



Global Environment Facility

GEF/LDCF.SCCF/2
June 26, 2008

INTERSESSIONAL WORK PROGRAM
SUBMITTED FOR THE LDCF/SCCF COUNCIL APPROVAL

Executive Summary

This is the fourth work program presented by the CEO for LDCF/SCCF Council review and approval in GEF-4 and the fifth work program proposed for financing under the SCCF. The first four SCCF work programs were approved by the LDCF/SCCF Council in December 2006, June 2007, July 2007 and April 2008, respectively.

This work program contains three full-sized project (FSP) proposals for approval under the SCCF Adaptation Program. The total SCCF project grant for these three projects amounts to \$10.974 million. The total SCCF financing requested through this work program is \$12.13 million.¹ Total co-financing amounts to \$49.93 million which, when added to the total SCCF grant², results in a total project value from these three projects of \$61.487 million. Each dollar of SCCF grant is matched by \$4.3 in co-financing.

The last SCCF work program approved by LDCF/SCCF Council contained one full-sized project. When combined with the projects proposed for approval under this work program, the total volume of resources committed to projects under the SCCF Adaptation Program comes to \$61.775 million.

Regarding additional programming under the SCCF, an official note was sent to all GEF Agencies on February 14, 2007 that suspended programming under this fund until additional funds become available. With recent injection of funds to the SCCF, however, a small financing window of around \$15.56 million is available for immediate programming. The three projects proposed under this work program represent the first step in the programming of these funds. In coordination with GEF Agencies, more priority projects are expected to be submitted for Council approval in the next coming intersessional work program, which will cover the remaining part of the current financing window as well as any additional SCCF funding received at that time. As the funding situation remains fundamentally unchanged, however, the pipeline will not be reopened for new submissions at the current time.

When additional funds become available, GEF Agencies will receive official notification of the re-initiation of programming under the SCCF.

¹ \$10.974 million in new funding for the FSP proposals plus \$1.156 million in Agency fees.

² SCCF grant = SCCF project grant + PPG = \$10.974 + \$0.583 = \$11.557 million

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Where to send technical comments:

Council members are urged to send their technical comments electronically (in Word file) to the GEF Secretariat's program coordination registry at: gcoordination@TheGEF.org

Background

1. This is the fourth work program presented by the CEO for LDCF/SCCF Council review and approval in GEF-4 and the fifth work program proposed for financing under the SCCF. The first four SCCF work programs were approved by the LDCF/SCCF Council in December 2006, June 2007, August 2007 and April 2008, respectively.
2. This work program contains three full-sized project (FSP) proposals for approval under the SCCF Adaptation Program. The total SCCF project grant to these three projects amounts to \$10.974 million. The total SCCF financing requested through this work program is \$12.130 million³ (see Annex A for their financial breakdown). Total co-financing amounts to \$49.93 million which, when added to the total SCCF grant results in a total project value from these three projects of \$61.487 million. Each dollar of SCCF grant is matched by \$4.3 in co-financing.
3. Regarding additional programming under the SCCF, an official note was sent to all GEF Agencies on February 14, 2007 that suspended programming under this fund until additional funds become available. With recent injection of funds to the SCCF, however, a small financing window of around \$15.56 million is available for immediate programming. The three projects proposed under this work program represent the first step in the programming of these funds. In coordination with GEF Agencies, more priority projects are expected to be submitted for Council approval in an upcoming intersessional work program, which will cover the remaining part of the current financing window as well as any additional SCCF funding received at that time. As the funding situation remains fundamentally unchanged, however, the pipeline will not be reopened for new submissions at the current time.

Table 1. Proposed Grant for June 2008 SCCF Intersessional Work Program
(in \$ million)

	SCCF Project Grant	Agency Fee	Total SCCF Resource Requested
Mexico: Adaptation to Climate Change Impacts on the Coastal Wetlands in the Gulf of Mexico through Improved Water Resource Management	4.500	0.480	4.980
Mongolia: Mongolia Livestock Sector Adaptation Project	1.500	0.150	1.650
Philippines: Climate Change Adaptation Project	4.974	0.526	5.500
Total	10.974	1.156	12.130

Co-financing

4. Table 2 shows the distribution of co-financing levels in the projects proposed in this work program by co-financiers. The Governments of the three countries participating in these projects provided around 61 percent of the co-financing, while the implementing agency and bilateral support brings the remaining 39 percent. Total co-financing for the three projects amounts to \$49.93 million which, when added to the total SCCF grants brings the total value of the three

³ \$10.974 million in new funding for the FSP proposals plus \$1.156 million in Agency fees.

projects to \$61.487 million. The total SCCF grants also included project development facility grants in the amount of \$583,000 which was previously approved by the CEO. As shown in the table, each dollar that the SCCF provides is matched by \$4.3 in co-financing. Eighty-one percent of the project cost is financed by co-financing sources.

Table 2: Proposed Co-financing in the June 2008 SCCF Work Program
(in \$ million)

Type	Mexico: Adaptation to Climate Change Impacts on the Coastal Wetlands in the Gulf of Mexico through Improved Water Resource Management	Mongolia: Mongolia Livestock Sector Adaptation Project	Philippines: Climate Change Adaptation Project	Total
SCCF Project Grant	4.500	1.500	4.974	10.974
PDF/PPG*	0.300		0.283	0.583
Total SCCF Grant	4.800	1.500	5.257	11.557
Co-financier				
Governments	20.000	0.400	10.130	30.530
Regional Agencies				
Trust Fund				
Bilateral Donors	1.000			1.000
Private Water Utility				
Implementing Agency		3.100	15.300	18.400
Others				
Total Co-financing	21.000	3.500	25.430	49.93
Total Project Cost	25.800	5.000	30.687	61.487
SCCF: Co-financing Ratio				4.3
Co-financing percentage				81%

* PDF = Project Development Facility is project preparation funding approved under GEF-3.

PPG = Project Preparation Grant is project preparation funding approved under GEF-4.

Agency Fees for the Current Work Program

5. Total Agency fee requested in this work program amount to \$1.156 million, based on the latest fee policy approved by the Council in December 2006.

The Projects in the proposed SCCF work program

1. **Mexico:** Adaptation to Climate Change Impacts on the Coastal Wetlands in the Gulf of Mexico through Improved Water Resource Management (World Bank) (SCCF Project Grant : \$4.5 m)
2. **Mongolia:** Mongolia Livestock Sector Adaptation Project (IFAD) (SCCF Project Grant: \$1.5 m)
3. **Philippines:** Climate Change Adaptation Project (World Bank) (SCCF Project Grant : \$4.974 m)