Agriculture-dependent Micro, Small and Medium Enterprises (MSMEs) are a vital part of developing country economies and are often the first to experience the impacts of climate change. Lack of access to finance is a well-known challenge to MSME growth and productivity in the agricultural sector in general. This study argues that the process of building a solid business case by MSMEs is a critical precursor to accessing lending systems or attracting financial investment opportunities for technological innovations systems that will support climate adaptation. The study draws on three cases from the Adaptation Mitigation Readiness (ADMIRE) project, focused on innovative agricultural technologies, which assisted smallholders in adapting to climate change. A theoretical framework based on innovations systems was adopted to understand the structures and activities that contribute to the generation, diffusion, and utilization of particular technologies. The results demonstrate that the landscape of business case development occurs through the co-evolution of various interdependent layers comprising technology, support institutions, and socioeconomic subsystems. Demonstrating proof of concept to both MSMEs and financiers is critical for generating the demand for adaptation among SMEs. Moreover, it is vital that appropriate resources are channelled towards business case development in the process of MSME adaptation planning, while also understanding the socio-cultural and governance challenges that, in combination with economic factors, shape the capacity of MSMEs to innovate and adapt to climate change.

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