



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

FINANCING ADAPTATION TO CLIMATE CHANGE

AT THE GLOBAL ENVIRONMENT FACILITY (2018–2022)

**DELIVERING INNOVATIVE ADAPTATION TECHNOLOGY AND MAINSTREAMING
SOLUTIONS FOR CATALYTIC IMPACT**

The GEF supports adaptation to climate change in developing countries through the Least Developed Countries Fund (LDCF), which supports urgent, medium and long-term adaptation needs in least developed countries (LDCF), and the Special Climate Change Fund (SCCF), accessible by all developing countries. Established in 2001 at COP 7, the two funds also support implementation of the Paris Agreement.

- More than **\$1.6 BILLION** in grant funding for **343 ADAPTATION PROJECTS** in more than **130 COUNTRIES***
- Delivering direct benefits to over **27 MILLION PEOPLE**
- Bringing nearly **7 MILLION HECTARES** of land under climate-resilient management
- Supporting adaptation mainstreaming in **350 SUB-NATIONAL PLANS** and processes and over **2000 SUB-NATIONAL**

*as of November 2018



NEW THEMES



ADAPTATION TECHNOLOGY
INCUBATORS & ACCELERATORS



CLIMATE RISK AND
SECURITY



ENHANCED PRIVATE SECTOR
ENGAGEMENT



CHALLENGE PROGRAM FOR
ADAPTATION INNOVATION

Making a difference in Somalia through the 'Enhancing Climate Resilience of the Vulnerable Communities and Ecosystems in Somalia' Project

(\$8.7 million LDCF grant; UNDP)

Somalia has been facing extreme water shortage in recent years; by the end of 2017, 6.2 million people were in need of humanitarian assistance, and over 1 million people internally displaced. People had no option but to buy water, which was very expensive and often only available great distances away. But since a 'sand dam' was built in late 2016 with support from the LDCF and other partners, located within easy access for nomads, life changed dramatically for these communities. The dam holds up to 95,000m³ of surface water, collected from short rain spells, and can hold water for up to eight months. Supplementary benefits delivered include trainings on integrative farming techniques, and water harvesting measures that benefit people and livestock.

"The information I learned there changed my life. They trained us on crop rotation, fodder production and small-scale business management. I abandoned growing tomatoes and sorghum, but now I plant high-yield fodder grass, which is in high demand. My income has tripled."



"Ever since we found out about the dam, we're saving around \$400 a month, which I can now put towards the basic needs of my family."



Least Developed Countries Fund (LDCF)

The Least Developed Countries Fund exclusively targets the adaptation needs of least developed countries (LDCs). It supports:

- **Adaptation planning** to address resilience needs at various timescales
- **Resilience-building investments** of nearly \$1.3 billion (to 2018), in the diverse landscapes and sectors that constitute priorities for today's 47 LDCs
- **Capacity building** in-country, to better understand risks, vulnerability and adaptation to climate change, as well as to better access climate finance and respond to UNFCCC obligations

Over the period 2018-2022, each LDC can access up to \$10 million in LDCF grants.



GEBRU JEMBER
LDC Chair

"The LDCF has been vital in laying the groundwork for policy and investment action for adaptation mainstreaming in LDCs, and in enhancing the capacity of LDCs to build resilience to climate risk. In alignment with its focus on supporting priority adaptation needs of developing countries, it has entered a new phase of spurring adaptation innovation, which will be critical in helping LDCs determine the best approaches to scale up and replicate."

Special Climate Change Fund (SCCF)

The Special Climate Change Fund (SCCF) is accessible by all developing countries. It has an enhanced focus on technology transfer, innovation, and private sector engagement, as well as effective scale-up. Over 2018-2022, the SCCF will have two modes of access:

- **Challenge Window**, aimed at supporting entrepreneurship in the adaptation and climate resilience space, as well as catalytic measures to enhance climate security
- **Incentive for Mainstreaming Adaptation and Resilience**, which will provide support in cases where significant development initiatives are underway, e.g., in sustainable cities, food security projects, and coastal development, where the SCCF adaptation grant can support adaptation mainstreaming measures. Special consideration may be given to highly vulnerable non-LDCs, particularly SIDS, as well as initiatives targeting women



Achieving transformation for Morocco's vulnerable agricultural communities

(\$4.3 million SCCF grant; World Bank)

"This project was primarily designed to [...] increase the resilience among our hard-hit agricultural communities to adapt to the new reality. But it has gone far beyond that: not only has it led to a switch from traditional farming methods to more advanced ones including the use of state of the art technology, it has also shown that the approach can be replicated throughout Morocco and therefore was the beginning of a large scale transformation of agricultural practices that have the power to deal with the changing climate, namely increased droughts and degradation of soils."

—Oussama El Gharra, an agricultural engineer at the National Institute for Agronomic Research (Institut National de Recherche Agronomique – INRA, Morocco)



Catalyzing private investment to support resilience

(\$1 million SCCF grant; Conservation International)

Together with partners including the Lightsmith Group, Nordic Development Fund and Conservation International, the SCCF helped contribute to an equity fund titled *Climate Resilience and Adaptation Finance and Technology Transfer Facility (CRAFT)*. It will invest in companies that provide either 'resilience intelligence', such as data analytics, modeling, and forecasting, or 'resilience solutions' including products and services that address climate risks in areas such as water, agriculture and energy. Envisaged areas for investment range from climate-smart supply chain analytics software and drought-tolerant tree crops to coastal protection and disaster recovery.



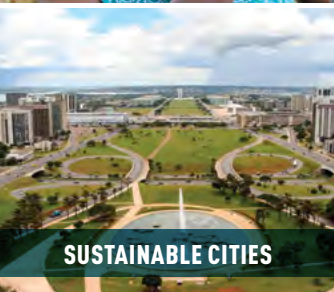
Supporting resilience in the Pacific

The Pacific Small Island Developing States (SIDS) are among the most physically vulnerable nations in the world and are highly exposed to the adverse effects from climate change, including floods, droughts, tropical cyclones, storm surges, and tsunamis. The SCCF is providing a \$6 million grant in conjunction with \$40 million in soft loans and grants from IDA and the Pilot Program for Climate Resilience (PPCR) to build climate resilience in this region. The project supports 'climate-proofing' of public infrastructure in Tonga; modernized observation infrastructure; forecasting, early warning and preparedness measures; and assistance toward climate resilience mainstreaming in development planning. Critically, the project is supporting a regional disaster risk financing component that will enable participating countries to secure access to immediate liquidity post disasters.

INCENTIVE FOR BLENDING WITH RELATED INITIATIVES



FOOD SECURITY



SUSTAINABLE CITIES



ENERGY



INTEGRATED COASTAL
ZONE MANAGEMENT



DISASTER
RESILIENCE

Looking Forward: Mainstreaming Resilience and Adaptation

Supporting system transformation



The GEF is committed to work with the global community to help restore the balance between Earth systems and humans, so that conditions for sustainable prosperity will not be endangered with changing climate, by ecosystems destroyed beyond the point of no return, and compounded by human suffering from water scarcity, food insecurity, health risks, and conflicts. The GEF will support countries to enhance adaptive capacity, strengthen resilience and reduce vulnerability to climate change in line with the goals of the Paris Agreement. In particular, mainstreaming of resilience and adaptation concerns will be encouraged as the GEF supports countries to catalyze transformation of three key economic systems of food production, cities, and energy. This approach is aligned with climate-resilient development pathways articulated by the IPCC.



Enhanced complementarity with other
sources of finance

A critical aspect of the GEF's adaptation strategy for 2018-2022 is to ensure complementarity with other sources of finance so that countries can undertake resilience programming in an effective and harmonized way.

The 'coordinated engagement' pilot initiative with the Green Climate Fund (GCF) encourages joint GEF-GCF programming in countries. The two funds are strengthening coordination on support towards the NAPs process, and harmonized investment support.



Building resilience in Small Island
Developing States (SIDS)

The GEF's adaptation program has provided approximately \$250 million in grants to support climate resilience in SIDS. SIDS continue to remain a priority area for adaptation programming for both the LDCF and the SCCF.



Enhanced engagement of the private
sector

This will be a particular area of focus for GEF over 2018-2022, along the following two pillars:

- **Expanding catalytic grant and non-grant investments:** This will support pilot investments to test new technologies, develop entrepreneurs through incubators, provide seed funding and develop venture capital approaches
- **Support enabling environments for the private sector to act as an agent for market transformation:** the focus will be on fostering enabling environments and addressing barriers to private sector engagement, enhancing risk pooling and other insurance solutions, leveraging partnerships, exploring strategic linkages with private sector companies, and mobilizing the private sector as an agent for adaptation by supporting the mainstreaming of climate change adaptation and resilience considerations into business models and risk management capabilities.

Focus on climate risk and security



The LDCF and SCCF have been providing concrete adaptation support in 39 fragile states, helping to address some of the underlying causes of conflict and insecurity. Building resilience in vulnerable, fragile states will remain a priority for the adaptation program. Adaptation interventions can alleviate pressures that contribute to displacement, along with measures that seek to reduce vulnerability and exposure of displaced populations to climate change.

Contact the GEF's Adaptation Program: LDCFandSCCF@thegef.org

Please read the GEF's Programming Strategy for Adaptation to Climate Change, 2018-2022!



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