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CLIMATE
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Building country-driven pipelines: update on country programmes and entity work programmes

Summary

The document provides an update on the preparation of country programmes and entity work programmes in the context of the implementation of the initial strategic plan for the GCF.

It gives an overview of a programming process fostering country ownership as well as collaboration between national designated authorities/focal points and accredited entities, in particular through structured dialogues.

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I. Introduction

1. One of the operational priorities of the initial strategic plan for the GCF, endorsed by the Board at its twelfth meeting,¹ is ensuring that the GCF is responsive to developing countries' needs and priorities, including by enhancing country-led programming. As part of the action plan of the initial strategic plan, specific measures were identified to promote the implementation of the operational priorities, including the development of country programmes and entity work programmes, and through this process, determine which priorities identified by countries are the best match for GCF support.

II. Overview of the country and entity programming process

2. This chapter presents the iterative programming process undertaken by the Secretariat to facilitate interactions between countries and entities.

1.1 Objectives

3. Through this process, the Secretariat has pursued the following objectives:

- (a) Supporting the upstream pipeline development process;
- (b) Identifying institutional needs to build and strengthen capacity; and
- (c) Facilitating dialogue between all stakeholders — countries, entities, readiness delivery partners and the GCF.

1.2 Approach to country and entity programming

4. Country programmes and entity work programmes lie at the centre of the programming exercise. These living documents facilitate the alignment of countries' programming priorities with the expertise and capabilities of the accredited entities.

5. Country programmes present an overview of a country's national context, policy framework and plans (e.g. nationally determined contributions, national adaptation plans (NAPs), nationally appropriate mitigation actions (NAMAs), etc.), and summarize their respective climate action agendas. They also include a pipeline of projects or programmes that the country would like to undertake with the GCF, aligned to GCF strategic impacts, investment criteria and operational modalities.

6. The country programmes have been developed based on initial drafts of templates prepared by the Secretariat including elements from the initial general guidelines for country programmes.² It includes their programming priorities for the GCF in the form of an indicative country pipeline, including information on partner entities. Where project preparation support is envisaged, such needs are identified, as well as readiness needs assessed through a 'Readiness Self-Assessment' tool. Through an iterative process with countries since April 2016, the template has been refined based on initial feedback received from countries.

7. The entity work programmes have been similarly built through engagement between the entities and the national designated authorities or focal points, as well as with other relevant stakeholders in the countries. The entities have also built the entity work programmes by engaging with the Secretariat, and the templates have also been developed in a similar iterative manner with the entities.

¹ Annex I to decision B.12/20.

² Annex XVII to decision B.08/11

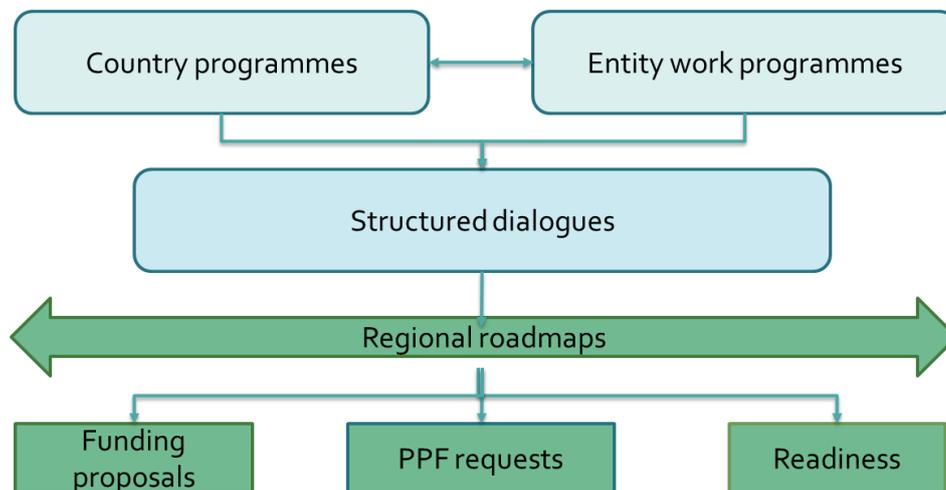


Figure 1: Country/entity programming process

Abbreviation: PPF = Project Preparation Facility

8. A series of structured dialogue events – focused interactions with national designated authorities (NDAs) and focal points, accredited entities, readiness delivery partners, the Secretariat – have resulted in further updates to country programmes and entity work programmes, and has enabled the development of regional road maps (see figure 1). The road maps identify trends and emerging priorities at the regional level. They also enable the Secretariat to estimate the demand for GCF resources in terms of emerging funding proposals, potential project preparation requests and overall readiness needs. They remain a dynamic tool and will be updated periodically as countries’ needs evolve.

1.3 Development of country programmes

9. The Secretariat is currently engaged with nearly 100 countries in advising and supporting them to develop their country programme briefs. Half of them are in the process of being reviewed by NDAs or focal points and are going through internal processes to be endorsed by them. More than 15 countries have now completed this process and snapshots are provided for two countries Mali and Vanuatu in figures 2 and 3 respectively. The country programme briefs endorsed by the NDAs or focal points of countries are attached in addendum I to this document.

Mali

Priority sectors	Direct access entities	International entities	Total GCF requested amount
Agriculture, natural resource management, water, forestry and renewable energy	Accredited: CSE, BOAD One nominated national entity	WB, KfW	USD 447 million

USD 27 million in approved projects

- Africa Hydromet, WB (approved June 2016)

USD 393 million of projects in the pipeline

- Flood protection Bamako, KfW;
- Pilot programme for the development of climate smart agriculture, AE TBD;
- Program of intensive reforestation to restore forest ecosystem in Mali, AE TBD;
- Renewable energy development Programme, AE TBD; and
- Resilient range management to climate change program, AE TBD

Readiness support under implementation

- NDA strengthening and strategic frameworks (USD 300,000), Sahel Eco

Figure 2: Country snapshot, Mali

Abbreviations: AE = accredited entity, BOAD = West African Development Bank, CSE = Centre de Suivi Ecologique, KfW = Kreditanstalt für Wiederaufbau, NDA = national designated authority, TBD = to be determined, WB = World Bank

Vanuatu

Priority sectors	Direct access entities	International Entities	Total GCF requested amount
Renewable energy (electricity), coastal protection, climate proofing infrastructure and community resilience	SPREP	ADB, UNDP, UNEP, WB, IUCN	USD 47 million

USD 46.3 million of projects in the pipeline

- Pacific climate adaptation policy and planning support, SPREP (under consideration at B15);
- Promotion of energy efficient appliances, lighting and equipment in Pacific island countries, UNEP, regional project (PPF required); and
- Off-grid rural electrification through renewables in Vanuatu, UNDP (PPF required)

Readiness support

- Approved: NDA strengthening and strategic frameworks (USD 300,000), GIZ; and
- Under development: NAP request, UNEP

Figure 3: Country snapshot, Vanuatu

Abbreviations: ADB = Asian Development Bank, DAE = direct access entity, GIZ = Deutsche Gesellschaft für Internationale Zusammenarbeit, IUCN = International Union for the Conservation of Nature, NAP = national adaptation plan, NDA = national designated authority, PPF = Project Preparation Facility, SPREP = Secretariat of the Pacific Regional Environmental Programme, UNDP = United Nations Development Programme, UNEP = United Nations Environment Programme, WB = World Bank.

1.4 Development of entity work programmes – direct access entities

10. An entity work programme provides an overview of the entity’s areas of work, priority sectors and experience in implementing projects and programmes across the eight strategic impacts of the GCF. It summarizes potential projects that the entity is likely to submit to the GCF and outlines an action plan for engagement with the GCF. For direct access entities, it further addresses short- and long-term initiatives to build their institutional and project implementation capacity. In order to support the development of entity work programmes, information was collected and consolidated through periodic interactions with the direct access entities, including through structured dialogues since the readiness week in April 2016.

11. To date, the Secretariat has engaged with the 17 national and regional entities in the development of entity work programmes, resulting in the completion of 16 initial entity work programmes. In order to ensure alignment and complementarity between the country programmes and entity work programmes, the entities have been consulting their respective NDAs or focal points.

12. Through the entity work programmes process, an indicative pipeline from the direct access entities totalling 94 projects amounting to USD 2.5 billion in GCF funding across all regions is emerging. Project preparation needs have been identified for about 40 projects. In addition, readiness needs have emerged, with seven readiness proposals currently under development, and one with the Environmental Investment Fund of Namibia already approved.

13. The entities are also being supported to close accreditation conditions and undertake measures to seek upgrades to their accreditation statuses. Such activities target the improvement of the entities’ capacities, including through South–South cooperation, in environmental and social safeguards, fiduciary standards, gender policy, stakeholder consultation, project identification and development, and monitoring and evaluation.

14. A brief snapshot of one direct access entity is provided in figure 4 below, with further information available in the Entity work programmes in addendum II to this document.

Figure 4: Entity snapshot, Environmental Investment Fund of Namibia

Abbreviations: ESS = environmental and social safeguards, PM = Project Management, PPF = Project Preparation Facility, GA = Grant Award

Environmental Investment Fund of Namibia			
Entity type	Size	ESS	Fiduciary standard
National	Micro	C	Basic, PM, GA
USD 9.5 million in approved projects			
<ul style="list-style-type: none"> - Climate resilient agriculture in three of the vulnerable extreme northern crop growing regions (CRAVE); and - Climate change responsive community-based natural resource management (CBNRM) in Namibia (EDA) 			
USD 29 million of projects in the pipeline			
<ul style="list-style-type: none"> - Increasing climate change resilience of tourism-reliant communities in Namibia (EDA); - Enabling farmer’s resilience and adaptation to the impacts of climate change (EFRACE programme); and - Renewable energy revolving facility to support microenterprise and household in Namibia 			
USD 391,000 in approved readiness support			
<ul style="list-style-type: none"> - Capacity-building in multi-stakeholder engagement and consultation processes and an action plan on Namibia’s community-based natural resources management (CBNRM) EDA proposal; - Capacity-building in E&S and gender by undertaking an assessment and action plan; and - Capacity-building by the enhancement of fiduciary standards and an upgrade to on-lending 			

1.5 Development of entity work programmes – international entities

15. The Secretariat has engaged with 23 of the GCF international entities in relation to the development of entity work programmes. Moreover, it held a number of virtual meetings and a number of in-person meetings as well as informal exchanges in order to provide an overview and purpose of the entity work programmes and to clarify questions raised by the international entities. Many entities have reacted positively to this exercise, however a series of them were reluctant to provide information at this stage.

16. Included in the work programme for an international entity is an overview of the entity's vision for its overall engagement with the GCF, focus regions, priority sectors, and experience in implementing projects and programmes across the eight strategic impacts of the GCF. It summarizes approved projects, and potential projects that the entity has submitted or is likely to submit to the GCF after consultation with NDAs or focal points. Given the scale of operation of international entities, the level of detail provided varies.

17. The Secretariat has invited all the international entities to use the regional structured dialogues and regional NDA workshops³ as a platform for further discussion with NDAs or focal points on potential areas of support for readiness needs, pipeline development and alignment with country programmes. The discussion would also be on how the international entities intend to strengthen and support the capacities of potential direct access entities to meet the accreditation requirements of the GCF in order to enhance country ownership.

18. Engagement at different levels with the international entities, in line with country programmes and GCF impact areas, is ongoing. The Secretariat is continuing this exercise to develop and update the entity work programme. Sample entity work programmes for international entities are provided in addendum III to this document.

III. Initial outcomes

1.1 Pacific road map

19. Through a structured dialogue in the Pacific region, 14 countries identified an estimated funding request from the GCF of roughly USD 744 million for a total project value of USD 1 billion. The projects clustered around three key themes: scaling up access to energy, climate proofing infrastructure and enhancing community resilience. Key sub-themes are outlined in Box 1 below.

³ Structured dialogues are focused interactions with NDAs and focal points, accredited entities, readiness delivery partners, the Secretariat and other country stakeholders, including the private sector, to develop country programmes and determine which priorities identified by country strategies (INDCs, LEDS, NAPAs, NAMAs, etc.) are the best match for GCF support. Regional NDA Workshops are orientation workshops to help NDAs and focal points understand the operational modalities of the GCF.

20. The number of projects identified per theme is outlined in figure 5 below.

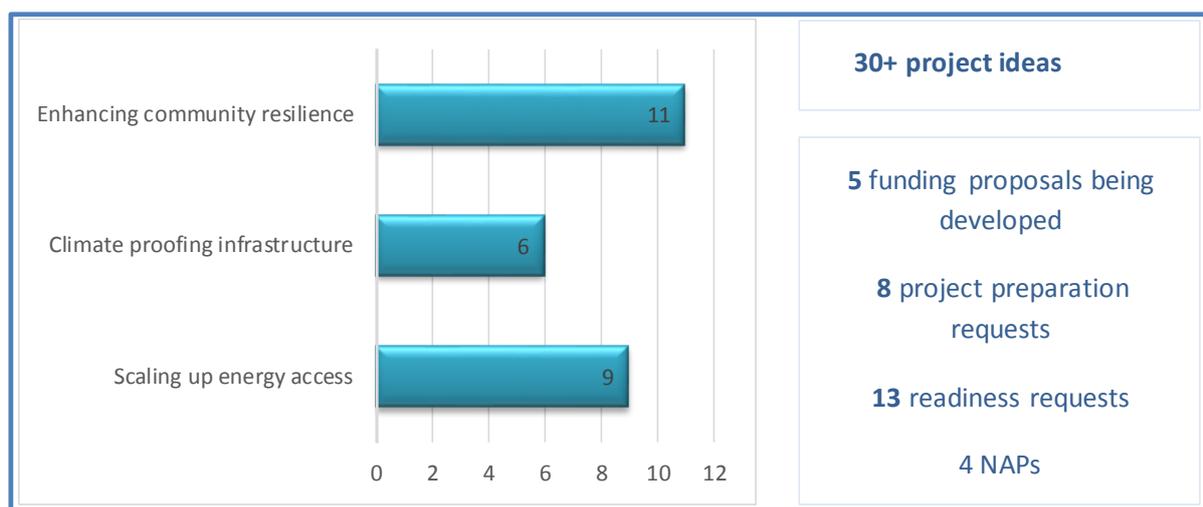


Figure 5: Pacific road map: number of projects per theme

21. In terms of accelerating

project development, a series of needs materialized:

- (a) **Readiness:** a series of concepts required pre-feasibility assessments regarding the projects' financial viability or climate impact. Five requests to support NAP formulation also have the potential to further consolidate diverse adaptation initiatives at the national level in order to develop vulnerability assessments, hydrological and agricultural studies, as well as examining infrastructure protection; and
- (b) **Project preparation:** several projects targeting rural electrification, watershed management and sanitation or renewable energy development require further support. This includes confirming project sites, carrying out grid assessments or developing feasibility studies, environmental and social safeguards and gender studies.

22. The structured dialogue also helped to distil areas for regional collaboration, resulting in potential projects and programmes, including a regional renewable energy facility, an energy efficiency programme, a Pacific Ocean initiative and a regional insurance facility. One programme concept led by Tonga and developed by the United Nations Environment Programme in partnership with seven other Pacific island countries targets the "Promotion of energy efficient appliances, lighting and equipment in Pacific island countries"⁴. The programme has been identified as requiring project preparation support for developing a funding proposal for the Board's consideration. Further details on the programme's scope and components are provided in annex I.

1.2 Africa road map

Box 1: Pacific programme themes

Scaling up energy access and energy efficiency

Developing household solar systems, storage systems, off-grid rural electrification

Climate proofing infrastructure

Relocating road and public facilities, protecting tourism and emergency services, strengthening flood management

Building community resilience and supporting livelihoods

Improving food security, enhancing climate information services, strengthening ecosystem services

⁴ From UNEP's project preparation facility submission

23. The structured dialogue in Africa resulted in 48 countries articulating a prospective project pipeline of some 150 low-emission and climate-resilient projects and programmes. One third of the projects and programmes have a submission time frame of 12 months, and over half have identified an accredited entity to partner with. The projects ranged from USD 5 million to USD 300 million in potential requests for GCF funding (see figure 6 below for further details). The projects and programmes clustered around five emerging themes. Key sub-themes are outlined in Box 2 below.

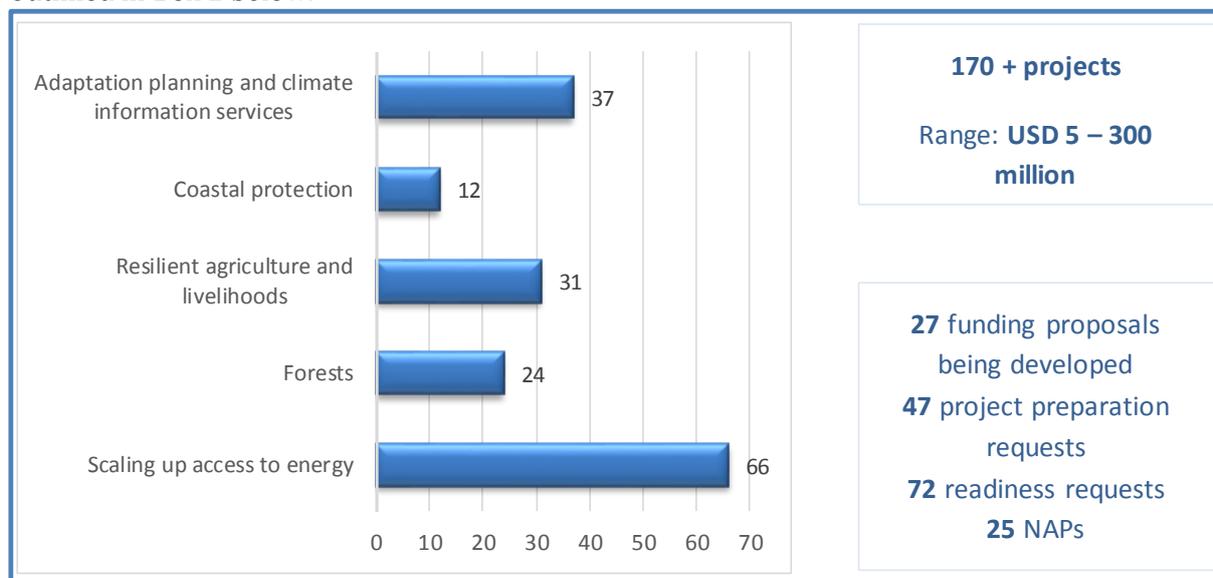


Figure 6: Africa road map - number of projects per theme

Abbreviation: NAPs = national adaptation plans.

3.2.1 Scaling up access to clean energy

24. A consistent priority for African countries is increasing access to clean energy and promoting energy efficiency, with around 45 countries including energy-related initiatives in their indicative pipelines for the GCF. Project sizes vary from USD 9.5 million to USD 300 million. Several projects are rooted in NAMAs and highlight specific private sector needs regarding access to finance, technology deployment and enhancing local productive systems.

25. The GCF can make a difference in this area by leveraging its network of accredited entities in order to support local financial intermediaries. The United Nations Environment Programme and Agence Française de Développement have shared programmes aimed at supporting local banks in accessing GCF financing. Another example is the European Investment Bank's Global Energy Efficiency and Renewable Energy Fund, a 'fund of funds' that invests in local private equity funds targeting energy efficiency and renewable energy projects. Direct access entities such as the West African Development Bank and the Development Bank of South Africa are also active in this sector.

3.2.2 Adaptation planning and climate information services

26. Acknowledging the impacts of climate variability on a range of key sectors, countries and entities put forward ideas to establish adaptation plans and consolidate climate information services. A total of 9 countries are developing projects targeting early warning systems and a further 25 have expressed an interest in accessing NAP support. Projects are being supported by three international and two direct access accredited entities, with national ministries and agencies involved as executing partners.

27. A programmatic funding proposal is currently developed by the World Meteorological Organization, the African Development Bank and the World Bank Group in collaboration with 15 countries and 4 regional centres. The designated project, “Strengthening climate and disaster resilience in sub-Saharan Africa regional framework program to improve Hydromet services” seeks to support sub-Saharan Africa by investing in three main components:

Box 2: Africa programme themes

Scaling up access to energy

Energy generation and energy access, rural electrification, sustainable cities and low carbon transport

Adaptation planning and climate information services

Institutional development and policy frameworks, improving or modernizing agro-climatic observation networks and agro-meteorological stations

Resilient agriculture and livelihoods

Improve agricultural practices and land-use planning, crop diversification and irrigation management

Leveraging forest resources

Preventing deforestation, reforestation, improving regulatory frameworks for land-use and the REDD-plus framework

Coastal resilience and water management

Coastal infrastructure, coastal ecosystems and policy frameworks for coastal management

- (a) Strengthened national hydromet systems;
- (b) Modernized regional centres; and
- (c) Regional system integration and global knowledge exchange.

3.2.3 Resilient agriculture and livelihoods

28. Recognizing the increasing challenges that climate change poses to the agriculture sector and communities that are highly dependent on it, 25 countries have put forward 34 priorities addressing this issue with projects varying from USD 10 million to USD 120 million.

29. Entities like the Agence pour le Développement Agricole of Morocco or the Food and Agriculture Organization of the United Nations (FAO) have shared and discussed with participating countries their flagship programmes. For instance, a Project Preparation Facility request was submitted by Agence pour le Développement Agricole to support the preparation of its “Modernization of Souss traditional irrigation” project in Morocco. The project aims to preserve water resources by rationing the use of water for irrigation. Other entities such as the Environmental Investment Fund - of Namibia and the South African National Biodiversity Institute are also active in this sector.

30. Discussions are also ongoing between FAO and relevant NDAs regarding the Great green wall programme.

3.2.4 Leveraging forest resources

31. In response to national geographical contexts, many Central African countries and small island developing States are developing projects to leverage forest resources. Seventeen

countries and 10 accredited entities (six international and four national) have expressed an interest in partnering in this sector. Project sizes vary from USD 7.6 million to USD 300 million and a series of countries are also preparing readiness proposals addressing the issue of land-use management, such as Gabon.

3.2.5 Coastal resilience and water management

32. Predominantly across Western Africa and the small island developing States, 11 countries have formulated priorities related to coastal erosion. They started a dialogue with the World Bank, the International Union for the Conservation of Nature, Centre de Suivi Ecologique, FAO and the African Development Bank in order to develop a framework for coordinating and enhancing their activities in strengthening coastal resilience. The programme builds on existing regional initiatives and the activities proposed are along five subcomponents:

- (a) Strengthening coordination and governance mechanisms,
- (b) Promoting knowledge-sharing on coastal ecosystems,
- (c) Implementing sustainable protection, rehabilitation and resource management practices,
- (d) Applying a regulatory and policy framework on coastal management and
- (e) Strengthening capacity. Further information on emerging regional programmes is provided in annex I.

1.3 Progress in other regions

33. In 2016, regional structured dialogues and NDA workshops³, as well as national-level interactions took place at a heightened scale for the GCF, bringing together hundreds of stakeholders across all events organized. Looking to 2017, the GCF plans to continue the structured dialogue format to capture the regions and countries not yet covered.

3.3.6 Latin America

34. The first GCF regional NDA workshop for Latin America, held on 28-30 November 2016, in Tegucigalpa, Honduras, mobilized the region's countries, accredited entities and readiness delivery partners to advance GCF programming in the region, with a Latin America Structured Dialogue planned for 2017. While a summary of the engagement and its outcomes could not be included in this report, in the lead up to the workshop, country programmes were being developed for nine countries in the region. A sample of the country programme briefs prepared for the workshop are contained in annex I with an emerging regional programme led by El Salvador outlined in addendum I to this document.

3.3.7 Caribbean

35. Through several national-level workshops (e.g. Antigua and Barbuda, and Jamaica) and engagement with NDAs in the region, six country programmes are under development. The planned structured dialogue for the Caribbean in 2017 will help to expedite the region's programming efforts. Sample country programme briefs for the Caribbean are included in addendum I to this document.

3.3.8 Asia

36. A total of 22 country programme drafts are currently under revision by NDAs and FPs. A number of countries participated in a one-day event organized by the Secretariat in partnership with the United Nations Economic and Social Commission for Western Asia in Rabat, Morocco,

on 27 September 2016. A structured dialogue with Asia is expected to take place during the first half of 2017, bringing together the region's 25 NDAs and focal points and accredited entities to advance their programming process.

3.3.9 **Eastern Europe**

37. Efforts to expand GCF activities in Eastern Europe scaled up in the past year. In June 2016, the GCF co-organized a half-day workshop with 25 country representatives, including five NDAs and focal points, as well as partner institutions active in the region to increase awareness of the GCF. Significant attention was paid to assessing the region's climate action priorities and identifying areas where readiness support could be channelled in order to help to develop country programmes. Additionally, the GCF has been interacting with the region's five NDAs and focal points to support the development of their initial country programmes.

IV. Lessons learned and outlook

1.1 Readiness and project preparatory support

38. Through an analysis of country and entity programming activities at the national and regional levels, three categories of needs emerge related to the GCF pipeline building process.

4.1.1 Project prioritization and development

39. Countries identified that preliminary work is required to assess the full viability and climate potential of a project. This includes strengthening the stakeholder consultation process and evaluating project proposals against national policies, plans and existing activities carried by national or international partners. It also implies undertaking pre-feasibility studies and developing investment planning tools such as baseline studies, and market or resource analyses. Preparation needs are generally related to the development of studies such as feasibility studies, procurement plans, environmental and social impact assessments, gender assessments and analysis, and risk assessments.

40. For mitigation activities, these can be related to identifying projects emerging from NAMAs, intended nationally determined contributions or technology needs assessments. Needs also revolve around specific industries or sectors, including the potential for renewable energy development, grid assessment, and site-specific feasibility studies for hydro, wind or solar power as well as finalizing an advisory service to complete market studies and financing strategies.

41. For adaptation, there are opportunities to originate projects from the formulation of NAPs. Needs were also formulated around carrying out reviews of current legislative plans on land-use and tenures, or completing forest inventories and designing monitoring and evaluation systems.

4.1.2 Enabling environment

42. Countries have expressed the need to establish or enhance current policy frameworks for a particular area (energy, water, agriculture, etc.). This is especially relevant for adaptation activities where there is an emerging need to establish monitoring and evaluation systems or for mitigation-related activities to enable the participation of private-sector operators.

43. Additionally, sector-specific studies are often required, such as on-grid and off-grid distribution network assessments, independent power producers' evaluations, market evaluations for specific products or value chains, product testing, and carrying out carbon sequestration estimates.

4.1.3 Identification of implementing entities

44. A series of country-driven projects require engagement with an accredited entity and countries are in the process of seeking their support. For some countries seeking to advance their priorities through a direct access entity, the entity may still need to be accredited or have to upgrade their accreditation status. There is a need for advisory services for countries that are aimed at helping them to engage with the right entities for their projects.

1.2 Outlook

45. As this report has presented, in 2016 the GCF undertook strategic engagement with country partners in all regions where it is active. The regional structured dialogues and national workshops organized throughout the year, including in partnership with governments and development partners, afforded countries, accredited entities, readiness delivery partners, the GCF Secretariat and other stakeholders the opportunity to work jointly in developing country and entity programmes.

46. This ongoing dialogue has resulted in a substantial range of initial country programmes, concept notes and funding proposals that have the potential to contribute to the implementation of countries' priorities as identified in intended nationally determined contributions and other national strategies and plans. The country and entity programmes as well as the regional road maps developed to date point to a GCF pipeline that is country-driven and could yield significant impact in supporting the shift towards low-emission and climate-resilient development pathways.

47. Importantly, the interactions have identified readiness and project preparation needs, resulting in a significant level of activities to be undertaken with countries and entities to strengthen institutional capacity. In order to advance the further development and successful implementation of country programmes, the Secretariat is exploring options to address efficiently the needs identified for the full development of the country programmes, providing resources and expertise in a more holistic manner and at scale.

48. The Secretariat will continue to periodically update the Board on progress in developing country programmes and entity work programmes, and include updated compilations of these programming documents with each report to the Board. The Secretariat, in consultation with the NDAs or focal points, and accredited entities will also consider further ways to enhance the transparency of these programming documents, including through the GCF website.

Annex I: Emerging regional programmes

1.1 Promotion of energy efficient appliances, lighting and equipment in Pacific island countries: regional programme

1. Responding to national priorities on sustainable energy, a regional programme is emerging on energy efficiency. Presented at the Pacific Structured Dialogue in August 2016 in Suva, Fiji, it is being taken forward under the leadership of seven Pacific island countries (PICs) and developed by the United Nations Environment Programme.¹
2. Energy efficiency is an important driver of sustainable energy transition and energy security in Pacific island countries. Most PICs have indicated energy efficiency measures in their nationally determined contributions and national energy strategies or action plans. Small island developing States have articulated a call for sustainable energy, with pillars in the Small island developing States accelerated modalities of action pathway. Furthermore, at the forty-first Pacific Islands Forum in August 2010, Forum Leaders endorsed the Framework for Action on Energy Security 2010-2020 as the regional blueprint for the provision of technical assistance to the energy sectors of PICs.
3. With the support of the Secretariat of the Pacific Community and other donors, five PICs are on track to have energy efficiency regulations in place by the end of 2016 with several more on track for 2017 through the Pacific appliance labelling and standards programme. However, it is currently the only regional energy efficiency programme and will conclude in mid-2017.
4. The regional programme seeks to build on the Pacific Appliance Labelling and Standards programme and assist Pacific island countries in developing and implementing energy efficiency programmes and supportive policies which:
 - (a) Expand the scope and reinforce the effectiveness of energy labelling and minimum standard regulations;
 - (b) Build on energy efficiency policy measures in those countries that have implemented such regulations;
 - (c) Build capacities, institutions and procedures for implementing the policy/regulatory framework as well as monitoring and enforcement;
 - (d) Offer alternative pathways to increase product energy efficiency in PICs without regulations;
 - (e) Implement programmes to enable the early replacement of existing inefficient equipment;
 - (f) Strengthen a sustainable regional institutional set-up to back up the energy efficiency effort of PICs; and
 - (g) Offer a range of hard investment options based on the needs of countries.
5. Readiness and preparatory support is required from the GCF for the development of a detailed energy policy and programme for each Pacific island country. This includes conducting baseline demand projections, identifying primary technical and geographical targets for energy efficiency projects and reviewing legal and institutional arrangements. Additional requirements identified include stakeholder consultations and studies related to funding proposal requirements (project implementation feasibility, planning and budgeting, environmental and social and impact analysis, and gender analysis as well as financial modelling and economic analysis).

¹ Information on the project was provided by the United Nations Environment Programme in a draft project preparation proposal.

1.2 Coastal resilience in West Africa: regional framework

6. Eleven countries and a number of accredited entities that participated in the Africa Structured Dialogue in Cape Town, South Africa, in October 2016, and exploring the development of a programme in this area. The national designated authority for Côte d'Ivoire is leading the effort to organize a dialogue with countries and relevant institutions, and to establish a framework and a road map, including access to readiness and project preparation.²

7. Context: the West African coastal area is home to critical natural resources and habitats, which play a vital role in providing natural protection against erosion, pollution, sea level rise, storm surges and extreme weather events. Coastal ecosystems, in particular mangrove ecosystems, also provide indispensable ecosystem services for the fisheries sector. Other goods and services provided include nutrient cycling and carbon sequestration.

8. However, the West African coastline is one of the most vulnerable areas in the world to the impacts of climate change. At the same time, non-climatic threats are affecting this area, such as changes in land use, pollution, oil and gas exploitation, urbanization, coastal sand mining, construction of dams, the development of poorly planned infrastructure, overfishing and the overexploitation of resources resulting from exponential population growth on the coastal fringe.

9. The combination of these factors has already led to severe shoreline loss and degradation of coastal ecosystems. As a result, flooding risk has increased and fisheries have depleted. At both regional and national levels, governments are gradually taking measures to tackle these challenges but, given the scale and urgency of these challenges, financial and technical capacity needs to be significantly strengthened. Implementation capacity is also limited at the local level.

10. On this basis, the following five key specific objectives are being considered:

- (a) Coordination and governance mechanisms strengthened;
- (b) Knowledge on the extent, status and ecological functions of mangroves and other coastal ecosystems improved, shared effectively and coordinated;
- (c) Sustainable practices of protection, restoration/rehabilitation and management of mangroves and other coastal ecosystems implemented through integrated multidisciplinary actions;
- (d) Coastal management improved through the effective application of regulatory and policy frameworks; and
- (e) Capacity at all levels strengthened in order to contribute to the protection and sustainable management of coastal ecosystems.

² Information on the project was provided by the International Union for the Conservation of Nature.

1.3 Central American dry corridor: regional project profile

11. This regional project is being developed under the leadership of the Government of El Salvador with the support of the ministers of the environment of the Central American region, as it was presented and approved in the Central American Commission for Environment and Development.³
12. The Central American dry corridor is characterized by the cyclical climatic behaviour of droughts, increasingly altered and intensified by climate change. The area covers the southern part of Mexico, the central fringe of Guatemala, almost half of Honduras, most of El Salvador and one-third of Nicaragua, to the Guanacaste Peninsula in Costa Rica. It affects the areas between coastal ecosystems to the pre-mountainous central zone, and in some localized zones, signs of desertification have been observed.
13. From an economic point of view, the areas of the dry corridor most affected by droughts have remained depressed historically, mostly dedicated to subsistence agriculture on small plots of land, with high and widespread levels of poverty. In recent years, droughts have increased in intensity, breaking various records, including having in 2014 the driest month of July ever registered. The drought in 2015, influenced by the El Niño phenomenon, affected more than 180,000 families in El Salvador and Honduras, causing a loss of 25 per cent of national maize production in the former and severe damage in 13 of the 18 departments of the latter.
14. Elements and options for adaptation and economic transformation to be considered in the project include: the systematic observation of climate, also using satellite technology, and the monitoring of soil characteristics as the main pillars of the actions to be implemented, as well as measuring, reporting and verification systems. The project will be based on the knowledge and capacity of existing observation initiatives in Central America, such as National Oceanic and Atmospheric Administration and other institutions operating in the region.
15. When structuring the project, the socioeconomic dynamics in the corridor will be assessed, with particular attention being paid to: (1) the migratory trend of the abandonment of small urban centres to those that offer better conditions, development opportunities and services; and (2) the low social appreciation of agricultural activity, and the consequent desertion of youth from the fields.
16. It will be essential, therefore, to examine the options for the establishment of migrants in these urban centres, exploring the most appropriate alternatives to economic activities based on:
 - (a) The potential of landscapes and important environmental assets located in the corridor, such as the Gulf of Fonseca shared by El Salvador, Honduras and Nicaragua;
 - (b) Current and future market feasibility of products and services associated with geographical and connectivity factors;
 - (c) Initiatives for the generation of solar thermal and photovoltaic energy, given the high levels of radiation observed; and
 - (d) Use of and synergy with regional development projects, including road connectivity, logistical development and electricity transmission networks.
17. The adaptation and sustainable development actions to be adopted in these urban centres will also be articulated under an urban network or city system approach, and associated with the training needs and requirements of human resources.

³ Information on the project was provided by the Ministry of Environment and Natural Resources, El Salvador.