



Masterclass on Climate Adaptation Finance

The Climate Adaptation Finance (CAF) Masterclass is a product of the partnership between GCA and the European Bank for Reconstruction and Development. The Masterclass aims to engage the private sector in financing adaptation by enhancing the awareness and capacity of Financial Intermediaries (FIs) i.e. commercial banks on the impacts, costs, and opportunities of climate change adaptation. The objective of the masterclass is to provide practical guidance to help key personnel of financial institutions understand the impact of climate change on their portfolios, identify strategies and tools to screen and reduce overall portfolio risks, understand the landscape of climate adaptation finance, and identify new market and investment opportunities, with the broader goal of enhancing adaptation finance in the region.

Adaptation Need

Across Africa, financial institutions are underprepared to assess and respond to the growing threats of climate change. Despite increasing exposure to extreme weather events and long-term climate stressors, adaptation finance remains largely driven by the public sector, with limited private sector involvement. Barriers such as high perceived risk, poor climate data, and uncertainty around financial returns limit private sector engagement. Many FIs lack the capacity to assess sector-specific climate risks and structure bankable projects, making adaptation seem costly and complex. Without clear insights into the financial implications of climate risks, and expected benefits of resilience-aligned investments, FIs are unable to build credible adaptation investment pipelines or price risk appropriately.

GCA’s Added Value

The CAF Masterclass is designed to introduce adaptation finance as not only a matter of managing risk, but also a strategic imperative for protecting portfolios, capturing new market opportunities, and sustaining long-term value creation in an increasingly volatile world. The training equips FIs with the tools, frameworks, and investment logic needed to make adaptation finance both practical and profitable. The masterclasses will reference the Body of Knowledge (BoK) that translates complex climate science into actionable financial strategies. Delivered through structured modules, a comprehensive handbook, online tools, and in-person training, the Masterclass equips FIs to identify material climate risks, assess adaptation investment opportunities, and navigate financing instruments. The Masterclass is co-developed through extensive engagement (Figure 1) with FIs, DFIs, and MDBs (Component 4). The content is tailored to the operational realities of FIs and their staff, with a focus on practical application. Delivery will include a conceptually grounded handbook with applied case studies (Component 1), interactive online modules (Component 2), and in-person sessions for selected FIs (Component 3).

Total Investment Value Influenced

N/A

Beneficiaries

N/A

IFI Implementation period

2024 - 2030

Program

Adaptation Finance

Partners

European Bank for Reconstruction and Development, Frankfurt
School of Finance & Management

Status

In progress

SDG contribution



PROJECT GOALS

Mainstreaming Adaptation and Resilience

The CAF Masterclass is designed not just as a knowledge product, but as a mechanism to embed adaptation and resilience (A&R) into the core strategies, governance, and operations of financial institutions. The BoK moves beyond awareness to shift how FIs assess and value adaptation. The masterclass introduces instruments to de-risk adaptation investments and unlocks capital while aligning with regulatory and disclosure frameworks to support robust reporting. It also guides FIs in developing institutional climate finance strategies, using risk assessments, adaptation-linked scoring, and product design to embed adaptation into core lending operations.

Expected Outputs/Outcomes

Increased ability of FIs to assess and manage climate risks at portfolio and project levels.

Greater integration of climate adaptation strategies into FIs' lending and investment decisions.

Identification of new market opportunities for adaptation finance across sectors such as agriculture, infrastructure, and SMEs.

Enhanced regional knowledge-sharing and institutional awareness that supports broader climate resilience goals.

TIMELINE

Project 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



European Bank
for Reconstruction and Development

European Bank for
Reconstruction and
Development

Partners



Frankfurt School of
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REQUEST FOR INFORMATION

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