



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

GEF/LDCF.SCCF.9/3
October 21, 2010

LDCF/SCCF Council Meeting
November 18, 2010

Agenda Item 4

**SPECIAL CLIMATE CHANGE FUND
WORK PROGRAM
SUBMITTED FOR THE LDCF/SCCF COUNCIL APPROVAL**

Recommended Council Decision

The LDCF/SCCF Council reviewed the proposed work program submitted to the LDCF/SCCF Council in document GEF/LDCF.SCCF.9/3 and approves the work program comprising ___ project concepts, subject to comments made during the Council meeting and additional comments that may be submitted, in writing to the Secretariat by December 2, 2010.

The approved work program is comprised of ___ Project Identification Forms (PIFs), as follows:

[List of PIFs]

TABLE OF CONTENTS

EXECUTIVE SUMMARY.....1
MAIN FEATURES OF THE PROPOSED WORK PROGRAM.....2
COFINANCING2
SUMMARY OF THE PROJECTS IN THE PROPOSED SCCF WORK PROGRAM3

LIST OF TABLES:

TABLE 1: SCCF RESOURCES REQUESTED IN THE NOVEMBER 2010 WORK PROGRAM 2
TABLE 2: COFINANCING IN THE NOVEMBER 2010 SCCF WORK PROGRAM (IN \$ MILLION) 2

LIST OF ANNEX:

ANNEX A: PROJECT PROPOSALS SUBMITTED FOR LDCF/SCCF COUNCIL APPROVAL,
NOVEMBER 2010

EXECUTIVE SUMMARY

1. This is the ninth work program presented under the SCCF, Adaptation Program by the CEO for LDCF/SCCF Council review and approval and the first in the GEF-5 period.
2. The total SCCF Program A on Adaptation resources requested through this work program amount to \$7.557 million, which includes \$6.870 million in project grants and \$0.687 million in Agency fees. Total cofinancing amounts to \$21.86 million. Each dollar of SCCF grant is matched by \$3.14 in co-financing.
3. Currently the number of approved projects in the SCCF adaptation programme is twenty-two (6 MSPs and 16 FSPs) totaling \$92.23137 million. Recent encashments of previous pledges to the SCCF-A have made an amount of almost \$12 million available for new project allocations. Based on these resources this work program is being suggested for funding at this Council meeting.
4. Further pledges are expected to be encashed in the near future, and additional projects are under review for potential inclusion in the next SCCF work program. The demand for SCCF adaptation resources remain high and significantly exceeds current supply in the SCCF. A significant increase in donor contributions is therefore urgently needed.

MAIN FEATURES OF THE PROPOSED WORK PROGRAM

1. This is the ninth work program presented by the CEO for LDCF/SCCF Council review and approval and the first in the period covered by GEF-5, and also the ninth work program proposed for financing under the SCCF, Adaptation Program.

2. This work program contains three full-sized project (FSP) proposals for approval under the SCCF Adaptation Program. As shown in Table 1, the total SCCF resources requested through this work program amounts to \$7.557 million, which includes project grants of \$6.870 million and Agency fees of \$0.687 million. Project preparation grants of \$100,000 and \$51,500 have been approved for the projects in Azerbaijan and Swaziland, respectively.

Table 1: SCCF Resources Requested in the November 2010 Work Program

	SCCF Project Grant	Agency Fee	Total SCCF Resources Requested
Azerbaijan: <i>Integrating climate change risks into water and flood management by vulnerable mountainous communities in the Greater Caucasus region of Azerbaijan</i>	2.700	0.270	2.970
Ghana: <i>Promoting a Value Chain Approach to Adaptation in Agriculture</i>	2.500	0.250	2.750
Swaziland: <i>-Adapting national and transboundary water resource management in Swaziland to manage expected climate change</i>	1.670	0.167	1.837
Total	6.870	0.687	7.557

COFINANCING

3. Table 2 shows the distribution of cofinancing levels in the projects proposed in this work program by co-financiers. The total cofinancing amounts to \$21.86 million which, when added to the total SCCF grant results in a total project values of \$28.882 million. Each dollar of SCCF grant is matched by \$3.14 in cofinancing.

Table 2: Cofinancing in the November 2010 SCCF Work Program (in \$ million)

Type	Azerbaijan	Ghana	Swaziland	Total
SCCF Project Grant	2.700	2.500	1.670	6.870
PPG*	0.100		0.052	0.152
Total SCCF Project Grant	2.800	2.500	1.722	7.022
Co-financier:				
Governments	7.000		5.800	12.800
GEF Agency	0.260	8.150	0.300	8.710
Others		0.350		0.350
Total Co-financing	7.260	8.500	6.100	21.860
Total Project Cost	10.060	11.000	7.822	28.882
SCCF: Co-financing Ratio				3.14
Co-financing percentage				75.69%

SUMMARY OF THE PROJECTS IN THE PROPOSED SCCF WORK PROGRAM

1. **Azerbaijan:** *Integrating Climate Change Risks Into Water and Flood Management by Vulnerable Mountainous Communities in the Greater Caucasus Region of Azerbaijan* (UNDP) (SCCF Project Grant \$2.7 million). The objective of the project is to reduce the vulnerability of the communities of the Greater Caucasus region of Azerbaijan to water stress and hazards by improved water and flood management. This project will seek to reform water management policies such that long-term climate change considerations are mainstreamed, and directly reduce the vulnerability and improve water and flood disaster risk management over an area of 22,000 sq km, and benefit over 1 million people.
2. **Ghana:** *Promoting a Value Chain Approach to Adaptation in Agriculture* (IFAD) (SCCF Project Grant \$2.5 million). The objective of the project is to promote activities that reduce climate induced risks to the achievement of food security and income generation objectives for rural communities in Ghana. This project will address adaptation for the cassava production in Ghana through a combination of activities to enhance adaptive capacity. These activities include vulnerability mapping, climate-related early warning systems, and resilience-building practices such as water management, and the use of drought-resistant seed varieties. The project will, increase the sources of income for the single-source climate-vulnerable poor, and transfer of adaptation technology.
3. **Swaziland:** *To Promote the Implementation of National and Transboundary Integrated Water Resource Management that is Sustainable and Equitable Given Expected Climate Change* (UNDP) (SCCF Project Grant \$1.67 million). The project will mainstream climate change concerns and adaptation considerations into an ongoing policy process aiming to develop and implement a system for integrated water resources management and prioritization of critical water resources between various users both nationally in Swaziland and within watersheds shared with Mozambique and South Africa. Further, the project will inform, among other things, a baseline investment of more than \$250 million in irrigation expansion and integrated water resource management that is likely to be severely affected or even fail without proper consideration for the impacts of climate change on water availability.

PROJECT PROPOSALS SUBMITTED FOR LDCF/SCCF COUNCIL APPROVAL

Under the SCCF Trust Fund

November 2010

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>Climate Change</u>											
1	4261	Azerbaijan	UNDP	Integrating climate change risks into water and flood management by vulnerable mountainous communities in the Greater Caucasus region of Azerbaijan	100,000	10,000	2,700,000	270,000	2,800,000	7,260,000	10,060,000
2	4368	Ghana	IFAD	Promoting Value Chain Approach to Adaptation in Agriculture			2,500,000	250,000	2,500,000	8,500,000	11,000,000
3	4255	Swaziland	UNDP	To promote the implementation of national and transboundary integrated water resource management that is sustainable and equitable given expected climate change.	51,500	5,150	1,670,000	167,000	1,721,500	6,100,000	7,821,500
Sub total for Climate Change					151,500	15,150	6,870,000	687,000	7,021,500	21,860,000	28,881,500
<u>Grand Total</u>					151,500	15,150	6,870,000	687,000	7,021,500	21,860,000	28,881,500