Climate Finance Network

UNDP

CLIMATE FINANCE NETWORK

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Partnership | Progress | Prosperity

Climate Action for a Resilient Asia (CARA) Annual Review Template for 2025

Contents

A. SUMMARY AND OVERVIEW

Description of programme

The Climate Finance Network (CFN) is a UNDP initiative, supported by the Governments of UK and Sweden, to mobilize and direct finance for climate action across Asia and the Pacific. CFN works and brings together Ministries of Finance, central banks, regulatory authorities, parliamentarians, auditors, investors, the private sector, CSOs and development partners to accelerate reforms and instruments that make public and private finance climate-aligned and investable.

Summary[1]:

During the reporting year, the Climate Finance Network (CFN) strengthened its role as a **catalytic policy and financing platform**, supporting governments to translate climate strategies into bankable financing frameworks and instruments that leverage public and private capital for adaptation and resilience. CFN's work increasingly focused on embedding climate objectives into core public-finance systems, mobilising domestic and international resources, and enabling implementation at scale.

CFN continued to support national and regional **climate finance strategies** as key policy tools, while shifting decisively towards operationalisation and financial deployment. This

[1] Do NOT repeat the Output narrative or what is delivered at output level. These should be any distinct highlights of the year that stand out.

contributed to the adoption by the cabinet of Sri Lanka's National Climate Finance Strategy (2025–2030) and the advancement of national climate-finance strategies in Cambodia and the Philippines, alongside the Climate Finance and Mobilisation Strategy (CFAMS) for the Pacific and sub-national adaptation financing frameworks in Nepal[2] and the ones under development in India. These strategies are explicitly designed to align National Adaptation Plans (NAPs) with financing pipelines, expenditure frameworks, and private-sector participation. This policy work was reinforced through targeted **analytical and advisory products**. The Adaptation Finance Strategy Guideline was published and launched in December. It is already informing country practice: in Indonesia, a financing strategy for food security and agriculture is being developed, demonstrating concrete policy uptake.

Building on these foundations, CFN made significant progress in advancing **innovative climate-finance instruments and market-facing reforms**. As reported in 2024, Thailand became Asia's first issuer of a sustainability-linked bond, with CFN serving as the independent third-party verifier—demonstrating how credible policy frameworks can unlock sovereign access to performance-linked capital. CFN helped in the verification of the indicator, which has been accepted by the government. In Sri Lanka, there is concrete progress on discussion with ADB on contribution of USD 200 million to **Climate and Nature-Positive Investment (CANOPI) Fund-** which is one of the recommendations of climate financing strategy**.** Across Cambodia, India, Malaysia, Lao PDR, and the Pacific, CFN supported the design and piloting of **financing mechanisms**, including e-mobility revolving funds and guarantee schemes for women-led farmer collectives, directly addressing risk barriers that constrain private investment. In the Pacific, CFN support informed the design of the Pacific Resilience Facility's grant programme and enabled the Tonga Climate Change Trust Fund to become fully operational. In its first year, the Fund approved 35 projects worth USD 2.3 million, translating policy reform into tangible investments on the ground. Additional CFN-supported mobilisation exceeded USD 6 million in the Solomon Islands, underscoring measurable leverage outcomes.

CFN also expanded its support for **private-sector engagement and blended finance**. Through the Climate Venture Scaler, a regional pipeline-building initiative, CFN launched an initiative in three countries that will support growth-stage enterprises to invest in climate adaptation and resilience. In Bangladesh, CFN advanced blended finance solutions for climate-smart MSMEs (CMSMEs) by supporting the SME Foundation with a technical agency and working with the Insurance Information Repository (IIRF) to align insurance products. This

[2] Annex 1, Nepal National Climate Change Financing Framework

collaboration culminated in the launch of an insurance innovation challenge, aimed at de-risking climate investments for small enterprises. In Malaysia, CFN collaborated with Bank Pembangunan Malaysia Berhad (BPMB) on the Climate Finance Innovation Lab (CFIL). By the end of 2025, CFIL had received 30 applications with a total financing request of RM 4 billion, and the first accelerator cohort (15 applicants) completed a structured programme to strengthen venture readiness.

CFN advanced regional **climate-finance governance** in the Pacific by supporting the development of a regional climate change taxonomy and the endorsement of the Public Financial Management Regional Coordination Mechanism (PFM RCM) at the Forum Economic Ministers Meeting (FEMM 2025). The PFM RCM—expected to convene in early 2026—provides a durable institutional platform to coordinate climate-finance reforms, align national systems, and scale investment pipelines. In parallel, CFN supported the mainstreaming of climate change into risk-informed development planning and budgeting, including the commencement of water-infrastructure implementation in North Tarawa, Kiribati, where two sites were completed by the end of December 2025.

CFN also strengthened **digital public finance infrastructure** through the Climate Finance Dashboard (CONNECT), which is now officially hosted within Indonesia's Ministry of Finance IT ecosystem and fully deployed, improving transparency, tracking, and decision-making on climate finance flows. Climate budget tagging was initiated in Sri Lanka and the Maldives.
CFN complemented these efforts by strengthening access to vertical funds and public financial management (PFM) systems, positioning governments to absorb and manage larger volumes of climate finance. In the Philippines, accreditation processes for the Department of Finance and DENR progressed towards enabling access of up to USD 40 million from the Adaptation Fund, while a GEF Country Portfolio Assessment supported improved portfolio performance and readiness for GEF-9.

Gender Equality and Social Inclusion (GESI) remained integral to CFN's financing and governance work. In Bangladesh, the Khulna Youth Consultation supported youth—particularly women, persons with disabilities, and marginalised groups—to identify barriers to green entrepreneurship and inform climate-smart livelihood pathways. In Thailand, CFN embedded GESI in climate-finance decision-making by generating inclusive community-level data in Pattani and strengthening the capacity of women and youth on GESI-responsive prioritisation, budgeting, and planning at community and sub-district levels.
At the regional level, CFN consolidated its role as a policy and financing convenor, aligning dialogue with practical financing outcomes. The flagship Inclusive Climate Finance Dialogue

for a Resilient Asia-Pacific in August brought together public and private actors to replicate successful reforms and deepen private-sector engagement in adaptation finance.

Major lessons and recommendations for the year ahead [1/2 page]

The shifts in the global ODA landscape during 2024–2025 demonstrated how vulnerable multi-country, multi-year programmes are to abrupt changes in donor priorities and funding cycles. The withdrawal of USAID support across the UN system, the Swedish Government's decision to end development cooperation in Asia–Pacific, and operational uncertainties linked to changes in British ODA created significant disruptions for CFN. These changes not only required early closure planning for some activities in five countries but also introduced operational unpredictability at a time when long-term engagement is essential. CFN's experience showed that climate finance reforms—such as policy development, financial instrument design, and institutional strengthening—require predictable, multi-year financing to reach maturity and deliver impact.

A key lesson is that project teams and national partners benefit greatly from clearer, multi-year visibility on available funding, as it enables realistic planning horizons, reduces delays caused by uncertainty, and sustains trust with government and private-sector counterparts. Ensuring that climate-finance programmes are supported through funding arrangements that span several years—rather than year-to-year commitments—will be essential for maintaining momentum, safeguarding policy continuity, and achieving transformative outcomes.

B. PROGRESS TOWARDS OUTCOMES

CARA Outcome 1: Climate change integrated into national and subnational plans policies.

CFN enabled Sri Lanka to integrate climate change in a new Cabinet-approved financing strategy led by the Ministry of Finance with strong ownership and influence of Government.[3] Sri Lanka has included climate into its budget call circular, paving the way for climate-integrated budgetary proposals. In Bangladesh and Cambodia, after mainstreaming climate change into the budgeting process, CFN is integrating climate change into the public investment management process in road infrastructure, agriculture and energy sectors. In Solomon Islands, because of Integrated Vulnerability Assessments conducted in six sites the Ministry of Agriculture and Livestock reallocated internal funding to re-establish a nursery and model farm in Western Province, translating climate risk evidence into on-the-ground investments that strengthen food security and community resilience. The taxonomy for climate budget tagging in Pacific is being developed and better alignment across the countries.

[3] Press release by the Ministry of Finance, Planning and Economic Development, Ministry of Finance - Sri lanka; Annex 2, Climate Finance Strategy of Sri Lanka

There is also emerging evidence in the Maldives,[4] Tonga[5] and the Philippines[6] that the Ministries of Finance will use the analysis from the modelling tool on the economic costs and impact of climate to inform climate change -related investments. The CONNECT in Indonesia is an example of transparent information on climate -related expenditures while the CBT system was working but the information was not made public in the last 3 years. In Thailand, the capacity building support to Thai Parliament in 2024-2025 contributed to the successful preparation of the first draft of the Climate Change Act.

CARA Outcome 2: Convening for Adaptation

CFN contributes to the development of capacities of vulnerable populations. In Thailand, support is provided to strengthen the resilience of 5.3 million residents in Bangkok in adapting to the negative effects of extreme heat. In the Pacific, climate-resilient infrastructure has been supported in over 200 climate resilient community projects in 7 countries, including 80 projects supporting climate resilient water infrastructure and 70 projects supporting small-scale infrastructure, including bridges, community halls and access roads. Over 180,000 Pacific Islanders have benefited, resulting in sustainable access to quality water supplies, safe and secure access to markets, schools and work for villagers and improved health and sanitation facilities. Similar results are being achieved in Bangladesh with the support to 100 MSMEs (500 beneficiaries) in the most vulnerable areas as measured by the Climate Vulnerability Index.

CARA Outcome 3: Large-scale investment for climate action is mobilised.

In Thailand, Sri Lanka, and the Pacific, the CFN has facilitated the mobilisation of:

Country/entity	Amount mobilized	Instrument
Thailand	$900m	Contributed to the issuance of Thailand's sustainability-linked bond (issued in 2024)
Solomon Islands	$1m	GCF Readiness for development of Solomon Islands National Adaptation Plan
Fiji	$1.3m	Government budget realigned with climate priorities in Fiji for implementation of rural infrastructure
Tuvalu	$11.5m	Budget support from the World Bank and Asian Development Bank (UNDP and MoF commitment

[4] https://www.undp.org/maldives/news/maldives-strengthens-capacity-model-economic-impacts-climate-change
[5] https://www.undp.org/pacific/press-releases/modelling-climate-change-impacts-shape-tongas-economic-future
[6] https://www.undp.org/philippines/press-releases/towards-resilience-and-just-transition-philippines-undertake-climate-economic-modelling

		and roadmap for climate-embedded budgeting and expenditure tracking).
Fiji	$6.2m	Mobilised $6.2m of climate finance in 2024 for the Fiji Government

In pipeline:

Sri Lanka	$200m	Concrete progress on securing the mobilisation of $200m ADB financing (loan) using an umbrella financing facility with the potential to leverage funds from the international and domestic capital markets
Pacific Resilience Facility	$164m	Resource mobilization and advocacy support that resulted in capitalization pledges from development partners

CARA Outcome 4: strengthening regional cooperation on climate change

Climate expenditure reviews across the region are informing the expenditure tracking in Sri Lanka, Indonesia and the Maldives. The approaches to the development of finance strategies are being replicated in the region, where the lessons from Sri Lanka inform the approaches in Malaysia. A common Regional Climate Expenditure Taxonomy being approved by the Finance Ministers in the Pacific. The CFN convened institutional investors, philanthropists and the MoFs in Bangkok for the regional dialogue to consider linkages between different sources of finance and partnership building for pipeline development for adaptation and climate resilient projects. CFN was also able to bring together the OECD, IMF, ADB, NDC Partnership, and World Bank on strategic support to countries on adaptation financing; it also brought together FCDO, Boston Consulting Group, and ADB at the UNEP -convened Asia Pacific Adaptation Network (APAN). Besides these, at the country level CFN continues to partner with sister programmes at UNDP like Climate Promise, SCALA and beyond that with the research entities and the IFIs. It has also in collaboration with the UNWomen and UNEP launched a Gender and Climate Finance Collective that includes partners like ICIMOD, International Finance Corporation (IFC), BRAC Bangladesh. The collective will open up opportunities for collaboration on the climate finance and gender confluence.

Overall, the project theory of change remains valid, including the key assumptions linking project outputs with medium-term outcomes:

- There is an appetite in Asia Pacific for mainstreaming climate change into existing country systems and the countries are interested in rolling out reforms at national and sub-national levels.
- The project succeeds in the introduction, strengthening and replication of enabling frameworks, systems and tools for accessing and managing climate-accountable climate finance.
- Strengthened budgetary systems, institutions and increased alternative sources of climate finance contribute to inclusive climate change investments.

At the same time, the assumptions linking project outcomes to long-term impacts need to be contextualized in the global shifts in climate priorities. The key assumption here has been that the effective management and mobilization of climate finance will lead to the regional capacity of effectively combating climate change. While the project succeeds in its climate finance results, there is a global trend towards capital outflows from the developing countries. Already tight fiscal space is coupled with the decreasing ODA, changes in priorities by private sector actors and backtracking by banks and other financial institutions from net-zero targets.[7] The additional finance mobilized by the governments might materialize in an environment where overall climate investments are significantly smaller than previously planned. External resources from non-budgetary sources. In this context, given the budgetary challenges in countries such as Maldives, mobilising external resources from non-budgetary sources for climate action has become a necessity.

C. DETAILED OUTPUT SCORING

Output 1: Filling key knowledge gaps to facilitate adaptation action: *Knowledge is produced & used to strengthen adaptation enabling factors, adaptation policy making & implementation.*

Contributing Indicators	Your component's annual milestones	Achievements / Status[8]
1.1 No. of Knowledge Products (KPs) developed by five CARA IPs *(disaggregated by partners and themes).*	10	10 (6 completed and 4 ongoing) **Completed:** Adaptation Finance Strategy Guideline

[7] https://unfccc.int/sites/default/files/resource/Relatorio_Roadmap_COP29_COP30_EN_final.pdf
[8] Disaggregate and specify what has been completed versus what is still ongoing; for the latter, indicate the anticipated completion timeline.

		Effectiveness of Climate PFM Study Guidance Note: Using PFM to implement NDCs and NAPs Climate Finance Handbook for Subnational Governments (Indonesia) SDG Investor Map White Space Report (Malaysia) Nature-based Solutions and Nature Financing (Malaysia) **Ongoing** Citizen Climate Budget (Nepal) (Final Draft) Philanthropy Handbook (Final Draft) Adaptive Financial Resilience Study (to be published)
1.2 No. of countries that directly benefited from the knowledge products.	11	11 (Vietnam, Indonesia, Laos, Malaysia, Nepal, Fiji, Tonga, Solomon Islands, Tuvalu, Vanuatu, Cambodia)
1.3 No. of officials/people who accessed and used the KPs developed by CARA IPs in their work demonstrate improved skills in and knowledge of [specific issue]. Or No. of downloads, views, or citations of the knowledge product.	*300*	1700 downloads – AFSG: 2200 views, 1000 downloads – ECPFM: 350 views, 150 downloads – Guidance Note on NDCs and NAPs: 600 views, 400 downloads – Parliamentary Compendium: 550 visits, 150 downloads
1.4 How did the KPs developed by CARA's IPs help beneficiaries, institutions or countries a) benefit and adopt information from the KPs; b) improve skills and knowledge to work on climate. Stakeholder feedback on the	Qualitative evidence	Please provide it as a paragraph in the sub-section right below this Table

accessibility, usefulness, usability and relevance of the KP.[9]		

During the reporting year, CFN made strong progress under Output 1 by producing, disseminating, and supporting the active use of high-quality knowledge products that strengthen enabling environments for policymaking and policy implementation. By December 2025, CFN had already met its annual knowledge production target, with delivery expected to exceed planned milestones by the end of the business year in March 2026. Knowledge generation and application remain a core strength of CFN, particularly its ability to support nationally owned, policy-relevant frameworks that bridge adaptation planning and financing.

The modelling work in Philippines, Maldives and Viet Nam demonstrates how regionally supported knowledge products benefit project countries. CFN supports research on **Modelling the economic impact of climate change for Philippines, Maldives and other involved countries**. While the work on the models is still ongoing, there is evidence of the tool being adopted by national institutions.

- In Maldives, the tool was highlighted as efforts to improve strategic budgeting in the published 2026 budget book. This initiative complements the MoFP efforts in strengthening capacities to assess efficiency in national budget formulation particularly to utilize the modelling tool in compiling risk statement, particularly in the context of rising climate risks.
- In the Philippines, the tool has been proposed by the Department of Environment and Natural Resources for capacity building of ASEAN Member States during the Philippine chairmanship of the ASEAN in 2026. Recommended by the Department of Finance for adoption by the Development Budget Coordination Committee, comprised of the Philippines' primary economic managers: Department of Economy, Planning, and Development (DEPDev), Bangko Sentral ng Pilipinas (BSP), the Office of the President, and chaired by the Department of Budget and Management Secretary. The DBCC's mandate is to recommend for Presidential approval the level and ceiling of annual government expenditure, among others, and prepares the annual Fiscal Risks Statement in relation thereto.

[9] Mention who provided the data/information; methods undertaken to collect the information etc. We don't expect you to provide qualitative information for all the KPs produced but few key important KPs.

- In Viet Nam, the final modelling software will be used as an evidence-based tool to prioritise adaptation measures in the country's third NDC update, expected to be finalised in early 2026. While NDC 3.0 is still under development, the tool is expected to contribute to national climate policy development by enhancing expert capacity to include evidence-based policy recommendations.

62 countries so far have developed NAPs, of which many have been supported by UNDP, and some of these have also developed financing strategies. However, the approaches have varied with different lens of approaching financing for NAPs. The CFN collaborated with the UNDP global adaptation team to develop the **Adaptation Finance Strategy Guideline**.[10] Considering that other partners are also working on adaptation finance, the team engaged these partners including the International Institute for Development, which serves as the network for NAP global network, ADB, World Bank, NDCP. This is a practical, country-driven framework to translate adaptation priorities in countries' NAPs and NDCs into investable strategies and financial flows.

The Guideline categorizes investment opportunities by sectors, providing an overview of financing potential alongside detailed business models and enabling environment requirements (see Figure 1). These models range from full cost-recovery commercial PPPs and blended finance for utilities to innovative area-based public finance and performance-based ecosystem payments.

[10] Adaptation Finance Strategy Guideline | UNDP Climate Change Adaptation, Annex 3, Adaptation Finance Strategy Guideline

Model archetype	Common business models	Revenue source	Relevance
Full cost-recovery commercial PPP	Urban utilities, industrial services	User fees	High Type 1 alignment
Blended finance with targeted subsidies	Rural utilities, agriculture extension	Tariffs and transfers	Enables equitable access
Area-based public finance	Flood control, settlements, cultural heritage	Betterment taxes, LVC, special levies	Captures localized benefits
Performance-based ecosystem finance	PES, REDD+, watershed management	Ecosystem service payments and grants	Monetizes resilience co-benefits
Insurance-linked resilience investment	Industry, infrastructure	Premium differentiation and avoided-loss value	Aligns incentives with resilience
Community-driven revolving or microfinance models	Smallholder agriculture, community water	Member contributions and small fees	Highly scalable, pro-poor

Figure 1: Examples of business models from the Adaptation Finance Strategy Guideline

While the guideline has been published in early January 2026, there is already some evidence of how the beneficiaries adopt the knowledge:

- The framework will be used in the agriculture and food security section of Indonesia's National Adaptation Plan and the urban heat finance strategy of the Bangkok Metropolitan Administration. Locally adapted finance strategies are an important step for maximizing the available climate finance.
- The content has been the backbone of the G7 adaptation accelerator hub co-led by UNDP and the Government of Italy.[11]
- To become one of UNDP's contributions to the Adaptation Implementation Alliance announced by the Government of Brazil at COP 30, led by UNDP

Effectiveness of Climate PFM Study.[12] The study was undertaken in 2025 in four countries – Bangladesh, Indonesia, the Philippines and Fiji – and aimed to assess the extent to which climate PFM reforms including climate budgeting and tagging have led to achievement of climate policy outcomes. The study is a key milestone in the global discourse on reimagining public finance for sustainable development outcomes. The findings from the study are being used to take forward in Bangladesh, Cambodia, Mongolia to strengthen its climate public

[11] https://www.adaptation-undp.org/adaptationacceleratorhub
[12] Study On Effectiveness Of Climate Public Financial Management | United Nations Development Programme, Annex 4, ECPFM study

investment management process. In early 2026, UNDP will also engage with multilateral and bilateral partners and with the Coalition of Finance Ministers to explore ways to align public finance for better adaptation and mitigation outcomes.

Guidance Note: Using PFM to Implement NDCs and NAPs.[13] This guide was developed to provide a useful reference for development professionals for mainstreaming NDC and NAP priorities by identifying entry points and tools across the PFM cycle. This has been widely disseminated because it is a critical step towards mainstreaming and adaptation related benchmarks for budgetary decisions.

Compendium of Parliamentary Briefs on Climate Finance and Policy.[14] The compendium (joint initiative between UNDP and the Parliamentary Centre of Asia) draws on climate budget briefing notes developed by parliamentary staff from Cambodia, Indonesia, the Philippines, and Thailand. These were created as part of a specialized training programme supported by UNDP's CFN and PCAsia, focusing on budget tagging, analysis, and fiscal oversight tools. The result is a collection of practical, country-specific insights that can strengthen legislative oversight by equipping parliamentary staff with practical tools for climate budget analysis and fiscal scrutiny.

CFN also expanded the evidence base on household resilience and loss and damage, areas where policy-relevant knowledge remains limited. **Adaptive Financial Resilience (AFR) field study[15]** looked at barriers and pathways to build household resilience for those most at risk and covered three countries Bangladesh, Cambodia and Fiji (key findings are available in Box 1). As a follow up, each of the three countries are developing interventions to integrate and scale up the AFR approach within existing national partners and flagship programmes. Bangladesh – aligning social protection and insurance in a union to inform the overall guidelines, implementation and allocation for climate informed social protection; Cambodia – embedding climate resilient financial services within the flagship graduation programme with the Govt and in Fiji –to inform the next phase of their programme on the parametric insurance.

[13] Using Public Financial Management to Implement NDCs and NAPs | United Nations Development Programme, Annex 5, Using PFM to Implement NDCs and NAPs
[14] Parliamentary Oversight of Climate Finance in ASEAN | United Nations Development Programme, Annex 6, Parliamentary Oversight of Climate Finance in ASEAN
[15] Annex 7, Adaptive Financial Resilience Study

AFR issues and solutions
Social protection systems insufficiently address low-onset, frequent climate shocks and recovery needs, which cause significant cumulative damage; impacts on women are more severe, with sharper trade-offs, while community networks provide most support but remain under-leveraged. Governments, central banks, and regulators demonstrate strong understanding and willingness to innovate. Financial responses remain imbalanced—over-emphasizing credit (and increasingly insurance) while neglecting savings—and foundational financial, digital, and climate education is weak and unstructured. Digital Public Infrastructure (DPI) is critical to reach remote and underserved populations and improve service delivery.

Priority actions include scaling parametric and bundled insurance through MFIs and cooperatives; expanding climate-responsive savings, credit, and insurance linked to adaptive livelihoods, community groups, and social protection transfers; embedding financial and climate education with behavioral nudges; and mobilizing concessional finance with de-risking instruments. **Key enablers** include integrating slow-onset risks (drought, salinity, heat stress) into CFS and national/sub-national plans and budgets incl for resilient infrastructure and services. streamlining SP schemes for premium and risk-sharing;, and strengthen ID-linked payment systems and unified registries.

Box 1: Key findings from the Adaptive Financial Resilience field study

Climate-aligned MSMEs play a particularly strategic role. A focused survey of 100 Malaysian Climate MSMEs providing climate-related goods and services carried out by UNDP, reveals a promising yet underserved sector.[16] This foundational dataset provides the critical evidence base to diagnose problems and design solutions, informing policymakers and investors alike and contributing to CFN's systems-level approach, working on both the demand side (strengthening MSMEs) and the supply side (mobilising and aligning capital) — integrating Malaysia's climate ambitions and its entrepreneurial engine, while aligning finance with national policy frameworks. CFN continued on **SDG Investor Map exercise**[17] and supported the analysis of 3 white spaces, namely (i) Conversion of bio-based feedstock; (ii) Waste-to-Energy (WtE) and (iii) Development of Electric Vehicle (EV) ecosystem. The study provided context that shaped the thematic focus for the Climate Finance Innovation Lab (CFIL) initiative, guiding CFIL administrative team to provide the necessary support for CFIL applicants operating in these related sectors.

Additionally, in Malaysia CFN developed a report on **Nature-based Solutions and Nature Financing: Towards Blended Structures for Climate Adaptation in Malaysia.**[18] This report

[16] Summary of the survey is available here: https://impactventurehub.org/myclimate-insights/
[17] Annex 8, White Spaces from the SDG Investor Map
[18] Annex 9, Draft Nature-based Solutions and Nature Financing report

helped establish a foundational understanding of Nature-based Solutions (NbS) and nature financing (which is predominantly mitigation-centric) within the context of climate adaptation in Malaysia. Clarifying the distinction between the two is crucial for investor confidence, targeted investments, policy alignment, and measurable societal outcomes. This study also focuses on enabling blended finance applications in order to mobilise greater private sector funding. The report provided input to pilot case study project in partnership with World Bank and Bank Negara Malaysia to develop an understanding of nature-related risks and opportunities for key sectors in Malaysia, and to provide useful case studies to encourage companies to begin integrating nature-related considerations.

In **Indonesia**, CFN supported the development of a **Climate Finance Handbook for Subnational Governments**,[19] which was used for exercises with 15 different provincial, regency, and city-level governments.

In the **Pacific**, throughout 2025, UNDP continued its partnership with the Pacific Islands Forum Secretariat (PIFS), including support for the development of **a regional climate change taxonomy**. Endorsement for a regional taxonomy was provided by Pacific Finance Ministers at the 2024 Forum Economic Ministers Meeting (FEMM). A ministerial-level side event held during FEMM 2024 showcased climate finance and public financial management reforms undertaken by Tonga and Solomon Islands, which – together with the 2024 Climate Budget Tagging Briefing Paper - form the foundation for this work.

In 2025, a draft policy **brief on Climate Budget Tagging**[20] was developed to articulate the rationale for establishing a regional climate change taxonomy. A critical outcome of FEMM 2025 was the endorsement of the Terms of Reference and operationalization of the Public Financial Management Regional Coordination Mechanism (PFM RCM). UNDP will work closely with the PIFS Resilience Team to coordinate the regional climate taxonomy agenda through this mechanism.

In preparation for advancing this work, Gov4Res has supported the development of:

1. an explanatory paper on the use of terminology within the methodological framework for climate budget tagging in the Pacific
2. a plan for a PIFS mini-series publication (knowledge product) on the Regional Climate Taxonomy for the Pacific

[19] Annex 10, Climate Finance Handbook for Subnational Governments (in Bahasa)
[20] Annex 11, Draft Policy Brief on Climate Budget Tagging

3. a draft Episode 1 of the mini-series, *Introduction to Pacific Climate Taxonomy.*[21]

In 2025, UNDP supported the Government of Fiji to review the Integrated Rural Development Framework (IRDF) 2009.[22] This support was provided at the request of government and aligned with a broader objective to strengthen the planning, programming, coordination, and implementation of Fiji's rural development services and programmes.

A central priority of the Ministry of Rural and Maritime Development and Disaster Management (MRMDDM) is the systematic integration of climate and disaster risk mitigation measures across all rural development initiatives. The Ministry works closely with rural and remote communities, including some of the most hard-to-reach populations in Fiji. Since 2019, Gov4Res has supported a pipeline of risk-informed community development projects in these communities. The development of a series of videos and briefing materials documenting these initiatives[23] has contributed to a broader understanding of what risk-informed development looks like in rural and maritime contexts in Fiji. These demonstration projects, and the tangible outcomes achieved for communities, have influenced the prioritisation of risk-informed development within the Ministry's policies and operational approaches.

The IRDF review report identified ten recommendations for MRMDDM, including the need to elevate risk-informed development through its inclusion in dedicated planning legislation. The review further recommended that risk-informed development be incorporated as a specific deliverable within the performance-based employment contracts of all Permanent Secretaries. The IRDF Review Report, including all ten recommendations, has been submitted to and approved by Fiji's Cabinet.

Following Cabinet approval, the Ministry has adopted a co-creation approach to the development of Fiji's National Rural Development Policy as an initial next step in implementing the review findings. In parallel, a change management programme—led by the Ministry's Senior Management Team—is underway to support the systematic implementation of all ten IRDF review recommendations.

The **Good Practice in Climate Change Performance and Compliance Audits guide** is under development. Its key purpose is to provide supreme audit institutions (SAIs) with a robust methodological approach for undertaking different types of climate audits (mitigation,

[21] Annex 12, PIFS Episode 1 – Introduction to Pacific Climate Taxonomy
[22] Annex 13, Review of IRDF 2009
[23] Vio Island, Fiji - Integrated Development in Action; Risk-informed development projects in Fiji; Nadaro Foot Bridge Crossing Project.

adaptation, compliance), good audit practices from across the world, and relevant resources, tools and frameworks available. This will be launched at a proposed regional dialogue among SAIs in 2026. Overall, CFN's knowledge work under Output 1 shows how evidence generated through the programme is gradually being taken up and applied within policy and planning processes. Across the region, knowledge products are helping to shape national strategies, budgeting processes, investment decisions, and reform efforts.

Output 2: Convening for Adaptation: *Events and dialogues are held that contribute to a range of adaptation pathways, including generating policy and political will/momentum, sharing of learning, and creating buy-in for adaptation from key stakeholders.*

Contributing Indicators	Your component's annual milestones	Achievements / Status[24]
2.1 No. of events held to increase awareness, share evidence, or build sub-national, national or regional collaboration on climate adaptation and transboundary climate action[25] *(disaggregated by no. of participants, sex)*.	5	14 **Completed:** The Asia-Pacific Regional Climate Finance Dialogue Philanthropy for Climate Action Workshop in Malaysia Mobilizing Climate Finance for Malaysia's Sustainable Future Workshop Pacific: 11 peer-to-peer learning events
2.2 No. of concrete commitments / joint initiatives agreed or made by governments, institutions, or private sector entities that have taken place in the past twelve months as the result of the regional or national event or replicated by other countries because of lesson sharing	2	2 Tonga initiative on economic modelling Vanuatu commitment on decentralised financing mechanisms and sub-national resilience building

[24] Disaggregate and specify what has been completed versus what is still ongoing; for the latter, indicate the anticipated completion timeline.
[25] Mention the themes and if it was sub-national/national/regional.

(*mention if it was regional/ country*).		
2.3 Feedback from the participants on the relevance of the event and how they used or plan to use the information and collaboration formed in their country's programs and policies.	Qualitative evidence	Please provide it as a paragraph in the sub-section right below this Table
2.4 How have the forums, platforms, cooperation mechanisms, partnerships etc. have contributed to or will contribute towards achieving CARA outcomes (existing and new partnerships, including collaboration amongst CARA IPs).	Qualitative evidence	Please provide it as a paragraph in the sub-section right below this Table

In 2025, CFN's convening function under Output 2 remained firmly on track and exceeded annual milestones, with - regional, national, and sub-national events delivered against a target of five (Indicator 2.1). These forums were deliberately designed not as one-off knowledge exchanges, but as platforms to unlock policy space, strengthen collaboration, and build momentum for adaptation finance and implementation across Asia and the Pacific.

In 2025, CFN organized its flagship event – **The Asia-Pacific Regional Climate Finance Dialogue**[26], which brought together governments, development partners, and financial actors to advance practical reforms for scaling climate finance in one of the world's most climate-exposed regions. The Dialogue reinforced a shared investment narrative: adaptation and resilience are growth investments, yet progress is constrained by high cost of capital, limited project pipelines, and fragmented policy and financial systems. Participants converged around priority reform areas, including:

- the strategic use of concessional finance to de-risk private investment;
- climate-integrated public financial management, with clearer links to NDC and NAP outcomes;
- investment in enabling infrastructure such as project preparation, data, and transparency systems; and

[26] https://go.undp.org/CFN_Regional_Dialogue

- inclusive approaches that position women, MSMEs, sub-national governments, and communities as drivers of resilience rather than beneficiaries alone.

A key outcome of the Dialogue was strong validation of regional collaboration as an accelerator of national reform. CFN's regional platform was recognised as a mechanism to sustain communities of practice, connect country-level reforms with regional capital and expertise, and support faster translation of policy intent into financeable action. CFN's regional platform was affirmed as a mechanism to sustain communities of practice, connect national reforms with regional capital, and accelerate climate finance delivery across Asia and the Pacific.

The feedback from participants included the following:

"This platform allows us to engage with policymakers and experts, and also the regional partnership ensuring better climate finance… [Due to the dialogue] we are aware of the mistakes we should not repeat" (Shayla Rani, Asisstant Manager – Financial Operations, Ministry of Finance, Fiji). Further feedback is available on the event's website.

CFN's convening also made a direct contribution to CARA outcomes by strengthening partnerships, reinforcing policy coherence, and enabling collaboration among CARA implementing partners. The **Gender and Climate Finance Collective**,[27] co-led by UNDP, UNEP, and UN Women, was launched(re) at the Regional Dialogue to strengthen the gender-responsive climate finance across Asia and the Pacific. Designed as a practitioner-led platform, the Collective now brings together a core group of institutions to support countries in integrating gender and climate vulnerability into finance systems and investments.[28]

The Asia Pacific Adaptation Network (APAN) forum was held in Bangkok where CFN lead and organized 2 sessions. The first session was co-organized with the Boston Consulting Group entitled "Transformative Adaptation Finance from Strategy to Scaled Investment" which was moderated by FCDO and panel comprised of ADB, AVPN, ADPC, UNDP, and the Government of the Philippines. The Adaptation Finance Strategy Guideline was also soft launched at this session. The second session was co-organized with UNEP, ICIMOD, and UNFCCC entitled "Sustainable and inclusive NAPs: leveraging the nexus between adaptation, finance and nature." Both events show the distinct roles of the private sector, philanthropies, development

[27] https://www.undp.org/asia-pacific/projects/climate-finance-network/gender-and-climate-finance-collective
[28] https://www.undp.org/sites/g/files/zskgke326/files/2025-12/gcfc-webinar-summary.pdf

partners, civil society, and UN agencies in scaling adaptation finance and investments. CFN also collaborated with other agencies, including with UN Women and UNEP, to organize side-events on several regional forums, including the annual convening of the Asia Pacific Adaptation Network (APAN). The participants focused on transformative and gender-responsive adaptation in Asia- emphasized reimagining financial systems to empower local actors and ensure finance becomes a lever for justice rather than exclusion.

At the APAN pre-event session, CFN conducted a teach in and moderated sessions on climate finance for a daylong in-person event – "Co-creating transformative and gender-responsive climate adaptation in Asia – A multistakeholder dialogue". The dialogue was organized by UNWomen, UNEP and ICIMOD and hosted by the civil society group ARROW. Climate finance was one of the three thematic areas and was led by the CFN. The sessions emphasized the need to understand and engage with different sources of finance beyond climate funds; more consistent and assured concessional finance to communities; focus on sub-national and community focused public finance and geographies most at-risk; better integration of climate risks in development finance; and greater accountability and transparency of climate finance.[29]

At country level, CFN-supported convenings helped translate national adaptation priorities into actionable and locally grounded approaches. In **Malaysia**, CFN supported a **Philanthropy in Climate Action Workshop**[30]. This convening of over 80 stakeholders from private sectors, regulators to civil society organisations reinforced a shared commitment to climate action, while also revealing a pivotal gap, on how to better connect funders with fit-for-purpose, climate-smart initiatives. The outcomes of the workshop included: (i) initial exploration of blended finance mechanism for the Climate Finance Innovation Lab (CFIL), and (ii) growing awareness and interest of philanthropy to work a solution-oriented pipeline that reflects Malaysia's diverse development and climate priorities.[31]

Also in **Malaysia,** CFN organized **Mobilising Climate Finance for Malaysia's Sustainable Future** workshop on 15th December 2025[32]. This convening of over 80 stakeholders across climate ventures, government agencies, financial institutions, investors, development partners and ecosystem enablers to explore SDG-aligned investments, strengthen networks, and identify opportunities to scale climate enterprises. The results of the event included: (i)

[29] Annex 14, Policy Recommendations from the event
[30] https://www.undp.org/malaysia/news/scaling-climate-action-through-philanthropy
[31] Annex 15, Participants' feedback: Philanthropy for Climate Action
[32] https://www.undp.org/malaysia/news/undp-malaysia-rallies-key-players-boost-climate-finance-greener-economy

Introduction of the UNDP flagship programmes – Climate Venture Scaler and MyClimate FinHub; (ii) Dialogue facilitation between ventures and funders; and (iii) Learning of Climate MSMEs survey results.

When it comes to indicator 2.2, Tonga's initiative on economic modelling[33] demonstrates the commitments / partnerships stemming from the events. UNDP support for economic modelling work in Cambodia was presented at the CFN's regional dialogue in October 2022. In attendance was a senior official of Tonga who expressed interest in having similar support. As a result of CFN events, CFN regional work on modelling now covers Tonga linking climate science, economics, and fiscal planning.

Responding to requests from **Pacific Island Countries** for increased opportunities for shared learning, UNDP supported a series of peer-to-peer learning events throughout 2025 (11 events in total). These events, delivered in both virtual and in-person formats, focused on best practices and lessons learned in embedding climate and disaster risk considerations into planning, financing, and implementation processes.

Experiences from Vanuatu demonstrate how events and dialogues contribute to the project's outcome of more effective management of climate finance. Towards the end of 2025, UNDP supported a small delegation from Vanuatu to undertake a learning exchange with counterparts in the Solomon Islands, focused on **decentralised financing mechanisms and sub-national resilience building**. The exchange included in-depth discussions on the Solomon Islands Provincial Capacity Development Fund and lessons from the Ministry of Provincial Government and Institutional Strengthening (MPGIS) on mainstreaming climate change and disaster risk at the sub-national level.

The Vanuatu delegation reported that the exchange provided highly practical insights, with a clear intention to apply lessons through the Ministry of Internal Affairs and the Department of Local Authorities. As a next step, the team will develop a recommendations paper to inform improvements in resource allocation and efficiency, alongside local-level governance strengthening measures designed to incentivise improved service delivery.

In 2024, CFN organized **the landmark Asia-Pacific Blue Economy Forum** to share knowledge and innovative practices for investments in the blue economy. As a result of the

[33] https://www.undp.org/pacific/press-releases/modelling-climate-change-impacts-shape-tongas-economic-future

forum, Cambodia's Ministry of Tourism commissioned a diagnostic study of marine and coastal resources for the tourism sector. The diagnostic study to assess and map potential of marine and coastal resources for sustainable eco-tourism is at the revision stage. Four action plans for the development of four sustainable blue ecotourism communities are being revised.

Sri Lanka actively participated in regional blue economy forums, exploring sustainable ocean investment, climate-resilient strategies, and innovative financing mechanisms for sectors like marine tourism and coastal ecosystem protection. Domestically, the tourism sector faced financing challenges due to currency depreciation, high interest rates, and cautious banking practices. Engagement in these forums broadened the understanding of application of climate finance instruments such as green and blue bonds, blended finance, and sustainability-linked loans highlighting opportunities for sector adaptation and resilience. Building on this, the Sri Lanka Tourism Development Authority (SLTDA), with partners like UNDP through CFN & BIOFIN, established platforms connecting tourism stakeholders with sustainable finance actors. These initiatives have enabled hoteliers and destination managers to invest in climate adaptation and resilience, aligning the tourism sector with national climate finance strategies and sustainable development goals.

In alignment with the Entrance Fees tool under the National Climate Finance Strategy of Sri Lanka (2025–2030), revenue from protected area entrance fees and similar mechanisms is being discussed to be leveraged to support climate finance initiatives, including biodiversity conservation

Output 3: Training & other capacity building support for effective adaptation action. *Capacity building support, particularly critical training, is delivered to key stakeholders in governments and civil society, enabling adaptation action, adaptation* policymaking, *its implementation, and monitoring.*

Contributing Indicators	Your component's annual milestones	Achievements / Status[34]
3.1 No. of training or capacity building sessions organised on climate adaptation	150 persons	222 persons (101 men, 121 women) **Completed**

[34] Disaggregate and specify what has been completed versus what is still ongoing; for the latter, indicate the anticipated completion timeline.

(*disaggregated by number of participants and sex*).		11 persons (9 men, 2 women), Bangladesh 79 persons (35 men, 44 women), Indonesia 15 persons (8 men, 7 women), Malaysia 94 persons (35 men, 59 women), Thailand 23 persons, Vietnam (14 men, 9 women) **Ongoing** 30 persons, Thailand training to Bangkok Metropolitan Authority, to be completed by April 2026
3.2 No. or % of participants who report improved capacity and skills on climate-related topics or application of information / skill gained in the capacity building sessions-measured through follow-up surveys (e.g. produce and deliver weather and climate information services).	40 persons	41 persons reporting improved capacity 19 persons from the Philanthropy Course 23 persons from Viet Nam
3.3 Insights from the participants on the usefulness and relevance of the events. And how they used or would like to use the information and collaboration formed in their country's programs and policies.	Qualitative evidence	Please provide it as a paragraph in the sub-section right below this Table

During the reporting period, CFN supported a broad portfolio of training and capacity-building sessions reaching well over the annual milestone of 150 participants (Indicator 3.1). Completed trainings included engagements in Bangladesh, Indonesia, Malaysia, Thailand, Cambodia, and Viet Nam, with additional trainings in Nepal and Thailand currently underway and scheduled for completion by April 2026.

CFN's approach deliberately combines regional thought leadership with country-specific, practice-oriented training, ensuring that capacity building responds to concrete institutional reform needs rather than remaining at a conceptual level. At the regional and global level, CFN contributed technical inputs on adaptation finance, sustainable finance, and public financial management through partnerships with institutions such as ADB, ADPC, UNFCCC, UNITAR, Convergence, and BCG. These engagements also strengthened CFN's positioning within regional and global communities of practice, helping shape forward-looking collaboration for 2026.

In **Bangladesh**, CFN organized a specialized technical workshop for the Sustainable Finance Division of the Bangladesh Bank officials in October 2025. By strengthening the knowledge of officials regarding the National Adaptation Plan (NAP) and its 113 interventions across 8 sectors, the training enables the integration of sustainability into national financial governance. This directly supports the programme's outcome level ambition to close the adaptation finance gap and risk-inform financial decision-making. Qualitative evidence of uptake is seen in the commitment to integrate NAP priorities into Bangladesh Bank's financial instruments and regulatory frameworks. This ensures that the central bank can better guide financial institutions in allocating resources toward high-impact adaptation interventions. There was a strong interest in how to move beyond conceptual understanding to the practical adoption of these priorities within the existing financial regulatory architecture. The Bangladesh Bank intends to provide regulatory guidance for adaptation tagged loans and financial instruments. Therefore, by supporting their climate related disclosure mainstreaming process, UNDP specifically focuses on enhancing the central bank's capacity to identify and address financing needs for private sector-led adaptation.

In **Indonesia,** CFN supported training on CBT/RCBT Auto-tagging for Subnational Government. This was a technical-level training on the use of CONNECT to identify, tag, and verify climate-aligned subnational government budget and expenditures. Attended by over 79 participants representing 12 provinces, regencies, and cities, as well as national ministries. As a result of the training, subnational governments and relevant national agencies gained the operational capacity to identify, tag, and validate climate-aligned budget allocations and expenditures using the CBT/RCBT framework through the CONNECT system.[35]

In **Malaysia**, CFN organized a series of trainings for the first cohort of CFIL accelerator programme. This programme is designed to strengthen venture and project readiness for 15 climate ventures. The curriculum covers 12 modules spanning from business model refinement, impact thesis articulation, Theory of Change design, market and customer discovery, governance, compliance-grade reporting, and capital pathway planning. During the year, CFN supported 11 workshops with the average participation of 15 persons (8 men, 7 women).

[35] Annex 16, CONNECT Training presentation (In Bahasa)

In **Thailand**, CFN continued to provide capacity strengthening support to **Thai parliament** with the objective of increasing capacity of its staff in view of the finalization and approval of key climate and environmental bills (Climate Change Act, Clean Air Act). In 2025, more focus was given to climate finance and adaptation: one training session on the critical role of parliament in facilitating climate finance by legislating climate policies, approving climate-sensitive budgets, and ensuring government accountability was held during the Race to Net Zero Parliament event on April 2025. The session was attended by 94 (35 men and 59 women) Green Office focal points from various subcommittees and fostered peer learning and collaboration through group exercises. The capacity building work of 2024-2025 contributed to the successful preparation of the first draft of the Climate Change Act; the UNDP was able to provide technical inputs to the Climate Change Act, especially in the adaptation and finance sections, in Q1-Q2 2025 and provision of comments from other development partners was facilitated.

As a follow-up, in May 2025, a smaller group of 51 participants (15 men, 36 women) deepened their practical understanding of local climate action by observing the Bangkok Metropolitan Administration's (BMA) good practices for advancing climate resilience and sustainability (climate policies and coordination; green areas and solid waste management), through a site visit to Khlong Toei District. The group demonstrated acquired awareness of how local innovations can inform and reinforce the ongoing Acts and other.

In **Viet Nam,** CFN organized a two-day technical workshop[36] set the foundation for strengthening Viet Nam's institutional capacity to apply climate–economy modelling for evidence-based climate policymaking. 23 participants (9 female and 14 male) from key ministries and research institutions were introduced to the modelling software and explored its applications for assessing climate impacts on GDP, sectoral performance, and adaptation costs. Follow up meetings were held to incorporate feedback from participants on software development, and the tool is currently being piloted by experts to inform NDC 3.0 adaptation measure prioritisation. Feedback from participants suggested that the training was helpful for understanding the climate modelling tool and enhanced their capacity to incorporate macroeconomic considerations for climate policymaking.

Regarding indicator 3.2, follow-up surveys and qualitative feedback indicate **clear evidence of improved skills, confidence, and application of learning** among participants. CFN's

[36] Workshop on Facebook and LinkedIn.

collaboration with UNITAR on climate finance training provides strong evidence of impact. Of the 19 respondents to the mid-2025 follow-up survey:[37]

- 42% reported changes in their roles and responsibilities since completing the course; and
- 88% of those attributed the change directly to the training.

Qualitative evidence demonstrated that the course contributed to the work with climate mainstreaming and finding bankable projects:

- "Mainstreaming climate change issues into climate planning has become a significant part of my role"
- "It [the course] enhanced my ability to identify funding opportunities, design climate-resilient projects and align fisheries management with adaptation plans"

These findings confirm that CFN-supported training is contributing to institutional uptake rather than standalone learning outcomes.

In addition to the key trainings listed above, at the regional level, CFN continued its contributions to the delivery of critical training to stakeholders from the government, academia, and civil society through collaborations with other development partners to advance both adaptation finance and climate action. Examples include speaking on sustainable finance and climate finance at EACEN-ADB AFIF Training Course on Capital Account Liberalization Policy Formulation under Volatile Capital Flows for the banking officials of Laos, Viet Nam, and Cambodia. In South Asia, CFN delivered sessions on adaptation finance and public finance management at the ADPC training on innovative finance where participants included government officials from the region and partners such as ADB, and UNDRR. For a wider Asia Pacific scope, CFN delivered a session on adaptation finance together with Convergence and BCG at UNFCCC's regional training on National Adaptation Plans. Globally, CFN's training materials on philanthropy was the basis for a course on UNITAR's Climate Classroom for COP 30. Contributing at these training sessions not only provide a platform for thought leadership and sharing knowledge developed through CFN but also facilitates collaboration and partnerships ensuring CFN is part of conversations and forthcoming actions for 2026.

Output 4: Investments & Finance for Adaptation action. *Large-scale multilateral Investments with adaptation objectives are enabled (support on design,* prep & *implementation), with possible additional finance* -generating *effects.*

[37] Annex 17, Impact Evaluation Results: Scaling Climate Finance in Asia-Pacific

Contributing Indicators	Your component's annual milestones	Achievements / Status[38]
4.1 No. of new financial mechanisms or instruments introduced (e.g., green bonds, climate funds, insurance schemes) (*disaggregated by country*).	4	5 (2 completed and 3 ongoing) **Completed** Bangladesh – blended finance model for MSMEs Pacific, grant programming for Pacific Resilience Facility **Ongoing** Country Venture Scaler, to be completed by early 2027 Green Revolving Fund in Sri Lanka India Guarantee facility, completed by mid-2026 Cambodia Sustainable and Green Financing Facility under the CGCC (pilot stage).
4.2 No. of country government policies and regulations adopted that facilitate climate finance (e.g., tax incentives, regulatory frameworks for green finance).	3	7 (4 completed and 6 ongoing) **Completed** Climate Finance Access and Mobilisation Strategy (Pacific) Loss and Damage Policy Recommendations (Indonesia) Loss and Damage Analysis (Laos) Loss & Damage Chapter (Viet Nam) **Ongoing** CFS in Philippines Financing Strategy for NDC 3.0 for Cambodia

[38] Disaggregate and specify what has been completed versus what is still ongoing; for the latter, indicate the anticipated completion timeline.

		Financing Strategy for NDC 3.0 for Laos Clime-smart PIM guidelines for rural road infrastructure in Cambodia India Resource Mobilization Framework – completed by mid-2026. Sub-national adaptation financing needs assessment and strategies India – mid-2026 *Modelling the economic impact of climate change for Philippines, Maldives and other involved countries*
4.3 No. of new partnerships formed, or institutions accredited to access international climate finance entities (e.g., GCF, GEF, etc.) (*disaggregated by country*).	1	2 Ongoing Philippines accreditation to Adaptation Fund, completed by mid-2026 Philippines, GEF Country Portfolio assessment, completed by the end of Q1
4.4 No. of successful climate finance proposals submitted and approved for international funds (e.g., Green Climate Fund, Adaptation Fund) *(disaggregated by country*).	2	2 **Completed** Bangladesh Green Climate Fund **Ongoing** Cambodia to submit to Mitigation Action Facility
4.5 No. of countries with improved capacity and mechanisms to track and report on climate spending.	2	2 **Completed** Sri Lanka – CPEIR Nepal: Climate Citizens Budget **Ongoing** Maldives – CBT Sri Lanka – CBT Nepal: Climate Audit Guidelines
4.6a No. of CARA supported ADB/WB investment projects receiving *linked* climate finance to help countries mainstream or build resilience or strengthen adaptation (*disaggregated by*	N/A	N/A

value, public/ private £, geographic location).[39] 4.6 b: Number and status of URTF/CRPP/RAP funded projects that are in implementation or delivering support to countries, national/subnational governments or communities. [40]		

Output 4: Investments and Finance for Adaptation Action – Narrative Summary

In 2025, CFN made **substantial progress in translating climate finance policy into operational investment mechanisms**, supporting governments to design, launch, and scale financial instruments that unlock public, private, and concessional capital for adaptation. Across the portfolio, CFN's support demonstrates a clear shift from advisory engagement toward **implementation-ready financing solutions**, with strong leverage effects and institutional anchoring. The output is on track against annual milestones, with multiple instruments completed and several large-scale mechanisms advancing toward deployment.

4.1 Development of new financial mechanisms and instruments

CFN supported the introduction or advancement of **five financial mechanisms**, exceeding the annual milestone of four. These mechanisms address different market gaps—from sovereign capital markets and public funds to MSME finance, agriculture, and subnational resilience—reflecting CFN's diversified approach to adaptation finance.

Completed mechanisms include:

- **Bangladesh:** A blended finance approach(es) for climate-vulnerable CMSMEs, introduced in partnership with the SME Foundation (SMEF). The approach uses concessional capital, aligns risk cover and business development support to unlock formal lending for cottage and micro enterprises in high-risk regions, with a strong focus on women's economic empowerment and community-based adaptation. A pilot launched in December 2025 in drought- and salinity-affected regions to demonstrate the viability to and informed the wider portfolio of SMEF and the SME policies.[41]

[39] Please provide information of the approved projects in the Annex.
[40] This is applicable only for RAP, CRPP and URTF. Please provide information on larger investment projects that are now effective (ADB) or in implementation stage (WB) in the Annex (name, value, and geographical coverage of the project, and its status with regards to what activities have been undertaken)
[41] https://www.tbsnews.net/economy/sme-foundation-undp-join-forces-blended-finance-facility-loan-expansion-cmsmes-1143416

- **Pacific:** CFN supported the design of grant programming for the **Pacific Resilience Facility (PRF)**, drawing on lessons from Gov4Res small-grants mechanisms. The work strengthened regional readiness for scaled, locally anchored resilience financing and informed the PRF's pilot grant window.
- **Cambodia:** UNDP supported design of the **Sustainable Green Financing Facility (SGFF)**, launched in late 2024 as a pilot, which is a blended financing model co-developed by the **Credit Guarantee Corporation of Cambodia (CGCC)** and **UNDP** to scale up private investment in green sectors. CFN is currently reviewing the pilot results and providing comprehensive advisory and capacity building support to refine the design and scale the facility.

Ongoing mechanisms include:

- **Sri Lanka:** CFN supported a feasibility assessment for the **Climate and Nature-Positive Investment (CANOPI) Fund**, initially conceptualised as a Green Revolving Fund. The assessment confirmed the Fund's strategic value in filling gaps in Sri Lanka's climate finance architecture—particularly for smaller, less bankable adaptation projects—and recommended establishment as a statutory fund under the Public Finance Management Act (2024). A Cabinet Memorandum under the National Climate Finance Strategy (2025–2030) has been endorsed at the highest political level and is under Cabinet consideration, signalling strong government ownership and readiness for donor engagement.
- **India:** CFN partnered with The Blended Finance Company[42] to design a **guarantee facility** for climate-smart agriculture, targeting Village-Level Entrepreneurs and Farmer Producer Organisations, with a focus on women-led groups. The facility is expected to catalyse approximately USD 45 million in financing and serve as a practical use case for India's emerging Climate Finance Taxonomy.

Complementing these mechanisms, CFN launched the **Climate Venture Scaler**[43] in Cambodia, Laos, and Malaysia to strengthen pipelines of investable climate enterprises—particularly women-led ventures—through technical assistance, investor matchmaking, and impact management support.

4.2 Policy and regulatory reforms enabling climate finance

[42] https://www.undp.org/india/press-releases/undp-climate-finance-network-partners-blended-finance-company-design-guarantee-facility-unlock-finance-climate-smart-gender
[43] https://www.undp.org/asia-pacific/projects/climate-finance-network/climate-venture-scaler

CFN contributed directly to the adoption or advancement of **climate finance strategies and policy frameworks** that enable scaled investment.

In **Sri Lanka** (reported in 2024), the National Climate Finance Strategy (2025–2030)[44], endorsed by Cabinet in October 2025, provides a clear roadmap for mobilising adaptation and resilience finance. CANOPI is identified as a flagship instrument under the Strategy, with early signals of multilateral interest, including from ADB. The Strategy is already shaping government responses to recent climate-induced disasters by creating space for more structured, forward-looking financing approaches.

In the **Philippines**, CFN is supporting the Department of Finance and the Climate Finance Policy Group in developing a national Climate Finance Strategy through the Interagency Technical Working Group on Sustainable Finance. The Strategy is designed to align financial flows with the NAP, NDC Implementation Plan, and Sustainable Finance Roadmap, with adoption expected in late 2026.

In **India**, CFN advanced subnational adaptation finance planning in partnership with NITI Aayog, supporting assessments in two states and eight districts to identify adaptation needs, economic impacts, and financing gaps. CFN also supported the Ministry of Finance in developing a Resource Mobilisation Framework, containing 20 recommendations across public and private financing sources, now under inter-ministerial review.

UNDP has also supported **Pacific Islands Forum Secretariat** in the development of the region's first **Climate Finance Access and Mobilisation Strategy (CFAMS),** which was endorsed at FEMM 2025.[45] The CFAMS responds to the persistent gap between financing required to address climate change impacts in the Pacific and the level of funding currently being accessed. In 2026, the PIFS Resilience Team will host a regional investment forum, with support from the UNDP Pacific Office and the United Kingdom FCDO, aimed at mobilising finance for regional initiatives from non-traditional partners.

CFN also supported **loss and damage analyses** in Indonesia,[46] Laos, and Viet Nam, helping integrate loss and damage into national financing frameworks and fiscal planning. These

[44] https://www.undp.org/srilanka/press-releases/sri-lanka-launches-national-climate-finance-strategy-drive-resilience-and-net-zero-transition
[45] https://forumsec.org/sites/default/files/2025-10/2050%20Strategy%20RCA%20Progress%20Report%202025%20-%20Executive%20Summary%20FINAL%20%5BDigital%5D.pdf
[46] Annex 18, Indonesia Loss and Damage Assessment (in Bahasa)

analyses have already informed COP positioning (Indonesia), NDC 3.0 preparation (Viet Nam), and national adaptation planning (Laos).

4.3 Partnerships and accreditation for international climate finance

CFN supported **two accreditation-related processes** in the Philippines, exceeding the annual milestone. Support to the accreditation of the **Department of Environment and Natural Resources and the Department of Finance to the Adaptation Fund** is progressing, with both agencies actively engaging with the Fund's accreditation process. Once completed, accreditation will enable access to up to USD 40 million in Adaptation Fund resources. In parallel, CFN is supporting a **GEF Country Portfolio Assessment** to strengthen portfolio management, improve effectiveness and scalability, and position the Philippines for the upcoming GEF-9 cycle.

4.4 Climate finance proposals approved

CFN facilitated technical support for **Bangladesh's Green Climate Fund investment (FP276)** under the EU's Global Green Bond Initiative, contributing to the successful mobilisation of international climate finance.[47] Additional proposals, including joint submissions with the World Bank, further demonstrate CFN's role as a catalyst linking domestic capital market reforms with global climate funds.

4.5 Tracking and reporting of climate expenditure

CFN made strong progress in strengthening **climate expenditure tracking and fiscal transparency**, achieving completed results in Sri Lanka and Nepal, with additional systems under development.

In **Sri Lanka**, CFN supported the country's first Climate Public Expenditure and Institutional Review (CPEIR), analysing climate spending across sectors from 2016–2025. The findings directly informed the design of a Climate Budget Tagging (CBT) system aligned with NDC priorities. A national consultation was held in December 2025, and next steps include Cabinet approval and operational rollout in 2026.

[47] https://www.greenclimate.fund/countries/bangladesh

In the **Maldives**, CFN supported a climate and GESI assessment of public financial management processes, leading to the development of a national CBT typology. Budget tagging is now underway under Ministry of Finance leadership and is expected to be institutionalised by early 2026.

In **Nepal**, CFN supported the development of a **Citizens' Climate Budget**,[48] improving transparency and public accountability. The work shows that 36% of the federal budget is now climate-related. CFN is also supporting the development of a National Climate Performance Audit Guideline to strengthen oversight and value-for-money assessment of climate spending.

Across the **Pacific**, Gov4Res-supported reforms strengthened government ownership of **climate-integrated PFM systems**. Dedicated resilience units were established within Ministries of Finance, national climate typologies were developed, and climate considerations were embedded into budget guidance and reform roadmaps—most notably in Tonga, where climate and gender are now formally recognised within budget preparation processes.

Collectively, Output 4 demonstrates CFN's ability to **move capital, not just policy**. By aligning financial instruments, institutional reforms, and expenditure tracking systems, CFN has helped countries unlock additional finance, reduce fragmentation, and strengthen the governance required to absorb and manage large-scale adaptation investments. The results confirm CFN's role as a trusted partner operating at the intersection of policy reform, market development, and public finance transformation

Output 5: Gender and Social Inclusion for Adaptation *All CARA components respond to FCDO's GESI agenda/strategy by incorporating it effectively into their workplans/delivery.*

Contributing Indicators	Your component's annual milestones	Achievements / Status[49]
5.1 No. of individuals from vulnerable/ marginalized communities who *received training* on climate resilience and/or on adaptation (e.g. in disaster risk management, climate finance, or sustainable livelihoods) *(disaggregated by sex, disability etc.).*	N/A	

[48] Annex XXX, Nepal Citizen Climate Budget
[49] Disaggregate and specify what has been completed versus what is still ongoing; for the latter, indicate the anticipated completion timeline.

5.2 No. of tools developed or no. of people from vulnerable / marginalized communities who use or have access to climate or weather information, tools, climate-resilient services, safety and livelihood opportunities or other solutions/services to respond to climate change *(disaggregated by sex, country)*	N/A	
5.3 No. of initiatives led by *women or vulnerable/marginalized community* focused on building collective climate adaptation or resilience initiatives *(disaggregated by country).*	N/A	
5.4 No. of stakeholders supported (e.g. capacity building) to *design, implement or mainstream* GESI-responsive initiatives (e.g. GESI-responsive NbS, GESI in WCIS GEDSI responsive policies or financial instruments etc.) *(disaggregated by sex, country)*.	50	100 persons 60 persons (28 men, 32 women), Bangladesh 40 persons in Thailand (Pattani)
5.5 Insights from beneficiaries (women or vulnerable/marginalized community or stakeholders working on GEDSI-responsive initiatives) who on how training/events/support improved their ability/capacity to respond to climate change, adopt practices, or helped them prioritise vulnerable communities in the policies, practices and guidelines.	Qualitative evidence	Please provide it as a paragraph in the sub-section right below this Table

Briefly describe the output's activities and provide supporting information for the output.

In 2025, UNDP **Bangladesh's** GESI initiatives focused on empowering youth and marginalized communities as central actors in climate adaptation. UNDP Bangladesh successfully organized the Divisional Youth Consultation in Khulna[50], specifically targeting Green Skills and Micro-Enterprises. This initiative supported a diverse group of stakeholders including students, grassroots leaders, and educators to mainstream GESI-responsive adaptation strategies. By leveraging experience from the LoGIC (Local Government Initiative on Climate change) project, UNDP ensured that youth from the most climate-vulnerable regions were equipped to co-create solutions for green skills development and climate-smart livelihoods. The Khulna consultation revealed critical barriers for young entrepreneurs specially for the female youths and the disabled in Southwestern Bangladesh and ensured that innovative financial solutions and private sector engagement directly address the specific mentorship, market linkage, and capital needs of marginalized youth.

Complementing these grassroots efforts, UNDP Bangladesh developed a draft checklist for integrating Gender Equality and Social Inclusion (GESI) into the Local Adaptation Plan of Action (LAPA), implemented under the CFN project. This strategic guideline serves as a dedicated tool to assess and strengthen GESI dimensions within local government planning. By embedding rights-based empowerment and needs-based service delivery into the LAPA framework, the checklist ensures that women, persons with disabilities, and ethnic minorities actively participate in decision-making processes.

In **Thailand**, GESI-responsive initiatives were at the center of CFN’s engagements in Pattani. In Q1-Q2 2025 data were collected in Pattani bay from 17 government agencies, 107 community leaders in focus groups, and 380 households in 8 target sub-districts. Based on the data collected, one situation analysis has been formulated and publicly validated through a public review session on 21-22 April 2025 with over 100 local stakeholders, including local communities, community leaders, sub-district government, provincial government, CSO, academia. Additional 40 people were trained on CC-GSI prioritization, budgeting and planning in November-December 2025 at community level, with focus on youth and women, to have representation also below the sub-district scale, as recommended by the Working Group.

Through the documentary “The Mother's Dream”[51] on Pattani Bay climate change and environmental challenges, produced by CFN to leverage climate funding and premiered at the Bangkok Climate Action Week on 11 October, the Pattani community and sub/district representatives expressed their increased knowledge and awareness on the importance of CC-GSI planning. The staff of the Pattani PAO also expressed their increasing awareness of the relation between gender and climate planning.

[50] Fighting Climate Change with Youth-Led Green Enterprises in Coastal Bangladesh
[51] https://www.youtube.com/watch?v=6m6HocZ4KWc

Currently, consultation and training sessions are ongoing with the sub-districts and communities to identify their climate adaptation priorities and write project proposals that will be proposed to the PAO and provincial office to align the public budget to these.

Gov4Res has seen significant progress in embedding gender equality, disability and social inclusion (GEDSI) as core components of community development planning, budgeting and implementation across six countries. Tonga and Fiji, in particular, have demonstrated strong results in setting benchmarks for inclusive and climate-resilient infrastructure design.

- In **Tonga**, the risk-informed development approach[52] applied through the national water tank initiative has delivered positive social outcomes for staff and students in the 15 supported schools. These outcomes include increased student attendance and higher rates of full-day school participation, attributable to improved and reliable access to water. The initiative is also establishing a benchmark for infrastructure planning and design that integrates GEDSI considerations, supported by a partnership with the Tonga Women and Children's Crisis Centre. As part of this approach, contractors have been encouraged to complete gender-focused training as a requirement to become preferred suppliers to the Ministry.
- In **Fiji**, the Ministry of Rural and Maritime Development and Disaster Management (MRMDDM) has developed minimum design standards for rural footbridges, footpaths and community access roads that embed GEDSI considerations[53]. Drawing on lessons from the pipeline of risk-informed projects supported by Gov4Res, and on the Standard Operating Procedures implemented by the Ministry's Planning Team, these designs ensure that minimum climate and disaster risk mitigation, as well as gender and social inclusion measures, are systematically incorporated into all rural community infrastructure. The proposed standards are scheduled for submission to Cabinet in 2026, with the intention that they become mandatory across rural and maritime Fiji. These standards are critical to ensuring that rural infrastructure is safe, inclusive and climate resilient.

Gov4Res is also supporting the development of tools and processes to strengthen data-driven decision-making for sub-national planning, with a particular focus on marginalised and vulnerable groups.

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52 https://www.youtube.com/watch?v=d32rbHfWnLw
53 https://www.facebook.com/developmentfiji/posts/matawailevu-ra-permanent-secretary-for-rural-and-maritime-development-and-disast/1177452727743635/

- In **Vanuatu**, Gov4Res continues to support the Department of Local Authorities (DLA) to harmonise community-level data collection through the Digital Community Profile Project. In consultation with the Department of Women, this initiative aims to strengthen the evidence base for prioritising and designing community development interventions. Once complete, the digital profiling system will enable DLA to centralise, automate and visualise community-level data. The system has been designed to integrate GEDSI considerations by capturing disaggregated socio-economic and geographic information, ensuring that the needs of vulnerable groups are systematically identified and prioritised in policy responses and local development planning. Phase 1 of system development was completed in 2025, with Phase 2 scheduled to commence in 2026.
- In **Solomon Islands**, Gov4Res has supported the Ministry of Environment, Climate Change, Disaster Management and Meteorology (MECDM) and the Ministry of Agriculture and Livestock (MAL) to conduct Integrated Vulnerability Assessments (IVAs) across six sites in five provinces in 2025. These assessments identified differentiated needs among men, women, and youth, reinforcing the importance of applying a GEDSI lens in climate resilience planning. Recommended adaptation options focus on strengthening the resilience of agricultural institutions, farmers, and communities to climate-related shocks. As a direct outcome of the IVA findings, MAL has reallocated internal funding to support the re-establishment of a nursery and model farm in Western Province, aligned with food security priorities identified through the assessment process.

Output 6: Small-scale Flexible Fund projects that respond to emerging priorities in a flexible manner to respond to climate change and protect nature and biodiversity.

Contributing Indicators	FF annual milestones	Achievements / Status
6.1 No. of KPs produced to build capacity, develop Guidelines, and fill knowledge gap to respond to climate mitigation or adaption strategies *(disaggregated by country, theme, if targeted for vulnerable / marginalized communities).*	N/A	
6.2 Events/trainings held to raise awareness, share evidence, foster learning, build capacity or formulate consensus on climate-related issues	N/A	

(*disaggregated by theme, no. of participants, gender, country, targeted for vulnerable / marginalized communities).*		
6.3 No. of physical assets, systems, tool, solutions, equipment/infrastructure or other solutions/services developed or maintained or supported to respond to climate change (*disaggregated by country, types*).	N/A	
6.4 Number of partnerships, networks, forums, decision-making platforms and cooperation mechanisms established or strengthened.	N/A	
6.5 How have the FF projects improved the skills, knowledge, ability to adapt and respond to climate change/disaster, protect and manage ecosystems and biodiversity. How are the institutions and beneficiaries adopting knowledge, skills, and information received through FF support (via training, event, KPs).	Qualitative evidence	

Briefly describe the output's activities and provide supporting information for the output.

D. VALUE FOR MONEY

CFN ensured best VfM through:

- Strategic prioritisation aligned with the theory of change
- Leveraging UNDP core resources and internal expertise
- Coordinated delivery with related programmes and donors
- Targeted initiatives to address emerging gaps and opportunities

Overall, CFN has delivered **high value relative to cost**, maintaining relevance, adaptability and strong alignment with FCDO's VfM principles.

Overall VfM Conclusion

During the review period, CFN continued to ensure good value for money. The programme made strategic and disciplined use of resources to deliver strong outputs and outcomes aligned with its theory of change—progressing from upstream enablers (such as financing strategies, policy frameworks and analytical tools) to downstream application and uptake by governments and regional institutions. Performance against outputs and outcomes, combined with effective cost control and resource leverage, demonstrates that CFN remains a cost-effective and relevant investment.

CFN maintained a strong focus on **economy** by minimising input costs while preserving technical quality. The regional technical team in addition to leading on regional initiatives also provided specific and demand based technical expertise to the CFN countries; this also has helped in crosspollination. Specialised expertise is being secured through retainer arrangements (including green finance, climate trade for development and partnership development), through the **UNDP core resources** to supplement FCDO funding, lowering overall delivery costs. Different countries have used their economist base, finance and gender experts for providing supplementary support to the CFN. Economist network support in **Maldives** provided timely macroeconomic and climate finance inputs at marginal cost, strengthening country-level outputs without additional external consultancy expenditure.

Efficiency is being ensured through integrated and coordinated delivery, avoiding duplication and accelerating implementation. CFN activities were deliberately aligned with related country and regional programmes, core resources and technical assistance. At regional level, particularly in **Pacific**, CFN combined funding and expertise from multiple development partners, notably **Sida and DFAT**, enabling scaled and coherent interventions. In **Sri Lanka**, CFN aligned its Climate Finance Strategy with Integrated National Financing Framework (INFF) process, allowing shared diagnostics and coordinated policy engagement. In **Bangladesh**, CFN complemented the Integrated Budgeting for Climate Change Resilience programme supported by AFD, will help scale the interventions planned under the CFN.
CFN's effectiveness stems from its focus on applied policy and institutional change, rather than standalone analytical products. During the review period, targeted initiatives were introduced to address gaps or strengthen priority areas, ensuring outputs translated into meaningful outcomes:

- Expanded support on adaptation and adaptation finance for the food sector in **Indonesia**.
- Strengthened engagement the nature fund establishment based on Climate Finance Strategy in **Sri Lanka**.

At the regional level, CFN support moved beyond analysis to practical institutional strengthening and policy uptake. Support to the **Pacific** on the Pacific Resilience Facility.

Equity considerations were integrated primarily through CFN's system-level interventions, where its comparative advantage lies. Our approach is to integrate, target and learn.

Integrate gender, poverty and inclusion into climate finance systems and policies:

- Gender responsive, risk informed climate informed public investments in Cambodia, Bangladesh, and Pacific.
- Refresh CCBII++ scores will be launched in February;
- Thematic bonds framework in Bangladesh with a strong focus on use of proceeds and impact measurement;
- Climate Venture Scaler prioritizing women led enterprises and exploring themes such climate resilient care for investment.

Target financial institutions, instruments and investments for women, communities at climate risk:

- Financial instruments and de-risking for climate resilient and women focused CMSMEs in areas high on climate vulnerability index in Bangladesh;
- Gender responsive climate change adaptation programme at sub-national level: Surabaya, Indonesia; Pattani, Thailand, Nepal.
- Climate Financial disclosures based on Climate Vulnerability Index to assess risks for FIs with Bangladesh Bank.
- Landscape study followed by demonstration on operational models for adaptive financial resilience –Cambodia, Fiji, Bangladesh.

Learn through evidence, pilots, and regional knowledge exchange to inform implementation at scale.

- Active regional resource network with UNWomen and UNEP; Regional events and dialogues.

Cost-Effectiveness

CFN demonstrated strong cost-effectiveness by maximising outcomes relative to expenditure, particularly through leverage and complementarity:

- FCDO investments were amplified through UNDP core resources and complementary donor financing.
- Strategic co-financing enhanced analytical depth, regional reach and policy relevance without proportionate increases in CFN costs.

- Complementary **Sida funding** supported modelling of climate change impacts and adaptation finance strategy, strengthening decision-making and policy dialogue while keeping CFN's marginal costs low.

E. RISK

Overview of risk management [1/2-1 page]

One of the key risks that materialized during the year was the reduction of funding from FCDO, the termination of SIDA's engagement in the Asia–Pacific region, and the withdrawal of US funding to the UN system, which collectively contributed to UNDP's restructuring. As previously noted, CFN was designed with a multiyear perspective, with project funding intended to serve as a backbone for pooling resources from other donors for targeted activities. The recent funding reductions created uncertainty among both the project team and project partners.

CFN's engagements and results often follow a nonlinear trajectory with inherent time lags. For instance, a strategy introduced in one year may only translate into resource mobilization two or more years later. In nearly all countries, CFN has had to navigate partners' concerns regarding the project's continuity and its ability to support implementation of new products. This caution—manifesting as reduced willingness to engage—has primarily resulted in delays.

Alongside these financial uncertainties, CFN also faced shifts in the broader discourse on sustainable development and climate finance. While Asia–Pacific countries continue to emphasize the need for increased adaptation and loss and damage, political dynamics in the US and Europe have made additional climate finance commitments less certain.

To respond to these challenges and mitigate their effects, the project team undertook a reprioritization exercise. In May 2025, each country team identified one to two priority activities with the strongest potential to mobilize climate finance or influence climate related policies. The revised strategy was guided by the following principles:

- In 2025, focus on results achievable by the end of the business year (March 2026).
- Limit each country to one or two priority activities extending beyond March 2026, anticipating reduced funding availability.

These adjustments have yielded the expected results, as reflected throughout this report. Nearly all countries have achieved significant contributions toward project outcomes. Climate finance has been mobilized in Bangladesh, Thailand, and the Pacific. Sri Lanka has enacted important policy changes. Several financial instruments are nearing finalization in Cambodia, India, and Sri Lanka.

As in previous years, political instability affected CFN's work in several countries—notably Bangladesh and Nepal—where activities were paused for months. However, the regional nature of the project allowed for effective risk mitigation; delays in these countries were offset by progress elsewhere, preventing major negative impacts on outcomelevel achievements.

F. PROGRAMME MANAGEMENT DELIVERY, COMMERCIAL & FINANCIAL PERFORMANCE

Please refer to Annex 19 for the financial performance and delivery chain mapping.

G. DELIVERY CHAIN MAPPING

Please attach a Delivery chain map of Subcontracts, MoUs, Grant Agreements etc, to the last mile. FCDO defines DCM as a process that identifies and captures, in visual form, the names of all partners involved in delivering a specific good, service or change, ideally down to the end beneficiary. If not applicable to your component, please indicate as such and add why.

Please refer to Annex 19 for the financial performance and delivery chain mapping.

H. COMMUNICATIONS

Communications and Knowledge Management

In 2025, CFN focused on establishing a strategic communication governance model by institutionalizing branding consistency, improving digital accessibility, and positioning CFN as a flagship initiative and regional thought leader.

1. Strategic coordination and brand alignment

To ensure a unified narrative and branding, a communications framework was developed and implemented:

- Standard Operating Procedures (SOPs): Developed and rolled out CFN-specific SOPs to standardize comms, donor visibility, and branding protocols across all participating countries and partners.

- Country Office (CO) Focal Point Network: Established a network of communication focal points across UNDP Country Offices. This has ensured consistent donor attribution and streamlined the flow of content.
- Global Integration: Structured coordination with the UNDP Sustainable Finance Hub (SFH). This partnership ensures CFN's regional successes are integrated into UNDP's global positioning (including on global fora such as COP30).

2. Digital resources and knowledge management

CFN's digital platforms were improved to enhance user experience and centralize the resources:

- The CFN Landing Page was redesigned for greater clarity and accessibility. The optimization led to surge in traffic, for example with the Climate Venture Scaler becoming the most-visited project page on the UNDP regional website in 2025.
- Developed a centralized Repository of Publications and News, organizing existing publications by category. This allows partners and donors to access thematic evidence (e.g., gender-responsive budgeting or thematic bonds) with ease.
- Hosted landing pages and resources for key multi-partner initiatives, including the regional dialogue, the Climate Venture Scaler and the Gender and Climate Finance Collective.

3. High-Impact Media and Outreach Highlights

Throughout 2025, CFN maintained a steady flow of high-quality content, producing a diverse mix of web stories, blogs, press releases, and videos at the regional and country levels. All the products are listed in the **landing page.**

Key highlights of the most impactful assets include:

- **Media engagement:** Coverage of Asia's first sovereign Sustainability-Linked Bond (SLB) in Thailand in the *Bangkok Post* and coverage of the launch of Sri Lanka's launch of the National Climate Finance Strategy (2025–2030) in the Cabinet website and Ministry of Finance website.
- **Videos:** a collection of explainers, interviews, and other visual assets.
- **Strategic resources**: E-course "Scaling climate finance" in partnership with UNITAR

List of Annexes

1. National Climate Change Financing Framework
2. National Climate Finance Strategy of Sri Lanka

3. Adaptation Finance Guideline
4. ECPFM
5. Guidance Note on PFM for NDCs and NAPs
6. Parliamentary Oversight of Climate Finance in ASEAN
7. Adaptive Financial Resilience
8. Malaysia: SDG White Spaces
9. Malaysia: Report on Nature-based Solutions
10. Indonesia: Climate for Regional Government
11. Policy Brief on Climate Budget Tagging
12. PIFS Episode 1 – Introduction to Pacific Climate Taxonomy
13. 2025 Review of the IRDF
14. Policy Recommendations from APAN
15. Malaysia: Poll Results – Philanthropy for Climate Action
16. Indonesia: CONNECT Training
17. Impact Evaluation: Scaling Climate Finance in Asia-Pacific
18. Indonesia: Loss and Damage Assessment
19. Financial Performance of the Project and Delivery Chain Mapping