of March 2026



PROGRAMME STATUS	IMPLEMENTING ENTITY	AMOUNT	DESCRIPTION
Under Implementation	UNDP	\$5M	Tailored technical, business, incubation & acceleration support for competitively sourced innovations. 44 grantees (as of 2024), 2 calls
	UNEP-CTCN	\$5M	Phase I – Micro-grants for development and diffusion of innovative adaptation practices, tools, & technologies, 25 grantees (as of 2024), 3 calls
	UNEP-CTCN	\$10M	Phase II – Target: Non-Annex1 countries. The project includes 1) TA to 40 technologies, 2) Additional TA to scale up, and 3) Further assistance to strengthen NSIs
	WFP	\$10M	Support startups in developing countries with acceleration programs and grants
	UNIDO	\$10M	Support SMEs in developing countries with incubation/acceleration programs and grants
	SPC	\$5M	The Climate Innovation Co:Lab aims to incubate, catalyse, de-risk, and scale locally-led innovations across 14 Pacific SIDS
	UNEP-CTCN	\$2.6M	AFCIA Coordination Programme to develop synergies among partners



# AFCIA Partners

As of March 2026

PROGRAMME STATUS	IMPLEMENTING ENTITY	AMOUNT	PROPOSAL STATUS
Invited to submit a proposal	SPREP	\$5M	Proposal submitted
	UNDP	\$15M	Proposal submitted
	CAF	\$8M	Proposal submitted
	EBRD	\$15M	Invited to submit a proposal
	IFAD	\$10M	Invited to submit a proposal
	WB – IBRD	\$15M	Invited to submit a proposal
	UN-Habitat	\$5M Each	Invited to submit separate proposals for Asia-Pacific, Arab States, & Sub-Saharan Africa



# What Can AFCIA Teach Us About Designing Accelerators, Incubators & Competitions?

AFCIA offers **practical, tested approaches** to designing innovation mechanisms that support local innovation.

## **Provide real-world experience in structuring:**

- Accelerators, incubators and competition-based models
- Selection and support of early-stage adaptation solutions
- Blending finance with technical assistance and mentorship
- Engagement of local actors, SMEs and innovators

## **For National and Regional Implementing Entities, these experiences present an opportunity to:**

- Learn from existing operational models, including what has worked and where challenges have emerged
- Adapt design elements to national and regional contexts
- Develop their own innovation mechanisms aligned with country priorities

These insights are particularly relevant for entities considering the use of **large innovation grants (up to US\$5 million)** to design and implement:

- National or regional accelerators
- Incubation programmes
- Innovation competitions and challenge funds



# Thank You



ADAPTATION FUND

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