

Financing Adaptation: A holistic approach to mobilizing adaptation finance

Adaptation Knowledge Brief:
Lessons from Implementation experience

May 2026

Authors: [Laura Kuhl](#) and [M. Mosleh Uddin](#)

Overview

Bangladesh is an internationally-recognized leader on adaptation and has played a key role in raising the global profile of adaptation. Domestically, however, a significant capacity gap remains for accessing adaptation finance and designing adaptation initiatives that are responsive to the country's needs. Supporting Bangladesh to address this gap through a comprehensive approach to capacity-building is central to the Global Center on Adaptation (GCA)'s strategy in Bangladesh.

This brief analyzes GCA's experience designing and delivering a capacity-building training program for adaptation finance in collaboration with key government institutions to identify critical factors for success and recommendations for future programming.

It draws on evidence from a pilot project implemented by the Global Center on Adaptation (GCA) in Bangladesh under the "Scaling up Investments in Nature-based Solutions for Climate Resilience" project funded by Global Affairs Canada from 2023- 2026.

The challenge of accessing adaptation finance

Bangladesh's National Adaptation Plan identifies a financing need of 230 billion USD by 2050, including an annual cost of 8.5 billion USD.¹ Creating opportunities for resilience investments at this scale requires engagement from actors across all sectors in a wide range of roles.

These efforts to mobilize adaptation finance come at a challenging time in the context of the global adaptation finance landscape. The provision of dedicated adaptation finance is far below identified needs. The United Nations Environment Programme (UNEP) Adaptation Gap Report identified that the adaptation finance needs by 2035 of developing countries are 12 to 14 times higher than available public international adaptation finance flows.²

¹ Government of Bangladesh. (2023) National Adaptation Plan. Available at: <https://unfccc.int/sites/default/files/resource/NAP-Bangladesh-2023.pdf>

² UNEP (2025). Adaptation Gap Report 2025: Running on empty. The world is gearing up for climate resilience – without the money to get there. Nairobi. <https://wedocs.unep.org/20.500.11822/48798>.

Donors, including the United States and the United Kingdom, among others, have either eliminated or significantly scaled back their development assistance, which makes up a significant portion of adaptation finance.³ OECD estimates that Official Development Assistance fell more than 23% in 2025 compared to 2024, and projects that ODA will contract even more in 2026.⁴ In addition, as Bangladesh graduates from its status as a Least Developed Country, access to concessional finance will be more constrained.

Particularly in this context, identifying financial mechanisms to match Bangladesh's ambition requires a sophisticated strategy that can mobilize all available sources, both international and domestic, deploy innovative financial instruments to blend public and private finance, and plan strategically to align adaptation finance with key adaptation priorities.

This ambition cannot be achieved through project-based finance alone; the vision requires mainstreaming adaptation into public development strategies and sectoral plans and unlocking domestic private capital. Leadership and the cooperation of public and private actors across every sector that can:

- Recognize the need for adaptation interventions,
- Articulate and advocate for adaptation within their respective work,
- Design adaptation interventions, and
- Identify financial models and bankable investments to support these goals is needed.

Currently, however, most civil servants and private sector actors do not have enough awareness of climate change or adaptation options to mobilize adaptation finance. Designing bankable adaptation projects and unlocking domestic private finance requires specialized expertise that has not yet been developed at scale.

Strategy

GCA's strategy in Bangladesh towards national-level capacity building to mobilize adaptation finance focused on:

- Addressing capacity gaps for financial institutions and policy makers in government institutions to design, access, deploy, and oversee climate related investments
- Building the foundations for the wide-scale engagement in adaptation planning and implementation that is needed to mobilize adaptation finance at this scale
- Creating the enabling environment for private sector engagement in adaptation.

While the insufficient provision of international public adaptation finance is a key barrier for Bangladesh, other barriers to adaptation finance can be overcome through targeted capacity-building. Capacity building is a broad term that can include many approaches. As the Global Capacity Building

3 UNEP (2024). Adaptation Gap Report 2024: Come hell and high water — As fires and floods hit the poor hardest, it is time for the world to step up adaptation actions. Nairobi. <https://doi.org/10.59117/20.500.11822/46497>

4 OECD. (2026) A historic decline in foreign aid: Preliminary 2025 ODA data. Available at: https://www.oecd.org/en/data/insights/data-explainers/2026/04/a-historic-decline-in-foreign-aid-preliminary-2025-oda-data.html?utm_term=pac&utm_medium=social&utm_content=2-InclusiveGrowth%2C1-StillImage%5BDataViz%5D%2C3-DCD%2C0DA&utm_source=linkedin

Coalition describes, capacity building consists of:

- learning activities and resources (formal learning such as training programs, informal learning such as peer-to-peer exchange, and learning resources such as case studies),
- institutional strengthening (human capital and skills development, integrating capacity building into governance processes, and tools and frameworks), and
- convening and networking (awareness campaigns, coalitions and networks and policy dialogues).⁵

GCA's approach to capacity-building incorporates each of the aspects described above. Through this holistic approach to capacity-building, GCA's model seeks to overcome many of the limitations of prior capacity-building initiatives. Existing capacity-building programs for climate finance have been critiqued for being too broad and failing to align with the needs of the participants.⁶ In addition, many are delivered as part of project-based finance, which raises significant concerns about long-term sustainability, as evidence suggests that these initiatives are often not maintained after the project period ends.⁷

The GCA model appropriately identified that only through institutionalization can this capacity be built among the thousands of civil servants and bankers whose day-to-date decisions influence how adaptation unfolds across every sector.

At the center of the GCA approach was the development of two Masterclass training programs on gender-responsive climate finance. GCA's "Masterclass" model included co-development of the curriculum, trainer-of-trainer (ToT), and a pilot training delivery to participants.

GCA adopted a systems-focused capacity-building approach, working with national apex training bodies including the Bangladesh Civil Service Administration Academy (BCSAA) and the Bangladesh Institute of Bank Management (BIBM), in partnership with the Economic Relations Division (ERD), Ministry of Finance and the



Participants from BCSAA and ERD at the ToT Masterclass on climate finance

⁵ Global Capacity Building Coalition. (2025) Building Capacity Unlocking Finance for Climate and Sustainable Development in EMDEs. Available at: <https://capacity-building.org/about-us/news-and-updates/unlocking-finance-for-climate-and-sustainable-development-in-emdes-f3c00a3398c8>

⁶ Global Capacity Building Coalition. (2025) Building Capacity Unlocking Finance for Climate and Sustainable Development in EMDEs.

⁷ Kyle J, Kuhl L, Čekan J, Morford-Cheibub I and Ahmed I. (2025). Independent Evaluation of the Pilot Program for Climate Resilience of the Climate Investment Funds. Climate Investment Funds. Available at: https://www.cif.org/sites/cif_enc/files/meeting-documents/ppcr-final-evaluation-report_april-2025.pdf

Central Bank-Bangladesh Bank. BCSAA is one of the premier public training institutes in the country, responsible for providing a broad range of trainings to civil servants. Similarly, BIBM, supervised by the Bangladesh Bank, is responsible for providing training in banking and finance for mid and senior level officials across the Bangladesh Bank and government-owned and private banks. Before this training delivered by GCA, no dedicated trainings on climate finance had been integrated into the curriculum of BCSAA (the topic was previously covered in approximately 2 hours) Similarly BIBM did not previously have dedicated trainings on climate finance.

GCA's ultimate goal was to institutionalize the trainings within the curriculum of these institutions so that trainings can be provided over time to a much larger number of participants than would be possible in a direct implementation model.

Success factors

Several factors contributed to the success of GCA's approach to adaptation finance capacity-building.

High quality training, resources, and materials that reflected end-user needs increased relevance and participant satisfaction

The value of the training program was highly dependent on the quality and relevance of the curriculum. GCA worked with Frankfurt School of Management (FSM) in Germany to design the training modules that were used for the Masterclass and were provided to BCSAA and BIBM to use and adopt in the future. The FSM has expertise in designing training modules on climate finance and was able to build on their previous experience to tailor the capacity-building modules to the Bangladesh context.

The training modules were designed to balance a comprehensive overview with depth of engagement. Ensuring that the material was a) informative, b) professional, and c) relevant was critical, and feedback from partners and participants suggests that they were very satisfied with both the quality of the content and the delivery of the courses.

The training for BCSAA began with covering fundamentals of climate science, introducing the difference between climate and weather, the carbon and water cycles, greenhouse gas emissions, climate change, and climate impacts. It then addressed climate mitigation and adaptation, with an emphasis on the Bangladesh context, before moving to adaptation design and climate finance.

The BIBM training began with similar content, although it moved more quickly to focus on climate risks, as it was a more targeted training in comparison to the BCSAA training, which was intended to raise awareness for a broader range of civil servants.

Participants particularly valued the applied components of the trainings. One participant in the BIBM training highlighted an activity in which the participants were asked to pitch an adaptation project proposal that they would bring back to their bank and formally develop. She reflected on the opportunities that this had to directly impact the operations at her bank and engage her colleagues in the initiatives initiated during the training.

Co-design, built on long-standing relationships, increased ownership and buy-in

From the beginning, GCA worked closely with key stakeholders at ERD, BCSAA, BIBM and Bangladesh Bank to co-design the trainings and make sure they were tailored to the specific institutional needs and aligned with the mandates of each institution.

Testimony from partners demonstrates the very high level of ownership in the training, as they saw it filling critical institutional needs.

Although co-designing the trainings required significantly more time and effort than if these were developed independently, co-design helped ensure institutional ownership and buy-in. This approach was only possible because of long-term investments in the relationships with partners. Bangladesh Bank and GCA, for example, had been in conversation for several years before this opportunity arose, enabling the training program to proceed despite the short timeframe of the project itself.

GCA also increased buy in and improved the quality of the training materials by soliciting feedback and recommendations from the ToT participants as part of the Masterclass. This feedback led to a stronger emphasis on practical applications and Bangladesh-specific material, which was identified by participants as one of the most valuable aspects of the training.

Including Bangladesh-specific material is critical.

The BIBM training builds on a Masterclass on adaptation finance developed by GCA in Africa. In some of the BIBM training materials there are a number of references to African-specific contexts that would have been easy to tailor to Bangladesh (i.e. examples of African Development Bank as a MDB funder). While cross-regional awareness is important, trainees should be able to relate to the examples, especially when the training level is more for awareness and basic knowledge.

"This course was a vision of Central Bank. We had started working in the field of green finance since 2011...and we have found that most products are for mitigation, and we find very rare products in adaptation. We have been thinking, how can we increase the bankability of the adaptation products... This is where, when GCA came in, we were very excited."

- Representative, Bangladesh Bank

"We realized this training is very important to the BCSAA because climate adaptation is a very important part of our jobs, at both the field levels and the ministry level, where we are evaluating projects. So...everyone needs to know at least the basics."

- Focal point, BCSAA

Institutionalization by positioning capacity building on adaptation finance as a strategic national priority is a pathway to scale and sustainability

Working with key training institutes provided a model to address both long-term sustainability and scalability. High staff turnover is a reoccurring challenge for training and capacity-building initiatives, especially for civil servants, necessitating a continuous training strategy. By institutionalizing the trainings within the training institutes, the risk of the loss of institutional knowledge is mitigated. At the same time, the curriculum was designed to be relevant across a wide range of sectors. While there is a high mobility across the civil service, most civil servants continue to serve in the public sector throughout their career. With the goal of infusing climate change awareness and adaptation strategy across sectors, civil servant mobility poses less of a risk and can be considered an asset, as it helps spread awareness more broadly throughout the civil service.

Both BCSAA and BIBM have begun the process of integrating the course into their curriculums, including bringing it to their Boards for approval and plan to offer the course in the upcoming year.

Training occurred within a larger framework of holistic support for mobilizing adaptation

Although the Climate Finance team at GCA led this initiative, GCA approached access to adaptation finance from a holistic viewpoint, and every project contributed to this overall strategy.

GCA support for adaptation finance has been strategic, focusing on a three-pronged strategy:

1. Supporting access to dedicated adaptation finance, particularly from the Green Climate Fund

Dedicated adaptation finance, particularly grant-based finance is scarce, requiring strategic planning to identify how these resources can leverage other sources of finance. GCA training has supported direct access entities and other interested parties to identify funding opportunities. Successful access to the GCF requires not only a strong idea and design, but also the ability to articulate the climate rationale and adaptation logic to align with the GCF investment criteria.

2. Ensuring that climate risk and adaptation is embedded into broader development investments and plans.

GCA's overarching model is to work with partners to strategically identify opportunities to embed resilience into investments. While this work often takes place in the context of specific investment projects, GCA has consistently focused on utilizing this planning process as an opportunity to embed climate-risk informed decision-making and adaptation into institutional processes. Climate finance

training has been embedded into capacity-building for LGED, the Chittagong Port Authority and the Bangladesh Railways, for example.

In addition to the specific training components of projects, the value of the technical assistance goes far beyond the impact on specific projects; it is through the demonstration role that these projects serve that the potential to mainstream adaptation into broader development planning and investments.

3. Enabling a whole-of-society approach to adaptation finance.

Rather than focusing on external resources, the GCA strategy of training civil servants and bankers recognizes that domestic sources of finance, particularly from the private sector, will be critical to meeting adaptation finance targets. Mobilizing these domestic resources requires long-term investments in capacity-building, such as those seen in the adaptation finance training programs.

Recommendations and next steps

Although stakeholders widely praised the quality of trainings and articulated both the need and value of the trainings, more is needed to ensure the institutionalization of adaptation finance training and build adaptation capacity.

Expand adaptation finance trainings to address the diversity of training goals and needs of different actors with a goal of raising awareness at scale

A core tension partners identified for the Masterclass was that there was a wide range of training needs, and one course, even though co-designed to be responsive to the needs of partner institutions, cannot address all these needs. Participants themselves acknowledged that despite materials being provided ahead of the trainings to help with preparation, participants did not enter on a level playing field, which made the trainings less effective than they could ideally be.

Partners identified a need for a shorter, more basic training focused on building awareness. At BSCAA, there was also acknowledgement that the intensive nature of the course (four or five modules, each consisting of several sessions) would be difficult to schedule in the curriculum. Specialized training on climate finance must compete with core curricular offerings such as law and administration and public procurement in a context of limited public budgets for training.

While there are plans to offer the full course to a select number of mid-career or senior participants, BCSAA is also modifying the course to include a condensed to a one or two day distilled version of the training as part of its core training curriculum for entry level officers during their basic training program. The goal of this training would be to build awareness, without necessarily gaining the depth of knowledge to be an expert.

GCA and partners should support the development of this modified short training course, as it will enable the program to achieve scale and build awareness in a sustainable way.

Build on the Masterclass to offer an advanced training focused on financial instruments and designing bankable adaptation projects using a mentorship model

On the other hand, partners also recognized that more in-depth training is required to gain the high level of technical competency to design adaptation investments. A single training is insufficient to develop the expertise needed, particularly given the low level of baseline knowledge and awareness that some participants had prior to the trainings. For example, one of the participants in the BIBM training reflected that one of the most valuable components was the focus on translating adaptation risks into financial risks, but undertaking this analysis requires strong foundations in climate science, financial literacy, and risk-informed decision-making.

There is strong demand for follow-up training that would build on the material offered in the Masterclass. This training could focus more directly on specific financial instruments for adaptation and strategies for designing bankable adaptation investments. This training could target those more technical decision-makers in the public and private sector directly responsible for mobilizing adaptation finance.

Rather than a theoretical training, this capacity-building would be most impactful if designed using an applied approach, in which participants come with specific adaptation investments or problems to address. This approach aligns with the elements that have already been incorporated into the Masterclass, but by sequencing this training as an advanced course, it would allow more personalized practical support.

GCA and partners should build on the success of the Masterclass to design and offer an advanced training course on financial instruments for adaptation and designing bankable adaptation investments.

Provide technical assistance to the Bangladesh Bank to support the transformation of the financial sector

The BIBM training program supports a bold vision by the Bangladesh Bank to mobilize private sector finance, and the Bangladesh Bank has been proactive in developing financial instruments and

"Our management is very much eager to do something exceptional, something nobody else is doing, which is why if you look at our sustainable and green finance portfolio... We perform way beyond [the targets set by Bangladesh Bank], because our organization puts extraordinary effort in it."

- Participant in the pilot training with BIBM

regulations to shift the financial sector to support adaptation.

Within the banking sector, the ambition to mobilize finance for adaptation is also very high. Despite this ambition and the recognition of the need to develop innovative financial instruments to support adaptation, design of financial instruments to derisk adaptation investments and support bankable adaptation initiatives is still in its infancy.

GCA can support the Bangladesh Bank to create the enabling environment for private sector engagement and provide technical support to both the Bangladesh Bank and its clients as they pilot innovative financial instruments to mobilize private sector finance for adaptation.

About the Authors

Laura Kuhl is an Associate Professor of Public Policy, Urban Affairs and International Affairs at Northeastern University in Boston, USA. l.kuhl@northeastern.edu

M. Mosleh Uddin is a Senior Program Officer, Climate Finance, South Asia at the Global Center on Adaptation.