



# Climate Change Adaptation

Least Developed Countries Fund (LDCF)  
and Special Climate Change Fund (SCCF)



## Main Issue

Climate change poses a growing threat to all human and natural systems on our planet. International efforts are intensifying to prepare for rising seas, higher temperatures, worsening droughts, frequent floods, and other impacts that can affect water resources, crop yields, and the health of people and ecosystems. Adaptation measures are urgently needed in vulnerable developing countries to safeguard development gains and support resilient growth.

For least developed countries (LDCs) and Small Island Developing States (SIDS) which are uniquely and acutely vulnerable, the impacts of climate

change translate into a myriad of hazards affecting life, livelihoods, food security, and health. Women and children are disproportionately impacted by climate change, while warming temperatures threaten to compound other problems faced by vulnerable countries which are already economically fragile and conflict affected.

Huge financing and capacity gaps constrain developing countries in their ability to tackle climate change impacts. In addition, a lack of policy coherence, limited engagement of the private sector, barriers in technology innovation and the low involvement of local communities, restricts the transformation so urgently needed to create climate resilient societies.

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## What We Do

The GEF supports adaptation to climate change in developing countries through two trust funds established in 2001 at the seventh Conference of the Parties (COP 7) under the United Nations Framework Convention on Climate Change (UNFCCC). The Least Developed Countries Fund (LDCF) is the only fund dedicated to supporting climate adaptation needs in LDCs. It is helping them address urgent, medium and long-term climate priorities. The Special Climate Change Fund (SCCF), accessible by all developing countries, is focused on targeting the adaptation priorities of SIDS as well as catalyzing innovation, technology transfer, and private sector engagement. The LDCF and SCCF

provide grants for country projects - with dedicated allocations for LDCs and SIDS. They also fund regional and global adaptation projects, as well as provide technical support to countries to help them develop effective adaptation projects.

Both the LDCF and SCCF support GEF investments in the Challenge Program for Adaptation Innovation. This initiative, which provides seed funding outside of the GEF's regular investments, has demonstrated its unique ability to catalyze innovation in adaptation by directly engaging technology and private sector innovators, such as large-scale agricultural commodity managers, commercial financial institutions, academia, small and medium enterprise (SMEs) and insurance providers.



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## Strategic GEF-8 priorities of LDCF and SCCF

The GEF-8 climate change adaptation strategy for 2022-2026 is designed to support transformational adaptation and contribute to the Paris Agreement's Global Goal on Adaptation. The unique strengths and specificities of the GEF-managed LDCF and SCCF complement other sources of climate adaptation finance through a set of climate themes and catalyzers. The GEF-8 adaptation strategy addresses the urgent needs of vulnerable countries in the thematic climate areas of agriculture, food, health, water, natural resources, and climate risk information. LDCF and SCCF support can address national strategic priorities – such as the scaling up of finance, technology transfer, whole-of-society approaches, and private sector engagement.

The strategy aims to remove barriers hindering climate adaptation and the resilience of communities,

ecosystems and value chains. These include limitations in access to technologies, adequate financial flows, institutional capacity, knowledge and the inclusion of local communities in adaptation planning. The GEF-8 strategy emphasizes the importance of gender equality and youth engagement, as well as promoting the generation of adaptation investments at scale by tapping the financial resources of the private sector. The two funds will continue supporting the Challenge Program for Adaptation Innovation to capture the entrepreneurial expertise of the private sector. Following a similar model, the SCCF will also fund the Inclusive GEF Assembly Challenge Program which will support high impact initiatives by civil society and other community-based organizations that strengthen the engagement of women, youth, indigenous peoples and local communities in achieving adaptation and other environmental benefits. Winners will receive grants up to \$100,000 in order to advance their grassroots adaptation action.



## Results

The GEF, through the LDCF and SCCF, has invested more than \$2 billion in grants for 488 climate change adaptation projects, programs and enabling activities of LDCs, SIDS and other climate vulnerable developing countries. This investment, in turn, has catalyzed more than \$10 billion in co-financing and directly benefited close to 70 million people vulnerable to climate change.

The LDCF has invested nearly \$1.8 billion in grants to 391 projects, programs and enabling activities in 51 current and graduated LDCs. These investments have directly benefited more than 60 million people and improved the climate adaptive management of nearly 9.6million hectares of land, and mainstreamed climate resilience in over 3,000 policies and plans.

The SCCF has provided \$368 million in grants for 97 projects. This investment is delivering adaptation benefits to nearly 9 million climate vulnerable people and building resilience through sustainable management of 5 million hectares of land, and mainstreamed climate resilience in over 500 policies and plans.

Technology transfer, innovation and private sector engagement have continued to be a focus of these GEF trust funds since their inception. The Challenge Program for Adaptation Innovation, launched in GEF-7 has supported 19 medium-sized projects, that have engaged a growing set of private sector actors and other climate innovators in climate adaptation which have not traditionally partnered with the GEF.



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## Looking Ahead

The GEF will continue to catalyze adaptation action in developing countries by providing dedicated support for project development and adaptation planning. The GEF is actively engaging with countries through a set of regional capacity building workshops and thematic sessions to enhance the accessibility and impact of the LDCF and SCCF. The GEF will also capitalize on accumulated knowledge and experiences by enhancing portfolio- and partnership-oriented organizational learning and knowledge sharing. A key aspect of the GEF-8 adaptation strategy is to ensure complementarity with other financial sources, in particular with the GCF, in supporting major climate adaptation initiatives and joint national investment planning in specific countries.

The LDCF and SCCF will build on strong foundations gained from extensive climate investments to further advance adaptation action and ambition in developing countries caught on the climate frontline. LDCs can benefit from the ambitious GEF-8 adaptation strategy, which is accompanied by increased funding to further strengthen their institutional capacities. This is designed to reduce the adaptation finance gap, and mainstream adaptation across all paths of national and local development. The SCCF's SIDS focus can play a crucial role in bolstering these island communities against the cascading manifestations of the climate emergency. Its focus on technology transfer, innovation and private sector engagement will help address a key deficit in the global endeavor to increase adaptation investments. The "whole of society" approach embedded within both the LDCF and SCCF will become increasingly important as we pursue the transformational adaptation necessary to underwrite a future, safe planet.





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The Global Environment Facility (GEF) is a family of funds dedicated to confronting biodiversity loss, climate change, pollution, and strains on land and ocean health. Its grants, blended financing, and policy support help developing countries address their biggest environmental priorities and adhere to international environmental conventions. Over the past three decades, the GEF has provided more than \$23 billion and mobilized \$129 billion in co-financing for more than 5,000 national and regional projects.