



PR#185-24

## PRESS RELEASE

### **DFC Nominated for Accreditation to the Adaptation Fund**

*Belmopan, November 12, 2024.*

The Ministry of Economic Development, as the National Designated Authority (NDA), is pleased to announce the nomination of the Development Finance Corporation (DFC) for accreditation to the Adaptation Fund (AF). During the World Bank/International Monetary Fund (IMF) annual meetings in late October, a bilateral meeting was held between the Government of Belize and the AF. This nomination marks a crucial step in advancing Belize's capacity to finance climate adaptation initiatives and support the resilience of communities facing the impacts of climate change.

The AF is an international fund established to finance projects and programs that help developing countries adapt to the negative effects of climate change. It was created in 2001 and has become an essential resource for vulnerable countries seeking to build resilience to climate impacts. The fund supports various adaptation initiatives, including measures to improve water management, protect coastal areas, enhance food security, and support communities in preparation for extreme weather events.

Among small states with forty-three per cent (43%) of its population living in coastal areas, the IMF ranked Belize third most vulnerable to natural disasters and fifth most vulnerable to climate change in 2008. Its building stock, mostly located on or near the coast and valued at US \$4.6 billion, is highly susceptible to climate events – hurricanes and sea level rise. The government advocated for climate adaptation finance to be targeted towards building climate-resilient housing through co-financing mechanisms that unlock domestic private capital. Once accredited, the DFC will support the Government of Belize in mobilizing grant funding and assist in developing a housing project, that aims to build climate resilience by protecting essential infrastructure and livelihoods from the effects of climate change.

The accreditation process includes thorough assessments to ensure that nominated entities comply with international standards for fiduciary responsibility, transparency, and accountability. With its strong track record in sustainable development and financing, the DFC is well-equipped to meet these standards and is appropriately positioned to partner with the government and local stakeholders to implement projects that promote adaptive practices, sustainable land use, and community resilience. This nomination reflects Belize's ongoing commitment to addressing the challenges of climate change through strategic partnerships and innovative funding solutions.

The Government of Belize looks forward to the successful accreditation of the DFC and its contributions to building a more climate-resilient Belize.

**Ends**