THE LEAST DEVELOPED COUNTRIES FUND (LDCF)

The Least Developed Countries Fund (LDCF) was established under the United Nations Framework Convention on Climate Change (UNFCCC) at its seventh session in Marrakech in 2001. The Fund, which is managed by the Global Environment Facility (GEF), addresses the special needs of the Least Developed Countries (LDCs), which are especially vulnerable to the adverse impacts of climate change. This includes preparing and implementing National Adaptation Programmes of Action (NAPAs), which aim to identify “urgent and immediate needs” of each LDC according to specific guidelines provided by the Least Developed Countries Expert Group (LEG).

The GEF has, as of August 2009, mobilized voluntary contributions of $180 million for the LDCF. Forty-eight LDCs have thus far received $10.6 million in support to prepare their NAPAs. As of August 2009, 41 LDCs had submitted their NAPAs.

First Step: A National Adaptation Programme of Action (Napa)
The rationale for developing NAPAs rests on the high vulnerability and low adaptive capacity of LDCs. There is a rapidly growing need for immediate support to projects that reduce vulnerability and increase adaptive capacity, thus supporting the LDCs to become climate resilient. NAPA preparation is an interdisciplinary and multiministerial process, where public inclusion and community ownership have an important role. Activities proposed through the NAPAs are those for which further delay could increase vulnerability, or lead to increased costs at a later stage.

Second Step: Napa Implementation
NAPA follow-up funding started in June 2006, after the first NAPAs were completed by Bangladesh, Bhutan, Malawi, Mauritania, and Samoa, and the Council approved the LDCF operational paper, which is based on the rules agreed by the Parties to the UNFCCC meeting in Montreal in December 2005.

Based on LDC feedback and consultations, the GEF developed a streamlined project cycle and simplified procedures to allow LDCs to access LDCF resources more easily. LDCs have then been able to choose which of the 10 GEF Agencies (WB, UNEP, UNDP, UNIDO, FAO, IFAD, EBRD, IADB, ADB, and AfDB) to partner with to develop a concrete adaptation project on the ground. The task has not been easy, as the whole world is still in an early stage of understanding the complex and cross-sectoral process of adaptation: the first round of NAPA follow-up projects focuses on implementing different type of adaptation measures across development sectors and varying environments. Adaptation is learning by doing, and the LDCF project management is thus often adaptive itself.

As of August 2009, 33 countries have officially submitted their first NAPA implementation projects.
under the LDCF, and 32 project proposals have been approved and reserved the necessary funding of $100 million for concrete action on the ground.

By August 2009, eight LDCF projects have successfully submitted full project documents with the so called CEO endorsement request, and thereafter moved to the implementation phase in Bangladesh, Bhutan, Burkina Faso, Cambodia, Cape Verde, Eritrea, Niger, and Samoa. At least 14 more projects are expected to be CEO endorsed before the end of 2009 in Benin, Democratic Republic of Congo, Djibouti, The Gambia, Guinea, Lesotho, Mali (UNDP), Rwanda, Sierra Leone, Sudan, Tuvalu, Vanuatu, and Zambia, and thus proceed with the on-the-ground implementation.

These first results have been encouraging, as they show that the LDCs, despite their small economies and limited institutional and technical capacities, are now among the most advanced in the world with respect to cutting-edge actions to reduce vulnerability and increase adaptive capacity to the adverse impacts of climate change. Building on this example, the evolving financial architecture of climate change is continuing to draw inspiration from the pioneering work of the LDCF, now an established system with a proven track record and an ongoing commitment to its LDC partners.

1. Decision 28/CP.7, Annotated guidelines for the preparation of NAPAs.
3. GEF/C.28/18.

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