



Regional Programmatic Approach on Climate Action (RPACA)

Annex 23: Theory of Change

September 2026

Contents

1	RPACA Components	1
2	Theory of Change	2
2.1	Diagram.....	2
2.2	Description	3
2.2.1	Vision Statement.....	3
2.2.2	Goal Statement.....	3
2.2.3	Theory of Change Statement.....	3
2.2.4	Strategic Implementation	3
2.2.5	Key Assumptions	4
2.2.6	Strategic Imperative.....	4
2.2.7	Outcomes and Outputs.....	4
2.3	Component 1 and Component 2 – ADB RPACA	7
2.3.1	Introduction.....	7
2.3.2	Barrier Landscape	8
2.3.3	Expected Outcomes, Outputs and Activities of ADB RPACA.....	11
2.3.4	Expected Co-Benefits	15
2.3.5	Risk Management.....	16
2.4	The Four Mutually Reinforcing RPACA Components	18
3	What Makes RPACA Transformative.....	20

1 RPACA Components

The Regional Programmatic Approach on Climate Action (RPACA) programme aims to provide integrated, science-led responses to the escalating climate risks across the Pacific. It aligns to the Pacific leaders' vision under the *2050 Strategy for the Blue Pacific Continent* and the *Framework for Resilient Development in the Pacific*. Its rationale is grounded in the recognition that climate change in the Pacific represents a systemic and transformational challenge. Previous approaches - climate-proofing individual infrastructure projects or delivering stand-alone adaptation pilots - are increasing falling short in terms of scale, pace, and the interconnected nature of risks. RPACA therefore adopts a programmatic, multi-country, multi-sector approach that integrates climate risk analysis, investment, institutional reform, and capacity building. This transformational approach, involving 14 countries and a partnership of AEs, aims to accelerate progress towards a tipping point, after which adaptation practices that are currently considered transformational—such as system-scale assessments, nature-based solutions, integrated infrastructure planning, and inclusive design—become standard.

RPACA is to be operationalized through the strategic integration of four Components (see Figure 1 and the diagram in section 2.1). Component 1 establishes the enabling environment — notably strengthening public financial management, embedding climate risk analytics into planning systems, and developing a pipeline of bankable, risk-informed investments supported by innovative financial instruments. Components 2, 3 and 4 translate this pipeline into climate-resilient infrastructure and development projects across key sectors, ensuring that all investments are derived from, and consistent with, risk-informed frameworks, adaptation criteria and financing structures developed upstream. This linkage works to ensure that infrastructure investments are not standalone assets but part of a continuously evolving system in which risk information, fiscal decision-making, and investment delivery are mutually reinforcing.

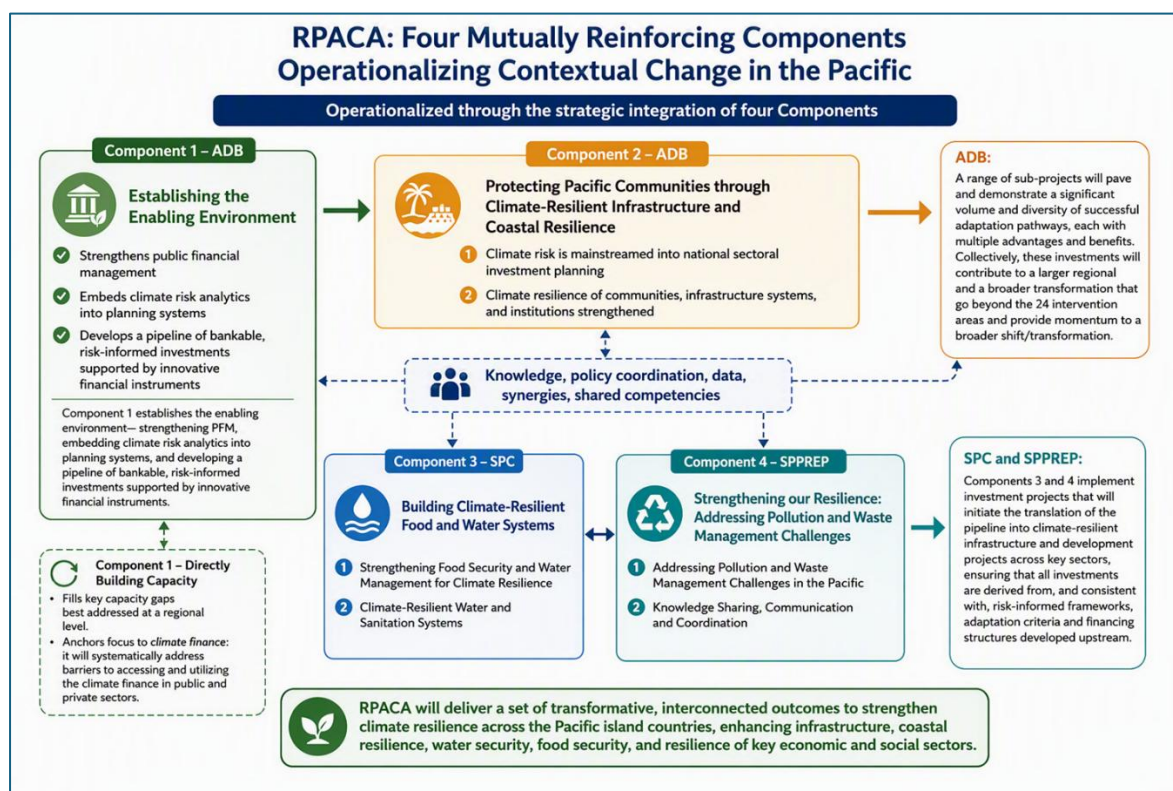
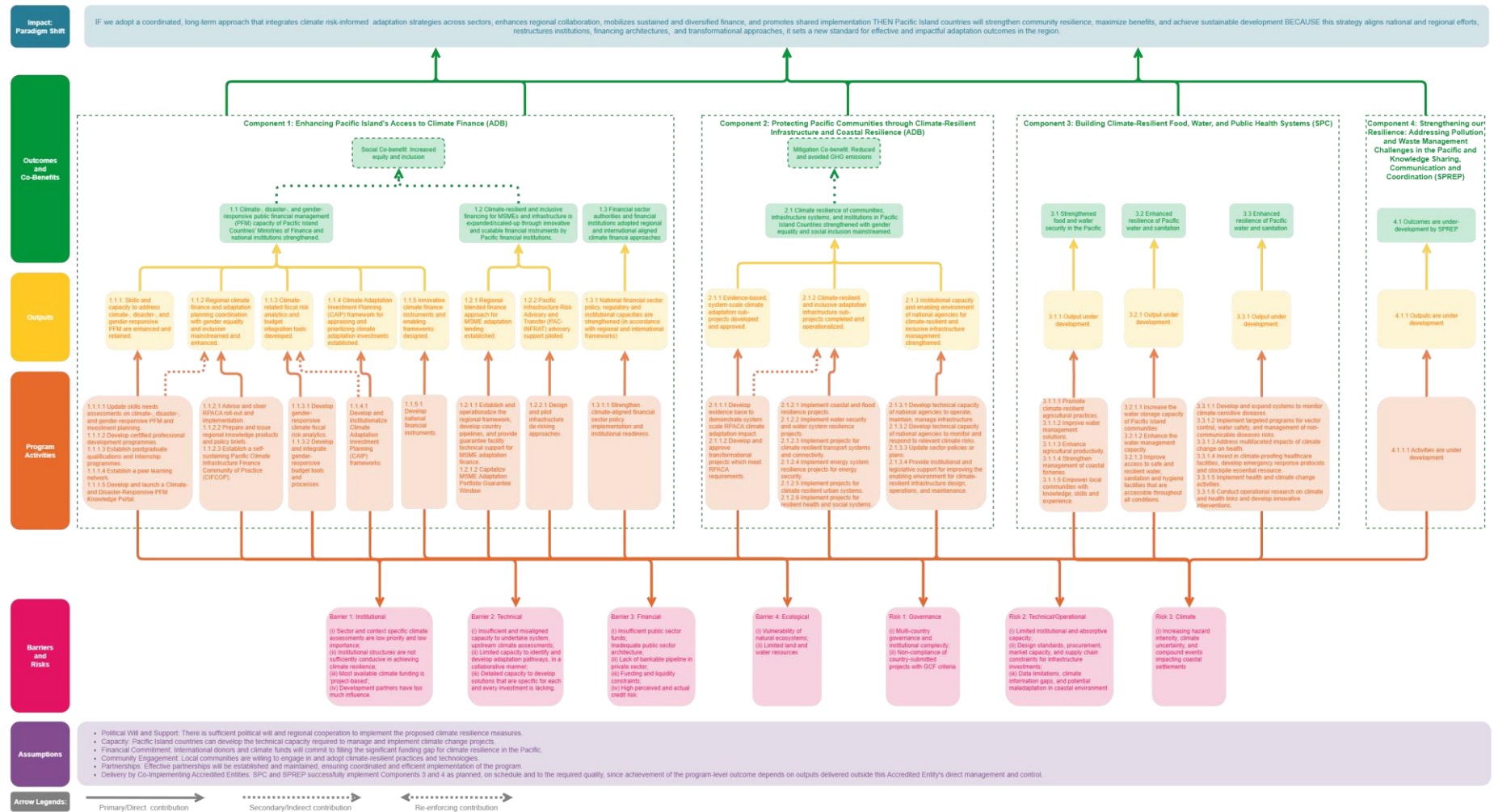


Figure 1: How RPACA's initial four components are to operationalize contextual change in the Pacific

This Annex describes the Theory of Change for all four Components. However, as it is probable that Components 1 and 2 will be approved separately from, and prior to, Components 3 and 4, this Annex provides additional detail on Components 1 and 2.

2 Theory of Change

2.1 Diagram



2.2 Description

2.2.1 Vision Statement

The RPACA envisions a resilient, inclusive, and climate-secure Blue Pacific Continent where all peoples can lead safe, healthy, and prosperous lives in the face of accelerating climate change and disasters, consistent with the *2050 Strategy for the Blue Pacific Continent*¹. Over a 10-year horizon, the Programme aims to transform fragmented climate interventions into a coordinated regional platform that scales country-led adaptation, strengthens low-carbon development pathways, and mobilises finance through integrated national programming cycles and partnerships. Recognising that RPACA resources will support a select set of catalytic investments in each country, the Programme's core value lies in establishing the enabling environment- systems, capacity, standards, and financing mechanisms - that extend impact beyond individual projects (RPACA++ scenario).

Specifically with regards to climate change, the Blue Pacific Continent Strategy envisions that *"all Pacific peoples remain resilient to the impacts of climate change and disasters and are able to lead safe, secure and prosperous lives. The region continues to play a leadership role in global climate action"*. The RPACA vision also aligns to the *"Framework for Resilient Development in the Pacific"*². This is a long-term vision of a Pacific Region of peace, harmony, security, social inclusion and prosperity, ensuring that all Pacific people can lead free, healthy and productive lives in changing conditions and extreme events.

2.2.2 Goal Statement

The goal is for climate impacts and threats, including sea level rise, drought, coastal erosion, ecosystem degradation and flooding, to be sustainably managed across the Pacific and for the vulnerability of key communities and sectors to be significantly reduced.

2.2.3 Theory of Change Statement

IF we adopt a coordinated, long-term approach that integrates climate risk-informed adaptation strategies across sectors, enhances regional collaboration, mobilizes sustained and diversified finance, and promotes shared implementation **THEN** Pacific Island countries will strengthen community resilience, maximize benefits, and achieve sustainable development **BECAUSE** this strategy aligns national and regional efforts, restructures institutions, financing architectures, and transformational approaches, it sets a new standard for effective and impactful adaptation outcomes in the region.

2.2.4 Strategic Implementation

Addressing this multidimensional barrier landscape requires RPACA to pursue a coordinated, inclusive, and science-informed programmatic approach that go beyond incremental adjustments to fundamentally transform how development occurs in the Pacific. This includes strengthening institutions, building technical capacity, unlocking climate finance, and enabling regional cooperation to drive long-term resilience across food, water, ecological and social

¹PIFS (2022). 2050 Strategy for the Blue Pacific Continent / Pacific Islands Forum Secretariat. Suva, Fiji: Pacific Islands Forum Secretariat. Specifically with regards to climate change, the Blue Pacific Continent Strategy envisions that *"all Pacific peoples remain resilient to the impacts of climate change and disasters and are able to lead safe, secure and prosperous lives. The region continues to play a leadership role in global climate action"*. This vision recognises that women, youth, older persons, and persons with disabilities face heightened vulnerability, and must be empowered as active agents of resilience and climate solutions

² Pacific Community (SPC), Secretariat of the Pacific Regional Environment Programme (SPREP), Pacific Islands Forum Secretariat (PIFS), United Nations Development Programme (UNDP), United Nations Office for Disaster Risk Reduction (UNISDR) and University of the South Pacific (USP) (2016). Framework for Resilient Development in the Pacific: An Integrated Approach to Address Climate Change and Disaster Risk Management [FRDP] 2017 – 2030

systems. To address these multidimensional barriers, RPACA will adopt a phased, collaborative, and regionally integrated approach. This includes:

- Strengthening institutional and technical capacities across borders and sectors;
- Unlocking climate and blended finance through pipeline development, risk-sharing mechanisms to reduce public debt, which currently restricts national adaptation budgets;
- Shifting investment from small-scale, disjointed projects to targeted large-scale, sustained, and programmatic climate finance. Key financial instruments include debt-for-climate swaps
- Fostering inclusive participation of vulnerable and underrepresented groups in decision-making; and
- Building regional learning systems to accelerate knowledge exchange and scale-up effective interventions.

2.2.5 Key Assumptions

Successful implementation of RPACA relies on a set of underlying assumptions that must hold true to achieve the intended outcomes and long-term impact; these assumptions are:

- Political Will and Support: There is sufficient political will and regional cooperation to implement the proposed climate resilience measures.
- Capacity: Pacific Island countries can develop the technical capacity required to manage and implement climate change projects.
- Financial Commitment: International donors and climate funds will commit to filling the significant funding gap for climate resilience in the Pacific.
- Community Engagement: Local communities are willing to engage in and adopt climate-resilient practices and technologies.
- Partnerships: Effective partnerships will be established and maintained, ensuring coordinated and efficient implementation of the program.
- Community acceptance and engagement are sustained: with local populations willing to adopt and maintain climate-resilient practices, technologies, and governance reforms.
- Delivery by co-implementing accredited entities: SPC and SPREP successfully implement components 2 and 4 as planned on schedule and to the required quality, since achievement of the program-level Outcome depends on outputs delivered outside this Accredited Entity's direct management and control.

2.2.6 Strategic Imperative

The comprehensive, multi-partner approach is designed to enable the transformation of Pacific island economic sectors, urban spaces and communities.

2.2.7 Outcomes and Outputs

Table 1: RPACA Results from all Four Components

Component	Outcome	Outputs	Description
Component 1: Enhancing Pacific Island Countries' Access to Climate Finance.	Outcome 1.1 Climate-, disaster-, and gender-responsive* public financial management (PFM) capacity of Pacific Island Countries' Ministries of Finance and national institutions strengthened.	Output 1.1.1. Skills and capacity to address climate- disaster- and gender-responsive* PFM are enhanced, retained, and applied. Output 1.1.2 Regional climate finance and adaptation planning coordination with gender equality and inclusion mainstreamed and enhanced.	Strengthens Ministries of Finance and public institutions to integrate climate and disaster risks into budgeting, fiscal planning, and investment management by building capacity through training, professional development, peer learning, knowledge systems, and regional coordination mechanisms. The focus goes beyond improving access to external climate finance to embedding a broader fiscal risk management approach, including understanding the macro-fiscal implications of climate change, strengthening domestic revenue resilience (e.g. other climate-sensitive sectors), and improving national systems to identify, manage, and finance climate and disaster risks in a holistic and sustainable way.
		Output 1.1.3 Climate-related fiscal risk analytics and budget integration tools developed. Output 1.1.4 Climate Adaptation Investment Planning (CAIP) framework for appraising and prioritizing climate adaptation investments established. Output 1.1.5 Innovative climate finance instruments and enabling frameworks designed.	Strengthens the PFM systems and tools that Ministries of Finance use to deliver three core functions: climate fiscal risk assessment, climate risk management in public investment planning, and climate finance mobilization. It embeds climate risk in fiscal policy and budget processes, establishes the frameworks through which adaptation investments are appraised and prioritized into costed pipelines, and expands access to diversified public, private, and blended finance instruments.
	Outcome 1.2 Climate-resilient and inclusive financing for MSMEs and infrastructure is expanded/scaled-up through innovative and scalable financial instruments by Pacific financial institutions.	Output 1.2.1 Regional blended finance approach for MSME adaptation lending established. Output 1.2.2 Pacific Infrastructure Risk Advisory and Transfer (PAC-INFRAT) advisory support piloted	Mobilizes private capital and reduces investment risk through blended finance, credit enhancement, insurance and risk-sharing approaches.
	Outcome 1.3 Financial sector	Output 1.3.1 National financial sector policy,	Support Pacific central banks, development banks

Component	Outcome	Outputs	Description
	authorities and financial institutions adopt regional and international aligned climate finance approaches.	regulatory and institutional capacities are strengthened (in accordance with regional and international frameworks)	and financial institutions to implement and operationalise climate-aligned financial sector policies, sustainable finance frameworks, regional and national taxonomies, and climate risk management practices.
Component 2: Climate resilient infrastructure and coastal protection	Outcome 2.1 Climate resilience of communities, infrastructure systems, and institutions in Pacific Island Countries strengthened with gender equality and social inclusion mainstreamed.	Output 2.1.1 Evidence-based, system-scale climate adaptation sub-projects developed and approved.	Embeds system-scale climate risk assessments into infrastructure planning, ensuring country-specific investments are identified, designed, and approved based on climate science, vulnerability analysis, and inclusion standards.
		Output 2.1.2 Climate-resilient and inclusive adaptation infrastructure sub-projects completed and operationalized. Output 2.1.3 Institutional capacity and enabling environment of national agencies for climate-resilient and inclusive infrastructure management strengthened.	Delivers up to 21 national sub-projects across coastal, water, transport, energy, urban, and social systems while strengthening institutional capacity, policy frameworks, and long-term operations and maintenance systems. Specifically, beyond the direct investments, RPACA establishes the enabling architecture>>integrated planning systems, climate-informed PFM, bankable pipelines, standardised design approaches, and blended finance mechanisms>>that allows countries to mobilize, absorb, and scale additional public and private finance
Component 3: Building Climate-Resilient Food, Water and Public Health Systems.		3a] Strengthened food and water security in the Pacific by promoting climate resilient agricultural practices, improved coastal fisheries management and innovative water management solutions.	SPC GAPs will apply RPACA's GESI principles, criteria, and GTCA horizons, ensuring intersectional inclusion (gender, age, disability, SOGIESC, ethnicity).
		[3b] Enhanced resilience of Pacific water and sanitation systems through investments in evidence-based, climate-resilient infrastructure, governance, and service delivery.	
		[3c] Strengthened resilience of Pacific public health systems through increased adaptive capacity, climate-resilient and low-carbon	

Component	Outcome	Outputs	Description
		infrastructure, and the integration of climate-informed health systems and services	
Component 4: Strengthening our Resilience: Addressing Pollution and Waste Management Challenges in the Pacific and; Knowledge Sharing, Communication and Coordination.	4a: Addressing Pollution and Waste Management Challenges in the Pacific. 4b: Knowledge Sharing, Communication and Coordination.	To be developed and implemented under SPREP Funding Proposal. Complementarity with SPREP 4b: Knowledge Sharing, Communication and Coordination.	SPREP GAPs will apply RPACA's GESI principles, criteria, and GTCA horizons, ensuring intersectional inclusion (gender, age, disability, SOGIESC, ethnicity).

2.3 Component 1 and Component 2 – ADB RPACA

2.3.1 Introduction

The first Proposal, submitted by ADB covers Components 1 and 2 and activities in 14 countries.³ It focusses on two fundamental, cross-cutting needs. The first need is for stakeholders across the Pacific region to better access and manage climate finance. Component 1 will systematically address barriers to increasing levels of climate finance, in both public and private sectors. Component 1 will provide capacity building, technical assistance and knowledge management to (i) enhance enabling environments; (ii) optimize replication and dissemination; and (iii) drive implementation of Components 2, 3 and 4.

The second need is for infrastructure that is not only resilient, but that is conceived and designed to contribute systemically to advancing resilience. Component 2 will demonstrate how to effectively use finance in order to transform resilience across the Pacific. Component 2 will develop and establish state of the art climate risk assessment methods for the Pacific context. Component 2 immediately delivers resilience to a large number of diverse beneficiaries, and the range and diversity of activities will collectively lead to the *demonstration* of a large number of practices and approaches that successfully deliver resilience. This will generate knowledge of how to adapt in diverse contexts, in various sectors, across the region. A learning-by-doing *approach* will ensure that capacity is built. All activities will be designed to be implemented in a manner so as to strengthen adaptive capacity to access, absorb and deliver climate finance to deliver on NDC and NAP priorities.

Component 2 will deliver up to 21 climate adaptation investments through sub-projects, providing both hard and soft deliverables. The sub-projects will cover a diverse range of sectors, countries, contexts. They will include sub-projects for which climate resilience is the core and primary objective and sub-projects with development and climate resilience objectives that, with the help of Component 2, have been modified to substantively increase the climate resilience benefits. See **Error! Reference source not found..**

³ Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Republic of Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu

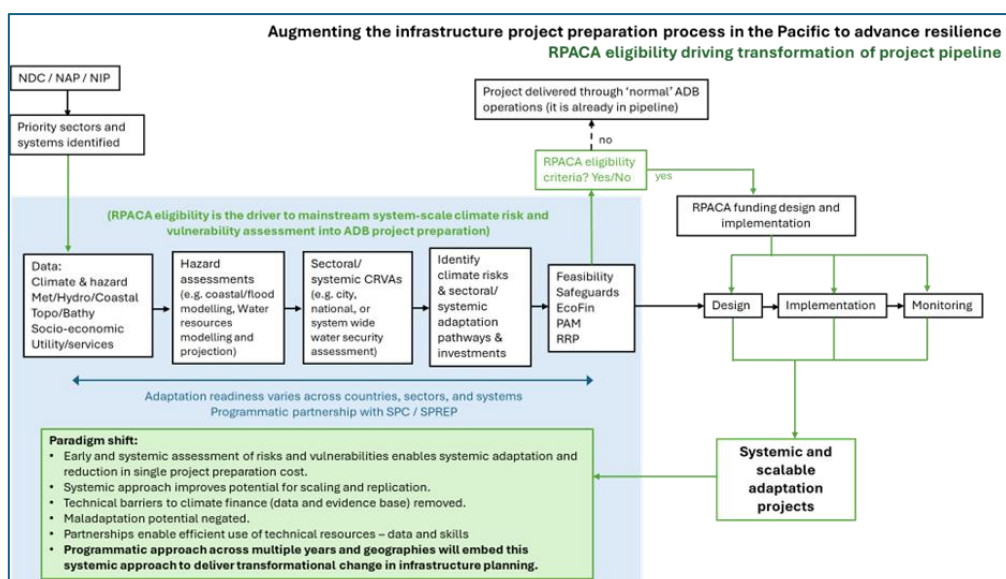


Figure 2: Showing how RPACA additionality transforms infrastructure investments.

2.3.2 Barrier Landscape

Table 2: Barrier Landscape

Barrier	Description	Proposed Solution
Institutional		
Sector and context specific climate assessments are low priority and low importance	The prevailing institutional structures and procedures, at national and regional levels, in governments and development partners, ensure that, in practice, climate-assessments are given a low priority in project development. Further, upstream' and 'system' assessments are of even lower priority (see Annex 2, Appendix 2.2).	Output 1.1.3 should increase priority allocated to these assessments; Output 2.1.1 should greatly increase familiarity, understanding, and lower barriers. Assessments will explicitly integrate gender equality and social inclusion, ensuring women, youth, older persons, persons with disabilities, and SOGIESC groups are visible in risk analysis and resilience planning.
Institutional structures are not sufficiently conducive achieving climate resilience.	The institutional structures are evolving, however, not sufficiently conducive to achieving climate resilience. This concerns the structures both across and within organizations. For both cases, the mandates, responsibilities, linkages, capacities were designed for other purpose and so are not aligned to climate resilience (see Annex 2, Appendix 2.2).	Component 2 will demonstrate across several sectors, in several countries, how institutions can and should work together to achieve climate resilience; Output 1.1.4 will provide regional institutional backing and solid technical support to this transformation. Institutional reforms will embed GESI mandates, empowering women and other under-represented groups to participate in governance and decision-making processes.
Most available climate funding is 'project-based' and mitigation focused	Most available climate funding is 'project-based', be it for public sector, private sector or for non-governmental activities. Most climate funding has its origins in 'development finance', largely mitigation skewed in PICs, and project-based, with the development partners committing to short timelines (see Annex 2, Appendix 2.2). While there is clear value in deploying development finance for resilience in highly vulnerable contexts, a key barrier is that such financing is not consistently structured to promote risk-sensitive, long-	RPACA, as a program, will demonstrate program approaches. Outcome 1.1 will build PFM capacity – reducing a major barrier to programmatic and long-term approaches. Programmatic approaches will also ensure funding mechanisms dismantle exclusion barriers, enabling women, youth, and socially excluded groups to access and benefit from climate finance.

	term decision-making and investment. As a result, funding flows remain fragmented, short-term, and unpredictable, providing a weak foundation for the identification and design of sustained, programmatic adaptation investments. This is a poor basis for identifying and designing long-term investments.	
Development partners have too much influence.	Development partners typically have more skilled people, better data and information and more resources than Pacific governments. This leads to a bias where development partners often drive development and climate resilience. This influences policies, funding flows, project cycles, etc.	RPACA is regionally and nationally driven and exemplifies how development partners should work in support of national and regional partners. Outcome 1.1, and Output 2.1.3 to some extent, will build government capacity and confidence to drive and manage climate change adaptation. This shift will strengthen national ownership of GESI priorities, ensuring women's empowerment and inclusion of vulnerable groups are not sidelined by external agendas.
Technical		
Insufficient and misaligned capacity to undertake system, upstream climate assessments.	Climate assessments are often done at the national sector levels and considered an 'add-on' to investment design rather than a driver of investment conception and design. As a result, climate assessments are used to validate climate proofing, rather than to create opportunities for advancing overall or sector resilience, reflecting insufficient and misaligned upstream capacity to undertake system-level, forward-looking climate risk analysis. The skills and resources allocated to the climate assessment are driven by gaps in specialized skills (e.g. probabilistic risk modelling, climate scenario analysis, economic appraisal of adaptation options, and spatial planning) and limited access to integrated data systems, analytical tools, and sustained technical resources within governments.	Output 2.1.1. will enhance, develop, and mainstream the technical and institutional skills and practices required in order to prioritize upstream, system assessments. These assessments will integrate GESI, ensuring women, youth, older persons, persons with disabilities, and SOGIESC groups are visible in risk analysis and empowered to shape resilience pathways.
The limited capacity to identify and develop adaptation pathways, in a collaborative manner.	There is limited capacity of any one institution to design, implement, and monitor climate projects. This stems from a lack of skilled personnel, high turnover of skilled personnel, lack of retention of trained staff, inadequate infrastructure, and insufficient access to relevant data and information. Current development pathways are not adapted to climate change, compound events and cascading risks. The identification of alternative development pathways is a new need. This requires new skills, new information, and in particular new interconnections of skillsets and information bases. This is only developing slowly in the region.	Output 1.1.1 and 1.1.2 will target to retain trained staff and attracting diaspora expertise in countries. Output 2.1.1., notably activity 2.1.1.1, will target this capacity gap. Capacity development will embed GTCA principles, equipping institutions to co-design pathways that empower women and vulnerable groups as active participants in adaptation planning and monitoring.
The detailed capacity to develop solutions that are specific for each and every investment is lacking.	In general, the solutions to climate change are known and piloted – for example more mangroves, higher walls, or retreat. However, the detailed capacity to develop solutions that are specific for each and every investment, at each site, is lacking. This contributes to the "last mile" problem, or an inability to move from knowing what to do to being able to act at scale. Powerful, regionally pertinent examples of	Component 2, all outputs, will implement climate resilience across several sectors, developing and using detailed specific solutions. Learning by doing will ensure this capacity is sustainably maintained. Solutions will be tailored to address differentiated vulnerabilities, ensuring women, youth, persons with disabilities and socially excluded groups benefit

	this are: (i) the shortage of capacity and skills to identify and design nature-based solutions; (ii) the capacity to generate cross-sectoral solutions to cross-sectoral challenges, and (iii) the capacity to develop multi-country investments that lead to climate resilience.	equitably and are engaged in designing site-specific resilience measures.
Financial		
Insufficient public sector funds	Insufficient funds available for climate change in the Pacific. This is linked to the unpredictability of the available funds.	Outcome 1 is to enhance PFM capacity to access, manage and mobilize climate finance. Many other activities build the related and required capacities to operationalize this. Strengthening PFM will also ensure that women, youth, older persons, persons with disabilities, and other vulnerable and underrepresented groups are not excluded from resource allocation, embedding equity in budget tagging and expenditure tracking.
Inadequate public sector architecture	The prevailing financial architecture - for public, private and community investments - is geared to development, to business-as usual - not to resilience/adaptation.	Outcome 1, based on institutional mapping, will target this for the public sector. Outcomes 1.2 and 1.3 will target this for parts of the private sector (MSMEs in some sectors) Reforms will integrate GTCA principles, ensuring financial systems empower women, youth and socially excluded groups to access and influence adaptation investments.
Lack of bankable pipeline in private sector	Current MSME finance programs in PICs show cross-sector demand, but adaptation investments are still not a distinct or widely recognized asset class. Both MSMEs and financial institutions often lack the knowledge and capacity to develop, assess, and fund these investments. Women-led MSMEs face even greater challenges -such as limited access to finance and resources - which further restricts the creation of viable adaptation projects. This results in a shortage of bankable adaptation finance opportunities, especially for women-owned businesses.	Outcome 1.2 will support the development of bankable pipelines of MSME adaptation projects by strengthening project identification, structuring, and investment readiness, with targeted measures to address barriers faced by women-led enterprises and to promote inclusive access to adaptation finance. To bring scale and sustainability to Outcome 1.2 in the Pacific, Outcome 1.3 will work with national MSME and SME institutions (e.g. Ministries of Commerce/Industry, SME agencies, and national development banks) and strengthen capacity of national financial intermediaries and central banks to ensure pipeline development is embedded in existing economic governance systems, not project-based structures.
Insufficient public sector funds	Insufficient funds available for climate change in the Pacific. This is linked to the unpredictability of the available funds.	Outcome 1 is to enhance PFM capacity to access, manage and mobilize climate finance. Many other activities build the related and required capacities to operationalize this. Strengthening PFM will also ensure that women, youth, older persons, persons with disabilities, and other vulnerable and underrepresented groups are not excluded from resource allocation, embedding equity in budget tagging and expenditure tracking.
Ecological Barriers		
Vulnerability of Natural Ecosystems and Coastal Zones	Pacific SIDS have fragile ecosystems in coastal zones (inclusive of human settlements) that are highly vulnerable to climate change impacts, such as coral bleaching, sea-level rise, and extreme weather events. The degradation of these	Capacity building under Output 1.1.1 will contribute to managing these threats and increasing resilience. Some investments in Component 2 will contribute to enhancing resilience of ecosystems. A combination of engineered and nature-based solutions in coastal zones, alongside transformative

	ecosystems further reduces the resilience of these nations to climate impacts.	measures such as planning for retreat where necessary, supported by strengthened spatial planning, institutional coordination, and financing mechanisms. Ecosystem resilience measures will dismantle structural barriers to participation, ensuring women are empowered in resource governance and that other under-represented groups are actively engaged in designing and implementing nature-based solutions such as mangrove restoration, coastal protection, and community-managed marine areas.
Limited Land and Water Resources	Many Pacific SIDS have limited land and freshwater resources, making them more susceptible to the impacts of climate change. Over-reliance on natural resources can lead to environmental degradation and reduced resilience.	Soft and hard investments under Component 2 aim to increase the sustainable availability and access to land and water resources. Investments will be structured to ensure equitable access, prioritizing women, youth, persons with disabilities and other under-represented groups so that resource management strengthens both resilience and social inclusion.

2.3.3 Expected Outcomes, Outputs and Activities of ADB RPACA

As described in Chapter 2.2, and particularly in section 2.2.7, RPACA will overall deliver a set of transformative, interconnected outcomes that strengthen climate resilience across the Pacific island countries that promote sustainable development aligned with national strategies and the 2050 Blue Pacific Strategy and helps countries achieve their long-term climate ambition set out in the NDCs. By addressing systemic barriers and scaling integrated adaptation measures, RPACA will enhance infrastructure and coastal resilience, water security, food security, resilience of key economic sectors as well as the social protection, education and health systems.

With regards to ADB RPACA and Components 1 and 2, Table 2 shows how the outputs and outcomes will systematically reduce the barriers. Table 3 provides details of the results framework, including details of all activities.

Table 3: Results Framework

Component	Outcome	Outputs	Description	Activities
Component 1: Enhancing Pacific Island Countries' Access to Climate Finance.	1.1 Climate-, disaster-, and gender-responsive public financial management (PFM) capacity of Pacific Island Countries' Ministries of Finance and national institutions strengthened	Output 1.1.1. Skills and capacity to address climate- disaster- and gender-responsive PFM are enhanced, retained, and applied Output 1.1.2 Regional climate finance and adaptation planning coordination with gender equality and inclusion mainstreamed and enhanced. Output 1.1.3 Climate-related fiscal risk analytics and budget integration tools developed Output 1.1.4 Climate Adaptation Investment Planning (CAIP) framework for appraising and prioritizing climate adaptation investments established. Output 1.1.5 Innovative climate finance instruments and enabling frameworks designed.	This Outcome will build the capacity of a large number of individuals and organizations across the region. It will use bespoke capacity building strategies that target critical needs. A priority will be capacity related to climate finance and PFM reforms. All capacity building will embed gender -responsive budgeting, SEAH safeguards, and ensure participation of women, persons with disabilities, youth, SOGIESC groups, and ethnic minorities, with indicators disaggregated by sex, age, disability, SOGIESC, ethnicity and location. This Outcome will also provide technical support and knowledge management support to all other parts of the RPACA program. This Outcome, based on previous capacity assessments and institutional analyses, will build targeted capacity for PFM in order to mobilize and utilize climate finance. Inclusive pipeline screening criteria (accessibility, equitable benefit distribution) and disaggregated risk analytics will be applied, covering sex, age, disability, SOGIESC, and ethnicity	1.1.1.1 Update skills needs assessments on climate, disaster and gender responsive PFM and investment planning 1.1.1.2 Develop certified Professional Development Programmes 1.1.1.3 Establish Postgraduate Qualifications and internship programme 1.1.1.4 Establish a Peer learning network 1.1.1.5 Develop and launch a Climate and Disaster-Responsive PFM Knowledge Portal 1.1.2.1: Advise and steer RPACA roll-out and implementation 1.1.2.2: Prepare and issue regional knowledge products and policy briefs: 1.1.2.3: Establish a self-sustaining Pacific Climate Investment Finance community of practice (CIFCOP) 1.1.3.1: Develop gender-responsive climate fiscal risk analytics. 1.1.3.2: Develop and integrate gender-responsive budget tools and processes. 1.1.4.1 Develop and institutionalize Climate Adaptation Investment Planning (CAIP) frameworks. 1.1.5.1: Develop National Financial Instruments

Component	Outcome	Outputs	Description	Activities
	1.2: Climate-resilient and inclusive financing for MSMEs and infrastructure is expanded/scaled-up through innovative and scalable financial instruments by Pacific financial institutions.	1.2.1 Regional blended finance approach for MSME adaptation lending established. 1.2.2 Pacific Infrastructure Risk Advisory and Transfer (PAC-INFRAT) advisory support piloted.	This Outcome will help develop the profitability and the market for investments in adaptation practices and technologies. It will target MSME actors and will focus on vulnerable groups and sub-sectors. Explicit inclusion of women, PWD, youth, SOGIESC groups, and ethnic minorities will be required, alongside SEAH -safe compliance protocols and survivor -centred grievance/referral mechanisms. Indicators will track % of loans/guarantees accessed by women and other under-represented groups.	1.2.1.1. Establish and operationalize the regional framework, develop country pipelines, and provide guarantee facility technical support for MSME adaptation finance. 1.2.1.2 Capitalize MSME Adaptation Portfolio Guarantee Windows. 1.2.2.1 – Design and Pilot Infrastructure De-risking Approaches
	1.3 Financial sector authorities and financial institutions adopt regional and international aligned climate finance approaches	1.3.1 National financial sector policy, regulatory and institutional capacities are strengthened (in accordance with regional and international frameworks)	This Outcome will develop the national level, non-governmental, financial sector in order to enhance its 'green' credentials. Inclusive credit assessment tools, accessible insurance products, SEAH -safe compliance protocols, and grievance/referral mechanisms will be integrated. Indicators will show adoption of disability -sensitive products and % of institutions trained on GESI and PFM.	1.3.1.1: Strengthen climate-aligned financial sector policy implementation and institutional readiness
Component 2: Climate resilient infrastructure and coastal protection	2.1 Climate resilience of communities, infrastructure systems, and institutions strengthened.	2.1.1 Evidence-based, system-scale climate adaptation sub-projects developed and approved.	Under this Outcome, system, upstream climate assessments will be utilized, and will become established, thereby transforming the way infrastructure investments are identified, selected, planned and designed. Inclusive consultations with women, PWD, youth, older people, SOGIESC groups, and ethnic minorities; representative governance clauses; and universal design/accessibility standards will be embedded. Indicators will track % of consultations and % of projects meeting accessibility benchmarks.	2.1.1.1 Develop evidence base to demonstrate system scale RPACA climate adaptation impact 2.1.1.2 Develop and approve transformational projects which meet RPACA requirements

Component	Outcome	Outputs	Description	Activities
		2.1.2 Climate resilient and inclusive adaptation infrastructure sub-projects completed and operationalised. 2.1.3 Institutional capacity and enabling environment of national agencies for climate-resilient and inclusive infrastructure management strengthened.	Under this Outcome, across the Pacific, and across several sectors, investments will lead to increased community and/or sector resilience. Inclusive O&M protocols, SEAH -safe worksites, tenure access reforms, nature -based solutions, and survivor-centred grievance/referral mechanisms will be integrated. Indicators will measure accessibility of completed assets, representation in governance committees, and % of projects with inclusive O&M plans. The process adopted will also broad build capacity. The scale of these investments will move infrastructure to a 'tipping point', after which climate resilience through investments becomes standard practice.	2.1.2.1. Implement coastal and flood resilience projects 2.1.2.2 Implement water security and water system resilience projects 2.1.2.34 Implement projects for climate resilient transport systems and connectivity 2.1.2.4 Implement energy system resilience projects for energy security 2.1.2.5 Implement projects for climate resilient urban systems 2.1.2.6 Implement projects for resilient health and social systems 2.1.3.1 Develop technical capacity of national agencies to operate, maintain, manage infrastructure 2.1.3.2 Develop technical capacity of national agencies to monitor and respond to relevant climate risks 2.1.3.3 Update sector policies or plans 2.1.3.4 Provide institutional and legislative support for improving the enabling environment for climate-resilient infrastructure design, operations, and maintenance Sector projects will embed accessibility, SEAH safeguards, and grievance/referral pathways; Capacity building will include vocational training for women, PWD, youth, SOGIESC groups and other underrepresented and vulnerable groups with independent verification of inclusion outcomes.

2.3.4 Expected Co-Benefits

RPACAADB delivers strong co-benefits aligned with the GCF's core result areas, contributing to both adaptation and sustainable development objectives, and also to climate change mitigation. By investing in integrated, inclusive, and appropriate adaptation solutions, RPACA generates transformational co-benefits that extend beyond direct climate resilience outcomes:

Economic benefits

- Avoided disruption and damage losses across critical infrastructure (airports, roads, bridges, ports, coastal assets, energy, water, health, and education facilities), reducing GDP losses from climate and disaster events.
- Improved continuity of national and regional connectivity, including air, road, and maritime access, reducing closure risks, travel time losses, and transport unreliability that constrain trade, tourism, and domestic markets.
- Protection of tourism-dependent economies, with reduced assessed tourism GDP losses, safeguarded gateway infrastructure, and maintained market access in countries where tourism accounts for a large share of GDP.
- Lower operation, maintenance, and emergency repair costs for transport, energy, WASH, and coastal protection assets through resilient design and reduced climate exposure.
- Reduced fuel import dependence and generation costs through increased renewable energy supply, avoided diesel consumption, strengthened energy security, and lower exposure to fuel price volatility.
- Increased revenue and efficiency of utilities, including incremental billed water and electricity sales, reduced non-revenue water, and lower system losses.
- Productivity gains and reduced time poverty, from improved water, sanitation, transport reliability, and electricity access, benefiting households, firms, and caregivers.
- Avoided health-related economic losses, including reduced disease burden (avoided DALYs), lower health service disruption, and reduced caregiver productivity losses.
- Safeguarded domestic connectivity and business activity, especially where critical corridors or assets have few alternative routes and high systemic importance.

Ecological benefits

- Reduced climate exposure and degradation of coastal and marine ecosystems, through protection against erosion, inundation, storm surge, and sea-level rise.
- Restoration and protection of coastal habitats, strengthening ecosystem services such as shoreline stabilization, fisheries productivity, and natural buffering against hazards.
- Avoided ecosystem degradation losses, with benefits to biodiversity, fisheries, and coastal environmental quality.
- Support for ecosystem-based adaptation, demonstrating nature-based solutions in low-lying SIDS and coastal urban environments.
- Improved urban environmental conditions, including better waste management, drainage, and sanitation, reducing pollution of coastal and lagoon systems.
- Improved resilience of fisheries and local food systems, reducing climate-related losses and import dependence where coastal ecosystems underpin food security.

Social benefits

- Improved safety, reliability, and accessibility of essential services, including transport, water and sanitation, health care, education, and energy.

- Strengthened public health outcomes, with reduced WASH-related and climate-sensitive diseases, improved maternal and neonatal health, and stronger continuity of health services during shocks.
- Enhanced resilience of vulnerable groups, including coastal communities, older persons, women, students, and climate-exposed households.
- Reduced service disruption days for schools, hospitals, care facilities, utilities, and transport systems, sustaining social and economic functioning during climate events.
- Stronger livelihoods and community resilience, through protected coastal livelihoods, reliable access to electricity and water, and reduced climate-related income shocks.
- Improved quality of life, from reliable infrastructure, reduced disaster stress, improved hygiene and sanitation, and safer living environments.
- Strengthened institutional and community capacity, including planning, implementation, and scaling of climate-resilient infrastructure and adaptation investments.
- Human capital development for a climate-resilient economy, through reduced education disruption and improved relevance and inclusiveness (including gender responsiveness) of secondary education.

Mitigation benefits

- Emissions of greenhouse gases will be reduced or avoided through, through higher renewable energy penetration, avoided use of diesel, and improved transport and grid efficiencies.

2.3.5 Risk Management

The ADB RPACA program recognises the diverse and multi-layered risks associated with delivering a regional, multi-country, and multi-sectoral climate adaptation initiative across PICs. These risks reflect the unique characteristics of the Pacific context, including geographic isolation, small and capacity-constrained institutions, high exposure to climate hazards, and reliance on external financing and technical support.

Mitigation measures have been designed to reduce both the likelihood of risks occurring and the magnitude of their impacts, through a combination of institutional strengthening, robust technical design, enhanced coordination mechanisms, and adaptive program management. The programme emphasises upstream risk reduction, such as strengthening national systems, improving planning and data availability, and ensuring alignment with country priorities, as well as downstream measures that enhance resilience during implementation. Risk management under RPACA will be implemented as a continuous and adaptive process throughout the programme lifecycle. Regular monitoring, reporting, and review mechanisms will be established to track risk levels, assess the effectiveness of mitigation measures, and enable timely adjustments in response to evolving risks, including those associated with climate variability, economic conditions, and institutional changes.

Details of the risks are set out below.

Risk 1: Multi-Country Governance and Institutional Coordination Complexity

RPACA will be implemented across multiple PICs, each characterised by distinct governance systems, institutional arrangements, regulatory frameworks, and sectoral priorities. Differences in national planning cycles, procurement rules, safeguards requirements, and reporting obligations create inherent coordination challenges across jurisdictions. These challenges are compounded by overlapping mandates between national governments, regional organisations, and development partners, as well as small public administrations with limited staffing and high turnover. Further, RPACA is designed as an integrated,

programmatic intervention in which the four components are mutually reinforcing and collectively necessary to achieve the intended paradigm shift outcomes. Further, across the partner agencies, the programme logic is explicitly structured to ensure functional interdependence rather than fragmentation. The risk that components may not progress in sync, or that delays or partial implementation could affect overall programme outcomes, is recognised

Risk 2: Non-Compliance of Country-Submitted Projects with GCF Investment Criteria

Under RPACA, participating countries will identify and submit priority projects for inclusion in the program pipeline. There is a risk that proposed projects may not fully align with GCF investment criteria, including climate rationale, paradigm shift potential, sustainable development impact, efficiency and effectiveness, and country ownership. In some cases, project concepts may be insufficiently developed, lack robust climate justification, or not meet GCF technical, financial, gender or safeguards requirements. This risk is heightened by varying levels of institutional capacity across PICs and limited experience with GCF processes. As a result, non-compliant proposals may delay program preparation, require significant revision, or be excluded from funding, affecting overall program delivery and pipeline strength.

Risk 3: Limited Institutional and Absorptive Capacity

PICs typically operate with small public sectors, limited technical expertise, and high dependence on external support, which constrains their capacity to implement complex, multi-sectoral programs. These constraints affect procurement, financial management, safeguards compliance, monitoring, and reporting, particularly in the context of large-scale climate finance. Competing priorities, including disaster response and essential service delivery, further strain limited institutional resources. Institutional cultures may be male-dominated, limiting participation and influence of women, youth, and persons with disabilities. As a result, there is a risk of delays in implementation, reduced quality of outputs, exclusion of a significant portion of the population and increased fiduciary and compliance risks.

Risk 4: Design standards, Procurement, Market Capacity, and Supply Chain Constraints for Infrastructure Investments

Infrastructure investments, including transport, water, and energy systems, face a heightened risk of being under-designed for future climate conditions in the Pacific. This risk is driven by limited availability of localised climate or baseline data, evolving technical standards, and constrained engineering capacity across PICs. These challenges are compounded by procurement bottlenecks, a limited pool of contractors, the small size and remoteness of PIC markets, and shallow supplier market depth. Regional supply chains are fragile, with restricted availability of qualified contractors, suppliers, and service providers. Procurement systems often have limited experience with international standards, increasing the likelihood of delays and administrative inefficiencies. Supply chains are particularly vulnerable due to infrequent shipping services, limited port capacity, and high exposure to climate related disruptions. Male-dominated contractor networks and limited supplier diversity risk excluding women-owned businesses, youth enterprises, and disability-inclusive suppliers. Collectively, these factors elevate the risk of project delays, cost overruns, reduced competition, and compromised construction quality, ultimately undermining the effectiveness and resilience of infrastructure investments.

Risk 5: Increasing Hazard Intensity, Climate Uncertainty, and Compound Events Impacting Coastal Settlements

PICs are highly exposed to climate hazards, including tropical cyclones, extreme rainfall, droughts, and sea-level rise. Climate change is expected to increase the intensity and frequency of these hazards, while uncertainty in climate projections complicates infrastructure planning and design. Compound events, where multiple hazards occur

simultaneously or in close succession, have the potential to significantly amplify impacts on infrastructure systems, livelihoods, and institutional capacity. These climate shocks may disrupt RPACA implementation by diverting government and community attention and resources toward immediate response and recovery efforts. As a result, participation in programme activities may be reduced, leading to delays in implementation and diminished effectiveness. Such disruptions may limit the ability of communities and governments to engage consistently in RPACA activities, adversely affecting delivery timelines and outcomes.

Risk 6: Data Limitations, Climate Information Gaps and Potential Maladaptation in the Coastal Environment

Coastal investments, including hybrid shoreline protection measures and nature-based solutions, risk resulting in maladaptation or suboptimal outcomes if they are not informed by robust, location-specific understanding of coastal processes and long-term climate projections. This risk is heightened by significant data and climate information gaps, as limited availability and variable quality of climate, hydrological, and environmental data constrain effective risk assessment, planning, design, and monitoring. Monitoring networks across Pacific Island Countries are often sparse, and historical datasets may be incomplete or inconsistent. While regional datasets are available, they may not adequately capture fine-scale local variability across islands and coastal settings, reducing confidence in projections and undermining evidence-based decision-making for site-specific interventions.

2.4 How the Four RPACA Components are Mutually Supportive

The ADB RPACA initiative, under Components 1 and 2, is designed to achieve many sustainable impacts on advancing climate resilience across the Pacific. However, the strategic sequential roll-out of the two sister RPACA programs will leverage further resilience benefits due to the complementary and synergistic nature of the interactions across all Components.

RPACA Components 3 and 4 are under design and scheduled to come on-line approximately 12-18 months later than the RPACA ADB program. This will not only expand the scale of RPACA, but it will also expand the typologies and methodologies for advancing resilience across the Pacific. The Pacific Community (SPC) is responsible for driving Component 3. SPC's advantage in the Pacific stems from its comprehensive expertise across a broad spectrum of sectors, including agriculture, fisheries, and environmental management. SPC's regional focus, combined with its extensive technical knowledge and data-driven approach, enables it to provide tailored solutions that address the unique challenges faced by PSIDS Countries. Its established relationships with national governments, local stakeholders, and international partners further enhances its effectiveness in implementing climate resilience projects. SPC's portfolio encompasses diverse projects aimed at improving food security, enhancing water management, and promoting sustainable development. The organization's focus on integrating traditional knowledge with scientific research supports innovative adaptation strategies that are both culturally relevant and technically sound. SPC's ability to leverage its broad sectoral expertise and regional networks positions it as a key player in advancing climate resilience and sustainable development in the Pacific. Under RPACA, in Component 3, SPC focuses on building climate-resilient food, water and public health systems.

The Secretariat of the Pacific Regional Environment Programme (SPREP) is responsible for driving Component 4. SPREP's advantage in the Pacific stems from its in-depth regional expertise and extensive network of partnerships. SPREP's deep understanding of local environmental issues, combined with its established relationships with regional and international organizations, enhances its ability to design and implement effective interventions. Its technical expertise in areas such as waste management and pollution control, climate change adaptation, and biodiversity conservation further strengthens its

capacity to deliver innovative solutions in key areas. Additionally, SPREP's role in fostering regional cooperation and integrating national and regional strategies allows it to tackle cross-border environmental issues effectively. SPREP's portfolio covers a wide range of projects focused on environmental sustainability, climate resilience, and disaster risk reduction across the Pacific. These projects address both immediate and long-term challenges, supporting the sustainable development goals of PSIDS. Under RPACA, in Component 4, SPREP focuses on addressing pollution and waste management challenges and knowledge sharing, communication and coordination.

As can be seen from Figure 1, the 4 components working together will ensure:

- Each partner can optimally contribute whilst working to its strengths;
- All countries and more sectors can be covered;
- The complementary comparative advantages of the accredited entities (financial dynamism, optimal business modalities, political leveraging, strong science-based and community-led approaches) ensure gaps are filled and few opportunities missed.

This has been achieved since the start of the process to develop RPACA and will continue through the start-up of RPACA ADB to the end of RPACA support. Operationally, this is achieved by:

- Regular sharing of lessons learnt knowledge;
- Cross-interacting on policy and technical advice;
- Regular steering initiatives involving all partners;
- Sharing out responsibilities to the most competent partner;
- Etc.

3 What Makes RPACA Transformative

The need for transformation Climate risks in the Pacific are characterised by high exposure across multiple hazards. Risks are not isolated but interact across sectors and spatial scales, creating complex, cascading and evolving impact pathways. Further, risks are cumulative and compounding, with repeated events eroding resilience over time, reducing the capacity of systems to recover and increasing vulnerability to future shocks.

The impacts of climate are also complex, cascading and evolving across the Pacific. For example, risks result in disruptions to essential services, reduced economic productivity, and increased recovery, and direct impacts on health, food security, and access to water and sanitation. These dynamics are particularly evident in atoll systems and rapidly urbanising areas.

Infrastructure systems are central to this challenge and to the solution. Infrastructure systems underpin economic activity and service delivery, including support to disaster impacts and recovery. The vulnerability of infrastructure systems creates a risk multiplier effect. The financial, technical, institutional, geographic and logistical constraints reduce the capacity to respond.

Previous approaches are not able to meet these demands. Transformational approaches are required.

Transformational programmatic approach The approach is based on commitment and adaptability. The programmatic approach increases predictability, fosters trust and enables for long-term planning, increasing national commitment to the program and its component. The programmatic approach recognizes that transition takes time, that there is a need for progressive improvement and strategic incentives. It allows for long-term measures that address long-term and embedded issues. By replacing the project-by-project, the program removes fragmentation and competitiveness that can occur in the baseline, thereby shifting energy and decision-making to countries and local communities. Finally, the long-term approach, by recognizing that truly adaptive responses take time, provides an opportunity for all partners to be fully committed.

Sustainability and institutional transformation The programme demonstrates a high likelihood of sustainability by strengthening institutional capacity at both regional and national levels. By supporting enduring delivery platforms and capabilities, the programme ensures that benefits extend beyond the lifespan of individual investments. The focus on institutional strengthening and systems development provides confidence that climate action initiated under the programme can be sustained and expanded over time, even after initial GCF support concludes.

Rather than relying on temporary project implementation units or external technical assistance, the programme embeds climate finance functions within existing regional organisations and national institutions. This institutionalization is expected to reduce long-term reliance on external actors and increase country ownership over climate investment processes.

Further, RPACA is designed to support transformation from single issue or sector specific activities to strategic adaptation pathways. These, appropriately, include cross-cutting, integrated, and inclusive system solutions.

Expanding adaptation partners to increase private sector participation Currently the micro, medium and small-scale private sector plays only a small role in development, and

almost no role in adaptation. RPACA is designed to initiate the transformation of Pacific societies to ones in which private sector contributes to advancing climate resilience. This is to be initiated via market and risk transformation. Blended finance approaches will be developed that enhance the attractiveness of investments by improving risk-return profiles and crowding in additional capital. Early-stage development and structuring risks will be absorbed, reducing the burden on individual countries and improving overall investment viability. Over time, these mechanisms are expected to reduce perceived investment risk in Pacific climate adaptation projects, lower transaction costs, and establish more favourable conditions. This represents a meaningful shift in market dynamics consistent with the GCF's paradigm shift objectives.

Alignment and country driven The programme is Pacific-led and has been designed collaboratively by participating countries, ensuring that priorities reflect regional needs, strengths and opportunities, rather than external agendas.

Technology alignment RPACA is designed to support transformation, where appropriate, to (i) nature-based solutions, and/or (ii) community-led solutions; and/or (iii) solutions finely targeting the most vulnerable. These are all currently neglected approach across the Pacific.

Scaling The programme exhibits a high potential for scale, not through individual project size, but through a structure that enables rapid replication and expansion across multiple Pacific Island Countries. Regional aggregation allows small and medium-scale national investments to be bundled into bankable portfolios, addressing a key constraint in Pacific markets related to limited economies of scale. This design allows successful interventions to be extended to additional countries and sectors with marginal incremental costs.

The programmatic approach also enables scalability across future funding cycles by creating an investment pipeline that can leverage additional resources from the Green Climate Fund, other multilateral institutions, bilateral partners, and private capital. As such, the programme is expected to support a sustained increase in the volume and efficiency of climate finance mobilised in the region over time.

The transformational regional approach is designed to generate economies of scale. It is also designed to share capacities (expertise, data) and inputs (contractors, goods) thereby lowering costs and increasing efficiencies. It is further designed to generate and manage knowledge across the region.

Overall Transformational Impact

Overall, the programme is assessed to have high transformational impact due to its system-level focus, potential for replication and scale, institutional strengthening effects, and strong alignment with national and regional development pathways. By transforming the operating environment for climate finance rather than delivering isolated outcomes, the programme is well positioned to generate lasting climate resilience and development benefits consistent with the Green Climate Fund's mandate.