



GEF/LDCF.SCCF.12/03
May 7, 2012

LDCF/SCCF Council
June 7, 2012
Washington D.C.

Agenda Item 3

Joint Work Program for the Least Developed Countries Fund and the Special Climate Change Fund

Recommended Council Decision

The LDCF/SCCF Council, having reviewed document GEF/LDCF.SCCF.12/03, Joint Work Program for the Least Developed Countries Fund and the Special Climate Change Fund, Submitted for LDCF/SCCF Council Approval, approved the work program comprising eight project concepts, subject to comments made during the Council meeting and additional comments that may be submitted in writing to the Secretariat by June 21, 2012.

Total resources requested in this work program amount to \$29.47 million for the SCCF and \$4.45 million for the LDCF, 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 finds 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 incorporate and address the Council's comments on the work program, and that the CEO confirms that the project continues 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

1. The work program presented by the Secretariat for LDCF/SCCF Council review and approval is a joint work program presenting three projects under the SCCF Adaptation Program (SCCF-A), four projects under the SCCF Program for Technology Transfer (SCCF-B); three of which are multi-trust fund initiatives that draw resources from the GEFTF and the SCCF-B; and one multi-trust fund project that draws resources from the GEFTF and the LDCF.
2. The total SCCF-A resources requested through this work program amount to \$14.33 million, which includes \$13.03 million in project grants and \$1.30 million in Agency fees. Total co-financing amounts to \$301.79 million. Each dollar of SCCF project grant is thus matched by \$23.16 in co-financing.
3. The total SCCF-B resources requested through this work program amount to \$15.16 million, which includes \$13.78 million in project grants and \$1.38 million in Agency fees. Total co-financing amounts to \$73.88 million. Each dollar of SCCF project grant is thus matched by \$5.36 in co-financing.
4. The total LDCF resources requested through this work program amount to \$4.45 million, which includes \$4.05 million in project grants and \$405,000 in Agency fees. Total co-financing amounts to \$14.71 million. Each dollar of LDCF project grant is thus matched by \$3.63 in co-financing. This work program does not represent the full volume of LDCF proposals that have been submitted and cleared since November 2011, but rather only the proposals that request resources under multiple trust funds. LDCF projects are normally submitted on a rolling basis and posted online for review and approval by the LDCF/SCCF Council on a no-objection basis.
5. The three full-sized projects under the SCCF-A contained in this work program are (i) India: Sustainable Livelihoods and Adaptation to Climate Change (SLACC); (ii) Philippines: Scaling up Risk Transfer Mechanisms for Climate Vulnerable Farming Communities in Southern Philippines; and (iii) Zimbabwe: Scaling up Adaptation in Zimbabwe, with a Focus on Rural Livelihoods, by Strengthening Integrated Planning Systems.
6. The four full-sized projects under the SCCF-B contained in this work program are (i) Regional: Climate Technology Transfer Mechanisms and Networks in Latin America and the Caribbean; (ii) Regional: Pilot African Climate Technology Finance Center and Network; (iii) Regional Climate Technology Transfer Center; and (iv) Global: Enhancing Capacity, Knowledge and Technology Support to Build Climate Resilience of Vulnerable Developing Countries. Projects (i) through (iii) are multi-trust fund initiatives that draw resources from the GEFTF and SCCF-B.
7. The proposed work program contains one multi-trust fund project that draws resources from the GEFTF and the LDCF, namely Rwanda: Landscape Approach to Forest Restoration and Conservation (LAFREC).
8. This work program is complementary to the GEF Work Program submitted to the GEF Council for approval in June 2012.

9. The four SCCF-B projects contained in this work program represent a considerable investment in the demonstration, deployment and diffusion of relevant technologies for climate change adaptation. With four multi-trust fund initiatives, the work program also reaffirms the commitment of the GEF to harnessing the synergies between adaptation and global environmental benefits.

10. Currently the number of approved projects and programs under the SCCF-A is 39 (6 MSPs, 30 FSPs and 3 PA) totaling \$147.85 million while 2 projects (2 FSPs) totaling \$11.36 million have been approved under the SCCF-B. The number of approved projects and programs under the LDCF is 64 (7 MSPs, 53 FSPs and one PA, which includes 4 FSPs) totaling \$244.31 million. The present work program requests for 76.5 per cent of available SCCF resources, which amounted to \$38.76 million as of March 31, 2012. 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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I. Main Features of the Proposed Work Program

1. The work program presented by the Secretariat for LDCF/SCCF Council review and approval is a joint work program presenting three projects under the SCCF Adaptation Program (SCCF-A)¹, four projects under the SCCF Program for Technology Transfer (SCCF-B); three of which are multi-trust fund initiatives that draw resources from the GEFTF and the SCCF-B; and one multi-trust fund project that draws resources from the GEFTF and the LDCF.

II. Composition of the LDCF/SCCF Work Program

2. The proposed work program under the SCCF-A consists of three FSP proposals, documented in Project Identification Forms (PIFs) and requesting SCCF project grants totaling \$13.03 million (see Annex A for financial details of these proposals). Associated with these proposals are requests for fees totaling \$1.30 million for the GEF Agencies to meet project cycle management costs, resulting in a total request of \$14.33 million from the SCCF-A.

3. The proposed work program under the SCCF-B consists of four FSP proposals, documented in Project Identification Forms (PIFs) and requesting SCCF project grants totaling \$13.78 million (see Annex A-1 for financial details of these proposals). Associated with these proposals are requests for fees totaling \$1.38 million for the GEF Agencies to meet project cycle management costs, resulting in a total request of \$15.16 million from the SCCF-B.

4. The proposed work program under the LDCF consists of one multi-trust fund PIF requesting LDCF project grants totaling \$4.05 million (see Annex B for financial details of this proposal). Associated with this proposal is a request for a fee totaling \$405,000 for the GEF Agency to meet project cycle management costs, resulting in a total request of \$4.45 million from the LDCF. This work program does not represent the full volume of LDCF proposals that have been submitted and cleared since November 2011, but rather only the proposals that request resources under multiple trust funds. LDCF projects are normally submitted on a rolling basis and posted online for review and approval by the LDCF/SCCF Council on a no-objection basis.

5. This joint work program presents only the LDCF and SCCF components of the projects for LDCF/SCCF Council approval, including when these components are integral to broader, multi-trust fund projects. The GEFTF components are presented separately in the GEF Work Program submitted to the GEF Council for approval in June 2012. Annex C presents the multi-trust fund utilization of the projects.

¹ In accordance with UNFCCC Guidance, 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.

6. Tables 1, 2 and 3 show the projects and the amounts of resources requested from the SCCF-A, the SCCF-B and the LDCF, respectively.

Table 1: SCCF-A resources requested in the June 2012 Work Program (\$m)

Project	SCCF Project Grant	Agency Fee	Total SCCF Resources Requested in this WP	Indicative co-financing
SCCF-A Projects				
<i>India: Sustainable Livelihoods and Adaptation to Climate Change (SLACC) (World Bank)</i>	8.000	0.800	8.800	234.000
<i>Philippines: Scaling up Risk Transfer Mechanisms for Climate Vulnerable Farming Communities in Southern Philippines (UNDP)</i>	1.050	0.105	1.155	9.306
<i>Zimbabwe: Scaling up Adaptation in Zimbabwe, with a Focus on Rural Livelihoods, by Strengthening Integrated Planning Systems (UNDP)</i>	3.980	0.398	4.378	58.480
Grand Total for 3 Proposals	13.030	1.303	14.333	301.786

Table 2: SCCF-B resources requested in the June 2012 Work Program (\$m)

Project	SCCF Project Grant	Agency Fee	Total SCCF Resources Requested in this WP	Indicative co-financing
SCCF-B Projects				
<i>Global: Enhancing Capacity, Knowledge and Technology Support to Build Climate Resilience of Vulnerable Developing Countries (UNEP)</i>	4.900	0.490	5.390	23.000
Multi-Trust Fund (MTF) Proposals				
<i>Regional: Climate Technology Transfer Mechanisms and Networks in Latin America and the Caribbean (IADB)</i>	1.817	0.182	1.998	6.300
<i>Regional: Pilot African Climate Technology Finance Center and Network (AfDB)</i>	5.250	0.525	5.775	32.000
<i>Regional Climate Technology Transfer Center (EBRD)</i>	1.818	0.182	2.000	12.583
Sub-Total for 3 MTF Proposals	8.885	0.889	9.773	50.883
Grand Total for 4 Proposals	13.785	1.378	15.163	73.883

Table 3: LDCF resources requested in the June 2012 Work Program (\$m)

Project	LDCF Project Grant	Agency Fee	Total LDCF Resources Requested in this WP	Indicative co-financing
<i>Rwanda: Landscape Approach to Forest Restoration and Conservation (LAFREC)</i> (World Bank)	4.045	0.405	4.450	14.710

III. Co-financing

7. Co-financing associated with this joint work program amounts to \$301.79 million for SCCF-A, \$73.88 million for SCCF-B projects, and \$14.71 million for LDCF projects (see Table 4). Each dollar of SCCF-A grant is matched by \$23.16 in co-financing. For the SCCF-B and the LDCF, the corresponding ratios are \$5.36 and \$3.63 respectively.

Table 4: Indicative co-financing in the June 2012 SCCF/LDCF WP

Trust Fund/program	SCCF-A	SCCF-B	LDCF
Total project grant	13.030	13.785	4.045
Total co-financing	301.786	73.883	14.710
Co-financing ratio	1:23.16	1:5.36	1:3.63

IV. Climate Change Adaptation Strategies and the Work Program

8. 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; (ii) increase adaptive capacity to respond to the impacts of climate change, including variability, at local, national, regional and global levels; and (iii) promote the transfer and adoption of adaptation technology.

V. Multi-Trust Fund Projects

9. There are four multi-trust fund FSPs featured in this work program. These proposals draw resources from the GEFTF and the SCCF-B or the LDCF (see Annex C for financial details of these proposals). This work program presents only the LDCF/SCCF components of these projects for LDCF/SCCF Council approval. The GEFTF components are presented separately, but in a complementary manner in a GEFTF work program for review and approval by the GEF

Council in June 2012. The work program reaffirms the commitment of the GEF to harnessing the synergies between adaptation and global environmental benefits.

VI. Investing in the Transfer of Technology for Climate Change Adaptation

10. The four SCCF-B projects contained in this work program represent a considerable investment in the demonstration, deployment and diffusion of relevant technologies for climate change adaptation.

11. Through three regional projects implemented by AfDB, IADB and EBRD, the work program supports pilot climate technology finance centers and networks in Latin America and the Caribbean, Africa, as well as Europe and Central Asia. The proposed projects are modeled on the *Pilot Asia-Pacific Climate Technology Network and Finance Center*, approved by the GEF and LDCF/SCCF Councils in May 2011.

12. Through the pilot centers and networks, the SCCF-A would contribute towards (i) strengthening regional partnerships and addressing knowledge gaps to maximize the transfer of relevant technologies for climate change adaptation and climate-resilient development; (ii) integrating appropriate adaptation technologies in national strategies, policies and investment plans; and (iii) demonstrating and deploying adaptation technologies in the context of investment projects.

VII. Summary of Projects in the Proposed Joint LDCF/SCCF Work Program

SCCF-A Projects

13. India: Sustainable Livelihoods and Adaptation to Climate Change (SLACC) (World Bank) (SCCF Project Grant: \$8 million). The proposed project seeks to reduce vulnerability to the adverse affects of climate change, including variability, through community-based interventions in select agro-ecological zones in six states. The project builds on the National Rural Livelihoods Project (NRLP); introducing climate-resilient agricultural practices and infrastructure solutions, off-farm livelihood opportunities, weather and climate information services, as well as associated capacity building.

14. Philippines: *Scaling up Risk Transfer Mechanisms for Climate Vulnerable Farming Communities in Southern Philippines* (UNDP) (SCCF Project Grant: \$1.05 million, Project Preparation Grant: \$50,000). The proposed project seeks to reduce poverty through enhancing the resilience of vulnerable farming communities to climate change risks in northern Mindanao, including measures to promote greater productivity, sustainability and reduced uncertainty. The project develops and provides innovative financial services to at least 500 farming households, including credit and loans, and weather-index based insurance. In addition, the project undertakes community-based training and demonstration in climate-resilient agriculture and early-warning systems.

15. *Zimbabwe: Scaling up Adaptation in Zimbabwe, with a Focus on Rural Livelihoods, by Strengthening Integrated Planning Systems* (UNDP) (SCCF Project Grant: \$3.98 million). The proposed project seeks to reduce the vulnerability of rural communities to the adverse impacts of climate variability and change in Zimbabwe. The project carries out integrated adaptation planning in districts and provinces along with urgent measures to enhance the resilience of crop and livestock systems in vulnerable areas. To scale up and to ensure the sustainability of proven, climate-resilient practices, the project would also introduce inclusive financial services, capacity building, and measures to integrate climate change adaptation in national budgets and planning.

SCCF-B Projects

16. *Regional: Climate Technology Transfer Mechanisms and Networks in Latin America and the Caribbean* (IADB) (SCCF Project Grant: \$1.82 million). The proposed project seeks to pilot institutional frameworks and mechanisms for the development and transfer of low-carbon, climate-resilient technologies in the energy, transport, agriculture and forestry sectors, leveraging public and private investments. The components financed under the SCCF-B will support networking, policy support, and demonstration activities for the transfer of adaptation technology, particularly in the agriculture sector.

17. *Regional: Pilot African Climate Technology Finance Center and Network* (AfDB) (SCCF Project Grant: \$5.25 million). The proposed project seeks to promote the development and transfer of climate technologies in African countries to contribute to reduced GHG emissions and greater climate resilience. The components financed under the SCCF-B will contribute towards addressing knowledge gaps, forging partnerships, developing enabling environments, and catalyzing resources for the demonstration, deployment and diffusion of relevant technologies for climate change adaptation and climate-resilient development.

18. *Regional Climate Technology Transfer Center* (EBRD) (SCCF Project Grant 1.82 million). The proposed project seeks to accelerate investments in climate change mitigation and adaptation technologies in EBRD's countries of operations. The components financed under the SCCF-B will leverage resources and pilot financing products for the transfer of adaptation technologies. The project would also enhance regional linkages and collaboration on adaptation technologies.

19. *Global: Enhancing Capacity, Knowledge and Technology Support to Build Climate Resilience of Vulnerable Developing Countries* (UNEP) (SCCF Project Grant: 4.90 million, Project Preparation Grant: \$100,000). The proposed project seeks to build climate resilience using an ecosystem management approach in LDCs and SIDS, by increasing institutional capacity including through a task force of adaption experts and involvement of private and public institutions; mobilizing knowledge through an interactive web-based platform, and identifying and transferring appropriate adaptation technologies following the newly developed UNEP Adaptation Decision Support Framework. The proposed project will be executed by the China National Development and Reform Commission (NDRC) and is built on existing avenues of support, including China's South-South Cooperation Programme on Climate Change in West Africa, South Asia, and SIDS.

LDCF Projects

20. Rwanda: Landscape Approach to Forest Restoration and Conservation (LAFREC) (World Bank) (LDCF Project Grant: \$4.05 million). The proposed project seeks to restore and maintain critical landscapes in Rwanda that provide global environmental benefits and contribute to climate-resilient economic development and livelihoods. Through the component financed under the LDCF, the project undertakes vulnerability assessments, capacity building, and targeted investments to enhance resilience to climate change -induced floods, landslides and drought.

PROJECT PROPOSALS SUBMITTED FOR LDCF/SCCF COUNCIL APPROVAL

Under the SCCF Adaptation Program (SCCF-A)

June 2012

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	4901	India	World Bank	India: Sustainable Livelihoods and Adaptation to Climate Change (SLACC)			8,000,000	800,000	8,000,000	234,000,000	242,000,000
2	4967	Philippines	UNDP	Scaling up Risk Transfer Mechanisms for Climate Vulnerable Farming Communities in Southern Philippines	50,000	5,000	1,050,000	105,000	1,100,000	9,306,325	10,406,325
3	4960	Zimbabwe	UNDP	Scaling up Adaptation in Zimbabwe, with a Focus on Rural Livelihoods, by Strengthening Integrated Planning Systems			3,980,000	398,000	3,980,000	58,480,000	62,460,000
Sub total for Special Climate Change Fund					50,000	5,000	13,030,000	1,303,000	13,080,000	301,786,325	314,866,325
<u>Grand Total</u>					50,000	5,000	13,030,000	1,303,000	13,080,000	301,786,325	314,866,325

PROJECT PROPOSALS SUBMITTED FOR LDCF/SCCF COUNCIL APPROVAL

Under the SCCF Program for Technology Transfer (SCCF-B)

June 2012

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	4934	Global	UNEP	Enhancing Capacity, Knowledge and Technology Support to Build Climate Resilience of Vulnerable Developing Countries	100,000	10,000	4,900,000	490,000	5,000,000	23,000,000	28,000,000
Sub total for Special Climate Change Fund					100,000	10,000	4,900,000	490,000	5,000,000	23,000,000	28,000,000
<u>Multi Trust Funds</u>											
2	4904	Regional (Africa)	AfDB	Pilot African Climate Technology Finance Center and Network			5,250,000	525,000	5,250,000	32,000,000	37,250,000
3	4956	Regional (Europe and Central Asia)	EBRD	Regional Climate Technology Transfer Center			1,818,182	181,818	1,818,182	12,583,334	14,401,516
4	4880	Regional (Latin America and Caribbean)	IADB	Climate Technology Transfer Mechanisms and Networks in Latin America and the Caribbean			1,816,500	181,650	1,816,500	6,300,000	8,116,500
Sub total for Multi Trust Funds							8,884,682	888,468	8,884,682	50,883,334	59,768,016
<u>Grand Total</u>					100,000	10,000	13,784,682	1,378,468	13,884,682	73,883,334	87,768,016

PROJECT PROPOSALS SUBMITTED FOR COUNCIL APPROVAL

Under the LDCF Trust Fund

June 2012

All amounts shown in US\$.

#	GEF ID	Country	Agency	Project Title	PPG Amt	PPG Fees Paid	LDCF Project Grant	Project Agency Fees	LDCF Grant	Cofin.	Total Project Cost
<u>Multi Trust Fund</u>											
1	4952	Rwanda	World Bank	Landscape Approach to Forest Restoration and Conservation (LAFREC)			4,045,000	404,500	4,045,000	14,710,000	18,755,000
Sub total for Multi Trust Fund							4,045,000	404,500	4,045,000	14,710,000	18,755,000
<u>Grand Total</u>							4,045,000	404,500	4,045,000	14,710,000	18,755,000

MULTI-TRUST FUND PROGRAMS/PROJECTS

Submitted under the GEF and LDCF/SCCF Trust Funds

June 2012

All amounts shown in US\$.

#	GEF ID	Country	Agency	Project Title	Trust Fund	PPG Amt	PPG Fees Paid	GEF Project Grant	Project Agency Fees	GEF Grant	Cofin.	Total Project Cost
1	4880	Regional (Latin America and Caribbean)	IADB	Climate Technology Transfer Mechanisms and Networks in Latin America and the Caribbean	GET			9,082,500	908,250	9,082,500	57,090,000	66,172,500
					SCCF			1,816,500	181,650	1,816,500	6,300,000	8,116,500
					Sub Total			10,899,000	1,089,900	10,899,000	63,390,000	74,289,000
2	4904	Regional (Africa)	AfDB	Pilot African Climate Technology Finance Center and Network	GET			9,090,000	909,000	9,090,000	63,000,000	72,090,000
					SCCF			5,250,000	525,000	5,250,000	32,000,000	37,250,000
					Sub Total			14,340,000	1,434,000	14,340,000	95,000,000	109,340,000
3	4956	Regional (Europe and Central Asia)	EBRD	Regional Climate Technology Transfer Center	GET			9,090,909	909,091	9,090,909	64,426,666	73,517,575
					SCCF			1,818,182	181,818	1,818,182	12,583,334	14,401,516
					Sub Total			10,909,091	1,090,909	10,909,091	77,010,000	87,919,091

All amounts shown in US\$.

#	GEF ID	Country	Agency	Project Title	Trust Fund	PPG Amt	PPG Fees Paid	GEF Project Grant	Project Agency Fees	GEF Grant	Cofin.	Total Project Cost
4	4952	Rwanda	World Bank	Landscape Approach to Forest Restoration and Conservation (LAFREC)	GET			5,487,000	548,700	5,487,000	38,820,000	44,307,000
					LDCF			4,045,000	404,500	4,045,000	14,710,000	18,755,000
					Sub Total			9,532,000	953,200	9,532,000	53,530,000	63,062,000
					Grand Total			45,680,091	4,568,009	45,680,091	288,930,000	334,610,091