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Item 10(d) of the provisional agenda

**Matters relating to finance**

**Report of the Global Environment Facility to the Conference of the Parties  
and guidance to the Global Environment Facility**

**Report of the Global Environment Facility to the Conference  
of the Parties**

**Note by the secretariat**

**Addendum**

**Technical review of the programme priorities of the Least Developed  
Countries Fund**

1. At its twenty-first session, the Conference of the Parties (COP) requested the Global Environment Facility (GEF) to carry out a technical review of the programme priorities of the Least Developed Countries Fund.<sup>1</sup> This addendum to the report of the GEF to COP 22 contains the information provided by the GEF on the steps taken to carry out the technical review.
2. That information is reproduced in the annex as submitted, without formal editing and with the original pagination.

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<sup>1</sup> Decision 8/CP.21, paragraph 8.

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**Annex**



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August 15, 2016

Addendum to the

Report of the Global Environment Facility to the Twenty-second  
Session of the Conference of the Parties to the United Nations  
Framework Convention on Climate Change

on

Technical Review of the Program Priorities of the Least Developed  
Countries Fund



## Executive summary

1. The Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC), at its twenty-first session from November 30 to December 12, 2015, requested “the Global Environment Facility [GEF] to carry out a technical review of the programme priorities of the Least Developed Countries Fund [LDCF], taking into account the [Program Evaluation of the LDCF by the GEF Independent Evaluation Office], and focus the technical review on, inter alia:
  - (a) Undertaking pilot concrete climate change activities that are particularly relevant for the least developed countries [LDC];
  - (b) Enhancing longer-term institutional capacity to design and execute activities referred to in [the] paragraph [...] above” (decision 8/CP. 21, paragraph 8).
2. In response to the request by the COP, the GEF Secretariat has reviewed the program priorities of the LDCF from a perspective of (i) the GEF’s past performance and ability, through the LDCF, to implement the agreed priorities; and (ii) the relevance of the program priorities to LDCs’ needs and circumstances, and taking into account other sources of financing. The technical review, along with the Program Evaluation is intended to inform the LDCF/SCCF Council and the COP in their deliberations on the future role of the LDCF.
1. The GEF Independent Evaluation Office (GEF IEO) has carried out a Program Evaluation of the LDCF in 2016, and has found that the support provided through the LDCF has been highly relevant to COP guidance and the strategic objectives of the GEF Adaptation Program.<sup>2</sup> The GEF, through the LDCF, has been able to effectively implement the program priorities of the Fund, although the efficiency of the LDCF support has been negatively impacted by the lack of adequate and predictable contributions (Ibid.). With respect to alignment of those program priorities with the GEF’s capabilities and strengths, and whether they represent the most relevant priorities given LDCs’ needs and circumstances as well as a changing climate finance architecture, initial conclusions are provided in the table below. In June 2016, the LDCF/SCCF Council discussed the findings of the Program Evaluation and the GEF Secretariat’s Management Response.<sup>3</sup>

Table 1: Conclusions of LDCF program priority and review criterion

<i>LDCF Program Priority</i>	<i>Review Criteria</i>	
	<i>The GEF’s past performance and ability, through the LDCF, to implement the agreed priorities</i>	<i>Relevance of the program priorities to LDCs’ needs and circumstances, and taking into account other sources of financing</i>
<i>Preparation and implementation of national adaptation programs of action (NAPA)</i>	Evaluative evidence confirms the relevance and effectiveness of GEF support, through the LDCF. The lack of adequate and predictable contributions to the LDCF represents a major constraint to the timely implementation of remaining NAPA priorities.	The implementation of NAPAs remains a priority for LDCs; and current demand for support towards NAPA implementation vastly exceeds the resources available in the LDCF. Several other multi-lateral climate finance providers have committed to supporting the implementation of NAPAs, or aligning their support with NAPA priorities; although so far different financiers have been able to play complementary roles.

<sup>2</sup> See Council document, Program Evaluation of the Least Developed Countries Fund, GEF/LDCF.SCCF.20/ME/02 ([https://www.thegef.org/gef/sites/thegef.org/files/documents/EN\\_GEF\\_LDCF.SCCF\\_20\\_ME\\_02\\_Program\\_Evaluation\\_Report.pdf](https://www.thegef.org/gef/sites/thegef.org/files/documents/EN_GEF_LDCF.SCCF_20_ME_02_Program_Evaluation_Report.pdf))

<sup>3</sup> For further details on the discussion by the Council, please refer to paragraphs 11-13 of the Highlights of the 20<sup>th</sup> LDCF/SCCF Council meeting (<https://www.thegef.org/gef/sites/thegef.org/files/documents/Highlights%2020th%20LDCF%20SCCF%20Council.pdf>)

<b>LDCF Program Priority</b>	<b>Review Criteria</b>	
	<b><i>The GEF's past performance and ability, through the LDCF, to implement the agreed priorities</i></b>	<b><i>Relevance of the program priorities to LDCs' needs and circumstances, and taking into account other sources of financing</i></b>
<i>Support towards elements of the LDC work program other than NAPAs</i>	Limited evaluative evidence suggests that the GEF has performed well across many elements of the LDC work program. For some elements it is unclear whether the GEF has the most appropriate modalities.	The LDC work program remains a priority for LDCs. The landscape of support towards many of the elements of the LDC work program is growing increasingly complex, and there is a need to enhance coordination and collaboration with other providers of financial and technical support.
<i>Support towards the national adaptation plan (NAP) process</i>	Past performance in relation to NAPA implementation and the LDC Work Program suggests that the GEF, through the LDCF, is well-placed to provide relevant and effective support towards the NAP process. The GEF's project-based support may not be ideally suited to all aspects of the NAP process, however, and coordination and partnership will remain crucial.	The NAP process remains a priority for LDCs and current demand for NAP-related supports exceeds the resources available in the LDCF. A growing number of climate financiers and technical assistance providers are available to support the NAP process, and close coordination and collaboration will remain key. Still, demand for GEF support, including through global support programs, is on the rise after a slow start.
<i>Undertaking pilot concrete climate change activities that are particularly relevant for the LDCs</i>	The GEF, through the LDCF, the Special Climate Change Fund and the GEF Trust Fund, has considerable experience of supporting the piloting and demonstration of innovative technologies and approaches to climate change mitigation and adaptation. It is unclear, however, what is intended by "concrete" and "climate change activities".	Undertaking pilot concrete climate change activities is a priority for LDCs. Given the lack of clarity as to what is intended by "concrete" and "climate change activities", however, it is not clear to what extent relevant support is already being provided by the GEF or other climate financiers and technical assistance providers and, accordingly, what added value the GEF, through the LDCF, could provide.
<i>Enhancing longer-term institutional capacity to design and execute concrete climate change activities that are particularly relevant for the LDCs</i>	The GEF, through the LDCF, the Special Climate Change Fund and the GEF Trust Fund, has considerable experience of institutional and technical capacity development across climate change mitigation and adaptation. It is unclear, however, what is intended by "concrete" and "climate change activities".	Enhancing longer-term institutional capacity is a priority for LDCs. There is considerable number of multi-lateral, bi-lateral and non-governmental organizations that support climate-related capacity development in LDCs. It remains unclear, however, to what extent present support corresponds to the specific capacity development intended by the COP, and, accordingly, what added value the GEF, through the LDCF, could provide.

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## Introduction

1. At the request of the Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC) (decision 8/CP.21), this document reviews the program priorities of the Least Developed Countries Fund (LDCF).

## Guidance provided by the Conference of the Parties to the United Nations Framework Convention on Climate Change and decisions adopted by the GEF and the LDCF/SCCF Councils

2. The COP, at its twenty-first session from November 30 to December 12, 2015, requested “the Global Environment Facility [GEF] to carry out a technical review of the programme priorities of the [LDCF], taking into account the [Program Evaluation of the LDCF by the GEF Independent Evaluation Office], and focus the technical review on, inter alia:
  - (a) Undertaking pilot concrete climate change activities that are particularly relevant for the least developed countries [LDC];
  - (b) Enhancing longer-term institutional capacity to design and execute activities referred to in [the] paragraph [...] above” (decision 8/CP. 21, paragraph 8).
3. Since the establishment of the LDCF in 2001, the COP has adopted 13 decisions containing 20 paragraphs of guidance on the program priorities of the LDCF. These priorities are broadly focused on the LDC work program, which was adopted at COP 7 (decision 5/CP.7, paragraphs 11–14), and the national adaptation plan (NAP) process, which was established at COP 16 (decision 1/CP.16, paragraph 15). Annex I provides a complete overview of COP decisions on the program priorities of the LDCF.
4. The LDC work program, as defined in 5/CP.7 comprises the following elements:
  - (a) Strengthening existing and, where needed, establishing, national climate change secretariats and/or focal points to enable the effective implementation of the Convention and the Kyoto Protocol, in [LDCs];
  - (b) Providing training, on an ongoing basis, in negotiating skills and language, where needed, to develop the capacity of negotiators from [LDCs] to participate effectively in the climate change process;
  - (c) Supporting the preparation of national adaptation programs of action (NAPA);
  - (d) Promoting public awareness programs to ensure the dissemination of information on climate change issues;
  - (e) Development and transfer of technology, particularly adaptation technology (in accordance with decision 4/CP.7); and
  - (f) Strengthening the capacity of meteorological and hydrological services to collect, analyze, interpret and disseminate weather and climate information to support implementation of NAPAs.
5. To advance the implementation of the LDC work program, the COP requested the GEF as a first step to provide funding from the LDCF “to meet the agreed full cost of preparing the NAPAs” (decision 27/CP.7, paragraph 1[a]). At its ninth session, in 2003, the COP requested the GEF “to support the implementation of [NAPAs] as soon as possible after their completion” (decision 6/CP.9, paragraph 2) and it provided guidance for the operationalization of such support. At its 14<sup>th</sup> session, in 2008, the COP requested the [GEF] “in parallel to supporting the ongoing implementation of [NAPAs], to facilitate the implementation of the remaining elements of the [LDC] work programme” (decision 5/CP.14, paragraph 2).

6. With a view to operationalizing these decisions the GEF Council and the LDCF/SCCF Council have adopted guidelines for the operation of the LDCF, including the Programming Paper for Funding the Implementation of NAPAs under the LDC Trust Fund<sup>4</sup> and the Updated Operational Guidelines for the Least Developed Countries Fund.<sup>5</sup> The GEF Secretariat has also prepared information documents to clarify various aspects of the operation of the LDCF, including a Note on GEF Support for National Adaptation Plans of Action<sup>6</sup> and Support for Elements of the Least Developed Countries Work Programme other than National Adaptation Programmes of Action (NAPAs).<sup>7</sup>
7. With respect to the NAP process, the COP, at its 17th session in 2011, requested the GEF, through the LDCF, “to consider how to enable activities for the preparation of the [NAP] process for [LDC] Parties, while maintaining progress for the [LDC] work programme” (decision 5/CP.17). At its 18th session the COP requested the GEF “to provide funding from the [LDCF], to meet the agreed full cost, as appropriate, of activities to enable the preparation of the [NAP] process as described in the elements contained in paragraphs 2–6 of the initial guidelines for the formulation of [NAPs] in the annex to decision 5/CP.17 [and] to provide support for the [NAP] process, while maintaining support for the [LDC] work programme, including [NAPAs]” (decision 12/CP.18, paragraph 1).
8. In response to these decisions the LDCF/SCCF Council endorsed in June 2013 the document ‘Operationalizing Support to the Preparation of the National Adaptation Plan Process in Response to Guidance from the UNFCCC COP’.<sup>8</sup> All of the agreed program priorities of the LDCF, including guidance pertaining to the NAP process, also form the basis for the GEF Programming Strategy on Adaptation to Climate Change for the Least Developed Countries Fund and the Special Climate Change Fund<sup>9</sup>, which was endorsed by the LDCF/SCCF Council in May 2014.
9. In response to the evolving COP guidance, the GEF, through the LDCF, has provided funding to all LDCs. Table 2 provides an overview of LDCF resources accessed for adaptation implementation. From its inception to June 30, 2016, \$1,005.7 million has been approved for projects, programs and enabling activities to respond to meet the mandates by the COP. This includes financing the preparation of 51 NAPAs, of which 50 are completed, and the approval of 173 NAPA implementation projects, submitted by 49 countries. LDCF support for approved adaptation projects and programs currently totals \$993.6 million and it mobilized \$4.0 billion in co-financing. As at June 30, 2016, cumulative pledges to the LDCF amounted to \$1.2 billion, of which \$993.6 million have been received.

Table 2: LDCF resources accessed for adaptation implementation

	Number of projects approved <sup>10</sup>	LDCF resources accessed (\$m)
<b>Afghanistan</b>	4	30.0
<b>Angola</b>	5	30.4
<b>Bangladesh</b>	5	23.6
<b>Benin</b>	5	30.5
<b>Bhutan</b>	4	30.2
<b>Burkina Faso</b>	4	19.9
<b>Burundi</b>	2	13.2
<b>Cambodia</b>	7	23.8
<b>Cape Verde*</b>	1	3.4
<b>Central African Republic</b>	2	11.2
<b>Chad</b>	3	19.3
<b>Comoros</b>	4	30.0

<sup>4</sup> See Council document GEF/C.28/18.

<sup>5</sup> See Council document GEF/LDCF.SCCF.13/04.

<sup>6</sup> See Council document GEF/C.19/Inf.7.

<sup>7</sup> See Council document GEF/LDCF.SCCF.13/Inf.05.

<sup>8</sup> See Council document GEF/LDCF.SCCF.14/06.

<sup>9</sup> See Council document GEF/LDCF.SCCF.16/03.

<sup>10</sup> Some projects serve multiple countries.

<b>Congo DR</b>	4	20.7
<b>Djibouti</b>	4	22.2
<b>Eritrea</b>	1	10.0
<b>Ethiopia</b>	4	23.4
<b>Gambia</b>	4	27.1
<b>Global</b>	3	13.7
<b>Guinea</b>	4	19.8
<b>Guinea-Bissau</b>	1	4.5
<b>Haiti</b>	4	16.5
<b>Kiribati</b>	2	8.3
<b>Lao PDR</b>	6	25.2
<b>Lesotho</b>	4	20.1
<b>Liberia</b>	3	13.5
<b>Madagascar</b>	3	19.6
<b>Malawi</b>	6	27.0
<b>Maldives*</b>	2	6.8
<b>Mali</b>	7	28.9
<b>Mauritania</b>	4	20.1
<b>Mozambique</b>	2	15.1
<b>Myanmar</b>	4	15.7
<b>Nepal</b>	4	17.6
<b>Niger</b>	4	19.9
<b>Rwanda</b>	4	24.5
<b>Samoa*</b>	4	20.8
<b>Sao Tome and Principe</b>	4	16.2
<b>Senegal</b>	5	26.7
<b>Sierra Leone</b>	5	26.6
<b>Solomon Islands</b>	2	15.7
<b>Somalia</b>	2	19.8
<b>Sudan</b>	5	32.0
<b>Tanzania</b>	3	16.7
<b>Timor Leste</b>	6	28.8
<b>Togo</b>	3	20.0
<b>Tuvalu</b>	3	9.1
<b>Uganda</b>	3	17.1
<b>Vanuatu</b>	3	21.6
<b>Yemen</b>	2	16.5
<b>Zambia</b>	4	20.2

10. As at June 30, 2016, 138 LDCF projects in support of NAPA implementation, the NAP process and the implementation of other elements of the LDC work program had been endorsed or approved by the GEF CEO and were under some stage of implementation or ready to enter implementation. In total, 118 out of these 138 projects provided an estimate of the number of direct beneficiaries. These 118 projects, with LDCF resources amounting to \$639.8 million, seek to directly reduce the vulnerability of some 15 million

people. Given the mandate of the LDCF to support the preparation of the NAP process in LDCs, 68 LDCF projects are already supporting 39 countries in their efforts to integrate adaptation into 175 regional, national and sector-wide development policies, plans and frameworks. The LDCF also assists countries in laying the groundwork for climate-resilient development through 70 projects that will enable 40 countries to strengthen their national hydro-meteorological and climate information services.

## **Program Evaluation of the Least Developed Countries Fund**

11. The LDCF/SCCF Council, at its 18th meeting on June 4, 2015, approved the Four-Year Work Program of the GEF IEO,<sup>11</sup> including a program evaluation of the LDCF to be carried out during fiscal year 2016 (FY16, from July 1, 2015 to June 30, 2016). GEF IEO has evaluated the LDCF focusing on performance and progress towards the objectives of the LDCF, and the emerging results.<sup>12</sup>
12. The Program Evaluation makes the following high-level conclusions:
  - (a) LDCF supported activities, for the most part, have been highly relevant to COP guidance and LDCF programming;
  - (b) Contributions of LDCF supported interventions to focal areas other than climate change are potentially significant;
  - (c) LDCF supported interventions show clear potential in reaching the GEF's three adaptation strategic objectives;
  - (d) The efficiency of the LDCF has been negatively impacted by the unpredictability of available resources;
  - (e) LDCF support to NAPA implementation projects has resulted in catalytic effects in completed projects;
  - (f) Extensive replication and upscaling generally demands further financing beyond the projects' timeframe;
  - (g) There is a clear intent to mainstream adaptation into countries' environmental and sustainable development policies, plans and associated processes, but further analysis will be needed to provide clarity on concrete results;
  - (h) The gender performance of the LDCF portfolio has improved considerably in response to enhanced requirements from the GEF, though there seems to be confusion as to what it means to be 'gender mainstreamed';
  - (i) It is too soon to draw Fund-wide conclusions regarding the sustainability of results; and
  - (j) There are discrepancies in project data from the GEF Secretariat's Project Management Information System (PMIS). (Ibid.)

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<sup>11</sup> See Council document GEF/LDCF.SCCF.18/ME/01.

<sup>12</sup> See Council document GEF/LDCF.SCCF.20/ME/02.

13. Based on these conclusions the following recommendations are proposed by the IEO:
  - (a) The LDCF/SCCF Council should appeal to donors to fund the LDCF adequately and predictably, preferably through a formalized replenishment process;
  - (b) The LDCF/SCCF Council should request the GEF Secretariat to continue its efforts on addressing gender issues, and continue its work on developing a unified understanding regarding gender mainstreaming; and
  - (c) The LDCF/SCCF Council should request the GEF Secretariat to correct the data in the Project Management Information System and efforts should be made regularly to verify and update the accuracy of these data; sufficient resources should be made available to ensure this. (Ibid.)
14. This document references the findings of the Program Evaluation, where appropriate, without attempting to duplicate the work of IEO, or the management response provided by the Secretariat in document.

## **Review of the program priorities of the Least Developed Countries Fund**

15. Taking into account the conclusions and recommendations of the aforementioned Program Evaluation, this technical review considers the GEF's past performance and ability, through the LDCF, to implement the agreed program priorities of the Fund; and the relevance of those priorities to LDCs' needs and circumstances, and considering other sources of financing. As per COP guidance, the review is carried out by the GEF, but it draws on input from representatives of LDCs as well as the perspectives of other climate finance providers and key stakeholders. Given the concurrent Program Evaluation, the review does not attempt to present new evidence on the performance of the LDCF, but rather cite existing evaluative evidence as to the degree to which the GEF, through the LDCF, has made progress in implementing COP guidance.
16. For the purposes of this review the LDCF program priorities are divided into five categories, the first three of which draw directly on past COP guidance, namely: (a) the preparation and implementation of NAPAs; (b) support towards elements of the LDC work program other than NAPAs; and (c) support towards the NAP process. In accordance with the mandate provided by the COP, the review will also consider the following, potential categories of program priorities: (d) undertaking pilot concrete climate change activities that are particularly relevant for the LDCs; and (e) enhancing longer-term institutional capacity to design and execute concrete climate change activities that are particularly relevant for the LDCs. There is a considerable degree of overlap across these five categories; and each category is quite broad, with significant scope for further prioritization.
17. The review considers the above priorities from the perspective of two basic criteria: (i) the GEF's past performance and ability, through the LDCF, to implement the agreed priorities; and (ii) the relevance of the program priorities for LDCs' needs and circumstances, and taking into account other sources of financing. For each priority, the review also discusses the guidance provided by the COP, and the concrete steps taken by the GEF to implement relevant COP decisions.

### **1. Preparation and implementation of national adaptation programs of action**

18. Following the establishment of the LDCF at COP 7 in 2001, the GEF proceeded promptly to provide financing for the preparation of NAPAs. The first LDCF funding approvals were made in late 2002 and by the end of 2003 the GEF CEO had approved enabling activity projects to support the preparation of NAPAs in 31 LDCs, while two medium-sized projects (MSP) had been approved to provide training to Anglophone and Francophone LDCs, respectively. As at June 30, 2016, the GEF, through the LDCF, had provided \$12.2 million towards the preparation of NAPAs in 51 LDCs, including all current LDCs and three countries that had graduated from LDC status.<sup>13</sup>
19. The COP, at its 16th session in 2010, requested the GEF "to provide funding from the [LDCF] to [LDCs], upon request, to enable the update of their [NAPAs] with a view to further improving their quality, to facilitate the integration of [LDCs'] adaptation actions into development planning and to reflect increased adaptation knowledge and changed priorities in the countries" (decision 5/CP.16,

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<sup>13</sup> All completed NAPAs are available on [http://unfccc.int/cooperation\\_support/least\\_developed\\_countries\\_portal/submitted\\_napas/items/4585.php](http://unfccc.int/cooperation_support/least_developed_countries_portal/submitted_napas/items/4585.php).

paragraph 3). As at June 30, 2016, one LDC had formally updated its NAPA, while several others had done so informally. The GEF, however, had not received any requests for LDCF financing to enable LDCs to update their NAPAs.

20. In late 2003 the GEF was requested to support the implementation of NAPAs (decision 6/CP.9, paragraph 2); and two years later the COP provided further guidance regarding key operational policies and procedures for such support (decision 3/CP.11). In response to these decisions, the Programming Paper for Funding the Implementation of NAPAs under the LDC Trust Fund<sup>14</sup> was approved by the GEF Council in June 2006. At the end of FY06, on June 30, 2006, total cumulative contributions to the LDCF amounted to \$40.9 million, of which \$10.7 million had been approved towards NAPA preparation. Since then the fund has seen more robust growth, reaching \$109.1 million in paid contributions at the end of FY08, \$179.9 million in FY10 and \$451.5 in FY12. The first project in support of NAPA implementation was approved in September 2007. By the end of FY8, funding approvals for NAPA implementation had reached \$18.2 million, growing to \$122.1 million in FY10 and \$315.2 million in FY12. As at June 30, 2016, 26 donors had pledged \$1.2 billion to the LDCF, of which \$993.6 million had been paid. In total, as at June 30, 2016, \$993.6 million had been approved towards 173 projects in support of the implementation of LDC NAPAs.

#### *Overview of COP guidance*

21. With respect to the preparation of NAPAs, the COP guidance was clear and could be operationalized quickly. The GEF and the LDCs also benefited from the detailed guidelines for the preparation of NAPAs (decision 28/CP.7).
22. With respect to providing funding to enable LDCs to update their NAPAs, the guidance provided by the COP has left it largely to the LDCs to determine whether, how and to what extent their NAPAs should be updated. While no LDC has yet sought such support from the LDCF, 38 of the 50 NAPAs that have been submitted to the UNFCCC Secretariat are dated 2009 or earlier. Over the six or more years that have passed since the completion of these NAPAs, many LDCs have undertaken policies, strategies and plans that effectively articulate their urgent and immediate adaptation needs; based on the latest available information on the expected impacts of climate change, the associated vulnerabilities in key sectors, as well as the potential strategies and measures to reduce these vulnerabilities. Many such policies, strategies and plans have been made possible thanks to support from the LDCF in the context of projects and programs to implement LDC NAPAs. Moreover, several LDCs, also in part with support from the LDCF (see below), have embarked on their NAP processes, which in many cases will identify and articulate their adaptation needs and priorities.
23. As a result, the current guidance by the COP to the GEF, through the LDCF, to provide financing to enable LDCs to update their NAPAs could potentially be duplicative of the guidance to support the preparation of the NAP process, and potentially redundant in light of the actual progress made by the LDCs. Indeed, both the NAPA updates and the NAP process would aim to “facilitate the integration of [LDCs’] adaptation actions into development planning” (decision 5/CP.16, paragraph 3).
24. As for the implementation of NAPAs, the guidance by the COP to the GEF has remained largely unchanged since COP 11 in 2005. In 2009, the LDC Expert Group (LEG) estimated the support needed to fully implement the 42 to LDC NAPAs that had been submitted as at September 15, 2009. It found that “at least [\$]2 billion is required to implement the urgent and immediate needs to address the challenges of climate change in LDCs, and given the passage of time since completion of most of the NAPAs, the cost is even expected to be higher” (LEG 2008, Support needed to fully implement national adaptation programmes of action). The notion of “full implementation” has never been clearly defined, however. For example, the LEG review found that for 29 of the 42 NAPAs reviewed in 2009, the estimated total cost of implementing their NAPA priority projects was less than \$20 million. In contrast, as at June 30, 2016, 19 of these 29 countries had received \$20 million or more from the LDCF in support of NAPA implementation, and many had received grant financing worth several times their initial cost estimates.
25. While the discrepancy between the estimated cost of NAPA implementation and the actual funding provided is largely a result of the quality of those early cost estimates; it is not clear when a NAPA

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<sup>14</sup> See Council document GEF/C.28/18.

could be considered as being fully implemented, and what support LDCs could seek from the LDCF, should their NAPAs be found to be fully implemented.

26. Another challenge arises from the potential conflict between the guidance to the GEF, through the LDCF, to finance the full implementation of NAPAs, on the one hand, and the request by the COP to the GEF to ensure “equitable access by [LDCs] to funding for the implementation of [NAPAs]” (decisions 6/CP.9 and 3/CP.11). The aforementioned cost estimates range from less than \$3 million to \$769 million per country. As a result, it is virtually impossible to finance the full implementation of the NAPAs with the highest cost estimates, while ensuring equitable access to resources.

*GEF's past performance and ability to implement agreed priorities*

27. The GEF's support, through the LDCF, towards the preparation and implementation of NAPAs has been subject to several independent evaluations. In 2009, a joint evaluation by the Evaluation Department of the Danish Ministry of Foreign Affairs and the GEF Evaluation Office found considerable scope for further work by the GEF and its Agencies in providing simplified and expedited access to resources for NAPA implementation.<sup>15</sup> In 2010 the Danish Ministry of Foreign Affairs reviewed the actions taken by the GEF Secretariat and the LDCF/SCCF Council in response to the evaluation, and found that substantial efforts had been made to respond to its recommendations.<sup>16</sup>
28. More recently, a quality-at-entry review of NAPA implementation projects by IEO found, inter alia, that (i) a large majority of projects are aligned with NAPAs; (ii) all projects are consistent with LDCF strategies, eligibility criteria, and priorities; (iii) NAPA projects are mainstreaming gender into adaptation initiatives; and (iv) a large majority of NAPA implementation projects included wide stakeholder involvement and are assessing risks.<sup>17</sup> A review of LDCF projects that had been evaluated in FY14 also found that “all five [completed] LDCF projects [had] clear linkages with and are inspired by their respective country's NAPA, either through identified key adaptation needs, project priority areas, or sectors most at risk as identified in the countries' NAPA documents”.<sup>18</sup>
29. The aforementioned Program Evaluation provides the most up-to date analysis of the relevance and effectiveness of GEF support, through the LDCF, towards the implementation of LDC NAPAs. It concludes that LDCF support has been highly relevant to COP guidance; and that it has resulted in catalytic effects in completed projects.<sup>19</sup>
30. Drawing on project implementation reports, mid-term reviews and terminal evaluations of NAPA implementation projects and programs that had begun implementation on or before June 30, 2014 and that were under implementation during at least part of FY15, the FY15 Annual Monitoring Review of the LDCF and the Special Climate Change Fund (SCCF) found that 63 of the 67 LDCF projects under implementation, or 94 per cent, were rated moderately satisfactory (MS) or higher in terms of their progress towards development objectives. As for implementation progress, 64 projects received a rating of MS or higher.<sup>20</sup>
31. One the key findings of the 2009 evaluation of the LDCF was that “the size and unpredictability of available funding of the LDCF precluded effective support of programmatic responses to the adaptation needs identified”.<sup>21</sup> This constraint persists and was highlighted in the GEF's Programming Strategy on Adaptation;<sup>22</sup> and in the recent Program Evaluation.<sup>23</sup> As a result, there have been few opportunities for the GEF “to support the development of a programmatic approach for the implementation of [NAPAs] by those [LDCs] that wish to do so”, as requested by the COP, at its 17th session (decision 9/CP.17, paragraph 1[b]).
32. While contributions to the LDCF have increased from an average of \$29.6 million per year from FY06 to FY10, to \$149.9 million per year from FY11 to FY15; there are considerable year-to-year

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<sup>15</sup> See Council document GEF/LDCF.SCCF.7/Inf.4.

<sup>16</sup> See Council document GEF/LDCF.SCCF.9/Inf.7.

<sup>17</sup> See Council document GEF/LDCF.SCCF.16/ME/02.

<sup>18</sup> See Council document GEF/LDCF.SCCF.18/ME/02.

<sup>19</sup> See Council document GEF/LDCF.SCCF.20/ME/02.

<sup>20</sup> See Council document GEF/LDCF.SCCF.20/04.

<sup>21</sup> See Council document GEF/LDCF.SCCF.7/Inf.4.

<sup>22</sup> See Council document GEF/LDCF.SCCF.16/03.

<sup>23</sup> See Council document GEF/LDCF.SCCF.20/ME/02.

fluctuations. The overall supply of resources has not kept pace with the rapidly rising demand.<sup>24</sup> Consequently, for the LDCs that have so far faced the greatest difficulties in programming LDCF resources, the time elapsed between the completion of their NAPAs and the implementation of their NAPA priorities will continue to grow. Moreover, should LDCs begin to seek funding to support updating their NAPAs, it is not clear how quickly the GEF, through the LDCF, could respond.

#### *Relevance for LDCs' priorities*

33. Informal consultations, as well as a survey of GEF Operational Focal Points, UNFCCC Focal Points and other key stakeholders in LDCs suggest that many LDCs continue to view the implementation of NAPAs as a high priority. Indeed, among the 25 respondents to a survey of GEF Operational Focal Points and UNFCCC Focal Points in Spring 2016, which rated the relevance of the preparation and implementation of NAPAs as a program priority for the LDCF, 18 respondents or 72 per cent considered it extremely relevant. Moreover, 42 per cent of respondents ranked the preparation and implementation of NAPAs as the top priority among the five categories of program priorities considered in this review. It should be noted, however, that these samples are small and the ratings and rankings do not capture respondents' different interpretations of each program priority.
34. Perhaps more importantly, the GEF Secretariat continues to receive requests for LDCF financing towards the implementation of NAPAs in spite of the uncertainties countries face (see paragraph 32 above). As of June 30, 2016, 30 LDCs had submitted 34 funding proposals worth \$229.6 million that had been recommended by the GEF Secretariat – some as early as November 2014 – but that could not be processed for review and approval by the LDCF/SCCF Council in absence of additional contributions to the LDCF. Notably, the funding requests received under the LDCF are seeking to address the most urgent and immediate needs of LDCs in terms of NAPA implementation, in addition to benefitting the NAP process. For instance, some 20 projects in the pipeline of technically cleared funding requests under the LDCF would aim to strengthen hydro-meteorological and climate information services in 20 LDCs, and 4 projects would bring more than 170,000 hectares of land under more resilient management. At this juncture, it would be critical to continue the momentum to serve the most pressing needs in regard to adaptation in LDCs, in parallel to continuing work on NAPAs.

#### *Complementarity vis-à-vis other sources of financing*

35. With the exception of an updated version of the Bangladesh NAPA, the GEF, through the LDCF, has financed the preparation of all NAPAs that have been prepared and submitted to the UNFCCC Secretariat to date. Co-financing from governments, GEF Agencies and other partners was mobilized for 34 of the 51 NAPAs supported, with a co-financing ratio of \$0.14 for each dollar of LDCF grant.
36. In contrast, since 2001 several multilateral, bilateral and national climate finance providers have made important contributions to the implementation of the priority adaptation strategies, measures and projects developing countries; and where these funds reached LDCs, it is safe to assume that a share of them contributed towards addressing NAPA priorities. The Climate Policy Initiative (CPI), in its *Global Landscape of Climate Finance 2015*, finds that adaptation finance from public sources reached \$25 billion in 2014. Focusing on climate finance flows from developed to developing countries, the Organisation for Economic Cooperation and Development (OECD), together with CPI, estimated that mobilized climate finance reached \$57 billion per year in 2013-14, of which 16 per cent, or some \$9 billion targeted climate change adaptation only, and 7 per cent addressed both adaptation and mitigation. In absence of a clear distinction between NAPA implementation and other forms of adaptation, however, it is not possible to quantify the extent to which climate finance providers other than the LDCF contribute towards the implementation of NAPAs.
37. Among key multilateral climate finance providers, several explicitly set out to support adaptation in line with national priorities, including NAPAs. The Green Climate Fund (GCF), for example, was tasked by the COP to support “project-based and programmatic approaches in accordance with climate change strategies and plans, such as low-emission development strategies or plans, nationally appropriate mitigation actions (NAMAs), NAPAs, NAPs and other related activities” (Governing Instrument for the Green Climate Fund, paragraph 36). The GCF also has a mandate to “provide resources for readiness and preparatory activities and technical assistance, such as the preparation or

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<sup>24</sup> See Council document GEF/LDCF.SCCF.20/03.



strengthening of low-emission development strategies or plans, NAMAs, NAPs, NAPAs” (Ibid., paragraph 40). Similarly, the Adaptation Fund, has been guided by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP), to ensure that “projects and programmes funded under the Adaptation Fund should also take into account, inter alia, national sustainable development strategies, poverty reduction strategies, national communications and [NAPAs] and other relevant instruments, where they exist” (decision 5/CMP.2, paragraph 2 [c]). The Pilot Program for Climate Resilience (PPCR) was designed to “build on [NAPAs] and other relevant country studies and strategies” (The Pilot Program for Climate Resilience Fund under the Strategic Climate Fund, paragraph 3).

38. While the GEF remains the only entity with a mandate, through the LDCF, to support the implementation of NAPAs, in practice it is increasingly working alongside other climate finance providers. To date, given the tremendous, unmet need for adaptation finance, different institutions have found room to engage in complementary and mutually supportive roles.

## **2. Support towards the implementation of elements of the LDC work program other than NAPAs**

39. When the COP requested the GEF “in parallel to supporting the ongoing implementation of [NAPAs], to facilitate the implementation of the remaining elements of the [LDC] work programme” at COP 14 in 2008 (decision 5/CP.14, paragraph 2), the GEF, through the LDCF, had already provided considerable support towards various elements of the LDC work program as part of its support towards the implementation of NAPAs.
40. With regard to public awareness, LDCF projects have systematically incorporated activities that “[promote] public awareness [...] to ensure the dissemination of information on climate change issues” (decision 5/CP.7, paragraph 14 [a]). At the end of FY9, following COP 14, the GEF, through the LDCF, had provided \$91.9 million towards 26 NAPA implementation projects. Of these, all but one set out explicitly to promote public awareness on climate change and as at June 30, 2015, twelve of these projects had already reached 17,000 people through various public awareness activities. As at May 5, 2016, public awareness had been or was being promoted through 125 projects in 46 LDCs, with associated LDCF resources amounting to \$645.0 million. At the end of FY15, 53 of these projects had already reached 61,000 people.<sup>25</sup>
41. Beyond public awareness, LDCF projects have invested heavily in strengthening the capacities of national and local authorities, small and medium enterprises, civil society organizations and individuals to identify, prioritize, plan and implement adaptation strategies and measures. At the end of FY9, such training and capacity development was provided through 13 of the 26 NAPA implementation projects that had been approved, aiming to reach 58,000 direct beneficiaries. As at May 5, 2016, 87 projects that had been endorsed or approved by the GEF CEO had provided or were providing support to train 615,000 persons in 42 LDCs in various aspects of climate change adaptation, with associated LDCF resources amounting to \$486.6 million. Fifty-six of these projects had already reached 206,000 people at the end of FY15.<sup>26</sup>
42. The “development and transfer of technology, particularly adaptation technology” (decision 5/CP.7, paragraph 14 [b]) has represented an important means through which LDCF projects implement NAPA priorities. All NAPA implementation projects contribute towards the demonstration, deployment and/or dissemination of clearly identifiable adaptation technologies; and many also strengthen the enabling environments for technology transfer through policy and regulatory reforms. During the period corresponding to the fifth replenishment of the GEF Trust Fund (GEF-5, from July 1, 2010 to June 30, 2014), 20 per cent of LDCF financing was identified as directly targeting the transfer of adaptation technology, one of three strategic objectives of the GEF’s adaptation program at the time. As at May 5, 2016, 18 LDCF projects explicitly set out to enable some 660,000 people to adopt more resilient technologies and practices in 16 LDCs.
43. The GEF, through the LDCF, provides considerable support towards “strengthening [...] the capacity of meteorological and hydrological services to collect, analyse, interpret and disseminate weather and

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<sup>25</sup> See Council document GEF/LDCF.SCCF.20/04.

<sup>26</sup> See Council document GEF/LDCF.SCCF.20/04.

climate information to support implementation of national adaptation programmes of action”. Hydro-meteorological and climate information services are featured as a priority in several NAPAs. At the end of FY09, two of the 26 NAPA implementation projects that had been approved targeted hydro-meteorological and climate information services as a priority, with LDCF resources amounting to 6 per cent of total funding approvals. As at May 5, 2016, this share had climbed to 9 per cent, and a total of \$98.4 million had been directed towards strengthening hydro-meteorological and climate information services as a priority. Among the projects that had been endorsed or approved by the GEF CEO and that were completed, under implementation or about to enter implementation, hydro-meteorological and climate information services were supported through 67 projects in 39 LDCs, with total associated funding approvals amounting to \$348.2 million. Ten of these projects, for which more detailed targets were available, aimed to provide improved climate information services to some 14 million direct beneficiaries in ten LDCs.

44. In order to address the elements of the LDC work program on (i) “strengthening existing and, where needed, establishing, national climate change secretariats and/or focal points to enable the effective implementation of the Convention and the Kyoto Protocol, in [LDCs]”; and (ii) “providing training, on an ongoing basis, in negotiating skills and language, where needed, to develop the capacity of negotiators from [LDCs] to participate effectively in the climate change process”, the GEF, through the LDCF, provided \$4.5 million towards the global project ‘Building capacity for LDCs to participate effectively in intergovernmental climate change processes’ (GEF ID: 5615). The project was approved by the LDCF/SCCF Council in January 2014 and it was launched in March 2015.

#### *Overview of COP guidance*

45. The COP guidance to the GEF to support, through the LDCF, elements of the LDC work program other than NAPAs is contained in relatively few decision paragraphs, many of which reiterate previous decisions. At its 14th session the COP requested the [GEF] “in parallel to supporting the ongoing implementation of [NAPAs], to facilitate the implementation of the remaining elements of the [LDC] work programme” (decision 5/CP.14, paragraph 2) and it reiterated its decision at COP 16 (decision 5/CP.16, paragraph 1). At its 18th session the COP further requested the GEF, through the LDCF, to “(a) continue to support all activities contained in the [LDC] work programme; [and] “(b) to continue mobilizing resources to ensure the full implementation of the [LDC] work programme, including the implementation of the elements of the work programme other than [NAPAs], through, inter alia, capacity-building to improve coordination at different levels of government and across sectors in order to improve project performance in the [LDCs], with regard to the implementation of the Convention” (decision 10/CP.18, paragraph 5). At COP 20, the COP requested the GEF, through the LDCF, to continue to provide such support (decision 11/CP.20, paragraph 7), and at its 21st session, the COP noted that “the [GEF] has supported implementation of the remaining elements of the [LDC] work programme, including the update and implementation of [NAPAs], by providing funding to projects aimed at building capacity for the [LDCs] to participate effectively in climate change processes, promoting public awareness on climate change issues, promoting the transfer of adaptation technology, and strengthening meteorological and hydrological services” (decision 8/CP. 21, paragraph 1).
46. With respect to the LDC work program itself, the COP, in decision 9/CP.17, requested “the [LEG] to provide further specification for each of the elements of the LDC work programme other than the NAPAs, in consultation with the GEF and report to [the thirty-sixth session of the Subsidiary Body for Implementation (SBI)], with a view to informing the COP on guidance to be provided to the GEF on support for the implementation of the elements of the LDC work programme other than the NAPAs”. In response to this decision, LEG, at its 21st meeting in Thimphu, Bhutan, considered the implementation of the LDC work program and further specified the needs of LDCs in this regard.<sup>27</sup> At its 36th session, SBI adopted the following conclusions:

“4. [...] recognized that the [LDCF] was established to support the [LDC] work programme, in accordance with decision 5/CP.7, paragraph 12, and that implementation of the remaining elements of the [LDC] work programme are to be supported, in parallel to the ongoing implementation of the [NAPAs] in accordance with decision 5/CP.14;

<sup>27</sup> See document FCCC/SBI/2012/7 (May 2012), Report on the twenty-first meeting of the Least Developed Countries Expert Group.

7. [...] invited the [GEF] to continue raising awareness on the need for adequate and predictable resources under the [LDCF] to allow the full implementation of the [LDC] work programme, in particular [NAPAs], as mandated by decision 5/CP.14, paragraph 8;

8. [...] noted that existing modalities for implementing [NAPA] priorities are partially addressing the other elements of the [LDC] work programme, including through, inter alia, capacity-building and coordination at different levels of government and across sectors, as well as communication and outreach programmes, the development and introduction of adaptation technologies and the improved provision of hydro-meteorological services;

9. [...] encouraged the [LDCF] to support technology elements of the [LDC] work programme, as appropriate to the priorities of the [LDC] Parties, including through the support of [NAPAs]. The [SBI] further encouraged the [LEG] to identify synergies with the future work of the Climate Technology Centre and Network; [and]

10. [...] encouraged [LDC] Parties to consider the options highlighted in the report of the LEG, which identify various ways to further address the other elements of the [LDC] work programme”.<sup>28</sup>

47. The work of the LEG, and the associated SBI conclusions, helped clarify and prioritize additional support through the LDCF to address all the elements of the LDC work program. In particular, these paved the way for the global project ‘Building capacity for LDCs to participate effectively in intergovernmental climate change processes’ (GEF ID: 5615), which goes above and beyond the support that had been provided through projects and programs to implement LDC NAPAs.
48. Decision 10/CP.18 refers to the “full implementation” of the LDC work program, which echoes the multiple references to the “full implementation” of NAPAs (see paragraphs 24–25 above). Most elements of the LDC work program have not been translated into national plans or priorities, which makes it even more challenging to assess the degree to which they have been implemented. A related challenge has to do with the many, apparent linkages between the various elements of the LDC work program, the NAPA implementation projects for which LDCF funding has been sought and provided, and the NAP process (see paragraph 70 below). Experience suggests that these are closely linked and mutually supportive, although COP guidance treats them as separate program priorities. Indeed, decision 5/CP.14 explicitly requested that the elements of the LDC work program other than NAPAs be supported “in parallel to supporting the ongoing implementation of [NAPAs] [emphasis added]”.

*GEF’s past performance and ability to implement agreed priorities*

49. Unlike the support provided through the LDCF to prepare and implement NAPAs, the GEF’s performance with regard to the other elements of the LDC work program has not been independently evaluated. Given the significant extent to which the GEF, through the LDCF, supports various elements of the LDC work program through its NAPA implementation projects, however, many of the findings from recent evaluations are relevant for this program priority as well (see paragraphs 27–31 above).
50. With respect to portfolio-level performance and outcomes, recent project implementation reports, mid-term reviews and terminal evaluations provide a partial overview the GEF’s achievements in supporting hydro-meteorological and climate information services, as well as climate-related technology transfer, capacity development and public awareness activities. As at June 30, 2015, the LDCF had supported 53 projects that contribute towards public awareness of climate change impacts, 36 projects that expand access to improved climate information services, 19 projects that expand access to improved, climate-related early warning information, and 53 projects that contribute towards public awareness of climate change impacts.
51. The lack of adequate and predictable financing that has so far prevented the GEF, through the LDCF, from effectively supporting programmatic approaches to advance the implementation of NAPAs, also constrains its ability to support other elements of the LDC work program (see paragraphs 31–32 above). In addition, given the call for continuous and on-going support, a question that requires further analysis is whether project-based financing can ultimately provide an effective and sustainable response to the elements of the LDC work program on (i) “strengthening existing and, where needed, establishing, national climate change secretariats and/or focal points to enable the effective implementation of the Convention and the Kyoto Protocol, in the [LDC] Parties”; and (ii) “providing training, on an ongoing

<sup>28</sup> See document FCCC/SBI/2012/L.14 (paragraphs 1–10), Other matters relating to finance: Draft conclusions proposed by the Chair.

basis, in negotiating skills and language, where needed, to develop the capacity of negotiators from the [LDC] to participate effectively in the climate change process”.

#### *Relevance for LDCs' priorities*

52. As is the case for the implementation of NAPAs, consultations with LDC representatives confirm that several other elements of the LDC work program also represent key priorities for the LDCs. In the aforementioned survey of GEF Operational Focal Points and UNFCCC Focal Points (see paragraphs 33–34 above), 14 of 26 respondents, or 54 per cent, rated the elements of the LDC work program other than NAPAs as extremely relevant, while 19 per cent ranked these elements as the top priority among the five categories of program priorities considered.
53. As for the demand for GEF support, through the LDCF, towards the various elements of the LDC work program, it is clear that some elements have not featured – at least not frequently – in countries' NAPA projects. These include in particular the support towards national climate change secretariats, and training for LDC negotiators. The reasons for this are not entirely clear, although the apparent low demand may be a result of the lack of explicit operational guidelines for these types of activities, which go beyond traditional GEF support towards climate change mitigation, adaptation and technology transfer.

#### *Complementarity vis-à-vis other sources of financing*

54. While the GEF's mandate, through the LDCF, to support the LDC work program is unique, several climate finance providers as well as technical assistance organizations are providing support across practically all elements of the LDC work program.
55. The global project 'Building capacity for LDCs to participate effectively in intergovernmental climate change processes' (GEF ID: 5615) illustrates well the multitude of partners that are working with LDCs to enable them to engage in the multi-lateral process on climate change, and to strengthen their capacities to implement relevant decisions domestically. The project builds on and mobilizes \$15.2 million in co-financing from six different partners; and it aims to coordinate with a total of 16 different projects, programs and initiatives. The latter include initiatives by the International Institute for Environment and Development (IIED), Climate and Development Knowledge Network (CDKN), International Centre for Climate Change and Development (ICCCAD) and the United Nations Institute for Training and Research (UNITAR) that provide training to negotiators and other key stakeholders from LDCs.
56. In recent years LDCs have also been able to draw support from various initiatives that aim to enhance their readiness to access and effectively deploy climate finance. The GCF has a mandate to provide readiness and preparatory support to enable recipient countries to effectively engage with the fund (Governing Instrument for the Green Climate Fund, paragraph 40). The Fund's readiness program supports countries, LDCs, small island developing states (SIDS) and African states in particular, in strengthening the capacities of national designated authorities and focal points to the fund, developing strategic frameworks for engaging with the fund, developing project pipelines, seeking accreditation for national implementing entities, as well as sharing information and experience. The Adaptation Fund supports a 'Readiness Programme for Climate Finance', which aims to strengthen the capacity of national and regional entities to receive and manage climate financing, particularly through the Fund's direct access.
57. Aside from strengthening LDCs' institutional and technical capacities for their participation in and implementation of the UNFCCC, an increasing number of multi-lateral and bilateral climate finance providers are investing specifically in strengthening hydro-meteorological and climate information services, and associated early-warning systems. In September 2014, seven international organizations – including the GEF and many of its Agencies – announced the joint initiative 'Climate Information for Climate Action', which aims to scale-up the delivery of actionable climate information to strengthen decision making and governance for adaptation, disaster risk reduction and sustainable development. At COP 21, the Global Facility for Disaster Risk Reduction (GFDRR), the United Nations Office for Disaster Risk Reduction (UNISDR) and the World Meteorological Organisation (WMO) jointly launched the Climate Risk and Early Warning Systems Initiative (CREWS), which aims to provide at least moderate early warning and risk information capacities to the most vulnerable LDCs and SIDS by

2020. The CREWS sets out to mobilize \$100 million to fill gaps in existing bilateral and multilateral programs.

58. Climate risk insurance schemes are also gaining momentum to counter the impacts of climate change. In 2015, the G7 Initiative 'InsuResilience' was launched to harness the potential of climate risk insurance at multiple levels in order to reach the poor and vulnerable. The engagement of multilateral development banks to increase climate investments from public and private sector, as announced at COP 21, and their leveraging power for co-financing further provides an opportunity to enhance adaptive capacity whilst increasing resilience to the adverse effects of climate change.
59. The GEF has actively sought to coordinate efforts with other climate finance providers as well as the multi-lateral, bilateral and non-governmental organizations that provide technical support towards various elements of the LDC work program.

### **3. Support towards the national adaptation plan process**

60. In May 2013, soon after the GEF was requested to support the preparation of the NAP process at COP 18 (decision 12/CP.18, paragraph 1), the GEF CEO approved the global, medium-sized project 'Assisting least developed countries with country-driven processes to advance national adaptation plans' (GEF ID: 5320). The project, also known as the NAP Global Support Program (NAP-GSP), brought together a large number of multilateral and bilateral organizations to raise awareness among key stakeholders in LDCs of the NAP process and the opportunities it brings, and it provided on-demand support to help a smaller number of countries launch their NAP processes through stocktaking exercises, stakeholder consultations and preliminary studies. Crucially, the NAP-GSP offered a platform for donors and partners to learn about LDCs' gaps, needs and priorities, thereby paving the way for further, more substantial support.
61. The NAP-GSP also provided the GEF with an opportunity to clarify how LDCs could seek financing from the LDCF, through other modalities, to advance their NAP processes. In part thanks to these outreach efforts, as at May 5, 2016, 17 LDCs had put forward 14 proposals for national and regional, full-sized projects to address various elements of the NAP process, including through improved vulnerability analyses, the integration of climate risks into national development policy and planning processes, and the establishment or strengthening of national systems and frameworks to monitor, evaluate and learn from adaptation efforts. Three of these projects, targeting eight countries, had been approved by the LDCF/SCCF Council, whereas eleven had been recommended by the GEF Secretariat and were waiting for sufficient, additional resources to become available in the LDCF.
62. In January 2015, the LDCF/SCCF Council also approved the global project 'Expanding the ongoing support to least developed countries with country-driven processes to advance national adaptation plans' (GEF ID: 5868) with \$7.0 million from the LDCF. The project, which represents a continuation and an expansion of the NAP-GSP, aims to strengthen the institutional and technical capacities of LDCs to start or advance their NAP processes. In particular, building on the first phase of the NAP-GSP that was closed in August 2015, the project aims to offer all remaining LDCs an opportunity to access support tailored to their specific needs and circumstances.
63. The NAP process was designed to build on LDCs' experiences of preparing and implementing NAPAs and, as a result, much of the support provided by the GEF, through the LDCF, for the latter is highly relevant as countries embark on their NAP processes (decision 1/CP.16, paragraph 15). By supporting vulnerability assessments and other scientific and technical outputs, and by strengthening LDCs' hydro-meteorological and climate information services the GEF has already made considerable contributions towards laying the groundwork for the NAP process (see paragraph 43 above). As at May 5, 2016, 28 projects that had been endorsed or approved by the GEF CEO in 27 LDCs were supporting or had supported 97 risk and vulnerability assessments, and other relevant scientific and technical assessments that could be applied beyond the projects themselves. Moreover, in addition to the institutional and technical capacity development and public awareness activities that form an integral component of the LDCF portfolio (see paragraphs 40-41 above), some NAPA implementation projects were already supporting countries such as Djibouti, Senegal, Solomon Islands and Tuvalu in establishing or strengthening institutional arrangements to lead, coordinate and support the integration of climate change adaptation into relevant policies and planning processes.
64. As noted above (paragraph 22), many LDCs have developed policies, strategies and plans that go beyond their NAPAs, in many cases with support from the LDCF. As at May 5, 2016, the GEF,

through the LDCF, had supported or was supporting the development or strengthening of 168 national and sector-wide laws, policies, strategies, plans and frameworks in 39 LDCs with a view to further integrating climate change risks and adaptation into their development efforts. As at June 30, 2015, 65 of these policies, strategies and plans in 22 LDCs had already been completed and adopted.<sup>29</sup>

#### *Overview of COP guidance*

65. The guidance provided by the COP to the GEF, through the LDCF, to support the preparation of the NAP process is contained in a single decision paragraph with three sub-paragraphs (decision 12/CP.18, paragraph 1). The GEF is requested to “(a) to provide funding from the [LDCF], to meet the agreed full cost, as appropriate, of activities to enable the preparation of the [NAP] process as described in the elements contained in paragraphs 2–6 of the initial guidelines for the formulation of [NAP] in the annex to decision 5/CP.17; (b) to provide support for the [NAP] process, while maintaining support for the [LDC] work programme, including [NAPAs]; [and] (c) to encourage a flexible approach that enables [LDCs] to access funding for components of the [NAP] process as identified by [LDCs] in response to national needs and circumstances”.
66. The GEF translated the guidance into operational guidelines in the document *Operationalizing Support to the Preparation of the National Adaptation Plan Process in Response to Guidance from the UNFCCC COP*<sup>30</sup>, which was endorsed by the LDCF/SCCF Council in June 2013. Since then, however, interactions with Parties to the UNFCCC, GEF Agencies and other stakeholders suggest that there may not be a clear, shared understanding of the GEF’s mandate as it relates to the NAP process.
67. Firstly, it remains unclear why the guidance to the GEF refers to the “preparation of the NAP process” and whether the GEF’s mandate would be any different without the word “preparation”. For example, the COP decision to establish the NAP process referred to a “process to [...] formulate and implement national adaptation plans” (decision 1/CP.16, paragraph 14). In contrast, the initial guidelines annexed to decision 5/CP.17, which are referenced in the guidance to the GEF, refer only to the “formulation of national adaptation plans”. It is therefore not entirely clear whether the GEF’s mandate encompasses the NAP process as a whole, including the formulation of plans, policies and strategies as well as the implementation of the priority adaptation strategies and measures that are identified and designed as a part of the NAP process.
68. Secondly, similar to the guidance regarding the elements of the LDC work program other than NAPAs (see paragraph 39 above), the COP treats the NAP process as something distinct from and additional to the other program priorities of the LDCF (decision 12/CP.18, paragraph 1b). In practice, however, it has been difficult to distinguish between support towards the LDC work program and support towards the preparation of the NAP process. As a result, the GEF Secretariat, Agencies and LDCs may have different and conflicting perceptions of whether a particular country is in fact receiving support towards the preparation of its NAP process. Indeed, given the progress made towards the objectives of the NAP process even before the process was formally established by the COP, as well as the continuous and iterative nature of the process, it is not clear when a country has embarked on its NAP process.

#### *GEF’s past performance and ability to implement agreed priorities*

69. Given the relatively recent mandate of the GEF, through the LDCF, to support the preparation of the NAP process, there is little evaluative evidence of the GEF’s performance in this area. As is the case for the other elements of the LDC work program, however, past evaluations of NAPA implementation do cover support that remains highly relevant for the NAP process (see paragraphs 27-31 above).
70. In addition to independent evaluations, project-specific reports provide some information on the GEF’s achievements and performance with respect to key building blocks of the NAP process. These include support towards the integration of climate change risks and adaptation into relevant policies, strategies and plans at the national and sub-national levels; strengthening the institutional and technical capacities for climate change adaptation; and developing the evidence base for sound decision-making. As of May 5, 2015 the LDCF had supported 65 regional, national and sector-wide policies, plans and

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<sup>29</sup> See Council document GEF/LDCF.SCCF.20/04.

<sup>30</sup> See Council document GEF/LDCF.SCCF.14/06.

processes developed or strengthened to identify, prioritize and integrate adaptation strategies and measures, and 534 sub-national plans and processes developed or strengthened to identify, prioritize and integrate adaptation strategies and measures.

71. The GEF's progress in supporting the preparation of the NAP process has been held back for two reasons that are interrelated. Firstly, the three-year period from the endorsement by the LDCF/SCCF Council of the GEF's approach to supporting the NAP process in June 2013 is marked by a widening gap between the demand for and the supply of resources from the LDCF, and a concomitant increase in the time elapsed between project identification and funding approval. The pipeline of projects that had been recommended by the GEF Secretariat began growing rapidly in June 2013 and it peaked at \$254.5 million in September 2015. As a result, the first national and regional, full-sized projects to address various elements of the NAP process were delayed and could be approved only about 20 months after the initial submission of a project identification form to the GEF Secretariat.
72. Secondly, whereas the GEF invited submissions of full-sized projects, medium-sized projects and programmatic approaches to advance LDCs' NAP processes as of June 2013, the first national project proposal with a clear focus on the NAP process was received in August 2014. Meanwhile, from July 2013 to July 2014, the GEF, through the LDCF, approved 42 LDCF projects with grants amounting to \$270.7 million. The reasons for this apparent, relative lack of demand are not clearly understood, but interactions with LDC stakeholders and GEF Agencies suggest that there was a general lack of awareness of the NAP process, and countries did not have a clear understanding of the support needed. In addition, LDCs had considerable, unmet financing needs related to their NAPAs. Consequently, many LDCs – in making priorities under the limited, maximum amount that they could access – opted to focus on NAPA implementation.
73. A key question for future evaluations of GEF's support, through the LDCF, for the preparation of the NAP process, is whether the GEF has the appropriate modalities and approaches in place to contribute towards a continuous, progressive and iterative process; and one that is sustainably driven by national institutions.

#### *Relevance for LDCs' priorities*

74. The LDC Parties have repeatedly called for adequate and predictable support for the formulation and implementation of NAPs. The 2016 survey carried out with key LDC stakeholders (see paragraphs 33-34 above) confirms that support towards the NAP process is a high priority. Eighteen out of 26 respondents, or 69 per cent, considered it extremely relevant to LDCs needs and circumstances; whereas 13 per cent ranked it as the top priority among the five categories of program priorities reviewed.
75. As for the demand for GEF support, through the LDCF, towards the NAP process, please refer to paragraphs 71 and 72 above. Notwithstanding the aforementioned 14 funding requests (see paragraph 61), the demand for support has not been translated into a considerable pipeline of projects. In contrast, as evidenced by the NAP-GSP, which ultimately became oversubscribed, there seems to be a considerable demand for more flexible, technical and advisory support, including stocktaking exercises and needs assessments, for which support can also be provided by GEF Agencies, including multilateral development banks and others, which in turn may help countries articulate their needs for further, more substantial financing.

#### *Complementarity vis-à-vis other sources of financing*

76. In 2015, the Adaptation Committee released a publication entitled 'Navigating the landscape of support for the process to formulate and implement national adaptation plans'. The publication illustrates an increasingly complex architecture of multi-lateral, bilateral and non-governmental organizations, as well as banks, that provide various forms of financial and technical support that may help developing countries advance their NAP processes. In addition, countries can access a vast and growing selection of guidelines, guidance, tools and resources to assist in various stages of the process.
77. Alongside the GEF, the GCF has a formal mandate to "provide resources for readiness and preparatory activities and technical assistance, such as the preparation or strengthening of low-emission development strategies or plans, NAMAs, NAPs, NAPAs" (Governing Instrument for the Green Climate Fund, paragraph 40). The GCF Board, at its thirteenth meeting in June 2016, also agreed that the GCF "can approve up to \$3 million per country through the GCF Readiness and Preparatory

Support Program modalities, in order to support the formulation of national adaptation plans and/or other national adaptation planning processes [...] taking into consideration [...] the importance of coordination and complementarity with other national adaptation plan related initiatives and support.”

78. In addition to the GEF and the GCF, the Adaptation Committee identifies the AF, PPCR as well as the European Union’s Global Climate Change Alliance (GCCA) as relevant sources of financial support towards the NAP process with a global reach. PPCR has recently initiated a second phase which aims to enable ten new pilot countries to develop comprehensive, strategic programs for climate resilience. Seven of these ten countries are LDCs. The GCCA+, a new phase of the Alliance that was launched in 2014, aims to improve knowledge about the effects of climate change as well as the design and implementation of appropriate adaptation actions in LDCs and SIDS, with a particular focus on the water and agriculture sectors.
79. Bilateral development agencies are also increasingly active partners in developing countries’ NAP processes. In 2014, the NAP Global Network was established to enhance bilateral support for the NAP process and adaptation action in developing countries. The Network is working towards (i) improving coordination among bilateral development partners; (ii) facilitating peer learning and exchange among practitioners from developing countries and bilateral development partners on the challenges and opportunities associated with the NAP process; and (iii) supporting enhanced leadership on adaptation at the national level to enable better coordination of domestic and international actors in the NAP process.
80. Notwithstanding the efforts made by donors to coordinate their efforts and share information; as well as the work of the Adaptation Committee through its NAP Task Force, the LEG, and the NAP-GSP; it remains challenging to obtain a clear understanding of what support is planned and underway to advance LDCs’ NAP processes, what gaps have yet to be filled, and where various climate funds and other development partners could add most value.

#### **4. Undertaking pilot concrete climate change activities that are particularly relevant for the LDCs**

81. The COP, in decision 8/CP.21 requests the GEF to carry out a technical review of the program priorities of the LDCF, and that the review focus on, inter alia, “(a) Undertaking pilot concrete climate change activities that are particularly relevant for [LDCs]; [and] (b) Enhancing longer-term institutional capacity to design and execute activities referred to in [the] paragraph [...] above” (paragraph 8). Whereas the three sub-sections above have considered the existing program priorities of the LDCF, the present and the following sub-sections will review the potential program priorities contained in paragraphs 8 (a) and (b) of decision 8/CP.21. In absence of previous COP decisions and a clear GEF track record pertaining to these priorities, the technical review will focus mainly on their relevance for LDCs’ priorities, as well as the relevant mandates, priorities, programs and initiatives of other climate finance providers.

##### *Overview of COP guidance*

82. The notion of “undertaking pilot concrete climate change activities that are particularly relevant for [LDCs]” is not contained in any previous COP guidance to the GEF for the operation of the LDCF. Nevertheless, it appears to overlap to some extent with the LDC work program, particularly the “development and transfer of technology, particularly adaptation technology”.
83. What is not clear, however, is what is intended by “concrete” and “climate change activities”. “Concrete” could imply a focus on investments rather than technical assistance, although experience from past LDCF projects and programs suggests that concrete adaptation outcomes may require a broad suite of more and less concrete activities, including measures to strengthen the evidence base as well as the institutional and technical capacities for adaptation. As for “climate change activities”, the COP does not specify whether these refer to adaptation or mitigation, or any other activities that contribute towards the implementation of the Convention. There may be a need for the COP to define these key terms, with a view to providing additional guidance to LDCs as to the range of activities that could be eligible for LDCF support.
84. Another key element of the potential program priority is the focus on “pilot” activities. This would seem to imply that the GEF, through the LDCF, would support new, untested activities with a view to



determining whether they could yield positive outcomes at scale. What could prove challenging would be to identify promising but untested activities that are also particularly relevant to LDCs. It seems input would be required from a broader, international community of scientific and technical experts to help identify activities that are ready for and in need of piloting; as well as from the LDCs – individually or collectively – to determine which of these activities are most relevant.

#### *GEF's past performance and ability to implement agreed priorities*

85. The GEF, through the LDCF as well as through the SCCF and the GEF Trust Fund, has a long track record of supporting pilot and demonstration activities for climate change adaptation and mitigation. A prominent example is the Poznan Strategic Programme on Technology Transfer, which was financed through the GEF Trust Fund and the SCCF. The program was evaluated in 2015 by the Technology Executive Committee (FCCC/SBI/2015/16). The GEF's experience in piloting or demonstrating low-emission technologies, as well as strengthening enabling environments for broader adoption, is also covered in the Fifth Overall Performance Study of the GEF (OPS 5, 2014).
86. Several NAPA implementation projects explicitly set out to pilot and demonstrate new technologies and approaches; often as an ancillary objective to the reduction of climate-related vulnerabilities consistent with a country's NAPA priorities.

#### *Relevance for LDCs' priorities*

87. While there is considerable room for interpretation as to what is intended by “pilot”, “concrete” and “climate change activities”, the LDC representatives that responded to the aforementioned survey did consider this a relevant priority. Indeed, 19 of 26 respondents, or 73 per cent, rated it extremely relevant; whereas 11 per cent ranked it as the top priority.

#### *Complementarity vis-à-vis other sources of financing*

88. Depending on how the aforementioned definitional issues are addressed (see paragraph 83), “undertaking pilot concrete climate change activities that are particularly relevant for [LDCs]” could overlap with a very large number of existing mandates, priorities, programs and initiatives, including the GEF's own climate change mitigation program. On the other hand, if encouraged to consistently seek out and promote genuinely new and untested activities, any role that the GEF, through the LDCF, would play in this space would by definition be complementary to other climate finance providers.
89. The GCF has been tasked by the COP to “enable and support enhanced action on adaptation, mitigation [...], technology development and transfer [...], capacity-building and the preparation of national reports by developing countries” (Governing Instrument for the Green Climate Fund, paragraph 35). With respect to the allocation of resources, the Governing Instrument further provides that the Board “shall also ensure adequate resources for capacity-building and technology development and transfer” and the Fund will “provide resources for innovative and replicable approaches” (Ibid., paragraph 38).
90. The AF, while not explicitly prioritizing piloting, technology transfer or innovation as part of its strategic priorities, launched a pilot program for regional projects and programs in May 2015, with an initial funding envelope of \$30 million. The pilot program prioritizes regional projects and programs that offer innovative solutions to climate change adaptation, including new approaches, technologies and mechanisms.
91. In addition to dedicated climate funds, a large and growing number of financial institutions, development agencies, research institutions, civil-society organizations as well as private technology and consulting firms are involved in the development and transfer of technologies for climate change mitigation and adaptation. Should the GEF, through the LDCF, be tasked to “[undertake] pilot concrete climate change activities that are particularly relevant for [LDCs]”, coordination would become even more critical.

### **5. Enhancing longer-term institutional capacity to design and execute concrete climate change activities that are particularly relevant for the LDCs**

92. Paragraph 8 (b) of decision 8/CP.21 is treated here as an extension of paragraph 8 (a). In other words, the GEF, through the LDCF, would only be tasked to enhance longer-term institutional capacity for the

design and execution of pilot concrete climate change activities if it were also tasked to support LDCs in identifying and undertaking such pilot activities. Consequently, much of the above discussion on paragraph 8 (a) applies to 8 (b) as well.

#### *Overview of COP guidance*

93. The concept of “longer term capacity” is not defined in COP guidance, and could result in confusion among different LDCF stakeholders. It could be understood as referring to “sustained” capacity, which in turn would imply a focus on the national and sub-national institutions that, over time, are expected to assume increasing leadership in the design and execution of climate change activities. It is not clear, however, whether “longer-term” also implies the capacity of relevant institutions to develop forward-looking, long-term plans and strategies to advance the implementation of priority climate change activities.
94. Notwithstanding some scope for clarifying definitions, the potential program priority of enhancing longer-term institutional capacity could be very difficult to distinguish from the existing program priorities of the LDCF. In particular, it could overlap with the element of the LDC work program on “strengthening existing and, where needed, establishing, national climate change secretariats and/or focal points to enable the effective implementation of the Convention and the Kyoto Protocol, in [LDCs]” (decision 5/CP.7, paragraph 11 [a]). With regard to adaptation, it would also be very much in line with the objectives and elements of the NAP process, which was established to enable LDCs to identify and address their medium- and long-term adaptation needs.

#### *GEF’s past performance and ability to implement agreed priorities*

95. Given the broad scope of longer-term capacity development, all of the aforementioned evaluations of the LDCF should be relevant in assessing the GEF’s performance in this regard. As for the GEF at large, while IEO does not specifically refer to “longer-term” capacity, OPS5 identifies three main categories of GEF contributions: knowledge and information, institutional capacity, and implementing strategies. It finds that sustainable institutional arrangements have been critical to ensuring sustained flows of benefits to the global environment. This is one of five key mechanisms for broader adoption.
96. In addition, as highlighted above in connection to the GEF’s support, through the LDCF, towards the implementation of the elements of the LDC work program other than NAPAs, LDCF projects have achieved significant outcomes in capacity development for climate change adaptation.

#### *Relevance for LDCs’ priorities*

97. Like the related, potential program priority on undertaking concrete pilot activities, the potential priority on enhancing longer-term institutional capacity was considered relevant by a large majority of survey respondents (see paragraphs 33-34). Twenty-one out of 26 respondents, or 81 per cent, rated it extremely relevant, and a third of participants ranked it as the highest priority.

#### *Complementarity vis-à-vis other sources of financing*

98. The GEF, through its climate change mitigation and adaptation programs, as well as its cross-cutting capacity development program, is already a major provider of financing for institutional capacity development under the UNFCCC. The information submitted by international organizations on capacity-building activities undertaken in 2014 suggests that a large share of such activities include GEF financing (FCCC/SBI/2015/4/Add.1).
99. In addition to the GEF, however, the Synthesis report on the implementation of the framework for capacity-building in developing countries (FCCC/SBI/2015/4), notes that all developed country Parties included in their national communications and biennial update reports information on capacity-building support provided to developing countries, through bilateral, regional and multi-lateral channels.
100. While the sheer number of activities suggests that capacity building under the UNFCCC is a crowded field, it is not clear whether any existing institution has a mandate that corresponds to “enhancing longer-term institutional capacity to design and execute concrete climate change activities that are particularly relevant for the LDCs”.

101. As noted above, the GCF will finance capacity building; and adequate resources shall be reserved for such activities (Governing Instrument for the Green Climate Fund, paragraphs 35 and 38). The Fund's initial investment criteria and results management framework do not specify, however, how capacity building support would be targeted.

## Conclusions

102. This technical review has examined the program priorities of the LDCF, taking into account the conclusions and recommendations of the Program Evaluation of LDCF carried out by the GEF IEO.<sup>31</sup> The review has considered the GEF's past performance and ability, through the LDCF, to implement the agreed program priorities of the LDCF, the relevance of those priorities to LDCs' needs and circumstances, and considering other sources of financing.

103. The GEF IEO has carried out a Program Evaluation of the LDCF in 2016, and has found that the support provided through the LDCF has been highly relevant to COP guidance and the strategic objectives of the GEF Adaptation Program.<sup>32</sup> The GEF, through the LDCF, has been able to effectively implement the program priorities of the Fund, although the efficiency of the LDCF support has been negatively impacted by the lack of adequate and predictable contributions. With respect to alignment of those program priorities with the GEF's capabilities and strengths, and whether they represent the most relevant priorities given LDCs' needs and circumstances as well as a changing climate finance architecture, initial conclusions are provided in the table below. In June 2016, the LDCF/SCCF Council discussed the findings of the Program Evaluation and the GEF Secretariat's Management Response.<sup>33</sup>

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<sup>31</sup> See Council document GEF/LDCF.SCCF.20/ME/02.

<sup>32</sup> See Council document GEF/LDCF.SCCF.20/ME/02.

<sup>33</sup> For further details on the discussion by the Council, please refer to paragraphs 11-13 of the Highlights of the 20<sup>th</sup> LDCF/SCCF Council meeting (<https://www.thegef.org/gef/sites/thegef.org/files/documents/Highlights%2020th%20LDCF%20SCCF%20Council.pdf>)

Table 3: Conclusions of LDCF program priority and review criterion

<i>LDCF Program Priority</i>	<i>Review Criteria</i>	
	<i>The GEF's past performance and ability, through the LDCF, to implement the agreed priorities</i>	<i>Relevance of the program priorities to LDCs' needs and circumstances, and taking into account other sources of financing</i>
<i>Preparation and implementation of national adaptation programs of action (NAPA)</i>	Evaluative evidence confirms the relevance and effectiveness of GEF support, through the LDCF. The lack of adequate and predictable contributions to the LDCF represents a major constraint to the timely implementation of remaining NAPA priorities.	The implementation of NAPAs remains a priority for LDCs; and current demand for support towards NAPA implementation vastly exceeds the resources available in the LDCF. Several other multi-lateral climate finance providers have committed to supporting the implementation of NAPAs, or aligning their support with NAPA priorities; although so far different financiers have been able to play complementary roles.
<i>Support towards elements of the LDC work program other than NAPAs</i>	Limited evaluative evidence suggests that the GEF has performed well across many elements of the LDC work program. For some elements it is unclear whether the GEF has the most appropriate modalities.	The LDC work program remains a priority for LDCs. The landscape of support towards many of the elements of the LDC work program is growing increasingly complex, and there is a need to enhance coordination and collaboration with other providers of financial and technical support.
<i>Support towards the national adaptation plan (NAP) process</i>	Past performance in relation to NAPA implementation and the LDC Work Program suggests that the GEF, through the LDCF, is well-placed to provide relevant and effective support towards the NAP process. The GEF's project-based support may not be ideally suited to all aspects of the NAP process, however, and coordination and partnership will remain crucial.	The NAP process remains a priority for LDCs and current demand for NAP-related supports exceeds the resources available in the LDCF. A growing number of climate financiers and technical assistance providers are available to support the NAP process, and close coordination and collaboration will remain key. Still, demand for GEF support, including through global support programs, is on the rise after a slow start.
<i>Undertaking pilot concrete climate change activities that are particularly relevant for the LDCs</i>	The GEF, through the LDCF, the Special Climate Change Fund and the GEF Trust Fund, has considerable experience of supporting the piloting and demonstration of innovative technologies and approaches to climate change mitigation and adaptation. It is unclear, however, what is intended by "concrete" and "climate change activities".	Undertaking pilot concrete climate change activities is a priority for LDCs. Given the lack of clarity as to what is intended by "concrete" and "climate change activities", however, it is not clear to what extent relevant support is already being provided by the GEF or other climate financiers and technical assistance providers and, accordingly, what added value the GEF, through the LDCF, could provide.
<i>Enhancing longer-term institutional capacity to design and execute concrete climate change activities that are particularly relevant for the LDCs</i>	The GEF, through the LDCF, the Special Climate Change Fund and the GEF Trust Fund, has considerable experience of institutional and technical capacity development across climate change mitigation and adaptation. It is unclear, however, what is intended by "concrete" and "climate change activities".	Enhancing longer-term institutional capacity is a priority for LDCs. There is considerable number of multi-lateral, bi-lateral and non-governmental organizations that support climate-related capacity development in LDCs. It remains unclear, however, to what extent present support corresponds to the specific capacity development intended by the COP, and, accordingly, what added value the GEF, through the LDCF, could provide.

## Annex I: Guidance from the Conference of the Parties of the United Nations Framework on Climate Change on the program priorities of the Least Developed Countries Fund

Table A.1: Guidance from the COP on program priorities of the LDCF

Decision	Guidance paragraphs
5/CP.7	<p>11. <i>Decides</i> to establish a work programme for the implementation of Article 4, paragraph 9, of the Convention, which would include activities covered under paragraphs 15 to 19 below, as well as the following:</p> <p>(a) Strengthening existing and, where needed, establishing, national climate change secretariats and/or focal points to enable the effective implementation of the Convention and the Kyoto Protocol, in the least developed country Parties;</p> <p>(b) Providing training, on an ongoing basis, in negotiating skills and language, where needed, to develop the capacity of negotiators from the least developed countries to participate effectively in the climate change process;</p>
	<p>12. <i>Decides</i> that a least developed countries fund shall be established (in accordance with decision 7/CP.7), to be operated by an entity entrusted with the operation of the financial mechanism, under the guidance of the Conference of the Parties, to support the work programme for the least developed countries. This work programme shall include, inter alia, the preparation and implementation of national adaptation programmes of action;</p>
	<p>14. Invites Annex II Parties to support least developed country Parties for the following activities:</p> <p>(a) Promotion of public awareness programmes to ensure the dissemination of information on climate change issues;</p> <p>(b) Development and transfer of technology, particularly adaptation technology (in accordance with decision 4/CP.7);</p> <p>(c) Strengthening of the capacity of meteorological and hydrological services to collect, analyse, interpret and disseminate weather and climate information to support implementation of national adaptation programmes of action;</p>
	<p>15. <i>Decides</i> that support be provided for the development, by the least developed countries, of national adaptation programmes of action which will serve as a simplified and direct channel of communication of information relating to the vulnerabilities and adaptation needs of the least developed countries; the information contained in national adaptation programmes of action may constitute the first step in the preparation of initial national communications;</p>
7/CP.7	<p>6. <i>Decides</i> also that a least developed countries fund shall be established, which shall be operated by an entity entrusted with the operation of the financial mechanism, under the guidance of the Conference of the Parties, to support a work programme for the least developed countries. This work programme shall include, inter alia, national adaptation programmes of action in accordance with Section II, "Implementation of Article 4, paragraph 9, of the Convention", of decision 5/CP.7;</p>
27/CP.7	<p>1. <i>Decides</i> to adopt the following initial guidance to an entity entrusted with the operation of the financial mechanism of the Convention, for the operation of the Least Developed Countries Fund (LDC Fund), established under decisions 5/CP.7 and 7/CP.7, to support the work programme for the least developed countries, including, inter alia, the preparation and implementation of national</p>

Decision	Guidance paragraphs
	<p>adaptation programmes of action (NAPAs) referred to in paragraph 11 of decision 5/CP.7. The operating entity is requested:</p> <p>(a) As a first step, to provide funding from the LDC Fund to meet the agreed full cost of preparing the NAPAs, given that the preparation of NAPAs will help to build capacity for the preparation of national communications under Article 12, paragraph 1, of the Convention;</p> <p>(b) To ensure complementarity of funding between the LDC Fund and other funds with which the operating entity is entrusted;</p> <p>(c) To ensure separation of the LDC Fund from other funds with which the operating entity is entrusted;</p> <p>(d) To adopt simplified procedures and arrange for expedited access to the Fund by the least developed countries, while ensuring sound financial management;</p> <p>(e) To ensure transparency in all steps relating to the operation of the Fund;</p> <p>(f) To encourage the use of national and, where appropriate, regional experts;</p> <p>(g) To adopt streamlined procedures for the operation of the Fund;</p>
6/CP.9	<p>2. <i>Requests</i> the entity to support the implementation of national adaptation programmes of action as soon as possible after their completion;</p> <p>3. Requests the entity to take into account, inter alia, the following elements when developing operational guidelines for funding of the implementation of national adaptation programmes of action:</p> <p>(a) Ensuring a country-driven approach, in line with national priorities, which ensures cost-effectiveness and complementarity with other funding sources;</p> <p>(b) Equitable access by least developed country Parties to funding for the implementation of national adaptation programmes of action;</p> <p>(c) Criteria for supporting activities on an agreed full-cost basis, taking account of the level of funds available;</p> <p>(d) Guidelines for expedited support;</p> <p>(e) Urgency and immediacy of adapting to the adverse effects of climate change;</p> <p>(f) Prioritization of activities;</p>
3/CP.11	<p>1. <i>Decides</i> that the operation of the Least Developed Countries Fund should be consistent with the following principles:</p> <p>(a) A country-driven approach, supporting the implementation of urgent and immediate activities identified in national adaptation programmes of action, as a way of enhancing adaptive capacity</p> <p>(b) Supporting the implementation of activities identified in national adaptation programmes of action, and of other elements of the least developed countries work programme identified in</p>

Decision	Guidance paragraphs
	<p>decision 5/CP.7, in order to promote the integration of adaptation measures in national development and poverty reduction strategies, plans or policies, with a view to increasing resilience to the adverse effects of climate change</p> <p>(c) Supporting a learning-by-doing approach;</p> <p>2. <i>Decides</i> that full-cost funding shall be provided by the Least Developed Countries Fund to meet the additional costs of activities to adapt to the adverse effects of climate change as identified and prioritized in the national adaptation programmes of action;</p> <p>(For the purpose of this decision, “additional costs” means the costs imposed on vulnerable countries to meet their immediate adaptation needs.)</p>
5/CP.14	<p>2. <i>Also requests</i> the Global Environment Facility, in parallel to supporting the ongoing implementation of the national adaptation programmes of action, to facilitate the implementation of the remaining elements of the least developed countries work programme;</p>
5/CP.16	<p>1. <i>Reiterates</i> its request to the Global Environment Facility, as an operating entity of the financial mechanism of the Convention operating the Least Developed Countries Fund, in parallel to supporting the ongoing implementation of national adaptation programmes of action, to facilitate the implementation of the remaining elements of the least developed countries work programme;</p> <p>3. <i>Requests</i> the Global Environment Facility to provide funding from the Least Developed Countries Fund to least developed country Parties, upon request, to enable the update of their national adaptation programmes of action with a view to further improving their quality, to facilitate the integration of least developed countries adaptation actions into development planning and to reflect increased adaptation knowledge and changed priorities in the countries;</p>
5/CP.17	<p>22. <i>Requests</i> the Global Environment Facility, as an operating entity of the financial mechanism, through the Least Developed Countries Fund, to consider how to enable activities for the preparation of the national adaptation plan process for least developed countries Parties, while maintaining progress for the least developed countries work programme, which includes the national adaptation programmes of action;</p> <p>31. <i>Invites</i> the operating entities of the financial mechanism of the Convention, bilateral and multilateral organizations and other institutions as appropriate, to provide financial and technical support to developing country Parties to plan, prioritize and implement their national adaptation planning measures, consistent with decision 1/CP.16 and relevant provisions of the Convention;</p>
11/CP.17	<p>1. <i>Requests</i> the Global Environment Facility, as an operating entity of the financial mechanism of the Convention: [...]</p> <p>(d) To continue to provide financial resources to developing countries for strengthening existing and, where needed, establishing national and regional systematic observation and monitoring networks under the Least Developed Countries Fund and the Special Climate Change Fund;</p>
10/CP.18	<p>5. <i>Requests</i> the Global Environment Facility, as an operating entity of the financial mechanism of the Convention entrusted with the operation of the Least Developed Countries Fund:</p>

Decision	Guidance paragraphs
	<p>(a) To continue to support all activities contained in the least developed countries work programme;</p> <p>(b) To continue mobilizing resources to ensure the full implementation of the least developed countries work programme, including the implementation of the elements of the work programme other than national adaptation programmes of action, through, inter alia, capacity-building to improve coordination at different levels of government and across sectors in order to improve project performance in the least developed country Parties, with regard to the implementation of the Convention;</p> <p>(c) To further facilitate access to the Least Developed Countries Fund by the least developed countries;</p> <p>(d) To further enhance a country-driven process for the implementation of national adaptation programme of action projects and the implementation of programmatic approaches;</p> <p>(e) To continue raising awareness of the need for adequate and predictable resources under the Least Developed Countries Fund to allow for the full implementation of the least developed countries work programme, in particular national adaptation programmes of action, as outlined in decision 5/CP.14, paragraph 8;</p> <p>(f) To enhance communication with its implementing agencies on the updated operational guidelines for the Least Developed Countries Fund;</p>
12/CP.18	<p>1. <i>Decides</i> to provide the following guidance to the Global Environment Facility, as the operating entity of the financial mechanism of the Convention for the operation of the Least Developed Countries Fund, to enable activities for the preparation of the national adaptation plan process by the least developed country Parties. The operating entity is requested:</p> <p>(a) As a first step under the national adaptation plan process, to provide funding from the Least Developed Countries Fund, to meet the agreed full cost, as appropriate, of activities to enable the preparation of the national adaptation plan process as described in the elements contained in paragraphs 2–6 of the initial guidelines for the formulation of national adaptation plans in the annex to decision 5/CP.17;</p> <p>(b) To provide support for the national adaptation plan process, while maintaining support for the least developed countries work programme, including national adaptation programmes of action;</p> <p>(c) To encourage a flexible approach that enables the least developed country Parties to access funding for components of the national adaptation plan process as identified by the least developed country Parties in response to national needs and circumstances;</p>
10/CP.20	<p>7. <i>Invites</i> the Global Environment Facility, as an operating entity of the Financial Mechanism of the Convention entrusted with the operation of the Least Developed Countries Fund, to continue to support the remaining activities contained in the least developed countries work programme;</p>