



# African Financial Alliance on Climate Change (AFAC) 2030

Under the Africa Adaptation Acceleration Program (AAP), the Global Center on Adaptation (GCA) supported the Africa Adaptation Finance Accelerator (AFAC) initiative through the Africa Climate Change Fund (ACCF). AFAC was established and hosted by the African Development Bank (AfDB) in 2018 as a platform to engage a network of African financial institutions whose mission is to mobilise and direct private capital flows towards continent-wide low-carbon and climate-resilient development. The initiative enhances technical and institutional capacity across Africa's financial ecosystem by promoting climate risk integration into investment decisions, financial disclosures, and product design.

# Adaptation Need

Africa is acutely vulnerable to the impacts of climate change. Yet, despite the growing urgency, adaptation finance in Africa remains severely inadequate, as it currently receives only about USD 30 billion of the 277 billion annually it needs to meet its Nationally Determined Contributions (NDCs). A key barrier is the limited capacity of financial institutions (FIs) to assess, manage, and respond to climate risks. Most FIs are challenged by insufficient technical expertise, weak regulatory guidance, limited access to finance, and a persistent lack of reliable data to inform decision-making. These deficiencies heighten the sector’s exposure to climate risks and constrain its ability to mobilize and scale adaptation-aligned investments.

# GCA’s Added Value

As a member of the AFAC secretariates, GCA strengthens AFAC strategy as a self-sustaining platform for coordination, peer learning, and scaling adaptation finance across the continent. Through AFAC, GCA delivers technical assistances to embed climate risk management into Africa’s financial systems by setting pan-African standards, building institutional capacity and de-risking investment portfolios of financial institutions. At the continent level, GCA supports the development of the African Sustainable Finance Taxonomy, a fit-for-purpose taxonomy to unlock the scale of finance needed for climate-smart investments in infrastructure, agriculture, energy, and other key sectors. GCA also supports the local entities to adopt global disclosure frameworks like ISSB through capacity building. Working directly with the financial institutions in the region, GCA provides hands-on support to Tanzania Agricultural Development Bank (TADB) and Somali Development and Reconstruction Bank (SDRB) to integrate climate data, assess portfolio risks, and design green financial products.

Total Investment Value Influenced

N/A

Beneficiaries

N/A

IFI Implementation period

2023 - 2025

Program

Adaptation Finance

Partners

African Development Bank, Africa Climate Change Fund, African Financial Alliance on Climate Change

Status

In progress

SDG contribution



## PROJECT GOALS

### Mainstreaming Adaptation and Resilience

AFAC mainstreams adaptation and resilience investments (A&R) by equipping African financial institutions with the tools, data, and standards needed to integrate climate risk into decision-making. Through the adoption of taxonomies, disclosure frameworks, and portfolio risk assessments, financial institutions strengthen their capacity to identify, evaluate, and finance climate-resilient investments.

### Expected Outcomes

Enhanced institutional capacity through the adoption of sustainable finance taxonomies, climate disclosure frameworks, and portfolio-level risk assessment tools.

Strengthened the ability of financial institutions to integrate climate risk into investment decision-making, enabling the identification, evaluation, and financing of climate-resilient investments and the development of innovative climate-resilient financial products.

Increased engagement of African financial institutions and private sector actors in adaptation finance, helping to close the gap in private sector contributions.

## TIMELINE

# GCA Support Status

Technical Assistance Preparation

GCA Support Implementation

GCA Support Completion

Monitoring

# Project Investment Value

Total Investment Value  
N/A

IFI INVESTMENT VALUE

N/A

OTHER INVESTMENT  
VALUE

N/A

## IFI partners



African  
Development Bank  
Partners

**AFRICA  
CLIMATE  
CHANGE  
FUND**



**AFAC**  
African Financial Alliance on Climate Change



African Financial  
Alliance on Climate  
Change

Africa Climate  
Change Fund

## CONTACTS

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