Climate Action Network

Briefing: A New Adaptation Finance commitment under the Global Goal on Adaptation

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Climate Action Network (CAN) is a global network of more than 2000 civil society organisations in over 130 countries, driving collective and sustainable action to fight the climate crisis and to achieve social and racial justice.

The impacts of climate change are intensifying - displacing communities, damaging ecosystems, and threatening lives. Inaction on mitigation, lack of ambition and failing to phase out fossil fuels are driving increasing hazards. In 2024, flooding displaced 600,000 people in Brazil[1], a climate-related event caused 7.8 million displacements in Africa[2], while a total of 13 million people were impacted by typhoons in the Philippines[3]. Despite the urgency, adaptation lacks the political prioritisation and finance for adaptation remains critically underfunded, with a significant gap between the needs of developing countries and the support provided. Adaptation only receives one-third of public climate finance[4].

It should be noted that with every passing year, the costs of adaptation are escalating due to global inaction on mitigation and just transitions in energy and other high-emitting sectors, and there is a further decline in the provision of finance. First, as per the UNEP GAP report, the adaptation finance needed in developing countries is at US$310 billion per year in 2035, when based on modelled costs. While based on extrapolated needs expressed in Nationally Determined Contributions and National Adaptation Plans, this figure rises to US$365 billion a year[5].Despite this urgent need, international adaptation finance reached only USD 28 billion in 2022[6]and dropped to US$26 billion in 2023, leaving a gap of US$284–339 billion per year until 2035[7]. Secondly, Article 9.4 of the Paris Agreement and the Glasgow pledge to double the provision of adaptation finance from 2019 levels by 2025 (para. 18, 1/CMA.3)[8]calls for a balance between mitigation and adaptation finance, yet in 2021 - 2022, adaptation received only 33%

[1]https://oxfamilibrary.openrepository.com/bitstream/handle/10546/621735/bp-climate-finance-shadow-report-2025-061025-en.pdf;jsessionid=B5257A8C8F3C964B471A9E6B824951AF?sequence=1

[2] https://www.ifrc.org/article/climate-change-africa-forces-more-people-their-homes-new-ifrc-report-says-people-can-and

[3]https://www.worldweatherattribution.org/climate-change-supercharged-late-typhoon-season-in-the-philippines-highlighting-the-need-for-resilience-to-cnsecutive-events/

[4]https://oxfamilibrary.openrepository.com/bitstream/handle/10546/621735/bp-climate-finance-shadow-report-2025-061025-en.pdf;jsessionid=B5257A8C8F3C964B471A9E6B824951AF?sequence=1

[5] The Adaptation Gap Report 2025:Running on Empty finds that a yawning gap in adaptation finance for developing countries is putting lives, livelihoods and entire economies at risk, https://www.unep.org/resources/adaptation-gap-report-2025

[6] Doubling adaptation finance: efforts to respond to the call of the glasgow climate pact, https://unfccc.int/sites/default/files/resource/Doubling%20Adaptation%20Finance_Efforts%20to%20Respond%20to%20the%20Call%20of%20the%20Glasgow%20Climate%20Pact.pdf

[7] The Adaptation Gap Report 2025:Running on Empty finds that a yawning gap in adaptation finance for developing countries is putting lives, livelihoods and entire economies at risk, https://www.unep.org/resources/adaptation-gap-report-2025

[8] Acknowledging all data and methodological challenges, according to the technical report from the UNFCCC Standing Committee on Finance, adaptation finance from developed to developing countries in 2019 was between USD 7.1 billion and USD 20.3 billion, implying a doubling to between USD 14.2 billion and USD 40.6 billion by 2025

while mitigation was at 59% of the total public climate finance provision.[9] Thirdly, with the latest and planned ODA cuts, there is a risk of further decreasing adaptation finance to US$29bn in 2024 and US$26bn in 2025,[10] which means that developed countries will not meet their doubling of the adaptation finance commitment in line with the Glasgow pledge. Despite the urgency and growing adaptation finance gap, the COP29 NCQG outcome failed to meet the need for adaptation finance by not adequately addressing this disparity, as the decision provides no roadmap for the delivery and tracking of the agreed USD 1.3 trillion per year by 2035.

Additionally, while adaptation finance gaps and needs are growing, the Glasgow pledge to double the provision of adaptation finance from 2019 levels by 2025 (para. 18, 1/CMA.3)[11] comes to an end in 2025, which will create a vacuum, especially in 2026, in terms of delivering on adaptation finance, and developing countries will face a lack of assurance on support. Hence, to bridge the existing adaptation finance gap, COP30 must agree on a new, adequate, predictable, and grant-based public adaptation finance commitment that gives a strong signal of the ongoing commitment to the provision of public climate finance for Adaptation post 2025.

In the lead-up to COP30, we see the momentum building for adaptation finance in both negotiations and wider political spheres. Recently, the 74 leaders of the Climate Vulnerable Forum delivered a statement at UNGA, calling for "a comprehensive packaged approach to adaptation as an outcome of COP30", including predictable, affordable, and accessible adaptation finance for developing countries delivered at the scale and speed needed. Similarly, the High Ambition Coalition called for an ambitious adaptation package with "drastically and urgently scaled-up quality funding streams". Adaptation finance is not a one-time transaction; it is a long-term commitment that must be sustainable, predictable, high-quality, and accessible to those countries and communities that are already facing the worst climate risks with limited or no access to finance. COP30 should urgently deliver a new and needs-based adaptation finance commitment that does not generate more debt for developing countries. The largest share of financial provision should come from international public sources and not from private sector investments (for more details, see Annexure 2).

Lastly, based on the last year CAN's NCQG position of 1 trillion, the adaptation finance that responds to the needs of developing countries, estimated to be over US$ 300 billion per year[12]. "where minimum finance quantity required for each Mitigation, Adaptation and Loss and Damage area based on needs, and it would be inappropriate to apply a 40-30-30 percentage split to a sum below $1 trillion. As useful starting points in the literature for each thematic area, see Markandya and Gonzalez-Equino (2019) on loss and damage, UNEP Adaptation Gap Report (2023) on adaptation, and IEA Net Zero Roadmap (2023) on mitigation. CAN's figures for thematic support needs are based on a technical exchange on the literature on needs assessment.

[9]https://oxfamilibrary.openrepository.com/bitstream/handle/10546/621735/bp-climate-finance-shadow-report-2025-061025-en.pdf;jsessionid=B5257A8C8F3C964B471A9E6B824951AF?sequence=1

[10]https://oxfamilibrary.openrepository.com/bitstream/handle/10546/621735/bp-climate-finance-shadow-report-2025-061025-en.pdf;jsessionid=B5257A8C8F3C964B471A9E6B824951AF?sequence=1

[11] Acknowledging all data and methodological challenges, according to the technical report from the UNFCCC Standing Committee on Finance, adaptation finance from developed to developing countries in 2019 was between USD 7.1 billion and USD 20.3 billion, implying a doubling to between USD 14.2 billion and USD 40.6 billion by 2025

[12] Climate Action Network (CAN) submission on the New Collective Quantified Goal (NCQG), 2024

An adaptation finance commitment under the Global Goal on Adaptation

The UAE Framework for Global Climate Resilience[13], adopted at COP28 in Dubai, needs an accompanying finance target to be effective. The purpose of the UAE-Belém Work Programme on adaptation indicators is to track progress towards global climate resilience. Within these, indicators on Means of Implementation (MoI) must fulfil the crucial function of tracking "*access, quality, and adaptation finance, including provision in line with [article 9.1] of the Paris Agreement to help Parties address the needs and gaps in implementing the GGA*"[14], as per the SB62 draft conclusion. However, without a new and ambitious adaptation finance commitment, these indicators risk becoming a process-oriented exercise rather than a true measure of accountability and progress. As the GGA indicators are finalised and adopted at COP30, Parties must consider the costs of achieving the GGA targets and overall adaptation implementation. It is, therefore, crucial for Parties to agree on **a dedicated adaptation finance commitment as part of the CMA7 GGA decision**. This will enable the UAE framework to move beyond planning and knowledge sharing and towards its core purpose of "enhancing adaptation action and support". A new adaptation finance commitment under the GGA, grounded in the legacy of the Glasgow doubling pledge and responsive to the/landmark ICJ advisory opinion from 23 July 2025, would help close the growing adaptation finance gap and help restore trust between developed and developing countries. It will reinforce the credibility of the UNFCCC process by showing that Parties are serious about not just delivering frameworks, but the means to implement them.

The informal note from SB62 includes the proposal for a new adaptation finance goal to succeed the Glasgow pledge as a draft element of the CMA7 decision: "*References to the role of national adaptation plans (NAPs); engagement of relevant stakeholders; outcomes of the Baku high-level dialogue;* ***proposal for a new adaptation finance goal to succeed the Glasgow pledge****; and a review mechanism with a timeline for future work*"[15].

Building on the above, at COP30

- Parties must agree to establish a new, predictable public-grant-based adaptation finance commitment under the GGA decision that responds to the needs of developing countries, estimated to be over US$300 billion per year.
- Developed countries must, at a minimum, increase provision of adaptation finance by at least six times by 2030 compared to 2019 levels (this amounts to a tripling of the commitment under the Glasgow Pact to double adaptation finance by 2025[16])[17]
- The proposal of "at least tripling the Glasgow Pledge of doubling the provision of adaptation finance by 2030" should not come, or be instrumentalised by contributor countries, at the expense of establishing a robust process to set a longer-term needs-based target which echoes the costs of the GGA framework's targets, well ahead of 2030.
- Furthermore, parties must agree to establish a standing agenda on adaptation finance to continually assess adaptation finance based on the needs of developing country parties,

[13] https://unfccc.int/sites/default/files/resource/cma5_auv_8a_gga.pdf
[14] https://unfccc.int/sites/default/files/resource/sb2025_L04E.pdf
[15] https://unfccc.int/sites/default/files/resource/GGA_dt_sb62_2.pdf.
[16] UNFCCC, Decision -/CMA.3, Glasgow Climate Pact, 2021
[17] The Glasgow Pledge of doubling the provision of adaptation finance from 2019 levels to 2025 means to double from US$ 19 billion to approximately US$ 40 billion by 2025. And the tripling of this pledge, means that you triple from the expected US$ 40billion in 2025 to US$ 120 billion by 2030.

support the implementation of the UAE Framework for Global Climate Resilience, and define the role of the Adaptation Fund in serving the Global Goal on Adaptation.

- The Standing Committee of Finance (SCF) should produce an annual report on the need for adaptation finance based on the needs of developing country Parties, as well as progress achieved towards the new adaptation finance commitment.
- Lastly, leaders must announce new pledges to the Adaptation Fund to address the growing adaptation finance needs.

Based on the core demands, Climate Action Network proposes the following draft language, Annexure 1, on the new adaptation finance commitment under GGA.

Annexure 1: Climate Action Network (CAN) Proposed language on the new adaptation finance commitment

CAN urges Parties to use this proposal as a basis for negotiations and to work collectively towards an outcome at COP30 that delivers on scaling up resources and support, and secure a new adaptation finance commitment as part of the CMA7 decision on the Global Goal on Adaptation. We propose the following draft language:

The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement,

- Acknowledges the progress made towards the doubling of adaptation finance by 2025 in line with the Glasgow Pact,
- Notes with deep concern that almost two-thirds of the USD 32.4 billion provided and mobilised as adaptation finance in 2022 are in the form of loans mainly delivered through MDBs, with more than half delivered in the form of non-concessional funding, thereby reducing the actual value of adaptation support delivered when accounted for in grant equivalent terms.
- Notes that the current provision of climate finance for adaptation remains insufficient to respond to rapidly worsening climate change hazards in developing countries and that the Glasgow Climate Pact goal of doubling international public adaptation finance from 2019 levels by 2025 will not be achieved if the current finance trends continue, according to the 2025 UNEP GAP Report. Recognises the importance of the adequacy and predictability of adaptation finance, and invites developed country Parties to consider renewed multi-annual pledges for adaptation.
- Recalling the continued and existing obligations of developed countries to provide financial resources to assist developing country Parties with respect to both mitigation and adaptation under the Convention, recalling Article 4, paragraph 4 of the Convention, Article 9, paragraph 1, of the Paris Agreement; and in the context of achieving a balance between mitigation and adaptation in the provision of scaled-up financial resources,
- Reaffirming Article 9, paragraph 3 of the Paris Agreement on developed country Parties taking the lead …. taking into consideration the needs and priorities of developing countries, and Article 9, paragraph 4, of the Paris Agreement
- Recalling the Glasgow decision of doubling adaptation finance by 2025, acknowledge the progress so far….and demand developed country **parties to at least triple the Glasgow Pledge of doubling the provision of adaptation finance by 2030 *in the context of responding to the needs and priorities of developing countries* estimated to be over US$300 billion per year[18]*.***
- Establishes a standing agenda on adaptation finance under COP and CMA to continually assess adaptation finance based on the needs of developing country parties,

[18] These figures are minimum amounts required for each thematic area based on needs, and it would be inappropriate to apply a 40-30-30 percentage split to a sum below $1 trillion. As useful starting points in the literature for each thematic area, see Markandya and Gonzalez-Equino (2019) on loss and damage, UNEP Adaptation Gap Report (2023) on adaptation, and IEA Net Zero Roadmap (2023) on mitigation. CAN's figures for thematic support needs are based on a technical exchange on the literature on needs assessment, looking at a variety of publications pertaining to each of the three thematic areas, applying assumptions about which costs should be borne by developed countries and what levels of grant equivalence would be appropriate, for each area. Specifically, it is assumed that loss and damage and adaptation must be financed by grants and not loans, and mitigation necessitates provision of grants as well as affordable concessional finance for developing countries. It is also assumed that developing countries should generally not have to shoulder the costs of coping with impacts from historic climate change for which they are essentially not responsible, but that there is an economic logic, unrelated to climate change, to developing countries taking on some of the investment cost in mitigation-aligned areas such as energy transition; Climate Action Network (CAN) submission on the New Collective Quantified Goal (NCQG), 2024

support the implementation of the UAE Framework for Global Climate Resilience, and define the role of the Adaptation Fund in serving the Global Goal on Adaptation.

- Invites Parties to make submissions on the potential modalities of the new standing agenda item prior to SB64 in June 2026, to be agreed in SB65 in November 2026
- Mandates the Standing Committee of Finance (SCF) to produce an annual report on the need for adaptation finance based on the needs of developing country Parties, as well as progress achieved towards the new adaptation finance commitment.

Annexure 2: Why Adaptation Finance should be public and grant-based:

Public, grant-based finance is more suitable to meet adaptation needs and prevent vicious cycles where developing countries' economic vulnerabilities are deepened through further borrowing to invest in costly adaptation programs. The majority of existing climate finance is currently provided as loans[19], deepening indebtedness, and sharply limiting urgent action by developing countries to prepare for climatic shocks and the slow onset of destruction. Indonesia, for example, spends 241 times more on payments to creditors than on climate adaptation measures.[20] The world's poorest countries spend 12 times more servicing debts than investing in mitigation or resilience.[21] Comprehensive debt cancellation, automatic payment pauses following climate shocks, and reformed debt sustainability assessments that account for climate vulnerability are essential to create fiscal space for adaptation. Without these reforms, countries risk deepening their climate vulnerability while diverting scarce resources to creditors.

New analysis by the Zurich Climate Resilience Alliance and Paul Watkiss Associates[22] clearly shows that the private sector cannot fill the adaptation funding gap. Private adaptation finance currently represents only 3% of total adaptation finance needs. This could increase to around 15% of adaptation needs, but this will mostly happen in middle-income countries and in certain sectors like agriculture, leaving many vulnerable countries and communities without the resilience investments they need. Public finance must lead, with private finance playing a complementary role where appropriate. More international public funding in the form of grants or highly concessional finance must be resourced to fill the adaptation finance gap. This can be done through proven methods, such as ending harmful fossil fuel subsidies and developing new polluter pays taxes.

P**ublic finance is the bedrock of adaptive equality**. In the face of the climate crisis, the costs, needs, and capabilities of adaptation are not evenly distributed. While in some countries, annual adaptation costs are closer to 1% of GDP, in others, they reach up to 20%.[23] From a justice perspective, adaptation finance should be prioritised for the most vulnerable populations and countries that contributed least to creating the climate crisis. Those communities tend to be the ones most neglected by private finance. These groups are considered either too risky or simply irrelevant, as the return on investment is low. Currently, these communities - from low-income smallholder farmers to pastoralists- are having to self-finance their own adaptation needs[24], and bear the costs of impacts where feasible adaptation actions fall short. Distributing public finance equitably is critical for building a less divided and more equal world, preventing a trajectory where global disparities are exacerbated year after year.

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[19] OECD (2024), *Climate Finance Provided and Mobilised by Developed Countries in 2013-2022*, Climate Finance and the USD 100 Billion Goal.
[20] Elliott, L., Inman, P. (2023). 'New push for debt relief to help developing world fund climate action', The Guardian.
[21] Elliott, L., Inman, P. (2023). 'New push for debt relief to help developing world fund climate action', The Guardian.
[22] https://zcralliance.org/resources/item/adaptation-finance-and-the-private-sector-opportunities-and-challenges-for-developing-countries/
[23] Behsudi, A. (2021). 'No Higher Ground', International Monetary Fund.
[24] Pandey, K. (2023). 'Smallholder farmers are filling climate adaptation gaps from their own income, finds survey', Down to Earth, 22 November.

Operationalising adaptive equality requires explicitly prioritising groups with differentiated climate vulnerabilities, particularly older people, women, youth, people with disabilities, People of African Descent and Indigenous communities, as direct recipients of adaptation finance. These groups face disproportionate costs to their well-being, lives, and livelihoods (e.g., heat-related morbidity, loss of traditional livelihoods, and erosion of cultural practices), and yet are routinely overlooked by private and multilateral flows. Earmarking grant-based public finance and direct-access windows for organisations representing these constituencies (e.g., Older People's Associations, women-, youth-, and Indigenous-led organisations) would better align allocation with equity and justice, while improving effectiveness and accountability.