



US comments on Joint Work Program for LDCF SCCF

Chan, Christina

to:

gcoordination

06/21/2012 05:03 PM

Cc:

Bella.Tonkonogy, "holland, kerij", "ruby, byron h", "falk, leora m"

Hide Details

From: "Chan, Christina" <ChanC1@state.gov>

To: <gcoordination@TheGEF.org>

Cc: <Bella.Tonkonogy@treasury.gov>, "Holland, Keri J" <HollandKJ@state.gov>, "Ruby, Byron H" <RubyBH@state.gov>, "Falk, Leora M" <FalkLM@state.gov>

History: This message has been forwarded.

Dear GEF Secretariat:

Thank you for the opportunity to review the Joint Work Program for the Least Developed Countries Fund and Special Climate Change Fund. The United States approves the Joint Work Program.

We would like, however, to request that the Agencies, as they prepare proposals for CEO endorsement, make significant improvements to the adaptation elements of four of the project concepts in the Joint Work Program:

1. **Pilot African Climate Technology Finance Center and Network**, under consideration for SCCF funding:

The United States welcomes this project concept. We support its overall objectives.

It is unclear, however, how the SCCF activities differ from the baseline activities.

In "Section B.1, Description of baseline activities," the Agency describes that the baseline project will: (i) promote policies that incentivize adaptation in key sectors and mainstream climate change into key sector policies and regulations; (ii) mainstream technology transfer into country development programming by integrating climate analyses into country programming cycles; and (iii) promote and adopt the transfer of relevant adaptation technology.

In "Section B.2, Incremental/Additional Cost Reasoning," the Agency describes that SCCF funding will enable it to undertake: (i) successful demonstration, deployment, and transfer of relevant adaptation

technology in targeted areas; (ii) enable the environment to support adaptation related technology transfer by supporting companies with climate resilient technology products; and (iii) catalyze investments for the deployment of relevant adaptation technologies through the baseline project.

We request that the Implementing Agency more clearly describe the baseline project and how SCCF funded activities will help strengthen, specifically, the resilience of the baseline project to the potential adverse impacts associated with climate change. As it stands, it is unclear how the activities under Sections B.1 and B.2 differ from one another.

In addition, we note that the STAP review of this PIF also underscored the importance of strengthening the adaptation elements of this project during the next phase. The United States requests the Agency to provide a stronger description of the adaptation activities in the next phases. Will the Agency use SCCF funding, for example, to incorporate climate information into decision-making of key sectors, conduct climate risk and impact assessments of key sectors and sector policies, raise awareness and build capacity of decision-makers in key sectors, undertake cost-benefit analyses of various adaptation options, etc.?

- o Finally, we note that the Agency describes how, with SCCF funding, it will strengthen existing national and regional centers and information networks for rapid response to extreme weather events. We request that the Agency, in developing the proposal, target the demonstration, deployment, and transfer of adaptation technologies that reduce risk and minimize the impact of extreme weather events, rather than strengthen ex-post emergency response.

2. **Regional Climate Technology Transfer Center in Eastern Europe** under consideration for SCCF funding:

The United States welcomes this project concept. We support its overall objectives.

We request, however, that the Agency more clearly describe the baseline project and provide much more detail on how support from the SCCF will help strengthen the resilience of the baseline project to the potential adverse impacts associated with climate change.

In "Section B.1, Description of baseline activities," the Agency provides only one bullet of a description of the baseline as it relates to the SCCF: the baseline project will increase emphasis on adaptation, reflecting the likelihood of a significant rise in temperature.

"Section B.2, Description of incremental/additional cost reasoning" is equally sparse with respect to SCCF adaptation technology funding. The Agency describes that it will: (i) establish a network for adaptation technology transfer; (ii) include adaptation technologies in its efforts to develop a finance mechanism and to "support the realization of results from technology needs assessments"; and (iii) focus on water efficiency. No further description of activities is provided.

We note that the STAP review of this PIF also describes the adaptation component as "simply an add-on" and that "no significant allocation of funds or activities and outputs are proposed."

We request the Agency, in the next phase of proposal development, provide a much stronger description of the adaptation components of the project and reasoning for additionality. For example, will the Agency strengthen the ability of existing water efficiency networks to adapt to climate change, and if so how, e.g., through what measures and with what networks? In realizing the results of technology needs assessments, will the Agency build the capacity of decision-makers to use climate information, conduct climate risk and impact assessments, and undertake cost-benefit analyses of various adaptation options, etc.?

3. **Climate Technology Transfer Mechanisms and Networks in Latin America and the Caribbean** under consideration for SCCF funding:

The United States welcomes this project concept. We support its overall objectives.

We request, however, the Agency to provide clear incremental/additional costs reasoning for the adaptation technology elements. As it stands, there is no description at all of the additional costs for the adaptation technology elements of the project concepts, or of what those elements are, specifically.

- In "Section B.2, Description of incremental/additional cost reasoning," the Agency notes under Component 1 that the GEF contribution will support the "development of methodologies and the regional harmonization of approaches for the inclusion of consideration of EST and promote a regional dialogue on best practices for the identification and assessment of EST and for the development of policies and mechanisms for the development and transfer of EST." Not all environmentally sound technologies are adaptive to climate change, and certain ESTs may be more appropriate for certain climate risks than others. How will the Agency assess climate risks and appropriateness of EST options with respect to those risks?
- In the same section under Component 2, the Agency notes that it will use GEF funding to support thematic networks on topics not yet covered by the baseline, expand scope of existing networks, strengthening the capacity of national and regional networks, and support collaboration and knowledge exchange. The Agency does not in the PIF, but should in the next phase of proposal development, provide a description of how it will use SCCF-B funding to address adaptation technology specifically, and how the adaptation activities funded by the SCCF-B will strengthen the resilience of the baseline project to the potential adverse impacts of climate change.
- In the same section under Component 3, the Agency notes that it will use GEF funding to scale up, follow through, document and disseminate efforts to remove barriers to the development and transfer of EST. The Agency does not in the PIF, but should in the next phase of proposal development, provide a description of how it will use SCCF-B funding to address adaptation technology specifically, and how the adaptation activities funded by the SCCF-B will strengthen the resilience of the baseline project to the potential adverse impacts of climate change.
- In the same section under Component 4, the Agency notes that it will use GEF funding to support new and additional investments in mitigation and adaptation EST, remove barriers and create enabling environments for EST markets, and provide direct support to the assessment of EST. The Agency does not in the PIF, but should in the next phase of proposal development, provide a description of how it will use SCCF-B funding to address adaptation technology specifically, and how the adaptation activities funded by the SCCF-B will strengthen the resilience of the baseline project to the potential adverse impacts of climate change.

4. Landscape Approach to Forest Restoration and Conservation in Rwanda under consideration for LDCF funding:

The United States welcomes this project concept. We recognize the positive achievements of the Rwanda national forest landscape restoration initiative. The Rwanda national forest landscape restoration initiative sets an important precedent, which won the World Future Council Future Policy Award last September.

The United States also appreciates the comprehensive approach of the proposed project, which together encompasses improved yields, better management practices, conservation, restoration and monitoring. The PIF recognizes the socioeconomic, cultural, and technical complexities associated with these activities and suggests approaches to address these challenges.

We request, however, that the Agency provide a stronger elaboration on how the proposed activities will help communities in Rwanda adapt to climate variability and change. We note that the Secretariat provided similar comments in its review of the PIF.

For example, under Component 3, the Agency notes that the LDCF will support activities to improve resilience to droughts through "...concerted efforts and investments in forest rehabilitation and conservation, as well as in activities that decrease the pressure on forests as sources of fuelwood, constitute an integral part of the strategy to strengthen adaptation capacity in local communities..." The Agency further notes in this section that "...the activities to support adoption of alternative sources of energy that reduce population dependence on natural resources will allow downstream benefits such as reduced siltation, landslides and flooding and also induce behavioral change to more sustainable practices."

Also under Component 3, the Agency notes that the LDCF will support activities to improve resilience to floods through the "...improvement in management of land and water in the landscape, increased soil cover through reforestation, and support to alternative livelihoods that reduce population dependence on natural resources." Illustrative activities include the promotion of alternative energy sources and adoption of efficient use of fuelwood.

It is not clear whether the activities proposed under Component 3 aim to reduce non-climate pressures on land, such as population pressure and current agricultural practices, which the Agency notes are key drivers of soil fragility and losses of eco-system services – or whether the activities proposed for LDCF funding will help specifically strengthen the resilience of the baseline projects to the potential adverse impacts of climate change, such as extreme weather events and erratic and shifting rainfall patterns.

While avoided land degradation and deforestation from non-climate drivers – and sustainable development more broadly speaking – contributes to reducing overall vulnerability of local communities, the purpose of the LDCF, as it was set up, is to cover the additional costs of adaptation – on top of baseline development. We request, therefore, the Agency, to clearly describe how LDCF-funded activities will help the baseline projects adapt to climate change, specifically. For example, if the Agency is going to support alternative livelihoods, will it assess various alternatives based on their climate sensitivity and support those that are less climate sensitive as well as culturally viable? How will the Agency incorporate climate information into decision-making to restore and maintain critical landscapes?

We also suggest that in promoting agricultural practices that are climate resilient, the Agency broaden its assessment of climate risks to agriculture from just extreme events, like droughts and floods, to also include risks that may be less severe but more frequent, such as erratic or shifting rainfall patterns. In this context, early warning systems might be useful as well as improved, demand-driven weather and climate information services to farmers so they can make more informed decisions about when to plant and what to plant.

Finally, we note that under Component 3, the Agency describes that it will strengthen existing national and regional centers and information networks for rapid response to extreme weather events. We request that the Agency in developing the proposal, target the demonstration, deployment, and transfer of adaptation technologies that reduce risk and minimize the impact of extreme weather events, rather than strengthen ex-post emergency response.

The United States would like to also request minor revisions to two other project concepts in the Joint Work Program, with a view to further strengthening the concepts in the next phase of proposal development:

1. **Sustainable Livelihoods and Adaptation to Climate Change in India**, under consideration for SCCF funding:

The United States welcomes this project concept. We expect that it will yield results and important lessons as it relates to national adaptation planning.

We request that the Agency consider incorporating a link to climate information services so that as it implements adaptation activities, it does so with as much relevant climate information as possible. This will help also ensure that baseline activities are climate-resilient; without some climate information, it will be hard to assess resilience to climate change.

We also request that the Agency articulate how activities related to household energy solutions will help the baseline adapt to the potential adverse impacts of climate change, specifically.

Finally, we request that the Agency elaborate on the incentives the project will create to encourage efficient water management by farmers.

2. Scaling up risk transfer mechanisms for climate vulnerable farming communities in southern Philippines, under consideration for SCCF funding:

The United States welcomes this project concept. It is a good example of how a country can combine risk transfer and risk reduction measures, such as index-based insurance and early warning systems.

We request that the Agency consider measures that help farming communities adapt to climate-related risks that may be less severe but more frequent, such as erratic and shifting rainfall patterns. Both insurance and early warning systems – the two activities described in the PIF – cover the same kind of risk: extreme events. In including measures to address risks that may be less severe but more frequent, the Agency might consider, for example, helping farming communities access weather and climate information, e.g., forecasts, so that they can make more informed decisions about when to plant and what to plant.

We look forward with anticipation to the Agencies' responses to our feedback at the next Council meeting as well as to seeing it incorporated in the project proposal at the CEO endorsement stage of this process.

Thank you and kind regards,
Christina

Christina Chan
Foreign Affairs Officer
Office of Global Change
U.S. Department of State
Tel: 202-647-2764