



GLOBAL
CENTER ON
ADAPTATION

Doubling Down on Adaptation

GCA Annual Report 2022



DOUBLING DOWN ON ADAPTATION

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1. FOREWORD

In 2022, the world experienced the fifth warmest year on record. A third of Pakistan was plunged under water by monsoon floods. Hurricane Ian battered Florida, causing US\$63 billion of losses to insurers. Drought in the Horn of Africa pushed tens of millions of people to the brink of starvation. China's Yangtze River was reduced to a trickle in places. Wildfires erupted in parts of London as temperatures climbed above 40 Celsius for the first time in the United Kingdom. Global warming made itself known and felt everywhere as never before.

We are living through a new, more unstable era of global shocks: the Covid-19 pandemic, Russia's war in Ukraine, a cost-of-living crisis – all coming on the back of accelerating climate impacts. Rising geopolitical tensions and the resulting fragmentation of the global economy are fuelling fears of reduced lending, shrinking economic growth, and greater instability.

Global debt is at historic levels, hitting the most vulnerable countries and communities the hardest. Runaway geopolitical fragmentation means that at a time when we desperately need more global cooperation – when climate change and related transnational challenges demand higher levels of coordinated intervention – the world is retreating into separate power blocs.

In spite of a breakthrough announcement at Glasgow COP26 of a doubling in funding for climate adaptation, we are still waiting for the international community to make good on that promise. And the longer we delay, the greater the risks and the resulting costs will be for all of us.

If we are to take any positives out of a gloomy scenario, we can first point to the fact that the climate emergency is now finally and firmly on everyone's agenda. We have achieved a level of ambition that was previously absent, with new targets and commitments attached. But a critical



During a visit to Makueni County in Kenya, GCA CEO Prof. Dr. Patrick Verkooijen learned how community members are adapting to water scarcity and drought.

element is still missing. Ambition only gets problems solved when it has momentum and scale.

The international community must step up to the plate by urgently scaling up adaptation funding as part of a radical overhaul of development finance. This is no longer a radical position; recall the billions that were unlocked in response to Covid-19. When needs must, the finance can be found to solve a global emergency. Yet in spite of the mounting evidence of the disaster that is incrementally stalking us, the habit of turning a blind eye to problems on the horizon persists.

Multilateral banks are already looking to broaden the level of finance available at concessional rates and through grants, but they must raise their game. Debt restructuring for the most vulnerable countries is a vital foundation in building a safer, more resilient and sustainable future. As decisions are taken to reform the global financial system, making it fit for purpose in a world of more frequent and intense disasters, adaptation must be at the heart of this approach. That includes the private sector, which has a key role and stands to be a major beneficiary of the transition to a green and resilient economy.

We at the Global Center on Adaptation (GCA) are making the case that climate adaptation is a golden opportunity to boost economies and create jobs. Our Africa Adaptation Acceleration Program (AAAP) is setting the pace in the continent most vulnerable to the pernicious impacts of climate change.

In the following pages you will learn more about the AAAP, and how it has influenced \$5.4 billion in investments in climate adaptation in Africa. Ahead of COP27, its key role was endorsed by a wide range of African and international leaders who gathered in September in our floating headquarters in Rotterdam not only to hear about its early achievements but also to make a global call for action.

The AAAP is a model for other regions to follow and in this report you can also read about the advances we are making elsewhere – not least in Asia, where we are working directly with the people who have most to lose from global warming on locally-led adaptation solutions.

Building the capacity of our local partners goes hand in hand with our collaborative work with international organizations to shape institutional approaches on this critical agenda. This includes integrating the latest innovative adaptation solutions into the investments of partners such as the African Development Bank, the World Bank, and others, while also supporting partners in the wider international system, including the International Monetary Fund and the World Trade Organization, in confronting climate risk in their work. Meanwhile, we are taking forward this agenda with the private sector to ensure this frontier area is also developed. As a solutions broker, we are joining up the adaptation dots which run from the high decision-making corridors of the world's capitals to ground-level local community leaders.

A key lesson for me since taking up my role at GCA it is that vulnerable countries and communities do not want aid or emergency relief funds when the next climate catastrophe hits. They want to invest in a climate-resilient future. Climate adaptation is an investment in that future.



Prof. Dr. Patrick Verkooijen
CEO of the Global Center on Adaptation



◀ The AAAP is empowering youth-led enterprises like KivuGreen to scale up innovative adaptation solutions for smallholder farmers through the African Youth Adaptation Solutions (YouthADAPT) Challenge, an annual competition providing \$100,000 in grant funding, training, mentorship, and coaching. (Photo credit: KivuGreen)



▲ At the 2022 Africa Adaptation Summit in Rotterdam, global leaders called for the world to double down on climate adaptation to secure Africa (Photo credit: GCA/Ruben May)



▶ In Bangladesh, GCA is working with partners to connect people's adaptation plans to the world of finance (Photo credit: GCA)

2. A SOLUTIONS BROKER FOR ADAPTATION ACTION

GCA was established as an international organization to help countries and communities around the world adapt to the impacts of climate change. As a solutions broker, it works to promote global cooperation and collaboration on adaptation, bringing together governments, international organizations, the private sector, civil society, and other stakeholders to scale and accelerate adaptation action. GCA's work is guided through three core approaches: knowledge, leadership, and action. These reflect the organization's commitment to building knowledge and understanding about adaptation, fostering leadership on adaptation at all levels, and taking concrete action to support adaptation efforts.

In 2021, the international community pledged to double adaptation climate finance, at 2019 levels, by 2025. In the same year, GCA launched its flagship program, the Africa Adaptation Acceleration Program (AAAP), with the African Development Bank (AfDB), as the single largest adaptation investment initiative in the world. To date, the AAAP has already mainstreamed adaptation solutions into over \$5.4 billion of investments in food security, resilient infrastructure, adaptation jobs, and climate finance in Africa.

Endorsed by the international community as a vehicle to deliver on pledges and meet the urgent need to scale up adaptation, the AAAP model provides a tested platform that links knowledge, programs, and advocacy to support country and regional priorities coupled with an upstream financing facility to support implementation which directly influences downstream investments.

These investments are vital for financing adaptation solutions in the countries that are most exposed to the threats of climate change. But they also provide GCA with the evidence base of science and practice that is required to position and promote adaptation on the global agenda as a driver of resilience, jobs, and prosperity.

Through its flagship research product, the State and Trends in Adaptation report, GCA brings together the latest best practices and solutions to

inform GCA's programs and advocacy work. This interconnecting and reinforcing nature of GCA's programs, research, and advocacy provides a special opportunity to drive the agenda of creating a more climate-resilient world.

The success of GCA's AAAP model rests on rapidly conceptualizing and implementing a clear and agile strategy that brings outputs and activities into focus on influencing downstream investments. These are channeled through development finance institutions and multilateral development banks, global climate finance organizations such as the Green Climate Fund (GCF), and private financial institutions. At the same time, partnerships with governments and local institutions ensure that GCA's work remains rooted in the countries it is operating in.

2022 marked a critical milestone for GCA as it launched its first program outside Africa. The Bangladesh country program seeks to replicate the success of the AAAP model and will serve as an anchor for expansion in Asia. Through its regional offices, GCA brings together best practices, advancing research and sharing solutions relevant to the region and host countries.

As the organization enters 2023, it is positioned to expand its downstream investment partners to include the private sector, through engagements with organizations and networks such as the International Finance Corporation and others. Lifting project level interventions into policy to accelerate implementation will also remain a focus through engagements with the International Monetary Fund's Resilience and Sustainability Trust. And finally, GCA's annual meetings, this year convened in Nairobi alongside the Africa Climate Summit, will convene world leaders to mobilize further action.

GCA recognizes that climate change is one of the biggest challenges of our time, and it is essential that we take urgent action to address it. Adaptation is a critical component of climate action, and it is essential to help people, communities, and nations build resilience to the impacts of climate change.

3. PROGRAM ACHIEVEMENTS AND RESULTS

GCA acts as a solutions broker, bringing together governments, private sector, civil society, inter-governmental bodies, and knowledge institutions to address the obstacles slowing down adaptation action. It adds value to climate adaptation programs and accelerates action, deploying innovative approaches and facilitating access to finance and resources.

In its role as a catalyst for action, GCA works with an extensive network of stakeholders and partners with the drive and influence to exert positive change. GCA seeks impact at scale by catalyzing and shaping at an early stage the most significant investments that will guide the development of communities and countries.

The aim of this upstream support is to ensure the most effective downstream implementation of projects, programs, and initiatives in a world challenged by climate change. This includes working with multilateral development banks, global climate finance organizations such as the GCF, private financial institutions, and other partners to identify and mobilize sources of finance for adaptation programs, applying

expertise to structure funding in the most efficient way to reduce cost, increase leverage, and attract private finance.

Through collaborations between stakeholders who bring different perspectives, expertise, reach, and resources, GCA's programs deliver concrete and sustainable results and make a positive impact at all levels of society.

The following sections detail GCA's programs, accomplishments, and impact in each field of work in 2022, and in each of the three main geographical areas of operation: Africa, South Asia, and China.

GCA's regional offices ensure close links to countries around the world in the implementation of global initiatives, ensuring the customization of programs and actions to meet local priorities, developing specific knowledge initiatives, and serving as a global lead on key adaptation topics. In this way GCA leverages domestic and international expertise to support countries and regions in responding to climate change and continuing to prosper in an increasingly warming world.



We endorse the Africa Adaptation Acceleration Program, and we will work to make sure that we are aligned.

Kristalina Georgieva

Managing Director
International Monetary Fund



The AAAP is mobilizing \$25 billion by 2025 to accelerate adaptation action in Africa (Photo credit: iStock/hadynyah)

THE AFRICA ADAPTATION ACCELERATION PROGRAM (AAAP)

Africa is particularly vulnerable to the extreme impacts of climate change, and faces exponential damage to its economies, infrastructure, public health, agriculture, and water and food systems, threatening to undo its hard-won development and reverse decades of economic progress.

Climate disasters in Africa are increasing in frequency and intensity –from an unrelenting drought in the Horn of Africa to deadly flooding in Nigeria. These overlap with the ripple effects of the war in Ukraine being felt across the world, creating a tsunami of consequences through spikes in the cost of living for the most vulnerable people across the world – and especially in Africa.

To strengthen Africa’s capacity to respond to climate impacts and other crises, the African continent urgently needs increased finance flows that meet its adaptation needs. This is why Africa has been an initial area of focus for GCA, culminating in the 2021 launch of the Africa Adaptation Acceleration Program (AAAP).

Through the AAAP, GCA and the AfDB are currently mobilizing \$25 billion by 2025 to accelerate adaptation action in Africa. The AAAP focuses on four pillars derived from priorities identified in national and regional climate change strategies: food security, resilient infrastructure, youth entrepreneurship and job creation, and innovative climate adaptation finance.

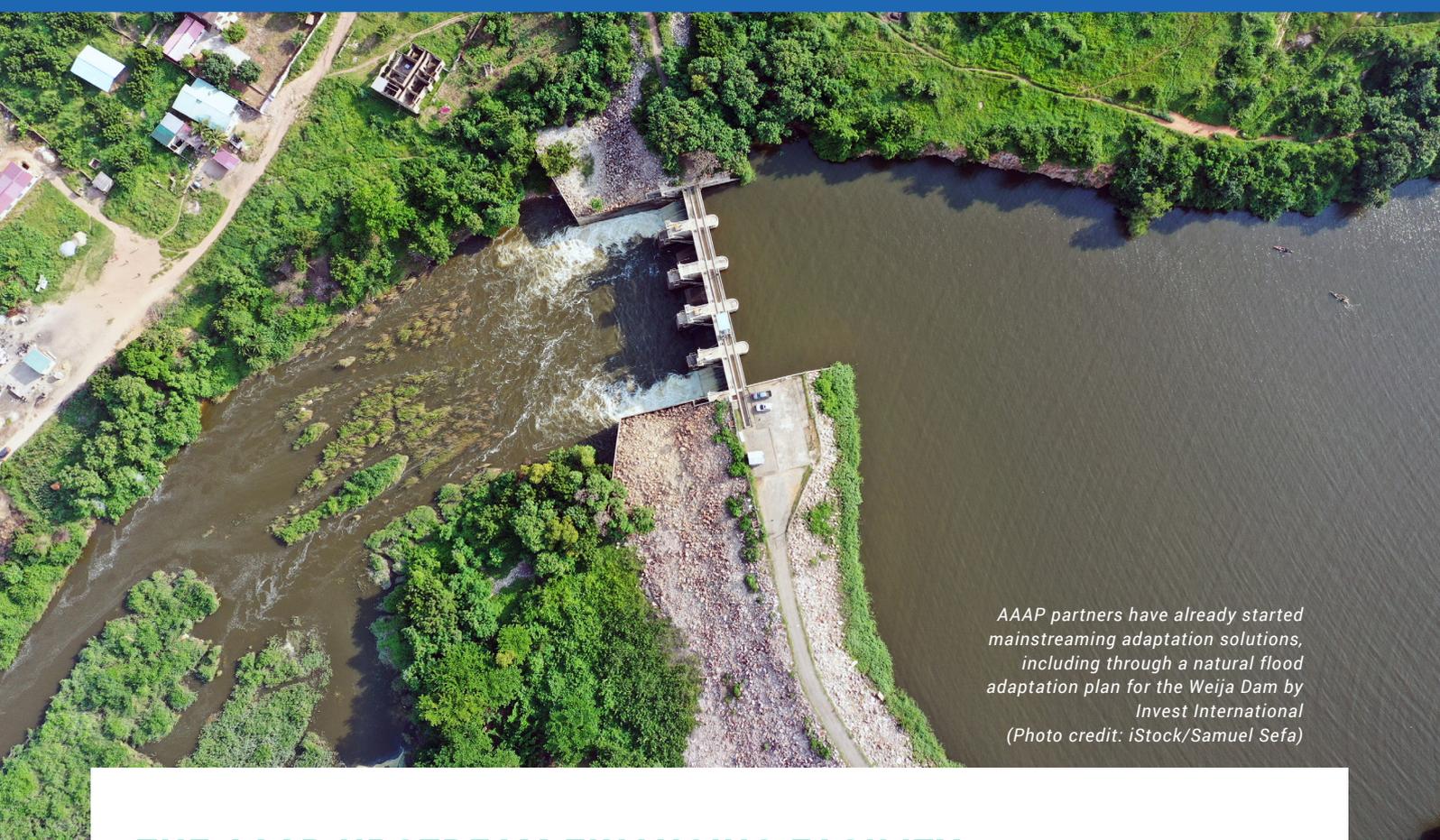
With the support of the African Union (AU), the AAAP is an Africa-owned and Africa-led response to the continent’s expressed needs and priorities to reduce its vulnerabilities to climate change and harness the growth opportunities from effective climate adaptation. It focuses on areas where investments in adaptation and resilience-building yield high economic dividends and accelerate achievement of the Sustainable Development Goals. African leaders have endorsed two principal financing mechanisms for the AAAP: the Upstream Financing Facility, managed by GCA, and the Climate Action Window, managed under the AfDB’s ADF-16 replenishment.

The unequal impacts of climate change – the importance of gender

While the effects of climate change will be felt by all, they will not be felt equally. Vulnerable and marginalized people and communities with limited access to resources and assets face barriers in adapting to climate change and are often left out of adaptation planning. Women represent the largest marginalized group in many countries. Inclusive and locally led planning and adaptation gives these communities and individuals a voice and helps ensure the effectiveness and sustainability of resilience building efforts. Each AAAP pillar therefore maintains a focus on the disproportionate exposure of the poor and vulnerable populations, including women, to the impacts of climate change and ensures their adaptation needs are included in the prioritization of adaptation actions. GCA's integration of Locally Led Adaptation (LLA) into investment design, informed by its Global Hub on LLA, highlights the role of women not just as beneficiaries but as leaders in defining and implementing adaptation solutions.



Each AAAP pillar maintains a focus on the disproportionate exposure of women to the impacts of climate change (Photo credit: iStock/JordiRamisa)



AAAP partners have already started mainstreaming adaptation solutions, including through a natural flood adaptation plan for the Weija Dam by Invest International (Photo credit: iStock/Samuel Sefa)

THE AAAP UPSTREAM FINANCING FACILITY

The AAAP Upstream Financing Facility, managed by GCA, supports African countries and financing institutions by bringing the best knowledge, science, and practice to the development of innovative adaptation projects across the four pillars of the AAAP:

- **Food Security:** with a goal to influence at least \$10 billion in investments by 2025 to build climate-smart agriculture and resilient food systems to support food security for at least 38 million farmers and herders in 26 African countries.
- **Infrastructure and Nature-based Solutions:** with a goal to mainstream innovative climate resilience solutions, including Nature-based Solutions, into \$12 billion worth of investments in infrastructure for water, transport, energy, and urban systems by 2025 to ensure infrastructure assets and services for 100 million people are resilient to climate change.
- **Youth Entrepreneurship and Adaptation Jobs:** with a goal to support one million youth with entrepreneurship skills and to create five million adaptation jobs through investments from international financial institutions worth over \$2 billion by 2025.

- **Adaptation Finance:** with a goal to unlock access to \$1 billion in adaptation finance by 2025 by enabling direct access to climate finance for countries through GCA's Technical Assistance Program and integrating adaptation solutions into the design of innovative public and private financial instruments.

The Upstream Financing Facility finances the work of GCA and its implementation partners, many of them African institutions, to design and mainstream adaptation and resilience components into the projects of multilateral development banks, other development financial institutions, and private financial institutions.

Since its launch in January 2021, **the Facility has influenced \$5.4 billion in investments** financed by the AfDB and other partners, including the World Bank, in the areas of food security, infrastructure and Nature-based Solutions, youth entrepreneurship and adaptation jobs, and adaptation finance. Through the AAAP pillars, the Upstream Financing Facility maintains an influencing ratio of 1:100, where **one dollar invested in the Facility leads to \$100 influenced to bring the best adaptation solutions** to Africa.

Overall in Africa in 2022, GCA launched or completed work on 71 outputs designed to influence 22 investment projects financed by multilateral development banks that aim to **strengthen resilience for up to 35 million people and generate 630,000 jobs**.

These results have supported GCA's efforts on advocating for and mobilizing global support for climate adaptation through advocacy and agenda setting initiatives that drew **over 65 heads of states, governments, and ministers from countries represented in the inclusive GCA convenings**.

Through its advocacy and agenda-setting work, organizing some of the highest profile events on adaptation globally, GCA's leadership in driving adaptation action has also helped achieve raised political awareness and ambition for adaptation at a political level in Africa.

PIONEERING AND MAINSTREAMING ADAPTATION SOLUTIONS

In implementing these adaptation solutions, captured in business lines under each pillar, GCA works to bring the best science and best practice on adaptation. The Upstream Financing Facility supports GCA research, monitoring for rapid extraction and replication of lessons, knowledge sharing, capacity building, and policy support.

As GCA and partners gain experience through project implementation on the business lines, the intention is for GCA to evolve toward new challenges once partners mainstream the tools into their institutions and work programs. The AAAP aims to evolve constantly as African countries' priorities and financial needs are further refined.

RESULTS

2022

\$ in approved investment projects reflecting adaptation solutions brokered or adaptation finance solutions influenced	USD	5,375,000,000
# of beneficiaries targeted through approved investment (direct) or enabling (indirect) solutions informed by GCA		35,000,000
# jobs targeted through approved investment projects and jobs programs influenced by GCA	#	630,000
a) # jobs targeted through GCA-supported entrepreneurs and job programs (direct)	#	29,000
b) # of jobs targeted by Board-approved MDB/GCF projects (indirect)	#	601,000
Sector level results targeted through approved investment projects informed by GCA		
P1. # of livestock benefiting from DCAS	#	61,070,000
P1. # of hectares cultivated using digital climate-enabled solutions	#	2,513,000
P2. Area under sustainable landscape management practices (# of hectares).	#	124,000
P2. Cubic meters of water storage and retention capacity created	#	300,000
P2. Km of resilient roads or rail built or rehabilitated	#	675
P2. # of climate resilient transport and logistics hubs built or rehabilitated	#	1
P2. MW of power produced by climate resilient facilities	#	4,068
P2. Tons of waste collected and managed in climate resilient manner	#	-
P3. # of youth-owned adaptation enterprises created or strengthened	#	16,600
# GCA solutions and methodologies scaled, mainstreamed, or replicated by external stakeholders		24
1) [All pillars] # of Board-approved MDB or Multilateral Climate Fund investments / projects mainstreaming GCA solutions	#	21
2) [All pillars] # of instances where GCA solution has been brokered with evidence of being under implementation (exclude MDB projects counted under E1)	#	3

FOOD SECURITY

Harnessing the power of digital technology and innovation to improve agricultural productivity and strengthen climate resilience is a game changer in addressing the climate challenges Africa faces. GCA's State and Trends in Adaptation 2022 report set out how African food systems are particularly vulnerable to climate extremes and shifts in weather patterns, as food production is largely dependent on rainfed agriculture and pastoralism. Yet, smallholder farmers have recorded a 40 to 70 percent increase in yield and income when digital solutions are used, and there is huge potential to deploy digital adaptation tools across African countries. Given the current low levels of digitalization in the continent and high vulnerability to climate shifts, GCA supports the design and use of climate smart digital adaptation technologies.

In 2022, GCA launched or completed work on **21 climate smart digital adaptation outputs related to seven large-scale investment programs valued at a total of \$2 billion**. GCA assessed climate risks on agricultural value chains and identified digital solutions that can address these risks. Digital technologies and solutions were in this

way integrated and mainstreamed into the design of investment projects targeted to smallholders, including women farmers. GCA also strengthened the capacity of key stakeholders to ensure smallholders and other value-chain actors are supported and use digital technologies for climate adaptation in agricultural systems.

Under the **\$600 million Ethiopia Food Security Resilience Project** financed by the World Bank as part of a larger regional program, GCA is working with partners including the International Maize and Wheat Improvement Center to provide support through: (i) assessing opportunities and constraints to deploy digital adaptation tools to address climatic risks identified in 14 value chains selected by the government; (ii) updating the Ethiopian Digital Agro-climate Advisory platform; (iii) testing the extended platform for priority use cases; and, (iv) providing recommendations for policy and investment to scale up digital climate adaptation solutions in the country. These digital climate-enabled solutions are expected to benefit 2,381,000 individuals and result in the cultivation of 1,587,600 hectares.



Smallholder farmers have recorded a 40 to 70 percent increase in yield and income when digital solutions are used (Photo credit: GCA)

Digital technology to support food security

GCA supported the \$150 million AfDB Program for Integrated Development and Adaptation to Climate Change (PIDACC) in the Zambezi Basin. In collaboration with our technical partner International Water Management Institute, GCA analyzed gaps and opportunities, and produced digital adaptation mapping and profiles aimed at reinforcing actions and making the investment case for strengthening climate adaptation with digital technologies. These digital solutions are expected to ensure that 950,000 farmers have access to sustainable agricultural production; 300,000 (50% female) individuals have access to climate-related early warning systems and other DRR measures; three systems/platforms for digital or data-enabled climate smart agriculture services are developed; 2,000 (50% female) community members are trained through extension services on climate-smart agricultural production; and 40,000 indirect/induced jobs and 200 direct jobs are created along the commodity value chains in the program area.

As part of its focus in building capacity, GCA conducted a **Training of Trainers on Digital Climate Advisory Services (DCAS) in West Africa**, in December 2022 in Accra, Ghana in collaboration with the Forum for Agricultural Research in Africa. This training was attended by 60 in-person participants and 400 online participants and included officials from agricultural ministries and relevant government agencies from 13 West African countries, experts from national research institutions in West Africa as well as universities, farmers' organizations, and women and youth involved in agriculture value chains in West Africa. Participants reported improved knowledge on the challenges, opportunities, and novel approaches for the use of DCAS and data-enabled agriculture in West Africa. Surveys after the event also showed that participants from public institutions and farmers' organizations were more confident in their use of digital agriculture advisory solutions, and trained their members and colleagues to use DCAS tools in their activities.



I would like to thank the Global Center for Adaptation for its valuable complementary support to ZAMGRO to scale up our efforts in building food systems climate resilience in Zambia. GCA's support will help to strengthen farmers' knowledge and skills in climate smart agricultural technologies and build their resilience to future weather shocks, which is crucial for food and nutrition security in Zambia.

Sahr Kpundeh

Country Manager for Zambia
World Bank

CASE STUDY

Program to Build Resilience for Food and Nutritional Security in the Horn of Africa

Context

The Horn of Africa is a vast arid and semi-arid region with a relatively fast-growing population of over 250 million inhabitants. It is one of the world's most vulnerable regions to climate change, with four countries on the peninsula warming more quickly than the global average. GCA's State and Trends in Adaptation 2022 report documented how Ethiopia, Sudan, and South Sudan were among the countries in Africa most affected by food crises in recent years.

Torrential rains are often followed by torrid dry spells, triggering catastrophic droughts and record-breaking floods. Sudden hot spells and intense rainfalls can paralyze agricultural and livestock production, disrupt fishing ecosystems, and deepen tensions between rival communities. With around 80 percent of the region's population depending on subsistence farming and herding to survive, minor setbacks caused by climate shocks can push villages into hunger and malnutrition. Currently, it is estimated that 11.9 million children across the region are acutely malnourished and more than 46 million people are acutely food insecure.

Action

To tackle this food and nutritional insecurity, GCA is working with the AfDB and Alliance Bioversity & CIAT to mainstream climate adaptation solutions and resilience measures into the AfDB's \$226 million **Program to Build Resilience for Food and Nutritional Security in the Horn of Africa**. By strengthening the resilience and adaptive capacity of pastoral and agropastoral communities to climate change, the program also contributes to improving peace and security in the region.

GCA is providing upstream technical assistance and support in the implementation phase of the program, which began in 2022 and is scheduled to conclude in 2026. GCA's support includes providing toolkits and capacity in Kenya and Djibouti to leverage the most promising digital technologies and approaches for climate adaptation to build the resilience of smallholder farmers. These toolkits will serve as a roadmap for the implementation of digital technologies for the agricultural sector in the two countries and, in turn, influence the wider AfDB investment, which also covers Ethiopia, South Sudan, Sudan, and Somalia. GCA is also building the capacity of policymakers, enabling policy interventions to ensure the uptake of digital solutions, and supporting an assessment of opportunities for digital applications for drought index insurance.



The program aims to strengthen the resilience and adaptive capacity of pastoral and agropastoral communities in the Horn of Africa (Photo credit: iStock/Dave Primov)

Impact

With GCA's assistance, the investment is expected to lead to a 30 percent increase in agricultural productivity and annual income per capita. In total, three million people in the region are expected to benefit from the investment, including 750,000 farmers and pastoralists who will benefit from digital climate advisory services, and approximately 55,000 youth and women who will benefit from job creation.

CASE STUDY

Zambia Growth Opportunities Project (ZAMGRO)

Context

In Zambia, climate hazards such as droughts and floods are becoming increasingly frequent and intense due to climate change. This adversely impacts the country's food and water security and rural livelihoods.

GCA's State and Trends in Adaptation 2022 report showed Zambia was amongst the group of countries globally with the largest number of businesses reporting detrimental water-related impacts. Zambia's agricultural sector faces a particularly critical challenge, as it is dominated by smallholder, rainfed agriculture. Over the next decade or two, losses associated with climate change in the agriculture sector are expected to amount to \$2.2–3.1 billion.

The sector's reliance upon a monomodal rainfall distribution (where over 80 percent of the total annual rainfall occurs within only three or four months) has caused annual agricultural growth rates to fluctuate widely. This volatility has an impact on Zambia's food security, nutrition, and the income of rural households. Thus, initiatives to improve agricultural resilience, sustainability, and job creation in the agri-food sector are vital.

Action

GCA is working in partnership with the World Bank and in collaboration with the Indaba Agricultural Policy and Research Institute to promote agricultural diversification and sustainability, and improve the resilience of the agri-food sector to weather variability, through the mainstreaming of climate adaptation solutions under the World Bank investment project, **Zambia Growth Opportunities (ZAMGRO)**.

GCA's upstream assistance to the ZAMGRO investment includes assessing the climate risks threatening major value chains and identifying appropriate digital adaptation solutions to reduce their impacts. It also includes digital climate agricultural services capacity building for farmers and young people, facilitating multi-stakeholder policy engagement sessions to promote private sector adaptation investment, and identifying potential opportunities for adaptation jobs through ZAMGRO.

Impact

The project is expected to reach **600,000 farmers, including no less than 160,000 women, who will receive extension services and complete training on climate-smart agriculture technologies** and related extension services. Furthermore, with GCA's support, the ZAMGRO investment is expected to generate **5,000 jobs in areas benefiting from enhanced irrigation support**. The implementation of ZAMGRO began in 2022 and is scheduled to conclude in 2026.



INFRASTRUCTURE AND NATURE-BASED SOLUTIONS

The AfDB estimates that Africa's infrastructure needs are around \$130-170 billion a year, with an investment gap of over 50 to 60 percent of that amount. While infrastructure gaps in developing countries present a challenge for governments and communities, they also provide an opportunity to ensure that climate change is mainstreamed through all new infrastructure planning and investments. GCA's State and Trends in Adaptation 2022 report details that approximately 40 percent of Sub-Saharan Africa remains in the early stages of urbanization, providing a unique opportunity to get things right.

GCA supports investments in water, urban resilience, and infrastructure assets and services which aim to mainstream climate adaptation and resilience all levels. In 2022, this support was delivered through **30 climate adaptation solutions that influenced projects worth over \$2.3 billion aimed at strengthening the resilience of infrastructure that will serve more than 24 million people and generate around 33,000 jobs.**

In Ghana, GCA guided the delivery of the **Ghana National Roadmap for Climate Resilient Infrastructure** in March 2022. Under the leadership of the Ministry of Environment, Science, Technology, and Innovation and in partnership with the University of Oxford, United Nations Office for Project Services (UNOPS), and United Nations Environment Programme (UNEP), consultations led to an analysis on exposure to climate hazards and the identification of 35 adaptation solutions. The roadmap also identified 82 funds and financing sources with the potential to finance infrastructure in Ghana. Partners including the AfDB and UNEP have already started implementing recommendations in the roadmap, including through a \$100 million AfDB fund for drought-prone districts, and a natural flood adaptation plan for the Weija Dam by Invest International.

At the city level, GCA supports climate resilience in large-scale urban investment projects financed

by multilateral development banks through a combination of downscaling data on climate hazards, prioritizing adaptation in planning processes, mobilizing finance, and building capacity.

In Liberia, GCA is supporting the **\$40 million Liberia Urban Resilience Project**, approved by the World Bank board in May 2022. Monrovia is the wettest capital of the world, with an average rainfall of five meters. It already suffers significant flooding, which is compounded by climate change. In its support to the *Liberia Urban Resilience Project*, GCA is developing Locally Led Adaptation plans and the integration of adaptive, climate resilient ecosystem-based approaches in drainage and flood risk management. As an example of GCA's commitment to Nature-based Solutions, its support also includes an assessment of the wetlands in and around Monrovia, a green asset that can help the city absorb the impacts of climate change. As a result of GCA's support to



Read the Ghana Roadmap [here](#)



As Ghana takes action towards the achievement of our Nationally Determined Contributions to the Paris Agreement, this program is positioning the key agents within the public sector infrastructure finance space to be well-equipped for the task ahead in the provision of climate-resilient infrastructure. We are indeed grateful to the Global Center on Adaptation for this bold initiative.

Kwadwo Kwakye Gyan

Head of Risk Management and Sustainability
Ghana Infrastructure Investment Fund

this project, **approximately 200,000 people – half of them women – will benefit from improved urban living conditions with enhanced resilience to the impacts of climate change.**

In Uganda, GCA is working with the AfDB to support the **\$399 million Kampala-Malaba Railway Refurbishment Project**. The Kampala project aims

to integrate Nature-based Solutions to reduce climate risk for the railway assets threatened by more extreme weather, including via the restoration of a wetlands system to reduce flood risk for the railway assets. Improving climate resilience of the railway would **increase the safety and reliability of transport services for 1.2 million beneficiaries, about 40 percent of whom are women.**

Reducing the vulnerability of women in N'Djamena, Chad

In the Republic of Chad, GCA is working with the World Bank to support the **\$150 million N'Djamena Urban Resilience Project**, a climate vulnerability project with a focus on the adaptation priorities of women. Chad is one of the world's most environmentally degraded countries, and major flood events in 2012, 2020, and 2022 resulted in significant infrastructure damages and economic losses. GCA's assessment found that women employed in the urban agricultural sector in N'Djamena are disproportionately affected by floods as their source of income is directly impacted. During floods, gender-based violence also increases, while lower levels of literacy among women results in limited access to weather and disaster alerts. GCA is now working with the World Bank to reduce the vulnerability of women through community-level preparedness and response committees in each district; the establishment of a city-wide early warning system; the promotion of a gender-sensitive communication and citizen engagement strategy for disaster preparedness; and financing community-led initiatives to generate job opportunities prioritizing women.



Women employed in the urban agricultural sector in N'Djamena are disproportionately affected by floods (Photo credit: iStock/Mustafa Olgun)

Nature-based Solutions to protect infrastructure assets

GCA is supporting the AfDB and European Investment Bank's \$115 million Port of Banjul 4th Expansion Project in The Gambia. GCA developed a climate risk assessment and vulnerability stress test to prioritize adaptation and resilience investment options for the port. This included quantifying climate risks not only to the port assets and operations, but also to surrounding natural assets such as the Tanbi Wetland Complex. Twenty adaptation options were prioritized at an estimated €10 million adaptation cost, backed up by mid and long term costs-benefits analysis. **GCA analysis indicates that these measures could reduce total climate risk to the Banjul Port by 40 to 50 percent.**



We are more prone to climate risks when it comes to sea level rise and increased sedimentation and precipitation. These are all the things that make the collaboration with GCA very important – so that we can mitigate some of these climate hazards.

Ousman Jobarteh

Managing Director, Gambia Port Authority



*GCA is supporting the AfDB and European Investment Bank's \$115 million Port of Banjul 4th Expansion Project in The Gambia
(Photo credit: GCA)*

YOUTH EDUCATION AND ADAPTATION JOBS

Africa is the youngest continent in the world, with 70 percent of people in sub-Saharan Africa under the age of 30. Africa's youth population is also rapidly growing and expected to double to over 830 million by 2050. Most of those young people will join the labor market by 2030, where they will face both unemployment and underemployment, some of the main development challenges facing the continent.

Climate change will significantly and adversely impact African youth employment, especially in the informal sector and through the devastating effects of the slow onset of changes upon agricultural activities, the major source of employment on the African continent. It is estimated that around 86 million Africans will be forced to migrate within their own countries by 2050 because of changing weather patterns.

Yet there are opportunities to harness the enthusiasm, energy, and innovation of young people, and climate adaptation presents an

opportunity to equip Africa's youth population for new green jobs. GCA's State and Trends in Adaptation 2022 report details how micro, small and medium-sized enterprises are leading engines of job creation in Africa and account for a large part of economic output for the continent. GCA promotes innovation and inclusive growth for young people aged 18-35 in climate-resilient jobs and through youth enterprise development.

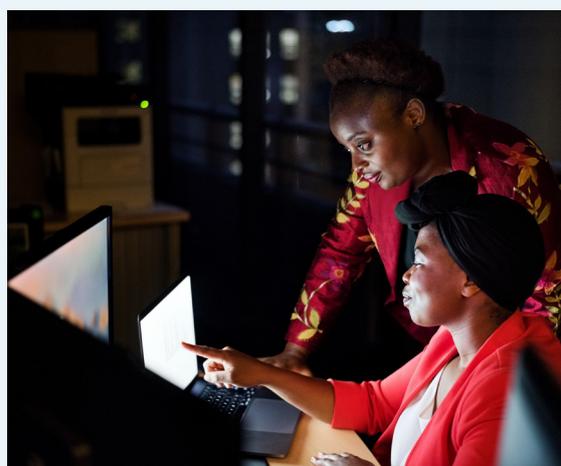
YOUTH ENTREPRENEURSHIP

In 2022, **GCA supported five job creation and agriculture projects from the AfDB that are expected to influence financing of over \$1.1 billion.** GCA focuses on mainstreaming climate adaptation into job creation for these projects, with a target of 30 percent of adaptation jobs created through labor market assessments, adaptation curriculum design, and capacity building. GCA's interventions also equip young people with the knowledge and

Mainstreaming Adaptation in Digital and Creative Youth Enterprises

in Nigeria, GCA is working with the AfDB and Federal Government of Nigeria to mainstream climate adaptation and resilience into the **US\$620 million *Investment in Digital and Creative Enterprises Project (i-DICE)***.

Nigeria is expected to be the third most populous country in the world by 2050. Young people under the age of 35 years will make up approximately 77 percent of this population. Over the next decade, the country must create at least 5 million new jobs annually to deal with the growing number of young people entering the labor market. The impacts of climate change further exacerbate these challenges. Nigeria's ICT sector is one of the largest technology markets in Africa. GCA's upstream technical assistance includes conducting feasibility assessments to help define, identify, and measure adaptation jobs that can be created through the program.



GCA is working with the AfDB and Federal Government of Nigeria to mainstream adaptation into investments in digital and creative youth enterprises (Photo credit: iStock/Nicky Lloyd)

skills required to pursue job opportunities and develop climate adaptation solutions.

For example, GCA is working with the AfDB on the **\$538 million Special Agro-Industrial Processing Zones (SAPZ) Program**, which aims to create 500,000 jobs and train 25,000 youth-led enterprises in Nigeria. The program supports the economic and social development programs of the Federal Government of Nigeria, contributing to the development of rural infrastructure, improved access to agricultural markets, increased farm productivity, and promotion of agricultural technology, agribusiness, and job creation. GCA is providing feasibility studies and assessment of job opportunities in adaptation, as well as the skills required for these new adaptation jobs in order to support skills development.

In Somalia, where high youth unemployment is challenging the country's stability, security, poverty and migration levels, GCA is partnering with the AfDB on the **\$73 million Skills for Employability, Inclusion and Productivity (SEIP) Project**. A lack of opportunities to upskill has resulted in a significant lack of employable skills, particularly for Somalian youth. The SEIP Project aims to provide technical and vocational education and training to over 2,400 citizens. GCA's support reinforces the project's outcomes, which include strengthening the capacity of enterprise support organizations, conducting business development, entrepreneurship and market-related trainings, and placing graduates into apprenticeships and internships, resulting in more skilled and employable Somalian work force.

South Sudan is emerging from a prolonged civil conflict which has disproportionately affected incomes and livelihoods, particularly for young people who represent roughly 72% of the population. GCA is working with AfDB on the **\$9 million Youth Enterprise Development and Capacity Building (YEDCB) Project**, aimed at creating 5,573 jobs and establishing 3,510 youth-led midsize enterprises by enhancing employability and job creation for young people through a strengthened private sector, building entrepreneurship skills, and improving the enabling environment. GCA is

supporting the development of entrepreneurship opportunities and jobs in climate adaptation across sectors such as agriculture, manufacturing, and aquaculture.

GCA is also mobilizing the next generation of adaptation leaders. In 2022, GCA held an **Online Executive Training for Young Women Leadership on Climate Adaptation**, in collaboration with the Ban Ki-moon Centre for Global Citizens, CARE, and the Diplomatic Academy of Vienna. Thirty young women from six African countries completed a structured training program over nine months focused on equipping them with knowledge, leadership skills, and networks to leverage their positions as young leaders for climate adaptation.

THE YOUTHADAPT CHALLENGE

In 2022, GCA supported enterprises focused on climate adaptation through a business accelerator – the **African Youth Adaptation Solutions (YouthADAPT) Challenge** – which offers grants of up to \$100,000 per enterprise and a 12-month business coaching mentorship program. A total of **\$900,000 was disbursed in grant awards in 2022 and 7,984 jobs were created in sectors such as waste management, drip irrigation, and agriculture.**

The selected 10 enterprises in the 2021-2022 *YouthADAPT Challenge* have created direct employment for 477 individuals, with 427 of these jobs being filled by youth aged between 18-35 years, making up approximately 90 percent of the total. Women are employed in 280 of these jobs, accounting for 59 percent of the total number of jobs. The 10 enterprises also created approximately 7,865 indirect jobs – 81 percent for youth, and 82 percent for women. Some have seen their **revenues rise by up to 50 percent since joining the accelerator, some have doubled their production capacity, and others are entering new markets.**

In September 2022, GCA launched the second edition of the *YouthADAPT Challenge*. GCA selected 20 youth-led businesses out of 3,700 applications from 51 African countries in 2022. Winners came from 13 countries and 50 percent were female-led businesses.

YouthADAPT Grant Winner Irri-Hub



The YouthADAPT grant has allowed Irri-Hub to expand its implementation of climate-smart irrigation systems (Photo credit: Irri-Hub)



Read more about [Irri-Hub here](#)

Irri-Hub, led by 31-year-old Mr. Eric Bosire, supplies and installs climate-smart irrigation technologies in Kenya that mitigates the effects of drought, extreme heat, and changing rainfall patterns on crops. Irri-Hub's activities include supplying farmers with solar-powered drip irrigation options, greenhouse technology, and eco-friendly water-harvesting options. By using Irri-Hub's products and services, customers in arid and semi-arid areas benefit from sustained weather resistance, affordable energy, an alternative to rainfed agriculture, and water conservation.

The YouthADAPT grant has allowed the company to acquire more inventory and expand. The funds have been used to invest in research and development with the aim to automate irrigation systems. The accelerator program has helped Irri-Hub redefine its business model, streamline and align company policies, adjust pricing systems, and improve marketing strategies. The company will soon open a second branch to help reach more remote farmers.

YouthADAPT Grant Winner BleagLee



BleagLee helps communities in Cameroon mitigate flood risk by using drones to identify waste clogging waterways and drainage channels (Photo credit: GCA)



Read more about [BleagLee here](#)

Due to climate change, Cameroon is at increasing risk of life-threatening floods. Poor waste disposal can exacerbate these disasters by clogging drains. It can also lead to other serious issues such as respiratory diseases when waste is burned and the contamination of water when waste materials are dumped. BleagLee, an innovative tech-led company founded by Ms. Juveline Ngum Ngwa, 32, helps communities mitigate the risk of floods by using drones to identify waste in drainage channels, while monetizing recycling.

Drones are deployed to identify waste blockages that might lead to flooding, potential respiratory irritants, and water contamination, using flight planning software and artificial intelligence algorithms. Youth environmental groups and informal waste collectors work with BleagLee to collect the waste, which is then sorted and recycled. Plastic waste is turned into fuel and sold, while other waste is offered to national and international recycling corporates. The YouthADAPT grant has meant that BleagLee could expand, purchase a waste disposal truck, and also help grow its networks and foster collaborations.

YouthADAPT Grant Winner
Soupah Kitchen & Co.



The YouthADAPT grant has helped Soupah Kitchen & Co. expand its hydroponics production capacity seven-fold (Photo credit: Soupah Kitchen & Co.)



Read more about Soupah Kitchen & Co. [here](#)

Agriculture is central to life in Nigeria, with over 70 percent of the population involved in the sector, mainly at a subsistence level. But extreme weather events such as flooding, heat waves, and drought lead to low crop yields, discouraging young people from seeking employment in the sector. Ms. Ifeoluwa Olatayo, 32, devised a solution to encourage young people to take up farming and boost food security.

Soupah Kitchen & Co., of which Ms. Olatayo is the CEO and founder, is an agro-producer and distributor that aims to change the way food is grown and distributed in climate-vulnerable Nigeria. The company reduces the impact of weather conditions on the production and transportation of food in the community by growing vegetables such as lettuce, kale, leafy greens, and herbs using technology such as hydroponics, which means growing the vegetables without using soil.

The YouthADAPT grant has helped the company increase production capacity seven-fold and implement a franchising model. These additional farms will also help women and young people acquire skills training for green jobs, empowering communities to lead a sustainable lifestyle.

YouthADAPT Grant Winner
Kimplanter Seedlings



The YouthADAPT grant has helped Kimplanter conduct more training for smallholder farmers, including 100 households run by Maasai women (Photo credit: Kimplanter Seedlings)



Read more about Kimplanter Seedlings [here](#)

The town of Ruiru, in Kenya, is home to Kimplanter, a unique seedling nursery led by youth and women that helps farmers improve productivity amid drought and harsh weather conditions caused by climate change. Kimplanter, launched by 30-year-old Ms. Caroline Mukuhi Mwangi, propagates drought-resistant seedlings at affordable prices. As well as propagating the seedlings, Kimplanter provides farmers with training on crop management and incorporating different techniques of climate-smart agriculture to improve yields while overcoming climate-related obstacles.

With the help of the YouthADAPT grant, Kimplanter recently conducted training to empower 100 households run by Maasai women with knowledge and tools to establish climate-smart kitchen gardens where nutritious vegetables can grow with minimal water. “As a micro-enterprise, the grant means a lot to us,” says Ms. Mwangi. “It will increase the product range of the climate-resilient varieties that we are able to propagate for the farmers. It means increased sales, moving our company to another level.”

ADAPTATION FINANCE

As the climate crisis intensifies, the need for adaptation becomes more pressing, but there remains a huge gap in the financing available for adaptation, with financing historically prioritising mitigation over adaptation. GCA's State and Trends in Adaptation 2022 report showed that Africa faces a serious and urgent shortfall in funding for climate adaptation, even as the costs of delayed action rise. In 2022, GCA worked with African governments and organizations to access climate funds to support adaptation programs for issues such as agriculture and food security.

Major barriers that African countries face in accessing large-scale adaptation finance from major climate funds include significant gaps in adaptation planning, lack of decision-making based on a programmatic approach, insufficient technical capacities for adaptation project development and implementation, and a failure to capitalize on the ground-breaking direct access modality.

GCA established the Technical Assistance Program (TAP) as part of the AAAP to address these barriers through:

- Strengthening direct access

to multilateral climate funds through more locally accredited entities

- Promoting intersectoral, large-scale, and transformational adaptation projects and programs eligible for investment
- Capacity building for adaptation finance planning and decision-making



[Read More here](#)

In 2022, **GCA engaged with ten countries (Côte d'Ivoire, Democratic Republic of the Congo, Niger, Nigeria, Burkina Faso, Senegal, Ghana, Ethiopia, Togo, Guinea) to enhance the level of adaptation finance flowing from multilateral climate funds** like the Green Climate Fund (GCF) and the Adaptation Fund.

In 2002, GCA launched work to support the accreditation of Direct Access Entities in Senegal, Ghana, and the Democratic Republic of the Congo, and the preparation of concept notes to be submitted to the GCF for the Democratic Republic of the Congo, Burkina Faso, Niger, and Nigeria.



Africa faces a serious and urgent shortfall in funding for climate adaptation, even as the costs of delayed action rise (Photo credit: iStock/IgorSPb)

Building local capacity to access global climate funds

GCA is providing technical support to government-appointed Direct Access Entities (DAEs) to enable access to climate finance from the GCF. Funding proposals submitted to the GCF are often rejected due to a weak analytical base on the climate rationale. In December 2022, GCA and the AfDB organized a workshop for African DAEs on improving climate information and analysis for GCF proposals. The workshop supported representatives from 27 national and regional DAEs, with program partners including the GCF, World Meteorological Organization, Africa Climate Change Fund, ClimDev Special Fund, and Regional Climate Centers in Africa. In 2023, GCA is building on this training to provide targeted support for workshop participants, including La Banque Agricole, Centre de Suivi Ecologique, Fonds de Garantie des investissements Prioritaires, Equity BCDC, and Ghana Infrastructure Investment Fund. .

GCA is currently supporting workshop participants, including La Banque Agricole, Centre de Suivi Ecologique, Fonds de Garantie des investissements Prioritaires, Equity BCDC, and Ghana Infrastructure Investment Fund in their re/accreditation process and the development of adaptation concept notes for the GCF and Adaptation Fund. Furthermore, GCA is engaged with the Sahara and Sahel Observatory, the National Environment Management Authority of Kenya, and the Intergovernmental Authority on Development to identify targeted areas of support for scaling up adaptation finance in Africa.

GCA also works to strengthen the offering and adoption of adaptation and resilience-focused financial instruments, enabling investment in adaptation and resilience projects and initiatives, and mobilizing finance from institutional investors in international and domestic markets. GCA offers technical assistance for structuring blended finance and capital markets solutions such as green bonds and private debt funds or adopting adaptation taxonomy and metrics to measure impact. Currently, GCA is supporting the upcoming Sustainable

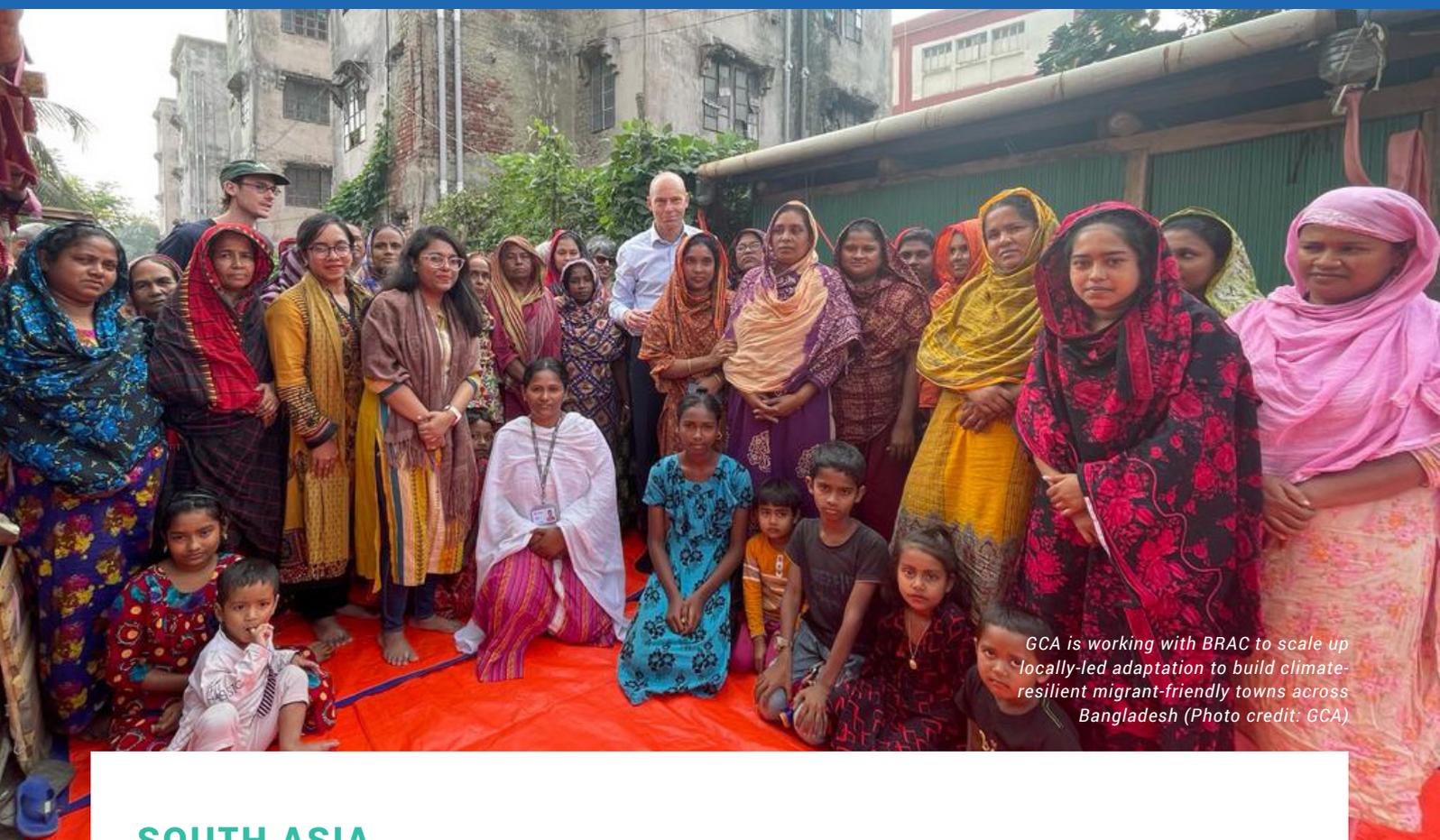
Sovereign Bond of the Government of Cote d'Ivoire to increase the share of adaptation investments. GCA also works with private asset management firms like Invesco to explore blended finance solutions to mobilize adaptation finance from private sector institutional investors at scale targeting the most vulnerable countries.



[Read More here](#)



GCA and AfDB are building the capacity of Direct Access Entities in Africa to help them access climate adaptation funding through the GCF.



GCA is working with BRAC to scale up locally-led adaptation to build climate-resilient migrant-friendly towns across Bangladesh (Photo credit: GCA)

SOUTH ASIA

Bangladesh has made significant strides in adaptation planning over the past decade to tackle the climate impacts impeding its development. This has included the *Delta Plan 2100*, the *National Adaptation Plan of Bangladesh*, and a *Climate Prosperity Plan*, strengthening adaptation policies such as sophisticated early warning systems for cyclones and floods, investing in climate-resilient crop varieties, and supporting community-based adaptation.

In support of this leadership in the face of accelerating climate impacts, the Government of Bangladesh is partnering with GCA to design and implement impactful solutions that accelerate and scale adaptation action on the ground in Bangladesh and across the South Asia region.

In September 2020, GCA's South Asia Regional Office was inaugurated by H.E. Sheikh Hasina, Honorable Prime Minister of Bangladesh; H.E. Ban Ki-moon, GCA Chair and Eighth Secretary-General of the United Nations; and South Asian Heads of State and Government.

The Regional Office is based in the Department for Environment of the Ministry of Environment, Forest and Climate Change in Dhaka. During the launch ceremony, H.E. Sheikh Hasina called on GCA to promote the sharing of the experiences of Bangladesh, and to use the platform to further build the climate resilience of vulnerable communities across Asia and the world.

Following the AAAP model, in February 2022, GCA initiated its work program in Bangladesh with support from the United Kingdom's Foreign, Commonwealth & Development Office (FCDO). The program contains three main areas of work: catalyzing change through the Global Hub on Locally Led Adaptation; supporting Nature-based Solutions for resilient infrastructure; and adaptation finance. GCA's work program in Bangladesh offers lessons and is inspiring further national and regional programs such as an Asian Adaptation Acceleration Program.

NATURE-BASED SOLUTIONS

GCA is supporting the scaling up of Nature-based Solutions in Bangladesh by sharing knowledge that directly demonstrates the economic impact. This includes quantifying and structuring the investment case for public and private stakeholders by identifying potential financial and economic returns on investments, and environmental co-benefits. Every \$1 invested in Nature-based Solutions can realize as much as a \$9 return, and GCA's Nature-based Solutions program in Bangladesh is seeking to realize that benefit.

GCA integrates Nature-based Solutions and climate adaptation measures into large-scale investment programs in Bangladesh by demonstrating clear financial and environmental benefits.

GCA is providing technical assistance to the Asian Development Bank (ADB) **Coastal Towns Climate Resilience Project** in Bangladesh. This includes climate risk assessments of 22 coastal towns, developing adaptation solutions, and capacity development. In partnership with the Bangladesh University of Engineering and Technology, GCA is identifying potential Nature-based Solutions in town masterplans.

GCA is helping cities in Bangladesh to strengthen capacity for climate risk informed urban planning with an emphasis on scaling up Nature-based Solutions and strengthening the livelihoods of poor and vulnerable communities, particularly women and youth. In 2022, GCA and the ADB agreed to collaborate on the *Improving Urban Governance and Infrastructure Program* in Bangladesh, including developing a catalogue on Nature-based Solutions for secondary cities, an urban resilience masterclass, and producing a handbook for preparing climate risk-informed masterplans for urban areas.

For this project, GCA partnered with the International Union for Conservation of Nature (IUCN), Bangladesh in November 2022 to propose a range of urban Nature-based Solutions to build climate resilience into large-scale investment projects. The aim is to identify and better understand the characteristics of

scalable Nature-based Solutions for climate resilient water services in urban areas of Bangladesh, as well as carrying out cost-benefit analyses. Based on these solutions, GCA will develop manuals and guidelines and a training-of-trainers package for policy makers, contractors, and NGO staff. An urban resilience masterclass will then bring together city officials, policymakers, practitioners, and experts to develop hands-on practical skills and knowledge. It will include modules on risk-informed urban master plans, governance and capacity building, climate finance, locally-led adaptation, infrastructure and Nature-based Solutions. GCA and the ADB agreed to **support capacity building of urban practitioners of 60 secondary towns in Bangladesh through the urban resilience masterclass**. In addition to the masterclass, GCA and the ADB will develop **step-by-step guidelines for preparing climate risk-informed masterplans for urban areas** to facilitate developing a comprehensive approach for climate risk management for municipalities in Bangladesh.

National Stress Test Assessment

GCA completed a national stress test assessment in Bangladesh for transport, energy, social, and water sector infrastructure to quantify the climate risks and produce analytics for developing investment project pipelines for potential Nature-based Solutions. The assessment highlighted that 95 percent of healthcare facilities, 70 percent of cyclone shelters, 93 percent of market centers, and 95 percent of education facilities are currently exposed to at least one type of climate hazard, threatening people's access to essential services. The total economic damage to the transport sector in Bangladesh could be as high as €12.7 billion in 2050 from riverine and coastal flooding.

ADAPTATION FINANCE

To prepare for the many climate impacts already affecting millions of people, Bangladesh needs to mobilize additional climate adaptation finance. According to the World Bank's Country Climate and Development Report released in 2022, it is estimated that the country will require a minimum of \$12.5 billion, equivalent to around three percent of its GDP, in the medium-term to address climate change and undertake necessary climate action. However, the country faces limitations in terms of institutional capacity and significant financing gaps.

TECHNICAL ASSISTANCE PROGRAM

GCA is supporting Bangladesh to strengthen its abilities to access and effectively implement climate finance. Through the Technical Assistance Program (TAP), GCA is working to mobilize additional adaptation finance from multilateral funds to support Bangladesh in its climate adaptation efforts. A key aspect of this endeavor involves close collaboration with the government-appointed entities responsible for facilitating and coordinating engagement with the GCF, the Direct Access Entities. These are the Infrastructure Development Company (IDCOL) and the Palli Karma Sahayak Foundation (PKSF), as well as

the newly nominated entity, the Bangladesh Rural Advancement Committee (BRAC). The main objective is to identify impactful adaptation project ideas and transform them into full concept notes, with the aim of increasing the flow of adaptation finance from the GCF. Through this approach, GCA seeks to enhance climate resilience in Bangladesh and ensure the availability of financial resources to implement effective adaptation measures.

CAPACITY BUILDING

GCA is actively engaged in identifying the capacity gaps and needs of IDCOL, PKSF and BRAC. The aim is to provide comprehensive technical support, guidance, and capacity building to enhance their project development capabilities. Through tailored training programs and knowledge sharing initiatives, GCA strives to strengthen their understanding of GCF processes and equip them with the necessary skills to develop high-quality adaptation proposals. By building sustainable internal capacity, GCA ensures that these entities are well-equipped to navigate the complexities of project development and maximize their potential in accessing climate finance for effective adaptation actions.

Building a resilient financial system

GCA is collaborating with the country's central bank, Bangladesh Bank, to enhance the capacity of relevant organizations in managing climate-related risks. This involves developing a training program to support officials in reporting and disclosing climate-related risks in line with the Task Force on Climate-Related Financial Disclosures recommendations. Improved climate disclosures will enable financial institutions to incorporate climate risks and opportunities into their decision-making processes and facilitate the development of green financial markets.

SUPPORTING BANGLADESH'S PRESIDENCY OF THE CLIMATE VULNERABLE FORUM

The Climate Vulnerable Forum (CVF) first met in the Maldives in November 2009, gathering Heads of State, Ministers, and other government leaders representing countries threatened by climate change from around the world. It has since been active in building cooperation, knowledge, and awareness on climate change issues. Bangladesh has played a significant role in the formation and leadership of the CVF and Vulnerable Twenty (V20), the group of Ministers of Finance of the CVF. It was one of the founding members of the CVF and has actively championed the cause of climate-vulnerable countries. Bangladesh held the CVF Presidency twice, in 2011-2013 and 2020-2022.

The CVF secretariat is hosted by GCA. As Managing Partner of the CVF, GCA works with the leadership of its member countries from Africa, Asia, the Caribbean, Latin America, and the Pacific, representing over 1.5 billion people worldwide. GCA played a crucial role in supporting the accomplishments of the CVF Presidency. GCA's efforts and engagement with high-level policymakers on how to address climate change impacts effectively contributed to the achievement of the CVF priorities. Bangladesh's Presidency of the CVF-V20 came to an end at the end of May 2022, with Ghana taking over the chairmanship.

KEY ACHIEVEMENTS OF CVF'S 2020-22 PRESIDENCY

Since the CVF Presidency handover from the Marshall Islands in 2020, Bangladesh, as Chair of CVF, has hosted various events at the multilateral and bilateral levels, championing the ideals and priorities of the forum. These have included launching the *Midnight Survival Deadline for the Climate* at a virtual CVF Leaders Event at the UN General Assembly and a series of virtual regional dialogues for Africa and the Middle East, Latin America, the Caribbean, the Pacific, and Asia, establishing key perspectives and priorities of the CVF members for the various regions. Under its Presidency, the CVF welcomed seven new members to expand its coalition to 55 nations.

Furthermore, the CVF Bangladesh Presidency appointed the first CVF Thematic Ambassadors to galvanize awareness on climate change and successfully advocated for the creation of a Special Rapporteur on climate change at the UN Human Rights Council and a Climate Crisis Commission at the IUCN. The CVF created a new workstream under the leadership of Bangladesh, the Global Parliamentary Group, to help legislators across the Global South work together to combat climate change.

KEY ACHIEVEMENTS OF BANGLADESH'S V20 PRESIDENCY

The V20 Bangladesh Presidency held ministerial dialogues and meetings of senior officials to discuss financing initiatives, advocacy efforts, and partnership for climate-vulnerable countries. Results included the German government committing €21 million for resilience programs and risk analytics, administered through the V20 and the Insurance Development Forum. The Sustainable Insurance Facility was launched to assist V20 members in developing climate-smart insurance offerings. A Global Public Private Partnership on Risk Analytics and Resilience was established, known as the Global Risk Modeling Alliance. The InsuResilience High-Level Consultative Group addressed premium and capital support principles, in addition to issues relating to the global climate and disaster risk finance and insurance architecture.



Bangladesh's Presidency of the CVF-V20 came to an end at the end of May 2022, with Ghana taking over the chairmanship (Photo credit: CVF)



The Global Hub on LLA was launched by H.E. Sheikh Hasina, Honourable Prime Minister of Bangladesh (Photo credit: GCA)

GLOBAL HUB ON LOCALLY LED ADAPTATION

In 2022, the extreme vulnerability of the world’s poorest to climate change was once again exposed by a series of climate-related disasters. These included the extensive flooding in Pakistan that threatens to drive nine million more people into poverty, the persistent drought in East Africa affecting nearly 20 million people, and Hurricane Ian causing extensive damage and loss of life in and around the Caribbean. The urgency for the global community to deliver resources, capacity, and technical expertise to empower climate-vulnerable populations is leading to a growing awareness that local actors and communities must lead the decisions over how, when, and where to adapt.

GCA launched the Global Hub on Locally Led Adaptation (LLA) in December 2022 to inform, connect, and inspire local communities and LLA practitioners around the world. The Hub will support the identification and scaling up of LLA by linking proven solutions with downstream investments from international financial institutions and bilateral donors. The long-term goal of the Hub is to promote LLA at scale and with speed to reduce climate risks

for at least five million people by 2025, with a focus on populations and sections of society that are most vulnerable to climate change.

The Global Hub was launched by H.E. Sheikh Hasina, Honourable Prime Minister of Bangladesh. The Hub brings together a mix of LLA stories, reports, research and analysis, blogs, videos, news and other content on an online platform.



Explore the Global Hub on LLA [here](#)

DOCUMENTING LEARNING ON LLA

To identify and document global LLA best practices, GCA launched the Local Adaptation Champions Awards in 2022. The awards aim to spotlight innovative, exemplary, and scalable locally led initiatives that build effective climate resilience among the most vulnerable communities.



Read more about the LLA Champions [here](#)

The four winners of the awards were:

- **The Adaptation Consortium in Kenya** (Financial Governance category), which has designed a county climate change fund to support communities to create, access, and use climate finance from varied sources to reduce their vulnerability to climate change.
- **The Rangamati Hill District Council in Bangladesh** (Inclusive Leadership category), for their support to vulnerable people in Bangladesh to battle drought, landslides, and floods with their community-led solar water pump.
- **Swayam Shikshan Prayog in India** (Capacity and Knowledge category), for their Climate Resilient Farming model, in which women borrow a parcel of land to cultivate food crops for their families instead of relying on water-intensive cash crops like soybean and sugarcane.
- **The Community Development and Advocacy Forum in Nepal** (Local innovation category), which is helping rehabilitate land, conserve water, and manage river systems through techniques developed by the community based on environmentally friendly water management techniques.

The awards generated new opportunities for the winners, including increased funding and grants and an upsurge in interest from the media, local government, donors, and other LLA practitioners. GCA is now seeking to scale up these best practices, and to support the winners in collaborating and learning from each other while mentoring and inspiring others.

GCA also teamed up with the organizers of the Gobeshona Conference on LLA in 2022 to document best practices. The resulting publication – *Stories of Resilience: Lessons from Local Adaptation Practice* – analyzes case studies from the Conference.



[Read Stories of Resilience here](#)

To encourage more detailed coverage of LLA efforts, GCA partnered with Thomson Reuters Foundation to train 25 journalists and LLA practitioners on communicating local adaptation efforts. The trainees engaged with leaders in the field of LLA and journalism. Nine journalists were shortlisted for one-to-one mentoring to develop stories on LLA for their media outlets.



PATHWAYS TO SCALE

GCA is leveraging the identification of LLA best practices by using them to inform downstream investments of international financial institutions and donors. Sharing this knowledge is key, and in 2022 GCA produced *Locally Led Planning: A Guide for Building Climate Resilience in Urban Informal Settlements*. The toolkit was inspired by locally-led planning efforts in Mukuru, Kenya, and the years

of experience of Slum Dwellers International, and is now being used to conduct similar planning exercises in in Monrovia, Liberia and to inform investments by the World Bank. The Mukuru example is also informing planning processes in informal settlements in four cities in Bangladesh, and to inform investments by the ADB.



Read the [Locally Led Planning Guide](#) [here](#)

Building climate resilient migrant-friendly towns

GCA is working with the Dhaka-headquartered INGO BRAC to pilot locally-led urban planning approaches to accelerate and scale up the creation of climate-resilient, migrant-friendly towns across Bangladesh. BRAC will initially pilot a process to develop locally-led climate adaptation plans in the town of Mongla, the second largest seaport in Bangladesh, which already faces significant climate threats including rising salinity levels and a lack of freshwater. The process is led by the Mayor and local government, developed with and validated by urban residents, with capacity-building support to implement the town climate adaptation plans. Using the lessons from Mongla, this model of locally-led town climate adaptation plans will be scaled up across Bangladesh, initially to a further three towns by 2026 and an additional 26 towns and cities by 2030.



GCA and BRAC are piloting a process to develop locally-led climate adaptation plans in Mongla (Photo credit: GCA)

CHINA

Since the launch of the GCA regional office in Beijing in 2021 by the Premier of China, Li Keqiang, GCA Chair H.E. Ban Ki-moon, and Mark Rutte, Prime Minister of The Netherlands, GCA has supported the government and people of China in accelerating adaptation action, while also developing knowledge and sharing China's adaptation lessons with the world.

NATIONAL CLIMATE CHANGE ADAPTATION STRATEGY 2035

Central to GCA's work with China is the development of its *National Climate Change Adaptation Strategy 2035*. In 2021, the Ministry of Ecology and Environment (MEE) of China began its work to develop a national climate change adaptation strategy for the next decade to incorporate climate change adaptation into economic and social development.

As the key international partner of the Chinese government in climate change adaptation, GCA channeled knowledge and international experience to inform the development and review of the strategy. In June 2022, China's MEE and 16 other ministries released China's new and updated *National Climate Change Adaptation Strategy 2035*. GCA will continue to support the strategy's implementation and China's adaptation actions.



GCA's CEO at a COP27 event spotlighting China's strategies on climate adaptation (Photo credit: GCA)

In November 2022, together with the MEE and the ADB, GCA launched a special event on China's strategies on climate adaptation at the China Pavilion of COP27. The event kick-started discussions on China's critical need for climate adaptation and resilience in infrastructure, the water sector, climate finance, and health.

BEIJING MUNICIPAL ECOLOGICAL RESTORATION STRATEGY

At the technical level, GCA's focus in China in 2022 has been supporting its local partners, the Beijing Institute of Water and Beijing Institute of City Planning & Design (BICP), in developing the *Beijing Municipal Ecological Restoration Strategy* and the plan for its implementation.

GCA organized a series of technical roundtables on urban restoration and urban resilience with international experts and practitioners, and developed communication products for global audiences. In March 2022, GCA and the BICP co-hosted the International Roundtable Exchange on Urban Adaptation Governance to exchange knowledge and experience at the city level.



Watch highlights from the roundtables [here](#)

INTEGRATING CLIMATE ADAPTATION INTO INFRASTRUCTURE PATHWAYS

In 2022, in partnership with the governments of China and the Netherlands, GCA facilitated technical knowledge exchanges between experts from China and the Netherlands on climate-resilient infrastructure. This served as an opportunity to share international best practices and understanding on how climate change risks are being integrated across the infrastructure lifecycle, as well as exploring opportunities for collaboration.

4. RESEARCH FOR IMPACT

For adaptation to be effective, it requires knowledge of current and future climate-related risks as well as insights into the conditions of vulnerability and exposure. GCA's Research for Impact (R4I) works with partners to produce and publish research papers and reports to inform and shape the adaptation agenda.

In support of GCA's flagship AAAP program, R4I has engaged in research activities that support program and project design and implementation in three areas: efficiency of adaptation-related interventions, conditions for their sustained uptake, and support for scaling.

R4I also engages in research, teaching, and dissemination activities, including through GCA's Adaptation Knowledge Portal which was upgraded in 2022 to leverage its potential in support of GCA's mission as a solutions broker.

PROVIDING THE ECONOMIC CASE FOR ADAPTATION

In 2022, R4I in collaboration with Akademiya2063 developed the Climate Adaptation Support Program, which aims to provide technical assistance to help African countries implement their National Adaptation Plans (NAPs). This project utilized data on climate exposure and climate vulnerability to predict the expected impacts on African economies. In Kenya and Mali, GCA conducted analytical deep dives to identify and quantify the targets and goals for adaptation in country NAPs. The assessment evaluated the feasibility of NAPs based on required investments and related impacts and outcomes using climate scenarios, and identified alternative adaptation pathways and policy options to inform and facilitate effective implementation. The program has since expanded to support related programs under the AAAP, including supporting access to climate finance in the Democratic Republic of the

Congo, and food security projects in Nigeria and Ethiopia.

A learning event in Dakar in November shared and disseminated tools and methodologies to enhance local expertise for increased implementation effectiveness. Modelers from selected East and West Africa countries attended the clinic, which was led by experts from GCA and Akademiya2063. The agenda featured a series of presentations, including on adaptation research and data visualization, modeling adaptation pathways, and the impact of climate change on crop yields.



Our research with GCA made the economic case for investing in adaptation in Kenya and Mali, showing how GDP could fall by over 8 percent compared to Business as Usual.

Dr. Ismael Fofana

Director of the Department of Capacity and Deployment, Akademiya2063

Developing the evidence base for adaptation solutions through the AAP

In support of the AAP's climate finance pillar, GCA researchers prepared a presentation on climate risk, adaptation strategies, and macro-economic and public expenditure implications for a two-day expert meeting aiming to support organizations accessing funding from the Green Climate Fund. The presentation set out how to better integrate the socioeconomic dimension in the climate rationale of adaptation projects with the help of economic tools.

Providing an evidence base for the work of the AAP's Infrastructure and Nature-based Solutions pillar, R4I researchers prepared a review of rapid climate risk assessment methods used by leading research and implementing organizations to strengthen GCA's Rapid Climate Risk Assessments methodology.

In support of the AAP's Youth and Entrepreneurship pillar, R4I initiated research on data from Somalia's Demographic and Health Survey of 2020 to conduct a labor market assessment and gain an understanding of the potential of adaptation jobs and their economic impacts. The research will provide entry points for adaptation job creation for youth and women in Somalia.

SUPPORTING KNOWLEDGE PARTNERS

In 2022, R4I engaged in several teaching, supervisory, and dissemination activities that helped support organizational learning, improve outreach to relevant communities, and support the dissemination of learning from GCA supported programs.

R4I also collaborates with the University of Groningen, where the R4I team is based. These collaborations include internships, joint lectures on adaptation, and analysis of the impact of GCA initiatives. The R4I team have collaborated with local partners for the establishment of a climate adaptation platform in the North of the Netherlands, expected to be launched in 2023.

Other collaborations include participating in research roundtables, conducting quantitative analyses that contribute to an understanding of the social acceptability of options for adaptation in the wider landscape of economic development and social evolution, and preparing position papers, including a position paper on *Nature-based Solutions for Adaptation in the Global South*, as part of the Coalition for Disaster Resilient Infrastructure's flagship report.



Policy dialogues featuring high-level discussants reinforced the key findings and messages of the State and Trends in Adaptation Report 2022 at COP27 (Photo credit: UN Climate Change/Kiara Worth)

STATE AND TRENDS IN ADAPTATION REPORT 2022



The GCA *State and Trends in Adaptation in Africa Report 2022* provides the most comprehensive overview of the present and projected climate risks in Africa and presents a blueprint for adaptation action. The third in GCA's series of annual flagship reports, it maintains the dedicated focus on Africa from the *State and Trends in Adaptation 2021* report and expands its analysis.

The 2022 report provides a deeper dive into individual countries, as well as analyzing sectoral and thematic areas. It presents key policies, skills, and finance gaps that must be addressed if adaptation is to be effective and reach those who need it the most. It takes a forensic look at the climate finance instruments available, the means by which resources can be mobilized for mainstreaming climate into public budgets, and how to attract and apply private adaptation finance.

Paired with the first volume on Africa published last year, the reports present a comprehensive set of recommendations for action by offering innovative adaptation and resilience ideas, solutions, and financing options. As adaptation is scaled up in response to the challenge of climate change, the report will be used to inform the design of projects and programs, including those supported by the AAAP.



Read the State and Trends in Adaptation Report 2022 [here](#)

LEVERAGING GCA'S GLOBAL NETWORK OF PARTNERS

GCA collaborated with authors representing more than 16 different institutions in the preparation of the report, including: the African Development Bank, Climate Policy Initiative, the United Nations Economic Commission for Africa, World Bank Group, the Education Commission, the United Nations Economic and Social Commission for West Asia, McKinsey & Company, Vivid Economics, Supporters of Agricultural Research Foundation, International Livestock Research Institute, the International Institute for Environment and Development, International Military Council on Climate and European Defence Cooperation, the Hague Center for Strategic Studies, the Center for Climate and Security, Brookings Institution, and more.

INFORMING THE AAAP AND OTHER ADAPTATION PROGRAMS

The report highlighted successful adaptation initiatives from the AAAP that have the potential to be scaled up and replicated, and its analysis used to inform future project design. Key findings included:

- Africa has been substantially impacted by natural disasters, which are set to increase in severity and frequency. Between January 2021 and September 2022, approximately 52 million people (around four percent of the African population) were impacted, either by drought or floods, deeply affecting African livelihoods.
- Cumulative analysis of the Nationally Determined Contributions of 51 African countries shows a need for an estimated \$579 billion in funding for adaptation through 2030. But this would require an annual outlay much larger than the \$11.4 billion in tracked adaptation finance to Africa on average annually in 2019 and 2020.
- Most adaptation funding presently comes from the public sector. To tap a wide range of potential actors it is necessary to build an enabling environment for adaptation

investment and aggressively deploy innovative finance instruments at scale toward adaptation activities.

- Companies in Africa must prioritize adaptation to climate change to reduce risk, maintain productivity, and ensure the broader stability of the African economy.
- Agroforestry is an important Nature-based Solution that fits well with African farming systems, skills, and livelihoods. Agroforestry solutions must be carefully tailored to locations, existing livelihoods, community skills and priorities, and local markets.
- Coastal erosion rates on the West and North African coasts are among the fastest in the world. It is critical to implement efficient but inexpensive solutions, starting with measures like Nature-based Solutions.
- For Sub-Saharan African countries, where over 60 percent of the population are smallholder farmers and where over 55 percent of the urban population live in informal settlements, Locally Led Adaptation holds the promise of unlocking variegated responses to highly localized risks.

MOBILIZING ACTION AHEAD OF COP27

The report was launched ahead of COP27, bringing together global leaders to discuss how its findings could contribute towards the Conference's outcomes. More than 80 media practitioners attended the launch, with extensive global coverage of the report's findings raising the importance of adaptation for Africa.

Policy dialogues featuring high-level discussants on the report's findings were reinforced through broader dissemination of its most salient messaging and case studies through GCA's outreach activities and with partners. With over 300 stakeholders from around the world sharing the report's findings online, content generated from its findings on the need and solutions to scale adaptation action in Africa have created nearly 10 million impressions through social media.

RESEARCH TO SUPPORT PROGRAMS AND DRIVE THE AGENDA

During 2022, GCA worked with partners to produce and publish many research papers and reports to inform and shape the adaptation knowledge agenda, and support programs and advocacy work.

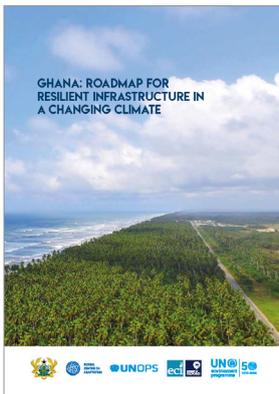


Financial Innovation for Climate Adaptation in Africa 2022

highlights that the Nationally Determined Contributions of 51 African countries cumulatively show a need for an estimated \$579 billion in investment for adaptation through 2030. This compares to the \$11.4 billion in tracked adaptation finance to Africa on average annually from 2019 to 2020. If this trend were to continue through 2030, cumulative adaptation finance through 2030 would be \$125.4 billion—less than one quarter of Africa’s estimated needs. This report presents recommendations to increase the volume and efficacy of adaptation finance flows for Africa.



Read the [report here](#)

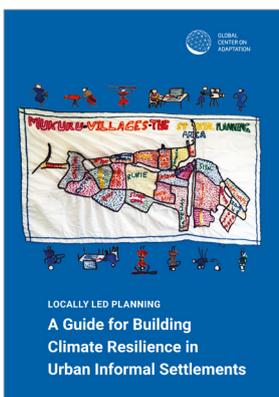


Ghana: Roadmap for Resilient Infrastructure in a Changing Climate

was the culmination of a 21-month partnership between Ghana’s Ministry of Environment, Science, Technology and Environment, GCA, the University of Oxford, UNOPS, and UNEP to identify and propose solutions to address priority adaptation needs in Ghana. Using innovative modelling and assessment tools, and through an extensive stakeholder consultation process, it provides an assessment of the risk of climate hazard on national infrastructure systems and develops a roadmap for addressing risks through targeted adaptation options in the built and natural environments, including Nature-based Solutions.



Read the [Ghana Roadmap here](#)

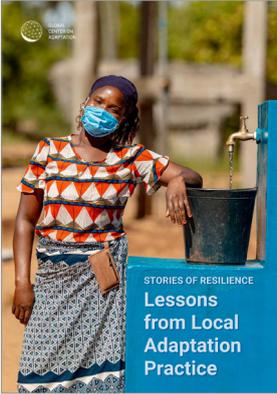


Locally Led Planning: A Guide for Building Climate Resilience in Urban Informal Settlements

builds on the scale of ambition provided by the ground-breaking Mukuru approach to upgrading resilience. This guide aims to support national and local champions and local governments, communities, civil society and academia, and funders in undertaking inclusive, multisectoral, and inclusive upgrading to both build climate resilience in informal settlements. It links locally led action with broader processes of urban and climate governance. While the focus is on Africa, the lessons are relevant globally.



Read the [Guide here](#)

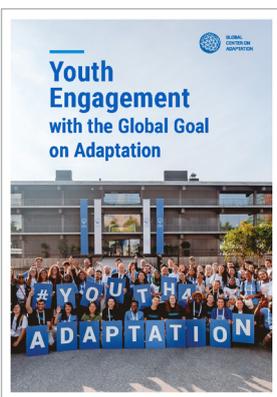


Stories of Resilience: Lessons from Local Adaptation Practice

aims to provide enabling information, capacity, and resources to local communities to support their efforts to deal with the additional challenge of climate change. The stories in this compilation, based on the sessions of the 2022 Gobeshona Conference on Locally Led Adaptation, are an important basis to understand the difference between local action and locally led action, and to identify effective ways of supporting local leadership. They form the basis for us to understand where we are, how much further we must travel, and in which direction, to mainstream and scale up truly Locally Led Adaptation.



[Read Stories of Resilience here](#)

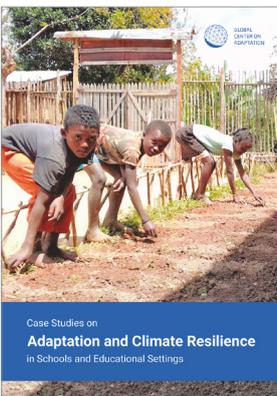


Youth Engagement with the Global Goal on Adaptation

presents the outcomes of the regional Youth Adaptation Forums and the inaugural Youth Dialogue that engaged over 3,400 young people from 105 countries around the world. The report, launched at COP27, presents youth-led recommendations on youth participation in adaptation policy- and decision-making, adaptation education, adaptation employment and entrepreneurship, and finance for youth-led adaptation action. The report also showcases the work of the YouthADAPT Challenge under the AAAP.



[Read the report here](#)

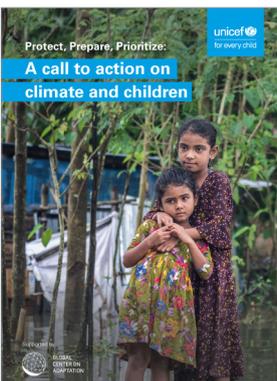


Case Studies on Adaptation and Climate Resilience in Schools and Educational Settings

was published in May 2022 in collaboration with the Foundation for Environmental Education (FEE) and the Centre for Environment Education (CEE). The report presents 15 case studies from 11 countries, including Kenya, Madagascar, Mauritius, Tanzania, and the Seychelles. The webinar launching the report saw participation of over 300 people including practitioners, policy-makers, and young people. At COP27, a follow-up workshop was organized in collaboration with FEE and CEE, which showcased the case studies to an international audience of governments, civil society, and youth organizations.



[Read the Case Studies here](#)



Protect, Prepare, Prioritize: A call to action on climate and children

With over one billion children at extremely high risk from the impact of climate change now, and 4.2 billion at risk children to be born over the next 30 years, this policy brief produced by the United Nations Children’s Fund (UNICEF) in collaboration with GCA outlines the urgent need for countries to adapt, prepare, and build resilience in preparation for more frequent and severe climate hazards.



[Read the policy brief here](#)

ADAPTATION KNOWLEDGE PORTAL

GCA launched its Adaptation Knowledge Portal in January 2021 to provide support and guidance to efforts on adaptation prioritization, community building, policy making, partnerships, advocacy, and implementation. The online portal addresses gaps on adaptation knowledge and data while also encouraging and supporting adaptation communities.

The platform, formerly named the Adaptation Knowledge Exchange, includes analysis, data, and metrics to raise awareness through interactive visualization of data and knowledge, alongside country profiles with detailed deep dives that can form the bases for policy, planning, and action. It also offers opportunities for learning and engaging with relevant communities of action, with sections including a Mass Online Course on Climate Adaptation, the Water Adaptation Community, and the Global Hub on Locally Led Adaptation.

The goal is to inspire and support adaptation practitioners and policy makers through engagement with relevant adaptation communities and the presentation of good practice. The

Adaptation Knowledge Portal provides data and frameworks for analysis to respond to key questions on adaptation needs, with a particular focus on transferable and scalable adaptation solutions.

SUPPORTING PRACTITIONERS AND POLICYMAKERS

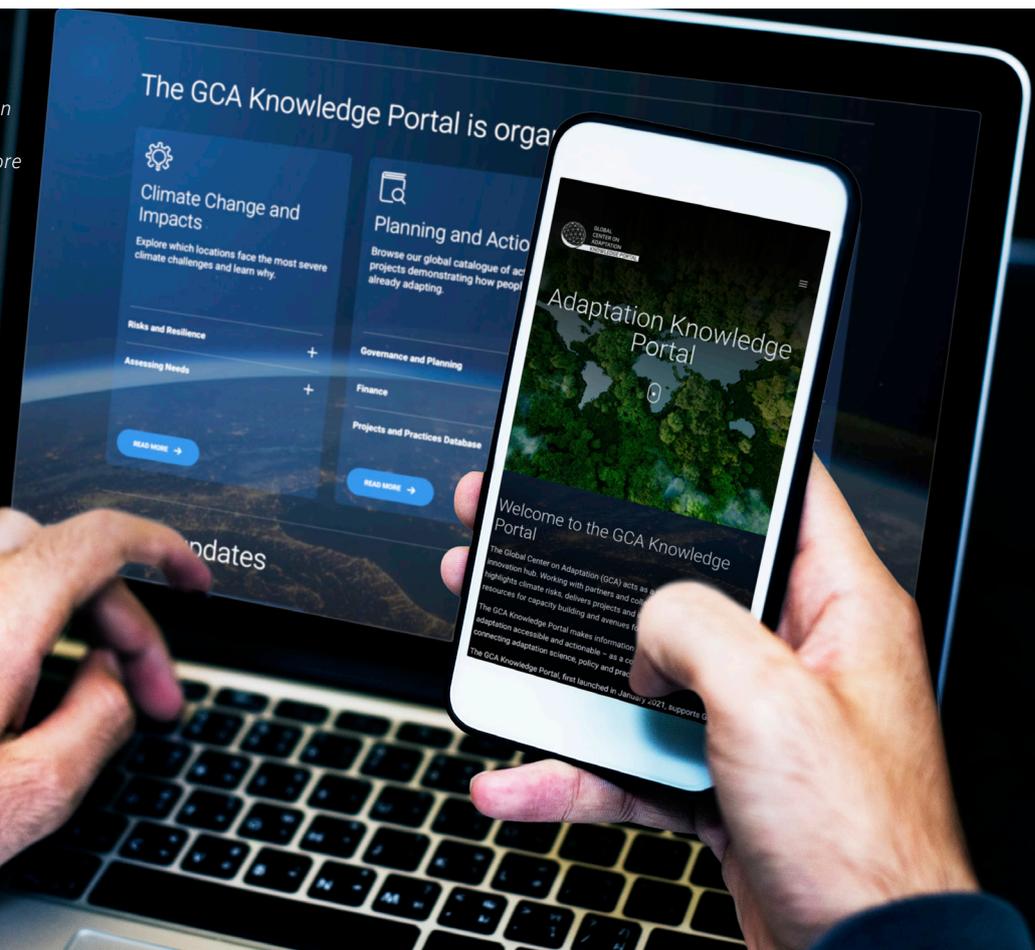
Improvements made to the portal in 2022 include a better user experience with content synthesized and enriched to make it more accessible to practitioners, policymakers, and students. The portal's content was restructured to provide clearer answers to key questions asked by its users:

- What are the impacts and vulnerabilities that countries face?
- What systems, practices, research, and actions are in place to address them?
- What resources can help people start taking action on adaptation?



Explore the Adaptation Knowledge Portal [here](#)

The upgraded Adaptation Knowledge Portal provides an improved user experience to make adaptation content more accessible to practitioners, policymakers, and students



The upgraded portal supports GCA's role as an adaptation solutions broker and knowledge accelerator by providing new adaptation knowledge and improved data and knowledge-sharing capabilities, better outreach and learning via communities and resources and strengthened connection to operational responses, and improved presentation of a global and critical perspective on adaptation. GCA's programmatic, advocacy and research work is leveraged across the portal's three pillars:

- **Climate Change Impacts:** which locations face the most severe climate challenges and why, through access to risk and vulnerability maps. Country profiles explore country hazards,

temperature projections, sectoral impacts, governance instruments in place, and more.

- **Planning and Action:** a global catalog of actions and projects demonstrating how people are already adapting. GCA's work on analyzing Nationally Determined Contributions and the private sector's contributions to adaptation are featured.
- **Engage and Learn:** content to develop individual and institutional capacities through e-learning, digital resources, and online communities. GCA initiatives such as the Global Hub on Locally Led Adaptation, Water Adaptation Community, and resources for young people are featured here.

WATER ADAPTATION COMMUNITY

The Water Adaptation Community is an online platform that connects and supports practitioners and researchers, fostering peer learning for common challenges in water-resource and water-climate adaptation projects. In 2022, the Water Adaptation Community played a pivotal role in bridging the gap between implementers and policymakers, providing valuable insights and perspectives on water adaptation to a wide-reaching online audience.

EVENTS THAT INSPIRED CHANGE

Throughout 2022, the Water Adaptation Community organized a series of impactful events, including webinars, knowledge exchanges, and community roundtable discussions. **Thirteen webinars featuring experts and practitioners were organized covering topics such as climate adaptation in agriculture for food security, coastal adaptation using Nature-based Solutions, and the challenges faced by small island developing states and large ocean states** in the climate emergency. With over 200 registered content contributors and 6,100 unique visitors, the Water

Adaptation Community fostered collaboration through its different Communities of Practice, and provided a platform for the sharing of best practices and fostering collaboration among diverse stakeholders.



Explore the [Water Adaptation Community here](#)

ENGAGING CONTENT FOR COMMUNITY ENGAGEMENT

To enhance accessibility and engagement, the **Water Adaptation Community produced 12 concise videos summarizing key messages from previous webinars and dialogues**, including topics such as accelerating adaptation, national planning, and state and trends in Africa. These videos effectively communicated crucial information, making it easier for stakeholders to access and apply the knowledge shared within the community. Using content generated from the Water Adaptation Community, GCA also prepared a UN Water 2023 Conference advocacy package focusing on placing water at the center of climate adaptation.

SUPPORTING THE INTERNATIONAL PANEL ON DELTAS AND COASTAL AREAS (IPDC)

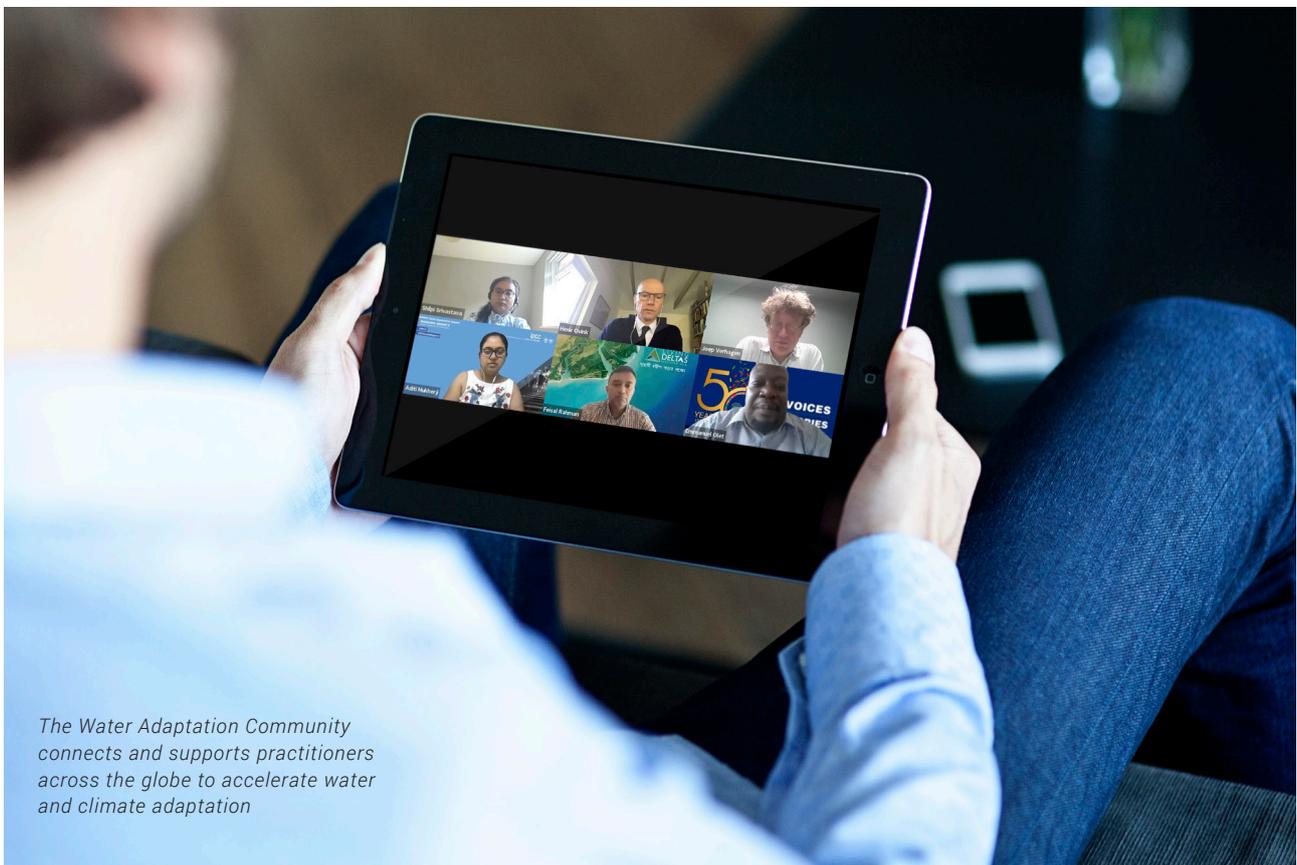
The Water Adaptation Community played a crucial role in supporting the newly formed IPDC, announced during COP27. It assisted panel leaders in conducting community engagement

with small islands during the formation phase and moving forward, the Water Adaptation Community will continue to support the IPDC by bringing together top-level action holders to support the implementation of IPDC activities, ensuring effective collaboration in addressing water challenges.

Connecting policymakers from around the world

Through the Water Adaptation Community, water managers from South Africa were connected to their counterparts in the United Kingdom, and a knowledge sharing partnership was formed focusing on building drought protocols and water allocation plans. This collaboration is developing a knowledge product to benefit others interested in this topic.

The Water Adaptation Community also facilitated a collaboration between sand-mining researchers and floating development entrepreneurs. This initiative aimed to explore how floating development can help reduce the pressures on sand mining, providing innovative solutions for sustainable development.



The Water Adaptation Community connects and supports practitioners across the globe to accelerate water and climate adaptation

5. DRIVING CHANGE THROUGH AGENDA-SETTING AND ADVOCACY

GCA's agenda-setting and advocacy work makes the case for investing in adaptation. This is achieved through convening meetings of high-level leaders, communicating compelling case studies, and inserting the importance of adapting to climate change into international policy processes and the media.

The adaptation agenda has historically been overlooked compared to the need to mitigate the scale of climate change. GCA is able to draw upon powerful advocates, with high-level champions for adaptation including heads of government, regional institutions and ministers, leaders of international organizations, and private sector and civil society champions represented as part of its governance board.

GCA contributes to **creating an enabling environment for accelerated adaptation action by communicating the importance of adaptation to development** which is leading to strengthened commitments to scale up adaptation and increased investment, including through programs like the AAAP.

PUTTING ADAPTATION ON THE MAP

GCA aims to put 'adaptation on the map' for politicians, policy-makers, and investors, supporting and drawing from GCA's programs and research. In 2022, **GCA's high-level mobilization led to 66 heads of state and government and relevant Ministers speaking out for adaptation.**

High-level events organized by GCA provided action-forcing moments for adaptation at international summits. Highlights from 2022 include co-convening **the Africa Adaptation Summit at GCA's global headquarters in Rotterdam in September**, the highest profile moments for adaptation leading into and at COP27, making the case for expanding the adaptation acceleration model represented by the AAAP to other regions, and empowering young people to influence national and international policy processes.



Global leaders joined the Africa Adaptation Summit at the GCA Headquarters in Rotterdam to call on the world to double down on climate adaptation for Africa (Photo credit: GCA)

Making the case for adaptation in the media

GCA's model of advocacy and engagement makes the case for adaptation in the media and wider public discourse on development. During 2022, **GCA was featured in the media 5,690 times, GCA's social media posts received over 22 million impressions, and those from partners sharing GCA's work generated a further 474 million impressions.** Prominent social media campaigns are reinforced by strategic media engagement. Six opinion editorials from global leaders were published during 2022 in tier one global media like The Guardian and Newsweek, including from GCA Chair Ban Ki-moon, former Kenyan President Uhuru Kenyatta, French President Emmanuel Macron, Senegal's President Macky Sall, Dutch Prime Minister Rutte, and Dr. Akinwumi Adesina, President of the AfDB.



Read the
Op-Ed [here](#)

CATALYZING ACTION AT INTERNATIONAL CLIMATE AND DEVELOPMENT FORA

GCA leverages its knowledge and networks to bring the latest evidence of effective adaptation solutions and programs to international policy processes. GCA convened, supported the production of, or engaged with over 110 events over the course of 2022, including high-level engagement at COP27 in Sharm El-Sheikh.

In April, GCA was asked to contribute to the **Lahti Adaptation Finance Ministerial** organized by the Government of Finland on behalf of the Champions Group on Adaptation Finance. The Champions Group on Adaptation Finance, comprising 15 national governments and international organizations, was launched in 2021 to work with developing countries to accelerate adaptation finance. GCA chaired the session on mobilizing the private sector, which included financiers providing examples such as the AAAP of how they are investing in innovation in adaptation, and through cooperation have been able to scale up successful concepts.

GCA brought its adaptation experience and expertise to contribute to the **2022 Finance in Common Summit**, which took place in Abidjan in October. The Summit is the largest convening for

public development banks. GCA highlighted the importance of adaptation to sustainable investment for development. The potential to mobilize private sector capital for adaptation was emphasized in the Summit's communique, with GCA's brokering role recognized, in particular through the transformative reach of the AAAP.



The upgraded Adaptation Knowledge Portal provides an improved user experience to make adaptation content more accessible to practitioners, policymakers, and students

ENGAGING POLICY-MAKERS AT THE HIGHEST-LEVELS

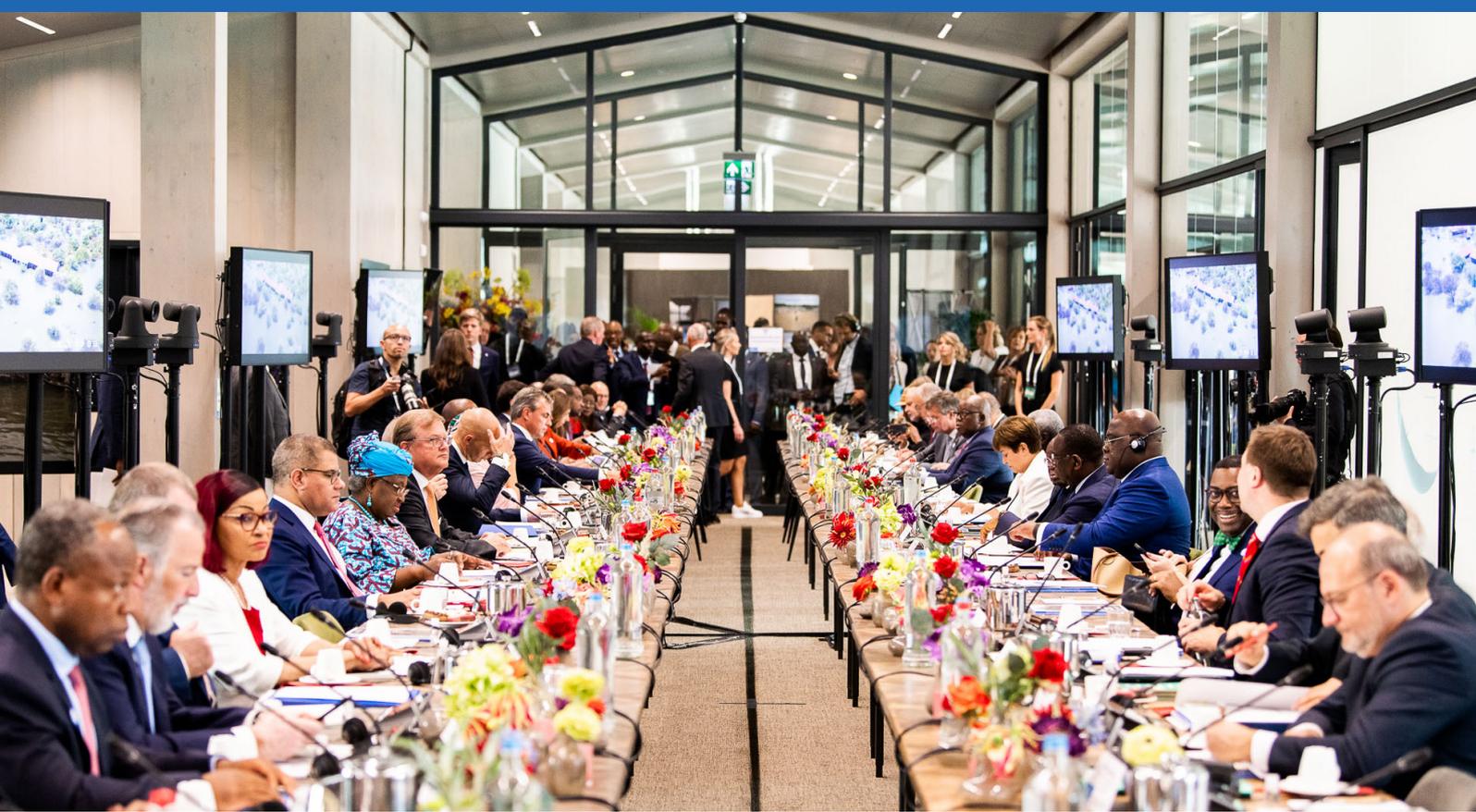
The multi-faceted nature of climate change and its significant impact on national development requires political leadership at the highest levels. GCA's advocacy approach focuses on engaging regional and national leaders, ministries of finance and planning, and the line-ministries implementing adaptation action in their investments.

GCA's senior management focused its engagement on leaders with wider strategic reach. These included global initiatives, such as the Chairmanship of the CVF, regional leadership roles such as the

African Union President, and the heads of regional bodies such as the Committee of African Heads of State and Government on Climate Change and the African Ministerial Conference on the Environment. In addition to mobilizing high-level support for adaptation in Africa, GCA is also taking this approach globally. In January 2022, **GCA's CEO addressed the People's Majlis, the Parliament of the Maldives, the first non-Head of State ever to do so**. The CVF Global Parliaments Platform was announced, a cooperation initiative to advance legislative agendas integrating climate change adaptation and mitigation and disaster risk reduction in sustainable development pursuits.



GCA's CEO addressed the People's Majlis, the Parliament of the Maldives, the first non-Head of State ever to do so (Photo credit: People's Majlis)



At the 2022 Africa Adaptation Summit in Rotterdam, global leaders called for the world to double down on climate adaptation to secure Africa (Photo credit: GCA)

ADVOCATING FOR ADAPTATION ACTION IN AFRICA

GCA has been supporting African leadership through the AAAP on the adaptation imperative for Africa. In 2022, drawing upon and sharing the latest evidence on the value of adaptation, including from the flagship *State and Trends in Adaptation* reports, GCA has convened leaders and policymakers at the highest level to make the case for investments in adaptation. This has included international summits, bilateral meetings and media initiatives with Heads of State and Government, and regional and thematic Ministerial dialogues.

AFRICA ADAPTATION SUMMIT

The Africa Adaptation Summit was co-convened by GCA, together with the African Union, AfDB, International Monetary Fund (IMF), Africa Adaptation Initiative, and the CVF, in September 2022 at GCA's headquarters in Rotterdam. A key mobilizing moment ahead of COP27, the Africa Adaptation Summit brought together seven Heads of State and Government, 12 leaders of international organizations, 13 Ministers, the

COP26 President, and representatives from central banks, the private sector, mayors, civil society, youth leaders, and other stakeholders.

It served as **an action-forcing platform to deliver commitments to the AAAP and catalyze new coalitions of partners and initiatives to accelerate action on the ground across Africa**. The summit was a unique opportunity for leaders from Africa together with the heads of the international development community and European governments to ensure the so-called 'African COP' was successful in scaling climate action.

The main outcome of the Summit's deliberations was to outline a **five-point *Adaptation Breakthrough for Africa at COP27*, with new partnerships announced, including \$10m towards the AAAP Upstream Financing Facility**. The results of the Summit were prominently featured in the global media, resulting in 767 pieces of coverage, including leading European, North American, and African outlets.



The COP27 Africa Adaptation Leaders' Summit featured global leaders with new commitments to finance adaptation in Africa (Photo credit: AfDB//Moustafa Cheaiteli)



GCA's practitioners guide on building climate resilience in urban informal settlements was launched with H.E. Rachel Ruto, First Lady of Kenya (Photo credit: University of Nairobi)

COP27 AFRICA ADAPTATION LEADERS' SUMMIT

The COP27 Africa Adaptation Leaders' Summit co-convened by GCA was the **highest profile gathering of global leaders on climate adaptation in Sharm El-Sheikh**. Co-chaired by Senegal's President Macky Sall, in his role as African Union Chairperson, the event featured global leaders with **new commitments to finance adaptation in Africa from the Netherlands and the Bill & Melinda Gates Foundation, including through the AAAP**. The endorsement of the AAAP and its agenda by leaders such as UN Secretary-General António Guterres, Germany Chancellor Olaf Scholz, and IMF Managing Director Kristalina Georgieva, made the summit the stand-out event on adaptation in Africa at COP27. The high-level summit was reinforced through GCA contributions in the lead-up to COP27, with GCA providing technical support on adaptation at the 18th session of the African Ministerial Conference on the Environment.

POLICY ENGAGEMENT AND STATE AND TRENDS DIALOGUES

Policy engagement events were held to connect policymakers and practitioners with solutions and the latest evidence, for example in GCA's flagship *State and Trends in Adaptation in Africa* reports. In the first quarter of 2022, GCA organized a series of online Africa Adaptation Dialogues in partnership with the UK COP Presidency to share solutions on the adaptation gap in Africa and build on the momentum generated at COP26 in Glasgow. The publication of key programmatic and research outputs also provided valuable policy engagement opportunities, such as the launching with H. E. Rachel Ruto, First Lady of Kenya, of GCA's practitioners guide on building climate resilience in urban informal settlements.

Policy Dialogues on GCA's State and Trends in Adaptation report

As part of GCA's contribution to COP27, policy dialogues were organized featuring Ministers, senior leaders of multinational development banks, and other development partners on some of the key issues outlined in the flagship *State and Trends in Adaptation Report in Africa*. These convenings around the report's findings were reinforced through widespread dissemination of key messaging and case studies. With over 300 stakeholders from around the world sharing the report's findings online, content generated from its findings on the need and solutions to scale adaptation action in Africa have created nearly 10 million impressions through social media.

YOUTH LEADERSHIP IN ADAPTATION ADVOCACY

GCA's Youth Leadership Program aims to make young people central in driving the adaptation agenda and implementation worldwide. The program's mission is to mobilize the next generation of adaptation leaders around the world to lead the youth adaptation movement and engage in adaptation decision-making and action by providing capacity-building for young people and creating adaptation jobs to make their communities more climate resilient.

Following seven regional Youth Adaptation Forums, the inaugural Youth Dialogue on Adaptation Action: Delivering on the Glasgow Climate Pact took place from 3rd to 4th September 2022 in Rotterdam, immediately preceding the Africa Adaptation Summit.

Following a selection process in which over 8,000 applications were received, the hybrid Youth Dialogue brought together 100 participants from 50 nationalities, and over 1,000 more participants joined online, with over 60 percent of online participants joining from Africa. Speakers included global leaders such as GCA Chair H.E. Ban Ki-moon, and H.E. Amina Mohammed, UN Deputy Secretary-General, as well as youth organizations, civil society, academia, international organizations, multilateral development banks, and governments. Participants shared their messages to accelerate adaptation action and ensure young people's perspectives and solutions are promoted in delivering the Glasgow Climate Pact. Throughout the two-day program participants followed keynote speeches, interacted with experts in thematic working groups, and engaged in intergenerational dialogues with policy- and decision-makers. Social media content generated had a reach of 1.2 million people,

created by 665 different mentions, and shared by 22 participating organizations helped create a movement for #Youth4Adaptation ahead of the 'African COP'.

Following the Youth Dialogue, two members of the GCA CEO's Youth Advisory Panel participated in the Africa Adaptation Summit, where they shared young people's recommendations with global leaders including Presidents, regional leaders, Ministers, as well African Ministers, CEO's, mayors, and civil society actors.

The Forums and Youth Dialogue were designed and executed in collaboration with GCA's Youth Advisory Panel. The CEO's Youth Advisory Panel provides GCA's CEO with strategic advice on youth engagement to drive the adaptation agenda. In response to the call for applications for 2023's Youth Advisory Panel, over 1,000 applications were received. On Youth Day at COP27, the 2023 Youth Advisory Panel was presented by GCA CEO Prof. Dr. Patrick Verkooijen, with members from countries including Namibia, Nigeria, and the United Arab Emirates. Alongside quarterly meetings with the CEO, the Panel also engages with GCA Program Leads, Directors, and senior staff to integrate youth perspectives across GCA's work.

The CEO's Youth Advisory Panel played a crucial role in mobilizing young people across the world, which resulted in a more than eight-fold increase in the membership of the **Youth Adaptation Network**, the platform that engages, empowers, and amplifies the role of young people in the adaptation agenda, which grew from 1,300 members at the start of 2022 to 10,800 members by the end of 2022.



The COP27 Africa Adaptation Leaders' Summit featured global leaders with new commitments to finance adaptation in Africa (Photo credit: AfDB//Moustafa Cheaiteli)



GCA CEO Youth Advisory Panel Member Desmond Alugnoa shared young people's recommendations with global leaders at the Africa Adaptation Summit (Photo credit: GCA)

6. PARTNERSHIPS

As a solutions broker for adaptation, GCA is proud to work with some of the most innovative, insightful, and impactful organizations from around the world who are supporting the transition to a sustainable and resilient world. These range from national to local governments, international financial institutions, universities and research institutes, companies and social enterprises, civil society organizations, and youth groups.

In 2022, GCA expanded the pool of partners it works with. New strategic partnerships have been formed, sub-grant partnerships have been entered into with implementing and research organizations, and through the Global Hub on LLA and the Youth Adaptation Network, GCA is engaging with more grassroots community groups and civil society organizations. GCA would like to thank of all its partners for their continued support in building more resilient and prosperous communities. Without the support of GCA's financing partners in particular this work would not be possible.

COLLECTIVELY SHAPING INSTITUTIONAL APPROACHES TO ADAPTATION

GCA has seen a strong demand for its upstream analytics and advisory support from international financial institutions looking to invest more in adaptation. In 2022, Memoranda of Understanding were signed with **Agence Française de Développement (AFD)**, the **European Bank of Reconstruction and Development (EBRD)**, and **International Fund for Agricultural Development (IFAD)**. These strategic partnerships provide the institutional framework under which GCA is able to provide substantive programmatic advisory support as work programs are formed and collaborate on research and advocacy opportunities relating to adaptation.

A signing ceremony of a Memorandum of Understanding (MoU) with Chairperson Moussa Faki and GCA CEO Prof. Dr. Verkooijen at COP27 formalized GCA's partnership with the **African Union Commission (AUC)**. The agreement outlined areas of focus for how the institutions will

AAAP Partnership Forum

GCA and the AfDB convened the AAAP Partnership Forum in October to align, link, and seek opportunities for scaling of relevant initiatives being implemented through and connected to the AAAP. Held as part of the 10th Conference on Climate Change and Development in Africa in Windhoek, Namibia, the Forum was designed as an interactive dialogue. Over 80 participants attended in person and hundreds more joined online from public institutions, regional organizations, financial institutions, academia, private sector,

and civil society. A new phase of GCA's call for partnerships for the AAAP was launched and introduced as part of the program.



together support the implementation of the AAAP and accelerate and scale climate adaptation action in Africa. At the Africa Adaptation Summit, a strategic partnership was forged with the **World Trade Organization** to collaborate on topics relevant to climate change adaptation. The partnership builds on analysis relating to trade and its importance in adaptation produced in partnership with WTO as part of the State and Trends in Adaptation 2022 report.

DELIVERING IMPACT THROUGH PARTNERS

GCA's mandate requires it to seek out the best solutions and opportunities which can be shared, scaled, and accelerated. Sub-Grants are awarded

based on an adjudicated, expert assessment including on need, value, and impact, with relevant processes adopted relating to the customized circumstance of the adaptation solution being pursued. In 2022, two **Partnership Forums**, for the AAAP and GCA's work in Asia, were held to engage with local partners to provide information on GCA's partnership model. An open call for partners was also posted on GCA's website and promoted widely as a means to reach and engage with more relevant partners. In 2022, two-thirds of GCA's partnerships are with non-governmental organizations, with 79 percent of the organizations contributing to the work of the AAAP African-based organizations.

Implementing the AAAP in partnership with the African Union and Africa Adaptation Initiative

The Africa-led and Africa-owned AAAP, co-designed by the AfDB and GCA, has been endorsed by African Heads of State and Government and the African Union. Building on the agreement signed in 2021 confirming GCA as the lead coordinating partner to implement

the Africa Adaptation Initiative, the MoU with the African Union Commission outlines how the institutions will collaborate to support implementation of climate change adaptation programs, and through the AAAP in particular. Among other joint efforts, the AUC and GCA will organize adaptation events, institutionalize adaptation policy in African countries, and undertaken actions to strengthen Africa's infrastructure and 'last mile' agricultural resilience.



GCA signed an MoU with the African Union Commission outlining how the institutions will collaborate to support the implementation of adaptation programs (Photo credit: GCA)

CASE STUDY

Partnerships among peers, for scaling up LLA

When it comes to LLA, local practitioners and grassroots organizations with experience in implementing effective efforts on the ground are critical partners for GCA. As broker and facilitator, GCA brings together local organizations for peer-to-peer and South-South learning. GCA also links locally led planning efforts with potential funding from projects planned by international financial institutions and donors.

Collaborative Partnerships for Climate-Resilient Urban Planning in Africa

The innovative work done on pioneering locally led planning in the informal settlement of Mukuru, Kenya was documented in a guide to inform planning exercises elsewhere. **Akiba Mashinani Trust (AMT)**, one of the organizations that led the planning process, is a partner who will help scale up this work to new cities in Africa through peer-to-peer training. In Monrovia, AMT will support another GCA local partner, **YMCA**, in scaling up planning processes in informal settlements, to inform investments through the World Bank's Liberia Urban Resilience Project. Other cities will be chosen through a partnership with **United Cities and Local Governments Africa (UCLGA)**, a key partner in supporting the scaling up of such planning efforts to other cities in the future, led by the most vulnerable in urban areas. Several local governments across Africa have already expressed an interest in such partnerships with GCA.

Harnessing Cross-Regional Collaboration

While scaling up locally led planning efforts in informal settlements in Bangladesh, GCA learned that a strong body of experience related to informal settlements already exists. Local partner **BRAC**, one of the world's biggest non-government organizations with decades of experience in community-driven planning, advised GCA to work in secondary cities, to reduce the influx of migrants to Dhaka, and to focus on making secondary cities climate migrant friendly by promoting planning processes that view migrants as assets rather than liabilities.

BRAC is now piloting such a process in Mongla, a secondary coastal city in Bangladesh. With support from GCA, they are helping local communities to map their vulnerabilities, conduct household and settlement profiling, and produce Community Climate Vulnerability Assessments, which are used to develop local, ward, and town level People's Climate Resilience Plans. The work is supported by the **Society for the Promotion of Area Resource Centers** – a key partner in the planning efforts in Mukuru with decades of experience from informal settlements around the world. The **International Center for Climate Change and Development** is a third partner in this project, with the role of providing information on climate impacts to the local planning process and documenting the planning process for replication in other cities in Bangladesh. The approach is already expanding to the three municipalities, or *paourashavas*, of Bhola, Patuakhail and Kuakata, to inform investments under an ADB project in coastal cities.

Lessons from the work in Bangladesh are informing GCA's urban LLA work in Africa, where most countries face the same issue of climate migrants predominantly moving to capital cities because secondary cities lack public services and job opportunities. GCA's efforts within the AAAP seek opportunities to build capacity in secondary cities, and for locally led planning that focuses on the needs of the poorest and most vulnerable.



*Lessons from the work in Bangladesh are informing GCA's urban LLA work in Africa
(Photo credit: GCA)*

CLIMATE VULNERABLE FORUM

The Climate Vulnerable Forum (CVF) was founded in 2009 as a group of nation states represented by their respective government leaders to act together on the concerns each share because of global climate change. The CVF is organized as a semi-formal platform of intergovernmental co-operation presently comprising 58 member states (including 24 members in Africa), led by a rotational presidency. Together with the Vulnerable Twenty (V20) Group of Ministers of Finance of the Climate Vulnerable Forum, it aims to elevate the voice of climate-vulnerable countries in the global climate-change debate.

As the interim Managing Partner of the CVF, GCA works with the leadership of its member countries from Africa, Asia, the Caribbean, Latin America, and the Pacific, representing over 1.5 billion people worldwide. In 2022, the Presidency of the CVF was handed from Bangladesh to Ghana.

CVF MOBILIZATION AND CAPACITY-BUILDING

In October 2022, CVF Chair Ghana convened the **Forum of Vulnerable Nations**, which also served as the CVF's High Level Meeting, in Kinshasa, Democratic Republic of the Congo. The Forum adopted the *Accra-Kinshasa Communiqué* of the CVF, providing the CVF's vulnerable nations with a powerful platform to convey collective demands and proposals at COP27.

The Communiqué was shaped by the outcomes of each of the **four 2022 CVF Regional Consultations held in Asia, the Pacific, Africa and the Middle East, and Latin America and the Caribbean**. At the forum, CVF members also highlighted the goal of achieving their national climate prosperity plans to drive investment in ambitious adaptation, Nature-based Solutions, and renewable energy efforts.

In collaboration with GCA and the United Nations Institute for Training and Research, the CVF also launched a **Capacity-Building Fellowship** in the first half of 2022 for 15 participants selected from its member countries. The Fellowship aims

to strengthen capacities and develop national efforts to pursue strategic forum priorities on climate change in CVF member countries and in international policymaking.

Furthermore, the CVF established a **Youth Fellowship**, which brought together young people from six CVF countries. Throughout 2022-23, the fellows will represent their countries and the CVF perspective at climate-related events.

V20 GROUP

Ghana took over the presidency of the Vulnerable Twenty (V20) Group of Ministers of Finance of the CVF at a critical juncture in 2022 when member states were faced with multiple crises—Covid-19, debt, energy, and climate change—all deeply connected to the development and prosperity of CVF's 58 member states.

In 2022, the work of the V20 group, saw the **presentation of new, updated, and under-development Climate Prosperity Plans (CPP) by Sri Lanka, Bangladesh, Ghana, and Maldives**. Under the Ghana V20 presidency, the V20 have put together a \$100 billion CPP investment plan for transformation in Sri Lanka and Bangladesh, to be realized this decade.

The G7-V20 Global Shield against Climate Risks was officially launched at COP27 with funding pledges of up to €250 million. During its G7 Presidency, Germany launched the development of a *Global Shield against Climate Risks* in partnership with the V20. The Shield gathers activities in the field of climate risk finance and preparedness together under one initiative.

CLIMATE VULNERABLE FORUM GLOBAL PARLIAMENTARY GROUP

The Climate Vulnerable Forum Global Parliamentary Group (CVF GPG) was established to mobilize the most effective responses to the climate emergency across various branches of the



The CVF/V20 Payment Overdue campaign was launched at COP27 and generated over 10 million online engagements (Photo credit: CVF/V20)



In 2022, the work of the V20 group included the presentation of Climate Prosperity Plans by Sri Lanka, Bangladesh, Ghana, and the Maldives (Photo credit: CVF/V20).

state. A charter was adopted which underscores the CVF GPG as a platform for sharing best practices and experiences related to legislative and financing approaches aimed at mitigating the effects of climate change.

The CVF GPG advocates for enhanced governmental ambition and improved accountability of government action. During 2022, the CVF GPG held its inaugural annual dialogue to concretize its working methods. The CVF GPG also released a parliamentary statement that emphasized the group's core messaging, which was subsequently highlighted at COP27.

The CVF GPG established a Champions Group of Parliamentarians with a keen interest on climate change issues. The growing network of parliamentary champions is currently represented across all regions of the CVF.

The CVF GPG commissioned a *Mapping Report on Climate Change Laws and Policies in CVF Countries* aimed at fostering common knowledge resources to build the best enabling environment for action and to secure greater climate action commitments worldwide.

COP27 ACHIEVEMENTS

Much of the CVF and V20 work in 2022 was geared towards influencing COP27, and many of the main calls were reflected in the final COP27 decision and outcome texts. These included the creation

of a dedicated fund for the loss and damage to vulnerable developing countries, and strong language calling on multilateral development banks and international financial institutions to do more to support climate action, highlighting the huge gap between finance flows and needs of developing countries.

Specific CVF/V20 initiatives delivered at COP27 included the launch of the Climate Vulnerability Monitor (3rd edition) data explorer and the launch of the CVF/V20 Payment Overdue campaign. This campaign generated more than 10 million online engagements, considerably raising the profile of social conversations on the issue of loss and damage, and supporting the COP27 outcome on the issue.



The CVF Global Parliamentary Group was established to mobilize the most effective responses to climate change across various branches of the state (Photo credit: CVF)

7. ORGANIZATION AND GOVERNANCE

ORGANIZATION

Founded in 2018, GCA is an international organization with public benefit status (ANBI status). GCA has rapidly expanded and evolved since 2018, when it operated as the co-managing partner of the Global Commission on Adaptation under the auspices of the Ministry of Infrastructure and Water Management of the Netherlands. In October 2019, GCA was legally established as a Dutch Foundation and since then its staff, consultants, secondees, fellows, and interns have grown in response to the demand for its services. At the end of 2021, 37 employees worked for GCA. At the end of 2022, GCA had 92 staff members. GCA's global headquarters is hosted by the Netherlands in Rotterdam. GCA also has a Research for Impact hub in Groningen and regional offices in Abidjan, Dhaka, and Beijing. Its regional offices allow GCA to have a far-reaching impact in its mission of accelerating climate adaptation at scale through policy development, research, advocacy, and collaboration with GCA's partners on the ground. GCA has an active Governing Board consisting of an Executive, Supervisory, and Advisory Board; the Governing Board has overall responsibility for determining the mission and strategic direction of the organization. Each Board within the Governing Board has its own tasks and duties which are set out in the laws and statutes governing GCA.

SUPERVISORY BOARD

A supervisory board governs GCA and in 2022 it had the following members:

- Ban Ki-moon, Co-chair
- Feike Sijbesma, Co-chair
- Mayor Francis X. Suarez, member
- Rodger Voorhies, member
- Roald Lapperre, member (until October 2022)
- Shemara Wikramanayake, member

EXECUTIVE BOARD AND LEADERSHIP TEAM

GCA's three-member Executive Board consists of its Chair, CEO of GCA Prof. Dr. Verkooijen, former Prime Minister of the Netherlands, Jan Peter Balkenende, and former Mayor of Groningen, Peter den Oudsten.

The CEO is responsible for GCA's day-to-day management and business operations, and he chairs the Leadership Team (LT). The LT is composed of the managers of the directorates: Programs, Research for Impact, Finance and Operations, and External Affairs. The LT provides guidance and leadership to the organization and provides information to the Supervisory Board regarding GCA's strategy and budget. The LT meets periodically to review GCA's performance against set goals, drawing up plans of action to tackle any deviations.

INTERNAL CONTROL SYSTEM

GCA has in place a robust internal control framework consisting of policies and procedures to safeguard its resources from any type of harm. These policies and procedures play a vital role in the deterrence, prevention, and detection of fraud, misconduct, corruption, waste, and abuse at all levels of the organization. The framework also provides clarity on accountability, roles, and responsibilities, and stimulates efficiency and value for money. The objective of GCA's control framework is to nurture a culture of ethics, integrity, transparency, and accountability.

In 2022, new policies and procedures were introduced to further strengthen the control environment of GCA. GCA's Code of Conduct and Anti-Fraud policy were revised to foster integrity systems and practices. All staff and consultants

sign a Statement of Acknowledgement confirming that they will follow the reporting process if they witness or suspect a breach of any of these policies. To ensure that integrity violations don't go unreported, GCA added new options to report complaints, providing various reporting mechanisms. Mandatory trainings and awareness sessions on the content and application of policies and reporting were provided to all GCA staff.

During the year, GCA introduced an Internal Audit and Compliance function to independently evaluate and contribute to the improvement of governance, risk management and control processes, and report thereon. The Internal Audit and Compliance office will also be responsible for assessing and investigating allegations of fraud, corruption and other integrity violations.

To ensure quality at entry and to support teams encountering implementation challenges, GCA's Project Advisory Committee (PAC) serves as

an internal quality enhancement system. Fully implemented in early 2022, the PAC reviews project proposals that GCA technical teams have discussed with their counterparts in MDBs, financial organizations, or national institutions early in the preparation process. The PAC provides advice on ways to sharpen the technical value added by GCA in the project and the quality of the proposed technical approach to mainstream adaptation in the proposed project. Projects that do not meet the expected GCA quality standards or do not fit within GCA strategy, for example as defined by an AAAP Pillar business line, are rejected. The PAC also reviews Terms of Reference for the most complex studies to ensure quality at entry. During project implementation, the PAC reviews progress reports from the Regional Directors and Program leads to provide advice on implementation challenges and early lessons learned. The PAC includes the GCA CEO, senior advisors, and the Director of Finance and Operations.

8. MANAGING RISKS

RISK MANAGEMENT

Like every organization, GCA is exposed to external and internal risks that may impact the economic performance, mission objectives, and professional reputation of the organization. To mitigate any potential negative impact of unexpected or harmful events, GCA maintains processes to identify, evaluate, manage, and mitigate risks across the organization. Through effective risk management practices, GCA mitigates the risk that influence the organization's ability to deliver on its strategic goals. In 2022, GCA introduced a formal Risk Management Framework, an Environmental and Social Risk Management Policy, and an internal audit function to help the organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

GCA uses a risk matrix to help determine the size and scope of the risks as part of its systematic approach to track, monitor, and report on risks and results in its programs. The following summarizes the principal risks and ongoing risk mitigating measures for the organization.

FRAUD, BRIBERY, AND CORRUPTION RISKS

GCA accepts that its operating environment heightens exposure to the risk of fraud and corruption. GCA has a zero tolerance approach to fraud, theft, bribery, money-laundering, and aid diversion, and is committed to reducing this risk through preventive and detective measures. Continuous awareness raising, strict follow-up, internal controls improvement and strengthening, and transparent reporting to donors are our key focus. In 2022, GCA updated key policies and procedures in order to strengthen the internal control environment. GCA updated and strengthened procedures related to the Code of Conduct, whistleblowing protection, and reporting mechanisms.

FUNDING AND FINANCIAL RISKS

Due to various global crises such as Covid-19 and the war in Ukraine, budgets for international cooperation of GCA's main funding partner countries might decrease, threatening the organization's ability to mobilize sufficient program funding for GCA activities. GCA's mitigating measures to this risk include diversifying sources of funding through continuous engagement with donors, and high-level engagement with global leaders to ensure adaptation remains on the global agenda. Being highly accountable to funding partners on existing grants and ensuring sufficient financial and operational controls to avoid ineligible costs are key measures in place to mitigate financial risks. GCA maintains a continuity reserve to ensure that the risk of insufficient funding does not endanger the continuity of its activities and to absorb the impact of financial risks.

STRATEGIC AND REPUTATIONAL RISKS

GCA's strategic plan outlines an ambitious strategy necessary to meet its goals. It is important to acknowledge that strategic risk has many variables and external factors to handle, therefore only a certain portion of these risks can be anticipated, identified, and prevented proactively. It is for this reason that strategies at all levels need to be flexible and agile to allow for change, as this is how success will be achieved. Strong internal systems in place to take informed choices about strategic options available to the organization and GCA's external positions on contentious issues are closely controlled. A strong and positive reputation is crucial to GCA's ability to build trust with stakeholders, influence policy, and raise funds to continue its work. GCA adheres to strict transparency criteria and follows specific procedures when entering into partnerships and subgrants to minimize the risk of reputational damage.

PROGRAM AND IMPLEMENTING PARTNER RISKS

GCA's role as a solutions broker requires it to work with a wide variety of implementing partners globally, which inherently brings a substantial degree of risk. Due to the immediacy of the climate emergency and the need to work with partners where the need is greatest with varying operational conditions, GCA sets the risk appetite level here as medium. GCA maintains a very high level of due diligence on partner and implementing partner organizations, and closely monitors and follows up partner activities and reporting in order to reduce the risk level to an acceptable level. GCA ensures that program staff and partners have the technical capacity, including adequate resources to support successful delivery of programs.

HUMAN RESOURCES RISKS

GCA's personnel are critical to the delivery of quality programs and the achievement of GCA's vision. Not being able to attract and retain high quality, high performing, and committed team members negatively impacts the organization's ability to implement its mission, and to efficiently and effectively deliver projects. To attract and retain key talent, GCA HR promotes evaluation, adaptation, and professional development of its core resources. GCA has a low risk appetite for non-compliance with its HR policies and procedures. Flexible workforce options enable timely responses to changing realities and demands. Regular compensation and benefits benchmarks ensure market competitiveness. A centralized induction program is in place for all new team members to learn about GCA, develop key skills, and connect with team members from across the world. A catalogue of trainings is available to GCA team members for personal and professional development.

SAFEGUARDING RISKS

GCA does not tolerate its employees, volunteers, consultants, partners, or any other representative associated with the delivery of its work carrying out any form of sexual harassment, sexual exploitation, or sexual abuse. GCA commits to supporting survivors, improving safeguarding capacity, reporting, investigating, responding to, and preventing sexual harassment and sexual exploitation and abuse. GCA expects strict adherence to the GCA Code of Conduct, to which each employee personally commits to and forms an integral part of their contract. Policies and procedures, accompanied by explicit and mandatory trainings and induction, are in place on workplace inclusion and elimination of workplace discrimination and harassment, and on safeguarding, and protection from sexual exploitation abuse and harassment. In 2022, a new Compliance Officer was introduced, alongside safeguarding focal points to better address safeguarding needs and guidance on how to prevent and respond to misconduct. GCA urges everyone to immediately report misconduct – suspected or otherwise.

ENVIRONMENTAL AND SOCIAL RISKS

GCA is committed to sound environmental and social stewardship that ensures sustainability and inclusivity in the activities it supports. We rely on well-established international environmental and social standards and procedures of partners such as international financial institutions, regional or national institutions to identify and manage environmental and social risks. In 2022, GCA developed an Environmental and Social policy to ensure that GCA funded activities will not cause negative environment and social impacts.

9. FINANCIAL OVERVIEW

INCOME

In 2022, GCA's total income increased by 98%, from €14 million to €27.9 million. This significant growth was mainly driven by scale up of activities under AAAP and expansion GCA program in Bangladesh. Income from grants increased to €26.5 million, compared to €13.1 million in 2021. This represents a 103% increase in institutional funding attributed to the expansion of the United Kingdom's Foreign, Commonwealth & Development Office (FCDO) support to GCA's program in Bangladesh and additional funding by existing donors to the AAAP.

In 2022, GCA recognized income from the following funding partners:

- Dutch Ministry of Infrastructure and Water Management,
- Norwegian Agency for Development Cooperation
- Swedish Ministry for Foreign Affairs
- Agence Française de Développement
- UK Foreign, Commonwealth & Development Office (FCDO)
- Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
- Bill and Melinda Gates Foundation
- African Development Bank
- European Research Executive Agency
- Betty and Gordon Moore Foundation
- CVF/V20 Multi Donor Fund
- United Nations Environment Programme (UNEP)

Moreover, GCA considers Gifts in Kind as income. The income from gifts in kind rose to €0.8 million in 2022 from €0.7 million in 2021 due to increased contributions for in-kind facilities from the Municipality of Rotterdam.

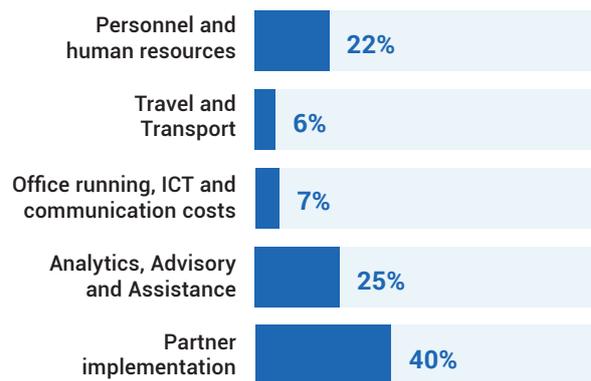
In 2022 GCA received Gifts in Kind from the following partners:

- African Development Bank
- Municipality of Rotterdam
- Municipality of Groningen

GCA is grateful for the support of its funding partners in fulfilling its mission and achieving its objectives. We maintain strong partnerships with them and engage in substantive dialogues to broaden and deepen these relationships based on shared strategic visions and goals.

EXPENDITURE

GCA expenditures for 2022 are consistent with its accountability and transparency standards, as well as the obligations outlined in its policies, donor grant terms, and responsibilities to its stakeholders. Furthermore, GCA's expenditures align with its result framework, which informs its programs and activities, ensuring that these resources are used efficiently and effectively.



In 2022, GCA's expenses increased by 97% to €26 Million from €13.2 million in 2021. The increase in expenses is represented by the start of the Bangladesh program and the expansion of AAAP.

40% of the recognized expenses in 2022 relate to partner implementation and commitments, 22% to personnel and human resources, 25% was spent on analytics, advisory and assistance and the remaining on Office running, ICT, communication costs and Travel.

FINANCIAL POSITION

In 2022, the balance of income and expenditure yielded a surplus of €1.8 million. The positive result has been added to our reserves. Our objective is to remain financially healthy on the long term and build up our reserves to cushion any potential financial impacts of risks. GCA's total reserves as at balance sheet date amount to €4.4 million, of which €0.3 million relates to earmarked reserves for absence and end of service benefits for GCA staff.

The total cash position at year-end was €13.5 million. Compared to 2021, the cash position reduced by €4.3 million and is attributable to several grants coming to an end in 2022, with no prepayment position for the related donors.

OUTLOOK

The impact of the Ukraine war continues to have an influence on the global economy, already suffering from the Covid-19 impact, resulting in record inflation globally. Several donor governments have reduced their commitments to development, including climate change and adaptation, with governments focused on national economic and refugee challenges.

Despite the ongoing climate crisis, GCA remains committed to its objectives. The organization continues to mobilize resources and expand funding support for its programs aimed at driving transformative adaptation action and climate resilience in Africa and around the world. In 2023, GCA's budget will increase to €33 million due to expansion of the AAAP and new grants secured to the Bangladesh program. This funding will provide the basis for strengthening GCA implementation

across the existing business lines and enable expansion into new areas of work, particularly around private sector engagement for adaptation and policy level integration with partners such as the International Monetary Fund.

In April 2023, GCA welcomed Global Affairs Canada as a funding partner to the Bangladesh program, committing multi-year funding to scale-up GCA work in the region starting in 2023. Furthermore, Denmark, France and the United Kingdom, commit to fund the GCA's Africa Adaptation Acceleration Program (AAAP) in 2023. The program will enable GCA to test and replicate the AAAP model in Asia with partners including the World Bank, Asian Development Bank, Agence Française de Développement, and the Asian Infrastructure Investment Bank.

Managing the implementation of a growing portfolio in two regions will require balancing increasing the number of technical and cross-functional staff while maintaining a lean and cost-effective operational strategy. In 2023, GCA aims to grow the teams based in the regional offices in Abidjan and Dhaka to complement the implementation plans in both regions.

BUDGET 2023

Budget 2023

in Euros

INCOME

Income from grants	33,554,890
Income from gifts in kind	697,396
Sum of income	34,252,286

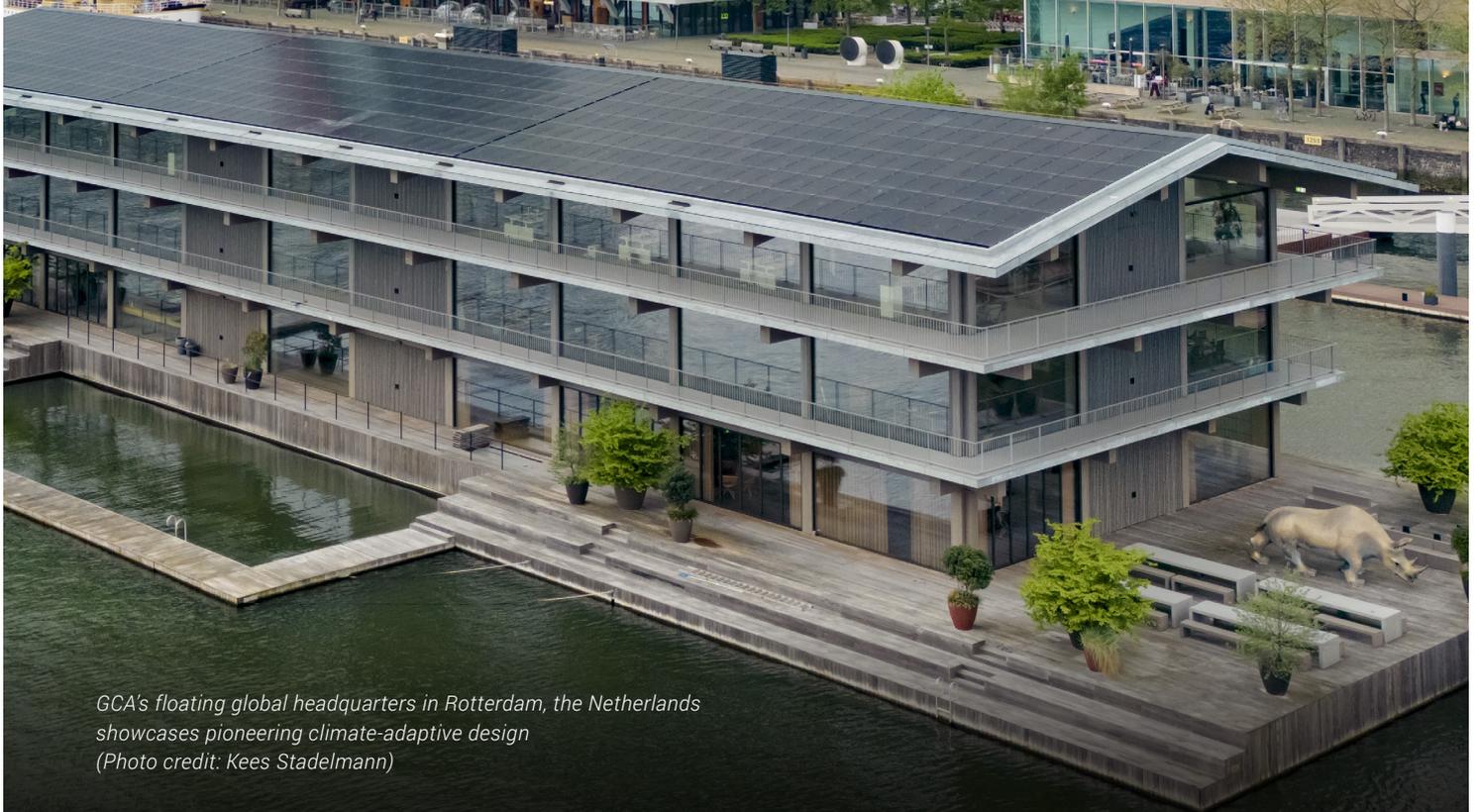
EXPENSES

Personnel and human resources	10,780,950
Depreciation	110,000
Sub-grants to partners	8,550,000
Financial losses	61,250
Other costs	14,231,265
Sum of expenses	33,733,464
Surplus	518,822



GLOBAL
CENTER ON
ADAPTATION

Annual Accounts 2022



GCA's floating global headquarters in Rotterdam, the Netherlands showcases pioneering climate-adaptive design (Photo credit: Kees Stadelmann)

BALANCE SHEET AFTER APPROPRIATION OF THE RESULT

in Euros after the attribution of the sum of income and expenses

ASSETS	Note:	31/12/2022	31/12/2021
Intangible fixed assets		56,616	109,454
Tangible fixed assets		212,057	208,593
Fixed assets	(1)	268,672	318,046
Taxes receivable		-	-
Prepayments creditors		150,935	167,786
Receivables donors		3,948,998	474,200
Prepayments partners		3,623,806	1,007,487
Receivables	(2)	7,723,739	1,649,473
Cash and cash equivalents	(3)	13,462,940	17,789,638
TOTAL ASSETS		21,455,351	19,757,157
LIABILITIES			
Continuity reserve		4,062,451	2,402,854
Earmarked reserve		314,646	174,114
Reserves		4,377,097	2,576,968
Earmarked funds		-	-
Reserves and funds	(4)	4,377,097	2,576,968
Payable to creditors		2,029,703	377,019
Payable taxes		160,672	27,472
Grants received in advance		4,844,308	12,306,212
Payable to partners		9,611,801	4,111,026
Other liabilities		431,769	358,461
Short-term liabilities	(5)	17,078,254	17,180,189
TOTAL LIABILITIES		21,455,351	19,757,157

STATEMENT OF INCOME AND EXPENSES

In Euros

INCOME	Note:	2022	2021
Income from grants	(8)	26,583,003	13,103,182
Income from gifts in kind	(9)	779,706	654,864
Income from donations		-	3,320
Financial gains	(10)	499,954	289,697
			-
Sum of income		27,862,664	14,051,063
EXPENSES			
Personnel and human resources	(11)	5,732,244	4,030,118
Depreciation		151,703	83,709
Sub-grants to partners		10,517,074	4,394,935
Financial losses	(12)	551,818	267,523
Other expenses	(13)	9,109,695	4,477,860
Sum of expenses		26,062,535	13,254,146
SURPLUS / (DEFICIT)		1,800,129	796,918

ATTRIBUTION OF THE SURPLUS

Addition to (withdrawal from):	2022
Continuity reserve	1,659,597
Earmarked reserve	140,532
Total change in reserves and funds	1,800,129

CASH FLOW STATEMENT

In Euros

	2022	2021
Sum of income and expenses	1,800,129	796,918
Adjustments for:		
Depreciation	151,703	83,709
Interest	33,586	13,773
Realised exchange rate losses (gains)	22,423	(115,672)
Changes in receivables	(6,074,266)	1,097,245
Changes in short term liabilities	(101,935)	2,833,604
Cash flow from operations	(5,968,489)	3,912,659
Interest	(33,586)	(13,773)
Cash flow from operating activities	(4,201,946)	4,695,804
Investments in intangible fixed assets	-	(52,853)
Investments in tangible fixed assets	(102,329)	(188,170)
Divestments of tangible fixed assets	-	-
Cash flow from investing activities	(102,329)	(241,023)
Net Cash flow	(4,304,275)	4,454,781
Exchange rate gains / (losses) on cash and cash equivalents	(22,423)	115,672
Net increase / (decrease) in cash and cash equivalents	(4,326,698)	4,570,453
Cash and cash equivalents at the end of the financial year	17,789,638	13,219,185
Cash and cash equivalents at the beginning of the financial year	13,462,940	17,789,638
Net movement in cash and cash equivalents	(4,326,698)	4,570,453

NOTES TO THE ANNUAL ACCOUNTS

General

Stichting The Global Center on Adaptation (GCA) is registered as a foundation with number 76050475 at the Chamber of Commerce in The Hague, the Netherlands and is recognized as an organization for public benefit (ANBI, "Algemeen Nut Beogende Instelling") by the Dutch tax authorities.

GCA's mission is to act as a solutions broker to accelerate, innovate and scale adaptation action for a climate-resilient world.

GCA's vision is that adaptation to our changing climate secures progress towards sustainable development, safeguarding people, the planet and our shared prosperity.

Reporting period, currency and comparison with previous year

The financial statements have been prepared for the period commencing January 1st 2022 to December 31st 2022. The financial statements are presented in Euro, which is the functional currency of GCA.

The financial statements of the previous year have been prepared for the period January 1st 2021 to December 31st 2021. The valuation principles and method of determining the result are the same as those used in the previous year, with the exception of the changes in accounting policies as set out in the relevant notes.

Applied Standards

The financial statements are prepared in accordance with the Guideline RJ640 which applies to Dutch non-profit organizations.

In deviance to the RJ640, the annual budget is not included in the financial statements, because GCA does not use this as a steering tool. GCA programs are scalable depending on availability of funding, which is not linked to financial years. Consequently, GCA uses committed multiyear funding budgets for steering, rather than annual estimates that provide little added value for the financial statements.

GCA allocates costs to funding sources that are provided to it for programs receiving the benefit of goods and services purchased. Allocation of costs is based on agreed

work programs, budgets and other conditions agreed in awarded contracts with funding partners.

Use of Estimates

The preparation of the financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. If necessary and relevant, the nature of these estimates and judgements, including the related assumptions, is disclosed in the notes to the financial statement item. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively. The amount of provisions is for GCA's financial position the most relevant item which requires estimates.

Going concern

The financial statements are prepared on the basis of the going concern assumption.

ACCOUNTING PRINCIPLES

Balance sheet

Unless stated otherwise, assets and liabilities are shown at historical costs.

An asset is recognized in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. A liability is recognized in the balance sheet when it is expected to result in an outflow from the entity of resources embodying economic benefits and the amount of the obligation can be measured with sufficient reliability.

Income is recognized in the statement of income and expenses when an increase in future economic potential related to an increase in an asset or a decrease of a liability has arisen, the size of which can be measured reliably. Expenses are recognized when a decrease in the economic potential related to a decrease in an asset or an increase of a liability has arisen, the size of which can be measured with sufficient reliability.

An asset or liability that is recognized in the balance sheet, remains recognized on the balance sheet if a transaction (with respect to the asset or liability) does not lead to a major change in the economic reality with respect to the asset or liability. Such transactions will not result in the recognition of results. When assessing whether there is a significant change in the economic circumstances, the economic benefits and risks that are likely to occur in practice are taken into account. The benefits and risks that are not reasonably expected to occur, are not taken into account in this assessment.

An asset or liability is no longer recognized in the balance sheet, and thus derecognized, when a transaction results in all or substantially all rights to economic benefits and all or substantially all of the risks related to the asset or liability are transferred to a third party. In such cases, the results of the transaction are directly recognized in the statement of income and expenses, taking into account any provisions related to the transaction.

Income and expenses are allocated to the respective period to which they relate.

Impairment of financial assets

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of one or more events that occurred after the initial recognition of the asset, with negative impact on the estimated future cash flows of that asset, which can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Impairment losses are recognized in the statement of income and expenses and reflected in an allowance account against loans and receivables or investment securities held to maturity. Interest on the impaired asset continues to be recognized by using the asset's original effective interest rate. When, in a subsequent period, the amount of an impairment loss decreases, and the decrease can be related objectively to an event occurring after the impairment was recognized, the decrease in impairment loss is reversed (up to the amount of the original cost).

Intangible fixed assets

Intangible fixed assets are only recognized in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to GCA and the cost of that asset can be measured reliably. Intangible fixed assets are measured at acquisition cost, less accumulated amortization and impairment losses. The accounting principles for the determination and recognition of impairments are included under the section Impairments of fixed assets.

The following depreciation percentages are applied:

- Websites: 33%

Tangible fixed assets

Tangible fixed assets are measured at cost, less accumulated depreciation and impairment losses. The cost consists of the price of acquisition, plus other costs that are necessary to get the assets to their location and condition for their intended use. Depreciation is recognized as an expense on a straight-line basis over the estimated useful lives of each item of the tangible fixed assets, taking into account the residual value of each asset. Depreciation starts as soon as the asset is available for its intended use, and ends at decommissioning or divestment.

The following depreciation percentages are applied:

- Buildings 5%
- Cars, office furniture and fittings 33%
- ICT equipment: 33%

Maintenance expenditures are only capitalized when the maintenance leads to extension of the useful life of the asset.

Impairment of fixed assets

For tangible fixed assets, an assessment is made as of the balance sheet date as to whether there are indications that the asset is subject to impairment. If indications exist that the asset item is subject to impairment, the recoverable amount of the asset is determined. An asset is subject to impairment if its carrying amount exceeds its recoverable amount; the recoverable amount is the higher of an asset's fair value less costs to sell and value in use. An impairment loss is directly expensed in the statement of income and expenses. If it is established that a previously recognized impairment loss no longer applies or has declined, the increased carrying amount of the assets in question is not set any higher than the carrying amount that would have been determined had no asset impairment been recognized.

Disposal of fixed assets

Assets that are taken out of service are stated at the lower of book value or net realizable value.

Receivables

Receivables are carried at amortized cost on the basis of the effective interest method, less impairment losses. The effective interest and impairment losses, if any, are directly recognized in the statement of income and expenses.

Cash and cash equivalents

Cash and cash equivalents include cash-in-hand, bank balances and deposits held at call with maturities of less than 12 months. Cash and cash equivalents are stated at nominal value. If cash and cash equivalents are not readily available, this fact is taken into account in the measurement. GCA does not have any borrowings or loans. GCA does not invest its funds other than in savings accounts and deposits. Cash and cash equivalents denominated in foreign currencies are translated at the balance sheet date in euros at the exchange rate ruling at that date.

Reserves and Funds

The additions to and the withdrawals from the reserves and funds take place from the destination of results.

1. Continuity reserve

The continuity reserve is in place to enable GCA to meet its obligations in the long-term, in case of stagnated income or after an incident with an impact on expenses. The target level is determined by the Supervisory Board.

2. Earmarked reserves

The earmarked reserves are related to absence of staff due to sickness and to end of service benefits. The future expenses related to this might not be elibly claimed from future grants and due to the fact that GCA has no unearmarked funding, a reserve for such events is deemed necessary. The amount of reserve equals the estimated future amount of sickness and end of service expenses, which is based on general statistical averages and actual historical data. The earmarked reserves are (partly) released against the statement of income and expenses in the financial period of actual absence of staff due to sickness, for the amount related to actual sickness of staff and end of service benefits paid out.

Provisions

A provision is recognized when GCA has a legal or constructive obligation, arising from a past event, the amount can be estimated reliably and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are stated at the nominal value of the expenses that are expected to be required to settle the liabilities and losses. For further explanation, see the notes to the balance sheet.

Liabilities

Liabilities and other financial commitments are measured after their initial recognition at amortized cost on the basis of the effective interest rate method. The effective interest is directly recorded in the statement of income and expenses. Liabilities related to operational obligations to funding partners and partners are presented under short term liabilities, except those that are due or expected to be due after one year, which are presented under long term liabilities.

INCOME AND EXPENSES

Income recognition

Unrestricted donations are accounted for as income in the earliest reporting period that they were received or committed to.

Grants received with a designated purpose and a pay-back obligation for GCA in case of ineligibility of the related expenses, are accounted for as income in the same reporting period in which the subsidized eligible expenses are recognized. Instalments received related to grants are recognized in the balance sheet as liabilities.

Gifts in kind are recognized as income and expense in the period they are received. Gifts in kind are valued as income and expense at the fair value.

Financial gains / losses

Transactions in foreign currencies are stated in the financial statements at the exchange rate of the functional currency on the transaction date. Currency translation differences arising upon the settlement or conversion of monetary items are recognized in the income statement in the period that they are realized.

Loss recognition

Losses and impairments are accounted for as soon as they are anticipated.

Interest income and expenses

Interest income and expenses are recognized in the statement of income and expenses on an accrual basis, using the effective interest rate method.

Employee benefits

Salaries, wages and social security contributions are taken to the income statement based on the terms of employment, when these are due. Employee benefits are charged to the statement of income and expenses in the period in which the employee services are rendered and, to the extent not already paid, as a liability on the balance sheet. If the amount already paid exceeds the benefits owed, the excess is recognized as a current asset to the extent that there will be a reimbursement by the employees or a reduction in future payments by GCA.

Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of the employment. A termination benefit is recognized as a liability and an expense when GCA is demonstrably and unconditionally committed to make the payment of the benefit. If the termination is part of a restructuring, the costs of the termination benefits are part of the restructuring provision.

Cash flow statement

The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement comprise cash at banks and in hand except for deposits with a maturity longer than three months. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received are included in cash from operating activities. Transactions not resulting in inflow or outflow of cash, including finance leases, are not recognized in the cash flow statement. The value of the related assets are disclosed in the notes to the balance sheet items. Payments of finance lease instalments qualify as repayments of borrowings under cash used in financing activities and as interest paid under cash generated from operating activities.

Subsequent events

Events that provide further information on the actual situation at the balance sheet date and that appear before the financial statements are being prepared, are recognized in the financial statements. Events that provide no information on the actual situation at the balance sheet date are not recognized in the financial statements. When those events are relevant for the economic decisions of users of the financial statements, the nature and the estimated financial effects of the events are disclosed in the financial statements.

NOTES TO THE BALANCE SHEET

1. FIXED ASSETS

Fixed assets are depreciated over their estimated life time. The assets are held for use in our day to day operations.

INTANGIBLE FIXED ASSETS

	Intangible fixed assets
Acquisition value	158,514
-/- Cumulative Depreciation	(49,060)
Book value 1-1-2022	109,454
Acquisition value investments	-
-/- Acquisition value disposals	-
-/- Depreciation	(52,838)
Depreciation on disposals	-
Movements during the year	(52,838)
Acquisition value	158,514
-/- Cumulative Depreciation	(101,898)
Book value 31-12-2022	56,616

Intangible fixed assets relate to the development of GCA's websites.

TANGIBLE FIXED ASSETS

	Furniture	ICT Equipment	Tangible fixed assets
Acquisition value	52,319	200,784	253,102
-/- Cumulative Depreciation	-1,727	-42,782	-44,510
Book value 1-1-2022	50,592	158,001	208,593
Acquisition value investments	15,434	86,895	102,329
-/- Acquisition value disposals	-	-	-
-/- Depreciation	-19,154	-79,710	-98,865
Depreciation on disposals	-	-	-
Movements during the year	-3,721	7,185	3,464
Acquisition value	67,752	287,679	355,431
-/- Cumulative Depreciation	-20,882	-122,493	-143,375
Book value 31-12-2022	46,871	165,186	212,057

Tangible fixed assets acquired during the year are mainly ICT equipment and furniture for GCA's Headquarters in Rotterdam.

2. RECEIVABLES

	31/12/22	31/12/21
Government of United Kingdom	2,752,357	67,966
Government of the Netherlands	719,769	400,000
African Development Bank	476,872	-
Government of Germany	-	6,233
Receivables donors	3,948,998	474,200

The accounts receivable consist of grants to be received, subgrants to implementing partners committed and prepayments to creditors. Receivables from donors relate to projects that have been implemented, for which funds from donors are committed in a grant contract but not yet received as at the balance sheet date. The receivables relate to our programs and activities. Receivables from donors increased from €0.5 million in 2021 to €3.9 million in 2022. This increase is mainly attributable to the implementation of activities in Bangladesh funded by a new grant received from the government of the United Kingdom.

The €2.6 million increase in prepayments to partners to €3.6 million in 2022 relates to an increase of engagements with new implementing partners as GCA scales up program implementation. GCA welcomed new partners such as the University of Nairobi, Bangladesh Rural Advancement, African Technology Innovation Hubs Initiatives among others to support implementation of activities. GCA made prepayments to partners as listed below, for implementation of projects in the coming year.

3. CASH AND CASH EQUIVALENTS

GCA's cash and cash equivalents balance is €13.4 million, of which €7.9 million is held in Euros and €5.5 million is held in US Dollars. The main contribution to this balance comes from grants paid in advance as specified in the notes to the balance sheet item 'Grants Received in Advance'. The full balance of cash and cash equivalents is held in bank accounts in The Netherlands. The full balance is readily available to GCA.

	31/12/22	31/12/21
African Development Bank	1,000,000	-
Bangladesh Rural Advancement	649,376	-
University of Nairobi	310,489	-
Universite of Cheikh Anta Diop de Dakar	232,213	-
African Technology Innovation Hubs Initiatives	202,042	-
University of Oxford	189,732	-
Aroha	173,022	-
Bangladesh University of Engineering and Technology	168,487	-
Centro Internacional de Mejoramiento de Maíz y Trigo	137,840	-
Indaba Agriculture Policy Research Institute	120,000	-
International Livestock Research Institute	109,974	-
African Agricultural Technology Foundation	15,548	-
Actions Pour L'environnement Et Le Developpement Durable (ACED)	38,223	-
Akiba Mashinani Trust	2,299	-
Bangladesh Agricultural Univesity	20,362	-
CARE International	57,549	-
Horn of Africa Regional Environment Centre and Network	4,743	-
Independent University of Bangladesh	70,500	-
International Union for Conservation of Nature and Natural Resources	48,793	-
United Nations Office for Project Services	2,574	249,708
KCIC Consulting	70,040	-
Thompson Reuters Foundation	-	-
Water Funders Initiative	-	615,655
Akademiya2063	-	78,549
The International Center on Tropical Agriculture	-	38,432
The Ban Ki-moon Centre for Global Citizens	-	17,384
Frontieri Consulting	-	5,760
Centre for Environment Education	-	1,998
Prepayments to partners	3,623,806	1,007,487

All receivables originate in the previous year and are expected to be received within one year.

4. RESERVES AND FUNDS

	01/01/22	Additions	Withdrawals/ Releases	31/12/22
Continuity reserve	2,402,854	1,659,597	-	4,062,451
Earmarked reserve for absence and end of service	174,114	570,274	-429,742	314,646
Earmarked reserves	174,114	570,274	-429,742	314,646
Total reserves	2,576,968	2,229,871	-429,742	4,377,097

CONTINUITY RESERVE

The continuity reserve is intended to safeguard continuity of the operations of GCA should the organization experience a temporary shortfall in funding. In 2022, GCA adds €1.7 million to its continuity reserve.

EARMARKED RESERVE

The earmarked reserve is related to the estimated future expenses related to absence of staff due to sickness and to future termination benefits to be paid out by GCA. GCA has an obligation, based on Dutch labor law, to compensate employees an amount of benefit (in Dutch "transitievergoeding") when GCA ends their employment contract. GCA

also has the obligation to continue to pay the employee's salary during absence due to sickness and annual leave. The estimate for the amount of such future expenses is based on the general statistical average of sickness leave of 4%, an estimate of 50% of employees leaving GCA for whom a termination benefit has to be paid and on actual historical data. The additions to the earmarked reserve relate to a fixed percentage of gross salaries that is set aside, while the withdrawals from the reserve relate to costs for actual sickness and annual leave during the financial period.

5. SHORT TERM LIABILITIES

Short term liabilities consist of grants received in advance, obligations to partners, payables to creditors and other liabilities. All short term liabilities are due within one year.

Grants received in advance and Payables to partners consist of 96% of the total short term liabilities and are clarified in more detail below.

GRANTS RECEIVED IN ADVANCE

Received funds related to project grants that have not been spent, are accounted for as grants received in advance.

	31/12/22	31/12/21
Bill and Melinda Gates Foundation	1,810,859	3,335,090
Government of Denmark	1,386,851	-0
Government of the Netherlands	691,900	2,595,668
Government of Germany	458,816	15,627
CVF/V20 Multi Donor Fund	279,301	81,837
International Centre for Future Generations	103,500	0
European Research Executive Agency	64,646	78,685
United Nations Environment Programme	48,435	
Government of Norway	-0	4,098,261
Government of Sweden	-0	1,491,534
Government of Norway	0	609,512
Total grants received in advance	4,844,308	12,306,212

OBLIGATIONS TO PARTNERS

	31/12/2022	31/12/2021
Bangladesh Rural Advancement	2,064,288	-
University of Nairobi	1,090,489	-
African Development Bank	1,000,000	1,000,000
Universite of Cheikh Anta Diop de Dakar	807,463	-
African Technology Innovation Hubs Initiatives	780,626	-
University of Oxford	528,521	-
Bangladesh University of Engineering and Technology	436,530	-
Centro Internacional de Mejoramiento de Maíz y Trigo	347,840	-
Indaba Agriculture Policy Research Institute	300,000	-
United Cities and Local Governments of Africa	267,500	-
Aroha	250,404	371,582
International Union for Conservation of Nature and Natural Resources	250,000	-
Akademiya2063	245,203	-
International Livestock Research Institute	199,953	-
International Center on Tropical Agriculture	199,149	237,581
Young Men's Christian Association of Liberia	191,467	-
KCIC Consulting	154,702	-
Care International	115,521	-
Akiba Mashinani Trust	109,645	195,176
Independent University Of Bangladesh	100,000	-
Actions Pour L'environnement Et Le Developpement Durable (Aced)	95,558	-
Bangladesh Agricultural Univesity	50,905	-
Thompson Reuters Foundation	15,827	-
The Ban Ki-Moon Centre For Global Citizens	8,331	52,384
Forum For Agriculture Research In Africa	1,881	-
Water Funders Initiative	-	572,597
United Nations Office For Project Services	-	474,497
International Water Management Institute	-	417,937
International Livestock Research Institute	-	300,341
African Agricultural Technology Foundation	-	249,952
Akademiya2063	-	206,980
Horn Of Africa Regional Environment Centre And Network (Hoa-Rec&N)	-	20,000
Centre For Environment Education	-	11,998
Accrued partner expenses	9,611,801	4,111,026

Partners that have not been paid yet by GCA for the full amount of the subgrant agreement are accounted for as Obligations to partners for the part of the value of the subgrant that has not been paid by GCA yet.

6. FINANCIAL RISKS AND FINANCIAL INSTRUMENTS

During its normal operations, GCA is exposed to currency, interest, cash flow, credit and liquidity risks. To control these risks, GCA has instituted policies and procedures that are intended to limit the risks of unpredictable adverse developments in the financial markets and thus for the ability of GCA to fulfil its objectives.

GCA does not apply nor trade in financial derivatives, such as interest rate swaps, forward exchange contracts or options to control its risks. Its main risk mitigation measures are described below.

Credit risk - banks

Credit risk arises principally from GCA's substantial cash position. It holds large bank balances and the main risk is that of a bank defaulting. In 2022, its bank balance of €13.4 million was with ABN AMRO and ING. GCA may further mitigate this risk by spreading its available funds over several high rated banks.

Credit risk - receivables

Credit risk also arises from GCA's receivables totaling €7.7 million. 51% of this amount is expected from donors unlikely to default. €2.8 million is to be received from the government of the United Kingdom, €0.7 million expected from the Dutch government and €0.5 million from the African Development Bank. Prepayments to partners are done following a robust due diligence of partners and follows continuous monitoring to ensure full implementation of activities and limit any financial risk. The credit risk on receivables in 2022 is limited but GCA will continue to monitor its exposure to single parties with a risk of defaulting.

Foreign exchange rate risk

GCA is exposed to currency risk on project obligations that are denominated in a currency other than the contractual

currency of the grant contract that relates to such a project. The currencies in which these project transactions primarily are denominated are Euro. The currencies in which GCA's donor grant contracts are denominated are Euro, Swedish Krona, Norwegian Krona, British Pound and United States Dollar. GCA's policy is to denominate its contractual obligations as much as possible in the same currency as the donor's currency and to hold bank balances in the currency in which it has large obligations. GCA currently does not hedge its exposure with derivative instruments.

Fair value

The fair value of the financial instruments stated on the balance sheet, including receivables, cash and cash equivalents and current liabilities, is approximately equal to their carrying amount.

Off-balance sheet obligations and rights

GCA does not have off-balance sheet obligations, because it did not enter into contracts such as rental or lease agreements without an opt-out condition. Grant agreements signed but not received are considered off-balance sheet rights and those amount to €12.7 million.

NOTES TO THE STATEMENT OF INCOME AND EXPENSES

8. INCOME FROM GRANTS AND DONATIONS

Income from grants and donations is mainly attributable to earmarked grants from governments and foundations, which totals €26.6 million year, representing a 103% increase from the previous year income of €13.1 million. In 2021, 94% of grant income came from governments. This reduced to 91% in 2022.

During the year, GCA welcomed a new multi-year grant from the United Kingdom's Foreign, Commonwealth & Development Office to support the Bangladesh work program. Bill and Melinda Gates Foundation funds provided additional support to the AAAP and contributed to covering GCA's core costs.

The government of the Netherlands extended its support for GCA by providing additional funding for its core costs, as well as a new grant to fund a project for the International Panel on Deltas and Coastal areas.

The government of Germany funds GCA's work for Climate Finance Transparency and Impact Orientation in addition to the Climate Vulnerable Forum and the V20 until at least 2023 through the multi donor fund managed by UNOPS.

All grants have an incidental nature with an end date, although part of the income in 2022 is related to multiyear donor commitments. GCA strives to mobilize resources based on longer term partnerships focused on bringing more to the table than just funding.

	2022	2021
Government of Norway	8,837,058	3,217,288
Government of United Kingdom	5,318,607	67,966
Government of Sweden	3,808,054	2,613,806
Government of the Netherlands	3,323,483	4,585,055
CVF/V20 Multi Donor Fund	2,045,076	928,418
Bill and Melinda Gates Foundation	1,751,520	182,940
Gordon and Betty Moore Foundation	585,222	591,923
African Development Bank	476,872	-
Government of Germany	357,459	140,005
Government of France	50,000	-
United Nations Environment Programme	15,615	-
European Research Executive Agency	14,039	1,785
Government of Denmark	-	1,678,336
IDRC Canada	-	227,403
Accrued income	-	(1,131,743)
Total income from grants	26,583,003	13,103,182

9. INCOME FROM GIFTS IN KIND

Income from gifts in kind relate to goods and services that are provided to GCA for free. The total income from such gifts is €0.8 million in 2022, which is €0.1 million higher than the income from gifts in kind of €0.7 million in 2021.

Most gifts have an incidental nature, although GCA's office space in Rotterdam is committed until 2032 by the municipality of Rotterdam and GCA's office space in Groningen is committed until 2023 by the municipality of Groningen. The income from the African Development Bank relates to personnel costs of staff that are seconded to GCA and office space in Côte d'Ivoire provided to GCA at no cost.

Thanks to our good reputation that our donors recognize, they are willing to provide us with these gifts in kind, thereby contributing to a more climate resilient world.

	2022	2021
Municipality of Rotterdam	403,310	231,667
Africa Development Bank	305,000	300,848
Municipality of Groningen	71,396	75,600
University of Groningen	-	46,749
Total income from gifts in kind	779,706	654,864

10. FINANCIAL GAINS

GCA recognized financial gains of €0.5 million in 2022, €0.2 million higher than the previous year. The attribution is presented in the below table. Revaluation gains are unrealized gains resulting from differences in foreign exchange rates at the time when assets and liabilities were originally recognized and rates at the balance sheet date.

	2022	2021
Interest received	-	-
Foreign exchange rate gains	29,846	362
Revaluation gains	470,108	289,335
Financial gains	499,954	289,697

11. EXPENSES ON PERSONNEL AND HUMAN RESOURCES

GCA's total expenses on Personnel and Human Resources in 2022 amount to €5.7 million, which represents a 42% increase from previous year's total of €4.0 million. The reasons lie in growth of staff and contractors, as planned. GCA's staff grew from 27 full time equivalent employees 2021 to 42 in 2022. As a result, GCA's salary related expenses increased by 60% from €2.4 million in 2021 to €3.8 million. Other human resources expenses grew by 17% compared to previous year, from €1.7 million in 2021 to €1.9 million in 2022. This growth is mainly related to the increase in number of contractors. A number of staff positions at GCA are temporarily or permanently filled by contractors, for example because these contractors have exceptional expertise which is vital to GCA, but they are located in places in the world where GCA does not have an office.

	2022	2021
Gross salaries	3,027,162	1,837,455
Holiday allowance	223,682	134,903
Pension allowance	222,097	134,428
Social security charges	319,996	265,055
Subtotal wages, pensions and social security	3,792,936	2,371,841
Contractors and day workers	1,564,658	1,291,923
Interns, youth leaders and fellows	22,599	213,759
Addition to provision for leave	119,336	69,707
Relocation	78,509	45,048
Commuting	50,817	17,208
Recruitment	37,771	8,797
Other	65,617	11,835
Subtotal other human resources expenses	1,939,308	1,658,277
Total expenses for personnel and human resources	5,732,244	4,030,118

12. FINANCIAL LOSSES

GCA realized a financial losses of €0.6 million in 2022, an increase of 106% in comparison to €0.3 million in 2021. The attribution is presented in the table below. Interest paid is caused by the negative interest rates that are introduced by banks in the Netherlands. The increase is caused by the increase of GCA's bank balance and by the decrease of the threshold of the bank balances to which the negative interest is applied.

Revaluation gains and losses primarily relate to differences in foreign exchange rates of the US Dollar and the Euro at the time when assets and liabilities originated and at the balance sheet date. The financial losses move in a similar direction to the financial gains (refer to note 10), because assets and obligations denominated in foreign currencies offset each other, thus limiting the foreign exchange rate risk.

	2022	2021
Interest paid	33,586	13,773
Foreign exchange rate losses	64,167	20,388
Revaluation losses	454,065	233,362
Financial losses	551,818	267,523

13. OTHER EXPENSES

Other expenses relate to costs incurred for advisory services, travel and transportation, communication, office and general administration. Other expenses increased by 103%, from €4.5 million in 2021 to €9.1 million in 2022. 59% of these expenses are attributable to mostly independent consultants and consultancy firms providing research, analysis and advisory services to GCA's projects. 18% or €1.7 million of costs incurred related to travel and transport incurred and 12% is attributable to communication costs for GCA's opinion-editorials and reports. Housing and facilities costs saw an increase of 33% from the previous year as rental and service costs increased for the offices in Rotterdam and Groningen, which have been provided to the GCA by the municipalities of Rotterdam and Groningen for free. Still, accounting rules prescribe that GCA recognizes these gifts in kind in its annual statements as expenses as well as income.

	2022	2021
Analytics, Advisory and Assistance	5,359,423	2,988,712
Travel and transport	1,651,333	310,963
Communication	1,078,804	434,584
Housing and facilities	557,033	419,538
Office	255,872	198,087
General	207,230	125,977
Other expenses	9,109,695	4,477,860

FURTHER NOTES TO THE ANNUAL ACCOUNTS

Number of employees

GCA grew from an average of 27 full-time equivalent (FTE) in 2021 to 42 FTE in 2022. GCA had 55 employees as at the balance sheet date, an increase of 104% from the previous year. Additionally, during the year over 37 persons actively contributed to GCA's activities as consultants, secondees, fellows, youth leaders and interns.

Pension Plan

GCA has no pension plan. It pays out a monthly pension allowance of 8% of gross salary to its employees.

Executive Board remuneration

The Dutch Remuneration Act – “Wet Normering Topinkomens” (WNT) – is applicable to GCA. In accordance with the requirements of the WNT the table below provides information about persons on top positions (“Topfunctionarissen”) in GCA. All such persons received no remuneration from GCA in 2022 and are not employed by GCA. The CEO, Mr. Patrick Verkooijen, is seconded to GCA.

The Supervisory Board members are not compensated.

Loans and guarantees to employees and board members

No employees, executive board members or supervisory board members received loans, prepayments or guarantees from GCA.

Subsequent events

No subsequent events took place from the balance sheet date to the date of adoption of the financial statements, that materially change the perspective on GCA as provided in the financial statements.

Adoption of Financial Statements

The financial statements are prepared by the Executive Board of GCA. On the condition of obtaining an unqualified opinion of the independent auditor the financial statements were adopted by the Supervisory Board on 27 June 2023.

Supervisory Board: Ban Ki-moon (Chair), Feike Sijbesma (Co-Chair), Mayor Francis X. Suarez, Rodger Voorhies, Shemara Wikramanayake

Executive Board: Patrick Verkooijen, Jan-Peter Balkenende and Peter den Oudsten

People in top positions, 2022

POSITION

Patrick Verkooijen	Executive Board member and CEO
Roald Lapperre	Supervisory Board member (until October 2022)
Ban Ki-moon	Supervisory Board member (chair)
Feike Sijbesma	Supervisory Board member (co-chair)
Francis Xavier Suarez	Supervisory Board member
Rodger Voorhies	Supervisory Board member
Shemara Wikramanayake	Supervisory Board member
Jan-Peter Balkenende	Executive Board member
Peter den Oudsten	Executive Board member

OTHER INFORMATION



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INDEPENDENT AUDITOR'S REPORT

To the Supervisory Board and Board of Management of
Stichting The Global Center on Adaptation

Report on the audit of the financial statements 2022 included in the annual report

Our opinion

We have audited the financial statements 2022 of Stichting The Global Center on Adaptation, based in The Hague.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Stichting The Global Center on Adaptation as per 31 December 2022, and of its result for the period 1 January 2022 – 31 December 2022 in accordance with Dutch accounting standard RJ 640 for not-for-profit organisations.

The financial statements comprise:

1. the balance sheet as at December 31, 2022;
2. the statement of income and expenses for the period 1 January 2022 – 31 December 2022; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Stichting The Global Center on Adaptation in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of the report of the management board and annexes.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board of Directors is responsible for the preparation of the management board's report in accordance with Dutch accounting standard RJ 640 for not-for-profit organisations.

Description of responsibilities regarding the financial statements

Responsibilities of the board of management and the supervisory board for the financial statements

The board of management is responsible for the preparation and fair presentation of the financial statements in accordance with Dutch accounting standard RJ 640 for not-for-profit organisations.

Furthermore, the board is responsible for such internal control as the board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of management is responsible for assessing the organisation's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board of management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the organisation or to cease operations, or has no realistic alternative but to do so.

The board of management should disclose events and circumstances that may cast significant doubt on the organisation's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the organisation's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements.

Our audit included e.g.:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organisation's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause an organisation to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Utrecht, 28 June 2023

Mazars N.V.

drs. S. Boomman RA

11. ACRONYMS AND ABBREVIATIONS

AAAP	Africa Adaptation Acceleration Program
ADF-16	16th Replenishment of the African Development Fund
AfDB	African Development Bank
ADB	Asian Development Bank
AFD	Agence Française de Développement
AMT	Akiba Mashinani Trust
AU	African Union
AUC	African Union Commission
BICP	Beijing Institute of City Planning & Design
BRAC	Bangladesh Rural Advancement Committee
CARE	CARE International
CEE	Centre for Environment Education
CIAT	The International Center for Tropical Agriculture
CVF	Climate Vulnerable Forum
CVF GPG	Climate Vulnerable Forum Global Parliamentary Group
COP26	26th Conference of the Parties to the United Nations Climate Change Framework Convention (United Nations Climate Change Conference)
COP27	27th Conference of the Parties to the United Nations Climate Change Framework Convention (United Nations Climate Change Conference)
CPP	Climate Prosperity Plan
DAE	Direct Access Entity
DCAS	Digital Climate Advisory Services
EBRD	European Bank of Reconstruction and Development
FCDO	Foreign, Commonwealth & Development Office of the Government of the United Kingdom
FEE	Foundation for Environmental Education
G7	Group of Seven
GCA	Global Center on Adaptation

GCF	Green Climate Fund
GDP	Gross Domestic Product
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
ICT	Information and Communication Technologies
IDCOL	Infrastructure Development Company
i-DICE	Investment in Digital and Creative Enterprises Project
IFAD	International Fund for Agricultural Development
IMF	International Monetary Fund
INGO	International Non-Governmental Organization
IPDC	International Panel on Deltas and Coastal Areas
IUCN	International Union for Conservation of Nature
LLA	Locally Led Adaptation
LT	Leadership Team
MEE	Ministry of Ecology and Environment of the People's Republic of China
MoU	Memorandum of Understanding
NAP	National Adaptation Plans
NGO	Non-Governmental Organization
PAC	Project Advisory Committee
PKSF	Palli Karma Sahayak Foundation
R4I	Research for Impact
TAP	Technical Assistance Program
UCLGA	United Cities and Local Governments Africa
UN	United Nations
UNEP	United Nations Environment Programme
UNICEF	United Nations Children's Fund
UNOPS	United Nations Office for Project Services
V20	Vulnerable 20 Group of Ministers of Finance of the Climate Vulnerable Forum
YouthADAPT	African Youth Adaptation Solutions Challenge
ZAMGRO	Zambia Growth Opportunities Project





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CENTER ON
ADAPTATION**

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