COP30
FACTSHEETS

Adaptation finance

The UN Climate Change Conference (COP30) will take place in Belém, Brazil, from November 10-21. Key expectations include the presentation of new national climate action plans (NDCs), progress on finance from COP29, and discussions on scaling innovative climate finance mechanisms. The conference will also feature the COP30 Action Agenda, a program to engage businesses, civil society, and various levels of government in practical climate solutions.

Background

In accordance with the principle of *"common but differentiated responsibility* and respective capabilities" set out by the UNFCCC, developed country Parties are to provide financial resources to assist developing country Parties in implementing the UNFCCC's objectives.

The Paris Agreement's Article 9 on Finance outlines that *"developed country Parties should continue to take the lead in mobilizing climate finance from a wide variety of sources, instruments and channels, noting the significant role of public funds."*

The Cancun Agreement, decided by Parties in 2010 at COP16, agreed that adaptation must be addressed with the same priority as mitigation and requires appropriate institutional arrangements to enhance adaptation action and support.

At COP26 in 2021, the Glasgow Climate Pact urged developed country Parties to fully and urgently meet the US$100 billion goal for climate action. It also urged them to at least double, by 2025, their collective provision of adaptation finance to developing country Parties from 2019 levels (i.e., up US$40 billion), in the context of achieving a balance between mitigation and adaptation with scaled-up financial resources.

Key messages

There is an urgent need to significantly scale-up adaptation this decade to address rising impacts. This is being hampered by the significant gap that exists between adaptation finance needs and current international public adaptation finance flows.

Developing countries are already struggling with increasing debt burdens while they experience increasing loss and damage. Now more than ever, public funds must be used strategically and flexibly, breaking down silos to maximize impact.

New approaches and financial instruments are emerging that could increase adaptation financing. These include risk finance, insurance-linked instruments, performance-based grants, resilience credits and bonds, debt for adaptation swaps, and payments for ecosystem services.

Investing climate solutions that contribute to both adaptation and mitigation through mutual benefits and win-win strategies are cost-effective.

The private sector must do more, but it cannot close the finance gap on its own. Investment can be boosted through climate risk disclosure and by de-risking private finance with public funds. However, actions taken by businesses to manage their own climate risks must not be conflated with international adaptation finance flows.

Adaptation financing needs to shift from a focus on short-term, project-based and reactive action to more anticipatory, systemic and transformational adaptation.

Key data

The **adaptation finance gap** in developing countries is estimated at US$284-339 billion per year (UNEP 2025).

International public **adaptation finance flows to developing countries** were US$26 billion in 2023: down from US$28 billion the previous year (UNEP 2025).

The Financial Mechanism of the UNFCCC includes the Global Environment Facility and the Green Climate Fund. The Green Climate Fund is the largest international mechanism for climate action. Since 2014, **cumulative contributions to the Fund** are 21 billion while pledges are 29.9 billion.

Amid shifting political priorities, **adaptation financing needs in developing countries** are 12-14 times as much as current flows (UNEP 2025).

Adaptation pays. Studies indicate that **every billion invested** in adaptation against coastal flooding leads to a US$14 billion reduction in economic damages (UNEP 2023).

Climate-related mortality has been falling for each of the last 4 decades, with around 666,000 deaths in 1980-1989 compared to around 180,000 deaths in 2010-2019. This is a result of adaptation actions, most notably improvements in early warning systems (WMO 2023).

What happened at COP29?

At COP29, the **New Collective Quantified Goal (NCQG)** on climate finance (Decision 1/CMA.6) decided that:
> Developed countries shall mobilize **US$300 billion per year** by 2035 for climate action in developing countries;
> And, more broadly, Parties shall work together to **mobilize US$1.3 trillion per year** from all sources – termed the **Baku to Belém Roadmap.**

However, a **dedicated target for adaptation finance** within these broader targets was not established at COP29.

The NCQG reiterates the importance of **reforming the multilateral financial architecture** and highlights the need to remove constraints and barriers faced by developing countries in financing climate action.

The decision also urges Parties providing bilateral climate finance to enhance access for **Least Developed Countries (LDCs) and Small Island Developing States (SIDS).**

A decision was made that a significant increase of public resources shall be provided through the international climate change funds and that there should be a **tripling of annual outflows from the Funds** from 2022 levels to 2030.

What to expect at COP30

The 1/CMA.6 decision on the NCQG includes a single deliverable for COP30 — a report by the COP Presidency outlining the **Baku-to-Belém roadmap towards mobilizing US$1.3 trillion per year.**

Parties are expected to discuss how much of the new US$300 billion target, agreed at COP29, should be **allocated to adaptation.**

A COP29 Decision requests the Standing Committee on Finance to prepare draft guidance for the **Fund for Responding to Loss and Damage** for Parties to consider at COP30.

What is UNEP doing?

Knowledge & Science – The Adaptation Gap Report is an annual UNEP flagship publication. The report's primary objective is to inform the negotiators of the UNFCCC Member States, and the broader UNFCCC constituency, about the status and trends within adaptation finance at global and regional levels.

Managing Adaptation Funds: UNEP is an Implementing Agency of the Global Environment Facility, an Accredited Entity of the Green Climate Fund, and an Implementing Entity of the Adaptation Fund. UNEP also manages several major funds that finance climate adaptation solutions. For example, the Adaptation Fund Climate Innovation Accelerator aims to foster innovative practices in developing countries, while the Global EbA Fund provides grants to innovative approaches to ecosystem-based adaptation.

Accessing Adaptation Finance: In partnership with the Global Environment Facility, the Green Climate Fund (GCF), and the Adaptation Fund, UNEP helps countries to access finance for adaptation. In 2024, the total value of the project portfolio managed by the Climate Change Adaptation Unit rose to US$550 million. This increasingly includes large-scale large-budget projects, such as the new $60-million Jordan Integrated Landscape Management Initiative. UNEP and GCF also help governments through projects in '*Climate Readiness*', defined as the capacities of countries to plan for, access, deliver, and report on climate finance.

National Adaptation Plans (NAPs): UNEP directly assists more than 25 countries with the development of their NAPs, which serve to unlock adaptation finance for a country's most pressing adaptation challenges, exemplified by Nepal's NAP that aims to channel US$47 billion for adaptation by 2050.

Supporting Private Finance: The UNEP Finance Initiative (UNEP FI) works with banks and insurers to mainstream climate risk assessment and resilience planning. The initiative is also working with the V20 Secretariat to support risk assessment, resilience planning and finance for banks across developing countries, backed by insurance.

Further reading

Adaptation Gap Report 2025

Access to adaptation finance

Global EbA Fund

Adaptation Fund Climate Innovation Accelerator

UNEP Finance Initiative

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