

**LEAST DEVELOPED COUNTRIES FUND (LDCF) AND  
SPECIAL CLIMATE CHANGE FUND (SCCF) ANNUAL  
MONITORING REPORT (AMR)**

**FY2010**

**Recommended Council Decision**

The Council, after reviewing document GEF/LDCF.SCCF.10/3, *Least Developed Countries Fund (LDCF) and Special Climate Change Fund (SCCF) Annual Monitoring Report (AMR) FY2010*, approves it as is and welcomes the progress the LDCF and the SCCF have made in reporting portfolio results.

The Council further affirms the Secretariat's role in performance measurement and portfolio monitoring, and encourages the Secretariat to systematically track results and learn on an ongoing basis.

## EXECUTIVE SUMMARY

1. The Annual Monitoring Report (AMR) of the Least Developed Countries Fund (LDCF) and Special Climate Change Fund (SCCF) is the principal reporting instrument from the Funds' monitoring systems and provides a snapshot of the overall health of the Funds active projects portfolio for each fiscal year. As a key part of the LDCF/SCCF Results-based Management (RBM) Policy, the AMR monitors project implementation status, progress towards achieving global environmental objectives, and baseline identification and tracking.
2. This report provides the project highlights arising from the LDCF/SCCF AMR 2010 process, which covers the Funds' portfolio of projects presented as: 1) an overview of the LDCF and SCCF portfolio since inception, 2) performance information of LDCF and SCCF projects under implementation, which are projects that began implementation on or before June 30, 2009 and were under implementation for at least part of FY 2010, and 3) LDCF and SCCF Adaptation Projects' results highlights.
3. The majority of projects included in this LDCF/SCCF AMR were approved between 2007-2010 with a few remaining under implementation from previous approvals (2003-2007).

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# INTRODUCTION

As outlined in the GEF Results-Based Management (RBM) Framework, the Annual Monitoring Report is designed to provide performance information regarding the overall health of GEF's portfolio of active projects. Accordingly, the Least Developed Countries Fund (LDCF) and Special Climate Change Fund (SCCF) Annual Monitoring Report<sup>1</sup> reports on these funds' active portfolio of projects and provides an assessment of achievements and progress towards targets. The 2010 LDCF/SCCF AMR covers 24 countries, for 13 projects and programs that began on or before July 1, 2009. This report includes all LDCF/SCCF projects under implementation, for at least part of the period July 1, 2009 – June 30, 2010. The LDCF/SCCF AMR includes: 1) LDCF portfolio overview, 2) SCCF portfolio overview, 3) performance information on LDCF and SCCF projects under implementation on or before June 30, 2009 and for at least a part of FY2010), and 4) LDCF and SCCF results highlights. The majority of projects reported in the 2010 AMR were approved in GEF-4 (61%); the rest are under implementation from GEF-3.<sup>2</sup>

1. GEF agencies are responsible for monitoring individual LDCF and SCCF projects' progress against a set of performance indicators, aligned with the Climate Change Adaptation indicators included in the Adaptation Monitoring and Assessment Tool. Each GEF Agency submits individual annual Project Implementation Reports (PIRs) on all active projects in their respective portfolios. The LDCF/SCCF AMR 2010 includes performance ratings by agency and region based on 13 agency PIRs.
2. FY 2010 marks the last year of funding under the GEF-4. The 2010 AMR for LDCF and SCCF projects is the first of its kind and, as such, provides a retrospective analysis of the resources programmed from both funds in GEF-4, and a review of the ratings and results of FY 2010 projects implementation.
3. *Table 1* provides a summary of key figures on LDCF/SCCF project approvals and for projects under implementation.<sup>3</sup>

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<sup>1</sup> This document is consistent with the "Annual Monitoring Report FY2010", submitted to the GEF Council for approval.

<sup>2</sup> The LDCF and the SCCF do not follow the GEF replenishment cycle. However, for the purposes of this Report, the GEF Secretariat refers to the period between 2003-2007 as "GEF-3" and to the period between 2003- 2007 as "GEF-4".

<sup>3</sup> Throughout the AMR, data for projects under implementation are provided by the Agencies.

**Table 1: LDCF/SCCF at a glance**

<b>Cumulative LDCF/ SCCF Project Approvals</b>	<b>LDCF</b>	<b>SCCF</b>
Number of Approvals	37	26
Value of Approvals	\$112,699,288	\$96,819,990
Planned Co-financing <sup>4</sup>	\$212,714,674	\$611,102,063
<b>FY 2010 LDCF Project Approvals</b>		
Number of Approvals		7
Value of Approvals		\$24,752,335
Planned Co-financing		\$51,780,450
<b>FY 2010 SCCF Project Approvals</b>		
Number of Approvals		3
Value of Approvals		\$5,591,400
Planned Co-financing		\$15,135,000
<b>FY 2010 LDCF Projects Under Implementation</b>		
Number of Projects		3 (GEF 4)
Value of Projects		\$9,075,050.00
Number of Closed Projects		0
<b>FY 2010 SCCF Projects Under Implementation</b>		
Number of Projects		10
GEF-3		5
GEF-4		5
Value of Projects		\$38,369,000.00
Number of Closed Projects		2

<sup>4</sup> Initial co-financing value is subject to be amended after Council approval. For reporting purposes, the LDCF/SCCF AMR will focus only on the Planned co-financing, which is the amount stated at CEO endorsement stage.

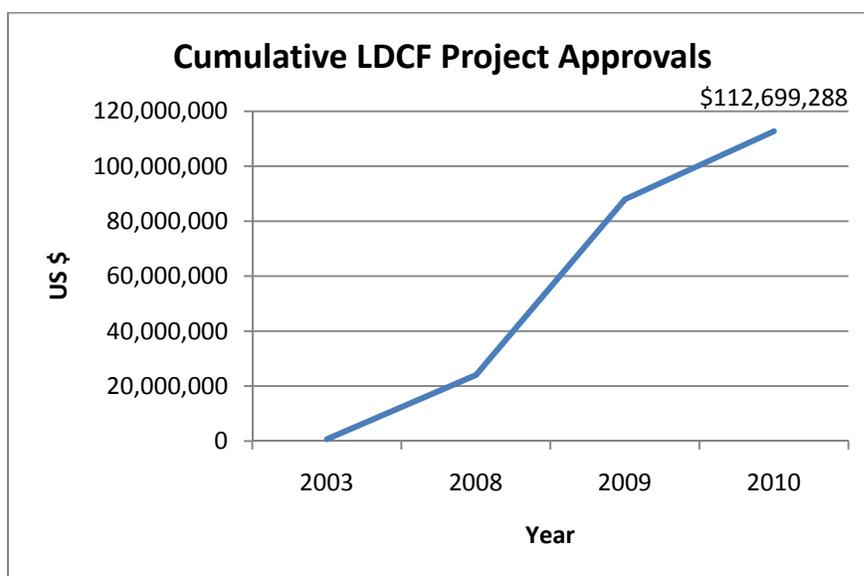
## LDCF PORTFOLIO OVERVIEW

4. This section provides an overview of the LDCF portfolio from two perspectives: (i) cumulative project approvals since the LDCF inception and (ii) a focus on fiscal year 2010 (July 1, 2009 until June 30, 2010) as the last fiscal year of the GEF-4 replenishment period. The information presented is based on data retrieved from annual reports by the Agencies, the Secretariat's database (PMIS), and the GEF Trustee.

### Cumulative LDCF approvals since inception

5. The LDCF portfolio has continued to grow. LDCF approvals as of June, 30 2010 totaled \$112,699,288 in LDCF grants, and \$3,448,475 in project preparation grants (PPGs). The total number of projects is 37, and only one project (GEF ID 2040: "Technical Assistance to Least Developed Countries (LDCs) to Implement the UNFCCC8/CP8 Decision") is from GEF-3 cycle. The rest are GEF-4 projects.
6. In FY2010 alone, LDCF project approvals amounted to US\$24,752,335 in grants, and US\$714,000 million in PPGs for 7 projects: 6 full-sized projects (FPs) and 1 medium-sized project (MSP). *Figure 1* shows the cumulative for the LDCF project approvals since inception.

**Figure 1**



7. Cumulatively, as of FY2010, a total of 37 LDCF projects (FPs and MSPs) were allocated for funding in approved work programs, compared to 30 projects as of FY2009, representing an increase of 23.3%.

#### LDCF for FY2007- FY2010

8. The fourth Replenishment (GEF-4) period includes four fiscal years (2007-2010). During the course of these years, a total of US \$112,065,750 was programmed for 36 LDCF projects. There were no LDCF project approvals during the first year of GEF-4, 2007. The third quarter of GEF-4 has the largest number of LDCF project approvals, at 29 projects, and the highest amount of approvals, at US \$62,083,890.
9. As seen in *Table 2*, during GEF-4, UNDP had the largest number of projects approved, 22, as well as the largest grant amount totaling US \$73,329,885 for an average of US \$3,847,237 per project, giving it the highest per/project average. During GEF-4, there were two joint LDCF project, implemented by UNDP and UNEP (GEF ID 3857: *“Adapting Water Resource Management in Comoros to Increase Capacity to Cope with Climate Change”* and GEF ID 3838: *“Reducing vulnerability to climate change by establishing early warning and disaster preparedness systems and support for Integrated Watershed Management in flood prone areas”*) which are accounted for separately from the “UNDP” and “UNEP” projects. The median for all Agencies in terms of grant amount totals US \$3,299,238.

**Table 2: GEF 4 LDCF Project Approvals per Agency**

Agency	No of approvals		Total Grant	Average	Range (in millions)
	FP	MSP			
UNDP	20	2	\$73,329,885	\$3,847,237	1.9 – 5.4
UNEP	2	2	\$7,730,000	\$2,493,000	.96 - 2
World Bank	4	0	\$13,759,772	\$3,911,757	2.7 - 4.5
IFAD	2	0	\$6,344,800	\$3,172,400	2.7 - 3.6
FAO	1	0	\$2,181,818	NA	NA
AfDB	1	0	\$3,274,475	NA	NA
UNDP/UNEP	2	0	\$6,810,000	\$3,436,667	3.3 - 3.5

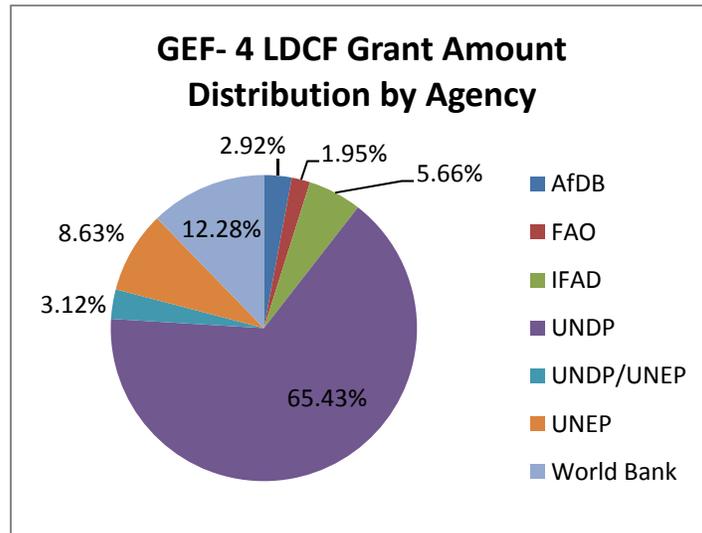
10. Projects in Africa received the largest number of approvals, with a total grant amount of US\$ 71,162,987. However, Asia has a larger average grant per project, US \$3,108,564. *Table 3* reflects the regional distribution of LDCF approvals.

**Table 3: GEF 4 LDCF Project Approvals per Region**

Region	No. of approvals		Total Grant	Average	Range (in millions)
	FP	MSP			
AFR	22	1	\$71,162,978	\$3,094,043	.96 - 5.4
Asia	9	3	\$37,302,772	\$3,108,564	1.6 - 4.5
LAC	1	0	\$3,600,000	NA	NA

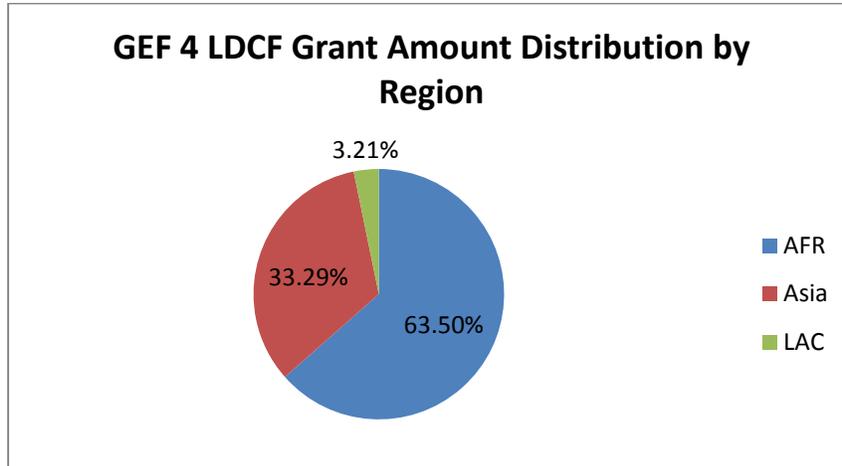
11. During GEF 4, UNDP had the largest share of grant amounts, 65.43%. *Figure 2* shows the grant distribution per Agency for LDCF projects approved from 2007-2010.

**Figure 2**



12. In terms of the regional distribution, Africa has received the largest portion of LDCF funds. *Figure 3* illustrates the grants distribution per region.

**Figure 3**



**Planned Co-financing**

13. Average planned co-financing ratio for all 36 LDCF approved projects (FPs and MSPs) during GEF-4 was 2:1. Total LDCF co-financing for GEF-4: US \$212,476,674.

14. Among Agencies, AfDB had the highest ratio of planned co-financing to LDCF Grant, at 7:1. *Table 4* shows the planned co-financing to LDCF grant ratio per Agency in decreasing order.

**Table 4: Agency Planned Co-financing to LDCF Grant Ratio**

Agency	Average Ratio
AfDB	7:1
FAO	2:1
IFAD	1:1
UNDP	2:1
UNDP/UNEP	1:1
UNEP	1:1
World Bank	1:1

15. As for regions, planned co-financing to LDCF grant ratio shows that Africa had the highest co-financing, at 2:1; it also has the largest number of LDCF approvals. *Table 5* shows the planned co-financing to LDCF grant ratio by region.

**Table 5: Region Planned Co-financing to LDCF Grant Ratio**

Region	Average Ratio
AFR	2:1
Asia	1:1
LAC	2:1

## SCCF PORTFOLIO OVERVIEW

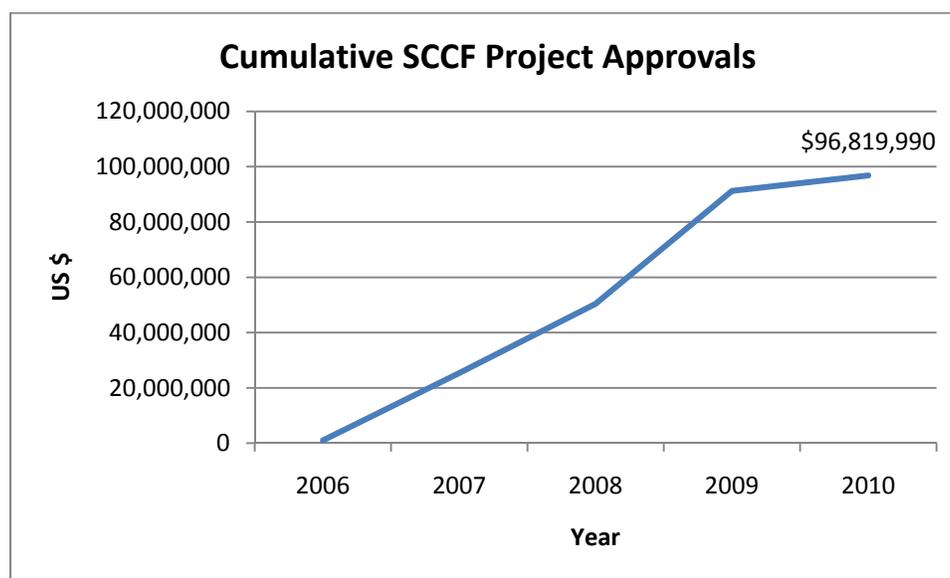
16. This section provides an overview of the SCCF portfolio from two perspectives: (i) the cumulative project approvals since SCCF inception and (ii) a focus on fiscal year 2010 (July 1, 2009 until June 30, 2010) as the last fiscal year of the GEF-4 replenishment period. The information presented is based on data retrieved from annual reports by the Agencies, the Secretariat's database (PMIS), and the GEF Trustee.

### Cumulative SCCF approvals since inception

17. The SCCF has continued to grow. SCCF approvals as of June, 30 2010 totaled US \$96,819,990 in SCCF grants, and US \$4,040,045 in Project Preparation Grants (PPGs). The total of projects is 26; 6 from GEF-3 project cycle and the remaining 20 from GEF-4.

18. In FY2010 alone, SCCF project approvals amounted to US \$5,591,400 in grants, and US \$226,400 in PPGs for 3 projects: 2 full-sized projects (FPs) and 1 medium-sized project (MSP). Figure 4 shows the cumulative SCCF project approvals since inception. For the past fiscal year, FY 2010, there was a noticeable slow down in the number of project approvals, due to a lack of funding.

**Figure 4**



19. Cumulatively, as of FY2010, a total of 26 SCCF projects (FPs and MSPs) have so far been funded in approved work programs, compared to 23 projects in FY2009, representing an increase of 13%.

## SCCF for FY2007- FY2010

20. The fourth Replenishment (GEF-4) period includes four fiscal years (2007-2010). During this time period, a total of US\$ 95,819,990 was programmed for 25 SCCF projects. The third quarter of GEF-4 has the largest number of SCCF project approvals, at 11 projects, and the highest amount of approvals, at US \$40,812,590.
21. SCCF funds projects under four windows: (i) SCCF-A, for adaptation projects; (ii) SCCF-B for technology transfer projects; (iii) SCCF-C, Energy, transport, industry, agriculture, forestry, and waste management, (iv) SCCF-D, Economic diversification for countries which are economically dependent on fossil fuels. Under GEF-4, there were 2 SCCF projects approved under window SCCF-B, with a mitigation objective, GEF ID 4040 project in Brazil and GEF ID 4060 in Jamaica, both by UNDP. As of today, only the first two windows of the SCCF (SCCF-A and SCCF-B) are active and receive funding.
22. As shown in *Table 6*, during GEF-4, UNDP had the largest number of projects approved, 12, as well as the largest total grants amount US \$38,637,718, for an average of US \$3,219,810 per project. However, the World Bank is the agency with the highest funding per/project average, US \$4.6 million. IFAD had the lowest per/project average, US \$2.1 million. The median for all Agencies in terms of total grants amounts to approximately US \$4,045,455.
23. There were two joint SCCF projects during GEF 4: 1) ADB/UNDP project in Vietnam (GEF ID 3103: “*Climate-resilient Infrastructure Planning and Coastal Zone Development*”), and 2) World Bank/UNDP project in Kenya (GEF ID 3249: “*Adaptation to Climate Change in Arid Lands*”).
24. UNDP Regional Project in the Pacific (GEF ID 3101) received the largest SCCF grant, US \$ 13,475,000. UNDP Technology Transfer Pilot in Jamaica (GEF ID 4060) received the smallest SCCF grant, US \$741,400.

**Table 6: GEF 4 SCCF Project Approvals per Agency**

Agency	No. of approvals		Total Grant	Average	Range (in millions)
	FP	MSP			
UNDP	7	5	\$38,637,718	\$3,219,810	.74 – 13.5
UNEP	1	1	\$9,181,818	\$4,590,909	2.8 – 3.5
World Bank	6	0	\$31,208,454	\$5,201,409	3.8 – 7.5
IFAD	3	0	\$6,502,000	\$2,167,333	1.6 – 2.7
ADB/UNDP	1	0	\$3,500,000	\$3,500,000	NA
World Bank/UNDP	1	0	\$6,790,000	\$6,790,000	NA

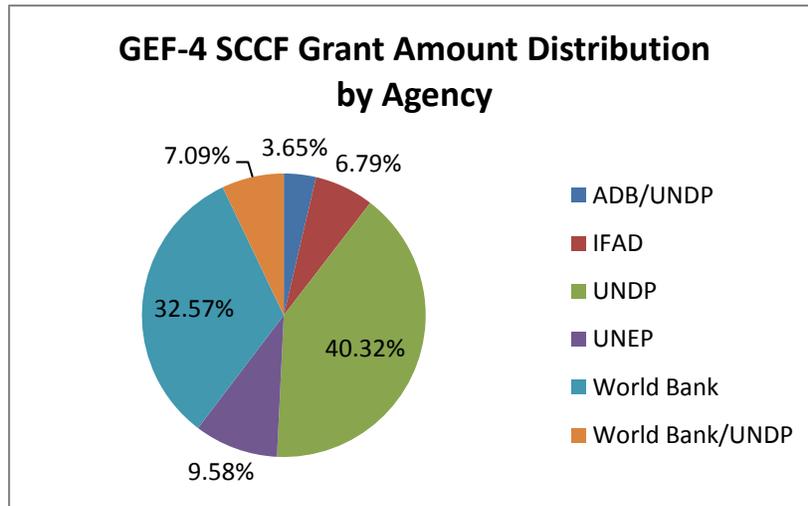
25. Regarding regional distribution of SCCF funds, Asia received the largest amount of grants: US \$34,959,091 while Global projects received the lowest: US \$14,151,503. However, Global projects had the largest average grant per project: US \$4.7 million. The lowest average SCCF grant per project was for projects in Africa: US \$2.9 million. *Table 7* shows this distribution.

**Table 7: GEF 4 SCCF Project Approvals per Region**

Region	No. of approvals		Total Grant	Average	Range (in millions)
	FP	MSP			
AFR	5	3	\$23,827,996	\$2,978,500	.96 – 6.8
Asia	7	1	\$34,959,091	\$4,369,886	.9 – 13.4
LAC	5	1	\$22,881,400	\$3,813,567	.74 – 7.5
Global	2	1	\$14,151,503	\$4,717,168	1– 8.1

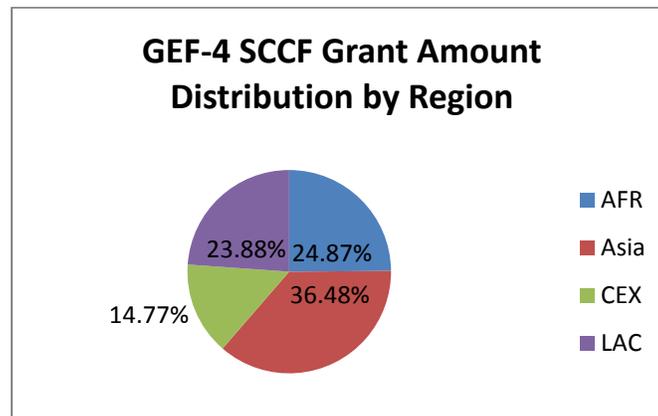
26. During GEF 4, UNDP had the largest share of SCCF grants, 40.32%. *Figure 5* shows the grants distribution per Agency for SCCF projects approved from 2007-2010.

Figure 5



27. In terms of the regional distribution, Asia has the largest portion of SCCF funds. *Figure 6* illustrates the grants distribution per region.

Figure 6



### Planned Co-financing

28. Average planned co-financing for all 25 SCCF Approved (FP and MSPs) in GEF-4 was 6:1. (Total co-financing raised by SCCF projects in GEF-4: US \$609,527,188).

29. Among the Agencies, the World Bank had the highest ratio of planned co-financing to SCCF grant, at 8:1. However, the joint project between ADB and UNDP (GEF ID 3103

in Vietnam: “*Climate-resilient Infrastructure Planning and Coastal Zone Development*”) had the largest single co-financing ratio, 50:1. (In fact, this project has the largest co-financing ratio of all LDCF and SCCF projects combined). *Table 8* shows the planned co-financing to SCCF grant ratio per Agency in decreasing order.

**Table 8: Agency Planned Co-financing to SCCF Grant Ratio**

Agencies	Average Ratio
ADB/UNDP	50:1
World Bank	8:1
WB/UNDP	7:1
IFAD	3:1
UNDP	3:1
UNEP	2:1

30. By region, planned co-financing to SCCF grant ratio shows that Asia receives the highest co-financing, at 10:1; it also has the largest number of SCCF approvals. *Table 9* shows the planned co-financing to SCCF grant ratio by region in decreasing order.

**Table 9: Region Planned Co-financing to SCCF Grant Ratio**

Region	Ratio
Asia	10:1
AFR	6:1
CEX	2:1
LAC	3:1

## PROJECTS UNDER IMPLEMENTATION

31. LDCF and SCCF projects are rated by 1) likelihood of achieving Development/global environmental Objectives (DO), and 2) likelihood of achieving Implementation Progress (IP). There is a 6 point scale for both ratings, fully described in *Table 10* and *Table 11* below:

**Table 10: DO Rating definitions\***

Highly Satisfactory (HS)	Project is expected to achieve or exceed <b>all</b> its major global environmental objectives, and yield substantial adaptation benefits, without major shortcomings. The project can be presented as "good practice".
Satisfactory (S)	Project is expected to achieve <b>most</b> of its major global environmental objectives, and yield satisfactory global environmental benefits, with only minor shortcomings.
Marginally Satisfactory (MS)	Project is expected to achieve <b>most</b> of its major relevant objectives <b>but</b> with either significant shortcomings or modest overall relevance. Project is expected not to achieve some of its major global environmental objectives or yield some of the expected global environment benefits.
Marginally Unsatisfactory (MU)	Project is expected to achieve its major global environmental objectives with <b>major shortcomings</b> or is expected to achieve only some of its major global environmental objectives.
Unsatisfactory (U)	Project is expected <b>not</b> to achieve most of its major global environment objectives or to yield any satisfactory global environmental benefits.
Highly Unsatisfactory (U)	The project has <b>failed</b> to achieve, and is not expected to achieve, any of its major global environment objectives with no worthwhile benefits.

\* The rating definitions above were formulated for the GEF Trust Fund-financed projects, which have to demonstrate achievement of global environmental benefits (GEBs). For the purposes of the LDCF and SCCF funded projects, this translates to having to demonstrate achievement of **adaptation benefits**. Therefore, wherever DO is subsequently mentioned in this discussion, it should be understood that for LDCF and SCCF this should be read as adaptation benefits.

**Table 11: IP Rating Definitions**

Highly Satisfactory (HS)	The project was managed in <b>very</b> effective and efficient manner in accordance with the workplan, schedule and budget. The project can be presented as “good practice”.
Satisfactory (S)	The project was managed in a <b>reasonably</b> effective and efficient manner, largely in accordance with the workplan, schedule and budget.
Marginally Satisfactory (MS)	The project was managed in an <b>acceptable</b> manner but not fully in accordance with the workplan, schedule and budget.
Marginally Unsatisfactory (MU)	The project was managed in a <b>marginally</b> effective and responsive manner but not fully in accordance with the workplan, schedule and budget.
Unsatisfactory (U)	The project was managed in a <b>less than</b> effective manner due to internal or external factors and not in accordance with the workplan, schedule and budget.
Highly Unsatisfactory (HU)	The project was managed in an <b>ineffective</b> manner particularly due to internal factors and clearly not in accordance with the workplan, schedule and budget.

**LDCF**

32. For FY 2010, GEF Agencies submitted 3 Project Implementation Reviews (PIRs) for LDCF projects, including 2 FPs and 1 MSP which have been under implementation for at least one year as of June 30, 2010.
33. The total amount of LDCF funds allocated to FPs and MSPs that were under implementation in FY2010 is US \$9,075,050 (including PPGs). *Table 12* describes the 3 LDCF projects under implementation.

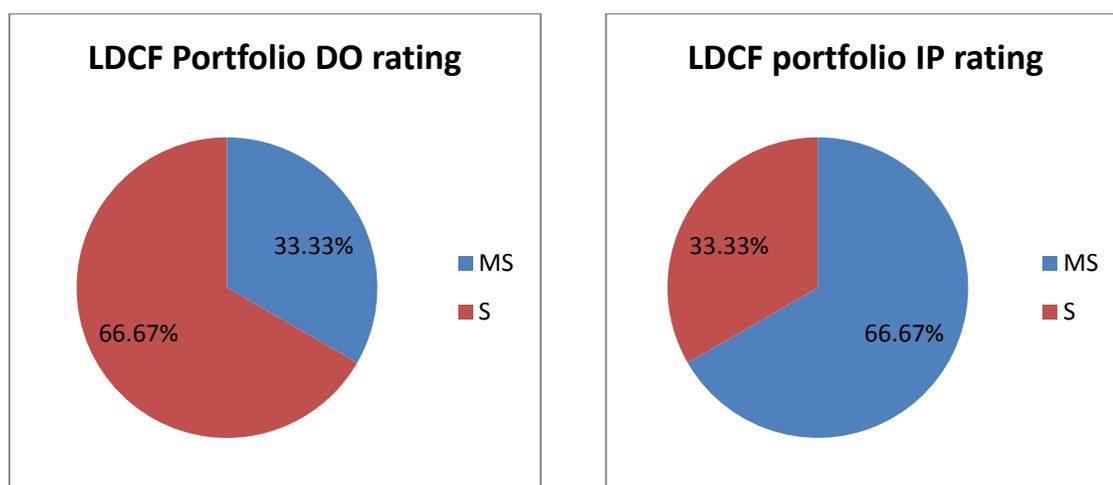
**Table 12: LDCF projects under implementation for FY2010**

Agency	GEF ID	Region	Country	Project Title	Project Size	GEF Phase	Date of Implementation	GEF Grant	Co-financing (At CEO Endorsement)
UNDP	3219	EAP	Bhutan	Reducing Climate Change-induced Risks and Vulnerabilities from Glacial Lake Outburst Floods in the Punakha-Wangdi and Chamkhar Valleys	FP	GEF-4	8 April 2008	\$3,625,050	\$4,036,224
UNDP	3287	SA	Bangladesh	Community based adaptation to climate change through coastal afforestation	FP	GEF-4	30 April 2009	\$3,400,000	\$7,100,000
UNDP	3358	EAP	Samoa	Integrating Climate Change Risks into the Agriculture and Health Sectors in Samoa	MSP	GEF-4	11 March 2009	\$2,050,000	\$2,100,000
<b>Total</b>								<b>\$9,075,000</b>	<b>\$13,236,224</b>

## Performance Ratings

34. *Figure 7* illustrates the distribution of agency likelihood of attaining Development Objectives (DO) and the Implementation Progress (IP) for the three LDCF projects under implementation.

**Figure 7**



35. In terms of the likelihood of achieving DO rating, 2 out of 3 projects (GEF ID 3219: Bhutan and GEF ID 3358: Samoa) rated “satisfactory”, while only GEF ID 3287 project in Bangladesh proved “marginally satisfactory”. In terms of Implementation Progress rating, only the Samoa project rated “satisfactory” while the rest rated “marginally satisfactory”.
36. The three LDCF projects tackle four sectors: disaster risk management, integrated coastal zone management, agriculture/ land management, and health. This constitutes half of the target for Adaptation projects according to the “Revised Programming Strategy on Adaptation to Climate Change for LDCF and SCCF”, in which 8 sectors have to be addressed. (These sectors are: *Water resources management, Agriculture/land management, Infrastructure development, Fragile ecosystems, Integrated coastal zone management, Health, Disaster-Risk Management, and Cross-cutting issues*).

## SCCF

37. For FY 2010, GEF Agencies submitted 10 Project Implementation Reviews (PIRs) for SCCF projects, including 5 FPs and 5 MSPs, which have been under implementation for at least one year as of June 30, 2010.
38. The total SCCF funds allocated to FPs and MSPs that were under implementation in FY2010 is US \$38,369,000 (including PPGs). *Table 13* describes the 10 SCCF projects under implementation.

**Table 13: SCCF Projects under Implementation for FY 2010**

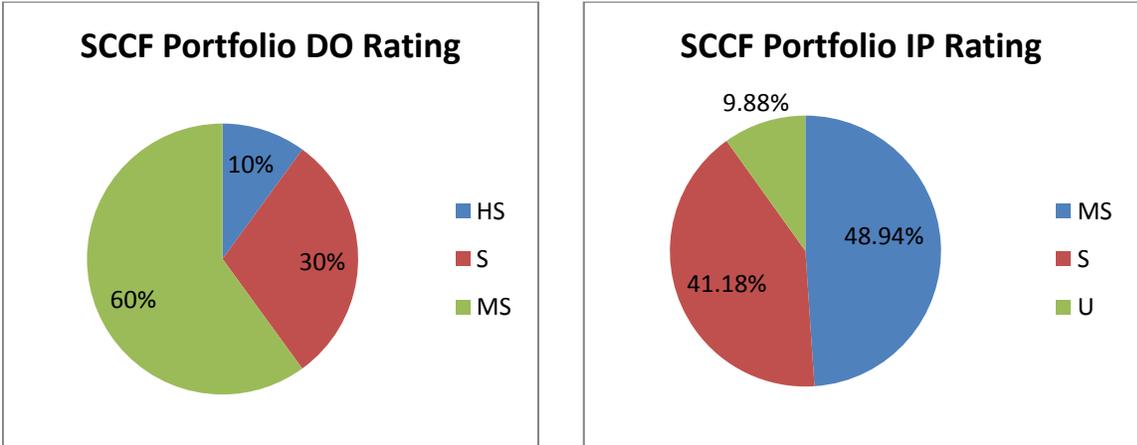
Agency	GEF ID	Region	Country	Project Title	Project Size	GEF Phase	Date of Implementation	GEF Grant	Co-financing (At CEO Endorsement)
UNDP	3101	Regional	Regional (Cook Islands, Federal States of Micronesia, Fiji, Nauru, Niue, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu)	Pacific Adaptation to Climate Change (PACC)	FP	GEF-4	19 February 2009	\$13,475,000	\$44,503,799
UNDP	2832	AFR	Tanzania	Mainstreaming climate change and adaptation into integrated water resource management in the Pangani River Basin	MSP	GEF-3	15 August 2007	\$1,000,000	\$1,574,875
UNDP	2931	LCR	Ecuador	Adaptation to Climate Change through Effective Water Governance in Ecuador	FP	GEF - 4	31 July 2008	\$3,350,000	\$16,185,432
UNDP	3156	AFR	Zimbabwe	Coping with Drought and Climate Change	MSP	GEF - 3	7 August 2007	\$983,000	\$1,156,000
UNDP	3155	AFR	Mozambique	Coping with Drought and Climate Change	MSP	GEF - 3	26 June 2008	\$960,000	\$929,840
UNDP	3154	AFR	Ethiopia	Coping with Drought and Climate Change	MSP	GEF - 3	27 March 2009	\$995,000	\$1,866,667

UNEP	3679	Global	China, Guyana, India, Mali, Samoa, Tanzania, United Kingdom, United States	Economic Analysis of Adaptation Options	MSP	GEF-4	1 July 2008	\$1,000,000	\$3,500,000
WB	2902	LCR	Peru, Bolivia, Ecuador	Adaptation to the Impact of Glaciers	FP	GEF-4	5 August 2008	\$7,490,000	\$25,232,000
WB	3227	LCR	Guyana	GY-GEF Conservancy Adaptation Project	FP	GEF-3	28 January 2008	\$3,800,000	\$16,200,000
WB	3265	EAP	China	CN-GEF-Mainstreaming Climate Change Adaptation	FP	GEF-4	13 Nov. 2008	\$5,316,000	\$50,500,000
<b>Total</b>								<b>\$38,369,000</b>	<b>\$161,648,613</b>

**Performance Ratings**

39. Figure 8 provides the distribution of agency ratings for the likelihood of attaining development/global environment objectives (DO) and the implementation progress (IP) for the 10 SCCF projects under implementation.

**Figure 8**



40. In terms of the likelihood of achieving development/global environmental objectives (DO rating), the majority of SCCF projects rated “marginally satisfactory”, 30% rated “satisfactory”, and only one project (GEF ID 2931 in Ecuador) rated “highly satisfactory”.

41. In terms of Implementation Progress rating, there was 1 “unsatisfactory” project (GEF ID 3101: Regional Pacific), and the rest of the projects are almost equally distributed in rating between “marginally satisfactory” and “satisfactory”.
42. The 10 SCCF projects tackle 6 sectors: agriculture/land management, water resources management, infrastructure development, integrated coastal zone management, fragile ecosystems, and cross-cutting issues. Together with the 3 LDCF projects mentioned earlier, the LDCF/SCCF portfolio addresses all 8 sectors identified as the GEF-4 target for the Adaptation portfolio.

# LDCF AND SCCF ADAPTATION RESULTS HIGHLIGHTS

## Project Implementation Reviews – Adaptation Objective Questions

43. For the revision of the 13 PIRs (3 LDCF and 10 SCCF), the Climate Change Adaptation cluster at the GEF Secretariat developed 7 fundamental questions to evaluate the performance of projects under implementation for FY 2010. These questions are also meant to provide main lessons learned for the continuous improvement of the adaptation portfolio.<sup>5</sup>

44. The 7 questions are:

- a) What are the sectors prioritized in the project? (Choose all that apply, from the following: *Water resources management, Agriculture/land management, Infrastructure development, Fragile ecosystems, Integrated coastal zone management, Health, Disaster-Risk Management, and Cross-cutting issues*).
- b) How did the project identify adaptation measures?
- c) How were the adaptation measures implemented?
- d) Did this project increase adaptive capacity?
- e) Did this project reduce vulnerability?
- f) Does the project include a technology transfer component?
- g) Does the project prioritize the expected Outcomes and Outputs during implementation?

45. For each question, the main findings were:

- a) The GEF-4 programmed target for adaptation was to achieve intervention in 8 sectors through projects. This target was clearly reached: all 8 sectors were tackled by the 13 LDCF/SCCF projects examined.
- b) The process of identifying adaptation measures was not reflected in the PIRs for the majority of the projects. Normally, adaptation measures were described in the project's PIF, except in the case of GEF ID 3156 SCCF project in Zimbabwe by UNDP, for which the identification of adaptation measures is part of the main objective of the project. For the rest of the projects, adaptation measures were identified in the PIF through vulnerability assessments, sensitivity analyses, studies conducted for national communications purposes, technical and scientific information, policy instruments, and IPCC's scientific assessments.

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<sup>5</sup> It must be borne in mind, that some approved SCCF projects may have Mitigation components. However, for FY2010, all SCCF projects under implementation only involve Adaptation components.

c) For the majority of the projects reviewed, the implementation of adaptation measures took place at a community level or pilot site level, and through local governments. The implementation activities consisted mainly of introduction of innovative adaptation technologies; the installation of climate resilient systems (agriculture, water, farming), including early warning information systems; introduction of resilient livelihood strategies; local awareness activities; workshops; and integration (or mainstreaming) of adaptation measures in policies, school curricula, frameworks, or community plans.

In most projects, implementation of adaptation measures was delayed. The main reasons cited include: lack of capacity and understanding of adaptation issues at stakeholder level, financial gaps and budget constraints, lack of coordination among ministries and local actors, slow disbursements from the Agency, recruitment and management delays, and extreme weather conditions. Other problems include weaknesses in monitoring and evaluation activities, unclear institutional mandates, and unqualified staff, or staff turnover. Lastly, it was observed that projects can be delayed due to the decrease in interest from national governments in the GEF project as more and larger financing becomes available from other sources (this was the case of GEF ID 3358 LDCF project in Samoa, by UNDP).

d) Most projects reflect a partial increase in adaptive capacity. Progress was reflected in the following areas: policy revisions, development of innovative technical tools, technical training including software training (usually through workshops), installation of monitoring capacity, enhancing of communication and openness with the larger community groups, design of adaptation toolkits for local communities, increase in the use of successful weather forecasting systems, and replication of adaptive- capacity development plans.

Three projects that clearly reflected significant progress in adaptive capacity are:

- GEF ID 2832 SCCF project in Tanzania by UNDP: surpassed targets on training and replication of lessons learned in 8 river and lake basins' IWRMs and development plans.
- GEF ID 3156 SCCF project in Zimbabwe by UNDP: strengthened institutional capacity, climate change data used in adaptation planning.
- GEF ID 3287 LDCF project in Bangladesh by UNDP: 24% of planners are able to identify climate risks and prioritize, plan, and implement measures for adaptation in coastal areas.

e) Most projects do not reflect vulnerability reduction parameters yet. The reasons behind this are: 1) delays in implementation of complete on-the-ground activities, 2) early stages of most of the actually implemented activities, and 3) some of the impacts on

vulnerability reduction are not measurable or are complicated to assess. One project did reflect some vulnerability reduction in its PIR, GEF ID 3287 LDCF project in Bangladesh by UNDP. This project measures vulnerability reduction to the impacts of climate change- induced risks in coastal districts through the number of households that have increased adaptive capacity. By 30 June 2010, 20% of households in the 4 project sites were actively involved in climate risk reduction and training measures aimed at increasing their adaptive capacity.

- f) None of the PIRs state technology transfer as a primary objective. However, some projects do involve the introduction and installation of innovative technologies, as well as capacity-building for the adoption of these technologies, as the mechanisms to fulfill their objectives. Adopted technologies proved very diverse, including early warning systems, small scale water harvesting, rain gauges, bush fire information systems, increased connectivity of coastal protected areas, fire prevention technologies, drip irrigation systems, coastal mapping technologies, fisheries management, and artificial lowering of lake levels and automated monitoring/warning systems, among others.

One project in particular demonstrated successful adaptation technology transfer: GEF ID 2902 SCCF Project in the Andes Region, by the World Bank. This project's primary development objective is to "implement pilot adaptation measures to the consequences of glacier retreat to illustrate the costs and benefits of alternative approaches". On this regard, international expertise in cooperation with the Japanese Space Agency and the "Advanced Land Observation System" decided to launch 8 glacier monitoring stations to be installed at glacier basins, all of which have already been purchased and are undergoing testing in Lima, Peru.

- g) In most cases, the Objectives and Outcomes outlined in the project documents remained the priority at the implementation stage. No major changes were done to the projects' designs. However, GEF ID 3101 SCCF regional project in the Pacific, by UNDP has reported changes in two of the pilot sites due to slippage in co-financing and to a tsunami that struck on September 2009. These changes in pilot sites will alter the accomplishment of objectives and outcomes of the project. Another case is GEF ID 3154 SCCF project in Ethiopia, by UNDP which experienced initial delays that have made it difficult to predict if the outputs and outcomes will be performed as expected.

## Adaptation Projects' Results Highlights

46. Regional Projects: based on the lessons learned from GEF ID 2902 SCCF project in the Andes region the successful implementation of these projects could be facilitated through thoroughly exploring, during the projects' development phase, the effective arrangements and implementation mechanisms with "in-country" government agencies, institutions, and stakeholders. It is also crucial that all stakeholders are responsible and capable of assuming their roles in the project, before implementation. This process would significantly minimize delays during implementation. Efficiency in pilot sites selection could be addressed by defining these sites during the PPG phase rather than during implementation. Moreover, it would be helpful to contemplate the set up of a local team to really integrate the needs of all stakeholders. The local team could address delays in disbursement, as well as training in financial and administrative matters.
47. Involvement of local population: Direct involvement of local population, as paid labor, in the implementation of climate resilient infrastructure investments has significant social and environmental benefits (as in the case of GEF ID 3219 LDCF project in Bhutan, by UNDP). Income is generated locally, and by using manual labor rather than large machinery, the impact on the environment is minimized.
48. Implementation of activities: The general trend observed while reviewing the PIRs is that projects tend to prioritize building adaptive capacity first, and reducing vulnerability second. However, quickly realizing visible impact on vulnerability and adaptive capacity can draw positive attention from other donors and generate additional co-financing during project implementation, a very desirable catalyzing effect in the ground. This was the case of GEF ID 2902 SCCF project in the Andes region, by the World Bank. With this in mind, it is advised to reverse the order of implementation of activities from what is observed now (i.e. quickly starting implementation of pilots and other visible activities).