AU-EU Policy and Action Brief on Climate Adaptation: From Addis to Belém and Luanda

Advancing the Africa-Europe Adaptation Agenda
On the Road to COP30 and the 7th AU-EU Heads of State Summit

This AU-EU Policy and Action Brief on Climate Adaptation is intended to inform the 7th AU–EU Heads of State Summit in November 2025 and guide future programming orientations.

Context:

Africa and Europe agree that climate change is the defining global challenge of our time, threatening lives, ecosystems, and economic stability worldwide. Amid accelerating geopolitical shifts, growing inequalities, and escalating climate impacts, ramping up investment in adaptation and resilience is critical to safeguard lives, strengthen well-being, and support inclusive and sustainable social and economic development.

The urgency is particularly acute in Africa, which faces the highest climate vulnerability globally. Despite contributing less than 4% of global greenhouse gas emissions, **Africa is home to 17 of the 20 most climate-vulnerable countries, making it disproportionately exposed to severe climate impacts. Furthermore, 33 of the continent's 54 nations are classified as Least Developed Countries (LDCs)**, representing most of the world's most vulnerable economies.

African Least Developed Countries (LDCs), ***UNCTAD***

These countries face severe infrastructure deficits, limited institutional capacity, and constrained fiscal space**,** which significantly hinder their ability to invest in climate adaptation and resilience. This situation has left many **African countries trapped in a debt–climate cycle, where escalating climate impacts erode public revenues while growing adaptation needs drive increased borrowing, creating a vicious cycle that undermines long-term development prospects.** Despite these challenges, Africa holds substantial untapped potential. A youthful, growing workforce, abundant natural resources, all of which position the continent for enhanced resilience and transformative growth.

Communities are already demonstrating their ability to adapt to climate risks through locally tailored innovations and nature-based solutions. Evidence across Africa and other regions shows that access to financial, technical, and institutional support significantly enhances communities' adaptive capacity and fosters innovation. **Investment in adaptation and climate resilience should therefore be seen not as a cost, but as a strategic, high-return opportunity that creates jobs, strengthens fiscal stability, advances climate action, and drives inclusive social and economic development.** Moreover, adaptation needs to be recognised as a means to safeguard socio-economic development and prosperity amid climate change, rather than merely a locally-led effort focused on resilience.

On the COP30 and the 7th AU-EU Heads of State Summit

While the adoption of the Global Goal on Adaptation (GGA) Framework at COP28 established a foundation for shared targets and indicators, **Africa-Europe cooperation on adaptation could be taken to the next level, building on the European Union (EU) Global Climate and Energy Vision and the African Union (AU) Climate Change and Resilient Development Strategy and Action Plan (2022-2032).**

Today, adaptation finance remains limited and unevenly accessible, with LDCs receiving less than 14% of global adaptation funding despite facing disproportionate impacts. **For Africa and Europe, scaling up climate adaptation finance requires addressing both the volume of resources and the barriers to access.** For the EU, this includes providing grant-based support to avoid increasing debt burdens, and continuing reform processes at Multilateral Development Banks. For Africa, this means strengthening institutional capacity and improving coordination between local financial institutions and EU donors to overcome bureaucratic hurdles in accessing climate finance. **Without concurrent investments in strengthening systems and capabilities, such resources risk being ineffective.**

Building on the outcomes of the past EU-AU cycle of cooperation on adaptation (2022-2025), the 2nd Africa Climate Summit (ACS2) in Addis Ababa (8–10 September 2025) and looking ahead to COP30 in Belém (10–21 November 2025) and the 7th AU–EU Heads of State Summit in Luanda (24–25 November 2025)**, Africa and Europe have a unique opportunity to re-position adaptation action and finance at the heart of a transformative partnership.**

This Policy and Action Brief outlines key opportunities and priority actions to reinforce Africa–Europe cooperation on shared adaptation goals, while advancing national priorities, continental interests, and global climate leadership – as part of a fragile multilateral system.

Opportunities to steer the Africa-Europe Adaptation Partnership

Although adaptation and resilience, climate finance, nature-based solutions, and climate justice were featured prominently at recent policy milestones, including the Bonn inter-sessional SB62, the Financing for Development International Conference (Ff4D), and the recent Africa Climate Summit (ACS2), progress is dependent on whether this momentum holds in the upcoming events, especially the 30th United Nations Climate Change Conference (COP30) and the 7th AU-EU Heads of State Summit in Luanda, Angola.

The Road to Luanda offer an opportunity for Africa and Europe to show clear and strategic leadership on climate adaptation, both within the context of the cross-continental partnership but also on the regional and global stage, **starting with**:

The 3.0 Nationally Determined Contributions (NDCs): Under the Paris Agreement, Parties must update their NDCs every five years, yet by November 5, 2025, 98 of 195 had done so. This includes 13 African countries and the just adopted EU's NDC. While submission is essential, COP30 and the 7th AU-EU Summit must also ensure conditions for effective implementation are in place. In Africa, most NDCs remain unfunded, many targets are conditional, and roughly half focus on adaptation. To strengthen the adaptation partnership, the EU and African countries should prioritize submission, seek to fund conditional targets, and advance ambitious National Adaptation Plans (NAPs) by strengthening implementation conditions.

30th United Nations Climate Change Conference (COP30): Preparations are accelerating for COP30, set to take place in Belém, Brazil. Letters issued by the COP Presidency so far signal a renewed push to turn ambitions into action. The 3rd letter's focus on the 62nd SB in Bonn singles out the Global Goal on Adaptation (GGA) indicators under the UAE–Belém Work Programme as a special area of focus. In preparing for COP30, European and African leaders must recognize that inaction threatens national and regional interests, including social and economic development, ecosystems and biodiversity management, and peace and security. To drive meaningful progress, Africa and Europe must elevate adaptation alongside mitigation, ensuring LDCs and Small Island Developing States (SIDS) can access and receive sufficient, effective finance and implementation support tailored to each country's specific adaptation needs and contextual realities.

The 7th AU-EU Heads of State Summit: The Summit will be held on 24–25 November 2025 in Luanda, Angola. Marking 25 years of EU-AU partnership, the Summit comes at a pivotal moment for defining a new AU-EU joint vision rooted in climate action, with adaptation elevated and mainstreamed across sectors of cooperation. Building on the outcomes of the EU-AU Ministerial in Brussels (May 2025), the Summit will aim to advance a strong, balanced, and forward-looking partnership. It may also represent a timely opportunity to take stock of progress and **assess the effectiveness of adaptation initiatives and programmes such as the Team Europe Initiative (TEI) on Climate Change Adaptation and Resilience in Africa, as well as the African Adaptation Project Incubator (APIA).**

Amid a volatile geopolitical context and with 2025 marking the 10-year anniversary of the Paris Agreement, African and European leaders have a unique opportunity to translate a shared climate vision into ambitious and stronger cooperation on climate adaptation.

Joint Priority Areas of Action for Africa and Europe

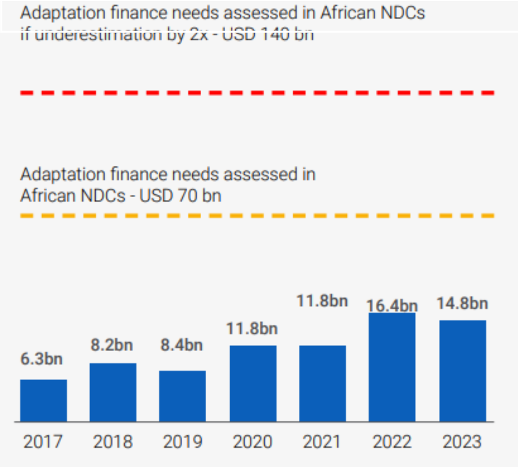
1. Financing Climate Adaptation

Africa's adaptation finance is rising—but remains still a fraction of what's needed as ODA declines and debt risks mount. Net bilateral ODA to Africa declined between 2023 and 2024 and is projected to fall further in 2025, with several key donors announcing major cuts (i.e., from a number of EU member states to the US). Africa's adaptation needs are estimated at nearly USD 70 billion per year, yet available finance remains far below this level despite the COP26 pledge by developed countries to double adaptation finance by 2025 compared to 2019.

There remains a wide gap between the finance required, pledged, and delivered for effective climate adaptation. More than half of adaptation finance committed between 2017 and 2023 was provided as loans, increasing debt pressures on countries already facing high borrowing costs linked to climate vulnerability. Private investment remains minimal—largely limited to philanthropic initiatives—and domestic financing remains weak.

Without urgent corrective action, climate-related damages could erase up to 20 percent of the continent's GDP by 2050 and as much as 64–80 percent by 2100. Looking forward, two divergent pathways emerge: one where fiscal stress erodes adaptation investments and forces reactive spending, and another where adaptation becomes investable, the cost of capital declines, and adaptation is mainstreamed across all development finance.

Adaptation Finance to Africa 2017-2023 Against Needs



Source: *CPI/CGA, 2025; Adaptation Finance Flows to Africa – State and Future Trends*

Priority Areas of Focus:

Keep reforming the financial architecture and seek to address the debt crisis: African countries are projected to spend $88.7 billion on external debt service in 2025, significantly constraining fiscal space for climate adaptation and resilience investments. This growing debt burden limits governments' ability to fund critical adaptation measures, making international and domestic finance for resilience even more urgent. AU and EU leaders should use the momentum of the 7th EU-AU Summit to champion reforms through platforms such as the Bridgetown Initiative at the G20 Leaders Meeting. With over 70% of current climate finance provided as loans, there is an urgent need to expand grant-based support to prevent worsening debt burdens for LDCs and SIDS. This must go hand in hand with debt relief and restructuring, and stronger African representation in global climate finance governance to decentralize climate funds and build a fairer and more effective system.

Mobilize domestic and private sector resources: While global climate finance remains a cornerstone of climate justice, the uncertainties surrounding the achievement of the $1.3 billion 'Baku to Belém' Roadmap and the $300 billion New Collective Quantified Goal (NCQG) on climate finance highlight the urgency of diversifying funding sources and securing a dedicated share for climate adaptation. Africa and Europe should join forces to enhance the quality and impact of adaptation finance, and to explore innovative instruments, blended finance solutions, and new revenue streams that can expand and sustain adaptation efforts. A promising avenue to consider is the Global Solidarity Levies Task Force, which aims to formulate proposals for taxation of high-emitting and unregulated industries, and could create a platform for greater Africa-Europe cooperation and finance mobilisation. Furthermore, Domestic Resource Mobilisation (DRM), combined with proactive measures such as social protection and climate insurance, can provide more predictable and sustainable pathways for adaptation finance. African countries should leverage local revenues, remittances, green bonds, and regional financial institutions, while the EU can incentivize public-private-philanthropic sector investment in project pipelines.

Deliver inclusive, strategic, and accountable implementation: To maximize the impact of adaptation finance, it must be delivered swiftly, fairly, and transparently, ensuring timely interventions that reduce climate risks and strengthen resilience. Mainstreaming adaptation into broader climate and development strategies will promote policy coherence, while participatory approaches to engage communities, youth, civil society, and non-state actors will ensure that actions reflect local priorities. While the EU is the largest climate finance contributor to Africa, COP30 and the 7th AU–EU Summit offer a critical opportunity to renew commitment to adaptation and establish a needs-based finance framework. Policymakers should call for a secure, scaled-up, and predictable flow of adaptation finance to replace the current "doubling" target expiring in 2025, while urging both emerging and advanced economies to close the widening adaptation funding gap. Grounding finance in Africa's assessed needs would ensure resources are directed where they can deliver the greatest impact. Decisive action would reaffirm adaptation as a lifesaving and cost-effective investment, while demonstrating the strategic value of AU–EU collaboration—particularly through their joint adaptation partnership.

2. Boosting Africa-Europe Policy, Institutional, and Expert Coordination

Delivering effective adaptation requires more than finance — it demands political leadership, institutional coordination, and systems that turn commitments into tangible results. For the AU–EU partnership, adaptation offers a defining opportunity to demonstrate how joint action can strengthen resilience, support local priorities, and advance shared sustainable development goals. Achieving this will depend on three interlinked priorities: (1) enhancing institutional and expert coordination and aligning policies and finance; (2) integrating adaptation across sectors to ensure equitable and sustainable outcomes; and (3) translating global commitments, including the Global Goal on Adaptation, into measurable progress. Together, these priorities can move the AU–EU partnership from pledges to impact, ensuring adaptation delivers real benefits for communities across Africa and Europe.

Priority Areas of Focus:

Enhance institutional and expert coordination along with policy and financial coherence: Effective adaptation requires coherent action between African and European institutions at all levels. The AU–EU partnership should strengthen coordination mechanisms linking continental, regional, and national bodies — including the African Union Commission, European Commission, Regional Economic Communities (RECs), and development banks and agencies — to align adaptation priorities and financing. Establishing a structured AU–EU coordination platform on adaptation would enhance coherence, avoid duplication, and accelerate delivery of joint outcomes while enhancing coordination among institutions, thus promoting stronger policy and financial coherence in driving adaptation action.

Integrate adaptation for equitable and sustainable outcomes: Climate change is no longer solely an environmental or biodiversity crisis, particularly in a world of growing inequalities and geopolitical shifts. Adaptation must benefit local communities and vulnerable populations, ensuring that Africa–Europe cooperation promotes equity, justice, and inclusion. The AU-EU partnership should adopt a cross-sectoral and integrated approach, aligning adaptation efforts with sustainable development objectives. COP30 and the 7th AU-EU Summit offer opportunities to set priorities, foster dialogue, and agree on a shared vision for inclusive, long-term adaptation action, mainstreamed at the heart of the Partnership.

Adopt and implement the Global Goal on Adaptation (GGA): High-level commitments must be translated into concrete, context-specific plans. The AU-EU adaptation partnership can build on the GGA framework to develop and implement indicators, track progress across 11 global thematic and process targets, and ensure that technical, technological, and financial resources are effectively deployed. COP30 will conclude the two-year UAE–Belém work programme on adaptation, while the 7th AU-EU Summit provides a platform to formalize operational alignment, monitor results, and assess the effectiveness of shared adaptation objectives.

Strengthen Impact Assessment and Monitoring, Evaluation, and Learning (MEL): Establish a harmonized MEL framework to assess the quality, effectiveness, and inclusiveness of EU-Africa adaptation initiatives. This framework should enable transparent reporting across African and European partners, capturing not only financial mobilization and delivery but also accessibility, coherence, and community-level impact. Aligning MEL systems with the AU–EU partnership and international frameworks such as the Global Goal on Adaptation (GGA) will ensure that adaptation outcomes are measurable, comparable, and meaningful.

3. Enhanced Africa-Europe Collaboration, Technology Development, Transfer, and Knowledge Sharing

Strengthening adaptive capacity and building resilience to climate change require both innovation and the exchange of practical knowledge between Africa and Europe. The AU–EU partnership can leverage European and African expertise to develop and deploy technologies and business models tailored to Africa's diverse contexts — from middle-income countries with established innovation ecosystems to least developed countries (LDCs) and small island developing states (SIDS) requiring foundational infrastructure and capacity support.

Priority Areas of Focus:

Strengthen technology development and transfer: Developing, adapting, and scaling technologies are critical to addressing Africa's climate challenges. The AU–EU partnership should promote joint research and innovation programmes focused on locally appropriate solutions such as early warning systems, climate information services, climate-smart agriculture, renewable energy, and resilient urban and coastal planning. Delivery mechanisms should be inclusive, ensuring that innovations reach communities regardless of institutional capacity or connectivity constraints.

Promote climate adaptation solutions and business models: Support the development and scaling of viable business models for climate adaptation in collaboration with existing business ecosystems and programmes. This should focus on identifying innovative and cost-effective solutions, while designing financial instruments and blended finance mechanisms that attract private investment into adaptation — from water-efficient agriculture and nature-based infrastructure to climate data services. At the same time, strengthen the enabling environment for local entrepreneurs and SMEs to actively participate in emerging adaptation markets.

Facilitate systematic knowledge sharing and learning: Structured knowledge exchange between African and European institutions enhances the effectiveness of adaptation efforts. Building on the 2021 EU Strategy on Adaptation to Climate Change, the partnership should foster platforms to share experiences and best practices in infrastructure resilience, biodiversity preservation, water management, digital public infrastructure, and disaster preparedness. Knowledge-sharing systems should ensure that lessons learned are translated into actionable local strategies responsive to community needs and priorities. The externalisation to Africa of the 'EU Mission on Adaptation to Climate Change' could provide a tangible avenue to facilitate Africa–Europe systematic knowledge sharing and learning.

Adapting to the moment: On the Road to COP30 and the 7th EU–AU Summit

By linking adaptation efforts to economic growth, job creation, and shared prosperity, AU and EU leaders can strengthen climate action and demonstrate the co-benefits of adaptation finance ahead of COP30 and the 7th EU-AU Summit.

Building on momentum from SB62, ACS2, FfD4, and other forums, AU and EU leaders can seek to advance a new joint vision where adaptation is prominently featured, as a means to secure equitable, needs-based financing, implement systemic reforms, and strengthen resilience across vulnerable communities and systems. They must operationalize commitments, align strategies, and set a global standard for transformative adaptation finance and action, ensuring the next decade is defined by lasting resilience and accelerated climate and development outcomes.

Failure to act risks undermining continental priorities, global climate goals, and long-term stability, while decisive action can transform the two continent's natural capital, human talent, and emerging green start-ups and industries into engines of sustainable growth and resilience, with mutual co-benefits for Africa and Europe, and the rest of the world.

ANNEX:

The Cost of Inaction – Why it matters to invest in Adaptation and Resilience*

- **GDP:** Climate change could cut GDP by up to 12.5% in Africa in the next five years.
    - Least Developed Countries (LDCs) are at least 10% poorer today in terms of GDP than they would have been without climate change.
- **Sector losses:**
    - $2.1 trillion annual costs due to human health impacts across EMDEs between 2025 and 2050, with annual economic losses reaching nearly $0.8 trillion in sub-Saharan Africa (SSA);
    - $250 billion in the value of crop and livestock losses alone due to impacts on the agri-food sector by 2050, with crop yields projected to fall as much as 18% in Africa. This is on top of the more than 30% decline in agricultural productivity growth due to climate change since 1961.
    - $460-720 billion annual losses due to impacts on power, transport and telecoms infrastructure by 2050
    - $1.6 to 2.3 trillion annual losses due to inadequate WASH and water storage for human consumption by 2050.
- **Labour productivity**: Total labour productivity is expected to decline over 5% in parts of Africa due to temperature shocks. Deeper losses are expected in high-exposure sectors, such as agriculture, where reductions in productivity are estimated 26%-33% by 2050.
- **Fiscal instability:** E.g. Following drought in Eastern Africa, Kenya experienced food price spikes, contributing to national inflation of over 14% for 2011**.**
- **Sovereign risk and debt:** a one-unit increase in climate vulnerability (as measured by the ND GAIN index) increases sovereign credit spreads by up to 23%. Low-income countries in Africa are at risk of a 4-notch sovereign credit downgrade by 2050.

Status of Adaptation & Resilience Finance in Africa

- **Adaptation finance flows fall far short of what is needed in Africa:** According to CPI, African nations need around $70 billion for adaptation per year, but today they receive only $13.8 billion. Just 5% of this originates from private sector sources.
- **Where finance is provided, it risks contributing to mounting costs.** 62% of adaptation finance in Africa is currently provided as debt.
- **Given inadequate proactive investment in adaptation and resilience, African governments are compelled to spend more on reactive spending:** African countries divert up to 9% of public budgets on climate emergencies.

The Returns on Resilience (globally)

- **GDP growth**: Adaptation could add up to 15% GDP in certain vulnerable states by 2050 compared to current policies
- **One of the smartest investments of our time**: Investments in adaptation deliver at least 4 times more benefits than costs, with a 25% annual average return rate.
- **Jobs generated**: Filling the resilience investment gap of $350bn annually could generate more than 280 million direct and indirect jobs over the next decade.
    - an estimated 80 – 160 million jobs in agriculture and 30 – 60 million jobs in construction could be generated over the next decade.
- **Fiscal stability**: A 10-point improvement in a country's ND-GAIN score is linked to a 37.5 basis point reduction in sovereign bond spreads.
- **Sector avoided losses:** Scaling resilience investments in four key sectors for development could avoid $690-850 billion in socioeconomic losses by 2050, including:
    - $290 billion avoided socioeconomic losses by 2050 in health systems; $20-25 billion avoided losses in crop and livestock; $270-380 billion avoided economic losses in WASH, $110-170 billion avoided losses in infrastructure

Sector value unlocked

- **WASH:** In sub-Saharan Africa returns on investment in WASH can reach as high as $7 per $1.
- **Agriculture:** In agriculture in EMDEs, every $1 invested has generated up to $6.1 in avoided losses and improved outcomes.[15] Drought tolerant maize has boosted yields by 44% on average in Malawi. $1 invested in anticipatory action for agriculture has delivered $7 in returns in Ethiopia.
- **Health:** Resilient health systems could deliver an average internal economic rate of return of 79% according to the WRI Triple Dividend.
- **Infrastructure:** investment to build infrastructure systems can deliver $8 t $11 returns for every dollar invested according to WRI.