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Collaboration with the Global Environment Facility

Report by the Global Environment Facility on its strategies, programmes and projects for financing the agreed incremental costs of activities concerning desertification

Report by the Global Environment Facility on its strategies, programmes and projects for financing the agreed incremental costs of activities concerning desertification*

Summary

In accordance with the memorandum of understanding between the United Nations Convention to Combat Desertification (UNCCD) and the Global Environment Facility (GEF) to enhance collaboration between them (decision 6/COP.7), the GEF secretariat is requested to submit a report to each regular session of the Conference of the Parties through the UNCCD secretariat on its strategies, programmes and projects for financing the agreed incremental costs of activities concerning desertification. This document contains the report received from the GEF, reproduced as submitted with minor adjustments to the format and without further editing.

This report is also prepared in virtue of decision 10/COP.9 whereby Parties invited the Chief Executive Officer/Chairperson of the GEF to report on the implementation of that decision. It follows the suggested format outlined in the memorandum of understanding and describes GEF activities in sustainable land management as they relate to the GEF Land Degradation Focal Area, specifically desertification and deforestation, for the period of July 2009 to June 2011.

* The report was received on 8 August 2011. Late submission was due to the required consultation between the GEF secretariat and the GEF Council members on the present report.

[Original: English, French and Spanish]

Investing in Land Stewardship

REPORT OF THE GLOBAL ENVIRONMENT FACILITY TO THE TENTH
SESSION OF THE CONFERENCE OF THE PARTIES TO THE UNITED
NATIONS CONVENTION TO COMBAT DESERTIFICATION

July 2011

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LIST OF ABBREVIATIONS

ADB	Asian Development Bank
AfDB	African Development Bank
AMR	Annual Monitoring Report
CBD	Convention on Biological Diversity
COP	Conference of the Parties
CRIC	Committee for Review of Implementation of the Convention
CSP	Country Support Program
DLDD	Desertification, Land Degradation, and Drought
EBRD	European Bank for Reconstruction and Development
FAO	Food and Agriculture Organization
FY	Fiscal Year
GEBs	Global Environmental Benefits
GEF	Global Environment Facility
GGWI	Great Green Wall Initiative of the Sahel and Sahara
IDB	Inter-American Development Bank
IEM	Integrated Ecosystem Management
IFAD	International Fund for Agricultural Development
LDC	Least Developed Country
LDCF	Least Developed Countries Fund
LDFA	Land Degradation Focal Area
LFCC	Low Forest Cover Countries
LULUCF	Land Use, Land Use Change, and Forestry
MFA	Multi Focal Area
MOU	Memorandum of Understanding
MSP	Medium Sized Project
NAP	National Action Program
NAPA	National Adaptation Program of Action
NPFE	National Portfolio Formulating Exercise
OP	Operational Program
PIF	Project Identification Form
PIR	Project Implementation Report
PPG	Project Preparation Grant
PRAIS	Performance Review and Assessment of Implementation System
RBM	Results Based Management
REDD	Reducing Emissions from Deforestation and Forest Degradation
SCCF	Special Climate Change Fund
SFM	Sustainable Forest Management
SGP	Small Grants Program
SIDS	Small Island Developing States
SLM	Sustainable Land Management
STAR	System for a Transparent Allocation of Resources
UNCCD	United Nations Convention to Combat Desertification
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change

BACKGROUND

1. This report has been prepared by the Global Environment Facility (GEF) for submission to the tenth session of the Conference of Parties to the United Nations Convention to Combat Desertification (UNCCD/COP-10) in Changwon, Gyeongnam Province, Republic of Korea, from October 10 to October 21, 2011. This is the third report prepared by the GEF to the COP in accordance with the Memorandum of Understanding (MOU) between the UNCCD and the GEF. This is also the first time the GEF is reporting after the GEF Instrument is amended to list the UNCCD among the Conventions for which the GEF plays the role of financing mechanism.
2. The report follows the suggested format outlined in the MOU. It provides information on GEF activities in sustainable land management as they relate to GEF Land Degradation Focal Area, specifically desertification and deforestation, for the period of July 2009 to June 2011. In accordance with the MOU, activities in other GEF Focal Areas and funding windows related to Sustainable Land Management (SLM) are also presented. Because of the transition from the Fourth (GEF-4) to Fifth (GEF-5) replenishment phase during this period, the report also includes additional information on policy and programming reforms related to GEF role as financial mechanism for the Convention.
3. The report also complements information provided through the Performance Review and Assessment of Implementation System (PRAIS), which was included in the global synthesis submitted to the Committee for Review of Implementation of the Convention at its 9th Session (CRIC-9). The PRAIS Template for GEF is a unique opportunity for more comprehensive reporting by the GEF on activities in the LDFA, although there are limitations on the amount of information available from GEF and type of performance indicators that can be reported on directly. GEF reporting through PRAIS is based primarily on performance indicators that are consistent with the activities of LDFA, which has hitherto served as a window for the role of GEF as financial mechanism. Furthermore, GEF reporting focuses mainly on performance indicators that can be aggregated cross projects (i.e. the LDFA portfolio level monitoring). In addition to performance indicators, GEF reporting also includes the *Standard Financial Annex* and *Programme and Project Sheets*.

INTRODUCTION

4. This report presents the status of the project and program portfolio for the GEF LDFA (desertification and deforestation). The last COP report covered the period of July 2007 to June 2009 and reflected consolidation of the LDFA as a thematic area in its own right in the overall GEF structure. This reporting period observed a series of important milestones for the GEF and UNCCD relations in general, and specifically for the LDFA.
5. First, the 4th GEF Assembly held on May 24-28, 2010 in Punta del Este, Uruguay, accepted recommendations of the GEF Council to declare the GEF as a Financial Mechanism of the

UNCCD. As a result, the GEF Assembly also agreed to amend the GEF instrument accordingly¹. In accordance with the GEF Instrument, the amendment is now effective after adoption by the three Implementing Agencies.

6. Second, GEF-4 as the first complete funding cycle for the LDFA was successfully closed with nearly US\$ 300 million committed worldwide to sustainable land management activities. More than 40 countries benefitted from GEF investments, with projects in all UNCCD affected regions.

7. Third, the GEF completed a very successful 5th replenishment process for the period 2010-2014, which resulted in the highest allocation ever to the GEF - US\$ 4.25 billion. As a result of this increased replenishment, all focal areas received a much higher allocation of resources than in GEF-4. For the LDFA, which primarily supports priorities of the UNCCD, the total GEF-5 allocation is US\$ 405 million. This reflects an increase of more than 30 percent over GEF-4 levels. With GEF's improved resource allocation system, the System for a Transparent Allocation of Resources (STAR), all eligible countries have indicative allocation to access funding for projects aimed at combating land degradation (Desertification and Deforestation). The LDFA strategy for GEF-5 was finalized and introduced during the reporting period, and is largely in line with the draft presented to the 9th Session of the UNCCD COP in Buenos Aires, Argentina.

¹ Excerpt from the Chair's Summary of the Fourth GEF Assembly: *The Assembly approved the second proposed amendment to paragraph 6 of the Instrument and agreed that a new sub-paragraph (b) be inserted in paragraph 6 and that the present paragraph 6 be re-numbered as 6(a) with the new paragraph 6 (b) to read as follows: "The GEF shall be available to serve as a financial mechanism of the United Nations Convention to Combat Desertification in Countries Experiencing Serious Drought and/or Desertification, particularly in Africa (UNCCD), pursuant to article 20, paragraph 2(b), and article 21 of the Convention. The Council shall consider and approve arrangements to facilitate collaboration between the GEF and the UNCCD and among countries with respect to affected countries, particularly Africa".*

STATUS OF GEF LAND DEGRADATION FOCAL AREA PORTFOLIO

8. During the reporting period, one programmatic approach and fourteen projects were approved with funding from the LDFA. Six of the projects were approved during the last year of GEF-4 and the remaining nine during the first year of GEF-5. The total GEF amount invested during the reporting period was US\$ 60.56 million, with an additional US\$ 1699.32 million in co-financing. This funding benefited 28 recipient countries in four different regions. Table 1 shows the breakdown of GEF resources by region for the final year of GEF-4 and first year of GEF-5.

Table 1: Breakdown of GEF resources and co-financing (USD millions) by replenishment cycle and region (Note: Numbers in this table include MSPs, FSPs and Programs)

Region	GEF-4 (Final Year)			GEF-5 (First Year)		
	# of Projects	GEF Grant	Co-financing	# of Projects	GEF Grant	Co-financing
Africa	2	1.95	7.39	2	38.65	1540.50
Asia	0	-	-	2	6.48	23.90
MENA	1	1.56	3.30	0	-	-
LAC	1	4.00	77.61	3	3.29	19.43
CEE	0	-	-	2	3.75	21.88
Global	2	0.88	5.30	0	-	-
Total	6	8.39	93.60	9	52.17	1605.72

GEF-4 - Overview of SLM Investments (2006 – 2010)

9. Overall, the GEF invested approximately US\$ 340 million in projects addressing SLM during the entire GEF-4 replenishment phase, and leveraged US\$ 2302 million in the process (Fig 1). Nine of the ten GEF Agencies contributed to programming of GEF resources and leveraging co-financing at an average ratio of 1:8. Three GEF Agencies – World Bank, UNDP, and IFAD – programmed 80.5% (US\$ 273.4 million) of the total GEF investment in SLM during the replenishment phase. The GEF-4 investment involved 61 countries across all UNCCD affected regions, with a total of 91 projects including 42 in sub-Saharan Africa, 10 in Asia, 10 in Middle East and North Africa, 10 in Latin America and the Caribbean, and one in Central and Eastern Europe. The proportional utilization of GEF-4 investments is shown in Fig 2, with sub-Saharan Africa (US\$ 158.08 million), Asia (US\$ 75.27 million), MENA (US\$ 45.47 million), and LAC (US\$ 44.24 million) accounting for 95% of the total GEF resources, and leveraging US\$ 2261.75 million in co-financing.

Fig 1 – Total GEF-4 Investments and Co-financing for SLM

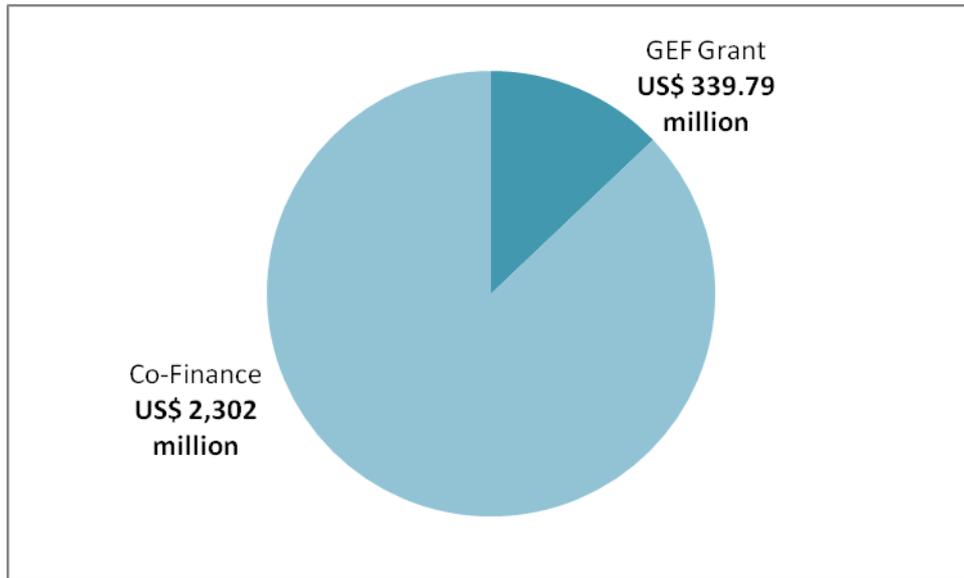
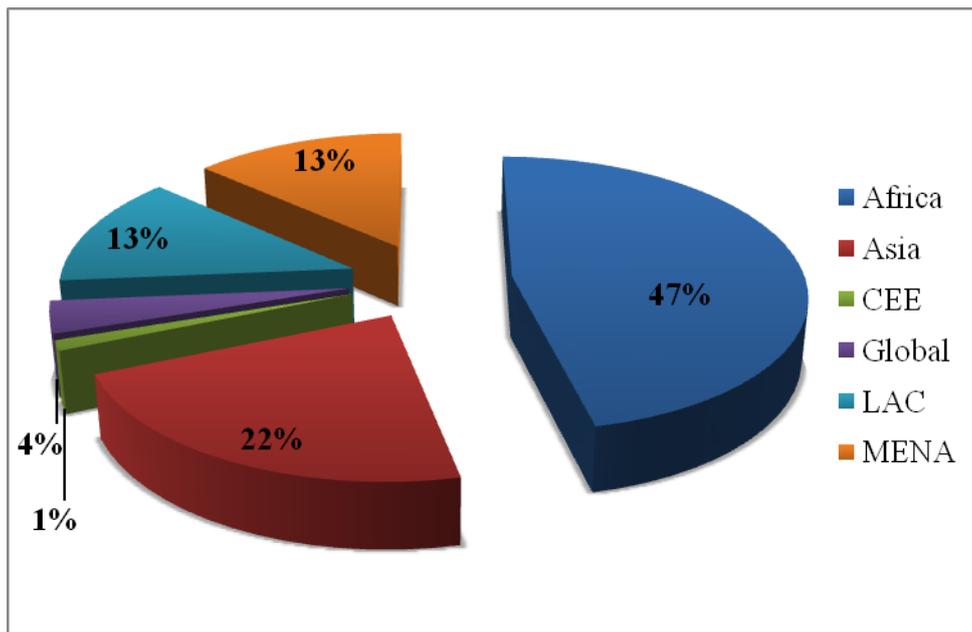


Fig 2 – Proportional Utilization of GEF-4 Resources for SLM by Regions



10. During GEF-4, the LDFA was not under the allocation system. In order to avoid future regional imbalances, the GEF-5 replenishment participants have proposed that the STAR system be extended to the LDFA, a decision that was agreed by the GEF Council.

GEF-4 (Final Year of Replenishment Phase)

11. During the reporting period, GEF-4 closed with six projects approved, utilizing a total of US\$ 8.39 million of the GEF LDFA funds and leveraging US\$ 93.60 million in co-financing (see Annex

1). Five of the projects were designed as multi-focal area (MFA) projects that also utilized resources from the GEF Biodiversity (US\$ 7.5 million), Climate Change (US\$ 3.05 million), and International Waters (US\$ 0.22 million) focal areas. In terms of regional distribution, three of the projects were in Africa, one in Latin America and Caribbean (LAC) and two were global. Four of the projects were led by the World Bank, and the remaining two by the United Nations Environment Programme (UNEP).

12. During the reporting period, the GEF through Small Grants Program (SGP) invested US\$9 million and leveraged US\$ 9.28 million in co-financing for 341 projects in 79 countries. These investments play a significant role in supporting civil society and community based organizations' actions and initiatives to prevent land degradations and sustain livelihoods.

GEF-5 (First Year of Replenishment Phase)

13. The new four-year GEF replenishment cycle (July 2010-June 2014) completed its first full fiscal year during this reporting period. As of June 2011, the GEF-5 LDFA portfolio consisted of one stand-alone project, seven MFA projects (including four FSPs for the Fifth Operational Program of the GEF SGP), and one programmatic approach. In total, these account for US\$ 52.17 million of GEF LDFA funding, leveraging US\$ 1605.72 million in co-financing. In addition to LDFA resources, the projects and program also utilized GEF resources in other focal areas as follows: US\$ 33.33 million from Biodiversity, US\$ 42.05 million from Climate Change, and US\$ 19.62 million from the Incentive Mechanism for SFM/REDD-plus (see later for description of this mechanism).

14. Most of the LDFA resources (US\$36.70 million) used in FY 2011 was invested in the Sahel and West Africa Program in Support of the Great Green Wall Initiative, a multi-trust fund, multi-focal area regional program to be implemented by the World Bank (See Text Box 1). On top of this Program, there were two projects from the Central and Eastern Europe (CEE) region, and one project each from the Latin American and Caribbean (LAC) and Asia regions. Four countries (Kenya, Bolivia, Costa Rica, and India) also utilized LDFA resources amounting to US\$ 3.68 million for FSPs to invest in the Fifth Operational Phase of the GEF Small Grants Program. These four FSPs also utilized resources from the Biodiversity (US\$ 9.71 million) and Climate Change (US\$ 6.65 million) and leveraged US\$ 22.13 million in co-financing. The World Bank (one FSP and one Program), UNDP (six FSPs) and IDB (one FSP) are the GEF Agencies that programmed GEF-5 LDFA resources with recipient countries during this reporting period.

15. These projects and program mainly address Objective 3 of the LDFA strategy for GEF-5, which invests in *reducing pressures on natural resources from competing land uses in the wider landscape*. The projects will use an integrated landscape management approach to combating land degradation, which will facilitate the up-scaling of SLM innovations in accordance with objectives and priorities of the UNCCD 10-Year Strategy. Agricultural and rangeland systems are the targeted production systems, with an emphasis on improving soil, water and vegetation management to enhance flow of ecosystem services that underpin agricultural and livestock productivity.

16. Similarly, the four countries (Kenya, Costa Rica, Bolivia, and India) utilizing portions of their LDFA resources for FSPs to invest in the Fifth Operational Phase of the GEF SGP will enable civil society and community-based organizations to implement projects addressing Objectives 1 and 2 of the LDFA strategy. The investments will contribute to maintenance or improvement in flow of ecosystem services in agricultural and livestock production systems, and forest production landscapes. They will also contribute to Objective 3 on reducing pressures from competing land uses at local level.

Box 1 - The GEF/WB Sahel and West Africa Program in Support of the Great Green Wall Initiative

This program supports the implementation of a country-driven vision for integrated natural resource management for sustainable and climate-resilient development in the Sahel and broader West Africa region. The grant includes US\$ 80.4 million from the GEF Trust Fund, US\$ 14.81 million from the Least Developed Countries Fund (LDCF) and \$4.6 million from the Special Climate Change Fund (SCCF). The program builds on a series of planned baseline investments of up to US\$ 1.8 billion in co-financing in 12 countries. Nine of the countries are part of the GGWI (Burkina Faso, Chad, Ethiopia, Mali, Mauritania, Niger, Nigeria, Senegal and Sudan), while the remaining three (Benin, Togo and Ghana), have important savannah and forest systems linked to Sahelian systems. The investments cover agriculture, biodiversity conservation, climate change mitigation, adaptation to climate change, sustainable forest management, food security enhancement, disaster risk management, rural development, erosion control, and/or watershed management.

The program leverages GEF resources under the STAR according to country allocations, as well as resources from the LDCF and the SCCF based on eligibilities and the principle of equitable access under the LDCF. Each country will design a GEF project based on national level priorities for STAR resources and, where LDCF and SCCF are utilized, in accordance with NAPA priorities and National Communications. The discrete projects will directly address the priorities of the Climate Change Adaptation Program for LDCF and SCCF as well as the GEF Land Degradation, Biodiversity, and Climate Change focal areas. The program will also leverage incentive financing from the SFM/REDD+ Program to increase focus on forest landscapes.

By pooling together diverse financial resources, plus those of the participant countries themselves, the program through an integrated ecosystem approach will support countries for them to better integrate land, water, carbon, and adaptation management while creating opportunities to improve local livelihoods and secure ecosystem services at national, regional and global levels. The GEF increment would center on securing ecosystem services from the landscape mosaic, by promoting the uptake of sustainable land and water management practices and approaches that have global environmental benefits. These include soil and water conserving practices such as shelterbelts, multi-purpose trees on production land, small-scale irrigation, and water harvesting. Complementary approaches could include, among others, large-scale watershed planning or smaller-scale community land use planning to address open access of wood fuel and livestock, biological corridor development and management, and ecotourism development.

The World Bank/GEF program is expected to lead to the sustainable management of land, water and vegetation on up to two million hectares of cropland, rangelands, and forest ecosystems per country, protection of threatened biodiversity, protection against erosion and desertification, and the potential for sequestering 0.5 to 3.1 million tons of carbon per year. These benefits will also contribute to increased resilience of the regions' ecosystems and human livelihoods to climate change and variability. The program targets both dryland and humid systems, depending on country priorities.

SUSTAINABLE LAND MANAGEMENT AS A CROSS-CUTTING AND SYNERGISTIC ELEMENT IN OTHER GEF FUNDING WINDOWS

17. In addition to LDFA stand-alone and MFA activities, investments in SLM also benefited from other funding windows during the reporting period. Because of their emphasis on production systems and vulnerability of human livelihoods, three major funding windows focused on climate change adaptation are particularly invaluable in the context of UNCCD. The GEF recognizes that adaptation programs should not operate in a vacuum. For example, the need to address impacts from drought and floods can be pursued through integrated land and water resources management with multiple benefits. Such integrated approaches will have significant beneficial impacts on community livelihoods, food security, and a high potential to sequester carbon. Therefore, GEF eligible countries focusing on activities to combat land degradation (desertification and deforestation) can take full advantage of the adaptation funds being managed by the GEF: the *LDCF and SCCF* under the UN Framework Convention on Climate Change (UNFCCC), and the *Adaptation Fund* under the UNFCCC's Kyoto Protocol.

SLM opportunities in the LDCF/SCCF for Climate Change Adaptation

18. The GEF adaptation strategy has three overarching objectives: (i) reduce vulnerability (ii) improve adaptive capacity to address the impacts of climate change, including variability, and (iii) promote the transfer and adoption of adaptation technology. The GEF is currently managing two independent funds, established under the UNFCCC, with a priority on adaptation: the LDCF and SCCF. The LDCF is aimed at addressing the special needs of the Least Developed Countries (LDCs) under the UNFCCC. Adaptation has been identified as the most relevant issue, and the fund is specifically designed to support projects addressing the urgent and immediate adaptation needs of LDCs. This includes reducing the vulnerability of those sectors and resources that are central to human and national development, such as water, agriculture and food security, health, disaster risk management and prevention, and infrastructure, as identified and prioritized in their National Adaptation Programmes of Action (NAPAs).

19. The SCCF is designed to finance activities, programs and measures related to climate change that are complementary to those funded by GEF under the climate change focal area, in the areas of: (a) Adaptation to climate change; (b) Technology transfer; (c) selected sectors including Energy, Transport, Industry, Agriculture, Forestry and Waste Management; and (d) Economic diversification. Among these four financing windows, adaptation has the top priority. All developing country parties to the UNFCCC are eligible to receive financial support for adaptation interventions to be integrated into development activities. Projects proposed under this fund target adaptation activities under priority areas of intervention as identified by the UNFCCC, such as water resources management, land management, and agriculture. The SCCF also supports capacity building, including institutional capacity, for preventive measures, planning, preparedness and management of disasters relating to climate change, including contingency planning, in particular for droughts and floods in areas prone to extreme weather events.

20. During the reporting period, eighteen projects and one multi-trust fund program were approved under the LDCF, amounting to US\$ 81.51 in project grants and leveraging US\$ 419.32 million in co-financing (see Annex 3). Twelve of the projects are in the Africa region, while six are in Asia, and one is in LAC. Under the SCCF adaptation program, nine projects and one multi-trust fund programme were approved during the reporting period, amounting to US\$ 41.32 million in project grants and leveraging US\$ 281.33 million in co-financing. Four of the projects are in Africa, three in Asia, three in Eastern Europe and Central Asia (EEC), and one in LAC.

21. For the first time, a programmatic approach was approved as part of a joint LDCF/SCCF work program submitted to the LDCF/SCCF Council in May, 2011. The GEF/WB Sahel and West Africa Program in support of the Great Green Wall Initiative was designed to integrate GEF focal areas with adaptation windows to deliver a range of global environmental and adaptation benefits. Under the programmatic approach, the LDCF contributes US\$ 14.81 million to country level projects in Chad, Ethiopia, Mali and Togo, seeking to incorporate activities to reduce vulnerability and increase adaptive capacity to the impacts of climate change, including variability. The SCCF contributes US\$ 4.6 million to an erosion control project in Nigeria.

Table 2: Distribution of GEF Climate Change Adaptation Program resources by trust funds and regions (US\$ millions), FY10 and FY11

Region	LDCF			SCCF		
	# of Projects	GEF Grant	Co-financing	# of Projects	GEF Grant	Co-financing
Africa	12	58.34	378.62	4	14.09	125.55
Asia	6	20.16	35.39	3	8.50	72.50
LAC	1	3.00	5.30	1	6.60	31.50
CEE	-	-	-	3	12.13	51.77
Total	19	81.51	419.32	11	41.32	281.33

SLM opportunities in the Adaptation Fund

22. The Adaptation Fund has been established by the Parties to the Kyoto Protocol of the UNFCCC to finance concrete adaptation projects and programmes in developing countries that are Parties to the Kyoto Protocol. The Fund is financed with 2 percent of the Certified Emission Reduction issued for projects of the Clean Development Mechanism and other sources of funding. The GEF provides secretariat services to the Adaptation Fund Board on an interim basis in order to support and facilitate its activities.

23. The Adaptation Fund is strongly based on the principle of country-drivenness. There are no prioritized sectors or approaches but all project proposals have to be in compliance with national

sustainable development strategies, including adaptation strategies. If such strategies include SLM among national adaptation priorities, SLM projects are eligible for Adaptation Fund financing within the country. The Strategic Results Framework of the Fund, which all Adaptation Fund projects should be aligned with, includes several expected outcomes and outputs that are also relevant to SLM projects, such as increased adaptive capacity within relevant development and natural resource sectors, increased ecosystem resilience in response to climate change and variability-induced stress, and diversified and strengthened livelihoods and sources of income for vulnerable people in targeted areas. The Fund also acknowledges the increasing burden imposed by climate change on the most vulnerable communities in the world, and gives special attention to their particular needs. Because of the emphasis on vulnerable countries and communities, the potential for linking SLM priorities with climate change adaptation offers a major opportunity for win-win outcomes in countries affected by Desertification Land Degradation and Drought (DLDD).

24. During the GEF reporting period, Adaptation Fund projects have been approved in ten different countries for a total of US\$ 60.57 million (see Annex 4). At least four of the projects – Eritrea, Ecuador, Solomon Islands, and Turkmenistan – were focused on enhancing resilience or reducing risks and vulnerabilities in production systems (mainly agriculture) that underpin food security and livelihoods. Other projects, such as those in watersheds (Nicaragua, Honduras, and Mongolia) and in vulnerable coastal areas (Senegal, Maldives) also have direct implications for resilience of production systems. These projects are clear examples of the potential for affected Parties to combat DLDD in the context of climate change adaptation by defining their priorities in accordance with principle on country-drivenness.

GEF-5 POLICY AND PROGRAMMING REFORMS

25. GEF-5 has introduced several reforms to strengthen country ownership and improving effectiveness and efficiency of the GEF Network. A letter from the GEF CEO to the UNCCD COP Bureau in early 2011 provided a detailed outline of the reforms and their implications for the UNCCD relations. The reforms have added new opportunities for GEF role as financial mechanism of the UNCCD, especially in the following areas highlighted in this section of the report: *i) an improved resource allocation system that includes the LDFA; ii) focal area set-aside fund that includes support for Enabling Activities under the Convention; iii) an incentive financing mechanism for SFM that covers all types of forests; iv) funding for voluntary national exercises that creates opportunities for Convention Focal Points to engage in consultation on priorities for GEF financing; v) enhanced country support programs to further strengthen engagement by Convention Focal Points; and vi) improved project and program cycles to enhance efficiency and effectiveness of the GEF Network.*

System for Transparent Allocation of Resources

26. STAR is an improved system for allocating GEF resources to its eligible countries. It is an effective means to promote priority setting and strategic programming of GEF resources. STAR covers LDFA, along with Biodiversity and Climate Change, and provides indicative allocations for a total of US\$ 324 million for 144 countries in GEF-5 to use in activities related to combating land degradation and desertification. The country allocations were derived based on relevant criteria in the LDFA: *the extent of drylands, area affected by land degradation, and population affected by land degradation.* These criteria are consistent with priorities of the UNCCD, and thus represent an important opportunity for countries to direct GEF resources toward implementation of the Convention and its 10-year Strategic Plan.

27. The STAR introduced an allocation floor, which has been set at US\$ 0.5 million for LDFA. This means that each country has at least US\$ 0.5 million to program for projects addressing land degradation. Most of the countries have considerably higher indicative allocations. The STAR has also built in flexibility for certain countries² to use the total of their allocations across all and any other focal areas during GEF-5 cycle. One of the recipient countries, namely Tajikistan, has already used this flexibility mechanism by programming its full STAR resources in the LDFA. Another beneficiary country, Samoa, has recently submitted a project proposal with the indication of combining its full STAR allocation in the LDFA. Table 3 shows the current status of LDFA resources as at June 30, 2011.

² These are countries receiving a total indicative allocation of \$7 million or less in the three focal areas of biodiversity, climate change, and land degradation.

Table 3: Status of LDFA Resources for GEF-5 (US\$ millions) as at June 2011

Total LDFA Allocation	Amount Programmed	% of Allocation Utilized
385.00	52.17	13.55

LDFA Set-aside Funds

28. Outside of the STAR resources, the GEF will provide additional funding from LDFA set-aside to support activities under the focal area and in accordance with priorities of the UNCCD. The total focal area set-aside is US\$ 61 million to be programmed according to the following guidance:

- *Enabling Activities:* For the first time ever, all GEF eligible and affected Parties to the UNCCD can access up to US\$ 150,000 each for enabling activities to support implementation of the Convention and the 10-Year Strategy. Based on consultation with the UNCCD Secretariat, the GEF will only finance enabling activities related to reporting process and alignment of National Action Programs (NAPs) with the 10-Year. Modalities have been put in place by the GEF Secretariat for accessing the funds, and communicated to all GEF Operational Focal Points. The modalities include three options: (i) Direct Access with the GEF Secretariat, (ii) Through a GEF Agency or (iii) Through an Umbrella project to be developed with a GEF Agency. For the first two options, standard templates have been developed jointly with the UNCCD Secretariat and posted on the GEF website. The templates include all relevant details of eligible activities related to alignment of NAPs and reporting process. For the third option, the GEF has approached UNEP as lead Implementing Agency to prepare a full-sized project that will make available US\$ 50,000 each to support enabling activities for 70 countries. Parties interested in this option must send a letter directly to UNEP, which will be used as supporting documentation for the umbrella project.
- *Regional and Thematic Priorities:* An allocation of US\$ 26 million will serve as an incentive for eligible countries to link nationally-developed projects on the basis of: 1) thematic issues that will deepen and reinforce the focal area agenda; 2) the potential for spatial and geographical integration at appropriate scales (including transboundary areas) for transformational impact.
- *Knowledge Exchange:* An allocation of US\$ 10 million as an incentive to engage in knowledge sharing and transfer on sustainable land management technologies and approaches through south-south exchanges and practitioner at regional and global scales. The approved World Bank/GEF Program for the Sahel and West Africa included US\$3 million of these funds to support exchange of experiences, lessons learnt and best practices in relation to land management practices, agro-silvo-pastoral systems, economics of land and water management,

carbon metrics, and technical assistance on Geographic Information Systems, monitoring and land use planning at regional level.

SFM/REDD-plus³ Incentive Mechanism

29. As part of the fifth replenishment, the GEF strengthened its focus on forests by expanding a financial incentive mechanism that was pioneered in GEF-4. For this purpose, the GEF has created a separate US\$ 250 million funding envelope that will be operated as an incentive mechanism for eligible countries willing to combine significant fractions of their STAR allocations from biodiversity, climate change and land degradation for more comprehensive SFM/REDD-plus projects and programs. The LDFA contributed US\$ 20 million to the SFM/REDD-plus Program, which will enable countries to leverage investments in Objective 2 of the LDFA strategy on improving ecosystem services in forest production landscapes. Furthermore, the new incentive program enables the GEF to advocate a landscape approach, which embraces ecosystem principles as well as the connectivity between ecosystems. Hence, GEF investments under the program builds on the widely accepted forest landscape restoration approach, which includes the integration of livelihood objectives in management of forest ecosystems. This is consistent with Objective 3 of the LDFA Strategy, which emphasizes the need to reduce pressure from competing land uses. Supporting an integrated approach to managing forest ecosystems, the GEF strives for achieving multiple Global Environmental Benefits (GEBs), including those related to the protection and sustainable use of biodiversity, climate change mitigation and adaptation, and combating land degradation.

30. The allocation of resources to SFM/REDD-plus projects and programs draws on a transparent and equitable investment algorithm that finances countries with the ratio of 3:1. In other words, for every three units of investment from country's STAR allocation, one unit will be released from the SFM/REDD-plus funding envelope to a project being proposed. Four of the approved GEF-5 multi-focal area projects and programs included in this report drew a total financing of US\$ 19.62 million from the SFM/REDD-plus Incentive Mechanism. These investments are all aimed at integrated management of natural resources to address pressures on ecosystems from competing land uses in wider landscapes, including deforestation and forest degradation due to conversion to farming.

National Portfolio Formulation Exercises

31. In GEF-5 countries can access up to US\$ 30,000 of GEF resources for undertaking, on a voluntary basis, National Portfolio Formulation Exercises (NPFs) to provide a framework for programming GEF resources. These will serve as a priority-setting tool for countries and as a guide for GEF Agencies as they assist recipient countries. Through participation of UNCCD National

³ REDD-plus: Reducing emissions from deforestation and forest degradation in developing countries, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries

Focal Points in these exercises, this new activity for GEF-5 will further enhance convention priorities in GEF programming deliberations under LDFA at the national level.

Country Support Programs

32. Reforms have also been introduced to GEF corporate programs, which will provide further opportunities for integration of the UNCCD into LDFA activities. GEF-5 reforms to the Country Support Program, for example, provide for one GEF Expanded Constituency Workshop each year that now includes participation of three out of four convention focal points (UNFCCC, CBD, UNCCD) and one representative of civil society, along with the GEF political and operational focal points. These workshops are designed to keep all stakeholders abreast of GEF strategies, policies and procedures, and to encourage coordination. As a result, UNCCD National Focal Points have an opportunity to engage directly in discussion on GEF policies and programming at both country-level and regional-level.

Project and Program Cycles

33. In response to repeated calls from GEF network and recipient countries, the GEF has been continually streamlining its Project Cycle. The latest streamlining decisions for both project and programmatic approach cycles were taken by the GEF Council at its June 2010 meeting. The following is a summary of major reforms concerning project and program cycle⁴:

- Decreasing project cycle elapsed time (submission of Project Identification Form (PIF) to CEO Endorsement stage) from 22 to 18 months.
- Increasing transparency by allowing focal points and the GEF Agencies access to project database, and making project review sheets publicly available on the website.
- Abolition of project milestone extensions, except in instances of *force majeure*.
- Abolition of the requirement of four weeks Council review of FSPs at the stage of CEO Endorsement, except in cases when the Council, at the time of Work Program approval, selectively requests review of certain projects.
- Countries have direct access to prepare 1) NPFs, and 2) Reports to Conventions (enabling activities).
- Introduction of a one-step approval process for medium-sized projects (MSPs), which means that submission of a PIF is not required, except when the Agency requests a Project Preparation Grant (PPG). In such case, the proposal goes through the regular MSP cycle.
- Launch of pre-PIF concept tracking tool in GEF's Project Management Information System.
- Refined programmatic approaches that follow one of two pathways depending on the type of GEF Agency submitting the proposal.

⁴ Please refer to GEF Council document GEF/C.39/Inf. 3 for a comprehensive overview of new GEF project and programmatic approach cycles: http://www.thegef.org/gef/sites/thegef.org/files/documents/C.39.Inf_.3%20-%20GEF%20Project%20and%20Programmatic%20Approach%20Cycles.pdf

- Possibility of combining financial resources from different GEF managed trust-funds (i.e. design of multi-trust-funded programs or projects).

LAND DEGRADATION FOCAL AREA PORTOFOLIO MONITORING AND ASSESSMENT

34. Portfolio monitoring and assessment is an important activity within the focal area cluster, and includes three main components: synthesis of project implementation reports for the GEF *Annual Monitoring Report* (AMR), synthesis of the *Portfolio Monitoring and Assessment Tool* (PMAT, the LDFA “Tracking Tool”), and the *Monitoring and Learning Review Mission*. All three components are essential for implementing the GEF Results-Based Management (RBM) Framework, including focal area learning to enhance further development of options and approaches for investing in global environmental benefits through SLM.

Annual Monitoring Report

35. As part of the FY10 AMR prepared for the GEF Council, 72 Project Implementation Reviews (PIRs) submitted by GEF Implementation Agencies were analyzed to identify portfolio level results and lessons for the period July 2009 – June 2010. Data provided in the PIRs reflect major achievements in overall implementation of Integrated Environmental Management (IEM) and SLM practices as a means of combating land degradation globally. Results of the analysis indicate that for all projects under implementation (GEF-3 and GEF-4):

- Nearly six million hectares of land area are benefiting directly from SLM interventions, while an additional 398 million hectares are impacted by IEM interventions.
- The Eastern and Southern Africa region has the largest land area covered by IEM interventions (386 million hectares), although only 842,424 hectares are under SLM practices
- The LAC region has a total of 11 million hectares under IEM interventions, including four million hectares of land that involve some form of SLM measures.
- The total for Western and Central Africa is four million hectares, including 75,420 hectares under SLM.
- The Central Asia, Europe, and Asia regions have a total 1.8 million hectares under IEM, including 954,134 hectares with SLM practices.

36. The large area of coverage by IEM includes grazing land rehabilitation, land use planning for grazing, forest land restoration (including forest plantation), sustainable forest management, peatland restoration, and erosion control measures on forest land. In some GEF-3 multi-focal area projects designed and implemented using IEM principles, sustainable land management was also linked in to the creation of protected areas, forest protection, and the establishment of biological corridors as a means of safeguarding ecosystem services and enhancing habitat connectivity in production systems. For example, in Namibia alone, implementation of the IEM approach accounts for 38.5 million hectares of land area that is being managed through Conservancies.

37. Managing production systems to balance global environmental and local benefits is a major focus of GEF projects under Operational Program 12 (OP 12) and for which land use planning is essential. A key feature of land use planning to enhance spatial integration of multiple stakeholder needs is the use of participatory approaches. More than half of the 2010 project cohort all reported the use of participatory approaches with communities to ensure full ownership of land use interventions.

38. A few projects have involved the private sector in implementation as a means of leveraging additional investments. One such project, the *Integration of Ecosystem Management Principles and Practices into Land and Water Management of Slovakia's Eastern Lowlands* (UNDP), created a public-private partnership in the form of a civil association "Among the Rivers", which has attracted its own funding from external sources. At the community level, farmers, cattle herders, and producer organizations are all instrumental for achieving successes on the ground, up-scaling pilot achievements, and securing long-term and sustainable results.

Portfolio Monitoring and Assessment Tool

39. The PMAT has been finalized and introduced as the LDFA tracking tool effective from GEF-5. Starting from fiscal year 2011 all projects funded by focal area will submit tracking tools three times during project lifetime: at *CEO Endorsement*, *mid-term review* and *terminal evaluation*.

Because these tools contain information on key indicators at the project level amenable to aggregation, they are invaluable for monitoring results of GEF operations related to land degradation and desertification. They are particularly important to demonstrate progress towards achieving targets on GEBs set out in the LDFA results-based management. The data from the tracking tools will be used to:

- Demonstrate GEF's catalytic role as a strategic partner for implementing/up-scaling SLM interventions to combat land degradation, specifically desertification and deforestation
- Monitor GEBs from GEF investments in production systems (agricultural, rangelands, and forest landscapes), including multi-focal area synergies involving biodiversity, international waters, and climate change
- Report effectively and reliably on GEF financing for implementation of the UNCCD by Parties, including the 10-year Strategy
- Enhance portfolio level management and accountability for the LDFA

Portfolio Monitoring and Learning Review Mission

40. Portfolio Monitoring and Learning Review (PMLR) is another key component of GEF-5 RBM, with emphasis given to knowledge generation, building on project level practice, experience and lessons. In this context, the GEF Secretariat was requested by the GEF Council to pilot focal area monitoring and learning as a means of tracking progress towards corporate objectives during implementation of projects. In LDFA, the pilot PMLR focused on the IEM approach to combating land degradation as the priority issue. Overall objective of the pilot PMLR was to assess progress with application of the IEM approach in the cohort of projects financed during GEF-3 under the

GEF OP12. The pilot PMLR included a 10-day mission and field visit to the Sahel Integrated Lowland Ecosystem Management Project in *Burkina Faso*, one of four portfolio projects applying the IEM approach to combating land degradation that were considered.

CONCLUSION

41. The GEF and UNCCD relations reached very significant milestones during the reporting period, including several important reforms that will strengthen implementation of the Convention by affected Parties. With 144 GEF-eligible Parties having access to GEF resources in three focal areas under the STAR, the opportunity to invest in SLM is greater than ever. At a time when SLM is gaining importance in the context of food security and climate change mitigation and adaptation, the GEF role as financial mechanism can be greatly leveraged by Parties to advance implementation of the Convention and its 10-Year Strategy. Evidence of increased and effective programming of these resources by affected Parties, including the potential to harness synergies across the GEF focal areas and other funding windows, will further reinforce the importance of SLM for integrating environmental and development aspirations globally.

ANNEX 1: GEF-4 LDFA PROJECT PORTFOLIO (FY 10)

All amounts in US\$ millions

#	GEF Agency	Country	Region	Project Type	Project Title	Focal Area	Total GEF Funds (incl. PPG and fees)				Cofinancing	Council/ CEO PIF Approval	CEO Endorsed Approved	GEF-Cofinancing Ratio 1:	Focal Area Objectives
							LD	BD	IW	CC					
1	UNEP	Central African Republic Congo Cameroon Gabon Equatorial Guinea Congo DR	Africa	FSP	CBSP - A Regional Focus on Sustainable Timber Management in the Congo Basin	BD CC LD	1.00	1.49	0.00	1.00	6.28	Jun-10		2.0	BD-4 BD-5 CC-6 LD-1
2	World Bank	Global	GLO	FSP	Development Market Place 2009: Adaptation to Climate Change (DM 2009)	BD CC BD IW	0.33	0.55	0.22	1.10	4.30	Jun-09	Dec-09	2	
3	World Bank	Central African Republic Congo Cameroon Gabon, Equatorial Guinea Congo DR	Africa	MSP	CBSP-Capacity Building for Regional Coordination of Sustainable Forest Management in the Congo Basin under the GEF Program for the Congo Basin	MFA LD	0.95	0.00	0.00	0.00	1.11	Jul-09	May-11	1.3	BD-4 LD-1
4	World Bank	Tunisia	MENA	FSP	MENARID Ecotourism and Conservation of Desert Biodiversity	BD LD	1.56	3.36	0.00	0.00	3.30	Nov-09		1	BD-1 BD-2 LD-1
5	World Bank	Chile	LAC	FSP	Sustainable Land Management	BD CC LD	4.00	1.50	0.00	0.95	77.61	Jun-10		13.2	LD-3 BD-4 CC-6 CC-6
6	UNEP	Global	GLO	MSP	SFM Facilitating financing for Sustainable Forest Management in SIDS and LFCCs	BD LD	0.55	0.55	0.00	0.00	1.00	Apr-10	May-11	1	LD-SP-2 BD-SP-4
Total							8.39	7.45	0.22	3.05	93.60				

ANNEX 2: GEF-5 PROJECT PORTFOLIO UTILIZING LDFA RESOURCES (FY 11)

All amounts in US\$ millions

#	GEF Agency	Country	Region	Project Type	Project Title	Focal Area	Total GEF Funds (incl. PPG and fees)					Cofinancing	Council/ CEO PIF Approval	CEO Endorsed/ Approved	GEF-Cofinancing Ratio 1:	SP related to GEF-4 Strategy-LDFA
							LD	BD	IW	CC	SFM					
1	World Bank	Tajikistan	Asia	FSP	Second Upland Agricultural Livelihoods and Environmental Management	LD	5.94	0.00	0.00	0.00	0.00	17.90	Mar-11		3.3	LD-1
2	UNDP	Azerbaijan	CEE	FSP	Sustainable Land and Forest Management in the Greater Caucasus Landscape	CC LD SFM	3.45	0.00	0.00	2.24	0.66	11.40	Mar-11		2.0	SFM/REDD+1 LD-3 CCM-5
3	IADB	Jamaica	LAC	FSP	Integrated Management of the Yallahs River and Hope River Watersheds	BD LD SFM	2.09	1.14	0.00	0.00	1.08	8.81	May-11		2.2	LD-1 LD-3 BD-2 SFM/REDD+1
4	UNDP	Belarus	CEE	FSP	Landscape Approach to Management of Peatlands Aiming at Multiple Ecological Benefits	BD LD CC SFM	0.30	1.30	0.00	0.70	0.75	10.48	May-11		3.8	BD-1 CCM-5 LD-3 SFM/REDD+1 SFM/REDD+2 CCM-5
5	World Bank	Burkina Faso Benin Ethiopia Ghana Mali Mauritania Niger Nigeria Sudan Senegal Chad Togo	Africa	FSP	Sahel and West Africa Program in Support of the Great Green Wall Initiative	BD LD CC SFM	36.70	21.17	0.00	32.45	17.13	1535.00	May-11		18.0	LD-3 CCA-1 CCA-2 CCM-3 CCM-5 BD-1 BD-2 SFM/REDD+1
6	UNDP	Kenya	Africa	FSP	Fifth Operational Phase of the GEF Small Grants Program in Kenya	BD CC LD	1.94	1.94	0.00	1.51	0.00	5.50	Mar-11		1.1	BD-2; LD-1 LD-2; CCM-3 CD-2; CD-5 IW-3; LD-2 CCM-3; CD-2
7	UNDP	Costa Rica	LAC	FSP	Fifth Operational Phase of the GEF Small Grants Programme in Costa Rica	BD CC LD	0.75	3.00	0.00	1.00	0.00	4.63	Mar-11		1.1	BD-2; CCM-3; CCM-5; LD-1; CD-2; CD-5; LD-1; CD-2;
8	UNDP	India	Asia	FSP	Fifth Operational Phase of the GEF Small Grants Programme in India	BD CC LD	0.54	1.62	0.00	3.24	0.00	6.00	Mar-11		1.2	BD-2; LD-1; LD-2; CCM-2; CCM-3; CD-2; CD-5; IW-1; Others; LD-1;

9	UNDP	Bolivia	LAC	FSP	Fifth Operational Phase of the GEF Small Grants Programme in Bolivia	BD CC LD	0.45	3.15	0.00	0.90	0.00	6.00	May-11	1.4	BD-1; BD-2; CCM-3; CCM-5; LD-1; CD-2; CD-5; LD-1; CD-2;
Total							52.17	33.33	0.00	42.05	19.62	1605.72			

ANNEX 3: PROJECTS WITH ACTIVITIES IN PRODUCTION LANDSCAPES APPROVED UNDER LDCF/SCCF, FY10 and FY 11

All amounts in US\$ millions

#	GEF Agency	Country	Region	Project Type	Project Title	Trust Fund	GEF Grant	Cofinancing	Council Approval
1	World Bank	Sao Tome and Principe	Africa	FSP	Sao Tome and Principe Adaptation to Climate Change	LDCF	4.87	13.17	Aug-09
2	UNDP	Guinea-Bissau	Africa	FSP	Strengthening Resilience and Adaptive Capacity to Climate Change in Guinea-Bissau's Agrarian and Water Sectors	LDCF	4.54	19.95	Aug-09
3	UNDP	Lao PDR	Asia	FSP	Improving the Resilience of the Agriculture Sector in Lao PDR to Climate Change Impacts	LDCF	5.00	7.72	Sep-09
4	World Bank	Kiribati	Asia	FSP	Increasing Resilience to Climate Variability and Hazards	LDCF	3.30	3.30	Oct-09
5	UNEP	Tanzania	Africa	FSP	Developing Core Capacity to Address Adaptation to Climate Change in Productive Coastal Zones	LDCF	3.52	7.65	Nov-09
6	UNDP	Samoa	Asia	FSP	Integration of Climate Change Risk and Resilience into Forestry Management (ICCRIFS)	LDCF	2.70	2.53	Feb-10
7	UNDP	Ethiopia	Africa	FSP	Promoting Autonomous Adaptation at the community level in Ethiopia	LDCF	5.95	22.65	Jun-10
8	AfDB	Burundi	Africa	FSP	Enhancing Climate Risk Management and Adaptation in Burundi (ECRAMB)	LDCF	3.53	15.66	Aug-10
9	UNEP	Gambia	Africa	MSP	Strengthening of The Gambia's Climate Change Early Warning Systems	LDCF	1.16	1.56	Mar-11
10	UNEP	Cambodia	Asia	MSP	Vulnerability Assessment and Adaptation Programme for Climate Change in the Coastal Zone of Cambodia Considering Livelihood Improvement and Ecosystems	LDCF	1.85	4.20	Mar-11
11	UNEP	Afghanistan	Asia	FSP	Building Adaptive Capacity and Resilience to Climate Change in Afghanistan.	LDCF	5.50	16.00	Aug-10
12	IFAD	Senegal	Africa	FSP	Climate Change adaptation project in the areas of watershed management and water retention	LDCF	5.63	8.83	Jul-10
13	UNDP	Liberia	Africa	FSP	Enhancing Resilience to Climate Change by Mainstreaming Adaption Concerns into Agricultural Sector Development in Liberia	LDCF	2.70	6.08	Jul-10
14	AfDB	Sao Tome and Principe	Africa	FSP	Strengthening the Adaptive Capacity of Most Vulnerable Sao Tomean's Livestock-keeping Households	LDCF	2.32	7.65	Nov-10
15	UNDP	Mozambique	Africa	FSP	Adaptation in the coastal zones of Mozambique	LDCF	4.98	8.87	Aug-10
16	UNDP	Central African Republic	Africa	FSP	Integrated Adaptation Programme to Combat the Effects of Climate Change on Agricultural Production and Food Security in CAR	LDCF	3.14	5.56	Jan-11
17	FAO	Haiti	LAC	FSP	Strengthening climate resilience and reducing disaster risk in agriculture to improve food security in Haiti post-earthquake	LDCF	3.00	5.30	Mar-11
18	UNDP	Maldives	Asia	MSP	Increasing Climate Change Resilience of Maldives through Adaptation in the Tourism Sector	LDCF	1.82	1.65	Jun-11
19	World Bank	Regional	Africa	Program	Sahel and West Africa Program in Support of the Great Green Wall Initiative	LDCF	16.00	261.00	May-11
Sub-total for approved 19 LDCF projects							81.51	419.32	

1	UNDP	Thailand	Asia	MSP	Strengthening the Capacity of Vulnerable Coastal Communities to Address the Risk of Climate Change and Extreme Weather Events	SCCF	1.00	2.70	Jun-10
2	UNDP	Swaziland	Africa	FSP	To promote the implementation of national and transboundary integrated water resource management that is sustainable and equitable given expected climate change.	SCCF	1.89	6.10	Nov-10
3	UNDP	Azerbaijan	CEE	FSP	Integrating climate change risks into water and flood management by vulnerable mountainous communities in the Greater Caucasus region of Azerbaijan	SCCF	3.08	7.26	Nov-10
4	UNDP	Indonesia	Asia	FSP	Strategic Planning and Action to Strengthen Climate Resilience of Rural Communities in Nusa Tenggara Timor province (SPARC)	SCCF	5.50	54.80	Mar-11
5	IFAD	Ghana	Africa	FSP	Promoting Value Chain Approach to Adaptation in Agriculture	SCCF	2.86	8.50	Nov-10
6	EBRD	Tajikistan	CEE	FSP	Increasing Climate Resilience through Drinking Water Rehabilitation in North Tajikistan	SCCF	3.00	23.01	Mar-11
7	World Bank	Morocco	Africa		Integrating Climate Change in Development Planning and Disaster Prevention to Increase Resilience of Agricultural and Water Sectors	SCCF	4.35	26.95	May-11
8	World Bank	Nicaragua	LAC	FSP	Adaptation of Nicaragua's Water Supplies to Climate Change	SCCF	6.60	31.50	May-11
9	World Bank	Regional	Africa	Program	Sahel and West Africa Program in Support of the Great Green Wall Initiative	SCCF	5.00	84.00	May-11
10	ADB/UNEP	Regional	Asia	FSP	Pilot Asia-Pacific Climate Technology Network and Finance Center	SCCF	2.00	15.00	May-11
11	World Bank	Regional	CEE	FSP	Southeastern Europe and Caucasus Catastrophe Risk Insurance Facility (SEEC CRIF)	SCCF	6.05	21.50	May-11
Sub-total for approved 11 SCCF projects							36.98	254.38	

ANNEX 4: PROJECTS APPROVED UNDER THE ADAPTATION FUND, FY10 and FY11

All amounts in USD millions

Country	Project Title	Grant	Implementing Agency	Approval Date
Senegal	Adaptation to Coastal Erosion in Vulnerable Areas	8.62	CSE	17/09/2010
Ecuador	Enhancing resilience of communities to the adverse effects of climate change on food security, in Pichincha Province and the Jubones River basin	7.45	WFP	18/03/2011
Eritrea	Climate Change Adaptation Programme in Water and Agriculture in Anseba Region, Eritrea	6.52	UNDP	18/03/2011
Honduras	Addressing Climate Change Risks on Water Resources in Honduras: Increased Systemic Resilience and Reduced Vulnerability of the Urban Poor	5.62	UNDP	17/09/2010
Maldives	Increasing climate resilience through an Integrated Water Resource Management Programme in HA. Ihavandhoo, ADh. Mahibadhoo and GDh. Gadhoo Island	8.99	UNDP	22/06/2011
Mongolia	Ecosystem Based Adaptation Approach to Maintaining Water Security in Critical Water Catchments in Mongolia	5.50	UNDP	22/06/2011
Nicaragua	Reduction of Risks and Vulnerability Based on Flooding and Droughts in the Estero Real River Watershed	5.50	UNDP	15/12/2010
Pakistan	Reducing Risks and Vulnerabilities from Glacier Lake Outburst Floods in Northern Pakistan	3.91	UNDP	15/12/2010
Solomon Islands	Enhancing resilience of communities in Solomon Islands to the adverse effects of climate change in agriculture and food security	5.53	UNDP	18/03/2011
Turkmenistan	Addressing climate change risks to farming systems in Turkmenistan at national and community level	2.93	UNDP	22/06/2011
	Total	60.57		

ANNEX 5 – SUMMARY OF APPROVED PROGRAMS AND PROJECTS

LDFA GEF-4 (last year of Replenishment Phase) Project Summaries

1. ***Chile: Sustainable Land Management*** project uses the combined resources in the Land Degradation (US\$ 4 million), Biodiversity (US\$ 1.5 million), and Climate Change (US\$ 0.9 million) focal areas, and suggests innovative solutions to Chile's efforts in reversing land degradation. The objective of the project is to develop a national incentive program for mainstreaming SLM planning and practices in order to combat land degradation, conserve biodiversity of global importance and protect vital carbon assets. This will be achieved through developing, testing, and refining a national incentive system for environmental services (SINFOSA). Although not a system of Payments for Environmental Services, the SINFOSA would rely on existing land management incentive systems to mainstream SLM, biodiversity conservation, and climate change mitigation in several priority regions of Chile. Ongoing government initiatives and incentive laws in the forestry and agricultural sectors (native and plantation forestry, soil conservation, and irrigation) will be re-focused so that their application promotes future provision of environmental services and better targets global and national environmental priorities. Investments through SINFOSA will be reconfigured based on a watershed-based approach to planning to be developed under the project. It is estimated that the project investments could allow for sequestration of up to 120 million tCO₂ over 20 years through reforestation efforts (approximately 1.5 million tCO₂ per year) while recovery of degraded forests could provide for another 24 million tCO₂ over the same period (approximately 0.3 million tCO₂ per year).
2. ***Tunisia: Ecotourism and Conservation of Desert Biodiversity*** is a child project under the umbrella program Integrated Nature Resources Management in the Middle East and North Africa Region (MENARID). It was approved by Council in November 2009 as a MFA project, drawing funding from Land Degradation (US\$ 1.6 million) and Biodiversity (US\$ 3.4 million) focal areas. The project is aimed at developing sustainable nature-based tourism (or ecotourism), as a means to promote environmental, social and financial sustainability in Tunisia. By integrating conservation of desert biodiversity and desert lands at all levels of ecotourism development, the project will contribute to reducing and reversing the degradation of Tunisia's natural capital. A secondary aim is to generate local employment and revenue streams that would serve as an incentive for community and private sector engagement; this will indirectly contribute to conservation objective. As the natural resource base is strengthened, side-benefits of sustainability and higher resilience to climate change will be achieved. The lessons learnt by the project will be shared through MENARID with other countries in MENA region, several of which also have large desert ecosystems that are under threat.
3. ***CBSP –Capacity Building for Regional Coordination of Sustainable Forest Management in the Congo Basin*** was a project approved by GEF CEO in July 2009 under the GEF Strategic Program for the Congo Basin. Its main objective is to strengthen Central African Forest Commission's (COMIFAC) capacity for regional coordination in line with the objectives of the

GEF Congo Basin Strategic Program. The CBSP presents a programmatic approach aiming to deliver multiple GEBs across the Congo Basin ecosystem with a portfolio of targeted projects at local, national, and regional level. The project is designed to boost the capacity of the COMIFAC Executive Secretariat to serve as a regional coordination mechanism for harmonization of SFM across the region, realization of synergies between various targeted sub-sectoral or thematic initiatives contributing to the SFM agenda, and strengthened knowledge exchange and learning processes between countries. It contributes to the achievement of GEF-4 LDFA Objective-1 (*develop an enabling environment that will place SLM in mainstream of development policy and practices at the regional, national and local levels*) and is being financed out of LDFA resources contributed to the Tropical Forest Account.

4. The project ***CBSP -Regional Focus on Sustainable Timber Management in the Congo Basin*** was another project approved by Council in June 2010 under the GEF Strategic Program for the Congo Basin. The project aims at promoting a harmonized regional approach to the sustainable management of production forests in the Congo Basin. It contributes to the achievement of GEF-4 LDFA Objective-1 (*develop an enabling environment that will place SLM in mainstream of development policy and practices at the regional, national and local levels*). The project is being financed the out of the Biodiversity and Climate Change focal area allocations, as well as from the Tropical Forest Account, which among others was supported with resources from LDFA.

5. ***SFM Facilitating financing for Sustainable Forest Management in SIDS and LFCCs*** is a global MSP that was approved by CEO in April 2010. It combines Land Degradation and Biodiversity focal area resources with the aim to enhance understanding on gaps, obstacles and opportunities to finance SFM in Small Island Developing States (SIDS) and Low Forest Cover Countries (LFCC). The project will be implemented by UNEP in partnership with UN-DESA and UNFFS. The project is part of a longer-term program of work that will be carried out in close cooperation with national experts from the sets of countries, international experts, donors, and the representatives of the member organizations of the Collaborative Partnership on Forests. As a first step, the project will analyze current financial flows, gaps and needs for financing SFM in SIDS and LFCCs. The next step will involve an outreach to national stakeholders in order to establish national ownership of the project, review of individual country analysis, establishing networks of experts and defining ways to move forward. The project activities will respond to LDFA Strategic Priority-2 (supporting SFM in production landscapes).

6. ***Development Market Place 2009-Adaptation to Climate Change*** is a MFA project administered by the World Bank, with the GEF as its partner and one of the grant providers. The Development Marketplace is a global grants program, that, through open competitions, identifies and funds innovative, early stage projects with high potential for development impact. Using Development Marketplace funding as a launching pad, projects often go in to scale up or replicate elsewhere. This project aims to identify and provide grant funding to support innovative projects that: 1) enable indigenous people to improve their adaptation to climate change; 2) provide co-benefits for sustainable natural resource management measures; 3) support actions to build on and

address disaster risk management, while improving resilience of communities to climate change. About 25 projects will be selected as winners, and they will have up to 2 years to implement their projects.

L DFA GEF-5 (first year of Replenishment Phase) Project and Program Summaries

7. **Tajikistan: *Second Upland Agricultural Livelihoods and Environmental Management***. The project was approved by Council in March 2011 and utilizes US\$ 5.4 million of Tajikistan's STAR allocation to strengthen the delivery of GEBs in baseline agriculture development investment, funded by the World Bank International Development Association. The project will build on achievements from a previous World Bank/GEF project on Community Agriculture and Watershed Management by expanding SLM interventions to new areas where land degradation remains a major threat. The project will seek to create incentives for expansion of SLM practices by farm households as a means of mitigating land degradation, and enhancing biodiversity conservation and carbon sequestration in production systems. Because Tajikistan is a small country with a significant proportion of the population in rural areas and dependant on agriculture and rangelands, the project will likely generate important lessons on principles and practices of up-scaling SLM. Furthermore, direct links to the Central Asian Countries Initiative for Land Management platform will create opportunities for replication in other Central Asian countries. The project will specifically contribute to LDFA Objective 1 (agriculture and rangeland systems).

8. **Jamaica: *Integrated Management of the Yallahs River and Hope River Watersheds*** is a project approved by Council in May 2011. Combining resources from Land Degradation (US\$ 2.1 million), Biodiversity (US\$ 1.5 million) and SFM/REDD-plus funding envelope (US\$ 1.07 million), this project aims at improving natural resource management at the watershed level by increasing the practice of SLM, with the expected improvement of biodiversity and enhancement of the flows of ecosystem services to sustain local livelihoods. This will be achieved through strengthening institutional capacity for integrating biodiversity conservation in watershed management, creating economic and financial incentives for sustainable watershed management, and implementing sustainable livelihoods, agriculture, forestry and land management practices in watershed communities. The project will be implemented by IDB in collaboration with National Environment and Planning Agency.

9. **Belarus: *Landscape Approach to Management of Peatlands aiming at Multiple Ecological Benefits*** was approved by Council in May 2011. With funding from three GEF focal areas (Biodiversity-US\$ 1.3 million; Land Degradation-US\$ 0.3 million, and Climate Change-US\$ 0.7 million) it will focus on the conservation, sustainable management and restoration of peatlands, both forested and used for agricultures. The project will apply the landscape approach to conservation and management of 500,000 ha of peatlands, which will improve biodiversity conservation, enhance carbon stocks and secure multiple ecosystem services. The projects build on successfully completed MSP in Belarus on restoring peatlands that had previously been mined.

UNDP will implement the project in partnership with Ministry of Environment and Natural Resources.

10. **Azerbaijan: Sustainable Land and Forest Management in the Greater Caucasus Landscape** is a MFA project that secured incentive financing from the SFM/REDD+ Program based on strategic focus on establishing a sound policy environment to recognize the value of forest ecosystem functions and to reduce GHG emissions from deforestation and forest degradation. The Government of Azerbaijan utilized its STAR resources in the Land Degradation and Climate Change Mitigation focal areas as a basis for accessing SFM/REDD+ funds. The GEF financing will enhance sustainable land and forest management in the Greater Caucasus Landscape to secure the flow of multiple ecosystem services, including carbon storage, sequestration and water provision services, while ensuring ecosystem resilience to climate change. The project will address LDFA Objective 3 by piloting models of improved SLM and SFM compatible land use in target communities.

11. **Regional Program in Africa: Sahel and West Africa Program Supporting the Great Green Wall Initiative** was approved by Council in May 2011 (see detailed description in Text Box 1). The program supports implementation of a country-driven vision for integrated natural resource management for sustainable and climate resilient development in the Sahel region. This multi-focal area program will be implemented by the World Bank and funded by multi-trust funds, consisting of GEF Trust Fund, LDCF and SCCF. The program responds to a series of high level processes (with ministerial meetings in Ndjamen, Chad in June and November 2010, and in Bonn, Germany in 2011) through which countries in the Sahel region consistently called for an international partnership to implement their vision. The program builds on a series of planned baseline investments amounting to US\$ 1.8 billion in co-financing in twelve countries. The investments cover agriculture, food security, disaster risk management, rural development, and watershed management. With SLM as a core element of the program, GEF funding in the LDFA will catalyze a diverse range of practices that improve flow of ecosystem services in production landscapes and watersheds.

LDCF Project Summaries

12. **Guinea-Bissau: Strengthening Resilience and Adaptive Capacity to Climate Change in Guinea-Bissau's Agrarian and Water Sectors** (UNDP) (LDCF project grant- US\$4.5 million). This project aims to enhance Guinea-Bissau's resilience and adaptive capacity to climate change risks in the agrarian and water sectors. The project thus responds directly to the Guinea Bissauan NAPA, which identified food security and the water as the two top priorities for urgent intervention. The project is articulated through three components: (a) capacity building for decision makers, technical staff, and extension workers, including a review and up-date process for relevant sectoral policies; (b) pilot demonstration activities in selected communities, including such measures as improved grain storage, crop diversification, small ruminant breeding, micro reservoirs, small dykes and low-cost irrigation systems; and (c) knowledge management and up scaling.

13. **Lao PDR: *Improving the Resilience of the Agriculture Sector in Lao PDR to Climate Change Impacts*** (UNDP) (LDCF project grant- US\$5 million). The project's objective is to minimize food insecurity resulting from climate change in Lao PDR and to reduce vulnerability of farmers to extreme flooding and drought events. The project aims to achieve this objective through a three- pronged strategy of capacity building. First, the project will compile all existing climate hazard and vulnerability information from a multitude of sources, and make the information available for detailed local analysis and application in the agricultural sector. Second, the capacities of key stakeholders responsible for planning and management in the agricultural sector are to be increased through targeted training, and key policies and plans are to be reviewed to take into account the impacts of climate change in the agricultural sector. Third, demonstration activities are to be undertaken in selected pilot communities representing two key climate change vulnerabilities in the agricultural sector: the risk of increasing frequency and severity of droughts, and more intense flooding episodes. Taken together, these pilots should provide the insights necessary for addressing climate change induced drought and flooding risks in an integrated manner, and eventually enable up-scaling of successful community based strategies at the national level. In addition, the three aspects of capacity building will provide Lao PDR with a solid institutional and human capacity for enhancing adaptation planning, as well as with some examples of practical on-the-ground experiences that can be replicated outside of the pilot regions.

14. **Tanzania: *Developing Core Capacity to Address Adaptation to Climate Change in Tanzania in Productive Coastal Zones*** (UNEP) (LDCF project grant-US\$3.5 million). This project aims to develop the necessary institutional capacity to manage climate change impacts in the productive coastal zones of Tanzania. The project contains two key elements: (a) creating scientific and technical capacity for effective analysis and response to climate change threats in the coastal zone (for example, through support for scientifically founded local climate change vulnerability assessments and government training and awareness programs), and (b) implementing pilot projects for reducing specific vulnerabilities in the coastal zone (for example, relocating coastal shallow water wells to account for sea-level rise induced salt water intrusion and changed precipitation patterns, and restoring mangroves as coastal buffer zones).

15. **Kiribati: *Increasing Resilience to Climate Variability and Hazards*** (World Bank) (LDCF project grant- US\$3.3 million). The project objective is to strengthen the resilience of Kiribati to the impact of climate variability, climate change, and climate-related hazards by reducing the impact of storm surges and coastal erosion. It will reduce the impact of drought and storm surges on the quality and availability of freshwater resources and reduce vulnerabilities of coastal communities to sea-level rise and extreme weather events by incorporating climate and disaster risk concerns into development policies and investments.

16. **Ethiopia: *Promoting Autonomous Adaptation at the Community Level in Ethiopia*** (UNDP, LDCF project grant-US\$5.3 million).The project objective is to support local communities and administrations at the lowest level of government to design and implement adaptation actions aimed at reducing vulnerability and building resilience, especially in those communities that are

particularly vulnerable in Ethiopia. The project aims to deliver adaptation benefits by strengthening institutional capacities, both on local and regional levels, for coordinated climate-resilient planning and investment, access to appropriate technologies for communities, and climate risk reduction. Climate risk reduction will include building community capacity for climate-resilient livelihoods, and managing climate-related risks. Furthermore, community vulnerability considerations and early warning responses will be included in the multi-sector planning at regional and local levels.

17. **Samoa: *Integration of Climate Change Risk and Resilience into Forestry Management*** (ICCRIFS) (UNDP) (LDCF project grant- US\$2.7 million). The objective of the ICCRIFS project is to increase the resilience and adaptive capacity of Samoa's forest environment for RCCS technology, which will focus on two critical barriers for the RCCS technology transfer process, that is, the completion of the technical and financial studies for the construction and installation of RCCS system equipment for the pilot project and streamlining the licensing requirements for RCCS projects. In addition, a component on capacity building for RCCS technology application will involve the industry sector but also scientific and technical institution that will contribute to the documentation of the results and their dissemination through courses, seminars, printed materials, and on-the-job training for local technicians, students, and professionals.

18. **Central African Republic: *Integrated Adaptation Program to Combat the Effects of Climate Change on Agricultural Production and Food Security*** (LDCF project grant- US\$2.78 million). The project will be implemented by UNDP and support CAR to cope with expected negative effects of climate change on agriculture and food security. It will focus on creating the necessary enabling environment at all levels to ensure the integration of climate change risk management into national and local planning frameworks, including the agricultural plans. Specific contributions towards the reduction of vulnerabilities to climate change will be achieved through the pursuit of the following project outcomes: 1) policy, institutional and financial capacities developed and strengthened to plan for and manage climate change risks to the agricultural sector; 2) adapted agro-pastoral options implemented in key vulnerable areas; 3) knowledge /experiences shared, capitalized and disseminated. The project will target specific vulnerable regions that are representative of key agro-ecological areas of the country, thus providing a basis for future up-scaling of proven techniques and practices, including participatory plant breeding.

19. **Burundi: *Enhancing Climate Risk Management and Adaptation***, (LDCF project grant - US\$3.20 million). The project will be implemented by AfDB in collaboration with Ministry for Land Management, Tourism and Environment. The project will support climate resilience activities, including promotion of suitable production techniques, such as soil and water conservation, rainwater harvesting for agricultural and domestic use, short-cycle and drought-resistant crops. It will also build capacity of major climate sensitive sectors (agriculture, water, forestry) for improved climate risk management and adaptation. Knowledge management, and dissemination of lessons learnt and best practices is an important element of the project, which will ensure up-scaling of the results.

20. **Senegal: *Climate Change adaptation project in the areas of watershed management and water retention*** (IFAD) (LDCF project grant US\$5 million). The objective of this project is to increase the resilience of agricultural production systems and associated value chains to climate impacts in the water sector by ensuring the supply and availability of water for agricultural use in a scenario of increasing climate change-induced water scarcity. The intervention will be structured around five components: (i) capacity building, awareness raising and knowledge management at the national level; (ii) water harvesting and watershed management; (iii) water conservation and efficient irrigation; (iv) monitoring and evaluation; and (v) project management. The project will contribute to food security and rural livelihoods objectives undermined by the effects of climate change.

21. **Mozambique: *Adaptation in Coastal Zones of Mozambique***, (UNDP) (LDCF project grant-US\$4.43 million). Mozambique has the third longest maritime coastline in Africa (2700 km) and the majority of the population lives in coastal zones. These populations are particularly vulnerable to climate change. The objective of the project is to develop the capacity of communities living in the coastal zones of Mozambique to manage climate change risks by (i) providing climate change risks and adaptation options analysis and mainstreaming it into policies, investment plans and sector budgets at the national and sub-national levels; (ii) piloting demonstration projects to increase the capacity of communities living in the coastal zones to cope with climate change impacts such as coastal erosion and to improve coastal ecosystem resilience to climate change; and (iii) knowledge management to enable the replication of climate change adaptation measures in coastal zones.

22. **Afghanistan: *Building Adaptive Capacity and Resilience to Climate Change in Afghanistan*** (LDCG project grant - US\$ 5 million). The project aims at increasing resilience and key adaptive capacity to climate change through capacity building for climate change risk assessment and monitoring, development of climate change adaptation planning and response strategies, introduction and testing of practices for water resource and watershed management, introduction and testing of agricultural management practices to reduce water needs adapted to intensive and prolonged droughts (grazing management, terracing, planting of grass and trees, improvement of water canals, adapted cultivation practices, drought resistant crops, seed banks).

23. **Liberia: *Enhancing Resilience to Climate Change by Mainstreaming Adaption Concerns into Agricultural Sector Development*** (LDCF project grant of US\$2.5 million). The project objective is to increase resilience of poor, agricultural dependent communities and decrease vulnerability of agricultural sector to climate change in Liberia. The project will build capacity on both individual and institutional levels to plan and manage climate change adaptation in the agriculture sector. It will also pilot demonstration of sustainable adaptive measures at the community level in 6 sites, including climate resilient agricultural practices and water management.

24. **Sao Tomé and Príncipe: *Strengthening the Adaptive Capacity of Most Vulnerable Sao Tomean's Livestock-keeping Households*** (AfDB) (LDCF project grant -US\$1.98 million). The project objective is to improve the resilience of livestock systems in support of the productivity of stockbreeding. The adaptive alternative proposed through this GEF project builds on the behavior of

farmers in Sao Tomé and Príncipe, explores how they have adapted livestock management to climate change across the country over the years, and what support they need to enhance their coping mechanisms with and climate change and variability. The LDCF incremental financing will primarily support and supplement all these baseline programs by (i) strengthening the adaptive capacity of most vulnerable livestock-keeping households; (ii) mainstreaming adaptation options into the national development strategy on livestock; and (iii) building indigenous capacity on livestock system adaptation to climate change through integrated sustainable livestock centers demonstrating breed's resilience, rangeland management, animal waste management, bio-agriculture and animal-feed.

25. Gambia: *Strengthening of the Gambia's Climate Change Early Warning Systems* (UNEP) (LDCF project grant- US\$1.16 million). The objective of the project is to enhance adaptive capacity and reduce vulnerability to climate change through a strengthened early warning and information sharing mechanism for a better informed decision making by government and affected population. The project will therefore implement the second NAPA priority for the Gambia, that of strengthening the early warning system. The following outcomes will be delivered: (i) enhanced capacity of hydro-meteorological services and networks for predicting climate change events and risk factors; (ii) more effective, efficient and targeted delivery of climate information including early warnings; (iii) improved and timely preparedness and response of various stakeholders to climate risks and vulnerabilities forecasts.

26. Haiti: *Strengthening climate resilience and reducing disaster risk in agriculture to improve food security in Haiti Post Earthquake* (LDCF project grant of US\$2.72 million). The project will support strengthening of local planting material and seed systems of climate resilient crop varieties. It will also field test and replicate climate resilient practices for climate risk management in agriculture. Climate resilient agricultural technologies and practices will be promoted through establishment of Farmer Field Schools. The project will also support integration of climate change adaptation and disaster risk reduction into agricultural policies, programmes and institutions.

27. Cambodia: *Vulnerability Assessment and Adaptation Programme for Climate Change within the Coastal Zone of Cambodia Considering Livelihood Improvement and Ecosystems* (UNEP) (LDCF project grant -US\$1.63 million). The project will work to increase the resilience of natural ecosystems, such as mangrove forests, along the coast and reduce vulnerability of coastal communities to climate change impacts and risks. To achieve its objective, the project will inter alia rehabilitate degraded mangrove forests, introduce alternative livelihoods, protect agricultural production systems and raise awareness regarding climate change, its impacts and appropriate adaptation mechanisms. This will be realized through the achievement of the following outcomes: (i) institutional capacity to assess climate change risks and integrate them into national development policies strengthened; (ii) adaptation planning in the coastal zone improved; (iii) vulnerability of productive systems to increased floods reduced; (iv) resilience of coastal buffers to climate change increased and livelihoods improved.

28. **Maldives: *Increasing Climate Change Resilience of Maldives through Adaptation in the Tourism Sector*** (UNDP) (LDCF project grant US\$1.65 million). Tourism resorts in the Maldives are regularly exposed to major climate hazards, including windstorms, heavy rainfall, extreme temperatures and drought, sea swells, and storm surges. LDCF support will provide the tourism sector in Maldives with the required policy environment, regulatory guidance, technical skills and knowledge to ensure that climate change-related risks can be systematically factored into day-to-day tourism operations. The project will strengthen the capacity of the Ministry of Tourism, Arts and Culture and tourism businesses to recognize evident climate risk issues in tourism operations and adopt appropriate adaptation measures to address them. The project is structured around 3 outcomes: (i) strengthened adaptive capacity of the tourism sector to reduce risks to climate-induced economic losses; (ii) reduced vulnerability of at least 10 tourism operations and 10 tourism-associated communities to the adverse effects of climate change; and (iii) transfer of climate risk financing solutions to public and private sector tourism institutions.

SCCF Project Summaries

29. **Swaziland: *To promote the implementation of national and transboundary integrated water resource management that is sustainable and equitable given expected climate change*** (UNDP) (SCCF project grant- US\$1.67 million). The goal of the project is to ensure that national and transboundary water resources management is adapted to the expected impact of climate change. The project will deliver adaptation benefits in relation to water resources management that is sustainable in the face of expected climate change and the protection of livelihoods, by (i) developing policy response options derived from community level and macro-level analysis of risks and (ii) developing tolls for equitable water resources management that is sustainable in the face of climate change and (iii) adjusting sectoral investment plans on water and agriculture. In addition, it will contribute to tripartite negotiations on water allocation between Swaziland, and its neighboring countries who share the same water resources, namely Mozambique and South Africa.

30. **Jordan: *DHRS Irrigation Technology Pilot project to Face Climate Change Impact*** (IFAD) (SCCF project grant- US\$ 2 million). The project focuses on reducing the vulnerability to climate change of the agricultural system in Jordan by testing an innovative and efficient water-use technology. The project will achieve this objective through transfer of pilot DHRS technology for efficient water use, and provision of training for installation of the technology. The project will also introduce and test a new irrigation technology in Jordan, which makes it possible to irrigate crops with saline and even waste water without damaging the crops. This project will help break down barriers for a new, innovative and climate resilient agricultural technology and could potentially have impact not only in Jordan, but also at the global level.

31. **Azerbaijan: *Integrating climate change risks into water and flood management by vulnerable mountainous communities in the Greater Caucasus region of Azerbaijan*** (UNDP) (SCCF project grant- US\$2.7 million) The goal of the project is to sensitize the water management policies to the long term risks of climate change. The project will reduce vulnerability of the communities of the Greater Caucasus region of Azerbaijan to water stress and hazards by improved

water and flood management. The project involves the following outcomes: (i) water and flood management framework is modified to respond to adaptation needs and improve climate risk management on over 22,067 sq. km of land in the highly vulnerable region of the Greater Caucasus; (ii) key institutions have capacities, technical skills, tools and methods to apply advanced climate risk management practices for water stress and flood mitigation; (iii) community resilience to floods and water stress improved by introducing locally tailored climate risk management practices benefiting over 1 million people in 22,067 km² of the southern slopes of the Greater Caucasus.

32. **Ghana: *Promoting a Value Chain Approach to Adaptation in Agriculture***, (SCCF grant-US\$ 2.6 million). IFAD will implement the project in partnership with the Ministry of Food Security and Agriculture, and the Environment Protection Agency. The project will address the risks to the achievement of Ghana's development priority to increase food security and rural poor people income. Specifically, it will tackle the climate associated risks on both food security and rural livelihoods that depend on cassava production, processing and sale. Addressing climate risks that effect the production only is not, in fact, sufficient to ensure food security. Improving efficiency in cassava processing is as much important because it would improve the quality of the cassava products despite climate change impacts. It would further contribute to the creation of additional sources of income and allow project beneficiaries to engage in other income generating activities. As a response to the risk of water availability in the target area, the project will support improved water management through alternative ways to increase water supply, as well as more efficient use of irrigation water. The intervention will also cover costs associated with introduction of sustainable land management that sustain the adaptation at the community level. In particular, the potential to introduce agroforestry will be examined, as these systems generate benefits such as enhanced nutrient cycling increased soil fertility and reduced erosion, which would additionally increase resilience of farming systems while allowing for a greater diversity in food production. One of the innovative solutions to be employed by the project is use of energy obtained from cassava processing by-products along with other biomasses by establishing a gasifier and biogas installation in two pilot sites.

33. **Indonesia: *Strategic Planning and Action to Strengthen Climate Resilience of Rural Communities*** (UNDP) (SCCF project grant -US\$5 million) The objective of the project is to enable the province of Nusa Tenggara Timor to strengthen climate resilience of rural communities and to improve livelihood, food, and water security. The project will focus on three specific outcomes: (i) capacity developed to integrate climate resilience in sustainable development planning at the provincial level; (ii) local government and rural communities have integrated climate resilience actions in their development plans; (iii) livelihoods and sources of income diversified and strengthened for vulnerable rural communities in three districts. The scope of the project involves active participation of local volunteers to reinforce local ownership and mobilize communities to be active participants through volunteer action in the process of adaptation to climate change through knowledge generation and management and capacity building, ensuring that vulnerable groups have the opportunity to participate in the decision-making processes that affect their lives.

34. **Tajikistan: *Increasing Climate Resilience through drinking water rehabilitation in north Tajikistan*** (EBRD) (SCCF project grant US\$2.727 million). The objective of this project is to build the climate change resilience of water supplies in seven cities in Northern Tajikistan, by (i) encouraging water use efficiency, (ii) more reliable and climate resilient water sources and rehabilitating water supply infrastructure, and (iii) reforming water utility management including tariff reform, leading to more sustainable supplies of safe drinking water that are resilient to the expected impacts of climate change, and are environmentally and financially sustainable. This project will make an important contribution towards improving the preparedness of communities in the project area for climate change. It will also help to build the institutional capacity needed for this infrastructure to be managed and maintained in a sustainable manner, including financial sustainability.

35. **Nicaragua: *Adaptation of Nicaragua's Water Supplies to Climate Change*** (World Bank) (SCCF Project Grant: US\$6 million). The objective of the project is to enhance the current and future climate resilience of investments in water supply and rural sectors. The proposed SCCF grant will finance four components: (i) institutional strengthening for the integration of climate impacts in water resources management; (ii) protection of micro-watersheds and water sources from climate-induced vulnerabilities; (iii) investment in supply- and demand-side measures to increase drinking water availability in vulnerable areas through supply-augmenting and efficiency measures; and (iv) coastal wetland protection and reduction of vulnerability to sea level rise in order to reduce climate-induced impacts on drinking water supplies in vulnerable areas. All of the activities proposed for SCCF financing will be additional to ongoing and planned investments by the Government of Nicaragua and by the World Bank

36. **Morocco: *Integrating Climate Change in Development Planning and Disaster Prevention to Increase Resilience of Agricultural and Water Sectors*** (World Bank) (SCCF Project Grant: US\$ 4.55 million). The Government of Morocco recently launched the Plan Maroc Vert (PMV), an ambitious strategy designed to make agriculture a driving force for equitable economic growth. The PMV has the goal to double agriculture's value added within a decade. The project is aimed at strengthening the capacity of public and private institutions and of farmers for integrating climate change adaptations in projects directed to small farmers in five target regions. It will develop the capacities of staff of public and private institutions involved in the planning and implementation of Pillar II projects on climate change adaptations (Component 1). The objective is to mainstream climate change adaptation in the screening process of future Pillar II projects. At the same time, the Project will support the dissemination of climate change adaptations among farmers (Component 2). While about 85 percent of the grant will be used to pilot climate change adaptations among farmers to demonstrate their additional advantage compared to the business as usual, the remaining financing will be used to influence the institutional process of selection and implementation of future Pillar II projects. In total, there will be about ten Project sub-projects selected to be included in a Pillar II project.

37. **Regional, Asia: *Pilot Asia-Pacific Climate Technology Network and Finance Center*** (ADB-UNEP) (SCCF project grant-US\$1.82 million). The project will support the deployment of technologies for both climate change mitigation and adaptation in the developing countries of the Asia-Pacific region. With respect to adaptation, the project will directly contribute to SCCF priority areas on technology transfer, including the implementation of Technology Needs Assessments , technology information, capacity building for technology transfer and enabling environments. The project will focus on piloting innovative financial mechanisms and catalyzing investments in climate change adaptation technologies in priority sectors, such as water, agriculture/food security, health, and coastal zone development.

38. **Albania, Macedonia and Serbia: *Southeastern Europe and Caucasus Catastrophe Risk Insurance Facility*** (SEEC CRIF) (World Bank) (SCCF project grant- US\$5.5 million). The project aims to provide affordable catastrophe and weather risk insurance products to farmers, SMEs, homeowners and governments with a view to reducing their financial exposure to climate change. SCCF funding will enable participating countries to expand upon the existing baseline project by supporting additional activities that will not only assess climate change in the context of catastrophes and weather risk, but also develop insurance products to help those at risk to adapt and become more resilient to climate change. SCCF funds will also help develop insurance products that will encourage the public to further reduce the risk of climate change by offering lower product prices for those who have undertaken adaptation and mitigation activities.

Adaptation Fund Project Summaries

39. **Eritrea: *Climate Change Adaptation Programme in Water and Agriculture in Anseba Region, Eritrea*** (UNDP) (AF project grant-US\$ 6.52 million). The overall goal of the programme is to promote increased food security in Eritrea through ecologically sustainable and climate-resilient improvements in agricultural production. The objective of the programme is to increase community resilience and adaptive capacity to climate change through an integrated water management and agricultural development approach in the sub-zobas of Hamelmalo and Habero, Anseba Region, Eritrea. The project approach consists of four components: (1) Increased water availability for farmers; (2) Climate-resilient production; (3) Improved climate risk information and community preparedness; (4) Knowledge management and policy advocacy.

40. **Solomon Islands: *Enhancing Resilience Of Communities In Solomon Islands To The Adverse Effects Of Climate Change In Agriculture And Food Security***, (UNDP) (AF project grant-US\$ 5.53 million). The proposed project will strengthen ability of communities in Solomon Islands to make informed decisions and manage likely climate change driven pressures on food production and management systems. In particular, the project will lead to the following key results (outcomes): promote and pilot community-adaptation activities enhancing food security and livelihood resilience in pilot communities in at least 3 selected regions; strengthen institutions and adjusted national and sub-national policies related to governing agriculture in the context of a range of climate change futures; and foster the generation and spread of relevant knowledge for assisting decision-making at the community and policy-formulation level.

41. **Turkmenistan: Addressing climate change risks to farming systems in Turkmenistan at national and community levels**, (UNDP) (AF project grant-US\$ 2.93 million). Turkmenistan's inherent aridity and reliance on agriculture as a source of both income and food renders the country particularly vulnerable to predicted climate change impacts. As a response to this vulnerability, the Government of Turkmenistan is proposing to take a comprehensive approach to adaptation. This initiative, which seeks funding from the Adaptation Fund, aims to internalize climate change risks into water policies at the national level by establishing price incentives to achieve greater water use efficiency under conditions of changing climate. It also seeks to support most vulnerable and water stressed communities to help them better manage the mounting water shortages induced by climate change. The main objective of the project is to strengthen water management practices at national and local levels in the context of climate change risks induced water scarcity to farming systems in Turkmenistan. The project will deliver concrete adaptation measures to local vulnerable communities in the three typical agro-ecological regions, while also strengthening national level water legislation and shaping overall water adaptation policy in the country as well as at local level. This combination of outcomes will ensure that concrete actions implemented through AF resources are sustainable beyond the lifetime of the project.

42. **Pakistan: Reducing Risks and Vulnerabilities from Glacier Lake Outburst Floods in Northern Pakistan**, (UNDP) (AF project grant-US\$ 3.91). The proposed project will reduce risks and vulnerabilities from GLOFs and snow-melt flash floods in Northern Pakistan. The main objectives of the project are as follows: (1) To develop the human and technical capacity of public institutions to understand and address immediate GLOF risks for vulnerable communities in Northern Pakistan ; (2) To enable vulnerable local communities in northern areas of Pakistan to better understand and respond to GLOF risks and thereby adapt to growing climate change pressures.

43. **Maldives – Increasing climate resilience through an Integrated Water Resource Management Programme in HA. Ihavandhoo, ADh. Mahibadhoo and GDh. Gadhdhoo Island**, (UNDP) (AF project grant-US\$ 8.99). The primary problem addressed by this project is a significant, climate change-induced decline of freshwater security that is affecting vulnerable communities in Maldives. As surface freshwater is generally lacking throughout the country, the key problems pertaining to freshwater security relate to the management of increasingly saline groundwater and increasingly variable rainwater resources. In order to reduce the aforementioned barriers to effective climate change adaptation in the water management sector, it is essential to reinforce the perspective of Integrated Water Resources Management (IWRM). This will ensure that measures responding to additional, climate change-related risks (such as greater rainfall variability, unreliable recharge of aquifers, longer dry periods, and increasing damage to infrastructure from extreme weather events) are addressed in concert with a response to basic development problems (such as insufficient sewage and wastewater treatment, lack of environmental awareness, lack of water conservation, and lack of comprehensive stakeholder participation in the design and monitoring of water management schemes). The objective of this

project is to ensure reliable and safe freshwater supply for Maldivian communities in a changing climate.

44. **Mongolia: *Ecosystem Based Adaptation Approach to Maintaining Water Security in Critical Water Catchments in Mongolia***, (UNDP) (AF project grant-US\$ 5.50 million). The project objective is to maintain the water provisioning services supplied by mountain and steppe ecosystems by internalizing climate change risks within land and water resource management regimes. The project will target two eco-regions, the Altai Mountain/Great Lakes Basin and the Eastern Steppe covering a total of nearly 733,000 square kilometers. Local level interventions will target two watersheds within these broader eco-regions, covering approximately 43,300 square kilometers and including territories for 17 Soums and a population of around 57,000. This project will apply the principles of Ecosystem-based Adaptation (EBA) to increase climate change resilience at a landscape level. Project activity will focus upon the maintenance of water-provisioning services as a measure of broad EBA success. Project investments will alleviate vulnerabilities and dismantle identified barriers by implementing three interconnected components.

45. **Ecuador – *Enhancing resilience of communities to the adverse effects of climate change on food security, in Pichincha Province and the Jubones River basin***, (WFP) (AF project grant-US\$7.45). The overall goal of the proposed project is to reduce vulnerability and food insecurity of communities and ecosystems, related to the adverse effects of climate change, in the most vulnerable cantons of Pichincha Province and the basin of the river Jubones. The project approach consists the following of 2 components: (1) Develop awareness, knowledge and capacity at the community level on climate change and food insecurity related risks. This component will support the national strategy for climate change by addressing local exposure to climate change risks and high vulnerability, in particular to food insecurity. It will also raise awareness and understanding of climate change threats, adaptation solutions, and the need for action at community level. The project will work at three levels, provincial, canton and community, with particular focus on the community level. However, coordination will be strengthened among the three levels through project activities; (2) Increase adaptive capacity and reduce recurrent risks of climate variability at the community level. This component will focus on the implementation of concrete adaptation actions. In line with the priorities of cantons, communities will select from a menu of feasible concrete adaptation activities. These activities will increase adaptive capacity and ecosystem resilience in targeted rural communities and can be grouped into two categories: the construction and maintenance of physical assets and the creation and enhancement of nature resources and ecosystem integrity. Physical assets and infrastructure may include for example water harvesting and storage measures, irrigation and drainage systems, flood defense and other climate proofing of infrastructure, such as check dams and storage tanks.

46. **Senegal: *Adaptation to coastal erosion in vulnerable areas***, (CSE) (AF project grant-US\$ 8.62 million). This project's overall objective is to contribute to the implementation of Senegal's NAPA. The project encompasses the areas of Rufisque, Saly, and Joal. The expected outcomes in Rufisque are protection of people, houses, economic and cultural infrastructures in the region

against coastal erosion. This would include an update on the detailed technical feasibility studies for the design of coastal protection facilities and the achievements of those tasks. The sub-components include the validation of the feasibility studies, achievement of the infrastructure of protection, and the cleaning up of canals and connection with the sea. The same outcomes are expected to be achieved in Saly, with activities resulting in the set up of protection facilities in the vulnerable areas covering the hotels, people and poor villages, as well as fishing docks. The sub-components include the development of the infrastructure to protect Saly and support for the fitting out of the fishing dock and the fish processing area. Expected outcomes in Joal include the protection against salination in the rice-growing areas, a built coastal infrastructure for processing activities, the conduction of Environmental Impact Assessment studies, and the monitoring of the implemented Environmental and Social Management plan. On a country level, it is expected the project aims to support development of regulations that cover all areas, the revision of the environmental code, the adoption of the law on the littoral, and the development of a good communication effort. In addition, it will promote sensitization of locals regarding adaptation techniques to climate change in coastal areas and about the respect of the regulations on the management of the littoral zones.

47. **Honduras – Addressing Climate Change Risks on Water Resources in Honduras: Increased Systemic Resilience and Reduced Vulnerability of the Urban Poor**, (UNDP) (AF project grant -5.62). The objective of the project is to increase resilience to climate change water related risks in the most vulnerable population in Honduras through pilot activities and an overarching intervention to mainstream climate change considerations into the water sector. It will achieve the objective through: (1) Strengthening relevant institutional structures including the National Water Authority, for mainstreaming climate change risks into water resources management as well as into national planning, public investment-budgeting and decision-making processes; (2) Piloting comprehensive measures to safeguard Tecucigalpa City and environs' water supplies in response to existing and projected water scarcity and to the vulnerability to extreme climate events; (3) Targeted capacity building and outreach enable stakeholders at all levels to effectively respond to long-term climate change impacts.

48. **Nicaragua - Reduction of Risks and Vulnerability Based on Flooding and Droughts in the Estero Real River Watershed**, (UNDP) (AF project grant-US\$ 5.50 million). The objective of the programme is to reduce risks from droughts and flooding generated by climate change and variability in the watershed of the Estero Real River. To reach the objective, the programme will rely upon a coordinated set of interventions designed to implement new public policies for addressing climate change by introducing agro-ecological practices and participatory watershed management in highly vulnerable rural communities. Through targeted investments in water retention, long-term farm planning, and institutional capacity building in local communities, municipalities and government agencies, the programme will validate an adaptation scheme as a vehicle for implementation of the national climate change strategy.

GEF Land Degradation Focal Area			UNCCD Ten-year Strategy
Objectives	Expected Outcomes and Indicators	Core Outputs	Expected Impacts (EI) and related Indicators ⁵
<p>LD-1: Agriculture and Rangeland Systems: Maintain or improve flow of agro-ecosystem services sustaining the livelihoods of local communities <u>Outcome Targets:</u> <i>Sustainable Management of 120 million ha production landscapes</i></p>	<p>Outcome 1.1: An enhanced enabling environment within the agricultural sector <i>Indicator 1.1 Agricultural policies support smallholder and community tenure security</i></p> <p>Outcome 1.2: Improved agricultural management <i>Indicator 1.2 Increased land area with sustained productivity and reduced vulnerability of communities to climate variability</i></p> <p>Outcome 1.3: Sustained flow of services in agro-ecosystems <i>Indicator 1.3 Flow of services in agro-ecosystems Maintained / increased</i></p> <p>Outcome 1.4: Increased investments in SLM <i>Indicator 1.4 Increased resources flowing to SLM from diverse sources</i></p>	<p>Output 1.1 National policies that guarantee smallholder and community tenure security</p> <p>Output 1.2 Types of Innovative SL/WM practices introduced at field level</p> <p>Output 1.3 Suitable SL/WM interventions to increase vegetative cover in agro-ecosystems</p> <p>Output 1.4 Appropriate actions to diversify the financial resource base</p> <p>Output 1.5 Information on SLM technologies and good practice guidelines disseminated</p>	<p>EI 4.2 Enabling policy environments are improved for UNCCD implementation at all levels Indicators: <i>S-8 Increase in the level and diversity of available funding for combating desertification / land degradation and mitigating the effects of drought</i> <i>S-9 Development policies and measures address desertification/land degradation and mitigation of the effects of drought.</i></p> <p>EI 3.1 Sustainable land management and combating desertification/land degradation contribute to conservation and sustainable use of biodiversity and mitigation of climate change Indicators: <i>S-6 Increase in carbon stocks (soil and plant biomass) in affected areas</i> <i>S-7 Areas of forest, agricultural and aquaculture ecosystems under sustainable management</i></p> <p>EI 2.1 Land productivity and other ecosystem goods and services in affected areas enhanced in a sustainable manner contributing to improved livelihoods Indicators: <i>S-4 Reduction in total area affected by desertification/land degradation and drought</i></p>

⁵ According to the Ten-year *Strategic Plan and Framework* document, the impact indicators are only indicative of the types to be established to provide information on the trends in affected areas. They are to be refined further by the Committee on Science and Technology (CST) capitalizing on existing sources of data, to form the baseline data trends for monitoring and impact assessment.

GEF Land Degradation Focal Area			UNCCD Ten-year Strategy
Objectives	Expected Outcomes and Indicators	Core Outputs	Expected Impacts (EI) and related Indicators ⁵
			<i>S-5 Increase in net primary productivity in affected areas</i>
<p>LD-2: Forest Landscapes: Generate sustainable flows of forest ecosystem services in drylands, including sustaining livelihoods of forest dependant people</p> <p><u>Outcome Targets:</u> <i>Sustainable Management of 300,000 ha of forest production landscapes, including in dryland and trans-boundary areas</i></p>	<p>Outcome 2.1: An enhanced enabling environment within the forest sector in dryland dominated countries <i>Indicator 2.1 Forestry policies support smallholder and community tenure security</i></p> <p>Outcome 2.2: Improved forest management in drylands <i>Indicator 2.2 Increased land area under sustainable forest management practices</i></p> <p>Outcome 2.3: Sustained flow of services in forest ecosystems in drylands <i>Indicator 2.3 Increased quantity and quality of forests in dryland ecosystems</i></p> <p>Outcome 2.4: Increased investments in SFM in dryland forests ecosystems <i>Indicator 2.4 Increased resources flowing to SFM from diverse sources (e.g. PES, small credit schemes, voluntary carbon market)</i></p>	<p>Output 2.1 National policies that guarantee smallholder and community tenure security</p> <p>Output 2.2 Types of innovative SFM practices introduced at field level</p> <p>Output 2.3 Suitable SFM interventions to increase/maintain natural forest cover in dryland production landscapes</p> <p>Output 2.4 Appropriate actions to diversify the financial resource base</p> <p>Output 2.5 Information on SFM technologies and good practice guidelines disseminated</p>	<p>EI 4.2 Enabling policy environments are improved for UNCCD implementation at all levels Indicators: <i>S-8 Increase in the level and diversity of available funding for combating desertification / land degradation and mitigating the effects of drought</i> <i>S-9 Development policies and measures address desertification/land degradation and mitigation of the effects of drought.</i></p> <p>EI 3.1 Sustainable land management and combating desertification/land degradation contribute to conservation and sustainable use of biodiversity and mitigation of climate change Indicators: <i>S-6 Increase in carbon stocks (soil and plant biomass) in affected areas</i> <i>S-7 Areas of forest, agricultural and aquaculture ecosystems under sustainable management</i></p> <p>EI 2.1 Land productivity and other ecosystem goods and services in affected areas enhanced in a sustainable manner contributing to improved livelihoods Indicators: <i>S-4 Reduction in total area affected by desertification/land degradation and drought</i> <i>S-5 Increase in net primary productivity in affected areas</i></p>

GEF Land Degradation Focal Area			UNCCD Ten-year Strategy
Objectives	Expected Outcomes and Indicators	Core Outputs	Expected Impacts (EI) and related Indicators ⁵
<p>LD-3: Integrated Landscapes: Reduce pressures on natural resources from competing land uses in the wider landscape <u>Outcome Target:</u> <i>Integrated management of 150 million hectares of production systems and natural habitats, including in drylands and transboundary areas</i></p>	<p>Outcome 3.1: Enhanced cross-sector enabling environment for integrated landscape management <i>Indicator 3.1 Policies support integration of agriculture, rangeland, forest, and other land uses</i></p> <p>Outcome 3.2: Integrated landscape management practices adopted by local communities <i>Indicator 3.2 Application of integrated natural resource management (INRM) practices in wider landscapes</i></p> <p>Outcome 3.3: Increased investments in integrated landscape management <i>Indicator 3.3 Increased resources flowing to INRM and other land uses from diverse sources</i></p>	<p>Output 3.1 Integrated land management plans developed and implemented</p> <p>Output 3.2 INRM tools and methodologies developed and tested</p> <p>Output 3.3 Appropriate actions to diversify the financial resource base</p> <p>Output 3.4 Information on INRM technologies and good practice guidelines disseminated</p>	<p>E4.2 Enabling policy environments are improved for UNCCD implementation at all levels Indicators: <i>S-8 Increase in the level and diversity of available funding for combating desertification / land degradation and mitigating the effects of drought</i> <i>S-9 Development policies and measures address desertification/land degradation and mitigation of the effects of drought.</i></p> <p>EI 2.1 Land productivity and other ecosystem goods and services in affected areas enhanced in a sustainable manner contributing to improved livelihoods Indicators: <i>S-4 Reduction in total area affected by desertification/land degradation and drought</i> <i>S-5 Increase in net primary productivity in affected areas</i></p>