

Key Updates from the Adaptation Fund

Bianka Kretschmer, Adaptation Fund Board Secretariat

Africa Climate Week, Addis Ababa, Ethiopia (1 Sept 2025)



ADAPTATION FUND

LEADING ADAPTATION FINANCE,
DELIVERING TANGIBLE IMPACT

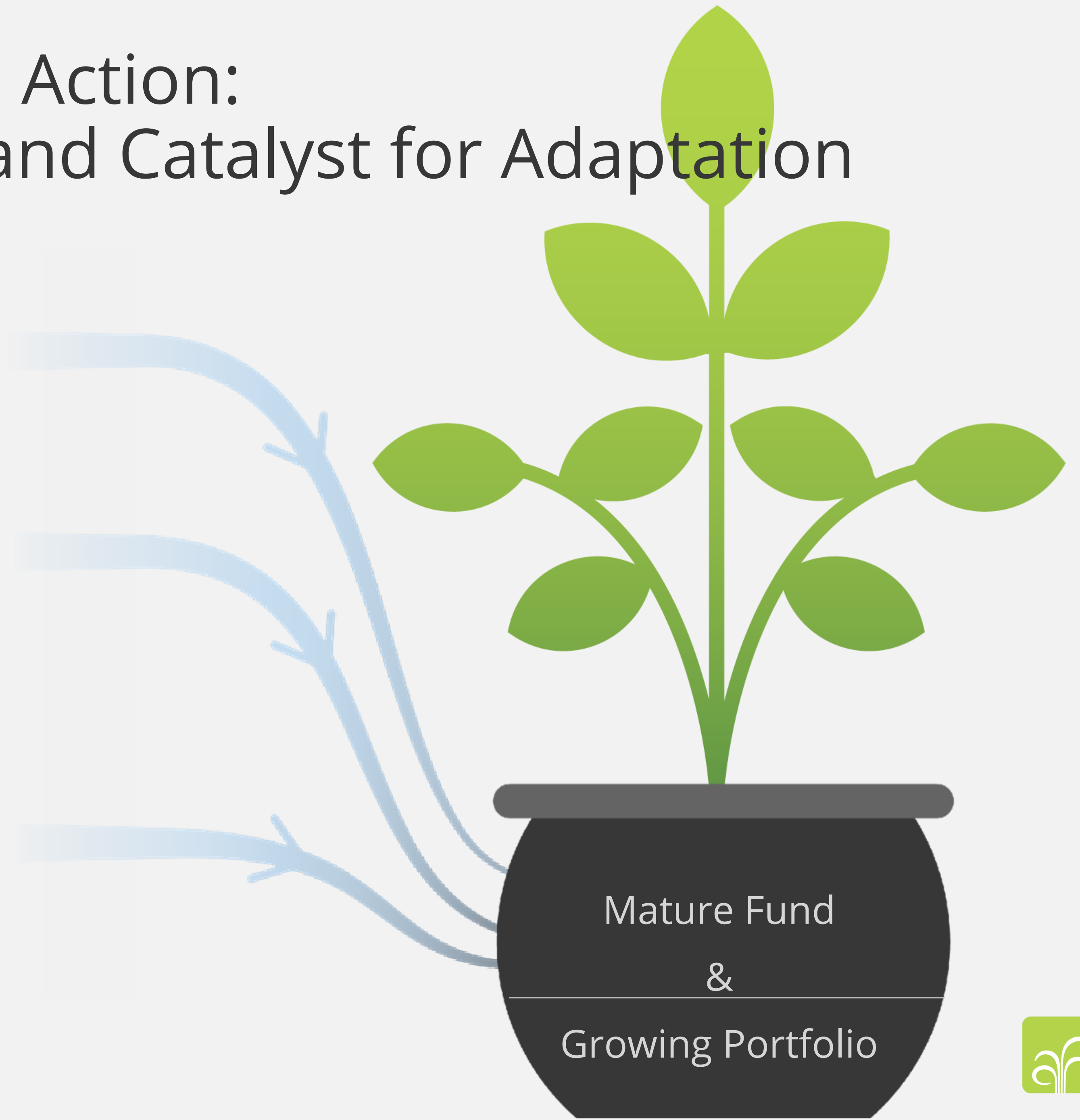


Adaptation Fund in Action: Leader, Innovator and Catalyst for Adaptation Finance

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

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

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





AF Portfolio: Regional distribution

TOTAL 199 projects | US\$1.4B

SUPPORT TO LDCs & SIDS

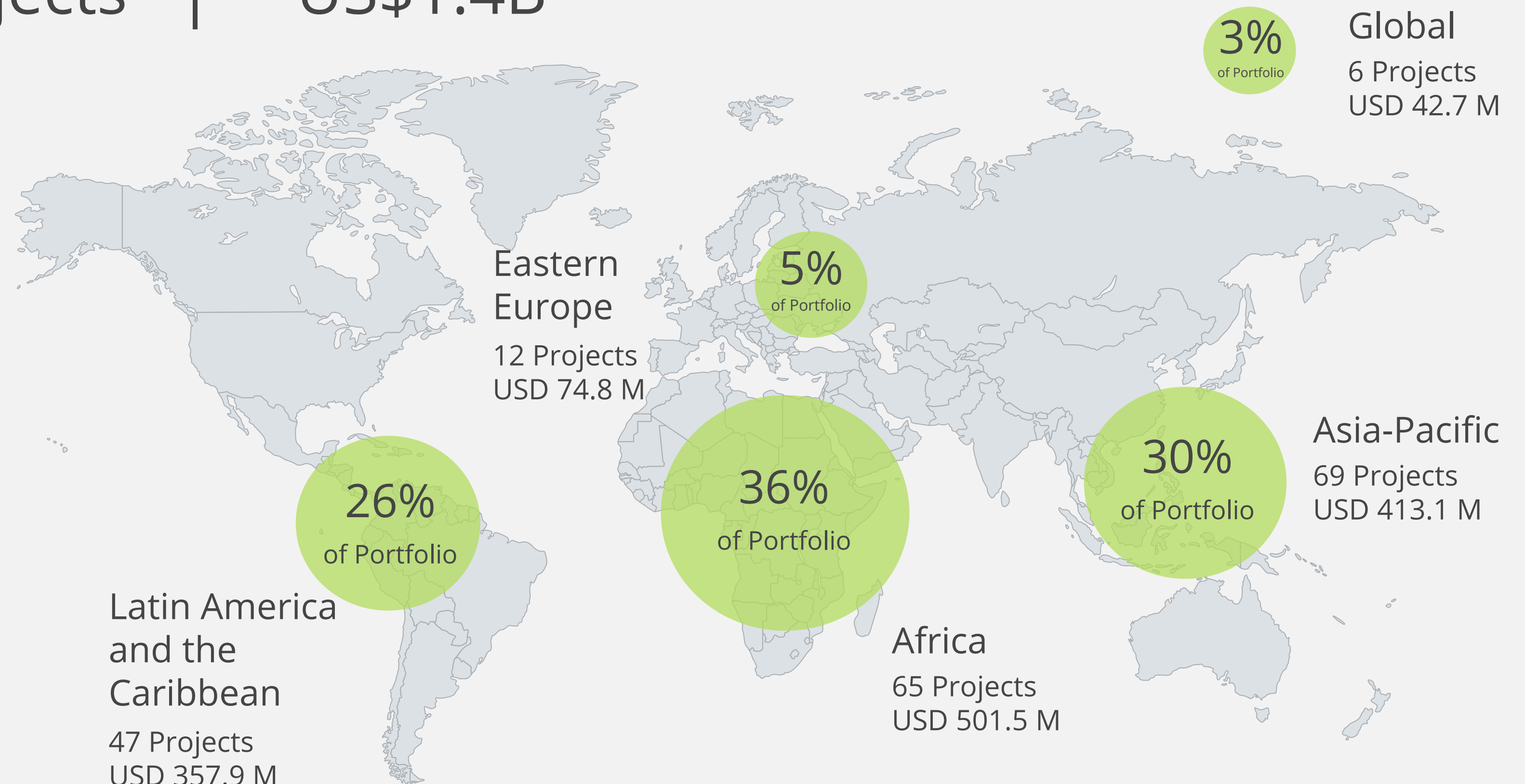
Almost half of AF portfolio in LDCs and SIDS

LEAST DEVELOPED COUNTRIES

USD 448M
32% of portfolio

SMALL ISLANDS DEVELOPING STATES

USD 239M
17% of portfolio



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





What is the Adaptation Fund's Comparative Advantage and What Makes it Unique?



DEDICATED TO ADAPTATION

Only multilateral fund dedicated to concrete climate adaptation for the most vulnerable countries and communities, incl. LDCs and SIDS

DIRECT ACCESS

Pioneered the direct access approach, and 50% of portfolio reserved for direct access

GRANT FUNDING

Provides grant funding that finances the full cost of adaptation, and has no co-financing requirements

LOCALLY-LED ADAPTATION

Strategic focus on adaptation action that devolves access and decision-making to national, subnational, and local levels

INNOVATION FOCUSED

Proactively develops new, more effective ways to adapt, including pilot projects, proof-of-concept initiatives, and de-risking mechanisms

SUSTAINABLE INTERVENTIONS

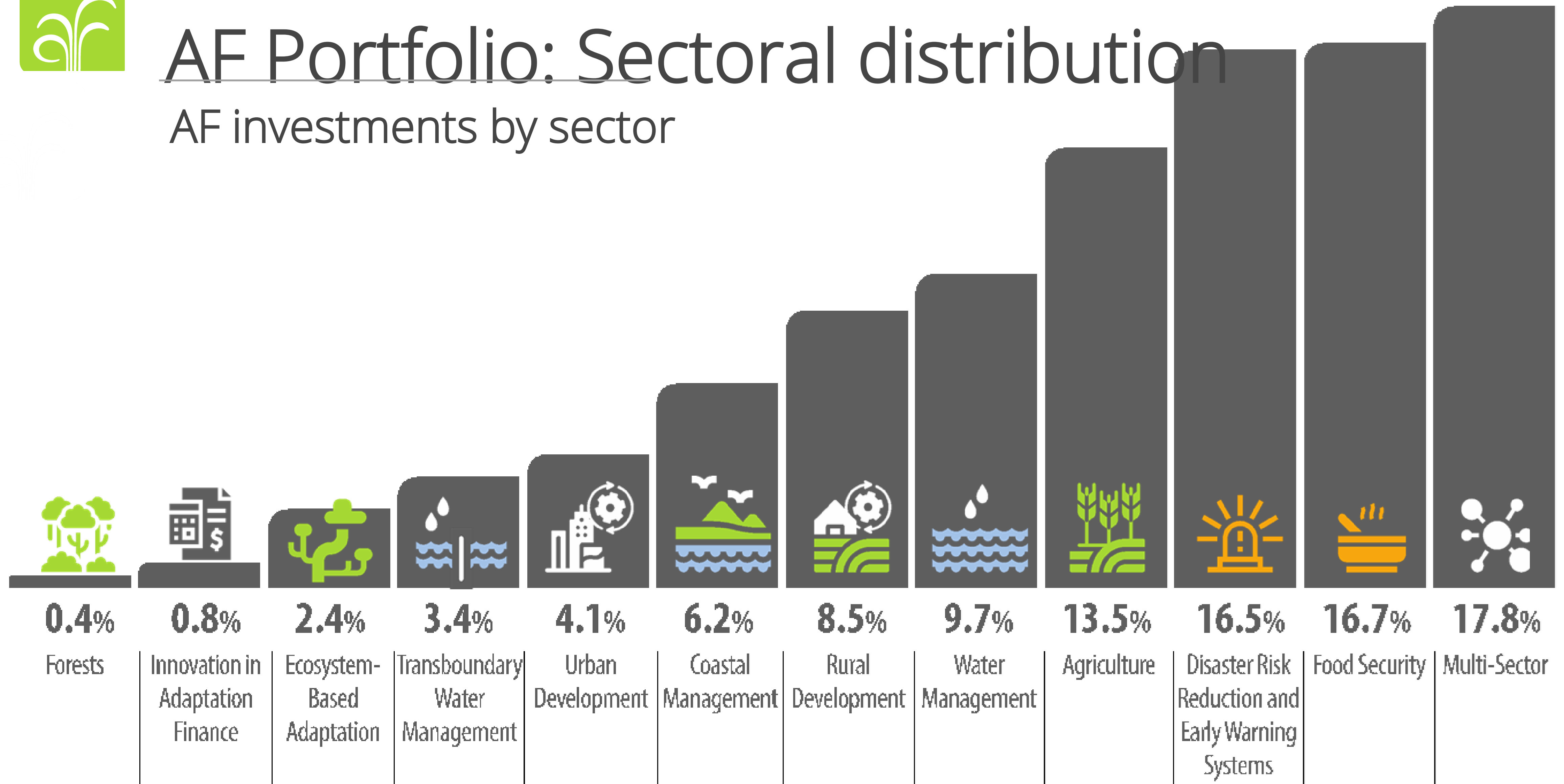
Builds local capacities and targets interventions that catalyse impact beyond project/programme lifetime





AF Portfolio: Sectoral distribution

AF investments by sector



Accredited Implementing Entities

Legend

IE Implementing Entity

RIE Regional Implementing Entity

MIE Multilateral Implementing Entity

NIE National Implementing Entity

SIDS Small Island Developing States

LDC Least Developed Countries

61 IEs
Accredited
to date



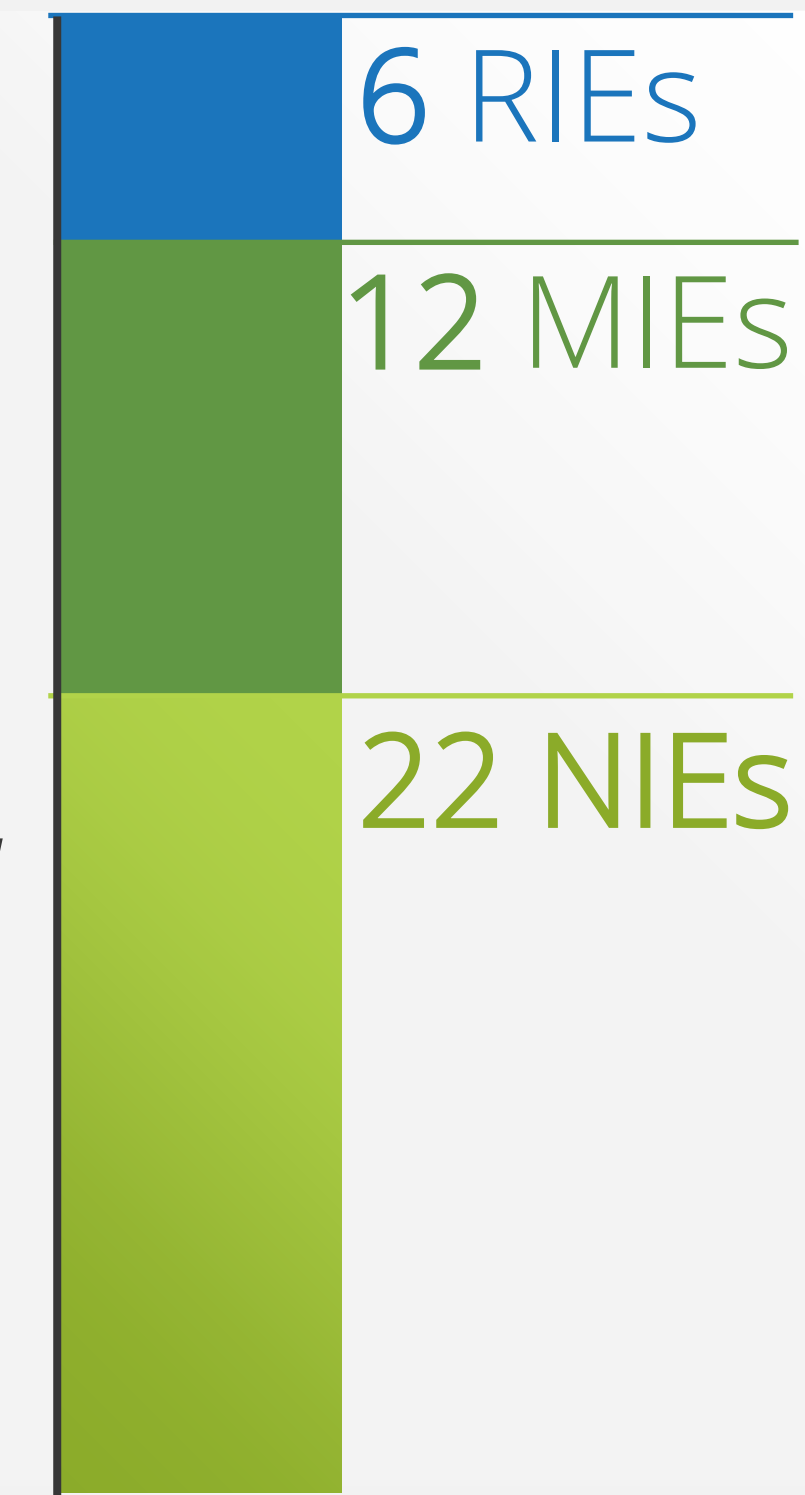
Accredited NIEs Distribution*

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

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

Out of the
accredited ones,
40 IEs
have been
reaccredited

70% of the
total



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

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

INNOVATION

LEARNING
& SHARING

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





Updates from the 44th AF Board Meeting:

Programming, Innovation & Locally-Led Adaptation

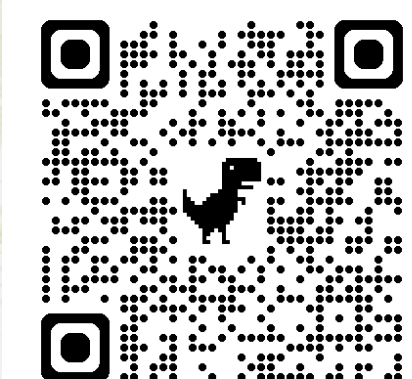
- Doubling of country cap from 20 million to **USD 40 million**
- Increase of single-country project/programme cap from USD 10 million to up to **USD 25 million**
- Increase of regional project/programme cap from USD 14 million to up to **USD 30 million** (incl. for regional Locally Led Adaptation programmes)
- New funding window for **regional Locally-Led Adaptation** projects/ programmes
- Innovation funding window: New call for Expression of

44th AF Board Meeting,
April 2025



Adaptation Fund

Funding Windows



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



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* *(+ \$100,000 on a case-by-case basis)

Optional 3-step approach: All regional and single-country LLA only





Streamlined Project Submission & Approval Process



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



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



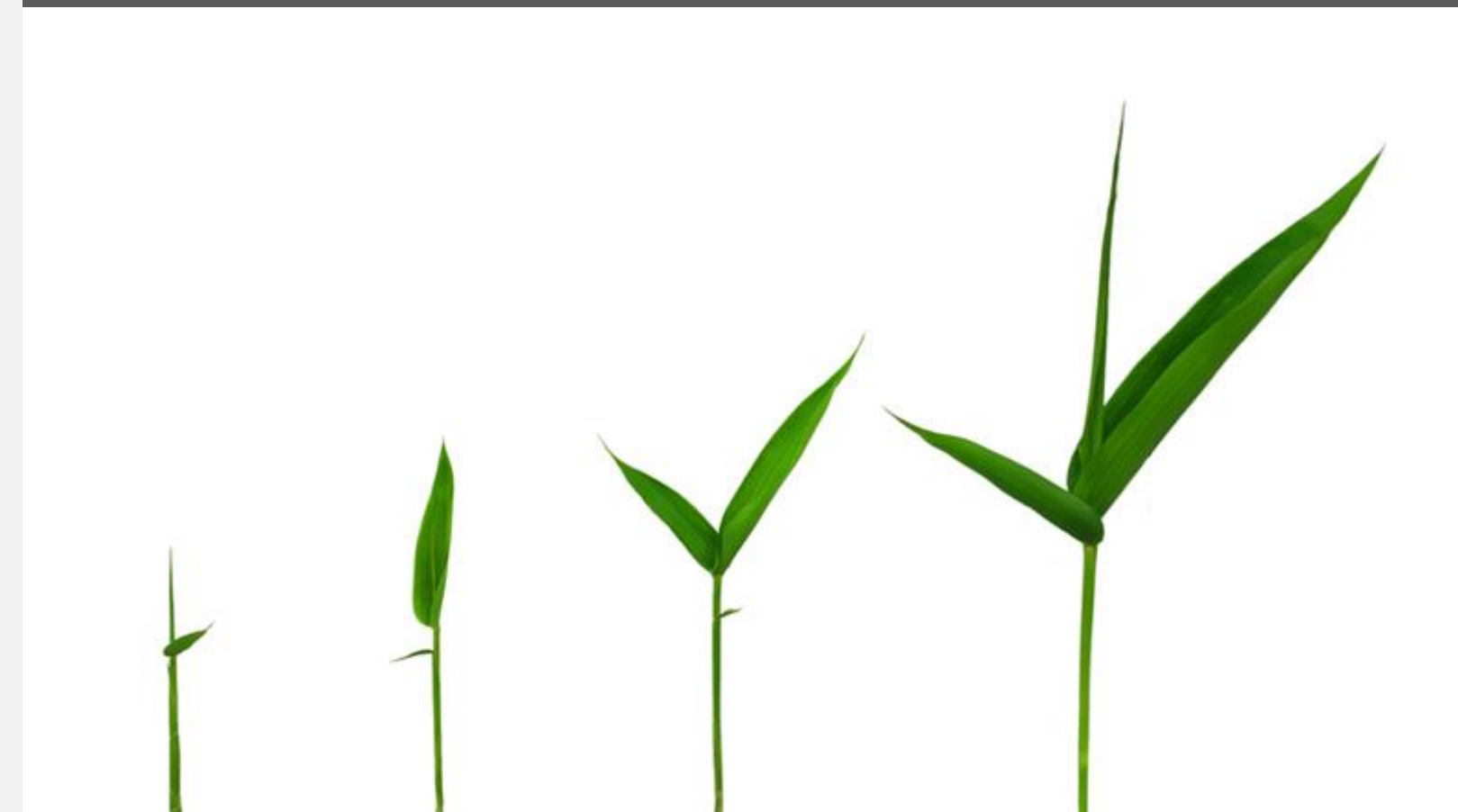
AFB secretariat will deliver a **first technical review within 3 weeks** to allow IEs several rounds of resubmission until the proposal is technically cleared



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

Project proposal templates and guidance documents available at:

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



Streamlined Proposal Submission Process



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AFB secretariat will deliver a **first technical review within 3 weeks** of receiving a proposal & **IEs have up to 3 weeks to resubmit a revised proposal** after having received the technical review



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Locally Led Adaptation

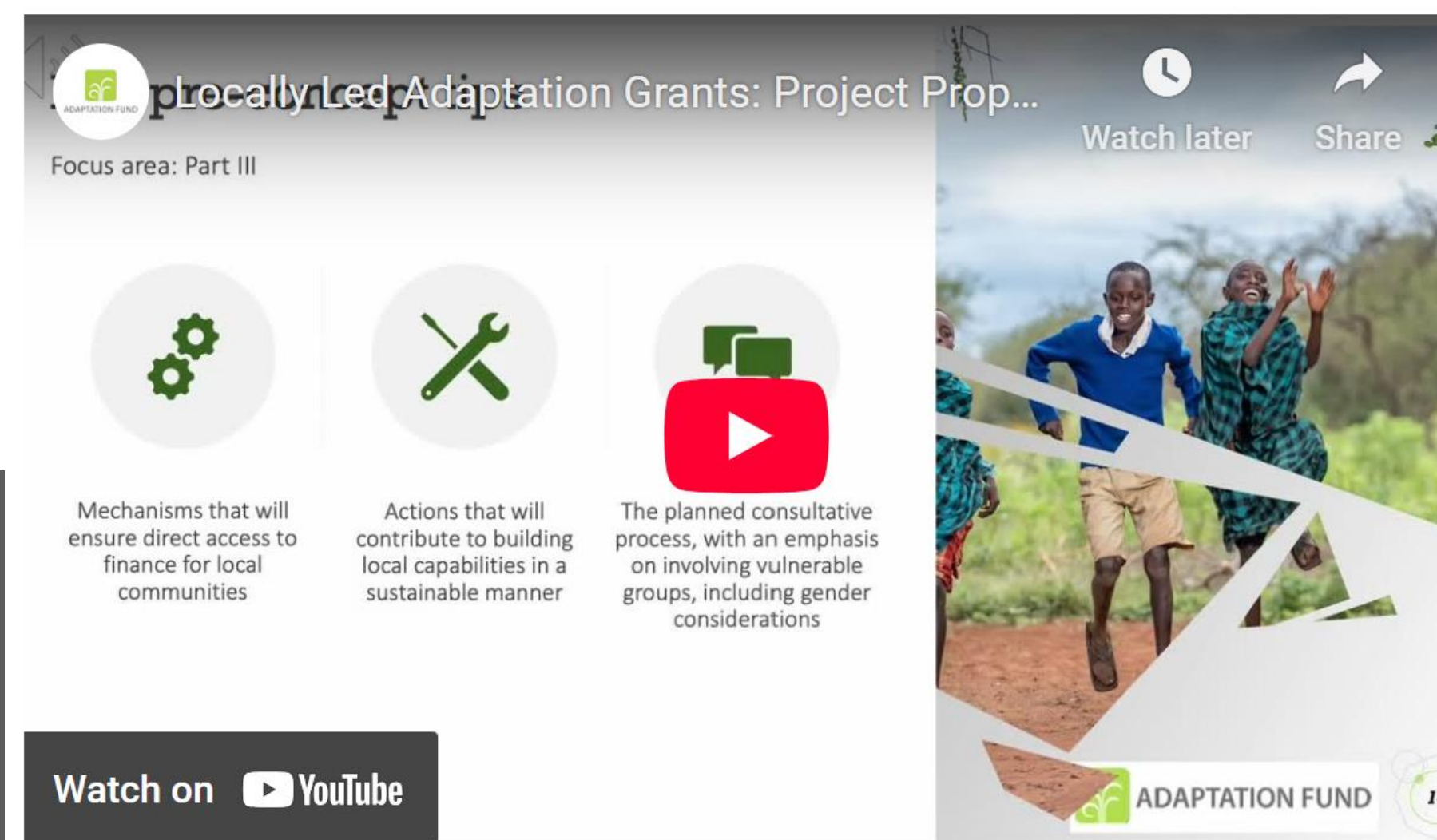
New E-Learning Course on AF LLA Grants & Proposal Preparation

AVAILABLE IN ENGLISH, SPANISH & FRENCH

1. LLA: Training



2. LLA: Project Proposal Preparation



Available on AF website:

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

AFCIA Partners

As of August 2025

	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
Proposal Approved		UNIDO	\$10M	Support SMEs in developing countries with incubation/acceleration programs and grants
		UNEP-CTCN	\$2.6M	AFCIA Coordination Proposal to develop synergies among partners
Invited to submit proposal		SPC	\$5M	Proposal submitted
		SPREP	\$5M	Proposal submitted





Updates from the 44th AF Board Meeting:

Policy matters

- Arrangements for the transition to exclusively serve the PA
- Update of AF Environmental and Social Policy
- Development of AF Policy on Safeguarding against Sexual Exploitation, Abuse and Harassment (SEAH)
- Vision and Guidelines on Enhanced Civil Society Engagement
- Revision of AF Strategic Results Framework
- Development of Enhanced Readiness Strategy
- Resource Mobilization Target for 2025 & developing Resource Mobilization Strategy (2026 – 2029)
- Assessment of implications of NCQG for AF operations

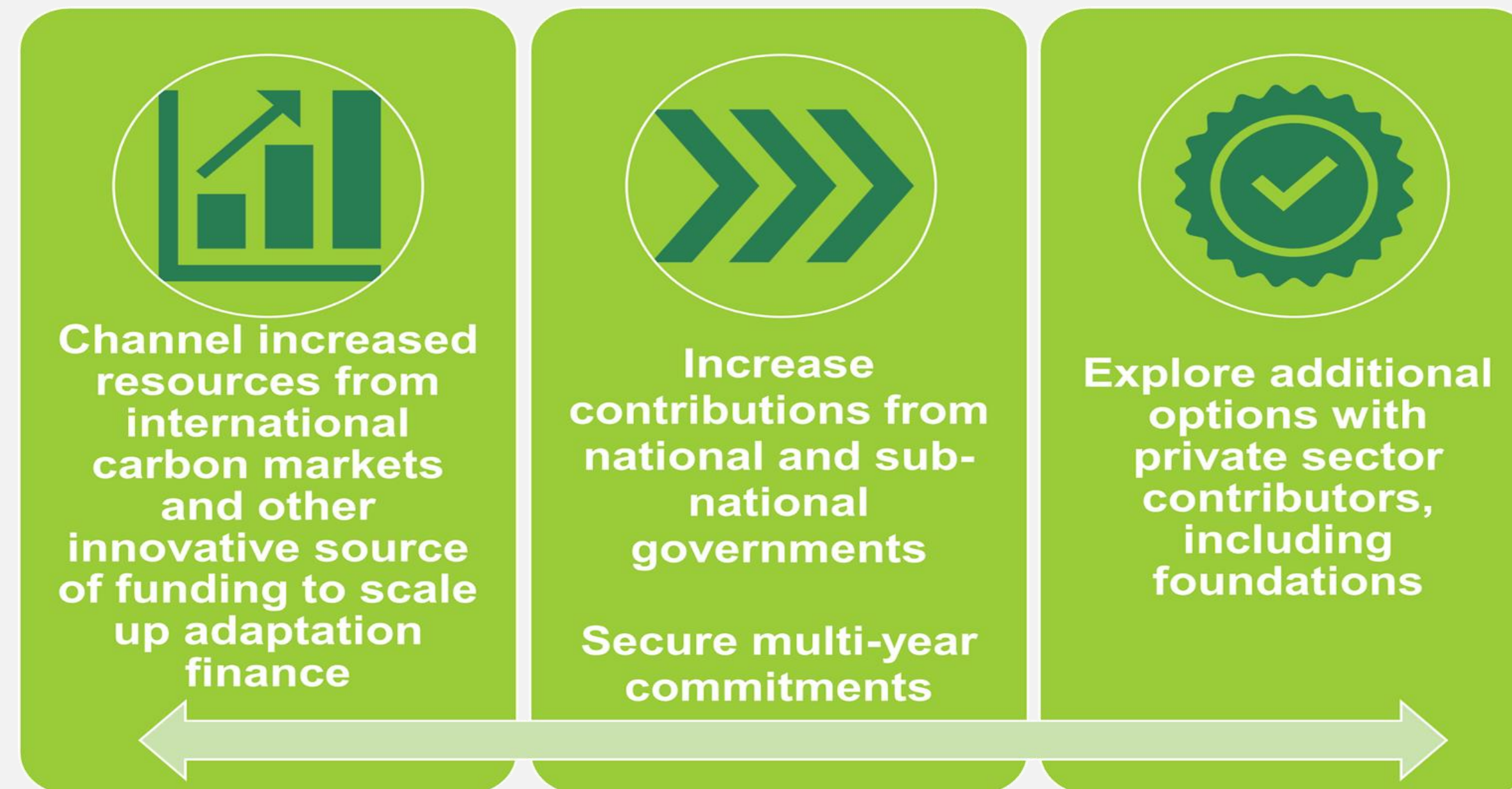
44th AF Board Meeting,
April 2025 in
Bonn, Germany





AF Resource Mobilization Target & Strategy

➤ Current Resource Mobilization Strategy (2022 to 2025)



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

- 2025 Resource Mobilization Target: from a floor of US\$ 300M
- 2025 Contributor Dialogue during COP30 in Belém, Brazil





Complementarity & Coherence with other Climate Funds

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

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

<https://climateprojectexplorer.org/>

COLLABORATION WITH GCF ON DIRECT ACCESS & SCALING UP:

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

CLIMATE
PROJECT
EXPLORER

SEARCH ALL

Multilateral Climate Funds

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





Stories
from

Locally Led Adaptation (LLA) Project

Taking adaptation to the ground: A small Grants Facility for enabling local-level responses to climate change

AFRICA

SOUTH AFRICA



- Implemented by NIE South African National Biodiversity Institute (SANBI) – USD 2.5M
- A pilot project provided funding to 12 local small grant recipients - local organizations could apply for up to the equivalent of US\$ 50,000 to execute adaptation actions.
- Governance model: vulnerable communities are paired
- with community-based organizations for technical and financial support

“We learned what we should do and what we shouldn’t do in terms of getting climate finance to the right people.”

Mandy Barnett,
Chief Director for Adaptation Policy, SANBI



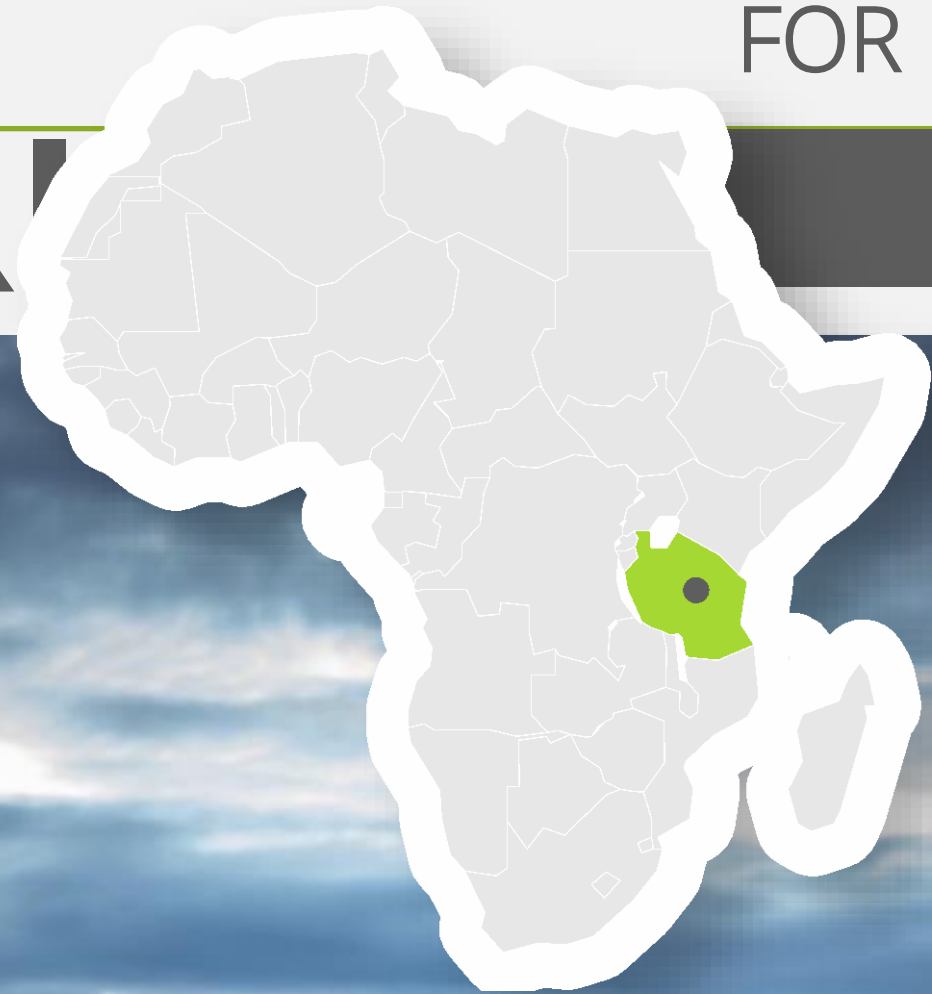
Stories
from

AF Climate Innovation Accelerator (AFClIA)

SMALL GRANTS TO NON-ACCREDITED ENTITIES
FOR INNOVATIVE ADAPTATION SOLUTIONS

AFRI

TANZANIA: ARUSHA



AFCIA Grantee Savannas Forever in Arusha,
Tanzania

Tanzanian research and development organization that works with indigenous pastoralist communities to restore grasslands and promote biodiversity





Stories
from

ARRP



Regional Programme for Transboundary Adaptation

Integrating Flood and Drought Management and Early Warning for
Climate Change Adaptation in the Volta Basin

VOLTA BASIN: BENIN, BURKINA FASO, CÔTE D'IVOIRE, GHANA, MALI, TOGO



Implementing Entity: WMO
Grant Amount: USD 8M

Implementation of
coordinated and joint
measures to improve
existing management
plans at regional, national
and local level and build
on lessons related to
disaster risk reduction and
climate adaptation.



ADAPTATION FUND

LEADING ADAPTATION FINANCE,
CATALYSING IMPACT
THANK YOU