

3rd Meeting
April 26, 2022
Virtual Meeting

**UPDATES MADE ON THE GEF PROGRAMMING STRATEGY ON ADAPTATION TO CLIMATE CHANGE
FOR THE
LEAST DEVELOPED COUNTRIES FUND AND SPECIAL CLIMATE CHANGE FUND
FOR THE
GEF-8 PERIOD OF JULY 2022 TO JUNE 2026
AND
OPERATIONAL IMPROVEMENTS**

**UPDATES MADE ON THE GEF PROGRAMMING STRATEGY ON ADAPTATION TO CLIMATE CHANGE
FOR THE
LEAST DEVELOPED COUNTRIES FUND AND THE SPECIAL CLIMATE CHANGE FUND
FOR THE
GEF-8 PERIOD OF JULY 2022 TO JUNE 2026
AND
OPERATIONAL IMPROVEMENTS**

20 APRIL 2022

1. This document summarizes major updates that have been made on the GEF Programming Strategy on Adaptation to Climate Change for the Least Developed Countries Fund and the Special Climate Change Fund and Operational Improvements: July 2022 to June 2026, since the second meeting held on February 16, 2022.
2. These changes have been made to respond to comments received during the second meeting held on February 16, 2022, and written comments received by March 18, 2022.

Programming Strategy

3. The UNFCCC COP 26 outcomes and relevance to the LDCF/SCCF have been updated (page 8), and detailed guidance and response table is provided in Annex II.
4. Importance of including gender, Civil Society Organizations, grassroots organizations, and other vulnerable groups, as well as support to involve local level action are further highlighted in paragraph 47 (page 13).
5. The theory of change for the LDCF and for SCCF has been refined (pages 19 to 20), as shown in Figures 2 and 3. Transformational levers have been further articulated.
6. Further specificity has been provided with regards to LDCF support for strengthening innovation and private sector engagement through priority area 2. This includes more explicit indication in paragraph 105 (page 26) that support in this LDCF priority area will be in the form of grants. In addition, a definition of the private sector has been added to paragraph 105.
7. The analysis of national adaptation funding for SIDS from the LDCF, SCCF, Green Climate Fund, and the Adaptation Fund has been referred to in paragraph 143 (page 36) and presented in Annex V. An overview of regional and global adaptation financing and programs in SIDS supported by different climate funds is presented in Annex VI.

8. Additional descriptions regarding alignment of SCCF's SIDS support with GEF Trust Fund's Blue and Green Island Integrated Program is provided in paragraph 148 (page 37).
9. Further elaboration of multi trust fund programming has been included in paragraphs 147, 150, 162, 183, 186, and 210.
10. In SCCF results area 2, importance of technology transfer for adaptation is further highlighted. The reference to continuing to explore opportunities for further collaboration in support of technology transfer and innovation with the CTCN has been updated to note that this will be done as consistent with national priorities and based on country demand, in paragraph 158 (page 40).
11. A new section "Other Priorities" is added under priority themes to be responsive to any specific adaptation thematic priorities of LDCs and SIDS, and be flexible to respond to COP guidance in paragraph 162 (page 40).
12. References to the IPCC's Sixth Assessment Report have been updated to reflect the most recent version that is permissible to cite.
13. A list of countries categorized as SIDS at the GEF has been presented in Annex IV.

Operational Improvements

14. The LDCF resource mobilization modality is updated with additional descriptions of the agreed modality of multi-year contributions in paragraphs 164 to 170 (pages 41 to 42). This modality allows for intermittent donors to contribute, and can also accept supplementary contributions. Options considered for LDCF resource mobilization are presented in Annex VII.
15. The agreed SCCF optimization modality of Enhancement of Focused Support is presented with further detail in paragraphs 171 to 180 (pages 43 to 45). Options considered for SCCF optimization are presented in Annex VIII.
16. The continuation of the work program approval modality and factors for enhanced strategic LDCF prioritization, introduced in GEF-7, have been further described in paragraphs 183 and 184 (page 45).
17. The LDCF and SCCF projects will capture and report on the OECD-DAC Rio Markers for Climate Change, Biodiversity and Desertification, as stated in paragraph 187 (page 46).
18. The Secretariat will monitor and report on Agency shared of the LDCF/SCCF portfolio that consider the aspirational targets for multilateral development banks and ceiling for the GEF Trust Fund portfolio, as stated in paragraph 188 (page 46).

19. An elaboration of rationale for budgetary allocation for the Dedicated Programs has been updated. Allocations to the LDCF and SCCF have been adjusted so that they are approximately proportional to the financial scenarios of the two funds, in paragraphs 205 to 207 (page 49).
20. Support for the Challenge Program on Adaptation Innovation is elaborated in paragraphs 212 to 215 (pages 50 and 51). The rationale for resource allocation from the LDCF and SCCF is presented, highlighting the good match between the Challenge Program and innovation focus of the SCCF.
21. Financial scenarios for the LDCF are elaborated with further budgetary details (Table 2). More detailed rationale for the two scenarios of \$1 billion as scenario A and \$1.3 billion as scenario B is presented, with scenario A as the floor for the LDCF for the GEF-8 period. Resource allocation options under different financial projections are also presented. (Pages 51 and 52).
22. Financial scenarios for the SCCF are further elaborated with budgetary details (Table 3) for scenario A of \$200 million and scenario B of \$400 million. Scenario A is the floor for the SCCF for the GEF-8 period. Specific allocations for Window A for SIDS and Window B for technology transfer and innovation are introduced, striving for financial parity between the two Windows. SCCF resource allocations under different financial projections are also presented (Table 4). An initial cap for each SIDS is introduced at \$3 million under scenario A and \$6.5 million for scenario B, parallel to the initial cap for LDCs under the LDCF (Table 3). (Pages 53 and 54).
23. Operational improvements have been made to increase the tracking of direct beneficiaries from both LDCF and SCCF finance by including sex disaggregated data on number of entrepreneurs supported in table 6 (pages 55 to 56). Also in table 6, the sub-indicators for private sector engagement have been further sharpened to track investment mobilized from private sector sources, enterprises engaged, financial value of investment funds created, MSMEs incubated, and adaptation technologies supported (pages 55 to 56).
24. A new core indicator 2(b) “coastal/marine areas managed for climate resilience” is introduced to capture adaptation benefits relevant to SIDS and coastal regions (Table 5, page 55).
25. Additional updates in the results framework have been made to incorporate indicators which can measure the whole-of-society approach and gender segregation (Table 6, sub indicator numbers 3.8, 3.9 and 4.1).
26. Monitoring of operational performance of the LDCF and SCCF portfolio has been added in paragraph 236 (page 59).
27. Various sections have been updated to streamline the text.