Reframing misleading narratives around Adaptation Finance

Some considerations for delivering on the New Collective Quantified Goal on Climate Finance and beyond

Malango Mughogho and Michai Robertson

Reframing misleading narratives around Adaption Finance

Some considerations for delivering on the New Collective Quantified Goal on Climate Finance and beyond

Malango Mughogho and Michai Robertson

June 2025

Cite as: Mughogho, M and Robertson, M (2025) 'Reframing misleading narratives around Adaptation Finance: Some considerations for delivering on the New Collective Quantified Goal on Climate Finance and beyond'. Finance Working Group, ZeniZeni Sustainable Finance and ODI Global.

Download the report

www.odi.org/en/publications/reframing-misleading-narratives-around-adaptation-finance/

About the Finance Working Group

The Finance Working Group (FWG) is an open partnership bringing together a range of expert perspectives from the global north and south on the progress made toward financing climate action. The FWG aims to support the official UNFCCC processes as they relate to finance and is organised around two complementary themes: the provision of support to developing countries to mitigate and adapt to climate change and the consistency of finance flows with low-emission, climate-resilient development, as outlined in Article 2.1(c) of the Paris Agreement.

About the Authors

Malango Mughogho is the Managing Director of ZeniZeni Sustainable Finance, with over 20 years' experience in banking and development finance. ZeniZeni Sustainable Finance works to change the way financing decisions are made, so that all finance leads to beneficial results. The organisation focuses on developing financing structures for projects that deliver sustainable impact, and on financial sector policy solutions to address gender inequality, climate change and the sustainable provision of water.

Michai Robertson is an experienced specialist and practitioner in national and international environmental law, policy and governance. The main focus of his work is on finance and financial systems especially in the thematic areas of climate change, ocean governance, and biodiversity.

Acknowledgements

The authors would like to thank Charlene Watson of ODI Global for her technical guidance and review, Angelique Pouponneau of Western Indian Ocean Marine Science Association and Cristina Rumbaitis del Rio of the UN Foundation for their review and Matthew Foley for copyediting. We would also like to thank Scarlett Moore for support throughout the process of the paper and publication.

Contents

Contents 4

Abbreviations and acronyms 5

+ Glossary 6

+ Executive Summary 7

+ 1. Context : Why reframing the narratives on adaption finance is important 10

The importance of strategic narratives in international climate finance negotiations 10

Recently agreed narratives on the importance of adaption finance 11

State of play – COP29 and the NCQG 12

Post-COP29: moving adaption finance forward by reframing misleading narratives 13

+ 2. Misleading narrative on transparency: There can never be a commonly agreed definition of adaptation 15

finance 15

Looking ahead 20

+ 3. Misleading narrative on access: Adaptation is strictly about public good and finance programmed through 21

government entities 21

Looking ahead 24

+ 4. Misleading narrative on access: A costed National Adaptation Plan (NAP), a large project pipeline and the availability of adaptation funding guarantee adaptation finance for a developing country 25

Looking ahead 27

+ 5. Misleading narrative on quality: Private finance will meet any adaptation funding gaps that are not met by the public sector, especially through blended finance 29

Looking ahead 31

+ 5. Misleading narrative on quality: 'Resilient beneficiary' is best metric of success for adaptation and the effectiveness 33

of adaptation finance 33

Looking ahead 35

+ 6. Way forward 37

+ References 39

+ Abbreviations and acronyms

ADB	Asian Development Bank
CBDR-RC	Common but differentiated responsibility and respective capabilities
GCF	Green Climate Fund
GDP	Gross domestic product
GGA	Global Goal on Adaptation
GST	Global Stocktake of the Paris Agreement
IDA	International Development Association
IFI	International financial institution
LDC	Least developed countries
MCF	Multilateral climate fund
MDB	Multilateral development bank
NAP	National adaptation plan
NCQG	New Collective Quantified Goal on Climate Finance
ODA	Official development assistance
OECD	Organisation for Economic Cooperation and Development
OECD DAC	OECD Development Assistance Committee
PFM	Public financial management
UNFCCC	United Nations Framework Convention on Climate Change
VCEF	Vertical Climate and Environmental Fund

+ Glossary

Key term	Definition (IPCC, 2022: 2897-2930)
Adaptation	In human systems, the process of adjustment to actual or expected climate and its effects, in order to moderate harm or exploit beneficial opportunities. In natural systems, the process of adjustment to actual climate and its effects; human intervention may facilitate adjustment to expected climate and its effects.
Maladaptive actions (Maladaptation)	Actions that may lead to increased risk of adverse climate-related outcomes, including via increased greenhouse gas (GHG) emissions, increased or shifted vulnerability to climate change, more inequitable outcomes, or diminished welfare, now or in the future. Most often, maladaptation is an unintended consequence.
Resilience	The capacity of interconnected social, economic and ecological systems to cope with a hazardous event, trend or disturbance, responding or reorganising in ways that maintain their essential function, identity and structure. Resilience is a positive attribute when it maintains capacity for adaptation, learning and/or transformation.

+ Executive Summary

Adaptation is one of three main ways the world can respond to the climate crisis, the others being mitigation, and responding to loss and damage. Adaptation responses plan and implement actions to brace for the worst of the impacts to come. Financing this response is a central obligation within the international system for combatting climate change. Understanding the narratives that shape discussions and negotiations around adaptation finance is therefore critical.

While both the technical process of the 1st Global Stocktake of the Paris Agreement in 2023 and the Pact for the Future in 2024 recognised the vital importance of adaptation finance and the need for significantly increased financing flows, the New Collective Quantified Goal on Climate Finance (NCQG) agreed during COP29 largely failed to put adaptation finance on track for supporting adequate and effective adaptation, with the quantum set at 'at least' $300 billion per year by 2035, far short of the estimated $5.8–$6.8 trillion needed by 2030.

A proposed solution by some to this ambiguity, the 'Baku to Belém Roadmap to 1.3T', aims to scale up climate finance to developing countries to support low greenhouse gas emissions and climate-resilient development pathways and implement national climate plans, including National Adaptation Plan (NAPs). While the Roadmap itself is under the joint guidance of the Azeri and Brazilian COP Presidencies, there is potential under the South African G20 presidency for discussions relevant to the Roadmap's development. The G20's Environment and Climate Sustainability Working Group has identified climate change and air quality as a priority, with expected outcomes related to adaptation finance.

Against this background, this paper explores five misleading narratives with negative real-life impacts on the adaptation goals contained in the Paris Agreement and the UN Framework Convention on Climate Change (UNFCCC). These narratives in turn inform three important issues in climate finance negotiations: the transparency of, access to and quality of adaptation finance.

The five misleading narratives are:

1 **There can never be a commonly agreed definition of adaptation finance.** The lack of a commonly agreed definition of adaptation finance under the UNFCCC has important implications for the NCQG outcome and the Baku to Belém Roadmap, including the lack of transparency in the quantum and quality of adaptation finance from developed countries; missed opportunities to track and augment adaptation finance provided by developing country governments and the private sector in developing countries; and further mistrust of developed countries because of the high levels of adaptation expenditure among highly vulnerable countries that have made a minimal contribution to climate change. Agreeing on a common definition for

adaptation finance is therefore imperative for the implementation of the NCQG outcome.

2 **Adaptation is strictly about public good and should be conducted through government-only processes.** Although approaches, funding mechanisms and institutions have favoured adaptation options implemented at the international and national levels, adaptation options and financing should ideally be understood on local or sub-national levels given that a significant portion of the systems that need to adapt are owned by private sector entities and private individuals. There is therefore great importance in ensuring that fair and adequate finance for adaptation reaches the household and firm level, especially in developing countries.

3 **A costed NAP, a large project pipeline and the existence of climate funding guarantee adaptation finance for a developing country.** For developing countries, having a costed NAP is often a necessary but not sufficient condition for receiving international adaptation finance. Likewise, adaptation project pipelines, programmes or investment plans and the availability of adaptation funding have not been sufficient to guarantee the provision of finance. Access – who receives climate finance, how and when – remains a key consideration that must be addressed to ensure that adaptation finance provided or mobilised can be used by the intended recipients.

4 **Private finance will meet any adaptation funding gaps that are not met by the public sector, especially through blended finance.** Developing and vulnerable countries need adaptation finance to largely be in the form of grants. The current picture is far from that: one study finds that grants comprised 17% of total adaptation financing in 2021/2022, compared to 17% in concessional lending and 60% in market-rate debt. While there is a place for concessional, and in some cases commercial, funding in the overall funding landscape for adaptation, grants will remain the most appropriate form of funding when considering both equity and the UNFCCC's principles of common but differentiated responsibility and respective capabilities (CBDR-RC), and the financial return profile of many adaptation programmes and projects. Grant funding needs to be scaled up significantly.

5 **A resilient beneficiary is the best metric of success for adaptation and the effectiveness of adaptation finance.** The ability of something or someone to cope with the adverse effects of climate change through either responding or reorganising has become a hallmark metric for determining whether adaptation is working. There are however questions around how to determine to what degree something or someone has become more climate resilient. The use of 'success' measurements for adaptation, including the 'resilient beneficiary', also raises a number of broader questions. Metrics and indicators are not neutral conveyors of information: they can make visible (or invisible) certain populations, problems and solutions, and outcomes that cannot or tend not to be valued in monetary or numerical terms are highly relevant for measuring adaptation effectiveness. Indicators can also shape behaviour and change incentives.

Narratives that have become part of mainstream thinking can be either enablers or barriers to effective solutions for global problems like climate change, where time is of the essence. These misleading narratives can encourage key actors to address issues that do not exist, or to address issues that do exist in an inappropriate manner. Bearing this in mind, this brief also proposes five reframed narratives, with the aim of moving mainstream thinking in a direction that supports the provision and mobilisation of accessible and adequate adaptation finance for effective adaptation within developing countries.

These reframed narratives are:

1 **Adaptation finance reporting by developing countries is inadequate and needs to mirror reporting by developing countries.** For effective tracking and evaluation of adaptation finance, developing countries need to dictate what adaptation finance is needed and received through their reporting, which must then be linked to adaptation finance reporting by developed countries.

2 **Adaptation by definition relates to both the public and private sectors as it involves all human and natural systems.** Fair and adequate finance for adaptation must be accessed at the most local level relevant to the context needing adaptation.

3 **Adaptation finance needs are not being met even when the finance is available.** To address this, adaptation finance should be provided using a programmatic approach that aligns with the realities of government and societal structures, the typical stages of financing, and with the systemic, ever evolving and context specific nature of adaptation.

4 **Private finance for adaptation remains limited, meaning that private and blended finance can play only a limited role for adaptation projects that generate cashflows.** It can also play a role if the non-financial benefits of adaptation are made explicit and tangible to the private sector.

5 **The success of adaptation should not be measured in a way that makes invisible certain populations, problems and solutions given that it is so context-dependent.** It should be done in a way that incentivises the most appropriate outcomes based on needs.

Given the influence of narratives in shaping negotiations and discussions on adaptation finance in international and multilateral processes such as the UNFCCC and the G20, it is important that misleading narratives are identified and reframed.

By adopting the reframed narratives in this paper stakeholders involved in these processes will be able to positively influence adaptation finance discussions and therefore adaptation finance outcomes related to the NCGQ, the Baku to Belém roadmap and certain G20 working groups. All of which will result in more of what matters most, which is adequate, accessible and effective adaptation finance.

+ 1. Context: Why reframing the narratives on adaption finance is important

The importance of strategic narratives in international climate finance negotiations

Narratives are an important and influential element in international and multilateral processes (Miskimmon et al, 2017). This is especially relevant in the context of the United Nations Framework Convention on Climate Change (UNFCCC), where an interplay of scientific, policy and practical narratives informs negotiations (Schipper and Mukherji, 2024) around the response to the climate crisis.

Adaptation is one of three main ways the world can respond to that crisis, the others being mitigation and loss and damage response. The adaptation response uses the observed and projected realities of the climate crisis to plan and implement actions to brace for the worst of the impacts to come. Financing this response is a central obligation within the international system for combatting climate change. Adaptation and adaptation finance traverse many dimensions, from local to national, regional and transboundary.

Understanding the narratives around adaptation finance is therefore critical. For example, the Adaptation Gap report released by UNEP ahead of prior to COP29 in 2024 concluded that 'as climate impacts intensify and hit the world's poorest … nations must dramatically increase climate adaptation efforts, starting with a commitment to act on finance' (United Nations Environment Programme, 2024). This narrative, based on scientific and economic fact, creates several others, including the pressing need to adapt, the importance of supporting vulnerable populations, country-level responsibilities to act and the provision of finance. These narratives are important since they impact adaptation-related negotiations under the UNFCCC, resulting in tangible impacts for people, ecosystems and economies across the world (Miskimmon et al, 2017; Schipper and Mukherji, 2024).

This paper highlights adaptation-related narratives that mislead, with negative real-life impacts on the adaptation goals contained in the Paris Agreement and the UNFCCC (United Nations Environment Programme, 2024). These narratives are:

1 There can never be a commonly agreed definition of adaptation finance.

2 Adaptation is strictly about public good and should be conducted through government-only processes.

3 A costed National Adaptation Plan (NAP), a large project pipeline and the existence of climate funding guarantee adaptation finance for a developing country.

4 Private finance will meet any adaptation funding gaps that are not met by the public sector, especially through blended finance.

5 A resilient beneficiary is the best metric of success for adaptation and the effectiveness of adaptation finance.

These narratives in turn inform three important issues in climate finance negotiations: the transparency of, access to and quality of adaptation finance.

These five narratives were selected based on the authors' interactions in international fora focused on adaptation finance. The list is not meant to be exhaustive. We also offer counter-narratives that support the scaling of adaptation finance, for consideration by policy-makers, climate negotiators and adaptation finance practitioners.

Recently agreed narratives on the importance of adaption finance

The technical process of the 1st Global Stocktake of the Paris Agreement in 2023 provided scientific and political narratives that showed why adaptation finance is so important:

> *Assessment of collective progress on adaptation shows an urgent need to rapidly scale up finance for adaptation to meet growing needs, in terms of both the amount of funding available and the speed with which funds flow …*
>
> *Many adaptation actions affect public goods and are not readily commodified and traded, although their impacts on economic development are clear …*
>
> *Public finance for adaptation needs to grow from current levels but, given the breadth and scale of action needed to address the rising risks from climate change, broader financial flows from both the public and private sector must be aligned with climate-resilient development priorities and needs, and not with maladaptive trends that increase exposure and vulnerability to climate change risks (UNFCCC Secretariat, 2023)[1].*

In addition, the 2024 Pact for Future recognised that:

> *adaptation finance will have to be significantly scaled up to implement the decision to double adaptation finance, to support the urgent and evolving need to accelerate adaptation and build resilience in developing countries, while emphasizing that finance, capacity-building and technology transfer are critical enablers of climate action and noting that scaling up the provision and mobilization of new and additional grant based, highly concessional finance and non-debt instruments remains essential to supporting developing countries,*

[1] P.31

particularly as they transition in a just and equitable manner (United Nations, 2024).

Both the 2023 GST outcome and the 2024 Pact for the Future were adopted prior to the setting of the New Collective Quantified Goal on Climate Finance (NCQG) during COP29. As such, there were hopes that the NCQG would put adaptation finance on track for supporting adequate and effective adaptation.

State of play – COP29 and the NCQG

These aspirations were not met. The quantum of the goal was set at 'at least USD 300 billion per year by 2035', far short of the $5.8 trillion to $6.8 trillion needed by 2030, as estimated by the UNFCCC Standing Committee on Finance (UNFCCC, 2024b:2). It is also unclear which countries should contribute towards the NCQG, and which finance flows can or cannot be counted towards the achievement of the goal. A call for 'the scaling up of financing … for climate action' for developing countries to at least $1.3 trillion per year by 2035[2] (UNFCCC. SMA (2024c) relates to finance sourced from all public and private channels, whereas vulnerable developing countries have identified the need for grant and concessional financing, which mainly comes from public channels (LDC Climate Change, 2024).

In sum, the outcome of the NCQG decision could be characterised as 'everything, everywhere, all at once', with no one explicitly responsible for its implementation, thereby increasing ambiguity in an important multilateral decision. A proposed solution to this ambiguity, the 'Baku to Belém Roadmap to 1.3T' (UNFCCC, 2024b)[3], was ultimately included in the final outcome. Its aim is to scale up climate finance to developing countries to support low greenhouse gas emissions and climate-resilient development pathways and implement national climate plans, including NAPs. The Roadmap is under the joint guidance of the Azeri and Brazilian COP Presidencies, and they are required to produce a report 'summarizing the work' prior to COP30 in Brazil. They are also required to conduct this process in consultation with the Parties. Beyond that, this 'scaling up' work is a massive unknown, especially in relation to adaptation finance. In addition, the 'big ask' for adaptation finance – a quantified sub-goal with a clear indication that the finance will have high levels of concessionality – was also absent from the final NCQG outcome.

There were some positive aspects of the NCQG outcome related to adaptation (UNFCCC, 2024b):

- Recognition of the scale of the adaptation finance gap and the need for financing to increase 'manyfold'.[4]

---

[2] Para 7.
[3] Para 27.
[4] para 3 & 4; 18.

- The goal's aim is to contribute to accelerated achievement of the Paris Agreement, including increasing the world's ability to adapt and foster climate resilience.[5]
- The goal's scope is to support the implementation of developing countries' national climate change strategies and plans, including those that have a focus on adaptation.[6]
- The goal is set in the context of meaningful and ambitious adaptation action, as well as transparency in implementation.[7]
- Acknowledgement of the need for public and grant-based resources and highly concessional finance for adaptation in developing countries.[8]
- A commitment within the goal to significantly increase public resources going to the multilateral climate funds, including those with a focus on adaptation (such as the Adaptation Fund and GEF's Special Climate Change Fund), with at least a tripling in annual outflows from these funds.[9]
- Affirmation of the aim to achieve balance between adaptation and mitigation finance.[10]
- Bilateral climate finance channels are urged to increase support towards locally led approaches and institutions, especially for adaptation finance.[11]

Post-COP29: moving adaption finance forward by reframing misleading narratives

Controlling more than 85% of global GDP and home to two-thirds of the world's population, the G20 has become a highly influential economic grouping. It is also informal and exclusive, in comparison to the formal, near-universal membership of the UNFCCC regime.

There is even some potential under the South African G20 presidency for discussions relevant to the development of the Baku to Belém Roadmap. For example, the G20's Environment and Climate Sustainability Working Group has identified climate change and air quality as a priority, with two expected outcomes related to adaptation finance:

- Enhanced resource mobilisation and technical partnerships to support the implementation of strategies to achieve adaptation and resilience, particularly in the Global South.

[5] para 1.
[6] para 5.
[7] para 8(b).
[8] para 14.
[9] para 16.
[10] para 17.
[11] Para 22(a).

- Enhanced climate finance mobilised for and by G20 countries, particularly for adaptation and building climate resilience for developing countries (Sherpa Track, 2024).

As noted, the NCQG outcome leaves responsibility for consultation with Parties on the Roadmap with the current and incoming COP Presidencies. So, a question remains as to whether these two processes would be complementary, while noting the primacy of the UNFCCC process. This is especially the case given that the G20 itself acknowledges that neither the Sustainable Finance Working Group (SFWG) nor the Roadmap '*intend to lay new targets in climate change mitigation, adaptation, or with respect to climate finance, and recognizes that the United Nations Framework Convention on Climate Change (UNFCCC) is the primary forum for negotiation of such targets*' (G20 Sustainable Finance Working Group, 2021).

Nevertheless, actions for scaling up adaptation finance under the Roadmap need to:

- be designed and implemented equitably with the active engagement of all relevant stakeholders; and
- ensure that the methodologies for tracking flows and outcomes are acceptable to all concerned.

+ 2. Misleading narrative on transparency: There can never be a commonly agreed definition of adaptation finance

There have been attempts at a global level and through certain countries' NAPs to quantify the money needed to achieve adaptation outcomes at certain degrees of global warming (Songwe et al., 2022). For developing countries in the context of Article 9 of the Paris Agreement (UNFCCC, 2015), the quantity of finance needed is a proxy for the demand for adaptation finance. The NCQG addresses the supply of adaptation finance. Among other things, therefore, the NCQG requires a commonly agreed definition of what constitutes adaptation finance, so that there is full transparency on the quantum of adaptation finance for the NCQG, plus a base from which to develop an effective monitoring, evaluation and verification system or transparency arrangement for adaptation finance under the NCQG.

However, a commonly agreed definition of adaptation finance does not exist under the UNFCCC. Developed countries are the only obligated providers of climate finance under Article 9 of the Paris Agreement, and are therefore the principal suppliers of international adaptation finance. These are mainly OECD countries and therefore use the OECD's Rio markers approach (see Box 1) (European Union, 2025) for what counts as adaptation (OECD, 2023). The MDBs have their own methodology to determine what qualifies as adaptation finance (European Investment Bank, 2024), even though the grant and concessional finance windows of the MDBs receive a significant portion of their funding from OECD members, some of which is invested in adaptation (World Bank, 2024a). The World Bank, the largest provider of grant and concessional finance of all the MDBs, has its own Resilience Rating System, which it applies when designing projects to improve climate resilience (World Bank, 2024).

Box 1 Brief history of the OECD Rio markers

During the 1992 Conference on Environment and Development, also known as the Earth Summit, three legally binding agreements (the ‘Rio Conventions’) were signed by developed and developing countries: (1) the Convention on Biological Diversity; (2) the UN Framework Convention on Climate Change (UNFCCC); and (3) the UN Convention to Combat Desertification.

The OECD Development Assistance Committee (DAC) set up the Rio markers system in 1998 to monitor and statistically report on development finance flows targeting the themes of the Rio Conventions. There are four markers: Biodiversity, Desertification, Climate change mitigation (i.e. reductions in or absorption of greenhouse gas emissions) and Climate change adaptation (including climate risk mitigation and vulnerability reduction).

https://capacity4dev.europa.eu/groups/public-environment-climate/info/short-guide-use-rio-markers_en

Box 2 MDB methodology for finance for adaptation to climate change

Climate change adaptation aims to reduce the risks or vulnerabilities posed by climate change and to increase climate resilience. Identification of climate change adaptation finance is the result of a three-step process and thus, for a project to be counted either fully or partially towards MDB adaptation finance, it must:

Set out the project's context of vulnerability to climate change.

Make an explicit statement of intent to address this vulnerability as part of the project.

Articulate a clear and direct link between the vulnerability and the specific project activities.

The MDB methodology for tracking climate change adaptation finance follows a context- and location-specific, conservative and granular approach. It tracks MDB financing only for those components and/or sub-components or elements or proportions of projects that directly contribute to or promote adaptation. It is important to note the following:

The adaptation finance reported may not capture certain activities that might contribute significantly to resilience but cannot always be tracked in quantitative terms (for example, operational procedures that support adaptation to climate change) or might not be associated with costs (such as siting assets outside flood-prone areas).

Climate adaptation finance, as defined by the methodology, is not intended to capture the value of an entire project or investment that may increase resilience as a result of specific adaptation activities that take place as part of the project.

The adaptation finance reported captures financial support for actions aimed at, among others, averting, minimising and addressing the risk associated with the adverse effects of climate change, including extreme weather events and slow onset events. It includes support for anticipatory actions needed to increase preparedness, reduce climate vulnerability, and adapt to the experienced and anticipated impacts of climate change, as well as financing of post-disaster recovery and reconstruction needed in the aftermath of climate shocks.

This report is based on the MDBs' methodology for tracking adaptation finance as described in Annex C.2. In November 2022, the MDBs released the updated Joint Methodology for Tracking Adaptation Finance.10 The updated methodology reflects the evolving understanding of change adaptation and resilience activities, and the advances made in the fields of adaptation finance (European Investment Bank, 2024).

Another important consideration in finding a common definition of adaptation finance is the fact that climate action and sustainable development are interdependent (Schipper et al., 2022). For example, the World Bank finds that the expected loss of labour productivity in 2050 due to climate change is 6% in lower-income countries, against 0.2% in high-income countries, and calls for 'investing in people – through education, reskilling, health, labour markets, social protection, and so on' as 'crucial for building people's ability to adapt to climate change and contribute to and benefit from low-emission development'. Investing in people can also be considered development (World Bank Group, 2024d).

The lack of a common definition under the UNFCCC has important implications for the NCQG outcome and the Baku to Belém Roadmap. One is the lack of transparency in the quantum and quality of adaptation finance from developed countries. For example, in examining the ADB's adaptation finance commitments, Oxfam found 'the reported amounts are hugely overstated due to inconsistencies in the reporting to support the justification of the adaptation relevance of the project activities' (Oxfam, 2024). Analysis of World Bank adaptation finance claims produces similar findings (Oxfam, 2022).

Another implication is that the adaptation finance provided by developing country governments and the private sector in developing countries is not well understood, resulting in missed opportunities to use international climate finance to augment this financing source. It also results in further mistrust of developed countries because of the high levels of adaptation expenditure among highly vulnerable countries that have made a minimal contribution to climate change (LDC Climate Change, 2024). For example, when compared to ODA, domestic climate change adaptation-related expenditure in African countries was estimated at 3.4% of GDP, compared to 0.94% from ODA. For LDCs, the same study estimated figures of 3.9% for domestic climate change expenditure compared to 1.92% of GDP from ODA (Africa Adaptation Initiative, 2018). The authors state that, 'despite the common rhetoric that climate change activities are mostly financed by international financial flows, the analysis illustrates that the largest source of climate change related spend is from the domestic public budget of African countries' (Africa Adaptation Initiative, 2018).

In certain instances, climate finance can be provided to a beneficiary to achieve mitigation or loss and damage outcomes, yet also result in adaptation outcomes. It is important that these so-called co-benefits to adaptation are accurately reflected as adaptation finance. This cannot be done unless adaptation finance is clearly defined.

Agreeing on a common definition for adaptation finance is therefore imperative for the implementation of the NCQG outcome. In arriving at a definition, lessons can be learnt from several areas:

- **Methodologies that also apply to private sector finance**, including but not limited to:
    - The Operating Principles for Impact Management (Operating Principles for Impact Management, n.d.), which provide a framework for investors for the design and management of impact management systems, with an overall goal to ensure that impact considerations are integrated throughout the investment lifecycle. The Principles require strategic intent, which is a critical element when defining adaptation finance under the NCQG.
    - Sustainable finance taxonomies which include definitions of economic activities that contribute to adaptation. In the context of the NCQG, taxonomies can also assist in avoiding maladaptation. For example, eligible activities under the EU taxonomy are only classified as taxonomy-aligned when they meet all three of the

following criteria: substantial contribution to one of the eligible economic activities (of which climate adaptation is one); does no significant harm in relation to other environmental objectives; and complies with minimum social safeguards (Mullan and Ranger, 2022). However, while more than 24 countries have adaptation taxonomies there are significant differences between them, 'potentially jeopardising the much-needed clarity they seek to provide' (Spacey et al., 2024). Alignment between sustainable finance taxonomies would assist in establishing a common definition of adaptation activities, and therefore adaptation finance. Alignment could also assist in avoiding maladaptation as well as allowing better quantification of domestic adaptation finance, helping to identify blended finance opportunities.

- **Clearly differentiating between ODA and climate finance, and ensuring additionality:**
    - To comply with the Paris Agreement's principles of common but differentiated responsibility and respective capabilities (CBDR-RC) and additionality (UNFCCC, 2015)[12], any adaptation finance provided by developed countries must be accounted for separately from ODA.
    - An accounting mechanism for adaptation finance separate from ODA is also needed to avoid double-counting, and to ensure that any climate finance is additional to development finance.
- **Countries defining adaptation finance on their own terms:**
    - Developing countries like Kenya account for any climate-related lending to their country as their own country's contribution to climate finance, not the lending country's contribution (Kenya, 2022; 2024).
    - In order to avoid potential double-counting by contributor countries, a commonly agreed definition of adaptation finance needs to clarify how the concessional finance components of loans are counted, and by whom.
    - Countries' Biennial Transparency Reports (BTRs) – and where these have not yet been completed, their Biennial Update Reports (BURs) –contain information on levels of financial support (United Nations Climate Change, n.d.), and can therefore be used as a country-informed, bottom-up approach to defining adaptation finance.
- **Adaptation is a continuum of activities, not a one-off impact or event**, is inextricably linked to mitigation outcomes, and is therefore a moving target as mitigation outcomes change. This means that the development of climate resilience needs to be guided by the desired impacts of those activities (McGray et al, 2007). The finance needed to achieve those impacts must be considered for the Baku to Belém Roadmap to achieve financing of $1.3 trillion.

[12] Art 2(2).

Looking ahead

Counter narrative: For effective tracking and evaluation of adaptation finance, developing countries need to dictate what adaptation finance is needed and received through their reporting (especially in their BTRs under the UNFCCC), which must then be linked to adaptation finance reporting by developed countries.

The challenges with transparency in regard to the $100 billion per year goal that developed countries committed to in 2009 cannot be repeated with the NCQG.

The Baku to Belém Roadmap therefore needs to begin a process to create a common, standardised climate finance reporting framework for both developed and developing countries to report under. This process must be carried out in a cohesive manner that is tied to nationally owned sustainable development, allows links between sources and uses of climate finance at a national level and positions national adaptation needs as the basis for adaptation finance definitions (United Nations Department of Economic and Social Affairs, 2015). Many of these requirements can be met by linking adaptation finance reporting to integrated national financing frameworks (INFFs), as defined in the Addis Ababa Action Agenda (United Nations Department of Economic and Social Affairs, 2015), since INFFs 'lay out the full range of financing sources – domestic and international sources of both public and private finance' (Integrated National Financing Frameworks, n.d.).

To avoid duplication of effort and to ensure transparency and regular reporting, the climate finance reporting framework used to implement the NCQG can be included in other relevant UNFCCC reporting processes such as BTRs (United Nations Climate Change, n.d.).

+ 3. Misleading narrative on access: Adaptation is strictly about public good and finance programmed through government entities

It is well understood that adaptation is about adjusting systems (both human and natural) to climate change. This adjustment has been traditionally seen from a national government-centric lens. As a result, approaches, funding mechanisms and institutions have favoured adaptation options implemented at the international and national levels (Coger et al, 2022: 3). One of the reasons for this bias is that several existing adaptation measures are within the realm of providing public goods, for example adapting road infrastructure to be more resilient to increased flooding (Intergovernmental Panel on Climate Change, 2023: 1230).

Nevertheless, adaptation options and their financing should ideally be understood on local or sub-national levels given that a significant portion of the systems that need to adapt are owned by private sector entities and private individuals (Soanes et al., 2021: 10). There is therefore great importance in ensuring that fair and adequate finance for adaptation reaches to the household and firm level, especially in developing countries. This is despite several adaptation measures not having the traditional 'return on investment', but rather resilience dividends that contribute to greater societal resilience (Intergovernmental Panel on Climate Change, 2022: 2592).

With this in mind, there has been a concerted push for the increased use, financing and tracking of locally led approaches to adaptation (Soanes et al., 2021). And while these approaches have some drawbacks, including high transaction costs, the immediate and long-term benefits of programming finance for adaptation in local contexts with sustained long-term capacity tend to outweigh the drawbacks, especially when properly managed (Soanes et al, 2021).

Turning to the NCQG outcome, there were nods to a number of locally led adaptation principles, especially for adaptation. For example, the Parties urged bilateral climate finance providers to enhance support for these locally led options[13], as well as sustained demand-led building of local capacity(UNFCCC. CMA, 2024a)[14]. Table 1 maps relevant locally led adaptation principles and NCQG access enhancement measures. These principles were developed in 2022 by the Global Commission on Adaptation. Endorsed by several governments, other climate finance providers and civil society organisations, the principles guide the adaptation community in delivering locally led adaptation. This is not

[13] Para 22(a)
[14] Para 22(b)

the only way to understand or unpack the concept of 'locally led adaptation', but it is a helpful and well-known framing.

This mapping demonstrates a gradual uptake of these principles into mainstream international policy-making on climate finance. These measures were primarily targeted towards bilateral channels and multilateral climate funds, and there was less guidance given to the international financial institutions including the multilateral development banks. It is nevertheless equally important for institutions like the MDBs to utilise locally led approaches when programming adaptation finance, not least because they account for the largest share of climate finance provision and mobilisation.

Table 1 Mapping of relevant locally led adaption principles and NCQG access enhancement measures

Locally led adaptation principle	Corresponding access enhancement features of the NCQG outcome and their target audience
DECISION-MAKING: Principle 1. **Devolving decision-making to the lowest appropriate level**	Bilateral channels: To increase, as appropriate, support for locally led approaches and institutions, in particular for adaptation measures[15] International financial institutions (including multilateral development banks): To consider shifting their risk appetites in the context of climate finance[16] Multilateral climate funds: To scale up and prioritise direct access[17]
INEQUALITIES: Principle 2. Addressing structural inequalities faced by women, youth, children, disabled and displaced people, Indigenous Peoples and marginalised ethnic groups	All actors: To promote the inclusion and extension of benefits to vulnerable communities and groups in climate finance efforts, including women and girls, children and youth, persons with disabilities, Indigenous Peoples, local communities, migrants and refugees, climate-vulnerable communities and people in vulnerable situations[18]

[15] Para 22(a).
[16] Para 23(b).
[17] Para 23(a).
[18] Para 26.

PATIENT AND PREDICTABLE: Principle 3. **Providing patient and predictable funding that can be accessed more easily**	Bilateral channels: To expand multi-year, country-led programmatic approaches[19] Multilateral climate funds: To promote programmatic approaches[20]
CAPACITY: Principle 4. Investing in local capabilities to leave an institutional legacy	Bilateral channels: To enhance sustained demand-led capacity-building, technical assistance and readiness programmes[21]
TRANSPARENCY: Principle 7. Ensuring meaningful transparency and accountability	All channels: To enhance transparency regarding efforts to increase efficient and effective access to bilateral, regional and multilateral climate finance for developing countries[22]

A parallel issue to the NCQG outcome on locally accessed adaptation finance is the transparency and tracking of these flows, in particular understanding the flow of finance down to the household and firm level for the purposes of adaptation, agnostic to its source (i.e. public or private sources at both domestic and international levels). Numerous adaptation options are implemented at the household and firm level; while adaptation is a global problem, it requires context-specific options to adjust to the physical risks presented by climate change. Transparency and tracking are essential in identifying if and how much adaptation finance is flowing at this level, and whether it is effective.

Tracking at this granular level involves collecting data and 'monitoring of billions of small-value transactions around the world' (Climate Policy Initiative, 2024b: 47). There are data limitations and methodological issues around reporting that need to be addressed with all relevant stakeholders, to make the necessary progress on holistic tracking (Climate Policy Initiative, 2024a: 17). Current siloed attempts by think tanks and other institutions to track these flows have had mixed results in collecting and analysing this data, especially within developing countries. For example, CPI tracks household-level adaptation finance spending using the following steps (Climate Policy Initiative, 2024b: 55-56):

- Creation of an adaptation finance taxonomy classifying activities that would be considered adaptation.
- Cataloguing of a list of household/consumer products for each activity under adaptation finance.

[19] Para 22(c).
[20] Para 24(d).
[21] Para 22(b).
[22] Para 21.

- Classification of the likelihood of each product contributing towards adaptation as high, medium or low.
- Collection of market size data for the product, which is the total global sales value of the product using publicly available market intelligence reports.
- Inference of share of the market for that product that can be attributed to households/consumers.
- Estimation of household/consumer expenditure on adaptation-relevant products using the corresponding market share attributed to households/consumers.

While appreciating attempts such as these, several challenges should be addressed in order for the international community to come away with fair and robust tracking approaches that are fit-for-purpose. An example of one of these challenges is that the information on finance flows within the CPI report is presented at a global aggregate level, as opposed to disaggregated by region or community. This renders the information less helpful for analysing the use of adaptation finance given adaptation's context-dependent nature.

Looking ahead

Counter-narrative: Adaptation by definition is for both the public and private sectors, because it is about all human and natural systems. Fair and adequate finance for adaptation must be accessed at the most local level relevant to the context needing adaptation.

The importance of timely access to fair and adequate finance for private sector adaptation (particularly on a household and firm level) cannot be understated. This is by no means to cast aside public sector adaptation, which is crucial for countries to achieve climate resilience. Adaptation by public entities and its financing play a key role in providing 'climate resilient public goods, climate services and safety nets for the poor and vulnerable', while addressing market failures and offering incentives for private adaptation (Intergovernmental Panel on Climate Change, 2023: 1230). That said, effective and polycentric adaptation governance is key. This is where both public and private actors co-develop and share a common adaptation goal and interact coherently, yet often independently, in pursuit of this goal (Intergovernmental Panel on Climate Change: 1232).

The only way to determine to what degree fair and adequate adaptation finance is flowing to the local level in developing countries is by fair and robust tracking of access and outcomes related to this finance. The NCQG outcome provided opportunities to assess the access and effectiveness of finance for adaptation at this level (UNFCCC. CMA, 2024a)[23]. It however remains to be seen whether these assessments will be fair, objective and helpful, given the lack of an internationally agreed methodology for tracking these flows in an equitable manner.

[23] Para 30; 32-35.

+ 4. Misleading narrative on access: A costed National Adaptation Plan (NAP), a large project pipeline and the availability of adaptation funding guarantee adaptation finance for a developing country

The UNFCCC recommends that countries create and submit NAPs to ‘facilitate the integration of climate change adaptation … into relevant new and existing policies, programmes and activities, in particular development planning processes and strategies, within all relevant sectors and at different levels, as appropriate’ (UNFCCC, n.d.b) . The ‘implementability’ of NAPs is one of the criteria for their potential effectiveness used in UNEP’s influential Adaptation Gap Report (2024), and the costs of adaptation are one of the indicators for implementability. Given this, and the fact that budgeting is a key part of government planning processes, it is easy to assume that, once countries have developed and costed NAPs, they can access the necessary climate finance to fund those NAPs. However, despite 54 developing countries having developed NAPs by June 2024 (NAP Central, 2025) and 50% of NAPs including costs, adaptation has historically received less international climate finance than mitigation Buchner et al., 2023); Tan and Pettinotti, 2024), and the adaptation finance gap remains (United Nations Environment Programme, 2023).

In addition, certain stakeholders are encouraging the development of investable NDCs and adaptation investment plans through mechanisms such as Integrated National Financing Frameworks (INFFs) (Integrated National Financing Frameworks, n.d.) and/or country platforms (Gul et al, 2025). These are important mechanisms to strengthen planning processes and attempt overcome barriers to financing sustainable development in countries, including adaptation. However, such frameworks have a national level focus and are not designed to ensure better access to international climate finance which, by its nature is not solely is not solely determined by recipient countries.

This means that, for developing countries, having a costed NAP is often a necessary but not sufficient condition for receiving international adaptation finance.

Adaptation projects or programmes are often complex and, to be successful, require an understanding of local socio-economic conditions and impacts across more than one economic sector over many years. For example, reducing flood risk is often a transboundary issue involving more than one country, and could involve investments to restore ecosystems known to attenuate floods, the erection of physical barriers, consulting local people to understand which households are most vulnerable and which flood prevention strategies they already deploy, all while considering hard and soft limits to adaptation. These complexities are even greater when transformational adaptation is considered. Transformational adaptation is needed in certain regions when incremental adaptation is not sufficient to mitigate the impacts of climate change. It requires adaptation actions that result in significant changes in structure or function that go beyond adjusting existing practises and that enable new ways of decision-making on adaptation (Intergovernmental Panel on Climate Change, 20220), making the response needed more complex.

Another reason why having a NAP is insufficient is that adaptation projects or programmes typically need grant funding which, in the international climate finance architecture, mainly comes from bilateral financing, the UN-based multilateral climate funds (MCFs) or vertical climate and environmental funds (VCEFs), the largest of which is the Green Climate Fund (GCF), and from MDBs, especially the World Bank International Development Association (IDA). Despite the GCF's mandate and its ability to provide combinations of grant, concessional and market-based funding, loans and grants make up an equal share of its funding by market instrument (Green Climate Fund, n.d.a). While funding for adaptation by the GCF increased during 2024, it has historically lagged behind funding for mitigation (Green Climate Fund, n.d.a).

Importantly, there have been assessments of initiatives taken by the GCF to ensure that eligible recipients of GCF funding are indeed able to access that funding and the assessments show that there is significant room for improvement. Areas for improvement include being able to meet the needs of direct access entities, fully covering the costs of developing concept notes, simplifying and shortening the approval process for small projects and addressing challenges faced by direct access entities (Binet et al, 2021; Caldwell and Larsen, 2021). The World Bank, which manages IDA, the largest MDB fund for developing countries, has faced pressure from key stakeholders to improve its climate financing record (Al Jazeera, 2023).

Developments at both the World Bank and GCF in 2023 should allow for more positive outcomes in coming years, including new leadership at both organisations (World Bank, 2023; Green Climate Fund, 2023a). and a significant second replenishment of the GCF (Green Climate Fund, n.d.b). Some evidence for this is the GCF announcing in February 2025 that it will set up regional offices to improve its impact (Green Climate Fund, 2025). There was a good replenishment of IDA in 2024 (World Bank Group, 2024b), alongside an acknowledgement by the G20 Sustainable Finance Working Group that reducing the financing gap to address the negative effects of climate change, environmental degradation and biodiversity loss requires 'improving access and optimizing the operations of the vertical climate and environmental funds' (the GCF, the Adaptation Fund, the Climate Investment Funds, the Adaptation Fund and the Global Adaptation Facility) (G20 Sustainable Finance Working Group, 2024).

Access to adaptation finance is not a one-off event but a process that can be best represented in the following four stages: pre-existing conditions for access, eligibility, pre-approval and approval, and post-approval (Robertson, 2024). For adaptation finance to be effective, access issues must be addressed in relation to each of these stages, following which strategies can be developed to overcome any barriers.

There have been improvements in the ambition and impact of key MDBs in relation to adaptation finance. For example, the World Bank has a target to provide 45% of its lending as climate finance and half of its public sector financing to support adaptation (World Bank Group, 2024c). In 2023 53% of AfDB's investments in climate finance went to adaptation (African Development Bank Group, 2024). However, the latest figures, released in November 2024, show that in 2023, out of $37,384 million in total climate finance by MDBs in low- and middle-income economies, less than half – $12,238 million – went to adaptation (European Investment Bank, 2024).

It is therefore clear that developing countries' costed NAPs, adaptation project pipelines, programmes or investment plans and the availability of adaptation funding have not been sufficient to guarantee the provision of finance. Access – who receives climate finance, how and when (Robertson, 2024) – remains a key consideration that must be addressed to ensure that adaptation finance provided or mobilised can be used by the intended recipients.

Looking ahead

Counter-narrative: Adaptation finance needs are not being met even when the finance is available. To address this, adaptation finance should be provided using a programmatic approach that aligns with the realities of government and societal structures, the typical stages of financing, and the systemic, ever-evolving and context-specific nature of adaptation.

There are important lessons related to access from MCFs' and MDBs' adaptation funding history, and from public finance more broadly, that can inform the Baku to Belém Roadmap and the implementation of the NCQG outcome. Also relevant in this context are the proposals made by Parties during the NCQG negotiations which were not included in the outcome. These include:

1. **Formalising the concept of access to climate finance, including the processes involved.** This requires agreement on the stages involved in accessing adaptation, with an understanding of the different needs of beneficiaries and funders during each of those stages: existing conditions for access, eligibility, pre-approval, approval and post-approval. This will help establish an overall direction for enhancing access over time, with transparent reporting and evaluation systems to track progress (Robertson, 2024).
2. **Harmonise access to adaptation finance across channels, beyond the MCFs directly under the climate regime's oversight, and simplify access processes (Robertson, 2024).** MCFs such as the GCF are important channels for adaptation finance. However, there are other channels, such as through the MDBs, certain UN agencies and bilateral arrangements. While efforts have been made to assess, harmonise and simplify processes at individual MCFs and through the G20 (G20 South Africa 2025, 2024), this needs to extend across all channels.

3 **Addressing country readiness in the context of public financial management and accountability.** Readiness is recognised as essential by both recipients and providers of finance (Vanderweerd et al, 2012; Binet et al, 2021). As such, a common definition for readiness should be included in the Roadmap, and the hurdles to accessing readiness finance identified and addressed at all levels in a country (national, sub-national, local, community, individual). This is especially true for locally led adaptation, where 'vulnerable communities are indeed more likely to access, design and receive allocations of finance in devolved political systems' (Barrett, 2015). It is also important because adaptation investments span a range of areas, such as training, capacity-building, stakeholder consultations, project development and evaluation, which favours a programmatic rather than a project approach. Adaptation finance needs to reflect this, and support the development of institutional structures, processes and knowledge that facilitate access to adaptation finance. This is a key tenet of Public Financial Management and accountability (PEFA, 2020), and needs to be reflected in the implementation of the NCQG and the Baku to Belém Roadmap.

4 **Considering the recommendations to the G20 on access to vertical climate and environment funds** The input paper authored by the InterAmerican Development Bank (IDB) (Visconti et al, 2024) recommended the streamlining of project appraisal, approval and effectiveness processes; enhancing product offerings related to local currency funding, ensuring adequate risk appetite and expanding the use of financial instruments; enhancing complementarity, coherence and collaboration; and reducing the frequency of re-accreditation. A second input paper, authored by the Institute for Energy Economics and Financial Analysis (IEEFA (2024), recommended implementing integrated adaptation and mitigation projects; providing capacity-building support for adaptation projects; and creating specific funds to commercialise existing solutions, to make them more feasible for private sector finance. While developed under a different process, the Roadmap would benefit from taking these recommendations into account.

5 **Carefully interrogating credit risk transfer practices.** Private finance will be counted towards the scaling up of climate finance to $1.3 trillion by 2035 under the NCQG outcome. Mobilising adaptation finance from the private sector by using public finance to remove some of the credit risks faced by the private sector – also known as derisking – is a common approach. While often successful, it is important to recognise that the risks associated with adaptation financing do not go away. Rather, those risks are transferred to and borne by the public sector. In the context of this paper, the public sector refers to developed countries providing public finance. However, in certain instances, some of these risks end up being transferred to the public sector in developing countries. For example, the provision of credit risk transfer options may result in the project implementer choosing to take on more risks, creating a riskier project that may fail to deliver its intended adaptation impact. This is known as moral hazard (Surminski and Oramas-Dorta, 2014). In such cases, the risk profile and transfer structures need to be carefully assessed to ensure that, when adaptation programmes and project pipelines are created, developing countries do not take on additional risks that result in sub-optimal adaptation outcomes.

+ 5. Misleading narrative on quality: Private finance will meet any adaptation funding gaps that are not met by the public sector, especially through blended finance

Adaptation finance needs to be fit for purpose to allow developing countries to deliver their NAPs. Fit for purpose means that the form of finance provided must be determined by the adaptation needs that the finance will support. The form finance takes can be separated into three main categories of financial instrument:

- **Grants** are not expected to be repaid. Such funding is typically classified as ODA when it is provided by one country to another. Private foundations are increasingly becoming providers of grants for adaptation (Buchner et al., 2023). Grants play an important role in supporting essential activities related to adaptation that do not earn a financial return, such as technical assistance, research and development and the funding of public goods.
- Financing which earns a market-related financial return to the provider, through **equity, debt or loans**. Financing may be provided on concessionary terms, for example at a lower interest rate or for a longer tenor than offered in the market. All MDBs and certain DFIs offer this as part of their development assistance, as do certain governments. Equity finance results in the financier owning part of the project or company receiving the financing, which means that equity finance is only relevant for private sector investments or investments in companies.
- **Insurance and guarantees** are risk management rather than funding instruments because they need to be paired with a funding instrument such as a loan for actual financing to take place. They play an important role in the adaptation finance landscape and the pricing of these instruments is typically market-related. DFIs typically offer both types of instruments on concessional terms.

Whether the finance is provided directly or mobilised is an important distinction. Finance that is provided directly refers to finance that would be offered irrespective of whether other finance has been provided. On the other hand, finance mobilised refers to finance that will only be offered if other finance has already been provided. This typically happens because the financier is seeking some sort of assurance that their financing will be protected from certain risks and can therefore earn their required rate of return. DFIs often provide financing on concessional terms to allow finance to be mobilised from the private sector. This is known as blended finance.

Risk-return dynamics drive many decisions around the form of finance provided for adaptation. Climate change impacts increase risk and, conversely, adaptation investments decrease it: in 2020, research by the IMF found that ‘countries that are more resilient to climate change have lower bond yields and spreads relative to countries with greater vulnerability to risks associated with climate change’. In other words, the climate crisis makes debt more expensive for developing countries, as they are less able to adapt and mitigate the consequences of climate change, even after controlling for conventional macroeconomic and institutional determinants of sovereign risk. The research concluded that the impact of climate change on public finances can be improved by ‘enhancing structural resilience through mitigation and adaptation, strengthening financial resilience through fiscal buffers and insurance schemes, and improving economic diversification and policy management’ (Cevik and Jalles, 2020).

The returns from adaptation investments provide additional socio-economic benefits, sometimes referred to as the triple dividend of resilience. The first dividend is from avoided climate change-related losses. The second is from induced economic or development benefits and the third additional social and environmental benefits (Heubaum et al., 2022). These can be considered positive externalities that are not always reflected in the risk-return profile of adaptation finance.

In articulating the form of finance needed to address adaptation finance needs, developing and vulnerable countries have called for adaptation finance to largely be in the form of grants (LDC Climate Change, 2024). However, the current picture is far from that: CPI found that grants comprised 17% of total adaptation financing in 2021/2022, compared to 17% in concessional lending and 60% in market-rate debt. DFIs provided most of the concessional loans for adaptation (93%); grants were provided more or less equally by governments and DFIs (Buchner et al., 2023).

While grants are the most appropriate form of funding when considering both equity and CBDR-RC and the financial return profile of many adaptation programmes and projects, there is a place for concessional, and in some cases commercial, funding. For example, finance provided by a DFI to the subsidiary of a company based in a developing country but with headquarters in a developed country to improve the resilience of the subsidiary’s local operations could be considered adaptation finance. Providing that finance on commercial terms makes sense because the operation is privately owned by a parent company based in a developed country. That financing could be provided on a concessional basis to transfer certain non-climate-related risks to the DFI, such as a currency risk that the company is not willing to take.

Several important lessons for the quality aspects of financing provided or mobilised under the NCQG emerge from these considerations:

- Grant funding needs to be scaled up significantly. Developed countries argue that they are not able to do this given domestic financing demands. However, there are many viable proposals on the table to address this, such as levies on fossil fuel windfall profits, addressing illicit financial flows and the rechannelling of Special Drawing Rights (SDRs) through the MDBs (Songwe et al, 2022; Masamba and Mughogho, 2023; Muller, 2024).

- Funding for adaptation is not a zero-sum game: because of the additional development gains from fit-for-purpose adaptation investments – the so-called triple dividend of resilience (Heubaum et al., 2022) – if global emissions stabilise at 1.5 degrees of global warming with little or no overshoot, developing countries' need for further adaptation finance and indeed ODA and other official finance (OOF) will decrease.
- In addition to states or countries, certain adaptation projects and programmes can be implemented by non-state actors in the private sector. Adaptation projects that are owned, implemented and managed by the private sector can often bear some or all of the costs of finance to that project, as can adaptation projects that generate cashflows. In such instances, concessional finance can play an important role in ensuring that the returns to the project meet the private sector's requirements, thereby crowding in the necessary funding from the private sector while ensuring that adaptation needs are met. An important first step towards achieving this is for countries to develop the capability to track adaptation finance activities that are already being funded by the private sector, so that these can be replicated.
- While there are countries that can sustain borrowing at market rates, increasing climate impacts and the principles of CBDR-RC of the Paris Agreement and the UNFCCC must be adhered to when finance is provided to developing countries. This means that any adaptation-focused sovereign finance needs to be provided on concessional or grant terms.

Looking ahead

Counter-narrative: Private finance for adaptation remains limited, meaning that the adaptation finance gap will predominantly need to be met through public finance. Ensuring the quality of public finance for adaptation is critical. Private and blended finance can play an important but limited role in addressing the finance gap for adaptation projects that generate cashflows. They can also play a role if the non-financial benefits of adaptation's so-called triple dividend are made explicit and tangible to the private sector through strategies that do not require public finance interventions. Examples include changes to financial accounting conventions to take the social and economic benefits of adaptation into account.

The NCQG 'acknowledges the need for public and grant-based resources and highly concessional finance, particularly for adaptation … in developing country Parties, especially those that are particularly vulnerable to the adverse effects of climate change and have significant capacity constraints, such as the least developed countries and small island developing states'.

However, it does not commit developed countries to address the quality of finance provided (UNFCCC. CMA, 2024a)[24]. Rather, the committed financing of $300 billion per

[24] Para 14.

year by 2035 for developing country parties for climate action can come ‘from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources’. In addition, the call to scale up financing to developing countries for climate action to at least $1.3 trillion per year by 2035 is a call on all actors, not just developed countries (UNFCCC. CMA, 2024a).

While the NCQG did not make any commitments related to the quality of the financing that will be provided or mobilised, the implementation of any NCQG finance arrangements must address the need for adaptation finance on concessional and grant terms. This is relevant for both public and public–private finance arrangements.

The Baku to Belém Roadmap therefore needs to consider and/or include the following:

- The imperative to clearly define concessionality, especially since the term ‘highly concessional’ appears twice in the NCQG outcome document (UNFCCC, 2024a).
- Recognition that a significant amount of grant funding is provided by MDBs or other International Financial Institutions (IFIs) to countries most in need of adaptation finance, and developed countries are significant shareholders of those institutions (Prizzon, 2018). Developed countries therefore have an important role in ensuring that climate finance channelled through these institutions meets these requirements.
- An acknowledgement that developed countries play an important role in ensuring that MCFs receive regular replenishments that allow them to support developing countries’ adaptation finance needs.
- Tangible and timely methods for developed countries to demonstrate that adaptation finance provided and/or mobilised has indeed taken into account some of the key dis-enablers that developing countries face in financing adaptation. These dis-enablers were stated in Baku (UNFCCC, 2024a) and include the high cost of capital, limited fiscal space, unsustainable debt levels, high transaction costs and conditionalities for accessing climate finance.
- Ways to make the triple dividend of adaptation explicit, to enable higher levels of adaptation finance from the private sector.

+ 6. Misleading narrative on quality: 'Resilient beneficiary' is best metric of success for adaptation and the effectiveness of adaptation finance

The Intergovernmental Panel on Climate Change (IPCC) defines climate resilience as 'the capacity of interconnected social, economic and ecological systems to cope with a hazardous event, trend or disturbance, [by] responding or reorganising in ways that maintain their essential function, identity and structure' (Intergovernmental Panel on Climate Change, 2023: 2920-2921). The ability of something or someone to cope with the adverse effects of climate change through either responding or reorganising has become a hallmark metric for determining whether adaptation is working. In short, resilience is the end goal or state of success, and adaptation is the process to get there (Mehryar, 2022).

This concept of 'resilience' has proliferated among the main channels of climate finance. The big multilateral climate funds and multilateral development banks focus on headline figures for adaptation results (in their strategies and reports) articulated in terms of the number of beneficiaries becoming more resilient to climate change.

For example, as part of its 2024–2027 Strategic Plan, the Green Climate Fund aims to achieve 'enhanced resilience of 570–900 million people' (Green Climate Fund, 2023b: 2). In pursuit of its new vision, the World Bank has dedicated one of its results areas to 'Green and Blue Planet and Resilient Populations', where success is measured in the 'millions of beneficiaries with enhanced resilience to climate risks' (World Bank Group, n.d.). For private sector action and finance for adaptation, the Race to Resilience campaign launched by the UN Climate Action High-level Champions in January 2021 aims to see over 4 billion people made 'more resilient' by 2030 (Billi and Bórquez, 2023: 19).

There are questions around how to determine to what degree something or someone has become more climate resilient. This is especially the case for adaptation, as its success is commonly linked to the degree of positive change in the resilience of an object (Craft and Fisher, 2016: 10).This could be a human or a natural system, or even a component of that system. One component therein would be a person or grouping of people. Other examples of system components could be in the built environment, such as a hospital or accommodation.

The context which the object exists in becomes crucial in understanding adaptation's effectiveness in achieving climate resilience for that object. For example, the adaptation of a community in Grenada, focused on making them climate-resilient against a specific hazard (e.g. more intense tropical cyclones), would look different in comparison to achieving resilience against droughts (Craft and Fisher, 2016: 10).

Moreover, under the technical component of the 1st Global Stocktake of the Paris Agreement, it was found that countries were 'making modest progress on enhancing adaptive capacity, strengthening resilience and reducing vulnerability; however, their ability to systematically monitor progress towards these aims is limited' (UNFCCC. Secretariat, 2023: 23). The limited ability to measure effective adaptation results is a key gap that needs to be addressed urgently.

Key literature on this topic analyses the use of 'success' measurements for adaptation, including the 'resilient beneficiary'. The literature notes issues in relation to relying solely on such a metric, including:

- **Metrics and indicators are not neutral conveyors of information.** If these numbers or metrics are categorised, standardised, compared and audited, they generally make visible (or invisible) certain populations, problems and solutions (Fisher, 2023b:27). The process of developing metrics or indicators is often controversial and contested 'where differences are framed as technical issues hiding the political dimensions' (Fisher, 2023a: 5).

  Outcomes that cannot or tend not to be valued in monetary or numerical terms are highly relevant for measuring adaptation effectiveness. An illustration would include a qualitative assessment of whether a cultural site was protected from the negative impacts of climate change using methods like surveys, scorecards, interviews and focus groups (Craft and Fisher, 2016: 10). Lessons can be learnt from the loss and damage response space, which has been more progressive on valuing and addressing non-economic losses associated with climate change, which are not easily quantifiable in financial terms (UNFCCC, n.d.a). Non-economic losses may affect 'individuals (e.g. loss of life, health, or mobility), society (e.g. loss of territory, cultural heritage, indigenous or local knowledge, or societal or cultural identity) or the environment (e.g. loss of biodiversity or ecosystem services)' (UNFCCC, n.d.a).

- **Indicators can shape behaviour and change incentives (Fisher, 2023b: 27).** For example, the GCF or World Bank, with their multi-million-beneficiary strategic targets, would be more focused on prioritising the review of projects or programmes that have larger numbers of potential 'resilient beneficiaries', leaning more towards larger populations versus smaller ones.

  "The underlying frames of adaptation and assumptions around success embedded in metrics need to be made explicit so the discussion about measurement follows the political debate on policy, rather than vice versa. Finally, there is an opportunity in conceptualising measurement as a process that can be reshaped through local action. This offers a cautionary tale in terms of how much credence and attention should be given to globally aggregated numbers but also offers a potential space to build agency and explore new forms of accountability across multiple scales; as local actors adapt and rework national and international measurement systems for their own purposes they demonstrate how and why measurement matters to them" (Fisher, 2023a: 8).

Looking ahead

Counter-narrative: Successful adaptation should not be measured in ways that make invisible certain populations, problems and solutions, given it is so context-dependent, but rather in ways that incentivise the most appropriate outcomes based on needs.

This brief argues that the 'resilient beneficiary' metric is neither the only nor the best indicator for understanding whether adaptation is effective, adequate or successful. This issue of what 'success' looks like is set to be further examined under the international climate change process. This includes:

- **Indicators for the Global Goal on Adaptation's Framework:** Increasing the world's ability to adapt to climate change and foster climate resilience is one of the three long-term goals of the Paris Agreement (UNFCCC, 2015).[25] To support this aim, the Paris Agreement set a more detailed Global Goal on Adaptation (GGA), which covers enhancing adaptive capacity, strengthening resilience and reducing vulnerability. In 2023, a Framework was adopted to guide and strengthen efforts to achieve this goal.[26] The GGA Framework outlines seven thematic targets for key sectors in need of adaptation[27] (UNFCCC, 2023), and four dimensional targets focused on the steps of the adaptation cycle[28] – all set for achievement by 2030 (save the early warning systems target, which is to be achieved by 2027) (UNFCCC, 2023).

  Under a two-year work programme beginning in 2024, Parties, non-Party stakeholders and experts are seeking to identify and develop indicators to measure progress against these targets (UNFCCC, 2023).[29] There have been several calls for submissions, mappings, compilation and synthesis reports, as well as two workshops.

  The current compilation of submissions includes over 5,000 proposed indicators (UNFCCC, 2024). This only reaffirms the context-specific nature of adaptation. At COP30, Parties are set to agree a final list not exceeding 100 indicators that 1) are 'globally applicable' to inform global trends analyses; 2) constitute a menu to ensure fit within different contexts; and 3) are designed to enable progress assessment of the GGA targets (UNFCCC, 2023).[30] As such, the evolving GGA indicators could help build agency and accountability, if done well, while also not providing the wrong incentives for adaptation finance providers, which could mask the impacts of inaction or lack of progress.

- Follow-up of the NCQG. Little was said in Baku on what effective use of climate finance for adaptation would look like. As previously mentioned, though, elements of the NCQG outcome focus on the assessment of access to and outcomes of climate

[25] art 2(1)(b).
[26] 2/CMA.5:, para 8.
[27] para.9
[28] para 10.
[29] para 39.
[30] Para 20.

finance (inclusive of adaptation finance). The use of indicators including the ‘resilient beneficiary’, and the need to go beyond it, will surely be one point of discussion in the completion of the mandated NCQG assessments.

+ 7. Way forward

Narratives that have become part of mainstream thinking can be either enablers or barriers to effective solutions, especially for global problems like climate change. Combatting any misleading narratives becomes even more important in relation to the global climate response, where time is of the essence. These misleading narratives can lead key actors to address issues that do not exist, or to do so in an inappropriate manner.

Bearing this in mind, adaptation and its financing are highly context-dependent. Consequently, it is essential to ensure that any such narratives on adaptation or adaptation finance can traverse different contexts. This brief has presented five misleading narratives on adaptation finance, providing background on each, and then exploring potential corresponding counter-narratives. The following summarises those narratives and their potential counter-narratives, with the aim of moving mainstream thinking in a direction that sees adequate, accessible and effective adaptation finance being provided and mobilised for developing countries.

1 **Misleading narrative:** There can never be a commonly agreed definition of adaptation finance

Counter-narrative: For effective tracking and evaluation of adaptation finance, developing countries need to dictate what adaptation finance is needed and received through their reporting (especially in their Biennial Transparency Reports under the UNFCCC), which must then be linked to adaptation finance reporting by developed countries.

2 **Misleading narrative:** Adaptation is strictly about public good and finance programmed through government entities.

Counter-narrative: Adaptation by definition relates to both the public and private sectors as it involves all human and natural systems. Fair and adequate finance for adaptation must be accessed at the most local level relevant to the context needing adaptation.

3 **Misleading narrative:** A costed National Adaptation Plan (NAP), a large project pipeline and the existence of climate funding guarantee adaptation finance for a developing country.

Counter-narrative: Adaptation finance needs are not being met even when the finance is available. To address this, adaptation finance should be provided using a programmatic approach that aligns with the realities of government and societal *structures, the typical stages of financing and the systemic, ever evolving and context specific nature of adaptation.*

4 Misleading narrative: Private finance will meet any adaptation funding gaps that are not met by the public sector, especially through blended finance.

Counter-narrative: Private finance for adaptation remains limited despite the significant adaptation finance gap, meaning that the adaptation finance gap will predominantly need to be met through public finance. Ensuring the quality of public finance for adaptation is critical. Private and blended finance can play an important but limited role in addressing the adaptation finance gap for adaptation projects that generate cashflows. It can also play a role if the non-financial benefits of adaptation's so-called triple dividend are made explicit and tangible to the private sector through strategies that do not require public finance interventions. Examples include changes to financial accounting conventions to take the social and economic benefits of adaptation into account.

5 Misleading narrative: 'Resilient beneficiary' is the best metric of success for adaptation and the effectiveness of adaptation finance.

Counter-narrative: Measuring the success of adaptation should not be done in a way that makes invisible certain populations, problems and solutions given that it is so context-dependent. It should be done in a way that incentivises the most appropriate outcomes based on needs.

Given the influence of narratives in shaping negotiations and discussions on adaptation finance in international and multilateral processes such as the UNFCCC and the G20, it is important that misleading narratives are identified and reframed.

The reframing of the five misleading narratives in this paper will go a long way to positively influencing adaptation finance discussions and therefore adaptation finance outcomes related to the NCGQ, the Baku to Belém roadmap and the G20. All of which will hopefully result in what matters most, which is adequate, accessible and effective adaptation finance.

+ References

Africa Adaptation Initiative (2018) 'State of Adaptation Report (SoAR)' Cairo: Africa Adaptation Initiative.

African Development Bank Group (2024) ‘Joint MDBs Report: Climate Financing Hits Record $125 Billion in 2023’. Press release, 20 September (www.afdb.org/en/news-and-events/press-releases/joint-mdbs-report-climate-financing-hits-record-125-billion-2023-74288).

Al Jazeera (2023) ‘World Bank Head Criticised over Climate Stance to Step down Early’. *Al Jazeera,* (https://www.aljazeera.com/economy/2023/2/16/world-bank-chief-criticised-over-climate-stance-to-step-down-early).

Barrett, S. (2015) 'Subnational Adaption Finance Allocation: Comparing Decentralized and Devolved Political Institutions in Kenya" *Global Environmental Politics* 15(3): 118-139 (https://direct.mit.edu/glep/article/15/3/118/14828/Subnational-Adaptation-Finance-Allocation).

Billi, M. and Bórquez, R (2023) *Race to Resilience Working Paper #1: R2R’s Metrics Framework.* Working Paper. UN Climate Change High-Level Champions (www.climatechampions.net/media/knnnlr11/rtr-metrics-framework-2023.pdf).

Binet, S., De Bruijn, M., Horikoshi, D. et al. (2021) *Independent Evaluation of the Adaptation Portfolio and Approach of the Green Climate Fund.* Evaluation Report No.9, February 2021. Songdo: Independent Evaluation Unit, Green Climate Fund (https://ieu.greenclimate.fund/evaluation/adapt2021).

Buchner, B., Naran, B., Padmanabhi, R. et al. (2023) *Global Landscape of Climate Finance 2023.* CPI Report (//www.climatepolicyinitiative.org/publication/global-landscape-of-climate-finance-2023/).

Caldwell M and Larsen G (2021) *Improving Access to the Green Climate Fund: How the Fund Can Better Support Developing Country Institutions.* Working Paper. Washington, D.C: World Resources Institute (www.wri.org/research/improving-access-green-climate-fund-how-fund-can-better-support-developing-country).

Cevik, S. and Jalles, J.T. (2020) ‘This Changes Everything: Climate Shocks and Sovereign Bonds’ IMF Working Paper. Washington, D.C.: International Monetary Fund(www.imf.org/en/Publications/WP/Issues/2020/06/05/This-Changes-Everything-Climate-Shocks-and-Sovereign-Bonds-49476).

Climate Policy Initiative (2024a) *Global Landscape of Climate Finance 2024: Insights for COP29* CPI Report (www.climatepolicyinitiative.org/publication/global-landscape-of-climate-finance-2024/).

Climate Policy Initiative (2024b) *Tracking and Mobilizing Private Sector Climate Adaptation Finance.* CPI Report (www.climatepolicyinitiative.org/publication/tracking-and-mobilizing-private-sector-climate-adaptation-finance/).

Coger, T., Dinshaw, A., Tye, S. et al (2022) *Locally Led Adaptation: From Principles to Practice*. WRI Working Paper. Washington, D.C: World Resources Institute (https://www.wri.org/research/locally-led-adaptation-principles-practice).

Craft, B. and Fisher, S. (2016) *Measuring Effective and Adequate Adaptation.* IIED Issue Paper. London: IIED (https://www.iied.org/10171iied).

European Investment Bank (2024) *2023 Joint Report on Multilateral Development Banks' Climate Finance.* Luxembourg: European Investment Bank (www.eib.org/en/publications/20240150-2023-joint-report-on-multilateral-development-banks-climate-finance).

European Union (2025) ‘Short Guide to the Use of Rio Markers’. Blog/Webpage. European Union (https://capacity4dev.europa.eu/groups/public-environment-climate/info/short-guide-use-rio-markers_en).

Fisher, S. (2023a) ‘Much ado about nothing? Why adaptation measurement matters’, *Climate and Development*, 16(2), pp. 161–167. (https://doi.org/10.1080/17565529.2023.2204070).

Fisher, S. (2023b) ‘Where Do We Go from Here? Four Questions to Enhance the Adequacy and Effectiveness of Adaptation through the Global Stocktake’ in Jingjing Gao and Lars Christiansen (eds), *Perspectives: Adequacy and Effectiveness of Adaptation in the Global Stocktake*. Copenhagen: UNEP Copenhagen Climate Centre.

G20 South Africa 2025 (2024) 'A Snapshot of 2024 G20 SFWG Work as the Brazilian G20 Presidency Concludes-SFWG Newsletter, November 2024'. Webpage. G20 South Africa 2025 (https://g20sfwg.org/news/a-snapshot-of-2024-g20-sfwg-work-as-the-brazilian-g20-presidency-concludes/).

G20 Sustainable Finance Working Group (2021) ‘G20 Sustainable Finance Roadmap’ (https://g20sfwg.org/roadmap/).

G20 Sustainable Finance Working Group (SFWG) (2024) 2024 G20 Sustainable Finance Report. G20 Brazil 2024 Report (https://g20sfwg.org/wp-content/uploads/2024/10/2024-G20-Sustainable-Finance-Report.pdf).

Green Climate Fund (2023a) 'Green Climate Fund Names Mafalda Duarte as New Executive Director' Press Release, 14 March (www.greenclimate.fund/news/green-climate-fund-names-mafalda-duarte-new-executive-director).

Green Climate Fund (n.d.) 'Project portfolio' Webpage. Green Climate Fund (www.greenclimate.fund/projects/dashboardccessed 26 June 2024).

Green Climate Fund (2023b) 'Strategic Plan for the Green Climate Fund 2024–2027' Green Climate Fund Strategy (www.greenclimate.fund/document/strategic-plan-green-climate-fund-2024-2027).

Green Climate Fund (2025) 'GCF Approves USD 686 Million for Climate Action and Decides to Establish Regional Presence' Press Release, 21 February (https://www.greenclimate.fund/news/gcf-approves-usd-686-million-climate-action-and-decides-establish-regional-presence).

Green Climate Fund (n.d.a) 'Project portfolio' Webpage. Green Climate Fund (www.greenclimate.fund/projects/dashboard).

Green Climate Fund (n.d.b) 'GCF-2' Webpage. (www.greenclimate.fund/gcf-2).

Gul, M., Holland, E., Hassan, A. et al. (2025) *The Realities of Country Platforms for LDCs and SIDS: Ten Key Lessons*. Briefing Paper. Climate and Development Ministerial (www.iied.org/22630g).

Heubaum, H., Carter, B., Tanner, T. et al. (2022) *The Triple Dividend of Building Climate Resilience: Taking Stock, Moving Forward.* WRI Working Paper. Washington, D.C.: World Resources Institute (www.wri.org/research/triple-dividend-building-climate-resilience-taking-stock-moving-forward).

IEEFA (2024) Enhancing Access to Multilateral Climate Funds by Developing Countries: A Way Forward' Intitute for Energy Economics and Financial Analysis (https://g20sfwg.org/wp-content/uploads/2024/06/G20-SFWG-P1-IEEFA-Enhancing-Access-of-Developing-Countries-to-Climate-Funds-1.pdf).

Integrated National Financing Frameworks (n.d.) 'About INFFs' Webpage. INFF (https://inff.org/about/about-inffs).

Intergovernmental Panel on Climate Change (IPCC) (2022) 'Strengthening and Implementing the Global Response', in *Global Warming of 1.5°C: IPCC Special Report on Impacts of Global Warming of 1.5°C above Pre-industrial Levels in Context of Strengthening Response to Climate Change, Sustainable Development, and Efforts to Eradicate Poverty* Cambridge: Cambridge University Press.

Intergovernmental Panel on Climate Change (IPCC) (2023) *Climate Change 2022 – Impacts, Adaptation and Vulnerability: Working Group II Contribution to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change*. Cambridge: Cambridge University Press.

Kenya (2022) 'Kenya First NDC (Updated Submission)'(https://unfccc.int/documents/497612).

Kenya (2024) 'Kenya's First Biennial Transparency Report (BTR).BTR1'. (https://unfccc.int/documents/645091).

LDC Climate Change (2024) 'Joint Statement & Submission by the Least Developed Countries and Alliance Of Small Island States Groups on the New Collective Quantified Goal on Climate Finance (NCQG)' (www.ldc-climate.org/submissions_unfccc/joint-statement-submission-by-the-ldc-group-and-aosis-on-the-new-collective-quantified-goal-on-climate-finance-ncqg/).

Masamba, D.M. and Mughogho, M. (2023) *Balancing Concessional Finance and Debt Distress in African Middle-Income Countries While Addressing Climate Action*. ZeniZeni Sustainable Finance Policy Paper. South Africa; ZeniZeni Sustainable Finance (www.zenizeni.com/post/concessional-finance-the-key-to-securing-a-resilient-future).

McGray, H., Hammill, A. and Bradley, R. (2007) *Weathering the Storm: Options for Framing Adaptation and Development* Washington, D.C.: World Resources Institute (www.wri.org/research/weathering-storm).

Mehryar, S. (2022) 'What Is the Difference between Climate Change Adaptation and Resilience?' Explainer. Grantham Research Institute on Climate Change and the Environment (www.lse.ac.uk/granthaminstitute/explainers/what-is-the-difference-between-climate-change-adaptation-and-resilience/).

Miskimmon, A., O'Loughlin, B., & Roselle, L. (Eds.). (2017). *Forging the World: Strategic Narratives and International Relations*. Michigan: University of Michigan Press (https://doi.org/10.3998/mpub.6504652).

Mullan, M. and Ranger, N. (2022) *Climate-Resilient Finance and Investment: Framing Paper*. OECD Working Papers (https://one.oecd.org/document/env/wkp(2022)8/en/pdf).

Muller, B. (2024) 'Founding the Climate Solidarity Alliance: Possible Next Steps' Oxford Climate Policy Blog. https://blog.oxfordclimatepolicy.org/founding-the-climate-solidarity-alliance-possible-next-steps).

NAP Central (2025) 'Submitted NAPs from developing country Parties'. Blog/Webpage. NAP Central (https://napcentral.org/submitted-NAPs).

OECD (2023) *Climate-Related Official Development Assistance (ODA): A Snapshot*. DCD(2023)15 (https://one.oecd.org/document/DCD(2023)15/en/pdf).

Operating Principles for Impact Management (n.d.). 'The 9 PrinciplesWebpage. Operationg Principles for Impact Management (https://www.impactprinciples.org/9-principles).

Oxfam (2022) *Unaccountable Accounting: The World Bank's Unreliable Climate Finance Reporting*. Oxfam Briefing Paper. Oxford: Oxfam (https://oxfamilibrary.openrepository.com/bitstream/handle/10546/621424/bp-world-bank-unreliable-climate-finance-reporting-031022-en.pdf?sequence=4).

Oxfam (2024) *Unaccountable Adaptation: The Asian Development Bank's Overstated Claims on Climate Adaptation Finance.* Oxfam Briefing Paper. Oxford: Oxfam (https://oxfamilibrary.openrepository.com/bitstream/handle/10546/621602/bp-unaccountable-adaptation-020524-en.pdf;jsessionid=FF42CF1362A8BA993A0627ED1162B912?sequence=1).

PEFA (2020) *PEFA Report: 2020 Global Report on Public Financial Management.* PEFA Report. IMF: PEFA. (https://www.pefa.org/global-report-2020/en/report/what-is-pefa/).

Prizzon, A. (2018) *A Guide to Multilateral Development Banks*. ODI Working Paper. London: ODI Global (https://odi.org/en/publications/a-guide-to-multilateral-development-banks/).

Robertson, M. (2024) *The New Collective Quantified Goal on Climate Finance and Its Access Features: Operationalising "enhanced Access" to Climate Finance.* ODI Working Paper. London: ODI Global (https://odi.org/en/publications/the-new-collective-quantified-goal-on-climate-finance-and-its-access-features-operationalising-enhanced-access-to-climate-finance/).

Schipper, E.L.F, Revi, A. Preston, B.L. et al. (2022) 'Climate Resilient Development Pathways'. in *Climate Change 2022: Impacts, Adaptation and Vulnerability.* Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Pörtner, H.O., Roberts, D.C., Tignore, M. et al]. Cambridge University Press, Cambridge, UK and New York, USA, pp. 2655-2807 (https://doi.org/10.1017/9781009325844.027).

Schipper, E.L.F., and Mukherji, A. (2024) 'Misguided Negative Adaptation Narratives Are Hurting the Poor' *Science* 386: 624-626 (https://doi.org/10.1126/science.adq7821).

Sherpa Track. (2024) *Environment and Climate Sustainability Group.* Issue Note. South Africa: G20 (https://g20.org/resource/sherpa-working-group-documents-folder/).

Soanes, M., Bahadur, A., Shakya, C., et al. (2021) *Principals in locally led adaption: A call to action.* Issue Paper, London: IIED (https://www.iied.org/sites/default/files/pdfs/2021-01/10211IIED.pdf).

Songwe, V., Stern, N. and Bhattacharya, A. (2022) *Finance for climate action: scaling investment for climate and development.* Report. Egypt: Independent High-Level Expert Group on Climate Finance (https://www.lse.ac.uk/granthaminstitute/publication/finance-for-climate-action-scaling-up-investment-for-climate-and-development/).

Spacey, R.S., Ranger, N. and England, K. (2024) *The (in)Coherence of Adaptation Taxonomies*. Oxford: Oxford University (https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4874598).

Surminski, S. and Oramas-Dorta, D. (2014) 'Flood Insurance Schemes and Climate Adaptation in Developing Countries' *International Journal of Disaster Risk Reduction* 7:154-164 (https://doi.org/10.1016/j.ijdrr.2013.10.005).

Tan, E. and Pettinotti, L. (2024) *Informing the New Collective Quantified Goal: Unpacking Cost Estimates for Developing Countries Needs.* ODI Working Paper. London: ODI Global (https://odi.org/en/publications/informing-the-new-collective-quantified-goal-unpacking-cost-estimates-for-developing-countries-needs/).

UNFCCC (2015) *Paris Agreement.* Adopted at the 21st Conference of the Parties (COP21), Paris, 12 December 2015 (https://unfccc.int/process-and-meetings/the-paris-agreement).

UNFCCC (2023) *Decision 2/CMA.5: Global Goal on Adaptatl.ion.* Supplementary Document FCCC/PA/CMA/2023/16/Add.1. UAE: FCCC (https://unfccc.int/sites/default/files/resource/cma2023_16a01_adv_.pdf).

UNFCCC (2024) 'Compilation of Existing Indicators: UAE-Belém Work Programme on Indicators' Dataset, UNFCCC, UN (https://unfccc.int/documents/640965).

UNFCCC (n.d.a) 'Non-Economic Losses' Blog/Webpage. UNFCCC (https://unfccc.int/process/bodies/constituted-bodies/WIMExCom/NELs).

UNFCCC (n.d.b) 'Overview - National Adaptation Plans'. Blog/Webpage. UNFCCC (https://unfccc.int/topics/resilience/workstreams/national-adaptation-plans/overview).

UNFCCC. CMA. (2024a) *New Collective Quantified Goal on Climate Finance. Draft Decision -/CMA.6. Proposal by the President*. Draft Decisions FCCC/PA/CMA/2024/L.22. Baku: UNFCCC (https://unfccc.int/documents/643641).

UNFCCC. (2024a) *New collective quantified goal on climate finance.* Non-official session documents Decision -/CMA.6. UNFCCC (https://unfccc.int/documents/644460).

UNFCCC. (2024b) *Second Report on the Determination of the Needs of Developing Country Parties Related to Implementing the Convention and the Paris Agreement.* Report. UNFCCC (https://unfccc.int/documents/640757).

UNFCCC. CMA (2024b) *Global goal on adaption. Draft decision -/ CMA.6. Proposal by the President.* Draft Decisions FCCC/PA/CMA/2024/L.20 Baku: UNFCCC (https://unfccc.int/documents/643381).

UNFCCC. Secretariat (2023) *Technical Dialogue of the First Global Stocktake. Synthesis Report by the Co-Facilitators on the Technical Dialogue*. Synthesis Reports FCCC/SB/2023/9. UAE: FCCC (https://unfccc.int/documents/631600).

United Nations (2024) ‘Pact for the Future - United Nations Summit of the Future’. Webpage. United Nations (www.un.org/en/summit-of-the-future/pact-for-the-future).

United Nations Climate Change (n.d.) 'Biennial Transparency Reports''. Webpage. United Nations Climate Change (https://unfccc.int/biennial-transparency-reports).

United Nations Department of Economic and Social Affairs (2015) 'Addis Ababa Action Agenda of the Third International Conference on Financing for Development [Addis Ababa Action Agenda]' New York: United Nations (www.un.org/esa/ffd/publications/aaaa-outcome.html).

United Nations Environment Programme (2023). *Adaptation Gap Report 2023: Underfinanced. Underprepared. Inadequate investment and planning on climate adaptation leaves world exposed.* Nairobi: UNEP (https://doi.org/10.59117/20.500.11822/43796).

United Nations Environment Programme (2024). *Adaptation Gap Report 2024: Come hell and high water — As fires and floods hit the poor hardest, it is time for the world to step up adaptation actions*. Nairobi: UNEP (https://doi.org/10.59117/20.500.11822/46497).

Vanderweerd, V., Glemarac, Y. and Billett, S. (2012) *UNDP Readiness for Climate Finance.* UNDP Framework. New York: UNDP (https://transparency-partnership.net/sites/default/files/undp_readiness_for_climate_finance.pdf).

Visconti, G., Ramirez, G. R. and Braly-Cartillier, I. (2024) ‘Enhancing Access to Concessional Climate Finance: Perspectives from the IDB’s Experience with Major Climate Funds- CIF, GCF, and GEF’. IDB Technical Note. Inter-American Development Bank (https://g20sfwg.org/wp-content/uploads/2024/06/G20-IDB-Enhancing-Access-to-Concessional-Climate-Finance.pdf).

World Bank (2023) 'Ajay Banga Selected 14th President of the World Bank'. Press release, 3 May (www.worldbank.org/en/news/press-release/2023/05/03/ajay-banga-selected-14th-president-of-the-world-bank).

World Bank (2024) ‘Resilience Rating System (RSS): A Methodology for Building and Tracking Resilience in Climate Change - Synthesizing Key Lessons from IDA19 Piloting’. Methodology Paper. Washington DC: World Bank (https://www.worldbank.org/en/topic/climatechange/brief/resilience-rating-system-rrs).

World Bank Group (2024a) ‘International Development Association: Contributor Countries’ Blog/Webpage. World Bank Group (https://ida.worldbank.org/en/about/contributor-countries).

World Bank Group (2024b) ‘World Bank Group Announces Record $100 Billion IDA Replenishment’. Press Release, 5 December (https://www.worldbank.org/en/news/press-release/2024/12/05/donors-and-world-bank-group-boost-IDA-development).

World Bank Group (2024c) 'Climate Finance'. Webpage. World Bank Group (https://www.worldbank.org/en/news/factsheet/2024/11/12/climate-finance).

World Bank Group (2024d) *People in a Changing Climate: From Vulnerability to Action - Insights from World Bank Group Country Development Reports covering 72 economies.* Report. Washington DC: World Bank Group (https://www.worldbank.org/en/topic/climatechange/publication/people-in-a-changing-climate-from-vulnerability-to-action/).

World Bank Group (n.d.) ‘WBG Scorecard: Green and Blue Planet and Resilient Populations’. Blog/Webpage. World Bank Group (https://scorecard.worldbank.org/en/scorecard/green-and-blue-planet-and-resilient-populations).

ODI Global

ZENIZENI
SUSTAINABLE FINANCE
perspectives and solutions for change

FWG
Finance Working Group