



Global Environment Facility

GEF/LDCF.SCCF/3

August 22, 2008

INTERSESSIONAL WORK PROGRAM
SUBMITTED FOR THE LDCF/SCCF COUNCIL APPROVAL

Executive Summary

This is the fifth work program presented by the CEO for LDCF/SCCF Council review and approval in GEF-4 and the sixth work program proposed for financing under the SCCF. The first five SCCF work programs were approved by the LDCF/SCCF Council in December 2006, June 2007, July 2007, April 2008, and July 2008 respectively.

This work program contains one full-sized project (FSP) proposal for approval under the SCCF Adaptation Program. The total SCCF project grant for this project amounts to \$4 million. The total SCCF financing requested through this work program is \$4.4 million.¹ Total co-financing amounts to \$12 million which, when added to the total SCCF grant², results in a total project value of \$16.1 million. Each dollar of SCCF grant is matched by \$2.93 in co-financing.

Resources committed to projects under the SCCF Adaptation Program to-date totalled \$66.285 million. This amount financed projects that were approved in the last five work programs plus the project proposed for approval under this work program.

Regarding additional programming under the SCCF, an official note was sent to all GEF Agencies on February 14, 2007 that suspended programming under this fund until additional funds become available. However, as notified in the Cover Note for the Intersessional Work Program of June 2008, encashments over the past 6 months have enabled a limited financing window available for SCCF programming. In consultation with all GEF Agencies, a list of 7 SCCF priority projects has been identified for funding within the financing window mentioned above. The first group of projects was approved in the intersessional work program of June 2008, and included 3 FSPs (plus one MSP approved by the GEF CEO), totaling \$13.23 million. With the approval of the project proposed in the present Work Program, \$6.138 million would remain for the two remaining priority projects. The two abovementioned projects pending approval (one FSP and one MSP) are expected to be submitted for Council (and CEO) approval in the upcoming SCCF Work Program. Therefore, all available resources under this window would have been programmed for all the projects mentioned above. The pipeline will not be reopened for new submissions, until additional encashments materialize.

When additional funds become available, GEF Agencies will receive official notification of the re-initiation of programming under the SCCF.

¹ \$4 million in new funding for the FSP proposals plus \$0.4 million in Agency fees.

² SCCF grant = SCCF project grant + PPG = \$4 million + \$0.1million = \$4.1 million

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Where to send technical comments:

Council members are urged to send their technical comments electronically (in Word file) to the GEF Secretariat's program coordination registry at: gcoordination@TheGEF.org

Background

1. This is the fifth work program presented by the CEO for LDCF/SCCF Council review and approval in GEF-4 and the sixth work program proposed for financing under the SCCF. The first five SCCF work programs were approved by the LDCF/SCCF Council in December 2006, June 2007, August 2007, April 2008, and July 2008 respectively.
2. This work program contains one full-sized project (FSP) proposal for approval under the SCCF Adaptation Program. The total SCCF project grant for this one project amounts to \$4 million. The total SCCF financing requested through this work program is \$4.4 million³ (see Annex A for the financial breakdown). Total co-financing amounts to \$12 million which, when added to the total SCCF grant results in a total project value of \$16.1 million. Each dollar of SCCF grant is matched by \$2.93 in co-financing.
3. Regarding additional programming under the SCCF, an official note was sent to all GEF Agencies on February 14, 2007 that suspended programming under this fund until additional funds become available. However, as notified in the Cover Note for the Intersessional Work Program of July 2008, encashments over the past 6 months has enabled a small financing window available for SCCF programming. In consultation with all GEF Implementing Agencies, a list of 7 SCCF priority projects were identified for funding within the available financing window. The project proposed under this work program thus represents the second step in the programming of these funds. The first step, was approved in the intersessional work program of July 2008, and included 3 FSPs (plus one MSP approved by the GEF CEO) totaling \$13.23 million. With the approval of the project proposed in the present Work Program, \$6.138 million would remain for the two remaining priority projects. Therefore, the actual amount available for allocation, above the projects already identified as priorities, is close to \$0. The two abovementioned projects pending approval (one FSP and one MSP) are expected to be submitted for Council (and CEO) approval in the next coming SCCF Work Program. As the funding situation remains fundamentally unchanged, however, the pipeline will not be reopened for new submissions at the current time.

Table 1. Proposed Grant for September 2008 SCCF Intersessional Work Program
(in \$ million)

	SCCF Project Grant	Agency Fee	Total SCCF Resource Requested
Egypt: Adaptation to Climate Change in the Nile Delta through Integrated Coastal Zone Management	4	0.4	4.4
Total	4	0.4	4.4

³ \$4 million in new funding for the FSP proposal plus \$0.4 million in Agency fees

Co-financing

4. Table 2 shows the distribution of co-financing levels in the project proposed in this work program by co-financiers. The Government of Egypt provided 100 percent of the co-financing. Total co-financing for the project amounts to \$12 million which, when added to the total SCCF grant brings the total value of the project to \$16.1 million. The total SCCF grant also included project development facility grants in the amount of \$100,000 which was previously approved by the CEO. As shown in the table, each dollar that the SCCF provides is matched by \$2.93 in co-financing. Seventy-five percent of the project cost is financed by co-financing sources.

Table 2: Proposed Co-financing in the September 2008 SCCF Work Program
(in \$ million)

Type	Egypt: Adaptation to Climate Change in the Nile Delta through Integrated Coastal Zone Management	Total
SCCF Project Grant	4.0	4.0
PDF/PPG*	0.1	0.1
Total SCCF Grant	4.1	4.1
Co-financier		
Governments	12.0	12.0
Regional Agencies		
Trust Fund		
Bilateral Donors		
Private Water Utility		
Implementing Agency		
Others		
Total Co-financing	12.0	12.0
Total Project Cost	16.1	16.1
SCCF: Co-financing Ratio		2.93
Co-financing percentage		75%

* PDF = Project Development Facility is project preparation funding approved under GEF-3.
PPG = Project Preparation Grant is project preparation funding approved under GEF-4.

Agency Fees for the Current Work Program

5. Total Agency fee requested in this work program amount to \$0.4 million, based on the latest fee policy approved by the Council in December 2006.

The Project in the proposed SCCF work program

1. **Egypt:** Adaptation to Climate Change in the Nile Delta through Integrated Coastal Zone Management (UNDP) (SCCF Project Grant: \$4 million)