



Global Environment Facility

GEF/LDCF.SCCF.3/Inf.3

November 9, 2007

LDCS/SCCF Council Meeting
November 16, 2007

PROGRESS REPORT ON THE LEAST DEVELOPED COUNTRIES FUND (LDCF) AND THE SPECIAL CLIMATE CHANGE FUND (SCCF)

Table of Contents

I.	Introduction.....	1
II.	Least Developed Countries Fund (LDCF).....	1
	Report on NAPA Operations under the LDCF.....	1
	Report on Project Operations and Submissions of Projects for NAPA Implementation under the LDCF	4
II.	Special Climate Change Fund (SCCF)	6
	Update on COP guidance, Council Decisions	6
	Report on project operations and submissions of projects under the SCCF Adaptation Program.....	6

I. INTRODUCTION

1. The Least Developed Countries Fund for Climate Change (LDCF) and the Special Climate Change Fund (SCCF) were established by the GEF in response to guidance from the Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC)*. The operations and administrative costs incurred in connection with managing both the LDCF and the SCCF are kept separate from the GEF Trust Fund.

2. This paper reports on the current status and approved operations under the LDCF and the SCCF.

II. LEAST DEVELOPED COUNTRIES FUND (LDCF)

Report on NAPA Operations under the LDCF

3. Since the last Council meeting, eight additional NAPAs have been completed (Democratic Republic of Congo, Eritrea, Guinea, Lesotho, Sudan, Tuvalu, United Republic of Tanzania and Zambia), bringing the total of completed NAPAs to 23.

4. These countries are: Bangladesh, Bhutan, Burundi, Cambodia, Comoros, Democratic Republic of Congo, Djibouti, Eritrea, Guinea, Haiti, Kiribati, Lesotho, Madagascar, Malawi, Mauritania, Niger, Rwanda, Samoa, Senegal, Sudan, Tuvalu, United Republic of Tanzania and Zambia.

5. In addition, 21 NAPAs are in the final stages of preparation and are expected to be completed before the Council meeting in spring 2008. Since the last Council meeting, three more countries have prepared proposals for preparation of their NAPA: Angola, (with the assistance of UNEP), Nepal and Timor-Leste (with the assistance of UNDP). These NAPAs should be finished before June 2009. A complete list of NAPAs and their current status can be found in Table 1. Additionally, all completed NAPAs can be accessed through the UNFCCC website on the web links listed in Table 1. (Hard copies of any or all of them are also available at request from the GEF Information Desk.).

* UNFCCC Decisions 7/CP.7; 6/CP.9; and 5/CP.9 respectively.

Table 1. Status of preparation of NAPAs

Country	Implementing Agency	Current Status	Completion Date or Expected Completion Date	Web link for full NAPA document (completed projects only)
NAPA Completed				
Bangladesh	UNDP	Completed	November 2005	http://unfccc.int/resource/docs/napa/ban01.pdf
Bhutan	UNDP	Completed	May 2006	http://unfccc.int/resource/docs/napa/btn01.pdf
Burundi	UNDP	Completed	February 2007	http://unfccc.int/resource/docs/napa/bdi01e.pdf
Cambodia	UNDP	Completed	March 2007	http://unfccc.int/resource/docs/napa/khm01.pdf
Comoros	UNEP	Completed	November 2006	http://unfccc.int/resource/docs/napa/com01e.pdf
Democratic Republic of the Congo	UNDP	Completed	September 2006	http://unfccc.int/resource/docs/napa/cod01.pdf
Djibouti	UNEP	Completed	October 2006	http://unfccc.int/resource/docs/napa/dji01f.pdf
Eritrea	UNDP	Completed	May 2007	http://unfccc.int/resource/docs/napa/eri01.pdf
Guinea	UNDP	Completed	July 2007	
Haiti	UNEP	Completed	December 2006	http://unfccc.int/resource/docs/napa/hti01f.pdf
Kiribati	UNDP	Completed	January 2007	http://unfccc.int/resource/docs/napa/kir01.pdf
Lesotho	UNEP	Completed	June 2007	http://unfccc.int/resource/docs/napa/lso01.pdf
Madagascar	World Bank	Completed	December 2006	http://unfccc.int/resource/docs/napa/mdg01f.pdf
Malawi	UNDP	Completed	March 2006	http://unfccc.int/resource/docs/napa/mwi01.pdf
Mauritania	UNEP	Completed	November 2004	http://unfccc.int/resource/docs/napa/mau01e.pdf
Niger	UNDP	Completed	July 2006	http://unfccc.int/resource/docs/napa/ner01e.pdf
Rwanda	UNEP	Completed	May 2007	http://unfccc.int/files/adaptation/napas/application/pdf/napa-rwanda-final-fr.pdf
Samoa	UNDP	Completed	December 2005	http://unfccc.int/resource/docs/napa/sam01.pdf
Senegal	UNEP	Completed	November 2006	http://unfccc.int/resource/docs/napa/sen01f.pdf
Sudan	UNDP	Completed	July 2007	http://unfccc.int/resource/docs/napa/sdn01.pdf
Tuvalu	UNDP	Completed	May 2007	http://unfccc.int/resource/docs/napa/tuv01.pdf
United Republic of Tanzania	UNEP	Completed	September 2007	http://unfccc.int/resource/docs/napa/tza01.pdf
Zambia	UNDP	Completed	October 2007	http://unfccc.int/resource/docs/napa/zmb01.pdf

Country	Implementing Agency	Current Status	Completion Date or Expected Completion Date	Web link for full NAPA document (completed projects only)
NAPA in Preparatory Phase				
Afghanistan	UNEP	On-going	Q4 - 2007	
Angola	UNEP	Process initiated	Q2 – 2010	
Benin	UNDP	Draft NAPA available	Q4 – 2007	
Burkina Faso	UNDP	Draft NAPA available	Q4 – 2007	
Cape Verde	UNDP	On-going	Q4 – 2007	
Central African Republic	UNEP	On-going	Q4 - 2007	
Chad	UNDP	On-going	Q1 - 2008	
Ethiopia	UNDP	On-going	Q4 – 2007	
Gambia	UNEP	Draft NAPA available	Q4 – 2007	
Guinea Bissau	UNDP	Draft NAPA available	Q4 – 2007	
Lao People's Democratic Republic	UNDP	Draft NAPA available	Q4 – 2007	
Liberia	UNEP	Draft NAPA available, but not submitted to UNFCCC	Q4 - 2007	
Maldives	UNDP	Draft NAPA available	Q1 – 2008	
Mali	UNDP	Draft NAPA available	Q4 – 2007	
Mozambique	UNDP	Draft NAPA available	Q3 – 2007	
Nepal	UNDP	Process initiated	Q2 – 2009	
São Tomé and Príncipe	World Bank	Draft NAPA available	Q1 – 2008	
Sierra Leone	UNDP	Draft NAPA available	Q4 – 2007	
Solomon Islands	UNDP	On-going	Q2 – 2008	
Timor-Leste	UNDP	Process initiated	Q2 – 2009	
Togo	UNDP	On-going	Q2 – 2008	
Uganda	UNEP	On-going	Q4 – 2007	
Vanuatu	UNDP	Draft NAPA available	Q4 – 2007	
Yemen	UNDP	Draft NAPA available	Q4 - 2007	
NAPA has not yet been initiated				
Equatorial Guinea	----	Not started*	-----	
Myanmar	----	Not started*	Draft proposal under review by cabinet	
Somalia	----	Not party to the UNFCCC	-----	

* Myanmar and Equatorial Guinea have not agreed to project proposals to finance the preparation of their NAPAs

Report on Project Operations and Submissions of Projects for NAPA Implementation under the LDCF

6. As of November 5, 2007, ten countries have officially submitted their NAPA implementation projects to the GEF through the Project Identification Form (PIF) for NAPA implementation under the LDCF. Among these PIFs, seven have been already approved as consistent with the LDCF eligibility criteria in the following countries: Bhutan, Bangladesh, Eritrea, Malawi, Mauritania, Niger and Samoa.

7. All of these projects (except for Bhutan) were originally PIF approved under the provisional project cycle effective in the first half of 2007. Since that time, they have all been directly included in the LDCF work program, and are not expected to be re-submitted for CEO endorsement and Council approval. A full report on procedural arrangements for the LDCF during the transition time between the old and new project cycles will be circulated at the next Council meeting. It should also be noted that UNEP and UNDP are assisting Cambodia, Djibouti and Sudan to help them finalize details that will help with the approval process.

Least Developed Countries Expert Group (LEG) stocktaking meeting

8. In September 2007, the UNFCCC Secretariat hosted the “Least Developed Countries Expert Group (LEG) Stocktaking Meeting” held in Bangkok to assess the progress of NAPA preparation and implementation under the LDCF. The GEF actively participated in this successful meeting and reported there has been significant progress moving from preparatory studies to practical on-the-ground implementation for many LDC countries. Nevertheless countries are still looking for more efficient ways to access GEF/LDCF funding. The GEF was asked to prepare an operational manual for the LDCs to further facilitate and streamline their access to LDCF resources.

Status of Donor Contributions to the LDCF

9. The LDCF now stands at \$163 million. For more details on LDCF contributions, pledges and projections, see “Status Report on the Climate Change Fund” by the Trustee GEF/LDCF.SCCF.3/Inf.2.

General Observations

10. The GEF Secretariat is pleased to report steady progress in its LDC work on the implementation of NAPAs. Some of the poorest countries in the world are now implementing adaptation actions that can be useful tools for future projects worldwide. The first ten submissions include a wide range of different adaptation measures, and we are confident they will yield concrete results that can be applied elsewhere. These ten proposals strictly follow the priority areas of intervention as identified by the NAPAs, are country driven and offer a wide range of options to address the urgent and immediate risks from climate change. All the LDCF projects show the link between adaptation and development and achieve the dual benefits of making the country more resilient to climate change impacts and at the same time contributing to poverty reduction and the achievement of the Millennium Development Goals.

Table 2. LDCF Adaptation Program (PIF approved and approaching projects)

Country/ Region	Project Title	GEF Agency	Project Status	Expected LDCF/GEF grant (including fees and PPG) (US\$M)	Co-financing (US\$M)	Total Amount (US\$M)
Bangladesh	Community based adaptation to climate change through coastal afforestation	UNDP	PIF-approved	3.4	6.08	9.48
Bhutan	Reduce climate change-induced risks and vulnerabilities from glacial lake outbursts in the Punakha-Wangdi and Chamkhar Valleys	UNDP	PIF-approved	3.980555	3.496224	7.458429
Eritrea	Integrating climate change risks into community based livestock management in the northwestern lowlands of Eritrea	UNDP	PIF-approved	3.4	3.46	6.86
Malawi	Climate Adaptation for Rural Livelihoods and Agriculture (CARLA)	AfDB	PIF-approved	3.5945	24.39375	27.98825
Mauritania	Reducing Vulnerability of Arid Oasian Zones to climate change and variability through Improved Watershed Management	UNEP	PIF-approved	1.828	1.4	3.228
Niger	Implementing NAPA priority interventions to build resilience and adaptive capacity of the agriculture sector to climate change in Niger	UNDP	PIF-approved	2.19	4.05	6.24
Samoa	Integrated Climate Change Adaptation in Samoa (ICCAS)	UNDP	PIF-approved	2.29	2	4.29
Sub total - PIF-approved				20.683055	44.879974	65.563029
Cambodia	Building Capacities to Integrate Water Resources Planning in Agricultural Development	UNDP	In process for approval	2.085	1.95	4.035
Djibouti	Reducing impacts and vulnerability of coastal productive systems in Djibouti	UNEP	In process for approval	2.27	1.95	4.22
Sudan	Implementing NAPA Priority Interventions to Build Resilience in the Agriculture and Water Sectors to the Adverse Impacts of Climate Change	UNDP	In process for approval	3.4	3	6.4
Sub total - approaching projects				7.755	6.9	14.655
Total – PIF approved and approaching projects				28.438055	51.779974	80.218029

II. SPECIAL CLIMATE CHANGE FUND (SCCF)

Update on COP guidance, Council Decisions

11. The Special Climate Change Fund (SCCF) finances activities related to climate change that are complementary to those funded by the GEF, including:

- (a) adaptation to climate change;
- (b) technology transfer;
- (c) energy, transport, industry, agriculture, forestry and waste management; and
- (d) economic diversification.

12. Initially, the GEF received guidance from the COP to craft funding guidelines for items (a) and (b), only. At COP 12, the GEF Secretariat received additional guidance on how to operationalize a program in the areas of (c) and (d). The subsequent results can be found in document GEF/LDCF.SCCF.2/4/Rev.1, *Programming to Implement the Guidance for the Special Climate Change Fund adopted by the Conference of the Parties to the United Nations Framework Convention on Climate Change at its Twelfth Session*. The remainder of this document refers solely to the SCCF adaptation program.

Report on project operations and submissions of projects under the SCCF Adaptation Program

13. Since the last Council meeting in June 2007, one additional project has entered the work program through the August Intersessional. This brings the total of work program approved SCCF Adaptation Program projects up to a total of nine (4 MSPs and 5 FSPs) totaling \$33.5 million.

14. The pipeline for the SCCF Program for Adaptation contains an additional eight projects, which are expected to be submitted to the SCCF/LDCF Council as part of work programs before the next Council meeting in May 2008. Together, these projects are expected to request approximately \$43.5 million of funding from the SCCF Program for Adaptation. A complete list of approved and pipeline projects under the SCCF Program for Adaptation can be found in Table 3 and 4.

15. Funding for the project proposal included in the current work program and the current pipeline would require \$75 million from the SCCF Program for Adaptation. As total pledges to the Adaptation Program of the SCCF are now \$57.1 million, programming under this program cannot continue beyond June 2008. As a result, the GEF Secretariat in September decided to close the pipeline for new submissions under the SCCF Adaptation Program until new funding becomes available. Donors are therefore urgently requested to make further contributions to the SCCF Program for Adaptation.

16. Among the projects in the existing pipeline, the highest priority is given to projects that have been submitted by countries with the highest vulnerability to climate change. For this

reason, the next expected project to be presented for approval, according to the resources available under the SCCF, is the regional project “Pacific Islands Adaptation to Climate Change Project (PACC),” which includes ten highly vulnerable small island states: Cook Islands, Micronesia, Fiji, Nauru, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu.

Table 3. SCCF Adaptation Program (approved projects)

Country/ Region	Project Title	IA/ EA	Expected SCCF Grant (US\$m)	Co-financing (US\$m)	Total financing (US\$m)
China	Mainstreaming Adaptation to Climate Change Into Water Resources Management and Rural Development	World Bank	5.847	50	55.847
Ecuador	Adaptation to Climate Change through Effective Water Governance	UNDP	3.6515	6	9.6515
Ethiopia	Coping with Drought and Climate Change	UNDP	1.08455	1.866667	2.951217
Guyana	Conservancy Adaptation Project	World Bank	4.142	16.2	20.342
Kenya	Adaptation to Climate Change in Arid Lands (KACCAL)	World Bank/ UNDP	7.4011	44.844681	52.245781
Mozambique	Coping with Drought and Climate Change	UNDP	1.0464	0.92984	1.97624
Regional (Bolivia, Peru, Venezuela)	Design and Implementation of Pilot Climate Change Adaptation Measures in the Andean Region	World Bank	8.1641	21.75	29.9141
Tanzania	Mainstreaming Climate Change in Integrated Water Resources Management in Pangani River Basin	UNDP	1.09	1.574875	2.664875
Zimbabwe	Coping with Drought and Climate Change	UNDP	1.07147	1.156	2.22747
TOTAL			33.49872	144.32205	177.82077

Table 4. SCCF Adaptation Program (pipeline projects)

Country/ Region	Project Title	IA/ EA	Expected SCCF Grant (US\$m)	Co-financing (US\$m)	Total financing (US\$m)	Status
Egypt	Adaptation to Climate Change in the Nile Delta	UNDP	4.5	5.2	9.7	PIF approved
Fiji	Adaptation to Climate Change in the Tourism sector in Fiji Islands	UNEP	1.125	1	2.125	PDF-A
Global	Piloting Climate Change Adaptation to Protect Human Health	UNDP	7.069685	18	25.069685	PDF-B
India	Climate-resilience Development and Adaptation	UNDP	5.749818	16	21.749818	PDF-B
Maldives	Implementing Tourism Adaptation to Climate Change	UNDP	1.13	1	2.13	PDF-A
Mexico	Adaptation to climate change impacts on the coastal wetlands in the Gulf of Mexico through improved water resource management	World Bank	5.25	9	14.25	PDF-B
Philippines	Climate Change Adaptation Project	World Bank	5.8113	50.13	55.9413	PIF/PPG approved
Regional (Cook Islands, Micronesia, Fiji, Nauru, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu)	Pacific Islands Adaptation to Climate Change Project (PACC)	UNDP	12.725	70.8	83.525	PDF-B
TOTAL			43.360803	171.13	214.4908	