



GEF/LDCF.SCCF.16/06
May 1, 2014

16th LDCF/SCCF Council Meeting
May 27, 2014
Cancún, Mexico

Agenda Item 6

**WORK PROGRAM
FOR THE SPECIAL CLIMATE CHANGE FUND**

Recommended Council Decision

The LDCF/SCCF Council, having reviewed document GEF/LDCF.SCCF.16/06, *Work Program for the Special Climate Change Fund*, approved the work program comprising one project concept, subject to comments made during the Council meeting and additional comments that would be submitted in writing to the Secretariat by June 10, 2014.

Total resources requested in this work program amounted to \$ 4.781 million for the SCCF, including project grants and Agency fees. The approved work program is comprised of the following:

[List of PIFs and PFDs]

[With respect to the following __ projects, the LDCF/SCCF Council requested the Secretariat to arrange for Council members to receive draft final project documents and to transmit to the CEO within four weeks any concerns they may have prior to the CEO’s endorsing a project document for final approval by the GEF Agency.

(List of PIFs requested for second review)*

With respect to the __PIFs approved as part of the work program, the Council found that each of these PIFs (i) is, or would be, consistent with the Instrument and GEF Policies and procedures, and (ii) may be endorsed by the CEO for final approval by the GEF Agency, provided that the final project documents fully incorporated and addressed the Council’s comments on the work program, and that the CEO confirmed that the projects continue to be consistent with the Instrument and GEF policies and procedures.

With respect to any PIF approved in this work program, the final project document will be posted on the GEF website for information after CEO endorsement. If the GEF CEO determines that there have been major changes to the project scope and approach since PIF approval, the final project document shall be posted on the web for Council review for four weeks prior to CEO endorsement.

*This paragraph will apply only should Council requests projects to be reviewed by them prior to CEO endorsement

EXECUTIVE SUMMARY

The Special Climate Change Fund (SCCF) work program presented by the Secretariat for LDCF/SCCF Council review and approval consists of a single full-sized project requesting a SCCF project grant of \$ 4.366 million and an Agency fee of \$0.415 million.

The proposed SCCF project contained in this work program, *Regional (Bosnia-Herzegovina, Montenegro, Serbia): West Balkans Drina River Basin Management Project*, represents an innovative effort to address climate change adaptation through an integrated approach to the sustainable and climate-resilient management of the Drina river basin, including investments in hydrological and meteorological monitoring facilities; pilot investments in flood and drought preparedness and risk reduction; and institutional capacity building for river basin management.

Currently the number of approved projects and programs under the SCCF Adaptation Program (SCCF-A) is 56, totaling \$235.99 million, while 11 FSPs, totaling \$55.34 million, have been approved under the SCCF Program for Technology Transfer (SCCF-B). The present work program requests 70.70 per cent of available SCCF-A resources, which amounted to \$7.07 million on April 7, 2014. Additional projects are under review for inclusion in the next SCCF work program and the demand for SCCF resources continues to greatly exceed current supply. A significant increase in donor contributions is therefore urgently needed.

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Annex A: Project Proposal Submitted for LDCF/SCCF Council Approval under the SCCF

MAIN FEATURES OF THE PROPOSED WORK PROGRAM

1. The work program presented by the Secretariat for LDCF/SCCF Council review and approval consists of a single full-sized project (FSP) under the SCCF Adaptation Program (SCCF-A)¹.

COMPOSITION OF THE SCCF WORK PROGRAM

2. The proposed work program under SCCF-A consists of a FSP proposal, documented in a Project Identification Form (PIF), requesting a project grant of \$4.366 million (see Annex A for financial details of the proposal). Associated with this proposal is a request for a fee of \$0.415 million for the GEF Agency to meet project cycle management costs, resulting in a total request of \$ 4.781 million.

CO-FINANCING

3. Co-financing associated with this work program amounts to \$99.700 million. Each dollar of SCCF grant is thus matched by \$22.83 in co-financing.

CLIMATE CHANGE ADAPTATION STRATEGY AND THE WORK PROGRAM

4. This work program addresses all three LDCF/SCCF adaptation objectives set forth in the GEF-5 Programming Document. These objectives are the subject of monitoring and reporting in accordance with the results-based management (RBM) policy as projects progress through their implementation phases. These objectives are to (i) reduce vulnerability to the adverse impacts of climate change, including variability, at local, national, regional and global levels (CCA-1); (ii) increase adaptive capacity to respond to the impacts of climate change, including variability, at local, national, regional and global levels (CCA-2); and (iii) promote the transfer and adoption of adaptation technology (CCA-3).

INNOVATIVE ELEMENTS AND POTENTIAL FOR REPLICATION

5. The full-sized project proposed in the present work program will address climate change adaptation through an integrated approach to the sustainable and climate-resilient management of the Drina river basin. The project also seeks to capture synergies between climate change adaptation and the international waters focal area. Thanks to its close alignment with national investment priorities and the on-going Drina river basin program, the proposed project presents a viable strategy for ensuring sustainability, and to allow successful adaptation technologies and measures to be scaled up at the regional and national levels.

¹ In accordance with guidance from the Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC), the SCCF finances activities related to climate change that are complementary to those funded by the GEF in the following areas: (a) adaptation to climate change; (b) technology transfer; (c) energy, transport, industry, agriculture, forestry and waste management; and (d) economic diversification. At COP 9 Parties decided that adaptation activities to address the adverse impacts of climate change shall have top priority for funding and that technology transfer and its associated capacity building activities shall also be essential areas for funding.

SUMMARY OF PROJECTS IN THE PROPOSED SCCF WORK PROGRAM

6. **Regional (Bosnia-Herzegovina, Montenegro, Serbia): *West Balkans Drina River Basin Management Project*** (World Bank) (SCCF-A Project Grant: \$4.366 million). The proposed project seeks to support capacity building, studies and investments to strengthen the capacity of the governments of Bosnia-Herzegovina, Montenegro and Serbia to plan and implement an integrated approach to the sustainable and climate-resilient management of the Drina river basin. Specifically, the project would enable (i) investments in river management simulation models that would guide the preparation and implementation of regional, multi-sectoral basin plans and prepare for climate change adaptation; as well as to strengthen hydrological and meteorological monitoring systems; (ii) local pilot investments for enhanced emergency responses to floods and drought, and to reduce climate change risks; and (iii) institutional capacity development in the three countries for more effective, structural and regulatory arrangements for trans-boundary river basin management and development, and to inform strategic investments of regional significance. The requested SCCF grant would build on and complement investments made through a basin-wide program that addresses priority needs in the areas of flood protection, irrigation and drainage, with support from the World Bank, the European Union, the European Investment Bank and other partners. Total indicative co-financing associated with these initiatives amounts to \$99.700 million.

PROJECT PROPOSALS SUBMITTED FOR LDCF/SCCF COUNCIL APPROVAL
Under the SCCF Adaptation Program (SCCF-A)
May 2014

All amounts shown in US\$.

#	GEF ID	Country	Agency	Project Title	PPG Amt	PPG Fees Paid	SCCF Project Grant	Project Agency Fees	SCCF Grant	Cofin.	Total Project Cost
<u>Special Climate Change Fund</u>											
1	5723	Regional (Bosnia-Herzegovina, Montenegro, Serbia)	World Bank	West Balkans Drina River Basin Management Project	200,000	19,000	4,366,210	414,790	4,566,210	99,700,000	104,266,210
Sub total for Special Climate Change Fund					200,000	19,000	4,366,210	414,790	4,566,210	99,700,000	104,266,210
<u>Grand Total</u>					200,000	19,000	4,366,210	414,790	4,566,210	99,700,000	104,266,210