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**UPDATE ON THE CHALLENGE PROGRAM FOR ADAPTATION INNOVATION UNDER THE
LEAST DEVELOPED COUNTRIES FUND AND SPECIAL CLIMATE CHANGE FUND**

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INTRODUCTION

1. The Challenge Program for Adaptation Innovation was launched in 2019 in alignment with the approved adaptation programming strategy for GEF-7.¹ The objective of this program is to catalyze innovation to harness the power of private sector actors for achieving adaptation results. The Challenge Program aims to test and validate potentially scalable, bankable, or otherwise fundable investment approaches, business models, partnerships, and technologies.
2. This document presents an update on the progress made on the Challenge Program since the previous update on the Challenge Program was presented to Council in December 2020.²
3. An innovative element of this Program is that project concepts can be submitted by any proponent. This approach may be a useful model to engage an increasing spectrum of actors in presenting and developing GEF programs and projects. The infusion of compelling ideas from relevant actors that the GEF has not previously partnered with demonstrates there is significant impact potential to be gained from continuing to increase GEF's investment in climate adaptation through this program. Several private sector and other innovators involved in this program are engaging directly for the first time in a GEF project. These partners include financial institutions such as BNP Paribas; fintech investors such as BFA Global; large-scale agriculture commodity managers such as Nespresso; investment fund managers such as South Pole Group; city administrations of Chokwe in Mozambique and Kaysone Phomvihane in Lao PDR; numerous micro, small and medium enterprises (MSMEs), and several civil society organizations.
4. A first Call for Concepts was announced in mid-2019 valued at \$10 million to be financed equally from the LDCF and SCCF. The response to this first call was highly positive. Nine projects were selected to advance from a total of 388 submissions. At the 25th Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC) in December 2019, the nine 'winning' concepts were featured in a well-attended event in joint Pavilion of the GEF and the Green Climate Fund (GCF).³ All project concepts have from the first Call for Concepts have CEO approved and are currently under implementation. Please see Annex 1 for an overview of projects approved through the first round and subsequently approved for support, including their expected results.
5. Following on the first successful round of this Challenge Program, the 29th Meeting of the LDCF/SCCF Council considered a set of reflections on the initial stage of this Challenge Program, and approved recommendations for further maximizing the impact potential of the

¹ GEF 2018, [GEF Programming Strategy on Adaptation to Climate Change for the LDCF and the SCCF and Operational Improvements](#), Council document GEF/LDCF.SCCF.24/03.

² GEF, 2020, [Progress Report on the Challenge Program for Adaptation Innovation under the Special Climate Change Fund and the Least Developed Countries Fund](#), Council document GEF/LDCF.SCCF.29/Inf.04/Rev.01

³ See Press Release, [Winners of GEF Challenge Program for Adaptation Innovation announced](#), December 10, 2019.

Challenge Program for Adaptation Innovation.⁴ Guided by these recommendations, the GEF Secretariat launched a second Call for Proposals in mid-2021 with available LDCF and SCCF resources.

6. The second Call for Concepts was held from late July 25 to August 23, 2021.⁵ With the guidance of the LDCF/SCCF Council, concepts that were shortlisted but not supported in the first round were invited to update their concepts and resubmit them in the second round. 419 different concepts were submitted by almost as many proponents, in support of approximately 100 different countries.

7. The expected impacts of projects supported through this Challenge Program have been substantial, including in relation to the typical impacts scale of previous LDCF and SCCF supported projects. For example, the expected ratio of GEF project finance to hectares managed for climate resilience is \$1.00 million to 229,936 hectares (or \$1 to 0.023 hectares) for all projects supported through the first round of the Challenge Program, while this ratio is \$1 to approximately 0.0059 hectares for all LDCF/SCCF projects in GEF-7. As detailed in Annex II, initial indications are the expected results of projects supported through the second round will also be high. Further, given the nature of these projects, some have particularly high levels of co-finance. For example, project ID 10436 titled *Landscape Resilience Fund* has a co-finance ratio of \$1.30 million of GEF support⁶ to \$16.09 million in co-finance. Annex 1 includes anticipated impacts from each project supported through the first Round, as well as the approved projects supported through the second Round.

Table 1: Total Expected Core Indicator Results for all Projects in the First Round

Core Indicator	Total expected Results
Direct beneficiaries	877,504 (449,721 female)
Area of land for climate resilience	229,936 hectares
Policies/ plans to mainstream climate resilience	9
People Trained	20,980 (8,625 female)

8. The Challenge Program projects typically also have strong potential to help address needs associated to livelihoods and health that have become increasingly magnified due to the COVID-19 pandemic. They can also meaningfully contribute to economic recovery from the impacts of the pandemic. For example, *the CC Blend* project in Latin America, *Landscape Resilience Fund*, *Resilience for Peace and Stability Program* and other projects will provide much needed capital to vulnerable marginal populations that will help improve livelihoods, enhance income generation, as well as address climate resilience.

⁴ GEF 2020, [Progress Report on the Least Developed Countries Fund and the Special Climate Change Fund](#), Council document GEF Programming Strategy on Adaptation to Climate Change for the LDCF and SCCF and Operational Improvements July 2022 to June 2026

⁵ See [Call for Concepts: Challenge Program for Adaptation Innovation](#), July 2021

⁶ Inclusive of GEF project finance, Agency fees, and PPG.

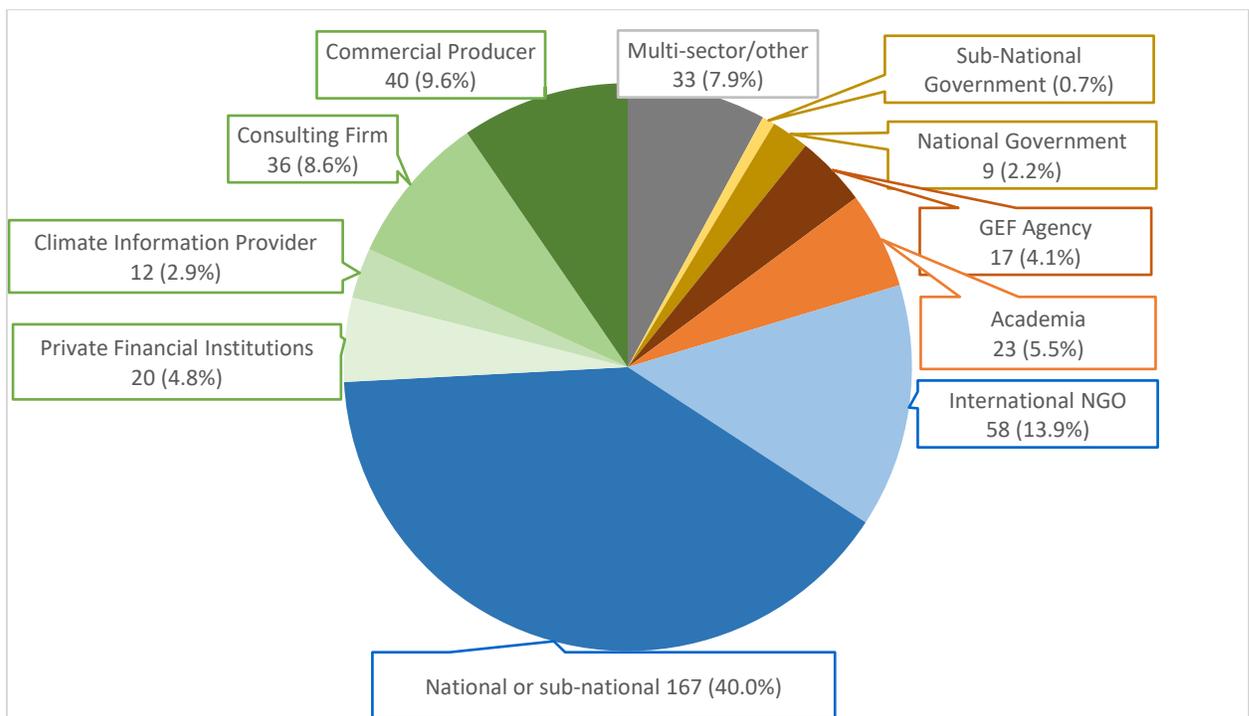
ANALYSIS OF NEW CONCEPTS SUBMITTED IN THE SECOND ROUND

9. The concepts submitted in the second round vary in terms of type their technology and private sector innovators who proposed the concepts; the climate hazards they aim to address, and the climate change adaptation strategies they propose to advance. A high percentage of the concepts have a direct focus on nature-based solutions, and all have relevance to one or more of the GEF-7 Impact Programs.

10. As was the case in the first round, each of these concepts was reviewed by a technical committee, based on criteria conveyed in the Call. Based on the review, 80 concepts were shortlisted for further assessed for their differing strengths, until a set of 10 winning concepts were defined that matched the funds available for this round of the program, taking into consideration balancing among regions, innovation strategies and proponents.

11. Of the 418 concepts submitted in the second round of the Challenge Program, 401 (96.2 percent) were submitted by proponents who are not GEF Agencies. Figure 1 details the breakdown of submissions by proponents. 108 (25.8 percent) of the concepts came directly from private sector entities, including commercial producers, consulting firms, and climate information management companies, and private financial institutions.

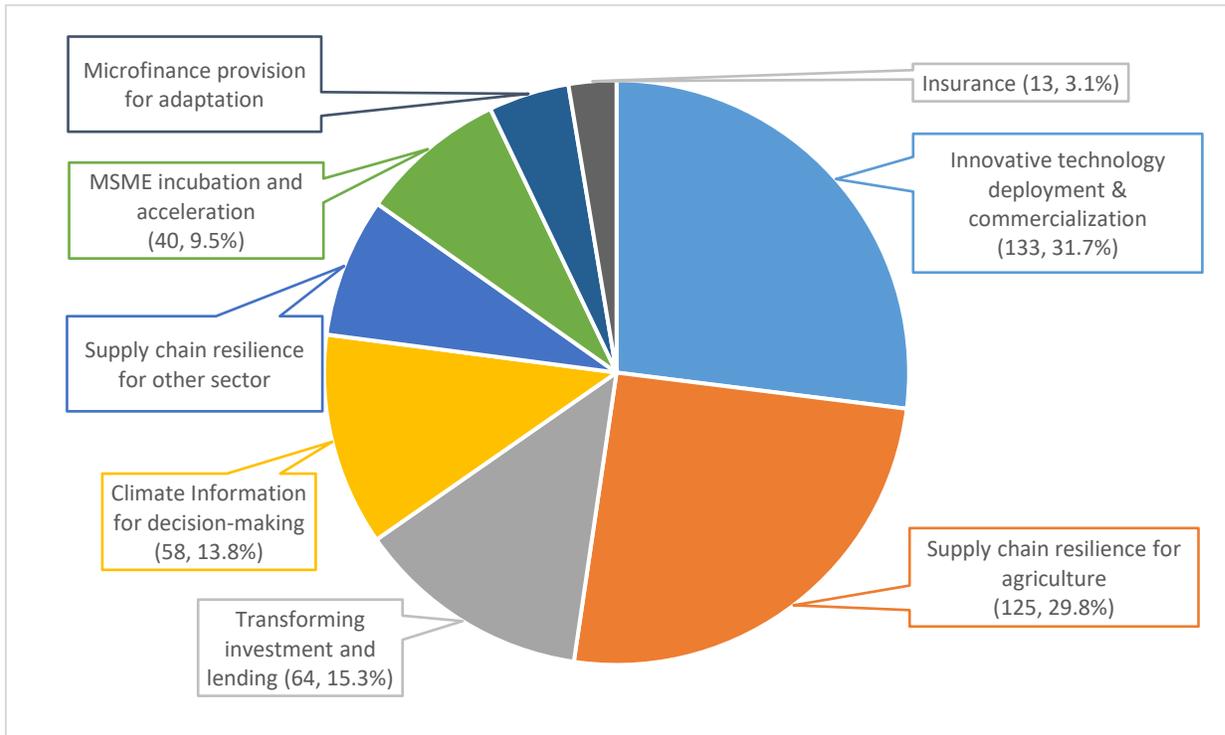
Figure 1: Breakdown of All Submissions by Type of Proponent



12. Concepts were submitted to this Challenge Program from countries in all eligible regions. The geographic distribution of the concepts submitted is by far the greatest for Sub-Saharan Africa, with 217 (52.0 percent) coming from this sub-region. 224 (53.7 percent) of the submissions were from least developed countries (LDCs), and 27 (6.5 percent) were from small island developing States (SIDS). Of the 27 concepts from SIDS, three were from LDCs, of which two were from Haiti and one was from the Solomon Islands

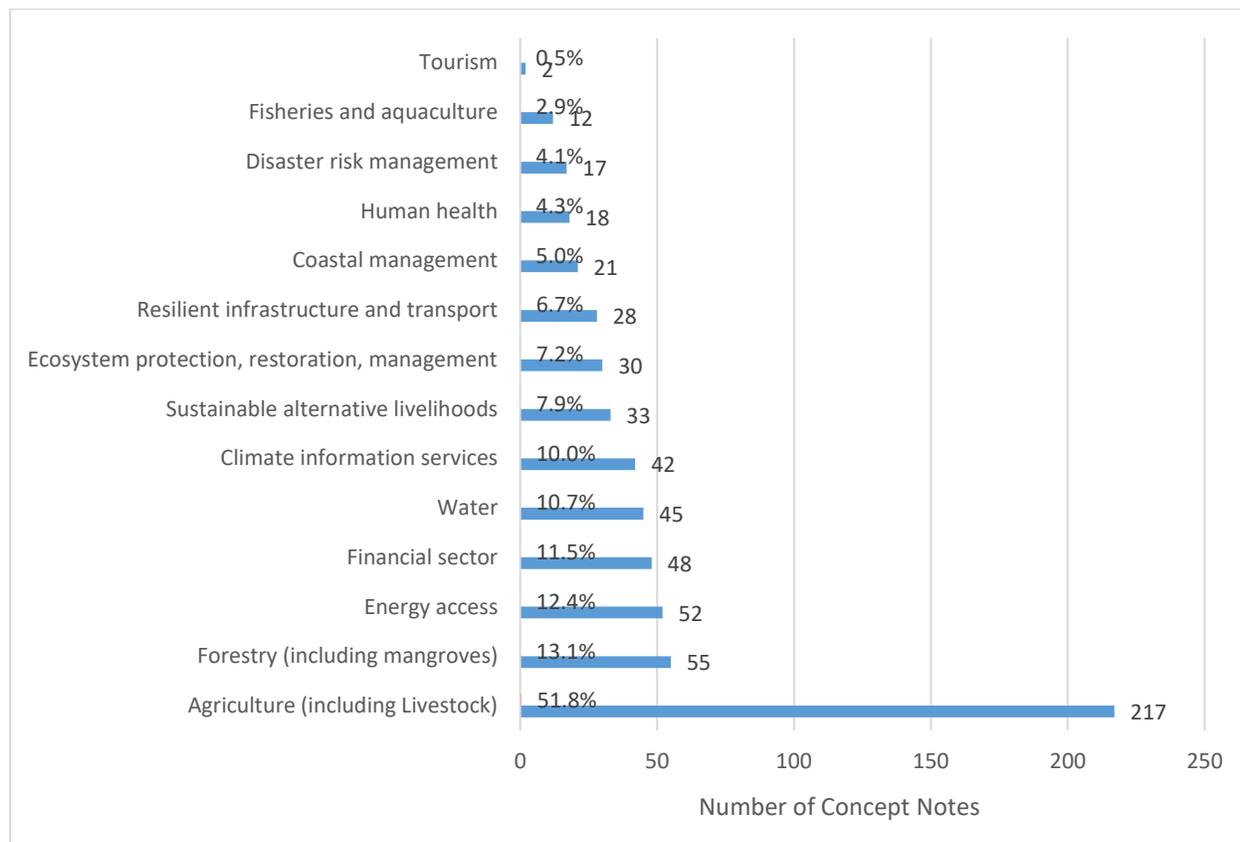
13. The substantive focus of the concepts submitted vary among different innovation strategies and sectors. The primary innovation strategy type for each concept is categorized based on the typology indicated in Figure 2 below. The most common primary innovation strategy was supply chain resilience, with 163 submissions (39.0 percent), of which a large share (125, 29.9 percent) was food production. The second most common primary innovation strategy for concepts submitted was innovative technology deployment and commercialization, totaling 133 of 418 submissions (31.8 percent).

Figure 2: Breakdown of All Submissions by Type of Innovation Strategy



15. With regards to sectoral focus, the most common was agriculture including livestock, with 217 of 418 (51.8 percent) of concepts submissions having agriculture as either a primary or secondary sector focus. The second most common sectoral focus was forestry including mangroves, with 55 concepts (13.1%), followed by energy access with 52 concepts (12.4%).

Figure 3: Breakdown of All Submissions by Sector



NEW PROJECTS SELECTED IN THE SECOND ROUND

16. During this reporting period, the 10 winners of the second round were announced on November 8, 2021 at UNFCCC COP 26, in the GCF-GEF Joint Pavilion.⁷ This event was the best attended GEF event during the COP, and the Press Release generated more views in the GEF website than any other news item featuring the GEF at COP 26. A summary of projects selected is provided in table 1 below. Please see Annex I for a description of the project concepts selected in this round.

⁷ GEF, 2021, [GEF Challenge Program for Adaptation Innovation names 10 new winners](#), Press Release.

Table 2: Projects Selected

Project ID	Title	Geographic Focus	Executing Partner	Primary Sector	Type of Innovation	Agency
10927	Acceleration of Financial Technology Enabled Climate Resilience Solutions	Regional - Africa	BFA Global	Financial technology	MSME incubation and acceleration	UNIDO
10929	Public-Private Blended Finance Facility for Climate Resilient Rice Landscapes	Regional - Asia (Bangladesh, Cambodia, Viet Nam)	WBCSD ⁸	Agriculture	Supply chain resilience for agriculture	FAO
10933	Net-Zero Adaptation Finance	Global	Winrock International	Multi-sector	Transforming investment and lending practices	FAO
10934	Building Climate Resilience in Supply Chains for the Mobilization of Adaptation Funding	Regional - Latin America	Heifer International	Agriculture	Supply chain resilience for agriculture	CI
10935	Systemic resilience methodologies in infrastructure investment planning	Global	World Resources Institute (WRI)	Multi-sector	Transforming investment and lending practices	UNIDO
10954	Scaling Financial and Information Services for Smallholder Adaptation	Regional - Africa	CIAT ⁹	Agriculture	Climate information for decision-making	UNIDO
10965	SmartFarm: A data and digital technology driven farm management solution for climate resilience	Regional - Africa	CropIn Technology Solutions	Financial	Climate information for decision-making	IFAD
10974	A private investment facility for nature-based coastal climate resilience	Global	Earth Security	Coastal zone management	Transforming investment and lending practices	UNIDO
11001	Investment Framework for Increasing Climate Change Adaptation Finance for Smallholders and Rural Communities	Regional - Africa	Grameen Credit Agricole Foundation	Microfinance	Transforming lending practices	IFAD
11002	Certification of Climate Change Adaptation Portfolios of Inclusive Financial Service Providers for Scaling Up	Global	BNP Paribas	Microfinance	Transforming lending practices	IFAD

⁸ World Business Council for Sustainable Development

⁹ International Center for Tropical Agriculture

	Climate Adaptation Finance for Smallholder Farmers					
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17. Of the 10 selected project concepts, four (40 percent) are for countries in African countries, one (10 percent) is for countries in Asia and the Pacific, and one (10 percent) is for countries in Latin American and the Caribbean, while four (40 percent) are global. In terms of types of proponents that had project concepts invited to advance, three (30 percent) are private financial institutions; three (30 percent) are international non-governmental organizations; three (30 percent) are an advisory service firm; and one (10 percent) is a financial technology investor.

18. As was the case in the first round, the selected project concepts have all been submitted by the project proponent in partnership by a GEF Agency through the standard LDCF and SCCF project policies and procedures¹⁰, including the GEF Project and Program Cycle¹¹. As was the case in the first round, for any selected concepts that did not specify a preferred GEF Agency, the GEF Secretariat supported the project proponents to partner with an Agency. As detailed in Annex II, at the time of posting this Status Report, three of the ten projects have had their PIFs approved, and one has been CEO Approved through the one step process. All ten of these projects are likely to be approved during the remainder of GEF-7.

PROJECT CYCLE

19. The first-round call for concepts was open for 30 days. The selected concepts in this first round were announced at COP 25, exactly 100 days after the first call was closed. The second-round call for concepts were announced at COP 26, 76 days after the first call was closed. In the first round, the initial PIFs were submitted 21 days prior to the announcement at COP 25, and the number of days it took for PIFs to be approved after their initial submission ranged from 43 to 298 days, with an average of 169 days. There was one project in the first round that opted for the one-step CEO approval approach and had its project fully CEO approved in 238 days. Most of these projects were submitted in the first months of the COVID-19 pandemic.

20. The second-round call for concepts was also open for 30 days. In the second round, the time it took from announcing the selected projects to initial PIF submission ranged from 75 to 126 days, with an average of 106 days. There was also one project in the second round that opted for the one-step CEO approval process. It was initially submitted 96 days after the announcement and was CEO approved 75 days after submission. Although only some of the second round PIFs were approved at the date of document publishing, initial indications are that the timeliness of PIF submission by the Agency to PIF approval by the CEO will improve significantly from the first round.

¹⁰ Please see here for a set of [GEF Policies and Guidelines](#).

¹¹ GEF, 2018, [GEF Project and Program Cycle](#), GEF, OP/PL/01

REFLECTIONS

21. The Challenge Program for Adaptation Innovation continues to demonstrate effectiveness at addressing unmet needs to stimulate climate adaptation innovation and private sector engagement. Through the call for concepts modality open to any proponent, the Challenge Program has been able to attract and engage partners that are new to the GEF and unearth ideas that are currently unlikely to be brought to the LDCF and SCCF through the conventional programming modality.

22. Through this model, the LDCF and SCCF have been successful in capitalizing on innovative ideas and resources to catalyze innovation and private sector investment in climate adaptation. Recognizing this approach is a useful model to engage an increasing spectrum of actors in presenting and developing GEF programs and projects, the Challenge Program has served as a model for design of the Small Grants Program and the Competition window under the GEF Trust Fund for the GEF-8 period.

23. Given the innovative nature of this program, there is significant opportunity to learn from and share knowledge among each of the projects, as well as with a broader community of climate adaptation practitioners and policy makers. Doing so can strengthen climate adaptation approaches throughout the LDCF and SCCF portfolio and beyond. Specific elements are built into each Challenge Program project that capture and share learning gained with other actors who have potential to replicate and improve on the models tested. Further focus will be given to the learning and knowledge sharing among Challenge Program and other LDCF and SCCF supported projects moving forwards.

24. The *GEF-8 Programming Strategy on Adaptation to Climate Change for the LDCF and the SCCF and Operational Improvements 2022-2026* outlines enhanced innovation and private sector engagement as a key priority.¹² Subject to approval at the 32nd meeting of the LDCF SCCF Council, this strategy includes an allocation of up to \$40 million from each of the LDCF and SCCF for the Challenge Program for Adaptation Innovation (\$80 million total), outside the 10 percent ceiling for the global and regional projects and initiatives for the LDCF. As indicated in the strategy, the enhanced allocation for the Challenge Program in the GEF-8 period is to address the unmet demand and successful track record demonstrated through the first two rounds of the program in the GEF-7 period. The specific allocation from both the LDCF and SCCF will be subject to available funds and in consideration with other priorities. The GEF-8 Programming Strategy on Adaptation to Climate Change also includes a new core indicator with corresponding sub-indicators to better track and report on results related to the objectives of the Challenge Program on innovation, technology transfer, and private sector engagement.

¹² GEF, 2022, [GEF Programming Strategy on Adaptation to Climate Change for the LDCF and the SCCF for the GEF-8 Period of July 1, 2022, to June 30, 2025 and Operational Improvements](#), GEF/LDCF.SCCF/SM..03/01.

ANNEX I: DESCRIPTION OF PROJECTS SELECTED IN THE SECOND ROUND¹³

BFA Global with UNIDO: *Acceleration of Fintech Enabled Climate Resilience Solutions* (GEF ID 10927); Global; LDCF \$400,000; SCCF \$600,000; co-finance: \$8.80 million

This project will accelerate financial technology-enabled climate resilience solutions across target markets. Together with over 50 participating organizations, BFA Global will launch an ecosystem for innovation to explore opportunities and solutions at the intersection of modern finance and climate action, centered on vulnerable communities in emerging markets. The project will accelerate startups to refine their products and scale them, building on a learn-by-doing approach developed by the Catalyst Fund. This will be achieved through a set of activities, including conducting a data rich analysis of fintech startups enhancing climate resilience; accelerating startups; developing investment thesis briefs; building talent pipelines; and sharing learning and insight. An innovative aspect of this project is that it will develop introduce climate change adaptation and resilience as an opportunity for the fintech ecosystem by accelerating solutions that enable vulnerable communities to grow economically. With \$1.0 million in LDCF and SCCF finance, this project is expected to catalyze \$8.8 million in co-finance from different sources, as well as directly benefit 20,000 people and train 900 people, 50 percent of whom are female.

World Business Council for Sustainable Development (WBCSD) with FAO: *Public-Private Blended Finance Facility for Climate Resilient Rice Landscapes* (GEF ID 10929); Regional Asia; LDCF \$850,000; SCCF \$300,000; co-finance: \$3.50 million

This project will catalyze public and private financing for climate resilient rice landscapes, value chains and livelihoods. This will be achieved by developing an integrated financing mechanism to increase access to financing by producers, value chain actors and governments for climate-resilient rice landscapes, value chains and livelihoods; as well as increasing the financial and technical capacities of farmers, producer groups, counterparts, and intermediaries to invest in climate resilience. This is the first financial mechanism globally to specifically target rice landscapes and value chains. It will directly contribute to a climate-resilient recovery to the COVID-19 pandemic through investment by supporting access to financing for climate-resilient investments and livelihoods, as well as by strengthening farmer organizations and MSMEs. The project is expected to result in 8,880 direct beneficiaries (50 percent female); 2,220 hectares of land managed for climate resilience; 4,810 people trained (50 percent female); and will catalyze \$3.50 million of co-finance from 6 different sources.

Winrock International with FAO: *Net-Zero Adaptation Finance* (GEF ID 10933); Global; LDCF \$950,000; co-finance: \$4.94 million

This project will mainstream climate change adaptation and resilience measures in net-zero initiatives in LDCs. This will be achieved by strengthening the capacity of net-zero project developers to integrate and screen climate adaptation impacts in net-zero/carbon projects; mainstream climate adaptation considerations in project development and carbon credit

¹³ The LDCF and SCCF support figures in this section include project finance, Agency fees, and PPG.

procurement processes; and increase financial flows to net-zero projects demonstrating adaptation benefits. Innovative elements of this project include the development of methods to be used by private corporations and carbon marketplaces to integrate climate risks, resilience benefits, and reduce potential for maladaptation, from within their carbon inset/offset portfolio; as well as provision of upfront project development for non-recourse loans secured by project assets. With \$950,000 million in LDCF finance, this project is expected to catalyze 4.94 million in co-finance. It is anticipated to benefit 21,600 direct beneficiaries (50 percent female), manage 5,400 hectares of land for climate resilience, and train 2,160 people (50 percent female).

Heifer International with Conservation International: *Building Climate Resilience in Supply Chains for the Mobilization of Adaptation Financing* (GEF ID 10934); Regional Latin America; SCCF \$1.00 million; co-finance: \$8.83 million

This project will advance implementation of adaptation measures to climate change in the project areas by incentivizing private investment in adaptation measures by piloting, developing, and deploying an Adaptation Equivalency Index (AEI) in Guatemala and Honduras, along with a toolkit for adoption and implementation of the index. The AEI is a framework that will allow for the quantification of impact of investments in adaptation measures for supply chains. The AEI will build on nascent efforts to develop a new asset class (adaptation credits) that monetizes adaptation benefits such as reduced vulnerability to the effects of climate change, and improved resiliency for the environment and for men and women living in smallholder farming communities. The AEI will provide a framework in which the private sector can quantify its investment in adaptation measures to climate change within corresponding supply chains (including both smallholder producers and other value-added steps of the process), providing a quantifiable unit of investment that corresponds to adaptation benefits incurred by the supported adaptation measures. The project has three components that is expected to provide direct adaptation benefits over 12,000 people, train over 1,000 people about adaptation action, and increase the climate resilient management of more than 2,000 hectares of land. In addition, two policies/plans, one each in Guatemala and Honduras, will mainstream climate resilience.

World Resources Institute with UNIDO: *Coalition for Climate Resilient Investment* (GEF ID 10935); Global; LDCF \$350,000; SCCF \$950,000; co-finance: \$8.33 million

This project will strengthen the design and use of climate resilience methodologies, metrics, and guidelines in infrastructure investment planning to increase resilience of economic infrastructure projects that prevent future human and financial disasters. This will be achieved by supporting national and sub-national authorities to adopt a Physical Climate Risks informed policy and regulatory environment; national and subnational governments use systemic climate resilience methodologies and metrics in infrastructure investment planning; and national, municipal, and financial sector actors establish modalities for participating investment funds to deploy capital for climate resilience solutions. The project will innovate by combining and building on existing applicable systemic climate resilience methodologies, metrics and guidelines developed by the Systemic Resilience Forum member and building these approaches

into the investment practices of the partners in across the Coalition for Climate Resilience Investment (CCRI). CCRI is a private sector led initiative with over 120 members and \$20 trillion assets under management, focused on advancing practical tools and solutions to incentivize and reward the inclusion of resilience in investments. This project will result in an expected 6,000 beneficiaries (50 percent female), manage 69,440 hectares of land for climate resilience; produce 13 policies/plans to mainstream climate resilience, and train 1,150 people. It is also expected to catalyze \$8.33 million in co-finance from 12 different public and private sector partners.

International Center for Tropical Agriculture (CIAT) with FAO: *Scaling Financial and Information Services for Smallholder Adaptation* (GEF ID 10954); Regional Africa; LDCF \$1.20 million; co-finance: \$9.39 million

This project will address climate hazards related to the impacts of precipitation variability, which are anticipated to cost East and Southern Africa farmers billions of dollars in crop losses if adaptation and resilience action is not proactively taken. The Alliance of Biodiversity International, CIAT, FAO, media and financial partners will scale the demand for, and supply of, climate, technical, and financial service information. The project will gamify incentives to rapidly increase climate change awareness and familiarize an expected 50,000 Ugandan and Zambian farmers with climate information services driving increased demand for risk management strategies. The project will also extend smallholder farmer-friendly insurance and credit products such as index insurance, normal credits, and risk-contingent credit to 5,000 farmers in these two countries. Working on both farmer demand and private sector supply together will allow farmers, and especially women farmers, to overcome common barriers to scaling adoption of digital solutions to climate risk management and reinforce farmers potential to produce more while increasing incomes under climate stress.

CROPIN with IFAD: *SmartFarm: A data and digital technology driven farm management solution for climate resilience* (GEF ID 10965); Regional Africa); LDCF \$960,000; co-finance: \$3.65 million

The project aims to increase adoption of climate resilient agriculture practices in two LDCs- Rwanda and Ethiopia by making real-time weather and climate data along with data-driven farm advisory available to smallholder farmers. Through SMARTFARM digital platform, the project will advance digital agriculture which has emerged as an effective solution to support long term and short-term adaptation in agriculture. Building on the success and experience of CROPIN in the Asia region and IFAD's digital agriculture efforts for smallholder farmers globally, the project will create an enabling environment for adoption of digital technologies for Weather and climate services (WACS), Data-driven agriculture services (DDAS), Agri digital financial services (Agri DFS) and Digital Agri-Market services (DAMS) in the targeted countries with large-scale replication potential in Africa. Through these services the project will create opportunities for the private sector to provide technical services to smallholder farmers with an aim of increased crop production, access to knowledge of adaptation solutions and access to innovative finance including credits and insurance. The project aims to connect nearly 200,000 farmers through the digital platform to provide them crop advisory services, connect them with

financing and other technical institutions and strengthen their technical knowledge on climate resilient agriculture practices. It will also train 2,000 extension workers and ‘agri-entrepreneurs’ to use the platform and provide last mile services to smallholder farmers in sustainable manner.

Earth Security: A private investment facility for nature-based coastal climate resilience (GEF ID 10974); Global; LDCF: \$1.10 million; co-finance: \$31.70 million

The proposed project will address the financing gaps for climate adaptation in coastal locations in LDCs, where growing populations, rapid urbanization, environmental degradation, and climate vulnerability are converging. In particular, the project will develop a global investment facility that enables global companies with operations, assets, and value chains in LDCs to fund nature-based solutions that can increase the climate resilience and adaptation of coastal LDC cities and focus on matchmaking between private sector entities and a global pipeline of projects that have a well-articulated business proposition. The growing exposure of coastal regions to climate change means that nature-based solutions such as mangroves and coral reefs offer these countries a cheaper and more effective tool to increase their climate resilience than cement seawalls or other types of grey infrastructure, while providing more value for local communities and biodiversity. However, LDCs currently face significant barriers to accessing finance, and not just for climate adaptation. Earth Security, an innovative agency working with banks, companies, and governments to link global finance to nature’s capital, brings the agility needed to develop new pathways for the private sector to play a more active role in the climate adaptation of LDCs. The project will directly benefit 240,000 people (50 percent female), enable the climate resilient management of 320,000 ha of land and train 250 (50 percent female) people about climate risks and adaptation measures.

Grameen Credit Agricole Foundation with IFAD: Investment Framework for Increasing Climate Adaptation Finance for Smallholders and Rural Communities (GEF ID 11001); Regional Africa; LDCF: \$440,000; co-finance: \$4.45 million

This project aims to support smallholder producers and rural communities to build resilience to climate change by establishing establish financial product to be used by each individual investor along with framework for blended finance for climate change adaptation. It will provide public and private actors with common intervention frameworks, indicators, and specific products so that Financial Service Providers (FSPs) can have financial, technical, and technological support to accompany the adaptation to climate change for their clients in Benin, Senegal, and Zambia. Little public and private financing exists today for climate change adaptation and biodiversity conservation, especially for the inclusive finance sector. One of the main reasons for this is that the sector lacks common framework and indicators to assess the opportunity of FSPs to develop and scale up this type of offer. To address this issue, the Grameen Crédit Agricole Foundation has established, with the technical coordination of its partner YAPU Solutions, a coalition, together with five other institutes including BNP Paribas, the “Climate & Biodiversity Positive Initiative for Smallholder Finance.” The approach draws on existing and proven UNEP Microfinance for Ecosystem-based Adaptation methodologies and the Green Index 3.0 of the GICSF-AG. The project will directly benefit 17,500 people (60% Women), enable the climate

resilient management of 1,750 hectares of land, train 80 (50% women) people about climate risks and adaptation measures and mainstream climate resilience in 6 policies/plans.

BNP Paribas with IFAD: *Certification of Climate Change Adaptation Portfolios of Inclusive Financial Service Providers for Scaling Up Climate Adaptation Finance for Smallholder Farmers* (GEF ID 11002); Global; LDCF: \$360,000; SCCF: 540,000; co-finance: \$4,730,000

This project aims to mainstream adaptation finance towards Inclusive Financial Service Providers (IFSPs) through a robust portfolio certification scheme enabling them to transparently support their rural clients' climate change adaptation and nature-based solutions (NbS) practices. The certification scheme is designed to unlock finance towards smallholder farmers for climate change adaptation and will be derived from the IUCN Global Standard for NbS and aligned with the EU Sustainable Finance Taxonomy. It will allow all investors (private and public) and IFSPs, for the first time, to coordinate, communicate, and compare different investment opportunities. It will also allow investors to align the price of their funds to the actual risks of their investment (i.e., lower risks for portfolio dedicated to climate change adaptation) and (b) the impact of their investment in terms of resilience-generation for smallholder farmers (e.g., pay for impact). Overall, the project will strengthen IFSPs' internal capacity to offer climate adaptation financial products to their rural and smallholder customers, support their adaptation efforts, and conserve biodiversity through application of NbS approaches. It is expected to directly benefit 75,000 people and enhance the climate resilient management of 3,000 hectares of land.

ANNEX II: OVERVIEW OF ALL PROJECTS SELECTED IN THE FIRST AND SECOND ROUND

Project ID	Title	Status ¹⁴	Region / Countries	Agency / Executing Partner	GEF support ¹⁵		Co-financing (\$)	Expected impacts ¹⁶			
					LDCF (\$)	SCCF (\$)		Direct Beneficiaries	Area of land for climate resilience (hectares)	Policies/ plans to mainstream climate resilience	People trained
Round 1 (Launched August 2019; Selected concepts announced December 2019; PIF and CEO Approvals 2020-21)											
10430	Resilience for Peace and Stability, Food and Water Security Innovation Grant Programme	CEO Approved 08/06/20	Global	UNDP with GRP	1,149,999	-	3,000,000	20,000 (10,000 female)	1,000	-	500 (250 female)
10431	Public-Private Partnership for Coral Reef Insurance	CEO Approved 05/20/20	Indonesia, Philippines, Solomon Islands	ADB	483,333	916,667	3,350,000	132,689 (79,113 female)	134,280	4	300 (180 female)
10432	Reviving high quality coffee to stimulate climate adaptation	CEO Approved 07/01/20	Congo DR, Uganda	IUCN with Nespresso	1,300,000	-	3,190,000	7,015 (1,755 female)	7,000	-	7,000 (1610 female)
10433	Piloting Innovative Financing for Adaptation Technologies in Medium-Sized Cities	CEO Approved 01/21/20	Global	UNIDO with CTCN	265,355	530,710	2,300,000	600,000 (300,000 female)	42,134	3	60 (30 female)

¹⁴ Status is current as of May 31, 2022

¹⁵ The amounts in these columns include GEF project financing, Agency fees, and PPGs.

¹⁶ These indicators are aligned with the results framework that was introduced in the [GEF Programming Strategy on Adaptation](#) (2014-2018) and refined in the [Updated Results Architecture for Adaptation to Climate Change Under the LDCF and SCCF \(2018-2022\)](#).¹⁶ Full expected results are detailed in the results frameworks specific to each project, which are available in the project documents posted on the [Project Database section of the GEF website](#). Indicator values conveyed here comprise impact from both LDCF and SCCF support.

10434	CC Blend: Blended finance facility for climate resilience in coffee and cacao value chains	CEO Approved 03/27/20	Latin America	UNEP with BFA Global	-	1,250,000	7,000,000	10,000 (5,000 female)	6,400	-	4,500 (2,250 female)
10435	Adaptation Accelerator Programme	PIF Approved 01/21/20	Global	CI with CI Ventures	1,150,000	-	2,815,000	60,000 (30,000 female)	15,000	2	120 (40 female)
10436	Landscape Climate Resilience Fund	PIF Approved 05/25/20	Global	WWF-US with South Pole	650,000	650,000	16,085,806	20,000 (10,000 female)	1,000	-	500 (250 female)
10437	Financial tools for small scale fishers in Melanesia	PIF Approved 06/18/20	Fiji, PNG	WWF-US with WTW	-	1,150,000	5,300,000	7,500 (3,500 female)	20,000	-	7,500 (3,750 female)
10438	Drones for Equitable Climate Change Adaptation	CEO Approved 08/10/20	Colombia	CAF with MIT	-	549,905	2,500,000	20,300 (10,353 female)	3,122	-	500 (265 female)
Round 2 (Launched August 2021; Selected concepts announced November 2021; PIF and CEO Approvals 2022)¹⁷											
10927	Acceleration of Financial Technology Enabled Climate Resilience Solutions	Manager Cleared	Regional (Kenya, Nigeria, Rwanda, South Africa, Uganda)	UNIDO with BFA Global	400,000	600,000	8,800,000	20,000 (10,000 female)	1,600	32	900 (450 female)
10929	Public-Private Blended Finance Facility for Climate Resilient Rice Landscapes	PIF Approved	Regional (Bangladesh, Cambodia, Vietnam)	FAO with WBCSD ¹⁸	850,000	300,000	3,500,000	11,920 (50% female)	3,000	-	6,500 (50% female)
10933	Net-Zero Adaptation Finance	PIF Approved	Global	FAO with Winrock	950,000	-	4,935,000	21,600 (10,800 female)	5,400	3	2,160 (1,080 female)

¹⁷ The information provided for the second round projects that are not yet approved was current at the date of publication, and is subject to change until PIF approval. Consistent with GEF policies, the expected co-finance impact values for second round nd projects that are not yet approved will be finalized at PIF approval.

¹⁸ World Business Council for Sustainable Development

10934	Building Climate Resilience in Supply Chains for the Mobilization of Adaptation Funding	CEO Approved	Regional (Guatemala, Honduras)	CI with Heifer International	-	1,000,000	8,831,011	12,125 (40% female)	2,054	2	1,075 (475 female)
10935	Introducing systemic climate resilience methodologies in infrastructure investment planning	Returned to Agency	Global	UNIDO with WRI	350,000	950,000	8,333,375	6,000 (3,000 female)	69,449	13	1,150 (475 female)
10954	Scaling Financial and Information Services for Smallholder Adaptation	PIF Approved	Regional (Uganda, Zimbabwe)	FAO with CIAT	1,200,000	-	9,393,823	200,000 55(100,000 female)	220,500	2	5,000 (2,500 female)
10965	SmartFarm: A data and digital technology driven farm management solution for climate resilience	Manager Cleared	Regional (Ethiopia, Rwanda)	IFAD with CROPIN	960,000	-	3,650,000	200,000 (100,000 female)	-	-	2,000 (1,000 female)
10974	A private investment facility for nature-based coastal climate resilience	Returned to Agency	Global	UNIDO with Earth Security	1,100,000	-	31,703,000	240,000 (120,000 female)	320,000	1	250 (125 female)
11001	Investment Framework for Increasing Climate Change Adaptation Finance for Smallholders and Rural Communities	Returned to Agency	Regional (Senegal, Zambia, one other country)	IFAD with Grameen Credit Agricole Foundation	440,000	-	4,454,800	17,500 (10.500 female)	1,750	6	80 (40 female)
11002	Certification of Climate Change Adaptation Portfolios of Inclusive Financial Service Providers for Scaling Up Climate Adaptation Finance for Smallholder Farmers	Manager Cleared	Global (Morocco, Senegal, country in Latin America)	IFAD with BNP Paribas	360,000	540,000	4,730,000	75,000 (37,500 female)	3,000	8	95 (48 female)