

## **Adaptation Fund, and Fund for responding to Loss and Damage Agree to Framework of Collaboration to Help Vulnerable Countries Address Climate Change**

Washington, D.C. (January 31, 2025) -- In an effort to respond to the urgent and complex challenges posed by climate change and its rising impacts on vulnerable populations and ecosystems, the Secretariats of the Adaptation Fund (AF) and the Fund for responding to Loss and Damage (FRLD) have entered into a framework for cooperation.

Outlined in a Letter of Intent (LOI) that was signed by the heads of the two funds on Jan. 31, the LOI emphasizes the need to foster innovation and leverage collective expertise of the two funds to create scalable solutions that address both immediate and long-term impacts of climate change. It empowers communities, ensuring that climate strategies are inclusive, equitable, promote sustainable development, and facilitate a just transition that leaves no one behind.

It is further aligned with the Paris Agreement, which affirms the need to enhance coherence and complementarity between climate funds. The Secretariats will work collaboratively to find synergies with one another and common partners to leverage each other's resources and avoid duplication of efforts.

*“Our collaboration with the Adaptation Fund is perfectly in line with our board’s commitment to fostering complementary, coherence and coordination within the global climate landscape We look forward to joining forces with the Adaptation Fund to further strengthen the responses to loss and damage in the most vulnerable nations so that no one is left behind. Through sharing experiences and knowledge, we will maximize our collective impact for a more coordinated and effective response to loss and damage”* said **Ibrahima Cheikh Diong**, Executive Director of the Fund for responding to Loss and Damage.

*“Adaptation and loss and damage are two sides of the same coin. Through this cooperation with the Fund for responding to Loss and Damage, we look forward to furthering our collective efforts by exploring common areas where we can work together and respond to the goals of the Paris Agreement to further coherence and complementarity and help maximize the limited resources that we have available. It sets a broad framework and is*



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*intended to evolve as we build further value in this collaboration, which ultimately benefits the vulnerable countries we serve,”* said **Mikko Ollikainen**, Head of the Adaptation Fund.

The LOI will initially focus on addressing climate change challenges in vulnerable countries through joint efforts in five common areas:

- **Readiness:** work together to enhance readiness of developing countries to access climate finance and effectively engage in climate action by providing technical support, training and resources.
- **Knowledge Sharing:** share knowledge, best practices and lessons learned to strengthen the funds’ and developing countries’ capacities to address climate change through joint research, publications, workshops and other knowledge activities.
- **Resource Mobilization:** collaborate on mobilizing resources from various resources, including the public and private sectors, to support projects and climate initiatives.
- **Support to Countries:** explore opportunities to leverage the funds’ capabilities and programs to support countries while being consistent with their respective mandates, goals, governance and operational frameworks; and
- **Advocacy:** explore ways to collectively elevate the urgent need for adaptation and critical loss and damage needs of countries responding to climate change.

The signing followed an initial meeting between the two funds in December in Washington, D.C., which led to further discussions and agreement to develop and pursue the LOI. While it does not impose any legal obligations, it is aimed at expressing the desire for collaboration between the two Secretariats. The LOI will last two years with an option to extend for a subsequent two years.

### **About the Fund for responding to Loss and Damage**

The Fund for responding to Loss and Damage was established at the COP27 to support developing countries in addressing the economic and non-economic impacts of climate change, including damage from extreme weather events and slow-onset changes. The fund aims to provide crucial financial support to help these nations respond to the loss and damage caused by climate change, ensuring they can recover quickly.

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### **About the Adaptation Fund**

Since 2010, the AF has committed US\$ 1.25 billion in grants for adaptation and resilience programs in developing countries that are vulnerable to climate change, including 183 concrete projects on the ground serving 46 million total beneficiaries. About half are in Least Developed Countries or Small Island Developing States. AF also pioneered Direct Access and other innovative programs that empower country ownership in adaptation.

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