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DELIVERING ON ADAPTATION

An Assessment of International Adaptation Finance Flows

Acknowledgements: This report is based on research commissioned by DanChurchAid and carried out by INKA Consult, Denmark, using publicly available data on international climate finance. DanChurchAid has edited and finalised the report and is responsible for its content and conclusions.

The front-page photo shows Panam, a community in South Sudan. In recent years, climate change has significantly disrupted weather patterns in this region, making it increasingly difficult for communities to rely on traditional farming. Strengthened adaptation efforts are urgently needed. The photograph was taken by Jesper Houborg.

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Abbreviations

AGR	Adaptation Gap Report
BR	Biennial Report
BTR	Biennial Transparency Report
CGIAR	Consultative Group on International Agricultural Research
COP	Conference of the Parties
CRDF	Climate-Related Development Finance
CRS	Creditor Reporting System
DAC	Development Assistance Committee
EUR	Euro
FAO	Food and Agriculture Organisation of the United Nations
GEF	Global Environment Facility
GNI	Gross National Income
IFAD	International Fund for Agricultural Development
IMF	International Monetary Fund
LDC	Least Developed Country
LDCF	Least Developed Countries Fund
LMIC	Lower-Middle-Income Country
MDB	Multilateral Development Bank
NCQG	New Collective Quantified Goal (on Climate Finance)
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
SCCF	Special Climate Change Fund
SIDS	Small Island Developing States
UMIC	Upper-Middle-Income Country
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
USD	United States Dollar

1. Introduction

Climate change impacts are intensifying, and the poorest and most climate-vulnerable countries are already facing severe consequences — from prolonged droughts and floods to rising sea levels and food insecurity. Strengthening adaptation is no longer optional; it is essential for protecting lives, livelihoods and development gains.

Yet the scale of finance needed for adaptation far exceeds what is currently being delivered. Recent estimates suggest that developing countries require hundreds of billions of dollars annually to adapt to climate change. The Independent High-Level Expert Group on Climate Finance estimates that adaptation and resilience investment needs alone could reach 250 billion United States Dollars (USD) per year by 2030. The United Nations Environment Programme (UNEP) projects that adaptation costs may rise to USD 310–365 billion per year by 2035. By comparison, international public adaptation finance amounted to just USD 26 billion in 2023 — leaving a gap more than ten times larger than current flows.

Recognising this shortfall, governments have strengthened their political commitments. At the 26th UN Climate Change Conference of the Parties (COP26) in Glasgow, developed countries agreed to at least double adaptation finance by 2025. Building on this, countries agreed at COPs30 in Belém to at least triple adaptation finance for developing countries by 2035 under the framework of the New Collective Quantified Goal (NCQG) on climate finance. If realised, this would represent a significant scaling up of international support.

However, ambition on paper does not automatically translate into delivery. The trajectory of adaptation finance remains uncertain. Official development assistance (ODA), from which much climate finance is drawn, fell by 9% in 2024. The structure of finance also matters: the balance between mitigation and adaptation, between grants and loans, and between support for the most vulnerable countries and broader investments all shape the real impact of climate finance.

Against this backdrop, a clear and transparent picture of current adaptation finance flows is essential. This report maps and analyses international public adaptation finance, providing a better understanding for how progress toward the goal of tripling adaptation finance by 2035 can be achieved.

This report is based on data which is publicly available through the Organisation for Economic Co-operation and Development (OECD) Climate-Related Development Finance (CRDF) database. There have been some estimates to enable the analysis. These estimates, and further considerations about the methodology, can be found in annex A. We acknowledge that we may not have access to the full data, and that estimates and calculations can be made in different ways. However, even if the exact numbers may be contested, we are confident that this assessment gives an accurate and fair understanding of the trends.

In the following three chapters, bilateral (chapter 2), multilateral (chapter 3) and total amounts of adaptation finance (chapter 4) are assessed.

2. Bilateral adaptation finance

This section provides an overview of international public bilateral adaptation finance. Bilateral climate finance includes flows directly from developed countries' institutions to recipient countries as well as through intermediaries such as non-governmental organisations. It also includes earmarked finance which is delivered through multilateral organisations who are contracted by provider countries to deliver a specific programme or project, often referred to as multi-bi finance.

2.1. A Principal vs Significant focus on adaptation

OECD countries use the Rio markers, to identify if projects are focused on adaptation or mitigation. The markers are determined according to several criteria, which assess if there is no focus on adaptation (Rio marker 0), a significant focus on adaptation (Rio marker 1), or a principal focus on adaptation (Rio marker 2).

While many of the projects reported by developed countries in the OECD CRDF database consider adaptation to some degree, adaptation is predominantly treated as a secondary (significant) rather than a primary (principal) objective (see Table 1). Across all bilateral providers, 22% of projects identify adaptation as a principal objective, while a further 66% classify adaptation as a significant objective. 12% of the projects reported were reported with a Rio Marker of 0 for adaptation, indicating that they do not target adaptation or have not been screened.

Table 1. Bilateral public climate-related development projects reported to the CRDF broken down by Rio Marker for adaptation (no. of projects; 2023)

Provider	Total number of projects reported	Principal Adaptation Rio marker	Signifcant Adaptation Rio marker	Not targeted or not screened for adaptation
Australia	5,111	199 (4%)	4,684 (92%)	228 (4%)
Austria	236	57 (24%)	105 (44%)	74 (31%)
Belgium	544	153 (28%)	348 (64%)	43 (8%)
Canada	4,596	3,020 (66%)	1,484 (32%)	92 (2%)
Croatia	4	0 (0%)	4 (100%)	0 (0%)
Czechia	101	21 (21%)	39 (39%)	41 (41%)
Denmark	321	96 (30%)	191 (60%)	34 (11%)
Estonia	16	4 (25%)	3 (19%)	9 (56%)
European Union	565	178 (32%)	285 (50%)	102 (18%)
Finland	86	14 (16%)	30 (35%)	42 (49%)
France	1,306	352 (27%)	726 (56%)	228 (17%)
Germany	2,155	302 (14%)	1,311 (61%)	542 (25%)
Greece	2	1 (50%)	1 (50%)	0 (0%)
Hungary	31	4 (13%)	27 (87%)	0 (0%)
Iceland	74	3 (4%)	63 (85%)	8 (11%)
Ireland	516	223 (43%)	261 (51%)	32 (6%)
Italy	550	84 (15%)	347 (63%)	119 (22%)

Provider	Total number of projects reported	Principal Adaptation Rio marker	Signifcant Adaptation Rio marker	Not targeted or not screened for adaptation
Japan	2,520	418 (17%)	1,708 (68%)	394 (16%)
Latvia	6	3 (50%)	3 (50%)	0 (0%)
Liechtenstein	24	5 (21%)	19 (79%)	0 (0%)
Lithuania	22	0 (0%)	7 (32%)	15 (68%)
Luxembourg	213	44 (21%)	164 (77%)	5 (2%)
Monaco	12	6 (50%)	6 (50%)	0 (0%)
Netherlands	172	36 (21%)	116 (67%)	20 (12%)
New Zealand	176	119 (68%)	50 (28%)	7 (4%)
Norway	374	96 (26%)	107 (29%)	171 (46%)
Poland	195	46 (24%)	128 (66%)	21 (11%)
Portugal	44	12 (27%)	25 (57%)	7 (16%)
Romania	2	0 (0%)	2 (100%)	0 (0%)
Slovak Republic	29	15 (52%)	10 (34%)	4 (14%)
Slovenia	25	7 (28%)	17 (68%)	1 (4%)
Spain	958	69 (7%)	408 (43%)	481 (50%)
Sweden	487	168 (34%)	280 (57%)	39 (8%)
Switzerland	811	146 (18%)	560 (69%)	105 (13%)
United Kingdom	352	4 (1%)	323 (92%)	25 (7%)
United States	4,906	53 (1%)	4,402 (90%)	451 (9%)
Grand Total	27,542	5,958 (22%)	18,244 (66%)	3,340 (12%)

Source: Authors calculations based on OECD CRDF. See Annex A for methodology.

A similar trend is observed for mitigation objectives. Table 2 shows that across all bilateral providers, mitigation is more often treated as a significant rather than a principal objective. Of the 27,542 projects reported, only 14% are marked as having mitigation as a principal objective, while a much larger share (44%) classify mitigation as a significant objective. At the same time, a substantial 42% of projects are reported as not targeted or not screened, indicating that nearly half of bilateral activities do not explicitly integrate or assess mitigation objectives.

Table 2. Bilateral public climate-related development projects reported to the CRDF broken down by Rio Marker for mitigation (no. of projects; 2023)

Provider	Total number of projects reported	Principal Mitigation Rio Marker	Significant Mitigation Rio Marker	Not targeted or not screened for mitigation
Australia	5,111	44 (1%)	3,582 (70%)	1,485 (29%)
Austria	236	80 (34%)	67 (28%)	89 (38%)
Belgium	544	84 (15%)	303 (56%)	157 (29%)
Canada	4,596	1,153 (25%)	694 (15%)	2,749 (60%)
Croatia	4	0 (0%)	4 (100%)	0 (0%)
Czechia	101	19 (19%)	42 (42%)	40 (40%)

Provider	Total number of projects reported	Principal Mitigation Rio Marker	Significant Mitigation Rio Marker	Not targeted or not screened for mitigation
Denmark	321	41 (13%)	160 (50%)	120 (37%)
Estonia	16	7 (44%)	8 (50%)	1 (6%)
European Union	565	144 (25%)	285 (50%)	136 (24%)
Finland	86	15 (17%)	41 (48%)	30 (35%)
France	1,306	383 (29%)	630 (48%)	293 (22%)
Germany	2,155	349 (16%)	814 (38%)	992 (46%)
Greece	2	0 (0%)	0 (0%)	2 (100%)
Hungary	31	12 (39%)	16 (52%)	3 (10%)
Iceland	74	4 (5%)	43 (58%)	27 (36%)
Ireland	516	70 (14%)	145 (28%)	301 (58%)
Italy	550	72 (13%)	303 (55%)	175 (32%)
Japan	2,520	293 (12%)	190 (8%)	2,037 (81%)
Latvia	6	1 (17%)	1 (17%)	4 (67%)
Liechtenstein	24	0 (0%)	0 (0%)	24 (100%)
Lithuania	22	12 (55%)	7 (32%)	3 (14%)
Luxembourg	213	29 (14%)	73 (34%)	111 (52%)
Monaco	12	0 (0%)	0 (0%)	12 (100%)
Netherlands	172	23 (13%)	70 (41%)	79 (46%)
New Zealand	176	35 (20%)	50 (28%)	91 (52%)
Norway	374	148 (40%)	69 (18%)	157 (42%)
Poland	195	37 (19%)	114 (58%)	44 (23%)
Portugal	44	7 (16%)	17 (39%)	20 (45%)
Romania	2	0 (0%)	0 (0%)	2 (100%)
Slovak Republic	29	7 (24%)	9 (31%)	13 (45%)
Slovenia	25	0 (0%)	24 (96%)	1 (4%)
Spain	958	178 (19%)	711 (74%)	69 (7%)
Sweden	487	26 (5%)	191 (39%)	270 (55%)
Switzerland	811	81 (10%)	387 (48%)	343 (42%)
United Kingdom	352	24 (7%)	328 (93%)	0 (0%)
United States	4,906	370 (8%)	2,820 (57%)	1,716 (35%)
Grand Total	27,542	3,748 (14%)	12,198 (44%)	11,596 (42%)

Source: Authors calculations based on OECD CRDF. See Annex A for methodology.

The data show that more projects focus on adaptation—either as a significant or principal objective—than on mitigation. However, as discussed below, the total volume of finance

directed toward mitigation is considerably higher. This suggests that mitigation projects are, on average, larger than adaptation projects.

This pattern is particularly evident for projects where climate is the principal objective. The average size of principally marked mitigation projects is approximately USD 8.0 million, compared to just USD 1.3 million for principally marked adaptation projects.

2.2. Adaptation finance as share of total climate finance

Developed countries collectively committed 51.5 billion USD in climate finance in 2023. The majority of this funding was allocated to mitigation objectives, which accounted for 58% of all reported bilateral climate finance, while adaptation received just 22%. Cross-cutting finance, targeting both adaptation and mitigation objectives, accounted for the remaining 19%.

The largest providers all commit less than half of their climate finance to adaptation. Japan, the largest contributor, allocated just 14%, while Germany and France each commit 17%. The United States and the European Union allocated slightly higher shares, though still well below parity. The United Kingdom reported no adaptation-only finance, with all funding directed either to mitigation or cross-cutting activities[1].

By contrast, several smaller countries allocated a high share of their climate finance to adaptation, notably Ireland (74%), the Netherlands (69%), Canada (59%), Sweden (59%), and New Zealand (60%).

A number of providers reported a high share of cross-cutting interventions, including Australia (64%), Belgium (57%), Iceland (72%), Luxembourg (59%), and Poland (53%).

Table 3. Thematic breakdown of bilateral public climate-related finance (current prices; 2023)

Provider	Reported total climate-related finance (million USD)	Thematic breakdown of climate-related finance			
		Adaptation	Mitigation	Cross-cutting	Adaptation + 50% Cross-cutting
Australia	900	265 (29%)	55 (6%)	579 (64%)	555 (62%)
Austria	397	83 (21%)	294 (74%)	19 (5%)	93 (23%)
Belgium	270	93 (34%)	24 (9%)	153 (57%)	169 (63%)
Canada	876	518 (59%)	267 (30%)	91 (10%)	563 (64%)
Croatia	1	0 (0%)	0 (0%)	1 (100%)	1 (50%)
Czechia	8	4 (51%)	2 (27%)	2 (22%)	5 (62%)

[1] Of the 352 projects reported by the United Kingdom to the CRDF in 2023, 323 were marked as having a significant adaptation objective. However, all these projects were also reported with either a *principal* or significant mitigation Rio Marker, meaning they are classified as cross-cutting activities. Four projects were reported by the with a principal Rio Marker, and all of these were also reported with a principal mitigation Rio marker. As a result, the United Kingdom reported no adaptation-only development finance to the CRDF in 2023. In contrast, of the United Kingdom's 2021–2022 climate finance reported to the UNFCCC, only 1% was dedicated to cross-cutting objectives, while 27% was for adaptation and 72% was for mitigation. This difference may reflect variations in reporting approaches across datasets or potential issues in the CRDF, which may affect the interpretation of these results.

Provider	Reported total climate-related finance (million USD)	Thematic breakdown of climate-related finance			
		Adaptation	Mitigation	Cross-cutting	Adaptation + 50% Cross-cutting
Denmark	370	149 (40%)	95 (26%)	127 (34%)	212 (57%)
Estonia	3	0.2 (8%)	0.5 (19%)	2 (73%)	1 (44%)
European Union	3,622	1,505 (42%)	999 (28%)	1,117 (31%)	2,064 (57%)
Finland	168	51 (31%)	91 (54%)	26 (15%)	64 (38%)
France	7,329	1,249 (17%)	4,240 (58%)	1,841 (25%)	2,169 (30%)
Germany	9,995	1,716 (17%)	5,324 (53%)	2,955 (30%)	3,194 (32%)
Greece	0	0.01 (100%)	0 (0%)	0 (0%)	0 (100%)
Hungary	2	1 (73%)	0 (3%)	0 (24%)	1 (85%)
Iceland	25	5 (21%)	2 (7%)	18 (72%)	14 (57%)
Ireland	108	80 (74%)	7 (7%)	21 (19%)	91 (84%)
Italy	200	29 (14%)	84 (42%)	88 (44%)	73 (36%)
Japan	15,046	2,060 (14%)	12,941 (86%)	46 (0%)	2,083 (14%)
Latvia	0	0.1 (67%)	0 (0%)	0.1 (33%)	0 (84%)
Liechtenstein	4	4 (100%)	0 (0%)	0 (0%)	4 (100%)
Lithuania	4	0.2 (1%)	4 (90%)	0.4 (9%)	0 (5%)
Luxembourg	35	9 (25%)	6 (16%)	21 (59%)	19 (54%)
Monaco	1	1 (100%)	0 (0%)	0 (0%)	1 (100%)
Netherlands	1,450	996 (69%)	214 (15%)	240 (17%)	1,116 (77%)
New Zealand	233	141 (60%)	50 (22%)	42 (18%)	162 (69%)
Norway	1,550	386 (25%)	1,099 (71%)	65 (4%)	418 (27%)
Poland	7	2 (33%)	1 (14%)	4 (53%)	4 (60%)
Portugal	7	3 (49%)	2 (29%)	1 (21%)	4 (60%)
Romania	0	0.01 (100%)	0 (0%)	0 (0%)	0 (100%)
Slovak Republic	2	1 (24%)	0 (17%)	1 (59%)	1 (53%)
Slovenia	6	4 (59%)	0 (1%)	2 (40%)	5 (79%)
Spain	124	10 (8%)	78 (63%)	36 (29%)	28 (23%)
Sweden	454	266 (59%)	138 (30%)	50 (11%)	291 (64%)
Switzerland	345	117 (34%)	74 (21%)	155 (45%)	194 (56%)
United Kingdom	1,726	0 (0%)	1,173 (68%)	553 (32%)	276 (16%)
United States	6,237	1,736 (28%)	2,770 (44%)	1,731 (28%)	2,602 (42%)
Grand Total	51,507	11,485 (22%)	30,035 (58%)	9,987 (19%)	16,478 (32%)

Source: Authors calculations based on OECD CRDF. See Annex A for methodology. Small errors may occur due to rounding.

2.3. Adaptation finance by provider

Attributing half of cross-cutting finance to adaptation shows that reported bilateral adaptation finance rose slightly from 16.3 billion USD in 2022 to 16.5 billion USD in 2023, representing a 1% increase.

Among the largest bilateral providers, trends in adaptation finance between 2022 and 2023 are uneven and do not show a clear upward trajectory. Adaptation-finance reported by the European Union declined by 3%, France by 5%, Germany by 25% and the United Kingdom by 42%. Australia and the United States reported increases of 10% and 14%, respectively. Large increases in adaptation finance are seen for Canada (+196%), Austria (+169%), Portugal

(+138%), New Zealand (+138%), Finland (+105%), Iceland (+110%), and Norway (+91%), albeit from comparatively low levels in 2022 for several of these providers.

Table 4. Bilateral public adaptation-related finance (current prices)

Provider	Reported adaptation-related finance (million USD)		
	2022	2023	Change
Australia	504	555	10%
Austria	35	93	169%
Belgium	116	169	46%
Canada	190	563	196%
Croatia	-	1	-
Czechia	3	5	105%
Denmark	158	212	35%
Estonia	0.1	1	1109%
European Union	2,131	2,064	-3%
Finland	31	64	105%
France	2,277	2,169	-5%
Germany	4,233	3,194	-25%
Greece	-	0.01	-
Hungary	0.2	1	496%
Iceland	7	14	110%
Ireland	61	91	49%
Italy	126	73	-42%
Japan	1,930	2,083	8%
Latvia	0.1	0.1	188%
Liechtenstein	4	4	-5%
Lithuania	0.04	0.2	452%
Luxembourg	27	19	-30%
Monaco	1	1	36%
Netherlands	664	1,116	68%
New Zealand	68	162	138%
Norway	219	418	91%
Poland	5	4	-23%
Portugal	2	4	138%
Romania	-	0.01	-
Slovak Republic	0.3	1	339%
Slovenia	0.4	5	1189%
Spain	50	28	-43%
Sweden	340	291	-14%
Switzerland	333	194	-42%
United Kingdom	481	276	-42%
United States	2,279	2,602	14%
Grand Total	**16,274**	**16,478**	**1%**

Source: Authors calculations based on OECD CRDF. See Annex A for methodology. Small errors may occur due to rounding. Adaptation finance includes 50% of cross-cutting finance.

2.4. Financial instruments

Reported bilateral adaptation finance is predominantly provided as grants. Across all providers, 73% of adaptation finance in 2023 was delivered in grant form, while 21% was provided as concessional loans[2], and 1% as other instruments. A further 4% was reported with the instrument unspecified.

Table 5. Bilateral public adaptation-related finance by instrument (current prices; 2023)

Provider	Reported total adaptation-related finance (million USD)	Financial instrument breakdown of reported adaptation-related finance				Grant-equivalent total adaptation-related finance (million USD)
		Grant	Concessional loan	Other	Unspecified	
Australia	555	100%	0%	0%	0%	554
Austria	93	96%	0%	4%	0%	89
Belgium	169	96%	4%	0%	0%	168
Canada	563	97%	0%	3%	0%	548
Croatia	1	100%	0%	0%	0%	1
Czechia	5	100%	0%	0%	0%	5
Denmark	212	98%	0%	2%	0%	209
Estonia	1	100%	0%	0%	0%	1
European Union	2,064	100%	0%	0%	0%	2,064
Finland	64	95%	0%	0%	5%	61
France	2,169	14%	67%	1%	18%	769
Germany	3,194	70%	20%	1%	9%	2,415
Greece	0.01	100%	0%	0%	0%	0.01
Hungary	1	100%	0%	0%	0%	1
Iceland	14	100%	0%	0%	0%	14
Ireland	91	100%	0%	0%	0%	91
Italy	73	67%	7%	0%	27%	51
Japan	2,083	34%	66%	0%	0%	1,687
Latvia	0.1	100%	0%	0%	0%	0.1
Liechtenstein	4	100%	0%	0%	0%	4
Lithuania	0.2	100%	0%	0%	0%	0.2

[2] A concessional loan is extended to a borrower on more preferential terms than those available on the market, including below-market interest rates, extended grace periods, or a combination of both. *According* to the OECD, for sovereign loans to be concessional, their grant element (calculated based on interest rate, grace period, maturity, repayment schedule, and discount rate) needs to be at least 45% for LDCs and other LICs, 15% for LMICs, and 10% for UMICs and multilateral institutions. Furthermore, the terms and conditions of ODA loans have to be consistent with the IMF Debt Limits. Source: OECD. (2024). Climate Finance Provided and Mobilised by Developed Countries in 2013-2022. https://doi.org/10.1787/19150727-en

Provider	Reported total adaptation-related finance (million USD)	Financial instrument breakdown of reported adaptation-related finance				Grant-equivalent total adaptation-related finance (million USD)
		Grant	Concessional loan	Other	Unspecified	
Luxembourg	19	100%	0%	0%	0%	19
Monaco	1	100%	0%	0%	0%	1
Netherlands	1,116	100%	0%	0%	0%	1,113
New Zealand	162	100%	0%	0%	0%	162
Norway	418	98%	0%	2%	0%	409
Poland	4	100%	0%	0%	0%	4
Portugal	4	100%	0%	0%	0%	4
Romania	0.01	100%	0%	0%	0%	0.01
Slovak Republic	1	100%	0%	0%	0%	1
Slovenia	5	100%	0%	0%	0%	5
Spain	28	100%	0%	0%	0%	28
Sweden	291	100%	0%	0%	0%	291
Switzerland	194	89%	0%	11%	0%	173
United Kingdom	276	99%	0%	1%	0%	274
United States	2,602	97%	0%	3%	0%	2,527
Total	16,478	73%	21%	1%	4%	13,743

Source: Authors calculations based on OECD CRDF. See Annex A for methodology. Small errors may occur due to rounding. Adaptation finance includes 50% of cross-cutting finance.

Most providers, including large providers such as the Australia, Canada, the European Union, Ireland, the Netherlands, New Zealand, Sweden, the United Kingdom, and the United States, delivered nearly all adaptation finance as grants. By contrast, France and Japan extend a significant share of adaptation finance as concessional loans (approximately 67% and 66%, respectively).

The total grant-equivalent value of adaptation finance is 13.7 billion USD, which is around 83% of the reported total face-value amount. This reduction is driven primarily by Japan and France which extend a significant share of their finance as concessional loans.

2.5. Adaptation finance according to GNI and population

For bilateral providers, it is possible to compare climate finance relative to each country's population and the size of each country's economy, for example as expressed in their gross national income (GNI).

Measured as a share of GNI, there is considerable variation across providers. Of the large providers, the highest relative contributions were made by the Netherlands (0.10%), Norway (0.08%), France (0.07%), and Germany (0.07%). In contrast, several providers' adaptation

finance amounted to 0.01% of GNI or less, including the United Kingdom[3], the United States, Italy, Spain and Portugal

A similar pattern emerges when looking at adaptation finance on a per capita basis. Among the large providers, Norway (76 USD per person) and the Netherlands (62 USD per person) stand out as the largest contributors per capita, followed by Germany (38 USD), Denmark (36 USD), France (32 USD), Sweden (28 USD) and Switzerland (22 USD). In contrast, the United States (8 USD per person) and the United Kingdom (4 USD) reported comparatively low per capita adaptation finance.

Table 6. Bilateral public adaptation-related finance as share of GNI and per capita (current prices; 2023)

Provider	GNI (billion USD; 2023)	Population (million; 2023)	GNI per capita (USD; 2023)	Adaptation-related finance (million USD; 2023)	Adaptation-related finance as share of GNI	Adaptation-related finance per capita
Australia	1,658	27	62,189	555	0.03%	21
Austria	520	9	56,965	93	0.02%	10
Belgium	663	12	56,279	169	0.03%	14
Canada	2,135	40	53,268	563	0.03%	14
Croatia	85	4	22,108	1	0.001%	0.2
Czechia	332	11	30,595	5	0.002%	0.5
Denmark	418	6	70,237	212	0.05%	36
Estonia	40	1	29,461	1	0.003%	1
Finland	296	6	52,942	64	0.02%	12
France	3,127	68	45,735	2,169	0.07%	32
Germany	4,710	83	56,551	3,194	0.07%	38
Greece	236	10	22,683	0.01	0%	0.001
Hungary	207	10	21,571	1	0.001%	0.1
Iceland	32	0.4	83,047	14	0.04%	36
Ireland	423	5	79,595	91	0.02%	17
Italy	2,305	59	39,087	73	0.003%	1
Japan	4,464	125	35,849	2,083	0.05%	17
Latvia	42	2	22,186	0.1	0.0004%	0.1
Liechtenstein	8	0.04	194,739	4	0.05%	96
Lithuania	78	3	27,133	0.2	0.0003%	0.1
Luxembourg	60	1	90,359	19	0.03%	28
Monaco	-	-	-	1	-	20
Netherlands	1,137	18	63,626	1,116	0.10%	62

[3] The United Kingdom reported no adaptation-only finance, with all funding directed either to mitigation or cross-cutting activities.

Provider	GNI (billion USD; 2023)	Population (million; 2023)	GNI per capita (USD; 2023)	Adaptation-related finance (million USD; 2023)	Adaptation-related finance as share of GNI	Adaptation-related finance per capita
New Zealand	246	5	47,385	162	0.07%	31
Norway	500	6	90,646	418	0.08%	76
Poland	779	37	21,246	4	0.001%	0.1
Portugal	285	11	26,921	4	0.001%	0.4
Romania	339	19	17,790	0.01	0%	0
Slovak Republic	129	5	23,730	1	0.001%	0.2
Slovenia	69	2	32,324	5	0.01%	2
Spain	1,614	48	33,384	28	0.002%	1
Sweden	604	11	57,335	291	0.05%	28
Switzerland	867	9	97,549	194	0.02%	22
United Kingdom	3,364	68	49,111	276	0.01%	4
United States	27,576	337	81,875	2,602	0.01%	8
Grand Total	59,349	1,057	56,139	14,415	0.02%	14

Source: Authors calculations based on OECD CRDF. See Annex A for methodology. Small errors may occur due to rounding. Adaptation finance includes 50% of cross-cutting finance. Table does not include the European Union.

2.6. Adaptation finance for Least Developed Countries (LDCs) and Small Island Developing States (SIDS)

Adaptation finance remains very limited for SIDS. Across all providers, just 651 million USD, or 4% of total adaptation finance, was directed to SIDS, despite their acute exposure to climate impacts such as sea-level rise and extreme weather. Only a small number of providers allocate an adequate share of their adaptation finance to SIDS. Australia stands out, directing nearly half of its adaptation finance (48%) to SIDS, while New Zealand allocates 30%. In contrast, most large providers, including the European Union, Germany, Japan, the Netherlands, Sweden, the United Kingdom and the United States direct 3% or less of their adaptation finance to SIDS.

Table 7. Bilateral public adaptation-related finance allocated to LDCs and SIDs (current prices; 2023)

Provider	Total adaptation-related finance	Total adaptation-related finance to SIDs	Total adaptation-related finance to LDCs
Australia	555	265 (48%)	130 (23%)
Austria	93	0 (0%)	25 (27%)
Belgium	169	2 (1%)	99 (58%)
Canada	563	41 (7%)	245 (44%)
Croatia	1	0 (0%)	0 (0%)
Czechia	5	0 (0%)	4 (80%)

Provider	Total adaptation-related finance	Total adaptation-related finance to SIDs	Total adaptation-related finance to LDCs
Denmark	212	0 (0%)	76 (36%)
Estonia	1	0 (0%)	0 (0%)
European Union	2,064	62 (3%)	719 (35%)
Finland	64	0 (0%)	21 (33%)
France	2,169	127 (6%)	893 (41%)
Germany	3,194	8 (0.2%)	579 (18%)
Greece	0 .01	0 (0%)	0 (0%)
Hungary	1	0.01 (0.5%)	1 (72%)
Iceland	14	0.1 (1%)	8 (60%)
Ireland	91	1 (1%)	45 (49%)
Italy	73	1 (1%)	29 (39%)
Japan	2,083	50 (2%)	671 (32%)
Latvia	0.1	0 (0%)	0 (0%)
Liechtenstein	4	0 (0%)	2 (56%)
Lithuania	0.2	0 (0%)	0 (0%)
Luxembourg	19	2 (12%)	16 (83%)
Monaco	1	0 (0%)	0.4 (54%)
Netherlands	1,116	0.002 (0%)	184 (16%)
New Zealand	162	48 (30%)	19 (12%)
Norway	418	1 (0.3%)	169 (40%)
Poland	4	0.01 (0%)	0.5 (12%)
Portugal	4	0.2 (6%)	2 (42%)
Romania	0.01	0 (0%)	0 (0%)
Slovak Republic	1	0 (0%)	0 (0%)
Slovenia	5	0 (0%)	0.4 (9%)
Spain	28	1 (4%)	8 (27%)
Sweden	291	2 (1%)	123 (42%)
Switzerland	194	3 (1%)	53 (27%)
United Kingdom	276	0.001 (0%)	163 (59%)
United States	2,602	38 (1%)	1,042 (40%)
Grand Total	16,478	651 (4%)	5,327 (32%)

Source: Authors calculations based on OECD CRDF. See Annex A for methodology. Small errors may occur due to rounding. Adaptation finance includes 50% of cross-cutting finance.

LDCs receive a larger share of adaptation finance, with a total of 5.3 billion USD or 32% of adaptation finance directed toward to LDCs. Several providers report relatively high shares of finance directed toward LDCs, including United Kingdom (59%), Belgium (58%), Ireland (49%),

Canada (44%), Sweden (42%), France (41%), Norway (40%), and the United States (40%). Nonetheless, some major contributors, notably Germany (18%) and the Netherlands (16%), allocate comparatively modest shares of their finance to LDCs.

3. Multilateral adaptation finance

3.1. Adaptation finance as share of total climate finance

Overall, the climate funds demonstrate a high focus on adaptation finance. The Adaptation Fund is, by design, fully adaptation-focused, while the Green Climate Fund allocates nearly three-quarters (73%) of its climate finance to adaptation. All the finance allocated by the Green Environment Facility Special Climate change Trust Fund (SCCF) and Least Developed Countries Trust Fund (LDCF) was reported as targeting adaptation.

Multilateral Development Banks (MDBs), which account for most of the multilateral climate finance, remain predominantly mitigation focussed. Collectively, MDBs direct two-thirds of their climate finance to mitigation (67%; 31.7 billion USD) and less than one-third to adaptation (30%; 14.2 billion USD).

This pattern is evident across the largest institutions, as shown in Table 8. The single largest MDB, the World Bank, directs 63% (14.7 billion USD) of its finance to mitigation and 37% (8.5 billion USD) to adaptation. This trend is also seen in the finance reported by the Asian Development Bank, the European Bank for Reconstruction and Development, the European investment Bank, the Inter-American Development Bank and the International Finance Corporation. However, a small number of regional banks stand out for reporting a higher adaptation share than the average, notably the African Development Bank (63%) and the Caribbean Development Bank (84%).

The largest provider of the other multilateral organisations is the International Monetary Fund (IMF) Resilience and Sustainability Trust[4], which reports that most of its climate finance targets cross-cutting objectives (65%; 2.1 billion USD). Several smaller providers in this category show a focus on adaptation, including the Consultative Group on International Agricultural Research (CGIAR) (55%; 23 million USD), the International Fund for Agricultural Development (IFAD) (89%; 162 million USD) and the Nordic Development Fund (74%; 31 million USD).

[4] The IMF Resilience and Sustainability Trust were established in 2022 and provides long-term loans with the purpose to help "*low-income and vulnerable middle-income countries build resilience to external shocks and ensure sustainable growth, contributing to their longer-term balance of payments stability*." International Monetary Fund. 2025. RESILIENCE AND SUSTAINABILITY TRUST FAQS. https://www.imf.org/en/about/faq/resilience-and-sustainability-trust

Table 8. Thematic breakdown of multilateral public climate-related finance commitments (developed country contributions; current prices; 2023)

Provider	Reported total climate-related finance (million USD)	Thematic breakdown of climate-related finance (million USD)			
		Adaptation	Mitigation	Cross-cutting	Adaptation + 50% Cross-cutting
MDBs	47,087	14,233 (30%)	31,709 (67%)	1,146 (2%)	14,806 (31%)
African Development Bank	1,827	1,156 (63%)	670 (37%)	0 (0%)	1,156 (63%)
Asian Development Bank	6,083	2,576 (42%)	3,506 (58%)	0 (0%)	2,576 (42%)
Asian Infrastructure Investment Bank	837	95 (11%)	739 (88%)	3 (0%)	96 (11%)
Caribbean Development Bank	58	48 (84%)	9 (16%)	0 (0%)	48 (84%)
Central American Bank for Economic Integration	93	32 (34%)	36 (39%)	25 (27%)	44 (47%)
Council of Europe Development Bank	304	203 (67%)	101 (33%)	0 (0%)	203 (67%)
Development Bank of Latin America	143	49 (35%)	94 (65%)	0 (0%)	49 (35%)
European Bank for Reconstruction and Development	3,162	149 (5%)	2,817 (89%)	196 (6%)	247 (8%)
European Investment Bank	3,225	673 (21%)	2,552 (79%)	0 (0%)	673 (21%)
Inter-American Development Bank	4,000	701 (18%)	2,411 (60%)	888 (22%)	1,145 (29%)
International Finance Corporation	4,195	56 (1%)	4,105 (98%)	33 (1%)	73 (2%)
World Bank	23,161	8,494 (37%)	14,667 (63%)	0 (0%)	8,494 (37%)
Other multilateral	3,698	670 (18%)	907 (25%)	2,121 (57%)	1,731 (47%)
CGIAR	42	23 (55%)	3 (8%)	15 (36%)	31 (74%)

Provider	Reported total climate-related finance (million USD)	Thematic breakdown of climate-related finance (million USD)			
		Adaptation	Mitigation	Cross-cutting	Adaptation + 50% Cross-cutting
Climate Investment Funds	196	8 (4%)	188 (96%)	0 (0%)	8 (4%)
Food and Agriculture Organisation	38	8 (22%)	3 (8%)	26 (70%)	22 (57%)
Global Green Growth Institute	2	1 (45%)	1 (55%)	0 (0%)	1 (45%)
IMF Resilience and Sustainability Trust	3,196	436 (14%)	691 (22%)	2,068 (65%)	1,470 (46%)
International Fund for Agricultural Development	182	162 (89%)	20 (11%)	0 (0%)	162 (89%)
Nordic Development Fund	42	31 (74%)	0 (0%)	11 (26%)	37 (87%)
UNFCCC Climate funds	3,581	2,007 (56%)	858 (24%)	716 (20%)	2,365 (66%)
Adaptation Fund	420	420 (100%)	0 (0%)	0 (0%)	420 (100%)
GEF Least Developed Countries Trust Fund (LDCF)	61	61 (100%)	0 (0%)	0 (0%)	61 (100%)
GEF Special Climate Change Trust Fund (SCCF)	4	4 (100%)	0 (0%)	0 (0%)	4 (100%)
Global Environment Facility General Trust Fund	1,054	33 (3%)	378 (36%)	643 (61%)	354 (34%)
Green Climate Fund	2,043	1,490 (73%)	480 (23%)	73 (4%)	1,527 (75%)
Grand Total	54,366	16,910 (31%)	33,473 (62%)	3,983 (7%)	18,901 (35%)

Source: Authors calculations based on OECD CRDF. See Annex A for methodology. Small errors may occur due to rounding.

3.2. Adaptation finance by provider

Attributing half of cross-cutting finance to adaptation shows that reported multilateral adaptation finance fell from 19.2 billion USD in 2022 to 18.9 billion USD in 2023, representing a 2% decrease. This was primarily driven by a reduction in MDB adaptation finance which

dropped significantly from 17.6 billion USD to 14.8 billion USD, a reduction of 16%. By contrast, the United Nations Framework Convention on Climate Change (UNFCCC) climate funds more than doubled their adaptation finance, rising from 1.0 billion USD to 2.4 billion USD (+130%). Strong growth is also reported among the other multilateral organisations, whose reported adaptation finance increased from 558 million USD to 1.7 billion USD. However, these institutions continue to account for only a small share of total multilateral adaptation finance compared to the MDBs.

Table 9. Multilateral public adaptation-related finance commitments (developed country contributions; current prices)

Provider	Reported adaptation-specific finance (million USD)		
	2022	2023	Change
MDBs	17,618	14,806	-16%
World Bank	12,329	8,494	-31%
Asian Development Bank	1,958	2,576	32%
African Development Bank	994	1,156	16%
Inter-American Development Bank	1,440	1,145	-20%
European Investment Bank	404	673	66%
European Bank for Reconstruction and Development	186	247	33%
Council of Europe Development Bank	0	203	-
Asian Infrastructure Investment Bank	138	96	-31%
International Finance Corporation	37	73	94%
Development Bank of Latin America	81	49	-39%
Caribbean Development Bank	3	48	1758%
Central American Bank for Economic Integration	48	44	-8%
Other multilateral	558	1,731	210%
IMF Resilience and Sustainability Trust	292	1,470	403%
International Fund for Agricultural Development	176	162	-8%
Nordic Development Fund	30	37	20%
CGIAR	42	31	-26%
Food and Agriculture Organisation	14	22	50%
Climate Investment Funds	4	8	110%
Global Green Growth Institute	0	1	-
UNFCCC Climate funds	1,030	2,365	130%
Green Climate Fund	744	1,527	105%
Adaptation Fund	115	420	266%
Global Environment Facility General Trust Fund	73	354	382%
GEF Least Developed Countries Trust Fund (LDCF)	95	61	-35%
GEF Special Climate Change Trust Fund (SCCF)	4	4	-1%
Grand Total	19,207	18,901	-2%

Source: Authors calculations based on OECD CRDF. See Annex A for methodology. Small errors may occur due to rounding. Adaptation finance includes 50% of cross-cutting finance.

Despite an overall decline in adaptation finance, the MDBs remain the largest group of providers. Of the total 18.9 billion USD reported in multilateral adaptation finance commitments in 2023, the World Bank provided 45% (8.5 billion USD). The next largest multilateral providers are the Asian Development Bank (2.6 billion USD), the Green Climate Fund (1.5 billion USD), the IMF Resilience and Sustainability Trust (1.5 billion USD), the African Development Bank (1.2 billion USD) and the Inter-American Development Bank (1.1 billion USD).

3.3. Financial instruments

Across all multilateral providers, reported adaptation finance in 2023 totalled 18.9 billion USD. Nearly half of this (49%) was provided through non-concessional loans, with a further 24% delivered as concessional loans[5]. Only one fifth (20%) was provided as grants, with the remainder channelled through other or unspecified instruments. As a result of this heavy reliance on loans, particularly on non-concessional terms, the grant-equivalent value falls sharply to 5.6 billion USD, less than one-third of the reported total.

[5] Percentages of concessional and non-concessional finance for multilateral organisations are not directly comparable with those of bilateral providers, because the definitions used to report concessionality differ between DAC Members and multilateral institutions. For multilateral development banks, the concessionality of loans is defined by the financing window, and access to these *windows* is primarily determined by the income group status of the recipient. The OECD states: "*for lending by the MDBs and multilateral climate funds, concessionality relates to their ability to offer credit on financially sustainable terms, based on their own financing costs. Multilateral institutions require external grant resources to extend concessional loans. Conversely, non-concessional loans are sustainable based on the institutions' low funding costs and preferred creditor status, allowing them to offer better terms than the market. The use of concessional or non-concessional loans by multilateral organisations depends on the recipient country's income level as well as considerations for its creditworthiness and debt sustainability*." Source: OECD. (2024). Climate Finance Provided and Mobilised by Developed Countries in 2013-2022. https://doi.org/10.1787/19150727-en

Table 10. Instrument breakdown and grant equivalent values of multilateral public adaptation-related finance commitments (developed country contributions; current prices; 2023)

Provider	Reported total adaptation-related finance (million USD)	Financial instrument breakdown of reported adaptation-related finance					Grant-equivalent total adaptation-related finance (million USD)
		Grant	Concessional loan	Non-concessional loan	Other	Unspecified	
MDBs	14,806	14%	28%	52%	0%	6%	3,714
African Development Bank	1,156	31%	21%	48%	0%	0%	456
Asian Development Bank	2,576	4%	34%	62%	0%	0%	447
Asian Infrastructure Investment Bank	96	0%	0%	92%	8%	0%	0
Caribbean Development Bank	48	3%	97%	0%	0%	0%	20
Central American Bank for Economic Integration	44	0%	0%	100%	0%	0%	0
Council of Europe Development Bank	203	0%	0%	100%	0%	0%	0
Development Bank of Latin America	49	0%	0%	100%	0%	0%	0
European Bank for Reconstruction and Development	247	0%	0%	99%	1%	0%	0
European Investment Bank	673	0%	0%	0%	0%	100%	0
Inter-American Development Bank	1,145	2%	2%	80%	0%	15%	35
International Finance Corporation	73	0%	0%	0%	0%	100%	0
World Bank	8,494	18%	35%	47%	0%	0%	2,756
Other multilateral	1,731	6%	3%	90%	1%	0%	130

Provider	Reported total adaptation-related finance (million USD)	Financial instrument breakdown of reported adaptation-related finance					Grant-equivalent total adaptation-related finance (million USD)
		Grant	Concessional loan	Non-concessional loan	Other	Unspecified	
CGIAR	31	100%	0%	0%	0%	0%	31
Climate Investment Funds	8	53%	47%	0%	0%	0%	6
Food and Agriculture Organisation	22	100%	0%	0%	0%	0%	22
Global Green Growth Institute	1	100%	0%	0%	0%	0%	1
IMF Resilience and Sustainability Trust	1,470	0%	0%	100%	0%	0%	0
International Fund for Agricultural Development	162	27%	19%	53%	0%	0%	57
Nordic Development Fund	37	19%	44%	0%	37%	0%	14
UNFCCC Climate funds	2,365	66%	15%	0%	19%	0%	1,708
Adaptation Fund	420	100%	0%	0%	0%	0%	420
Green Climate Fund	1,527	48%	23%	0%	29%	0%	877
Global Environment Facility General Trust Fund	354	98%	0%	0%	2%	0%	347
GEF Least Developed Countries Trust Fund (LDCF)	61	100%	0%	0%	0%	0%	61
GEF Special Climate Change Trust Fund (SCCF)	4	100%	0%	0%	0%	0%	4
Grand Total	18,901	20%	24%	49%	3%	5%	5,552

Source: Authors calculations based on OECD CRDF. See Annex A for methodology. Small errors may occur due to rounding. Adaptation finance includes 50% of cross-cutting finance.

The instrument mix differs markedly by provider group. The UNFCCC climate funds are predominantly grant-based, with two-thirds of their adaptation finance delivered as grants and a further 15% as concessional loans. Within this group, the Adaptation Fund and the Global Environment Facility are almost entirely grant-financed, while the Green Climate Fund combines grants, concessional loans and other instruments, which substantially reduces its grant-equivalent total relative to reported volumes.

In contrast, MDB adaptation finance is overwhelmingly loan-based. More than half (52%) is provided through non-concessional loans, 28% as concessional loans and only 14% as grants. This lending-heavy profile results in a major reduction when reported figures are converted into grant equivalents: although MDBs report 14.8 billion USD in adaptation finance, this falls to 3.7 billion USD in grant-equivalent terms.

Among the other multilateral organisations, the IMF Resilience and Sustainability Trust provides all its adaptation finance on non-concessional terms, while IFAD directs over half of its adaptation finance through non-concessional lending (53%). As the two largest providers within this category, their lending-heavy portfolios drive a substantial reduction when finance is expressed in grant-equivalent terms. By contrast, a small number of institutions within this category, CGIAR, Food and Agriculture Organisation of the United Nations (FAO) and the Global Green Growth Institute, stand out for providing predominantly grant-based support, though their overall volumes remain modest.

3.4. Adaptation finance attributable to developed and developing countries

When contributions from developing-countries are also considered, total multilateral adaptation finance rises by 7.2 billion USD to just under 26.1 billion USD. This is relevant because the commitment to triple adaptation finance sits within the broader framework of the NCQG, which encompasses climate finance mobilised from a range of sources, including voluntary contributions from developing countries, alongside finance provided by developed countries[ii]. Note however that for the purpose of tracking progress on the Glasgow goal to double adaptation finance by 2025, only finance from developed countries is counted.

Table 11. Multilateral public adaptation-related finance commitments from developed and developing contributions (current prices; 2023)

Provider	Reported adaptation-related finance (million USD)		
	Attributable to developed countries	Attributable to developing countries	Total
MDBs	14,806	6,618	21,423
African Development Bank	1,156	397	1,554
Asian Development Bank	2,576	1,022	3,598
Asian Infrastructure Investment Bank	96	240	336
Caribbean Development Bank	48	91	140
Central American Bank for Economic Integration	44	807	851
Council of Europe Development Bank	203	14	216

Provider	Reported adaptation-related finance (million USD)		
	Attributable to developed countries	Attributable to developing countries	Total
Development Bank of Latin America	49	980	1,029
European Bank for Reconstruction and Development	247	23	270
European Investment Bank	673	0	673
Inter-American Development Bank	1,145	676	1,821
International Finance Corporation	73	38	111
Islamic Development Bank	0	692	692
World Bank	8,494	1,637	10,131
Other multilateral	1,731	509	2,239
CGIAR	31	15	46
Climate Investment Funds	8	0	8
Food and Agriculture Organisation	22	0	22
Global Green Growth Institute	1	0	1
IMF Resilience and Sustainability Trust	1,470	427	1,897
International Fund for Agricultural Development	162	66	229
Nordic Development Fund	37	0	37
UNFCCC Climate funds	2,365	24	2,389
Adaptation Fund	420	0	420
Green Climate Fund	1,527	15	1,542
Global Environment Facility General Trust Fund	354	9	363
GEF Least Developed Countries Trust Fund (LDCF)	61	0	61
GEF Special Climate Change Trust Fund (SCCF)	4	0	4
Grand Total	18,901	7,150	26,051

Source: Authors calculations based on OECD CRDF. See Annex A for methodology. Small errors may occur due to rounding. Adaptation finance includes 50% of cross-cutting finance.

4. Total adaptation finance

Attributing half of cross-cutting finance to adaptation and considering adaptation finance attributable to developed countries, total commitments at face value in 2023 from bilateral and multilateral providers were 35.4 billion USD. This rises to 42.5 billion USD if developing country contributions to multilateral organisations are included (see Table 12).

When considering adaptation-only finance (i.e. not including any shares of cross-cutting finance), we estimate that total adaptation finance commitments attributable to developed countries amounted to USD 28.4 billion. This figure increases to USD 34.7 billion when

contributions from developing countries to multilateral organisations are also included (see Table 13).

Table 12. Total public adaptation-related finance commitments from developed and developing contributions (current prices; 2023) including cross-cutting finance

Provider	Adaptation-related finance (million USD)		
	Attributable to developed countries	Attributable to developing countries	Total
Bilateral	16.5	-	16.5
MDBs	14.8	6.6	21.4
Other multilateral	1.7	0.5	2.2
UNFCCC Climate funds	2.4	0.0	2.4
Grand Total	35.4	7.2	42.5

Source: Authors calculations based on OECD CRDF. See Annex A for methodology. Small errors may occur due to rounding. Adaptation finance includes 50% of cross-cutting finance.

Table 13. Total public adaptation-related finance commitments from developed and developing contributions (current prices; 2023) not including cross-cutting finance

Provider	Adaptation-related finance (million USD)		
	Attributable to developed countries	Attributable to developing countries	Total
Bilateral	11.5	-	11.5
MDBs	14.2	6.0	20.3
Other multilateral	0.7	0.2	0.9
UNFCCC Climate funds	2.0	0.0	2.0
Grand Total	28.4	6.3	34.7

Source: Authors calculations based on OECD CRDF. See Annex A for methodology. Small errors may occur due to rounding. Adaptation finance refers to adaptation-only finance i.e. does not include any shares of cross-cutting finance.

4.1. Future projections of climate finance and official development aid

Despite global commitments, there is uncertainty surrounding the trajectory of climate finance. Recent declines in ODA, from which a substantial portion of climate finance has historically been sourced, have important implications for progress toward adaptation finance goals and add to this uncertainty. ODA fell by 9% in 2024 compared to 2023, and the OECD projects that announced reductions for 2025 will lead to a further fall of 9-17%.[iii]

Oxfam[6] estimates that if projected aid cuts translate proportionally to climate finance, public climate finance may have declined by around 9% between 2022 and 2024, and could fall by approximately 17–25% by 2025 compared to 2022 levels.[iv] However, the actual impact of these reductions for climate finance will ultimately depend on donor priorities and allocation decisions, including whether governments choose to ring-fence climate budgets in the context of broader aid reductions.

Some governments have expressed intentions to maintain current levels of climate finance or meet existing commitments. Indeed, the European Union and its Member States stated in their own report that international public finance to support climate action reached 31.7 billion EUR in 2024, an increase of approximately 11% from 28.6 billion EUR in 2023[v]. Further analysis is needed to understand the extent to which this increase reflects genuinely additional resources for climate finance, as opposed to the reallocation of funding from other development sectors such as health and education.

Growth in climate finance provided by MDBs may partially offset stagnation or reductions in bilateral flows. MDB climate finance has risen in recent years, and at COP29 the MDBs issued a joint statement, estimating that their annual climate finance for low- and middle-income countries would reach 120 billion USD by 2030[vi]. However, MDBs provide a high share of their climate finance as loans rather than grants- the OECD reports that over the period 2016-2022, almost 90% of financing provided by the MDBs took the form of loans.[vii] This therefore raises concerns that increasing reliance on MDB finance could reduce the overall share of grant-based support.

4.2. Comparison to other assessments

There are multiple assessments of climate finance flows for adaptation. In its latest assessment of progress toward the goal for developed countries to mobilise 100 billion USD annually for climate action in developing countries, the OECD estimates that adaptation finance amounted to 28.9 billion USD in 2022 from multilateral and bilateral public sources[viii]. The OECD has not yet published an assessment for 2023. UNEP's Adaptation Gap Report (AGR) estimates that adaptation finance was 25.9 billion USD in 2023, a fall from 27.9 billion USD in 2022[ix].

There are methodological differences across these analyses. Our calculations attribute 50% of cross-cutting finance to adaptation, reflecting the assumption that a portion of such finance supports adaptation objectives. The OECD and the AGR do not apply this approach. When considering adaptation-only finance (i.e. excluding all cross-cutting finance), in line with the approach of the OECD and AGR, we estimate that total adaptation finance commitments attributable to developed countries amounted to USD 28.4 billion, increasing to USD 34.7

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[6] Oxfam's methodology to estimate climate finance differs from that used in this analysis because they use data as submitted in developed countries' First Biennial Transparency Reports for developed countries (except Iceland and Monaco), rather than the OECD CRDF dataset. For projections of climate finance in 2024 and 2025, they scale public climate according to estimated declines in ODA in 2024 and 2025 as published by the OECD.

billion when contributions from developing countries to multilateral organisations are also included (see Table 13).

Mobilised private finance is not included in this assessment due to limited data availability. Transparent, consistent, and publicly accessible data on mobilised private climate finance remains lacking. In its assessments, the OECD includes private finance mobilised by bilateral and multilateral public climate finance attributable to developed countries. According to the OECD, mobilised private climate finance amounted to USD 14.4 billion in 2021 and USD 21.9 billion in 2022. Of these totals, USD 1.1 billion and USD 3.5 billion were directed toward adaptation in 2021 and 2022, respectively. However, OECD estimates are based, at least in part, on confidential data provided under non-disclosure agreements from developed countries and multilateral institutions.[x] This makes it difficult to reproduce figures for mobilised private climate finance.

In terms of data sources, the OECD estimates bilateral climate finance using data reported by countries to the UNFCCC through Biennial Reports (BR) while both this analysis and the AGR rely on the OECD CRDF for both bilateral and multilateral flows. Data reported to the UNFCCC through the BRs and Biennial Transparency Reports (BTRs) differs to the OECD CRDF in several ways. For example, in reporting to the UNFCCC provider countries may report either disbursements or commitments, while the OECD dataset is based on commitments only. Additionally, while many provider countries use data reported to the OECD as a basis for reporting to the UNFCCC, not all projects reported in the OECD dataset will be listed in the BR or BTRs for the same year, and vice versa. For example, data reported to the UNFCCC by the United States remains distinct from data reported to the OECD Development Assistance Committee (DAC) as each dataset represents a different stage in the budgetary process and covers a different period (i.e. fiscal year vs. calendar year)[xi].

Using the CRDF means it is not possible to exactly replicate the provider and recipient lists used in the OECD assessment. The OECD CRDF includes only finance provided to countries eligible to receive ODA; therefore, some recipient countries included in the OECD assessment are not captured in this analysis. Likewise, the CRDF includes only projects reported by members of the OECD DAC, along with some additional bilateral providers on a voluntary basis. As a result, certain bilateral providers included in the OECD assessment are not reflected in this analysis (see Annex A).

The AGR takes a different approach to adjustments of Rio Marker data than this analysis, primarily using the coefficients that countries themselves use in reporting to the UNFCCC and a standardised coefficient when countries make a case-by-case assessment. In this analysis, we use the coefficients reported by providers where available, but only where these falls below defined upper limits. Where providers have not reported coefficients, and for all other multilateral providers reporting using Rio Markers, standardised coefficients are applied. This results in the following approach. Where an activity has one significant climate objective and the other is not targeted, a coefficient of 50% is applied, or the lower coefficient reported by the provider. Where an activity has at least one principal climate objective, a coefficient of 100% is applied, or the lower coefficient reported by the provider. Finally, where both mitigation

and adaptation are significant objectives, a coefficient of 100% is applied, or the lower coefficient reported by the provider.

A small number of bilateral providers, such as Iceland and Poland, report 100% of a project's value when only one Rio Marker is significant. To address the risk of overstating climate finance in these cases, our method applies a coefficient of 50%.

Finally, in their Joint Report, the MDBs report total commitments of 24.7 billion USD in 2023 to adaptation in low- and middle- income economies.[xii] This is an increase from 25.2 billion USD reported for 2022.[xiii] In this assessment, we find that MDB adaptation finance has fallen from 19.2 billion USD to 18.9 billion USD. However, since the data underpinning the aggregate figures of the MDB Joint Report are not publicly available, it is not possible to reconcile these differences or analyse the reasons for this discrepancy.

Further details on the data and methodological approaches used in these assessments is provided in Annex B.

5. Conclusions

The decision at COP30 to triple adaptation finance sends an important political signal and a clear commitment to support climate-vulnerable countries. However, political ambition must now be translated into actual financial flows.

This assessment is based on the best available data, which has inherent limitations and may be subject to interpretation. While the figures presented may evolve as new data becomes available, the analysis provides a robust picture of current trends in adaptation finance. These trends are critical for informing policy discussions and tracking progress toward international commitments.

Several key conclusions emerge:

First, adaptation finance is highly uneven across providers and channels. Some developed countries and multilateral funds place a strong emphasis on adaptation, while others allocate only a limited share of their climate finance to this purpose. This variation highlights that adaptation is not yet systematically prioritised across the climate finance landscape.

Second, comparisons between countries must go beyond absolute volumes. When assessed relative to economic size or population, significant disparities remain. The analysis shows that differences in effort persist across all metrics, indicating that contributions are not aligned in a consistent or comparable way.

Third, a main share of adaptation finance is delivered through projects where adaptation is a secondary or "mainstreamed" objective. While mainstreaming is essential to ensure that investments are climate-resilient, it cannot substitute for dedicated adaptation interventions. Strengthening resilience in vulnerable communities requires targeted, large-scale adaptation investments alongside mainstreaming efforts.

Fourth, there is a clear distinction between bilateral and multilateral finance in terms of financial instruments. Bilateral adaptation finance is predominantly grant-based, whereas

multilateral finance relies heavily on loans, including non-concessional lending. This has important implications for recipient countries, as loan-based finance may increase debt burdens and may not always be suitable for adaptation investments that do not generate financial returns.

Fifth, the analysis indicates that a share of adaptation finance is already being contributed by developing countries, particularly through multilateral institutions. Under the NCQG, such contributions are now recognised. This suggests that a broader contributor base is emerging in practice. However, this does not necessarily imply an overall increase in available finance, but rather a change in how contributions are accounted for.

Sixth, despite growing political commitments, there is no clear evidence of a consistent upward trajectory in adaptation finance. Trends in recent years suggest stagnation or fluctuations rather than sustained growth. This raises concerns about whether current efforts are sufficient to meet the agreed goal of tripling adaptation finance by 2035.

In conclusion, adaptation finance remains far below estimated needs, and current flows do not yet reflect the scale or urgency of the challenge. The commitment to triple adaptation finance represents an important step forward, but delivery will depend on concrete policy choices, including increasing overall volumes, improving the balance between grants and loans, and ensuring that finance reaches the most vulnerable countries.

Annexes

Please contact DanChurchAid (msd@dca.dk) to request the annexes (methodology used for the research).

[i]

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