

33rd LDCF/SCCF Council Meeting
December 2, 2022
Virtual Meeting

Agenda Item 03

**WORK PROGRAM FOR THE
LEAST DEVELOPED COUNTRIES FUND
AND THE SPECIAL CLIMATE CHANGE FUND**

Recommended Council Decision

The Council, having reviewed document GEF/LDCF.SCCF.33/03, *Work Program for the Least Developed Countries Fund and the Special Climate Change Fund*, approves the Work Program comprising of two projects, subject to comments made during the Council meeting and additional comments that may be submitted in writing to the Secretariat by January 6, 2023.

Total resources approved in this Work Program amount to \$10.13 million from the LDCF and \$0.50 million from the SCCF, both inclusive of GEF project financing and Agency fees. The Work Program is comprised of the following Project Identification Forms (PIFs):

[See Annex A]

With respect to the PIFs approved as part of the Work Program, the Council finds that each of these PIFs (i) is, or would be, consistent with the Instrument and GEF policies and procedures, and (ii) may be endorsed by the CEO for final approval by the GEF Agency, provided that the final project documents fully incorporate and address the Council's and the Scientific and Technical Advisory Panel (STAP) reviewer's comments on the Work Program, and that the CEO confirms that the project continues to be consistent with the Instrument and GEF policies and procedures.

With respect to any PIF approved in this Work Program, the final project document will be posted on the GEF website for information after CEO endorsement. If there are major changes to the project objectives or scope since PIF approval, the final project document shall be posted on the web for Council review for four weeks prior to CEO endorsement.

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INTRODUCTION

1. This Work Program for the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF) is the first Work Program to be considered by the LDCF/SCCF Council in the GEF-8 cycle. It requests a total of \$10.63 million for two projects, to address urgent and immediate climate change adaptation priorities in one least developed country (LDC), and to support an innovative global initiative.¹
2. In the GEF-8 period, the each LDC has a per-country LDCF resource cap of \$20 million for adaptation investment period. The national project presented in this Work Program is the first one that has been submitted for support in the GEF-8 period. All concepts submitted and technically cleared have been included in the Work Program.
3. The global project is a multi-trust fund (MTF) project, requesting support from both the LDCF and the SCCF.
4. This Work Program is supported with voluntary contributions that have been made to the two funds. Of the \$413 million pledged by donors at an event held at the 26th Conference of the Parties (COP 26) to the United Nations Framework Convention on Climate Change (UNFCCC) on November 9, 2021, \$178 million will be paid in the GEF-8 period. The majority of the \$235 million paid the GEF-7 period has been programmed, with a modest carry over to support early GEF-8 programming and operational expenses.
5. The national project included in this Work Program is from Cambodia by IFAD, accessing the LDCF resources in GEF-8 for the first time with this Work Program. The global project by UNIDO addresses community level adaptation needs of the most vulnerable countries, in partnership with the Vulnerable Twenty Group (V20). The global project is supported with the LDCF and SCCF.
6. These projects are expected to mobilize \$15.06 million in combined co-financing for the LDCF project financing amount of \$9.28 million and the SCCF project financing amount of \$0.46 million.² Each dollar provided by the LDCF is to be matched by \$1.61 in financing provided by a variety of sources, and each dollar provided by the SCCF leverages \$0.35.³

¹ The requested amounts are inclusive of GEF project financing (\$9.28 million for the LDCF and \$0.46 million for the SCCF) and Agency fees (\$0.86 million for the LDCF and \$0.04 million for the SCCF). It does not include project preparation grants (PPGs, \$0.29 million for the LDCF and \$0.01 million for the SCCF) and PPG fees (\$0.03 million for the LDCF and \$0.001 million for the SCCF).

² The co-financing figure is calculated based on the 2018 Co-Financing Policy (GEF, 2018, Policy: FI/PL/01). The co-financing is applied to GEF project financing, which means a grant or concessional financing provided from any GEF-managed trust fund to support the implementation of any Full-Sized Project, Medium-Sized Project, Enabling Activity or Program, excluding Co-Financing, Agency Fees and PPGs.

³ The co-financing ratio is calculated based on the amount of co-financing (\$14.9 million) mobilized for the LDCF project financing, and amount of co-financing (\$0.16 million) for the SCCF project financing. Co-financing is not required for LDCF or SCCF projects.

7. The projects included in the proposed Work Program all contribute to the goals and priority areas of the 2022-2026 GEF Programming Strategy on Adaptation to Climate Change.⁴ The Work Program addresses all three LDCF priority areas set forth in the strategy. The three priority areas are:

- (a) Priority Area 1: Scaling up finance;
- (b) Priority Area 2: Strengthening innovation and private sector engagement; and
- (c) Priority Area 3: Fostering partnership for inclusion and whole-of-society approach.

8. The Work Program also addresses the following SCCF priority area set forth in the strategy:

- (a) Priority Area 2: Strengthening Technology Transfer, Innovation and Private Sector Engagement

9. Reflecting the ongoing COVID-19 pandemic and its consequences, the two projects presented in this Work Program address the needs to support people, communities, and ecosystems and their vulnerabilities, and are aligned with the whole-of-society approach. The projects also seek to enhance livelihoods through direct investments as supportive policy and capacity needs. Examples include strengthening the resilience of vulnerable communities through innovative adaptation and financial solutions and technology transfer for climate resilient agricultural value chain, water management, climate information services, coastal zone management and disaster risk reduction. The projects will systematically support locally led adaptation action with direct engagement of community groups, civil society organizations and academic institutions. In particular, the Cambodia project will catalyze private sector involvement, especially by engaging and supporting micro, small, and medium-sized enterprises (MSMEs) and entrepreneurs, in introducing and scaling up innovative adaptation solutions.

10. This cover note presents key aspects of the proposed Work Program, such as an analysis of factors for strategic prioritization, results and impacts through contributions to core indicators, status of LDCF resource use, gender analysis, and project descriptions.

THE PANDEMIC AND THE LDCF WORK PROGRAM

11. The two projects presented in this Work Program were developed as an increasing share of the world started to move into the “new normal” phase while others continued to face challenges. The GEF has maintained business continuity throughout the pandemic period to work with the Agencies and countries, and this effort continued into the new GEF-8 phase.

⁴ GEF, 2022, [*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*](#), Council Document GEF/LDCF.SCCF.32/04/Rev.01.

12. The projects presented to the LDCF/SCCF Council target various adaptation and socio-economic priorities, such as seeking to protect and diversify livelihoods, increase sustainable job opportunities, enhance nature-based solutions, and support climate smart agriculture that targets both subsistence and value chains. They also seek to sustain the rural economy and services to ensure resilient recovery.

13. Program Managers at the GEF Secretariat who are entrusted with technical recommendation of projects for Council consideration, reviewed the two projects applying additional guidance on COVID-19, ensuring that projects and programs for consideration by the Council have identified key COVID-19 impacts, and taken into account the risks and opportunities of the pandemic on the outcomes. This practice, which began in 2020 during GEF-7, has continued into GEF-8. The results of the detailed COVID-19 review of the two projects included in the LDCF/SCCF Work Program are presented in Annex B of this document.

14. The projects presented in this Work Program have been designed to contribute towards various aspects of green and resilient recovery. For example, the global project with UNIDO will focus on community-based adaptation projects and create new business and economic opportunities for MSMEs and civil society organizations (CSOs) in delivering adaptation technologies and services. Supporting their local adaptation solutions will contribute to rebuilding their business, creating new jobs and sustaining livelihoods thereby boosting domestic productivity and local economy.

15. Similarly, the Cambodia project directly responds to anticipated future disruption in the food item supply chain. Although Cambodia's agriculture sector has thus far been able to cater to the employment demand for those that lost jobs in other sectors, the proposed intervention will enhance robustness and resilience of the agriculture sector, particularly in smallholder production value chains, by reducing the supply chain length and through measures to achieve the scale and consistent quality of produce required to meet the needs of markets. The project intends to deploy renewable energy based adaptation technologies, thus contributing to green and resilient recovery.

16. In terms of COVID-19 risk analysis and mitigation strategies, the projects have included the following means, among others:

- (a) Identify technical experts at national and local levels, reschedule some tasks if needed, and utilize remote work options wherever feasible.
- (b) Thorough assessment of post-COVID financial situation of the target sector to ensure that innovative financial solutions are implemented given the additional pressure on the sector, such as burdens of compliance, shortages of skilled labor and markets, as well as the lack of access to finance and supporting infrastructure.

LDCF/SCCF WORK PROGRAM DESCRIPTION

17. The LDCF/SCCF Work Program presents two projects with the total LDCF financing of \$10.45 million, comprising of GEF project financing of \$9.28 million, and Agency fees and PPGs

(\$1.17 million), and total SCCF financing of \$0.51 million, comprising of GEF project financing of \$0.46 million, and Agency fees and PPGs (\$0.06 million).⁵

18. The national project from Cambodia supports agriculture, farmers' livelihoods, and food security in rural communities by scaling up climate resilient technologies and introducing innovative financial solutions. The national project is developed to address priorities for climate change adaptation, as confirmed by the Operational Focal Point (OFP), and aligned with the LDCF programming strategy objectives.

19. The Work Program also includes a global LDCF/SCCF project to support community level adaptation initiatives implemented by UNIDO in partnership with V20, which is a dedicated cooperation initiative of 58 nations that are vulnerable to climate change, working through dialogue and action to tackle global climate change.

20. Sectors and systems addressed in this work program include climate smart agriculture, building climate resilience in the agricultural value chain, food security in rural communities, and financing for locally led adaptation to address negative impacts of climate change through entrepreneurship and community-level solutions. Interventions are proposed at the farm, community, regional, national, and global levels. Both projects place an emphasis on capacity building; engagement of local micro- and small-enterprises led by women, youth and microfinance institutions as solution providers; and policy relevance.

21. For the global project, the LDCF/SCCF resources will support adaptation solutions within the mandates of the LDCF/SCCF. The V20 is mobilizing additional resources to also address loss and damage in its member states. Any loss and damage related activities will be supported from such resources, and the LDCF/SCCF portion will support complementary adaptation action. This arrangement has been made in acknowledgement of the wide-ranging priorities that V20 countries seek to address, while recognizing that the LDCF/SCCF are funds to support adaptation and do not have a specific mandate to support loss and damage under UNFCCC.

22. The priority themes, intervention scales, and programming focus of these projects are well-aligned with those presented in the LDCF/SCCF Programming Strategy for the GEF-8 period.⁶

ANALYSIS OF FACTORS CONSIDERED FOR ENHANCED STRATEGIC LDCF PRIORITIZATION

23. In line with the 2022-2026 GEF Programming Strategy on Adaptation to Climate Change, factors to be considered for the strategic prioritization of projects by the LDCF/SCCF Council for Work Program-based approvals include the following, with the alignment with national needs

⁵ For LDCF, the total amount comprises of GEF project financing (\$9.28 million), Agency fees (\$0.86 million), and PPGs (\$0.29 million) and fees (\$0.03 million). For SCCF, the total amount comprises of GEF project financing (\$0.46 million), Agency fees (\$0.04 million), and PPGs (\$0.01 million) and fees (\$0.001 million).

⁶ GEF, 2022, [*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*](#).

and priorities being the most important factor to consider. These are similar to the GEF-7 strategic prioritization:

- Alignment with needs and priorities identified in national plans, such as the National Adaptation Plan (NAP) process, National Adaptation Programs of Action (NAPAs), and national sustainable development strategies;
- Alignment with priorities in the Programming Strategy on Adaptation to Climate Change, such as opportunities to foster innovation and investments for technology transfer;
- Opportunities to leverage/catalyze support, including GEF multi-trust fund programming and other funding sources including the Green Climate Fund (GCF); and
- Level of LDCF resources previously accessed by the country, to help facilitate access by countries underserved by the LDCF to date.

24. Additional factors were further considered:

- Potential for private sector engagement;
- Geographical balance of LDCF support provided;
- Extenuating circumstances, such as natural disasters; and
- Timing of technical approval of projects.

25. The following sections summarize an analysis of how the proposed Work Program addressed factors for strategic prioritization among proposals that were ready for support.

26. Alignment with national needs and priorities: The proposed LDCF project in Cambodia with IFAD articulates its alignment with current national climate adaptation priorities and contributes to the vision of national climate adaptation strategies and policy approaches. Specifically, it supports Cambodia's Nationally Determined Contribution (NDC); in particular, the document proposes priority adaptation action in the following areas:

- (a) Promoting and improving the adaptive capacity of communities, especially through community-based adaptation action, and restoring natural ecological systems to respond to climate change;
- (b) Increasing the use of mobile and permanent water pumping stations in response to droughts, and promoting groundwater research relating to drought and climate risk; and
- (c) Strengthening technical and institutional capacities in conducting climate change impact assessments and climate change projections, and including climate change considerations in sectoral and sub-sectoral development plans.

27. The project is also aligned with Cambodia's NAP, which seeks to reduce vulnerability to the adverse impacts of climate change, while facilitating the integration of adaptation into

relevant new and existing policies, strategies, programs and activities, and the Cambodia Climate Change Financing Framework (2014). It is also relevant to policies related to sustainable agriculture, including the National Green Growth Roadmap, the Master Plan for Crop Production in Cambodia 2030, which focuses on transition to modern agricultural systems that could generate higher economic value in the rural and urban economy, and the national Agricultural Sector Strategic Development Plan (2019-2023).

28. Alignment with Programming Strategy priorities: The two projects are aligned with all three LDCF strategic priorities articulated in the 2022-2026 Programming Strategy, namely (1) scaling up finance, (2) strengthening innovation and private sector engagement, and (3) fostering partnership for inclusion and Whole-of-Society Approach. The global MTF project also addresses the second SCCF priority area, which is to strengthen technology transfer, innovation, and private sector engagement in adaptation.

29. Opportunities to leverage/catalyze support: The two projects are catalyzing additional financing from the GEF Agencies, recipient government, executing partners, the private sector, and the beneficiary community groups, as shown in Figure 4. Leveraging opportunities are described in each concept. The global project by UNIDO is expected to leverage additional resources during the project preparation phase.

30. GEF-GCF coordination: The two projects include descriptions of potential linkages with existing GCF support. For the Cambodia project, two IFAD projects with GCF support are listed as baseline projects. One such initiative is the Climate Adaptive Irrigation and Sustainable Agriculture for Resilience (CAISAR), which will be implemented by the Ministry of Water Resources and Meteorology (MoWRAM) with finance from the Asian Infrastructure Investment Bank, GCF and IFAD to support climate-adaptive irrigation. Also, the GCF-supported Inclusive Green Financing Initiative (IGREENFIN), a regional project for climate resilient and low emission smallholder agriculture for the Great Green Wall (GGW) initiative, is expected to be a good source of best practices and lessons learned for the Cambodia project. The global UNIDO project is expected to link with ongoing GCF-funded projects and assess gaps for building capacities of private sector micro, small, and medium enterprises.

31. Level of LDCF/SCCF resources previously accessed: Cambodia is the first LDC to successfully start programming LDCF resources in the GEF-8 period. Cumulatively, the country has benefited from \$35.26 million of LDCF support to date prior to this project. Also, this project builds on a successful GEF-5 project supported with \$5.2 million from the SCCF.

32. Geographical balance: The Work Program includes one national project from Asia, and one global project. No projects from other regions were submitted for this Work Program. The GEF will continue to monitor the geographical balance of the GEF-8 portfolio as well as of each Work Program.

33. Private sector engagement: The project in Cambodia has a specific focus on technology transfer, microfinance, and value chain improvement, and includes local private sector actors such as unions of agriculture cooperatives, business clusters, financial institutions, and

extension services. The private sector is also providing some co-financing. With the introduction of a core indicator on private sector engagement in the GEF-8 LDCF/SCCF results framework, this project includes numerical targets such as 20 agri-business MSMEs incubated/accelerated, 10 entrepreneurs supported for climate adaptation and resilience, and \$500,000 total financial value of lines of credit and/or investment funds mobilized, among others. The global project also includes a component to strengthen innovation and private sector engagement, by supporting innovative adaptation technologies through the MSMEs, awareness raising and training for financial institutions, and risk sharing of a number of projects.

34. Extenuating circumstances, such as natural disasters: The two projects in this Work Program are addressing the ongoing COVID-19 crisis, as described earlier and presented in Annex B. Also, the V20 countries are facing negative impacts from climate-induced natural disasters and slow onset events. The project seeks to help build resilience of communities through adaptation measures and through innovation and entrepreneurship, in line with GEF's mandate.

35. Timing of technical approval of projects: All proposals that were technically cleared by the deadline were considered and included in the Work Program. The average time from the initial PIF submission to the CEO PIF clearance is 38 days (6 weeks) for the two projects, with 56 days for the national project, and 20 days for the global project. For the June 2022 Work Program, the average time was 51 days (7 weeks). For the December 2021 Work Program, the average time was 119 days (17 weeks).

36. Resource availability and predictability: This Work Program is supporting the two technically cleared projects. The global project is requesting modest support from the SCCF. While the rationale and merit to address adaptation priorities beyond the LDCs through this project are recognized, the current SCCF resource constraint impacted the resources that could be allocated to this project at this time.

DISTRIBUTION OF RESOURCES BY REGION AND AGENCY

37. Among the two projects for this Work Program, one is a national project, and one is global. The national project (Cambodia) is in the Asia region. The global project spans the V20 countries, which include 58 vulnerable developing nations, including many LDCs and small island developing States (SIDS). With this Work Program, one LDC (Cambodia) will have initiated LDCF access under its \$20 million cap for the 2022-2026 period, to address its adaptation priorities.

38. Figure 1 presents the distribution of LDCF resources in the December 2022 LDCF Work Program by region. The figures include GEF project financing, PPGs, and Agency fees. For this Work Program, \$5.46 million, or 52.3 percent of resources, are programmed in Asia, and \$4.98 million or 47.7 percent are supporting a global project.

Figure 1: Regional Distribution of LDCF Resources (\$ million and share)



39. No medium-sized projects (MSPs) have been approved in the GEF-8 period.

40. Table 1 presents a summary of country allocation of resources from the LDCF for this Work Program, as well as for the GEF-8 period. The figures are inclusive of PPGs and fees.

Table 1: LDCF Resource Programming by Country in December 2022 Work Program, GEF-8, and Cumulative Programming since Fund Inception

	Resources Requested in December 2022 LDCF Work Program (with PPG and Fees)	GEF-8 Cumulative LDCF Resources including December 2022 Work Program and MSPs (with PPG and Fees)	Cumulative LDCF Resources Accessed including December 2022 LDCF Work Program (with PPG and Fees)
Country	\$ million	\$ million	\$ million
Afghanistan	\$0.00	\$0.00	\$40.02
Angola	\$0.00	\$0.00	\$40.43
Bangladesh	\$0.00	\$0.00	\$39.92
Benin	\$0.00	\$0.00	\$40.47
Bhutan	\$0.00	\$0.00	\$40.19
Burkina Faso	\$0.00	\$0.00	\$39.94
Burundi	\$0.00	\$0.00	\$29.79
Cambodia	\$5.46	\$5.46	\$40.72

	Resources Requested in December 2022 LDCF Work Program (with PPG and Fees)	GEF-8 Cumulative LDCF Resources including December 2022 Work Program and MSPs (with PPG and Fees)	Cumulative LDCF Resources Accessed including December 2022 LDCF Work Program (with PPG and Fees)
Central African Republic	\$0.00	\$0.00	\$21.17
Chad	\$0.00	\$0.00	\$39.75
Comoros	\$0.00	\$0.00	\$39.96
Djibouti	\$0.00	\$0.00	\$32.24
DR Congo	\$0.00	\$0.00	\$39.91
Eritrea	\$0.00	\$0.00	\$20.01
Ethiopia	\$0.00	\$0.00	\$41.02
Gambia	\$0.00	\$0.00	\$39.54
Guinea	\$0.00	\$0.00	\$25.49
Guinea-Bissau	\$0.00	\$0.00	\$26.68
Haiti	\$0.00	\$0.00	\$33.48
Kiribati	\$0.00	\$0.00	\$33.24
Lao PDR	\$0.00	\$0.00	\$39.90
Lesotho	\$0.00	\$0.00	\$40.66
Liberia	\$0.00	\$0.00	\$25.71
Madagascar	\$0.00	\$0.00	\$29.62
Malawi	\$0.00	\$0.00	\$43.35
Mali	\$0.00	\$0.00	\$39.03
Mauritania	\$0.00	\$0.00	\$35.16
Mozambique	\$0.00	\$0.00	\$31.73
Myanmar	\$0.00	\$0.00	\$30.17
Nepal	\$0.00	\$0.00	\$42.41
Niger	\$0.00	\$0.00	\$39.81
Rwanda	\$0.00	\$0.00	\$40.62
São Tomé and Príncipe	\$0.00	\$0.00	\$36.74
Senegal	\$0.00	\$0.00	\$40.01
Sierra Leone	\$0.00	\$0.00	\$36.58
Solomon Islands	\$0.00	\$0.00	\$25.69
Somalia	\$0.00	\$0.00	\$39.65
South Sudan	\$0.00	\$0.00	\$19.77
Sudan	\$0.00	\$0.00	\$41.95
Tanzania	\$0.00	\$0.00	\$27.03
Timor-Leste	\$0.00	\$0.00	\$38.80
Togo	\$0.00	\$0.00	\$30.00
Tuvalu	\$0.00	\$0.00	\$21.99

	Resources Requested in December 2022 LDCF Work Program (with PPG and Fees)	GEF-8 Cumulative LDCF Resources including December 2022 Work Program and MSPs (with PPG and Fees)	Cumulative LDCF Resources Accessed including December 2022 LDCF Work Program (with PPG and Fees)
Uganda	\$0.00	\$0.00	\$29.80
Yemen	\$0.00	\$0.00	\$26.53
Zambia	\$0.00	\$0.00	\$37.09
Global	\$4.98	\$4.98	\$33.68
Regional	\$0.00	\$0.00	\$155.79
GEF-7 Challenge Program for Adaptation Innovation	\$0.00	\$0.00	\$0.00

41. Table 2 presents the total amount of LDCF resources by Agency, inclusive of GEF project financing, PPGs, and Agency fees, for the December 2022 Work Program as well as cumulative GEF-8 programming. Two GEF Agencies are represented in the December 2022 Work Program, namely IFAD and UNIDO. IFAD has a 52.3 percent share of the December 2022 Work Program, or \$5.46 million, while the UNIDO share is 47.7 percent.

42. One GEF Agency has been engaged in SCCF programming thus far in the GEF-8 period, namely, UNIDO, via a MTF project that blends LDCF and SCCF resources, as shown in Table 3.

Table 2: LDCF Resource Programming by Agency in December 2022 Work Program and GEF-8

Agency	Resources Requested in December 2022 LDCF Work Program (with PPG and Fees)		GEF-8 Cumulative LDCF Resources Requested including December 2022 Work Program and MSPs (with PPG and Fees)	
	\$ million	% of resources	\$ million	% of resources
ADB	\$0.00	0.0%	\$0.00	0.0%
AfDB	\$0.00	0.0%	\$0.00	0.0%
BOAD	\$0.00	0.0%	\$0.00	0.0%
CI	\$0.00	0.0%	\$0.00	0.0%
FAO	\$0.00	0.0%	\$0.00	0.0%
IFAD	\$5.46	52.3%	\$5.46	52.3%
IUCN	\$0.00	0.0%	\$0.00	0.0%
UNDP	\$0.00	0.0%	\$0.00	0.0%
UNEP	\$0.00	0.0%	\$0.00	0.0%
UNIDO	\$4.98	47.7%	\$4.98	47.7%
WB	\$0.00	0.0%	\$0.00	0.0%
WWF-US	\$0.00	0.0%	\$0.00	0.0%
Total	\$10.44	100.0%	\$10.44	100.0%

Table 3: SCCF Resource Programming by Agency in December 2022 Work Program and GEF-8

Agency	Resources Requested in December 2022 SCCF Work Program (with PPG and Fees)		GEF-8 Cumulative SCCF Resources Requested including December 2022 Work Program and MSPs (with PPG and Fees)	
	\$ million	% of resources	\$ million	% of resources
ADB	\$0.00	0.0%	\$0.00	0.0%
AfDB	\$0.00	0.0%	\$0.00	0.0%
BOAD	\$0.00	0.0%	\$0.00	0.0%
CI	\$0.00	0.0%	\$0.00	0.0%
FAO	\$0.00	0.0%	\$0.00	0.0%
IFAD	\$0.00	0.0%	\$0.00	0.0%
IUCN	\$0.00	0.0%	\$0.00	0.0%
UNDP	\$0.00	0.0%	\$0.00	0.0%
UNEP	\$0.00	0.0%	\$0.00	0.0%
UNIDO	\$5.15	100%	\$5.15	100%
WB	\$0.00	0.0%	\$0.00	0.0%
WWF-US	\$0.00	0.0%	\$0.00	0.0%
Total	\$5.15	100.0%	\$5.15	100.0%

43. By the end of the GEF-7 period, twelve GEF Agencies have been engaged in LDCF programming, including ADB, AfDB, BOAD, CI, FAO, IBRD, IFAD, IUCN, UNDP, UNEP, UNIDO, and WWF-US. The Agency concentration was well-balanced in the GEF-7 period, with no Agency with more than one-third of the GEF-7 portfolio.

44. The LDCF Agency programming distribution since the fund inception to March 31, 2022 is shown in Figure 2. Various GEF Agencies have been involved in LDCF projects and programs totaling \$1,504.58 million since the fund inception to March 2022.⁷ Of this amount, UNDP holds the largest share of project funding decisions to date, with 48 percent; followed by 14 percent by FAO and 12 percent by UNEP. The large historical UNDP share is in part due to the limited number of Agencies that were engaged in climate adaptation in the early period of LDCF operations. Over time, the number of GEF Agencies active in climate adaptation has increased, contributing to a more balanced LDCF programming.

45. Among the agencies active in the LDCF portfolio, the share of GEF-7 LDCF programming by the multilateral development banks (ADB, AfDB, and World Bank) and IFAD was 27.5 percent.

46. The Agency concentration for SCCF for GEF-7 was also well-balanced, as shown in Figure 3. For the SCCF, the GEF-7 share of multilateral development banks and IFAD was 10.5 percent.

⁷ These figures are based on the Trustee [Status Report for the Least Developed Countries Fund](#), Council Document GEF/LDCF.SCCF.32/Inf.02. As the BOAD submitted its first proposal after this report was issued, the number of Agencies referenced in this paragraph is 11 Agencies. Figure 2 of distribution of resources by agencies since fund inception also shows 11 Agencies.

Figure 2: Comparison of Agency Distribution of LDCF Resources for GEF-8 and since Fund Inception (\$ million and share)

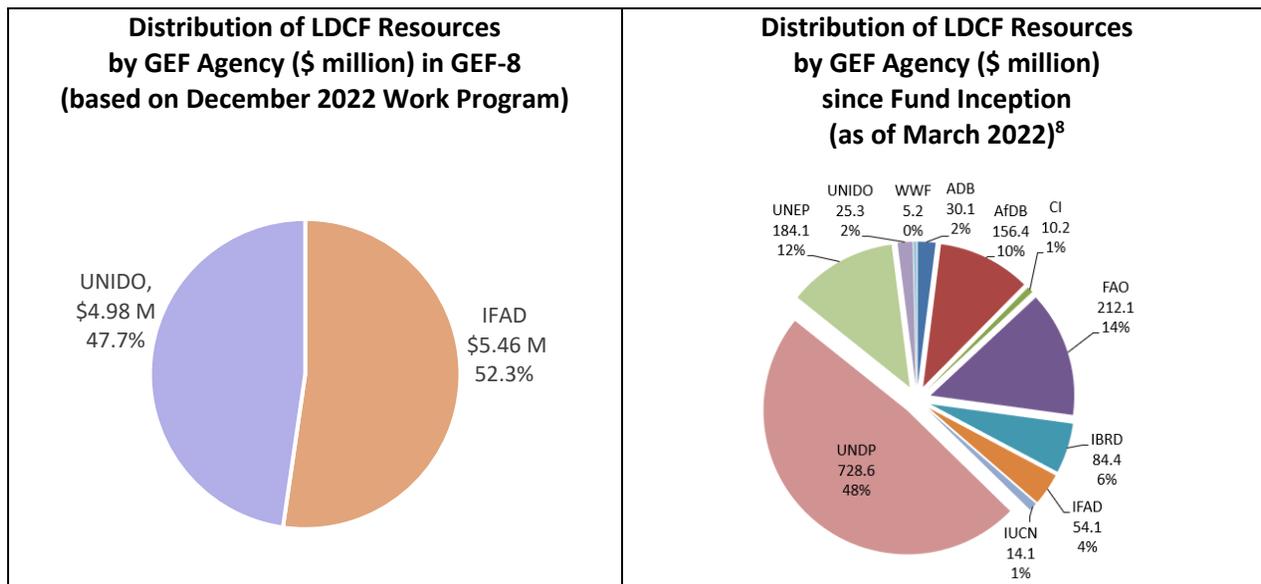
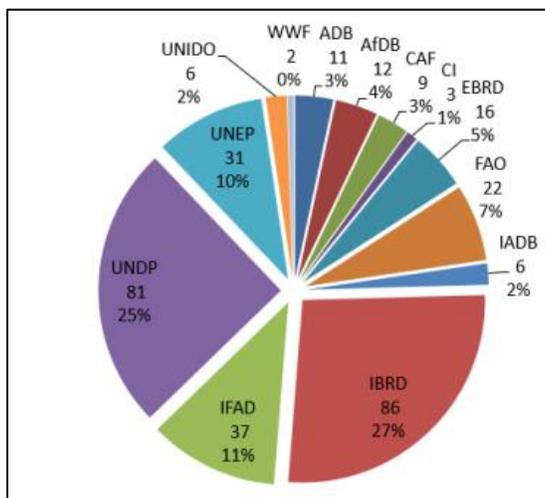


Figure 3: Agency Distribution of SCCF Resources since Fund Inception (\$ million and share)⁹



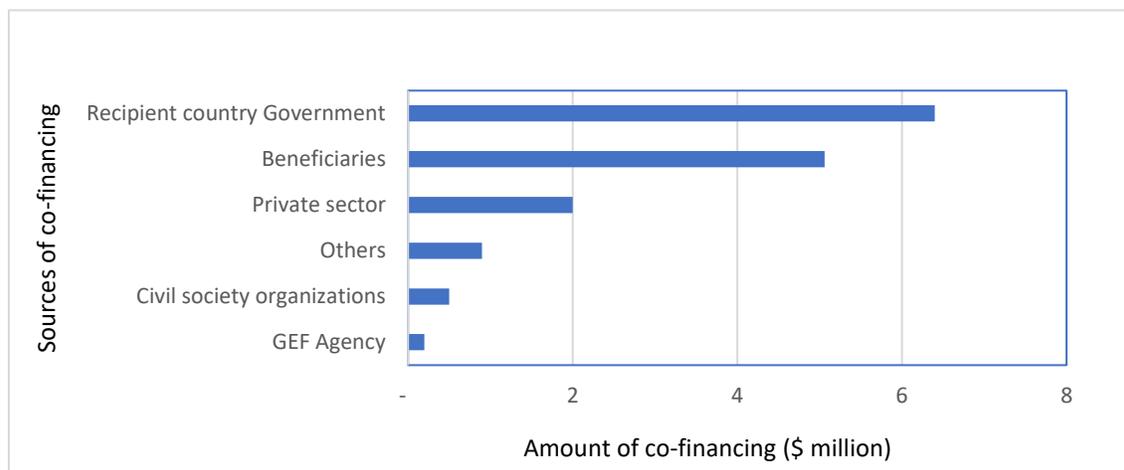
⁸ GEF, 2022, [Status Report for the Least Developed Countries Fund](#).

⁹ GEF, 2022, [Status Report for the Special Climate Change Fund](#).

DISTRIBUTION OF CO-FINANCING

47. Distribution of co-financing by co-financier types for the projects in the December 2022 Work Program is shown in Figure 4. Recipient country governments, beneficiaries and the private sector are the main providers of co-financing, of which \$7.70 million or 51.1 percent is investment mobilized. The co-financing is expected to be enhanced by CEO endorsement stage.

Figure 4: Distribution of Co-Financing for December 2022 LDCF/SCCF Work Program (\$ million)



RESULTS AND IMPACTS

48. The projects presented in the LDCF/SCCF Work Program cover interventions to deliver adaptation benefits aligned with the Programming Strategy. The results framework for adaptation to climate change for the LDCF and SCCF (2022-2026) comprises of five core indicators.

49. These core indicators have been updated in GEF-8, to reflect the evolution of the LDCF/SCCF Programming Strategy. Notably, Core Indicator 5 has enhanced the ability to identify and monitor private sector engagement more explicitly. Also, Core Indicator 2 (b) has been added to track coastal and marine area brought under climate-resilient management, given the renewed SCCF focus on SIDS. Sex-disaggregation of indicators is required and tracked for all relevant indicators.

50. Contributions of the LDCF portion of the two proposals to the core indicators are as follows:

- Core indicator 1. Number of direct beneficiaries: 90,000 persons, of which 45,000 persons or 50.0 percent are female.
- Core indicator 2 (a). Area of land under climate-resilient management: 20,000 hectares.

- Core indicator 3. Total number of policies, plans, and frameworks that will mainstream climate resilience: at least 3 policies and plans.
- Core indicator 4. Number of people trained or with awareness raised: 202,000 persons, of which 101,000 persons or 50.0 percent are female.
- Core indicator 5. Number of private sector enterprises engaged in climate change adaptation and resilience action: 30 enterprises.

51. The contribution of the SCCF-funded portion of one project to the core indicators is as follows:

- Core indicator 1. Number of direct beneficiaries: 4,000 persons, of which 2,000 persons or 50.0 percent are female.
- Core indicator 4. Number of people trained or with awareness raised: 1,000 persons, of which 500 persons or 50.0 percent are female.

52. The Corporate Scorecard includes a section on adaptation core indicators, which will be tracked at the CEO endorsement, mid-term, and terminal stages.

53. Age-disaggregated data will be requested as sub-indicators for core indicators 1 and 4, to be used as relevant for each project at the CEO endorsement, mid-term review, and terminal evaluation stages.

GENDER

54. The two projects in this Work Program considered gender issues in their initial project design. They specified measures to address gender inequalities in access to finance and climate technology and in women's participation in decision-making. The projects will ensure the participation of women as key stakeholders, in particular, in the development of frameworks and strategies to promote adaptation, innovation and entrepreneurship, in policy review and formulation, and in capacity building activities. One project will create a Gender Council comprising gender champions actively engaged in the various stages of the agricultural value chains. The Gender Council will be the source of expert advice on the integration of pragmatic and results-oriented capacity-building and awareness-raising activities. They will also be involved in the development and dissemination of knowledge around climate change adaptation, with a gender lens.

55. The projects specified plans to carry out gender analysis to better understand the differentiated needs and roles of women and men with respect to the project interventions and to design gender action plans that will address the gender inequalities identified in the gender analysis. The projects also confirmed plans to develop gender-responsive results frameworks and gender-sensitive indicators during the project development stage.

LDCF/SCCF PROJECT DESCRIPTIONS

56. **Cambodia:** *Climate Resilience Enhancement for Building Adaptive Capacity in Agri-Value Chains in Cambodia* (CREA) (GEF ID 11051); GEF Agency: IFAD; GEF project financing: \$4,860,000; Co-financing: \$11,560,000. The objective of the project is to scale up climate resilient technologies and innovative finance solutions to support agriculture, farmers' livelihoods, and food security in rural Cambodia. CREA builds on the achievements and learnings of the project "*Building Adaptive Capacity through the Scaling-Up of Renewable Energy Technologies in Rural Cambodia (S-RET)*", financed by the Special Climate Change Fund, and aims to advance the momentum that has increased the market space for climate resilient technologies in the priority agricultural sub-sectors most vulnerable to climate change impacts. The project plans to systematically engage smallholder farmers, agricultural organizations, climate resilient technologies suppliers, extension services and partner financial institutions through a suite of integrated interventions, including complementary innovative financial solutions with targeted technical assistance and policy support for key stakeholders. The project is innovative and transformative as it supports the identification of new collective business models and innovative financial solutions to support the rollout of technologies for enhancing climate resilience in agriculture sector. The project is expected to benefit 40,000 people (50 percent female), place 20,000 hectares of agriculture land under climate resilient management, adopt 10 new adaptation technologies, engage 20 Agri-MSMEs and support 10 entrepreneurs in climate change adaptation and resilience action. In addition, the project is expected to support mainstreaming of climate resilience into the action plan for the Renewable Energy in Agriculture policy development and establish three institutional partnerships to integrate course modules on climate resilient technologies into academic trainings. The project is also expected to contribute directly to the country's economic recovery of communities affected by COVID-19.

57. **Global:** *Vulnerable Twenty Group Funding Program to Leverage Adaptation by Averting and Minimizing Impacts of Climate Change* (GEF ID 11055); GEF Agency: UNIDO; GEF project financing: \$4,416,210 (LDCF) and \$456,621 (SCCF); Co-financing: \$3,500,000. The objective of the project is to boost adaptation by building resilience at the community level to avert and minimize impacts from climate change amongst member nations of the V20 Group. With a focus on LDCs and some highly vulnerable non-LDCs, the project aims to support deployment of innovative adaptation solutions and build capacity at local levels to access adaptation finance. The MTF project will provide catalytic finance to CSOs and MSMEs to implement high impact and innovative locally led adaptation solutions across agriculture, water, climate information services and disaster risk reduction. It will support designing a V20 Funding Program (VFP), select projects of CSOs/MSMEs for funding through VFP, enhance access to knowledge, and promote south-south exchange on adaptation solutions. It aims to identify and support up to 50 community-based projects, improve resilience of 54,000 vulnerable people (with 50% women) and strengthen capacity of nearly 3,000 people on adaptation planning and implementation. By supporting adaptation interventions by MSMEs and CSOs, which operate at very local levels, the project will promote social inclusion of the marginalized thereby engaging the whole-of-society in these projects. The project will build on the collaboration between UNIDO and V20 in developing Climate Prosperity Plans (CPPs) and complement other

instruments in climate and disaster risk financing like the G20-V20 InsuResilience Global Partnership and the G7-V20 Global Shield against Climate Risks. The project will also complement efforts by the group to mobilize financing for loss and damage, while support from LDCF and SCCF will be provided only for adaptation aspects within the mandate of the LDCF/SCCF to support climate adaptation. The project is aligned with the adaptation priorities of scaling up finance, whole-of-society approach, and strengthening innovation and private sector engagement priorities of the GEF-8 climate adaptation programming strategy. It will also contribute to climate resilient and green recovery from the COVID-19 pandemic in the targeted LDCs, SIDS and other vulnerable countries by creating new economic opportunities at local level for communities and small businesses.

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

**Under the LDCF
December 2, 2022**

No.	GEF ID	Project Title	Country	Agency	PPG Amount	PPG Fee	GEF Project Financing	Agency Fee	Co-financing	Total Project Cost
in US \$										
Stand-Alone Full-sized Projects										
<i>Climate Change</i>										
1	11051	Climate Resilience Enhancement for Building Adaptive Capacity in Agri-Value Chains in Cambodia (CREA)	Cambodia	IFAD	150,000	14,250	4,860,000	437,000	11,560,000	17,021,250
2	11055	Vulnerable Twenty Group Funding Programme to Leverage Adaptation by Averting and Minimizing Impacts of Climate Change	Global	UNIDO	136,500	12,968	4,416,210	419,540	3,340,000	8,325,218
CCA-Sub-Total					286,500	27,218	9,276,210	856,540	14,900,000	25,346,468
GRAND TOTAL					286,500	27,218	9,276,210	856,540	14,900,000	25,346,468

**Under the SCCF-B
December 2, 2022**

No.	GEF ID	Project Title	Country	Agency	PPG Amount	PPG Fee	GEF Project Financing	Agency Fee	Co- financing	Total Project Cost
in US \$										
Stand-Alone Full-sized Projects										
<i>Climate Change</i>										
1	11055	Vulnerable Twenty Group Funding Programme to Leverage Adaptation by Averting and Minimizing Impacts of Climate Change	Global	UNIDO	13,500	1,283	456,621	43,379	160,000	674,783
CCA-Sub-Total					13,500	1,283	456,621	43,379	160,000	674,783
GRAND TOTAL					13,500	1,283	456,621	43,379	160,000	674,783

ANNEX B: COMPILATION OF COVID-19 PROJECT DESIGN AND REVIEW CONSIDERATIONS

Country: Cambodia

Project ID: 11051

Project Title: Climate Resilience Enhancement for Building Adaptive Capacity in Agri-Value Chains in Cambodia (CREA)

Agency: IFAD

Project Design and Review Considerations in Response to the COVID-19 Crisis and the Mitigation of Future Pandemics

COVID-19 Considerations for GEF Projects and Programs

1. **General:** Describe briefly how the pandemic overall is addressed in the project, including associated impacts, risks and opportunities. Projects are required to identify and establish likely impacts and risks from COVID-19, and how they will be dealt with in the context of delivering GEBs and/or climate adaptation and resilience benefits.

The PIF describes the COVID-19 pandemic on international tourism and domestic retail services, despite managing it well, with around 3,000 deaths reported, and about 81% of the population vaccinated. It recognizes that many migrant workers lost jobs and has returned to Cambodia during 2020, resulting in increased unemployment and reduced incomes from remittances and creating additional stress on the infrastructure. The project mentions that overall, Cambodia's agriculture sector has proved resilient during the Covid-19 pandemic. Agriculture sector growth, particularly based on increasing exports through formal channels and taking advantage of recent trade agreements, is a key element of Government's strategy for post-pandemic recovery. Given the above context, the project is expected to support climate adaptation and resilience benefits particularly in value chains (VCs) based on smallholder production, to achieve the scale and consistent quality of produce meeting the needs of export and domestic markets.

2. **Risk analysis:** Describe further how risks from COVID-19 have been analyzed and mitigation strategies incorporated into the design. Project documents are expected to include consideration to the risks that COVID-19 poses for all aspects of project design and eventual implementation.

The Agency will update the assessment of the COVID risk during the PPG, including thorough assessment of post-Covid financial situation of the agri-MSMEs to ensure that innovative financial solutions are implemented given that the Covid-19 pandemic has put additional pressure on agri-MSMEs, such as burdens of compliance, shortages of skilled labour and markets, as well as the lack of access to finance and supporting infrastructure. At present, the adaptation solutions proposed by the project contribute directly to the country's economic recovery of communities affected by COVID-19, which constitute an effective mitigation measure for this risk.

3. Opportunity analysis: Describe further how the project has identified potential opportunities to mitigate impacts (if any) created by COVID-19 to deliver GEBs and/or climate adaptation and resilience benefits, and contribute toward green recovery and building back better.

The PIF is cautious about resurgence of Covid-19 could affect the project through domestic economic impacts or through impacts on export markets. The project identifies opportunities to partially mitigate trade-related macro risks by focusing on domestic value chains which are likely to be less severely affected and contributing toward green recovery. Further, the PIF mentioned that the Covid-19 have been incorporated into the design and aligned with mitigation strategies reflected in the Agriculture Development Policy (ADP) green recovery.

Country: Global (V20 Group Member Countries)

Project ID: 11055

Project Title: *Vulnerable Twenty Group funding program to leverage adaptation by averting and minimizing impacts of climate change*

Agency: UNIDO

Project Design and Review Considerations in Response to the COVID-19 Crisis and the Mitigation of Future Pandemics

As the GEF adapts to the impacts the COVID-19 crisis is having on its business, there is a need to document how new proposed projects being presented to Council have integrated and considered the various aspects of COVID-19 on the design and eventual implementation of said projects. This short template is designed to capture how each project presented to Council has addressed this issue.

COVID-19 Considerations for GEF Projects and Programs

1. **General:** Describe briefly how the pandemic overall is addressed in the project, including associated impacts, risks and opportunities. Projects are required to identify and establish likely impacts and risks from COVID-19, and how they will be dealt with in the context of delivering GEBs and/or climate adaptation and resilience benefits.

The PIF briefly points to the fiscal challenges faced by V20 member countries after the COVID-19 pandemic and the resulting financing gap to take forward their climate change action and address other social and economic objectives. In this context it highlights the needs of LDCs and other vulnerable countries including SIDS in the V20 group for dedicated climate adaptation finance. It further highlights the issue of access to vaccination and poor health infrastructure in remote locations and communities in the target countries. And finally, it points to potential risks in project operations due to limited access to international experts and other issues related to spread of infection in the future. Within this context, the project also identifies opportunities to contribute to climate resilient recovery in the focus countries by intervening at community levels and implementing adaptation solutions directly through MSMEs and CSOs which can generate livelihoods, jobs and boost local economies.

2. **Risk analysis:** Describe further how risks from COVID-19 have been analyzed and mitigation strategies incorporated into the design. Project documents are expected to include consideration to the risks that COVID-19 poses for all aspects of project design and eventual implementation.

The PIF has identified low to medium risks on the project operations from the pandemic. In case of resurgence of the infection and subsequent containment measures, the project implementation may get affected due to limited availability of technical experts, travel restrictions and reduction in co-financing. The PIF proposes mitigation strategies which include identifying technical experts at national and local levels and rescheduling some tasks if needed, utilize remote working options wherever feasible.

3. **Opportunity analysis:** Describe further how the project has identified potential opportunities to mitigate impacts (if any) created by COVID-19 to deliver GEBs and/or climate adaptation and resilience benefits, and contribute toward green recovery and building back better.

By design, the project engages the private sector (especially MSMEs) and CSOs to deploy adaptation technologies and services to communities affected by climate change. New business opportunities and management suggestions will be provided to the MSMEs/CSOs and communities so that are fully informed of the market and environmental trends. For example, directly related to reducing the spread of COVID, this project will promote sustainable land uses and limit deforestation to reduce human-wildlife contact. In the long-term, adaptation of MSME innovations will improve domestic productivity such as through resilient production thereby boosting local economy and increasing the resilience of the ecological and socio-economy systems to weather emerging infectious diseases in the future. Additionally, based on spurred international trade due to COVID restrictions, this project will support the domestic markets to substitute missing products from global value chains thereby creating opportunities for communities and MSMEs to rebuild their business and livelihoods.