

Climate Financing Through the Adaptation Fund: What Determines Fund Allocation?

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Abstract

There is an ongoing debate about criteria based on which allocation of climate finance, particularly financing adaptation, is made. This article aims at investigating the determinants of fund allocation and the consequences of rearrangement considering the case of the Adaptation Fund (AF). This research conducts a mixed-method approach including binary logistic regression and multiple regressions to analyze the factors that influence access to and volume of funding from the AF, respectively, along with a qualitative assessment of the AF's institutional features. The findings suggest that the level of vulnerability of a country is likely to affect accessibility to and the volume of funding from the AF. Besides, low-income countries are more likely while least developed countries are less likely to access the fund. Readiness of country is not significant for accessing the AF; however, it affects the volume of funding. Funding allocation rearrangement may put the AF on pressure for effective use of the readiness program.

Keywords

climate change adaptation, climate finance, Adaptation Fund, determinants, multilateral fund

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