







# AFRICA ADAPTATION ACCELERATION PROGRAM



# DOUBLING DOWN ON ADAPTATION: AFRICA'S ADAPTATION TRANSFORMATION

It is only by adapting to climate change that Africa can reach its potential. Yet promised climate finance – which is necessary to underpin wider development goals – remains critically short of what is needed. The Global Center on Adaptation's *State and Trends in Adaptation Report 2022* showed an annual financing gap of \$41.3 billion for African countries' climate adaptation needs. With the international community committed to doubling adaptation finance by 2025, there is both the need and the opportunity to transform the level of adaptation finance for the continent.

The Africa Adaptation Acceleration Program (AAAP) is Africa's response to the impacts of the climate crisis. Since 2021, the Africa-owned and Africa-led initiative has been the implementation vehicle of the vision of the Africa Adaptation Initiative with proven results to scale adaptation. Co-designed between the African Development Bank and the Global Center on Adaptation, and endorsed by the African Union, the AAAP is mobilizing \$25 billion in climate resilient investments by 2025. In its first 24 months, the AAAP has integrated adaptation into over \$5.4 billion of investments, securing resilient development objectives across 27 African countries.

Building on the Bridgetown Agenda and the Summit for a New Global Financing Pact, the Africa Climate Summit will feature the launch of **Climate Adaptation Country Compacts** as a country-led initiative in support of the AAAP to drive forward an ambitious, coordinated, country-driven investment mobilization approach to connect the priorities outlined in National Adaptation Plans and other national strategies with investments and finance from development partners and the private sector. Through these investment plans, the AAAP places climate adaptation at the center of delivering "Africa's march to sustainable economic transformation and green growth".

## THE AFRICA ADAPTATION ACCELERATION PROGRAM (AAAP)

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 to harness the economic growth opportunities that result from effective climate adaptation.

African leaders have asked for this Program and have endorsed its objectives and design. The AAAP has benefitted from extensive consultations with African governments, development partners, NGOs, and knowledge institutions, including through an annual Partnership Forum. The AAAP has been endorsed at the largest-ever gathering of African Heads of State and Government focused on adaptation. The program has been welcomed by President Ali Bongo Ondimba of Gabon for actualizing the vision of the Africa Adaptation Initiative (AAI). No other adaptation initiative has achieved this level of consensus in the African continent.

Through the AAAP, the Global Center on Adaptation (GCA) and the African Development Bank (AfDB) are mobilizing \$25 billion by 2025 to accelerate adaptation action in Africa through interventions in four priority areas identified in national and regional climate change strategies: food security, infrastructure and nature-based solutions, youth entrepreneurship and adaptation jobs, and adaptation finance. The AfDB committed \$12.5 billion of its capital to the AAAP, with the **African Development Fund's climate action window** set to avail additional dedicated, efficient, and affordable climate finance to Africa's most vulnerable and least adaptive countries to climate change.

The Program is supported by the **AAAP Upstream Financing Facility**, managed by GCA. This Facility supports African countries and financing institutions by bringing the best knowledge, science, and practice to the development of innovative adaptation projects. This 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 bilateral agencies. Through the AAAP Upstream Financing Facility, GCA supports research, monitoring for rapid extraction and replication of lessons, knowledge sharing, capacity building, and policy support, with the goal of supporting the design of transformational adaptation shifts at the country level and mobilizing financing for climate adaptation in Africa.

Since its launch in January 2021, the AAAP Upstream Financing Facility has influenced \$5.4 billion in investments financed by the AfDB and other partners, including the World Bank, 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 the AAAP pillars, GCA maintains an influencing ratio of 1:100, where one dollar invested in the Upstream Financing Facility influences \$100 in downstream investments to bring the best adaptation solutions to Africa.



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#### LEVERAGING MILLIONS TO INFLUENCE BILLIONS

The AAAP focuses on four transformational pillars: food security, infrastructure and nature-based solutions, youth entrepreneurship and adaptation jobs, and adaptation finance. These pillars were derived from the top priorities identified in the Nationally Determined Contributions, National Adaptation Plans, and other national and regional climate change strategies. The AAAP focuses on areas where investments in adaptation and resilience building can yield high economic dividends for African nations and can accelerate the achievement of the Sustainable Development Goals. Each pillar of the AAAP has set ambitious goals that collectively aim to influence \$25bn in downstream investments by 2025:

- **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.

GCA's business lines under each of the four pillars are interlinked to achieve the transformational shifts in adaptation that African nations need. For example, GCA's support to reduce food insecurity includes work under the Infrastructure and Nature-Based Solutions pillar, which aims to enhance the resilience of critical transportation systems, from ports to roads, to ensure the continuity of supply chains from farms to markets to homes in the face of growing climate shocks. Enterprises incubated and scaled under the Youth Entrepreneurship and Adaptation Jobs pillar will provide critical digital and other climate services to help farmers reduce climate risk for more resilient agriculture. Finally, efforts to enable direct access to global climate finance under the Adaptation Finance pillar are critical to mobilizing additional resources for resilient agricultural programs.



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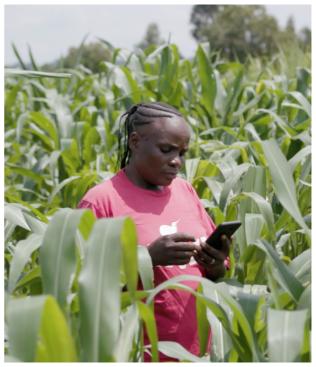
#### **FOOD SECURITY**

GCA's program on Food Security designs and mainstreams the adoption of climate smart digital adaptation technologies into food security investment projects and programs funded by different Multilateral Development Banks. 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.

In the Horn of Africa, GCA is working with the AfDB and Alliance of Bioversity International and the International Center for Tropical Agriculture (CIAT) to mainstream climate adaptation solutions and resilience measures to climate-proof investments under the AfDB's \$226 million Program to Build Resilience for Food and Nutritional Security. GCA will provide upstream technical assistance to develop toolkits and build 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.

Under the **\$600** million Ethiopia Food Security Resilience Project financed by the World Bank, GCA is working with partners including the International Maize and Wheat Improvement Center to: (i) assess opportunities and constraints to deploy digital adaptation tools to address climatic risks identified in 14 value chains selected by the government; (ii) update the Ethiopian Digital Agro-climate Advisory platform; (iii) test the extended platform for priority use cases; and, (iv) provide recommendations for policy and investment to scale up digital climate adaptation solutions in the country. These digital climate-enabled solutions are expected to benefit almost 2.4 million people.

In Zambia, 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's \$300 million Zambia **Growth Opportunities (ZAMGRO)** investment project. GCA's upstream assistance to the ZAMGRO investment includes assessing the climate risks threatening major value chains, identifying appropriate digital adaptation solutions to reduce their impacts, capacity building on digital climate agricultural services for farmers and voung people, and facilitating multi-stakeholder policy engagement sessions to promote private sector adaptation investment and jobs through ZAMGRO. The project is expected to reach 600,000 farmers, including at least 160,000 women, who will receive extension services and complete training on climate-smart agriculture technologies and related extension services. With GCA's support, the ZAMGRO investment is expected to generate 5,000 jobs in areas benefiting from enhanced irrigation support.



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#### INFRASTRUCTURE AND NATURE-BASED SOLUTIONS

GCA supports investments in water, urban resilience, and infrastructure assets and services to design and integrate grey and green climate adaptation solutions. These strengthen and protect infrastructure from damages caused by climate change. 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*. 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, and United Nations Environment Programme, the roadmap drew from a national scale analysis of exposure to climate hazards to identify 35 priority adaptation investments in infrastructure that will secure critical services for people and the economy. 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 World Bank's **\$40** million Liberia Urban Resilience Project. 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. In line with GCA's focus on integrating Nature-based Solutions into large scale investments, the analytical work 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 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**.

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 cost-benefit analysis. GCA analysis indicates that these measures could reduce total climate risk to the Banjul Port by 40 to 50 percent.



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#### YOUTH ENTREPRENEURSHIP AND ADAPTATION JOBS

Youth Entrepreneurship and Adaptation Jobs are critical to unlock the untapped potential of young people in Africa to drive resilience and green enterprise. 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 elements of 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 skills required to pursue job opportunities and develop climate adaptation solutions.

In Nigeria, 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. 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 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 a 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 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.

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.



Youth-led enterprises Kimplanter (left) and KivuGreen (right) are among the YouthADAPT Challenge winners that have scaled up their impact using the \$100,000 grants and the business coaching and mentorship they received.

#### **ADAPTATION FINANCE**

Through the Adaptation Finance pillar, GCA aims to builds the capacity of African countries to drive adaptation at a much greater scale by accessing the key sources of adaptation finance. 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 direct access modalities. GCA aims to address these barriers by strengthening direct access to multilateral climate funds through more locally accredited entities, promoting intersectoral, transformational adaptation projects and programs, and enhancing capacity for adaptation finance planning and decision-making.

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 including the Green Climate Fund (GCF) and the Adaptation Fund. GCA launched work to support the accreditation of Direct Access Entities (DAEs) 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.

To embed and scale this program, GCA trained representatives from 27 national and regional DAEs in collaboration with partners including the AfDB, GCF, World Meteorological Organization, Africa Climate Change Fund, ClimDev Special Fund, and Regional Climate Centers in Africa. 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.

Increasing the share of climate finance in African countries requires mobilizing more private sector financing. Under a cooperation agreement with Invesco, GCA is exploring blended finance strategies that aim to increase adaptation investment in developing markets. In collaboration with the AfDB, GCA is also engaging with African Financial Institutions through the African Financial Alliance on Climate Change (AFAC) to foster a transformation of financial portfolios towards green financing.

Delivering upstream technical assistance on individual projects and programs has provided the building blocks for understanding and pricing climate risk and designing robust adaptation solutions. In 2023, GCA has launched new lines of work that use these building blocks to influence the heart of the financial system in partnership with the International Monetary Fund (IMF). In Senegal, GCA is providing technical assistance to enhance adaptation in the **IMF's US\$324 million Resilience and Sustainability Facility (RSF)** to tackle longer-term structural challenges related to climate change and the implementation of climate policies. The RSF will support Senegal's climate change objectives, accelerate the country's climate change adaptation, and support work to mainstream climate change considerations into the budget process.



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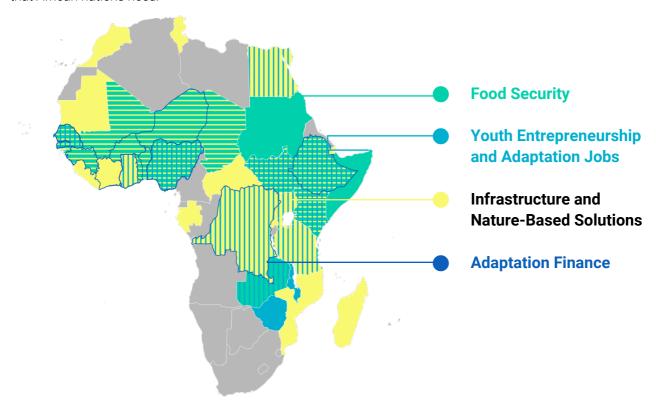






### **AFRICA ADAPTATION ACCELERATION PROGRAM**

GCA's business lines under each of the four pillars are interlinked to achieve the transformational shifts in adaptation that African nations need.



\$5+ billion

AAAP downstream investments in

**27** countries

Resources committed to support

23 Multilateral

Development Bank projects

Adaptation Finance Technical Assistance Program in

17 countries

Find out more about the AAAP: gca.org/programs/aaap



Read about the challenges and available adaptation solutions in Africa in GCA's **State and Trends in Adaptation** 



Read case studies of youth-led businesses providing adaptation services supported by the **YouthADAPT** program



Read the AAAP's 2022 Results Report





reports



















