



ICCAP
INCLUSIVE CLIMATE FINANCE FOR VULNERABLE
COMMUNITIES IN ASIA PACIFIC

A climate adaptation investment facility for the Asia-Pacific region

Catalysing investments to support vulnerable communities in the Asia-Pacific region with the adoption of sound climate adaptation solutions

The Regional Adaptation Investment Facility (RAIF) is a regional financing scheme designed to catalyse and de-risk climate adaptation finance for vulnerable communities across six Asia-Pacific countries. It is part of the broader project Inclusive Climate Finance for Vulnerable Communities in the Asia-Pacific (ICCAP).

International investors struggle to reach the communities and micro-, small and medium enterprises (MSMEs) that most need adaptation finance. Small transaction sizes, perceived high risks, limited data and investment readiness, and fragmented local pipelines make investments difficult to attract and structure at scale. By working at the interface between investors and local financial service providers (FSPs), the RAIF aims to close that gap.

RAIF's mission

RAIF aims to act as a catalytic bridge to unlock capital across Bangladesh, Bhutan, Cambodia, Fiji, Lao PDR and Nepal – channeling it through local FSPs and out to climate-vulnerable communities.



Public and private investors
About USD 300 million of public and private finance catalysed for climate adaptation



The mission
RAIF as a catalytic bridge to unlock capital across Bangladesh, Bhutan, Cambodia, Fiji, Lao PDR, and Nepal



Local financial service providers (FSPs)



Climate-vulnerable communities
14 000+ direct beneficiaries

What RAIF offers to investors

RAIF presents a pipeline of climate adaptation investment opportunities across six national markets, screened according to financial and social issues. An advanced methodological framework on adaptation finance, aligned with best practices and international standards, assists investors in their evaluations and choices. Concessional capital can absorb part of the risk in every transaction. And the facility provides standardized documentation, reporting and harmonized impact and GESI benchmarks.

RAIF's financial toolbox

The facility offers a menu of opportunities, allowing investors to enter at the level of risk, amount and involvement that suits each investor's mandate.

The three mechanisms RAIF facilitates are:

- **Funding facility:** Capital is on-lent to FSPs, deployed as (micro-)lending to beneficiaries.
- **Guarantee facility:** Risk is covered, rather than providing cash. The guarantee absorbs part of the credit risk on FSP portfolios, letting local institutions lend in adaptation segments they would otherwise avoid.
- **Direct access window:** Funding reaches end beneficiaries without financial intermediation, under RAIF's screening and following impact and gender equality and social inclusion (GESI) standards aligned with international best practices.

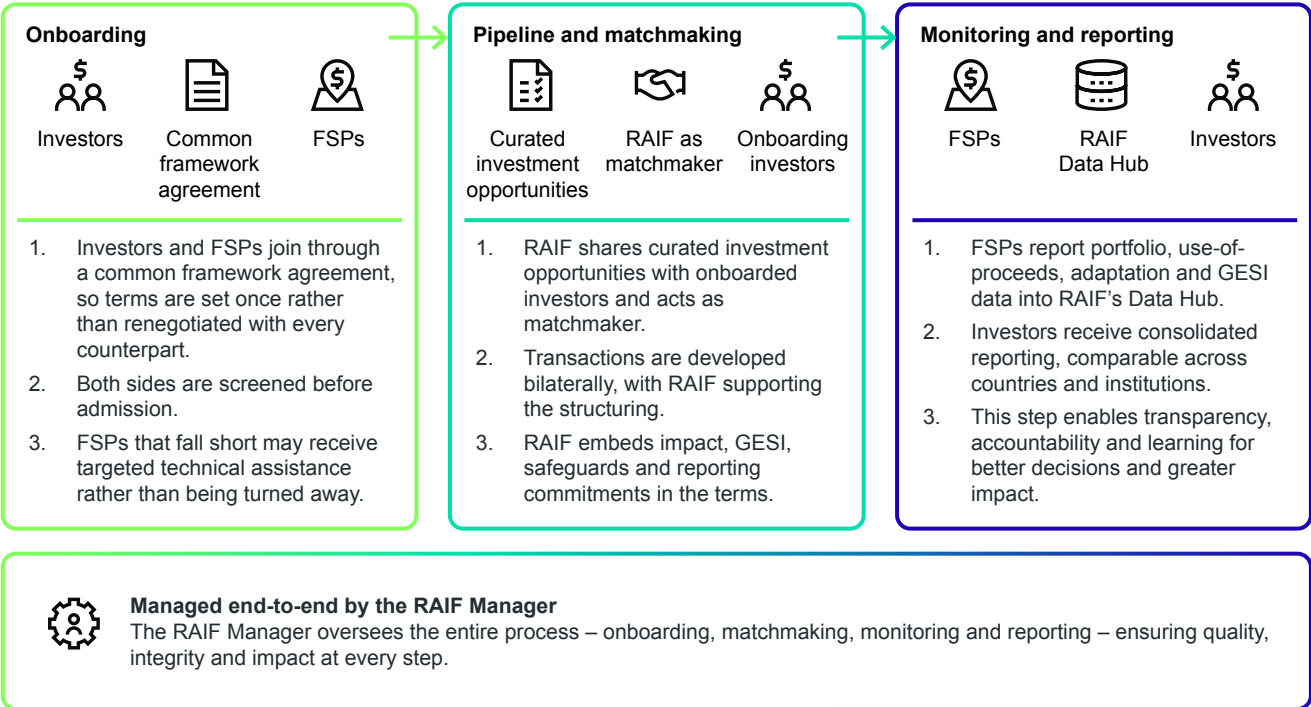
Partners



based on a decision of
the German Bundestag

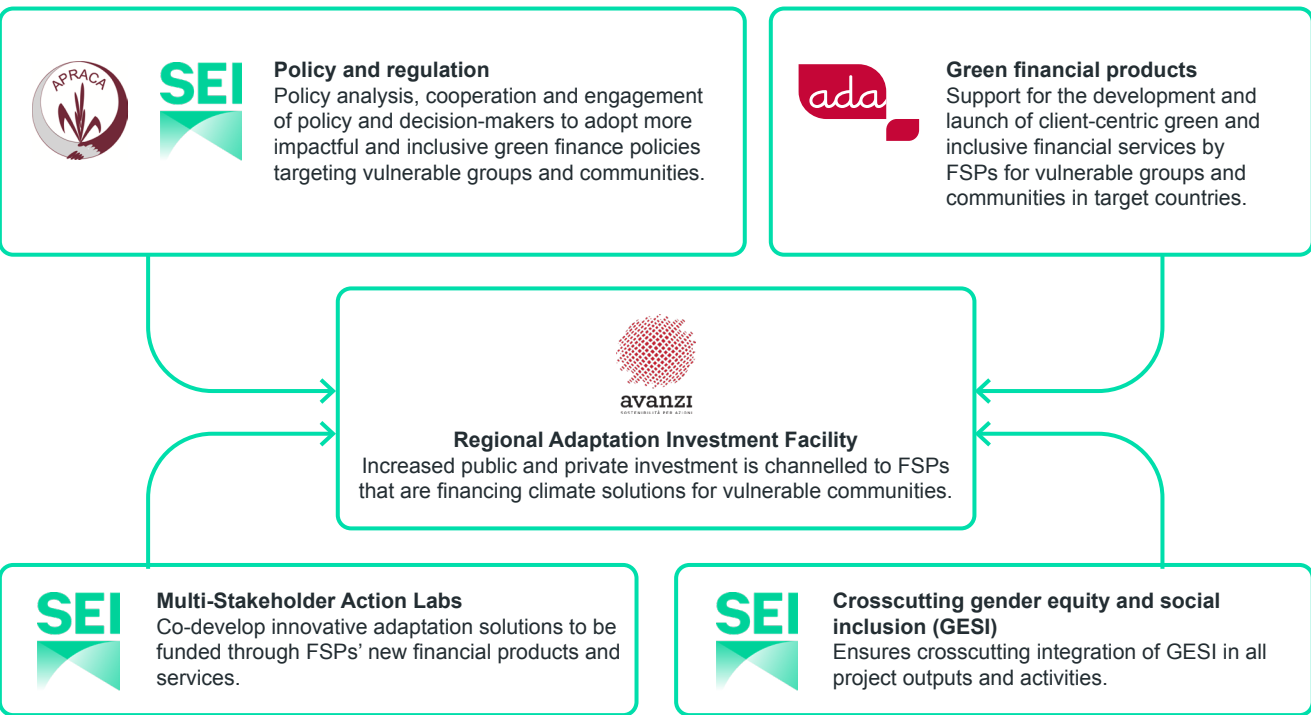
How RAIF works in practice

RAIF operates through three phases: onboarding, pipeline and matchmaking, and monitoring and reporting, all managed end-to-end by the RAIF Manager. Investors and FSPs join under a common framework, are screened, and are matched around curated investment opportunities, with RAIF supporting transaction structuring and embedding impact, GESI and safeguard requirements. Once investments are made, investees report through the RAIF Data Hub, enabling consolidated reporting, transparency and learning across investors and countries.



About ICCAP

Funded by the International Climate Initiative (IKI) of the German government, the ICCAP project encompasses five core areas, which feed into one another and are covered by a consortium of international partners.



Get involved

RAIF's setup and operations are funded through 2029 under ICCAP, and the facility is now open to its first cohort of investors ahead of its official launch in November 2026. Whether an investor is considering offering guarantees, funding to FSPs or direct access to beneficiaries, we welcome a conversation.

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