



## GEF CSO Network

### Statement on Agenda 3 : [FY2026 Administrative Budget and Business Plan for the Least Developed Countries Fund and the Special Climate Change Fund](#)

38th LDCF/SCCF Council, June 2025

We appreciate the continued commitment of the GEF Secretariat, Council, Trustee, and partners in advancing climate adaptation priorities in Least Developed Countries (LDCs) and Small Island Developing States (SIDs). The FY26 Administrative Budget and Business Plan reflects important progress in strengthening operational delivery, resource programming, and coordination among climate finance partners.

From the perspective of grassroots communities and civil society actors actively engaged in climate resilience efforts on the ground, we respectfully offer the following reflections and recommendations:

#### Acknowledging Positive Developments

- The programming of over **\$160 million in FY25**, and a further **\$39.99 million proposed for FY26**, demonstrates responsiveness to the urgent adaptation needs of LDCs ( but noting the significant funding shortfall in FY26).
- We appreciate the Secretariat's efforts to optimize costs, enhance transparency, and foster cross-institutional collaboration, notably through the **Challenge Program for Adaptation Innovation** and joint initiatives with other climate funds.
- The focus on learning, strategic outreach, and knowledge exchange under the Dedicated Programs is a step forward in building long-term adaptive capacity.

#### Opportunities for Strengthening Delivery

- The **partial execution of the FY25 budget** (approximately 65% for the LDCF) due to fund shortage, highlights implementation delays that may hinder timely support to communities.
- **Resource constraints and project deferrals** have impacted the pace of progress and delivery in some countries.

## Recommendations

### We urge action on the following:

1. The Donors of the LDCF and SCCF need to step up and **meet their commitment to triple their contributions** to climate financing as agreed in Baku last year.
2. The two funds should establish **streamlined access modalities** for community-based and grassroots organizations, with appropriate capacity support.
3. Further embed **gender equality, youth engagement, and Indigenous inclusion** into programming, with clear indicators and results tracking.
4. Ensure that **grassroots stakeholders are meaningfully engaged** in the ongoing development of the LDCF/SCCF Programming Strategy.
5. The LDCF/SCCF Secretariat should support (through the Dedicated Program 2 on Outreach and Capacity Support) enhancement of the capacity and role of **local civil society organizations, women, youth, and Indigenous peoples** in decision-making, project design, implementation and monitoring processes.

We reaffirm our commitment to constructive engagement with the LDCF and SCCF and its partners. Strengthening inclusive participation will further enhance the integrity, effectiveness, and long-term impact of these vital climate finance instruments.