

# Climate Adaptation Investment Planning (CAIP) Forum 2025

3–4 September 2025  
EDSA Shangri-La  
Manila, Philippines

CAIP partners



Government  
of Ireland  
International  
Development  
Programme



NAP  
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2025 Forum partners



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BETTER POLICIES FOR BETTER LIVES

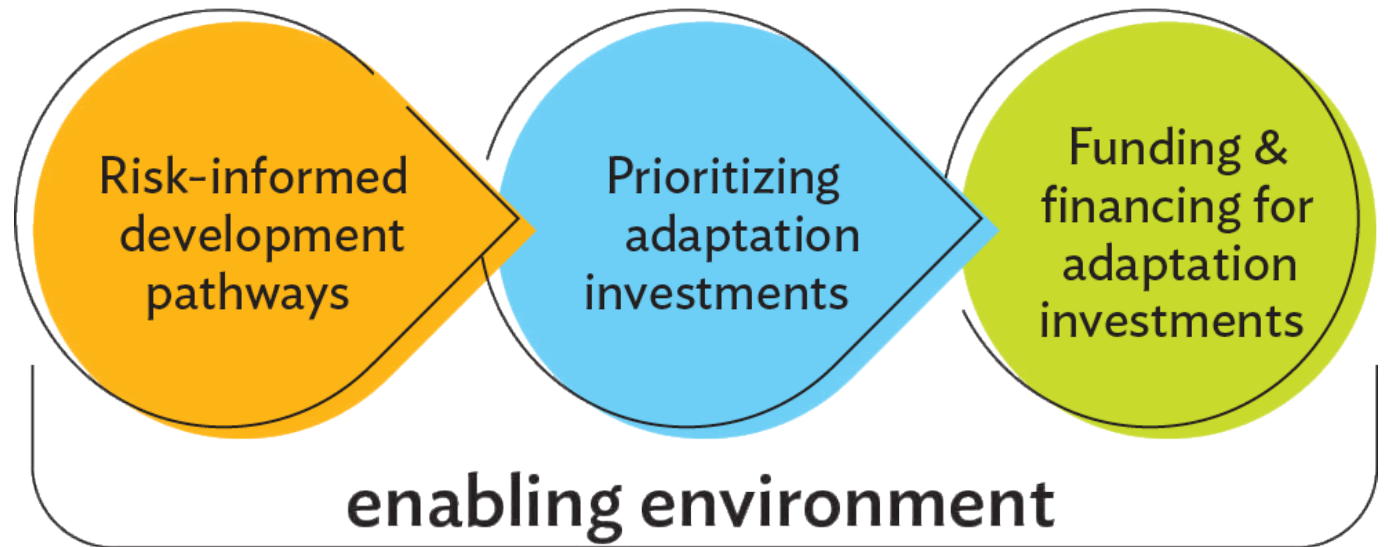


# CAIP Forum 2025: Objectives

## Forum Objectives:

- To share **experiences** on climate adaptation investment planning (CAIP), and in the process inform and influence global processes.
- To showcase **tools, methodologies, and case studies** of different steps within the CAIP process.
- To discuss key **enabling factors and priorities** for operationalizing and scaling adaptation investment plans.

## Core Themes of Climate Adaptation Investment Planning and Discussions



# CAIP Forum 2025: Summary of Agenda

Time	3 September 2025		
8:00–9:00	Registration		
9:00–9:35	<b>Session 1: Opening Session</b> Opening Remarks and Context Setting		
9:35–10:35	<b>Session 2: Setting the Momentum for CAIP 2025</b> Panel Discussion		
10:35–11:00	Photo Session and Coffee and Tea Break		
11:00–12:3	<b>Session 3: Adaptation Investment Marketplace</b> Country Presentations, Marketplace, and Discussions		
12:30–14:00	Lunch		
14:00–15:30	<b>Session 4: Risk-Informed Development Pathways</b> Panel Discussion		
	Deep Dive 1: Agriculture and Value Chains	Deep Dive 2: Water Sector	Deep Dive 3: Financial Sector
15:30–16:00	Coffee and Tea Break		
16:00–17:30	<b>Session 5: Prioritizing Adaptation Investments</b> Panel Discussion		
	Deep Dive 1: Public Investment Management	Deep Dive 2: Project Preparation Facility	Deep Dive 3: Economic and Financial Analysis
17:30–17:45	<b>Wrap-Up:</b> Sharing Group Findings and Day 1 Wrap-up		
18:00–19:30	<b>Reception</b>		

Time	4 September 2025			
9:00–9:15	Reflections on Day 1			
9:15–10:45	<b>Session 6: Funding and Financing for Adaptation Investments</b> <ul style="list-style-type: none"> <li>Lightning Talk: Adaptation Finance and Landscape</li> <li>Fireside Chat 1: Leveraging Public Investment in Adaptation</li> <li>Fireside Chat 2: Leveraging Private Investment in Adaptation</li> </ul>			
9:45–11:00	Coffee and Tea Break			
11:00–11:45	<b>Session 7: Implementation of CAIP</b>			
	Spotlight 1: Subnational Context	Spotlight 2: Small Island Developing States	Spotlight 3: Mountain Ecosystems	Spotlight 4: Market Economy and the Private Sector
11:45–12:30	<b>Session 8: Linking CAIP to Global Processes</b> Panel Discussion			
12:30–14:00	Lunch			
14:00–15:30	<b>Session 9: Roundtable: Enabling Adaptation Investments Policy, regulatory, and Institutional Practices to Operationalize and Scale Up Adaptation Investments</b>			
15:30–16:00	Coffee and Tea Break			
16:00–16:30	<b>Session 10: Closing Session</b>			

# CAIP 2025 at a Glance

*Developing member countries, development partners, financial institutions, private sector, and global climate funding agencies joined forces to turn adaptation investment from vision into reality during the second Climate Adaptation Investment Planning (CAIP) Forum.*



**Participants**

**292**

Females = **46%**

Males = **54%**



**Developing  
member countries**

**23**



**Development  
partners**

**51**



**Sessions and  
deep dives**

**20**

*The CAIP team at the Asian Development Bank appreciates all the partners and participants for making this forum a success.*



**Nearly 300 participants attended the forum!**



# Session 1: Opening Remarks



*The opening remarks delivered by representatives from ADB, and the governments of Canada and Ireland, followed by short presentations showcasing examples of adaptation in action from selected countries set the overall tone of the forum.*

**From plans to pipelines.** National adaptation plans must become investment-oriented, with costed priorities, finance tracking, and monitoring systems. The CAIP program is enabling 13 countries make this shift but sustaining it requires long-term financial and institutional commitment.

**Status quo needs to change.** With less than 5% of global climate finance going to adaptation, unlocking public, private, and blended finance is urgent.

**Local leadership, global support.** Subnational governments, small island developing states, and mountain regions are often at the forefront of climate impacts and they demonstrate innovation and local ownership despite facing significant challenges. Enabling finance ecosystems are needed to support these local actions.

**Adaptation investments can be operationalized across diverse sectors.** Case studies from Bangladesh, Indonesia, the Lao People's Democratic Republic, and Thailand show that adaptation investments can be operationalized across diverse sectors and regions, with a variety of adaptation responses such as flood management, urban development, social protection, and aquaculture.

**No country to be left behind.** Regional cooperation, science-based planning on unique vulnerabilities, and flexible finance are essential to support the most vulnerable.

**Equity and inclusion in adaptation finance.** Inclusive adaptation finance is smart economics: when women, youth, Indigenous Peoples, and vulnerable groups are protected, entire economies become more resilient.

# Session 1: Quotes from the Panelists



*“Adaptation is not a side agenda—we must move from planning to investment readiness.”*

**Eugene Zhukov**

Director General, Climate Change and Sustainable Development, ADB



*“Canada is committed to ensuring adaptation finance reaches those most vulnerable—our support is about building resilience that lasts.”*

**Ambassador David Hartman**

Government of Canada



*“Ireland is proud to support adaptation efforts that prioritize equity and local ownership.”*

**Ambassador Emma Hickey**

Government of Ireland



*“Adaptation investment planning is about shifting from fragmented projects to coherent portfolios—embedding resilience into fiscal systems so countries are truly investment-ready.”*

**Arghya Sinha Roy**

Director, Climate Change, ADB

## Session 2: Setting the Momentum for CAIP

*The session brought practical realities of countries and organizations in committing to scaling up climate adaptation investments. The panelists were representatives from Cambodia, the Marshall Islands, the Philippines, Green Climate Fund, Climate Investment Funds, and ADB.*

**Bridging planning and finance.** Countries are focused on turning adaptation plans into bankable projects, with strong support from multilateral development banks and international funding mechanisms. Finance ministries must play a central role to secure budgets and streamline investment pipelines.

**Integrated approaches.** Integrated approaches, such as the integrated water resources management and climate-resilient infrastructure, are critical. Priorities include addressing sector fragmentation, encouraging systems-level planning, and enhancing data-driven decision-making. Regional solutions and coordination can be pivotal for scaling investments.

**Community ownership and inclusion.** Local engagement and multilevel ownership—from national policies to village communities—build more stable, actionable adaptation strategies.

**Private sector mobilization.** Private investment is essential in scaling adaptation. Efforts include creating incentives, removing access barriers, and developing tools to align profit with resilience.

**Regional and national coordination and innovation.** Regional and country platforms enhance collaboration and efficiency. There should be a clear shift from piecemeal projects toward scalable, sustainable solutions that are sensitive to unique vulnerabilities.

# Session 2: Quotes from the Panelists

*“The diversity of experiences—from small island states to large economies, from community driven to global financing mechanisms—show that while our contexts differ, our goals are shared.”*

## **Scott Morris**

Vice-President, East and Southeast Asia, and the Pacific, Asian Development Bank

*“We must move away from the mindset that adaptation is not profitable. But scaling adaptation requires more than capital; it requires trust, partnerships, and systems that endure political cycles.”*

## **Matthieu Pegon**

Deputy Chief Executive Officer,  
Climate Investment Funds

*“All the pillars of adaptation—finance, institution, awareness, and communities of practices—are critical for the Marshall Islands to keep the Adaptation Vision 2100 in track.”*

## **Kathy Jetñil-Kijiner**

Climate Change Envoy,  
Ministry of Environment, Marshall Islands

*“Proactive and integrated water resources management, combined with the full integration of meteorological services, has strengthened Cambodia’s adaptation investment planning.”*

## **Chann Sinath**

Secretary of State and Project Director of Project Management Unit, Ministry of Water Resources and Meteorology, Cambodia

*“Our water sector strategy integrates climate risk data, research, and invites innovation.”*

## **Analiza Rebuelta**

Undersecretary for Finance,  
Information Systems and Climate Change,  
Department of Environment and Natural Resources,  
Philippines

*“GCF is intentional about supporting a single -country platform and developing synergies with communities of practice to enhance coordination and reduce silos.”*

## **Achala Abyesinghe**

Director, Department of Investment Services,  
Green Climate Fund



# Session 3: Adaptation Investment Marketplace

*The interactive marketplace session featured poster presentations from six CAIP countries, two regional initiatives, and two development partner projects. Reflections were shared by representatives from the Lao People's Democratic Republic, Uzbekistan, United Kingdom Foreign, Commonwealth & Development Office, Asia Investor Group on Climate Change, and ADB.*

## Country Perspectives

- Embedding adaptation in national planning and budgeting systems ensures ownership and drives the sustainability of actions.
- Economic and financial justifications—through cost–benefit analysis, feasibility studies, and investment metrics—are critical to transforming national adaptation plans into investment-ready pipelines.
- Climate risk mapping of sector-specific vulnerabilities is necessary to guide long-term adaptation investment needs.
- Capacity building and community-level interventions are vital, particularly in agriculture value chains and flood- and drought-affected areas.

## Development partners and the private sector reflections

- Private sector investments can be guided through the priorities identified in national and local adaptation plans, and costed pipelines.
- Systemic and value chain approaches in agriculture and across other sectors are essential to planning adaptation investments. Climate investments need to move beyond the single-sector or project-by-project approaches.
- Shared regional challenges and knowledge transfer (e.g., water scarcity, agricultural stress, disaster risks) create opportunities to replicate and scale successful practices across CAIP-implementing countries.
- Scaling proven interventions through multilateral development banks and blended finance can move pilot initiatives into systemic adoption.

# CAIP Posters

## BHUTAN

**Climate Adaptation Investment Planning**

**KEY FACTS**

- 1. Bhutan's National Climate Change Policy (NCCP) is the first of its kind in the Himalayas.
- 2. The NCCP is a landmark document that sets the direction for Bhutan's climate change response.
- 3. The NCCP is a key policy instrument for Bhutan's climate change response.

**ADAPTATION INVESTMENT PLAN**

1. **Leadership & Governance**
2. **Climate Risk Assessment**
3. **Climate Resilience**
4. **Climate Resilient Infrastructure**
5. **Climate Resilient Agriculture**

**WHAT WE'VE LEARNED**

- 1. The NCCP is a landmark document that sets the direction for Bhutan's climate change response.
- 2. The NCCP is a key policy instrument for Bhutan's climate change response.

## ARMENIA

**Climate Adaptation Investment Planning**

**ADAPTATION INVESTMENT PLAN**

1. **Leadership & Governance**
2. **Climate Risk Assessment**
3. **Climate Resilience**
4. **Climate Resilient Infrastructure**
5. **Climate Resilient Agriculture**

**WHAT WE'VE LEARNED**

- 1. The CAIP is a landmark document that sets the direction for Armenia's climate change response.
- 2. The CAIP is a key policy instrument for Armenia's climate change response.

## INDONESIA

**Climate Adaptation Investment Planning**

**Overall Goals**

- 1. Enhance the resilience of the agricultural sector to climate change.
- 2. Increase the productivity and income of smallholder farmers.
- 3. Reduce the vulnerability of the agricultural sector to climate change.

**Target Area and Crop**

Coffee (Coffea arabica)

**Project outcomes**

- 1. Improved climate resilience of coffee production systems.
- 2. Increased productivity and income of coffee farmers.
- 3. Reduced vulnerability of coffee production systems to climate change.

**Project Work Package**

- WP1: Climate resilience, production and risk management tool
- WP2: Marketing and increasing resilience through strengthening of institutions
- WP3: Improving sustainability, livelihoods and adaptive planning
- WP4: Climate resilience, production and risk management tool

## INDONESIA

**Climate Adaptation Investment Planning**

**KEY FACTS**

- 1. The CAIP is a landmark document that sets the direction for Indonesia's climate change response.
- 2. The CAIP is a key policy instrument for Indonesia's climate change response.

**ADAPTATION INVESTMENT PLAN**

1. **Leadership & Governance**
2. **Climate Risk Assessment**
3. **Climate Resilience**
4. **Climate Resilient Infrastructure**
5. **Climate Resilient Agriculture**

**WHAT WE'VE LEARNED**

- 1. The CAIP is a landmark document that sets the direction for Indonesia's climate change response.
- 2. The CAIP is a key policy instrument for Indonesia's climate change response.

## NEPAL

**Climate Adaptation Investment Planning**

**ADAPTATION INVESTMENT PLAN**

1. **Leadership & Governance**
2. **Climate Risk Assessment**
3. **Climate Resilience**
4. **Climate Resilient Infrastructure**
5. **Climate Resilient Agriculture**

**WHAT WE'VE LEARNED**

- 1. The CAIP is a landmark document that sets the direction for Nepal's climate change response.
- 2. The CAIP is a key policy instrument for Nepal's climate change response.

## INDONESIA

**Climate Adaptation Investment Planning**

**Context**

Southeast Asia's share of global rice trade: 20%

**Cross-border Climate Impacts**

Climate change is a global issue that affects all countries, regardless of their geographical location.

**Importer Vulnerability**

Importers are vulnerable to climate change because they rely on global supply chains.

**Solutions for building resilience**

- UPSTREAM VALUE CHAIN INVESTMENTS**
  - 1. Improved irrigation systems
  - 2. Improved soil management
  - 3. Improved pest management
- DOWNTOWN VALUE CHAIN INVESTMENTS**
  - 1. Improved marketing and sales
  - 2. Improved processing and packaging
  - 3. Improved distribution and logistics

**Challenges & Opportunities**

- 1. Lack of timely data availability
- 2. Limited incentives for private sector investment
- 3. Complexity of harmonizing institutional arrangements

## CAMBODIA

**Climate Adaptation Investment Planning**

**ADAPTATION INVESTMENT PLAN**

1. **Leadership & Governance**
2. **Climate Risk Assessment**
3. **Climate Resilience**
4. **Climate Resilient Infrastructure**
5. **Climate Resilient Agriculture**

**WHAT WE'VE LEARNED**

- 1. The CAIP is a landmark document that sets the direction for Cambodia's climate change response.
- 2. The CAIP is a key policy instrument for Cambodia's climate change response.

## MONGOLIA

**Climate Adaptation Investment Planning**

**ADAPTATION INVESTMENT PLAN**

1. **Leadership & Governance**
2. **Climate Risk Assessment**
3. **Climate Resilience**
4. **Climate Resilient Infrastructure**
5. **Climate Resilient Agriculture**

**WHAT WE'VE LEARNED**

- 1. The CAIP is a landmark document that sets the direction for Mongolia's climate change response.
- 2. The CAIP is a key policy instrument for Mongolia's climate change response.



# Session 4: Risk-Informed Pathways for Adaptation

*This technical session looked into the methods and country experiences for integrating climate risks into development planning and in informing adaptation investments. It featured a plenary discussion with representatives from the Maldives, United Nations Environment Programme (UNEP), Loughborough University, and ADB and followed by three deep dive sessions on agriculture, water, and finance sectors.*

**Embed climate risk assessments in planning.** Mainstreaming adaptation requires embedding climate risk assessments in all development planning. This aligns investments with country needs and avoid maladaptation, while ensuring that uncertainty in climate risks does not lead to inaction.

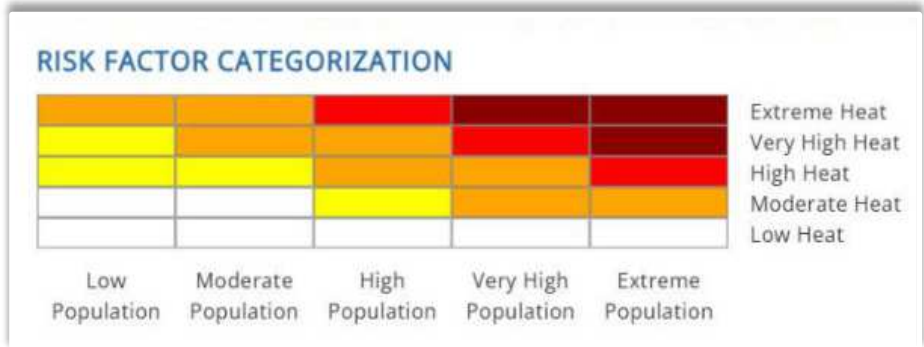
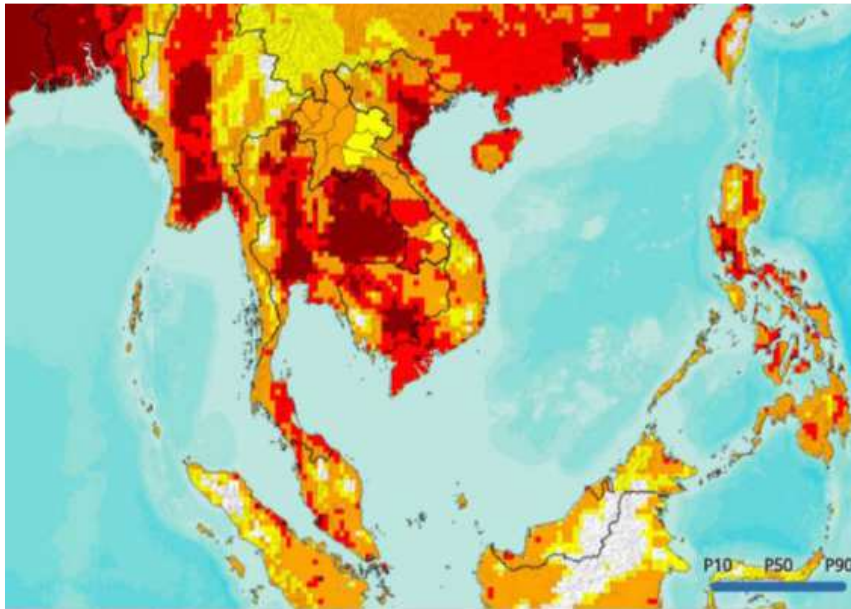
**Adopt a systems approach to address climate risks and maximize co-benefits.** Engaging a wide range of stakeholders early to identify system-wide risks of both climate variability and extremes is important, such as the lessons learned in Cambodia or Mongolia. This helps to better understand interdependencies, reduce trade-offs, and maximize co-benefits across sectors.

**Improve data access and capacity to analyze and address climate vulnerabilities.** While a wide range of climate data is already available, countries need better access, practical guidelines, and capacity building to translate these data for informed decision-making. Integrating scientific and local knowledge into project pipelines can help mobilize concessional and private finance. Applying an equity lens is important, as the poorest and vulnerable groups face disproportionate impacts underscoring the need for inclusive adaptation.

**Regard risks as investment opportunities for adaptation action.** In the Maldives, climate risks informed a million-dollar investment in coastal resilience. Climate risk assessments should also be cognizant of emerging climate threats and identify adaptation measures. Heat stress, for example, is a critical but underestimated risk, and investments in heat-tolerant rice varieties in South Asia are giving better yields.

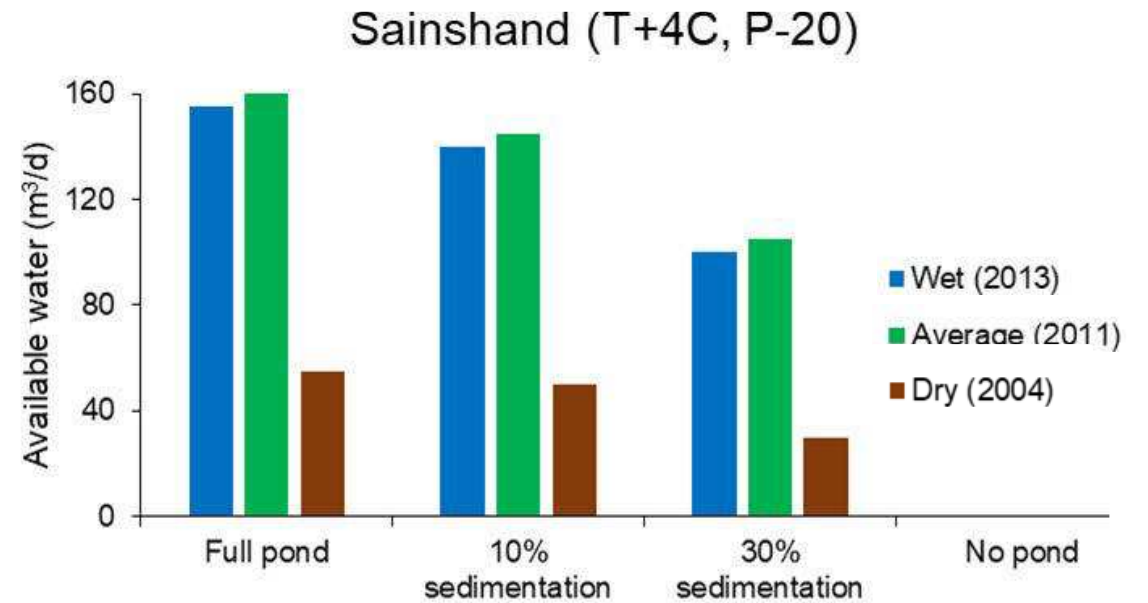
# Examples of risk-informed adaptation planning in Cambodia (heat stress on population and crops), and in Mongolia (water availability for pond-site selection)

## Cambodia: Humid Heat and Population Risk Categories Under SSP5-8.5 for 2040–2059



Source: World Bank's Climate Change Knowledge Portal

## Seeking Climate-Smart Pond Sites, Designs, and Operations



Pond water availability depends on many factors, including the amount and timing of rainfall, rates of pond sedimentation, and design.

Source: ADB. 2025. Consultants' Report: TA-6629 MON—Climate Adaptation Investment Plan for Climate-Smart Water Ponds in Mongolia.

# Deep Dive 4.1: Risk-Informed Investment in Agriculture Value Chain

*The deep dive shared examples of risk-informed investments in the agricultural value chain with representatives from Cambodia, Nepal, Food and Agriculture Organization of the United Nations (FAO), and United Kingdom Foreign, Commonwealth and Development Office with Boston Consulting Group (showcasing the Philippines).*

**Cambodia.** Climate models and scenario analysis assessed risks to growth and productivity. The findings were linked to the Nationally Determined Contributions and National Adaptation Plan priorities. Drought risk analysis informed the irrigation investments boosting yields and rural incomes.

**Nepal.** Climate risks and adaptation strategies were integrated into the national policies, which enables addressing vulnerabilities and financing gaps in the agriculture sector.

**Philippines.** Localized climate data was leveraged to identify and catalyze privately financed, bankable projects in agriculture. The Philippines' adaptation projects include cold-chain upgrades to cut post-harvest losses.

**FAO.** Drought resilience tools, such as the Drought Finance Tracker and expenditure reviews, are applied to optimize investment portfolios.

**Common reflections.** Pursuing transformative adaptation in agriculture can involve shifting to high-value crops, efficient irrigation, and resilient farming systems.

# Deep Dive 4.2: Risk-Informed Investment in the Water Sector

*The deep dive shared examples of risk-informed investments in the water sector with representatives from Bangladesh, Bhutan, Cambodia, and IPE Global.*

**Bangladesh.** The Delta Plan 2100 uses a meta model that integrates drought, flood, and agriculture models into a single, decision-support tool, which quantifies trade-offs for policy and investment.

**Bhutan.** The adoption of a policy-first approach allowed faster planning for the water sector—despite uncertainties—overcoming delays in attaining climate projections. The investment was codesigned with local agencies, ensuring sustainability and usability beyond the project period.

**Cambodia.** National and regional spatial planning has been critical for risk-informed planning for water, agriculture, and the sustainable planning of economic corridors.

**IPE Global.** The Climate Risk Observatory tool provides examples of hypergranular risk assessments to integrate socioeconomic indicators. The tool were applied in Mumbai, India for mangrove restoration; and in Ghana for data-scarce regions. The tool can also be used to inform social protection and heat action plans.

# Deep Dive 4.3: Risk-Informed Investment in the Finance Sector

*The deep dive shared examples of risk-informed investments in the finance sector with representatives from Armenia, Pakistan, United Nations Environment Program Finance Initiative (UNEP FI), and ADB.*

**Armenia.** Mainstreamed climate risk into fiscal and financial systems through stress testing and legal reforms.

**Pakistan.** Adopted a phased regulatory approach, evolving from environmental and social risk manuals to climate-specific stress testing guidelines.

**UNEP FI.** Supports Asia and the Pacific region's financial institutions with granular risk assessments and coalition building.

**ADB.** Promotes the integration of climate risk into public financial management through budget tagging, policy-based loans, and technical assistance.

# Session 5: Prioritizing Adaptation Investments



*The technical session explored methods of prioritizing adaptation investments. It featured a plenary discussion with representatives from Bangladesh, Pakistan, the Green Climate Fund, and ADB, followed by three deep dive sessions on public investment management, project preparation facilities, and economic and financial analysis.*

**Climate risk must be systematically integrated** into public investment management, budget tagging, and project pipelines.

**Climate budget tagging** within countries' economic planning enables adaptation to be more embedded into the work of ministries and sectors. Adaptation indicators and tagging systems provide the foundation for transparency, accountability, and the scaling of investments.

**Blended finance, concessional loans, and trust funds** are essential to de-risk adaptation projects and mobilize private sector investment.

**Investment criteria should align with national priorities.** This will ensure community engagement and encourage programmatic approaches to overcome the challenges of fragmented, small-scale projects.

**Project preparation support, technical assistance, and policy-based loans** are critical to strengthening pipelines and enabling country-led platforms.

# Deep Dive 5.1: Public Investment Management

*The deep dive discussed approaches for prioritizing adaptation within public investment management led by a panel with representatives from Mongolia, the Philippines, Asian Disaster Preparedness Center (ADPC), and Pengwern Associates.*

**Mongolia and Pakistan (ADPC).** Both countries have explored embedding adaptation into their budgeting and programming while addressing the challenges in economic analysis and uncertainty.

**Nepal.** Advanced locally led adaptation by channeling finance to the local level using participatory planning and context-specific technologies.

**Philippines.** Integrated climate resilience into development planning and investment programming using harmonized tagging systems and adaptation indicators.

**Pengwern Associates.** Highlighted blended finance, public–private partnerships, and innovation incubators as tools to de-risk and attract private sector investment.

**Common reflection.** Adaptation metrics are critical for tracking progress but not sufficient on their own to overcome implementation barriers. Embedding adaptation into public investment system requires harmonized tagging, metrics, and local capacity to ensure that climate priorities are translated into implementable projects.

# Deep Dive 5.2: Project Preparatory Facility for Adaptation

*The deep dive discussed various approaches for project preparatory facilities (PPFs) led by a panel with representatives from Kyrgyz Republic, Palau, World Resources Institute and Ramboll.*

**Role of PPFs.** Linking upstream risk assessments with downstream project development enables timely and effective investment decisions. However, sustainability depends on institutionalization, funding models, and private sector's engagement.

**Funding models.** East Malaysia and Singapore demonstrated that diverse funding sources (oil and gas royalties, whole-of-government approaches) are aligned with resilience needs.

**Capacity building.** Enabling local actors to prepare concept notes and access international funds is important. Sustaining the PPFs beyond donor support is a challenge.

**Private sector engagement.** Strategies include aligning incentives, sharing risks, and demonstrating the long-term cost-effectiveness of a resilient infrastructure.

**Cross-sector integration.** Explored the benefits of mainstreaming vs. sector-specific adaptation. Among the practical examples were the adaptive river management in East Malaysia, and the use of nature-based solutions.

# Deep Dive 5.3: Economic and Financial Analysis of Adaptation Investments

*The deep dive discussed approaches in economic and financial analysis for adaptation investments led by a panel with representatives from Armenia, International Centre for Integrated Mountain Development (ICIMOD), United Nations Environment Programme, and ADB.*

**Economic vs. financial analysis; they serve different purposes.** Economic analysis captures societal benefits and avoided damages, while financial analysis focuses on direct revenues and costs, which are critical for private sector engagement. Both are essential to making adaptation investments credible, scalable, and attractive to both public and private finance.


**Integrating adaptation criteria into public investment frameworks such as in Armenia** strengthens project selection but requires addressing the data gaps, uncertainty, and co-benefit valuation.

**Returns from adaptation is possible.** An ICIMOD case study on cost–benefit analysis showed that significant economic and social benefits can be delivered from adaptation investments. This was proven in community-based flood early warning systems and natural spring revival activities in the Hindu Kush Himalaya.

**Insurance and credit ratings are essential in climate risk management.** Insurance products can transfer risks; however, challenges on affordability and in achieving scale remain. Climate risk disclosure may impact sovereign ratings in the short term, but transparency and proactive adaptation can build long-term resilience.



# Session 6: Lightning Talks— Funding and Financing for Adaptation Investments



*The technical session provided a snapshot of the current adaptation finance landscape. It also explored financial models, and fiscal and macro-prudential policies to leverage domestic and international sources of public and private finance for adaptation investments. It featured a lightning talk with representatives from the Climate Policy Initiative, United Nations Development Programme, UNEP Finance Initiative, and Pengwern Associates.*

**Adaptation finance remains critically underfunded.** In Asia and the Pacific, only about 8% (\$40.8 billion out of \$520 billion) of the total climate finance tracked goes to adaptation mostly in water and wastewater management and disaster risk management-related projects. The annual investment for climate adaptation in the region is estimated between \$102 billion and \$431 billion.

**Integrate climate concerns into public financial management.** Tools like budget tagging can raise awareness and improve the alignment of spending with adaptation priorities. However, attribution to the outcomes can be challenging.

**Private sector participation is still limited.** Methodological gaps hinder tracking of investments and identification of viable entry points, such as commercial agriculture and water infrastructure.

**Blended and innovative finance models are essential.** Combining public and private capital through mechanisms like public–private partnerships, adaptation technology financing, and supportive policy environments can help scale investments.

# Fireside Chat

## 6.1: Leveraging Public Investment in Adaptation

*The fireside chat discussed experiences in leveraging public investment in adaptation with representatives from Indonesia, Pakistan, Climate Investment Funds (CIF), and ADB.*

**Climate budget tagging boosts transparency and investment.**

Pakistan reflected on the importance of climate-related spending classification to attract funds after the 2022 floods.

**Public finance can be leveraged to attract private capital.** Indonesia shared experience in issuing green bonds, using PPPs for large-scale projects, and supporting green lending for micro, small, and medium-sized enterprises.

**There is often a “missing middle.”**

Systemic financing gaps exist for projects that are too advanced for small funding and not mature enough to attract investors. Such projects need to be supported by the public sector and/or innovative approaches and tools.

**Blended finance with early private sector engagement and flexibility delivers returns.**

Lessons from the CIF Pilot Program for Climate Resilience has found that flexibility and tailored financial instruments are critical success ingredients.

**Development partner support strengthens systems and access to funds.** Policy-based loans offered by international finance institutions like ADB help strengthen public investment management and green finance frameworks.

# Fireside Chat

## 6.2: Leveraging Private Investment in Adaptation

*A fireside chat discussed experiences in leveraging private investment in adaptation with representatives from BRAC Bank (Bangladesh), Gobi Cashmere (Mongolia), Boston Consulting Group, and CADLAS.*

**Banks can scale small and medium-sized enterprises (SME) lending for climate-smart agriculture.** BRAC Bank experience shows how green SME lending expanded under central bank's disclosure policies.

**Corporate adaptation strategies can strengthen supply chains.** Gobi Cashmere shared the work on investing in herder resilience with sustainability-linked loans tied to climate key performance indicators..

**Business models for adaptation must be diverse.** BCG outlined a variety of possible private investment models—from fee-for-service to dual-purpose infrastructure, and asset value appreciation.

**Enabling environments and clear revenue models attract capital.** CADLAS emphasized mixed modalities for developing countries, including green bonds, sustainability-linked loans, and aggregation of small projects.

Private investment in adaptation depends on the risk-sharing instruments, enabling policies, and viable modalities of business models.

# Session 7: Spotlight on the Implementation of Climate Adaptation Investment Planning

*The session featured four parallel sessions to allow participants to delve into the diverse implementation contexts of climate adaptation investment planning (CAIP). Each session spotlighted tailored approaches across different geographic and economic settings, with insights from different countries or regions, technical experts, and development partners. The discussions unpacked the practical lessons, challenges, and innovations generated by employing CAIP in diverse settings.*



# Spotlight 7.1

## CAIP in the Sub-national Context

*The spotlight session delved into the subnational context, with experiences shared by representatives from Cambodia, Nepal, and Kyung Hee University.*

**Cambodia.** Climate adaptation is embedded in decentralized local planning through legal frameworks, capacity-building tools, and blended finance for climate-proofed infrastructure.

**Nepal's Madhesh Province.** Advancing climate-smart agriculture in rice and mango value chains via a multitiered government collaboration, despite input, irrigation, and resource constraints.

**Pakistan.** District-level adaptation plans feature clear Standard Operating Procedures, inclusive stakeholder engagement, diversified funding strategies, and institutionalized monitoring.

**Uzbekistan's Jizzakh City.** Uses downscaled climate models, geographic information system mapping, and socioeconomic overlays to create location-specific adaptation strategies.

Local leadership, inclusiveness, collaboration, and funding are critical to sustaining subnational adaptation, and must be supported by data-driven, location-specific planning, to be integrated eventually into development cycle.

# Spotlight 7.2

## CAIP in Small Island Developing States

*The spotlight session looked into the CAIP implementation experiences from small island developing states (SIDS), which were shared by representatives from Kiribati, Palau, Tuvalu, and Deltares.*

**Integrating climate finance with adaptation planning.** Kiribati, Palau, and Tuvalu shared experiences in enabling integration through cross-ministerial coordination, broad stakeholder participation, and alignment with national strategies.

**Locally led, scalable solutions.** There is great value in local solutions as demonstrated by small island developing states. Tuvalu's Coastal Adaptation Project focuses on land reclamation. Palau's Protected Areas Network embeds traditional practices in law and finance. Kiribati's "beach rush" shows how low-cost defenses can be scaled with sustainable technology.

**Clear roles, secure land tenure, and legal reforms.** These factors are essential to overcoming implementation barriers and ensuring a project's continuity. The limited land availability in atoll nations continues to constrain adaptation infrastructure, thus, driving reliance on land reclamation.

Strong partnerships, visible action from the government, and internal reforms are critical in mobilizing resources and sustaining adaptation momentum.

# Spotlight 7.3

## CAIP in Mountain Ecosystems

*The spotlight session looked into the CAIP implementation experiences from small island developing states (SIDS), which were shared by representatives from Kiribati, Palau, Tuvalu, and Deltares.*

**Mountain regions face severe risks from glacier melting and biodiversity loss.** ICIMOD projects up to 50% glacier loss in the Hindu Kush Himalaya under a 2°C warming.

**Regional programs can mobilize large-scale investment.** ADB's \$3.5 billion "Glaciers to Farms" program supports cross-sectoral investments, including early warning systems, irrigation modernization, and community resilience projects.

**National strategies need integration and international support.** Armenia aligned its National Adaptation Plan with the new climate laws but faces challenges from fragmented investment planning.

**Access to finance remains a barrier for small, mountainous countries.** Timor-Leste called for simplified climate funding applications and technical assistance for local institutions.

**Inclusivity strengthens adaptation planning.** UNFCCC representatives emphasized the need for integrating indigenous knowledge, gender equity, and intergenerational perspectives.

Mountain adaptation requires regional cooperation, integrated national strategies, inclusive planning, and easier access to international finance, with heightened urgency—given the accelerating glacier loss and the ecosystem's fragility.

# Spotlight 7.4

## CAIP in Market Economy and Private Sector

*The spotlight session examined the implementation experiences of CAIP in the market economy and with the private sector, with experiences shared by representatives from India, Asian Infrastructure Investment Bank, Renew Synergy, and ADB.*

**Risk-sharing facilities unlock private investment.** India's Green Climate Fund-backed facility mobilized cofinancing worth \$800 million, including a \$65 million risk-sharing window for micro, small and medium enterprises (MSMEs).

**Adaptation investment plans should be clearly articulated, economically viable, and scalable.** India's National Adaptation Plan and state-level plans have shifted from project-based to programmatic approaches.

**Supportive regulatory ecosystems drive private sector's interest.** Mandatory sustainability reporting, climate finance taxonomies, and climate-risk disclosure guidelines are key enablers.

**Business models link farmers' benefits with finance.** Agroforestry projects in India share up to 60% of the carbon revenue with the farmers.

**Innovative instruments expand financing options.** Multilateral development banks are piloting adaptation bonds, parametric insurance, and blended impact funds.

**Aggregation platforms scale small projects.** Bundling MSMEs and SMEs and community-led projects helps attract institutional investors.

Private sector engagement in climate adaptation depends on clear narratives, risk-sharing instruments, aggregation platforms, and tailored financial products that link community benefits with investor returns.



# Session 8: Climate Adaptation Investment Planning to Global Processes



*The session examined how climate adaptation investment planning can be strategically positioned to support and complement key global and country-level adaptation frameworks. Plenary discussion featured representatives from Bangladesh, Sri Lanka, International Institute for Sustainable Development, United Nations Development Programme (UNDP), Brookings Institution, and ADB.*

**Whole-of-government coordination mobilizes adaptation investments.** The Bangladesh Development Partnership shows how aligning ministries, partners, and stakeholders can effectively mobilize adaptation investments and manage climate finance. National adaptation plans can serve as foundational tools for investment planning and pipelines. Decentralized, evidence-based planning builds bankable projects. Sri Lanka demonstrates how local consultations produce climate-responsive investment briefs and bankable pipelines for vulnerable zones.

**International and multilateral development bank (MDB) initiatives complement national efforts.** Platforms like UNDP G7 Hub and ADB's CAIP help identify and support bankable projects, facilitate blended finance, and coordinate donor support.

**Global climate finance road maps set ambitious targets.** COP 29's Baku to Belem Roadmap to 1.3 trillion calls for tripling vertical fund outflows by 2030 and mobilizing \$300 billion annually by 2035—requiring support from both the public and private sectors.

**MDBs are scaling commitments and diversifying financing instruments.** These include guarantees, concessional lending, trust funds, alongside innovative tools like hybrid capital and catalytic equity to unlock private finance. Guarantees remain underused but have strong potential to catalyze private investment when paired with MDB reform and creative structuring.

# Session 9: Roundtable: Enabling Adaptation Investments

*The session involved a discussion on policies, regulatory, and institutional instruments; and processes to enable, operationalize, and scale up investments in adaptation. The Organisation for Economic Co-operation and Development and International Institute for Sustainable Development led the discussion with representatives from 23 countries and development partners reflected on their key takeaways and actions.*

**Countries are already embedding CAIP into national systems and making concrete commitments.** Examples include: (i) Bhutan's Climate Fund, (ii) Nepal's integration of CAIP into annual plans, (iii) Philippines' establishment of the interagency task force on climate change, (iv) Sri Lanka's 7-sector investment plan, and (v) Tuvalu's costing of 20 National Adaptation Plan actions.

**Adaptation finance needs to be recognized as an urgent support for survival.** For example, Tuvalu highlighted its survival depends on adapting to climate risks, while Mongolia's survival depends on adaptation measures to address water scarcity.

**Common barriers to accessing adaptation finance includes low awareness, complex procedures, limited financing terms, and weak local mechanisms.** Development partners can support the streamlining of processes, de-risking investments, and supporting country ownership.

**Scaling adaptation investments require standards, data systems, and partnerships.** The Philippines shared the importance of taxonomy and monitoring and evaluation reforms, Lao People's Democratic Republic and Cambodia highlighted climate road maps, and Palau shared the value of institutionalizing a hub for adaptation and disaster risk reduction.

**Private sector actors are demonstrating adaptation in practice.** Examples include Gobi Cashmere's sustainability-linked loans in Mongolia and BRAC Bank's social bonds and small and medium enterprises lending in Bangladesh.



# Session 10: Closing Session



*The CAIP#2025 closed with some reflections on the event, and a video that captured key moments at the forum.*

**Investment planning must translate into concrete adaptation financing and actions.** It must be supported by science and technology to identify robust project pipelines, design adaptation solutions, create enabling policy frameworks, and integrate sustainable financing mechanisms.

**Country leadership, cross-sectoral alignment, and regional collaboration are essential to scale adaptation investments and deliver lasting climate resilience.** Delivering climate resilience requires strong collaboration and partnerships. Achieving scale must not only be seen in terms of the size of the investment, but also in the distribution of adaptation benefits—who benefits and how.

**CAIP processes and tools are evolving through the lessons generated in each country.** The CAIP forum offers an important platform for knowledge exchange to optimize continuous learning, drive collective action, and foster innovation. Dialogue signals strong commitment from public and private sector decision-makers to invest in adaptation actions.

