

*approved by the Board, taking into account any condition approved by the Board in this decision and in the decision accrediting the relevant accredited entity; and*

- (v) *Authorizes the Secretariat to disburse fees for each funded project/programme approved by the Board as per the disbursement schedule to be agreed in the funded activity agreement in accordance with the policy on fees and the general principles and indicative list of eligible costs covered under GCF fees and project management costs adopted by the Board pursuant to decision B.19/09.*

## **Agenda item 17: Consideration of accreditation proposals**

53. The Board took note of the document GCF/B.21/17 and its limited distribution addenda Add.01, Add.02, Add.03, and Add.04 titled “Consideration of accreditation proposals”.

54. The Board adopted the following decision:

### *DECISION B.21/16*

*The Board, having considered document GCF/B.21/17 and its limited distribution addenda Add.01, Add.02, Add.03 and Add.04 titled “Consideration of accreditation proposals”:*

- (a) *Takes note with appreciation of the assessments conducted by the Secretariat and the Accreditation Panel contained within the relevant annexes for the following applicants:*
- (i) *Applicant 061 (APL061) is Caixa Economica Federal (CEF) based in Brazil, as contained in annex V in document GCF/B.21/17;*
  - (ii) *Applicant 062 (APL062) is the Fondo para la Acción Ambiental y la Niñez (Fondo Acción) based in Colombia, as contained in annex VI in document GCF/B.21/17;*
  - (iii) *Applicant 063 (APL063) is IDFC Bank Limited (IDFC Bank) based in India, as contained in annex VII in document GCF/B.21/17;*
  - (iv) *Applicant 064 (APL064) is the Ministry of Finance and Economic Management (MFEM) based in the Cook Islands, as contained in annex VIII in document GCF/B.21/17;*
  - (v) *Applicant 065 (APL065) is the National Rural Support Programme (NRSP) based in Pakistan, as contained in annex IX in document GCF/B.21/17;*
  - (vi) *Applicant 066 (APL066) is the Nordic Environment Finance Corporation (NEFCO) based in Finland, as contained in annex X in document GCF/B.21/17;*
  - (vii) *Applicant 067 (APL067) is Pegasus Capital Advisors (PCA) based in the United States of America, as contained in annex XI in document GCF/B.21/17;*
  - (viii) *Applicant 068 (APL068) is the Austrian Development Agency (ADA) based in Austria, as contained in annex XII in document GCF/B.21/17;*
  - (ix) *Applicant 069 (APL069) is the Compañía Española de Financiación del Desarrollo S.A. S.M.E. (COFIDES) based in Spain, as contained in annex XIII in document GCF/B.21/17;*
  - (x) *Applicant 070 (APL070) is the Financiera De Desarrollo Territorial S.A. (Findeter) based in Colombia, as contained in annex XIV in document GCF/B.21/17;*
  - (xi) *Applicant 071 (APL071) is the Fundo Brasileiro para a Biodiversidade (Funbio) based in Brazil, as contained in annex XV in document GCF/B.21/17;*
  - (xii) *Applicant 072 (APL072) is the LandBank of the Philippines (LandBank) based in the Philippines, as contained in annex XVI in document GCF/B.21/17;*

- (xiii) *Applicant 073 (APL073) is the Protected Areas Conservation Trust (PACT), based in Belize, as contained in annex XVII in document GCF/B.21/17;*
- (xiv) *Applicant 074 (APL074) is BNP Paribas S.A. (BNP Paribas), based in France, as contained in annex XVIII in document GCF/B.21/17;*
- (xv) *Applicant 075 (APL075) is the Consortium of International Agricultural Research Centers (CGIAR), based in France, as contained in annex XIX in document GCF/B.21/17; and*
- (xvi) *Applicant 076 (APL076) is the Inter-American Investment Corporation (IDB Invest), based in the United States of America, as contained in annex XX in document GCF/B.21/17;*
- (b) *Accredits applicants APL061, APL062, APL063, APL064, APL065, APL066, APL067, APL068, APL069, APL070, APL071, APL072, APL073, APL074, APL075 and APL076 pursuant to paragraph 45 of the Governing Instrument for the Green Climate Fund, and subject to, and in accordance with, the assessments by the Accreditation Panel contained in the relevant annexes for each of the applicants;*
- (c) *Takes note with appreciation of the assessment conducted by the Secretariat and the Accreditation Panel contained within the relevant annex for the following applicant seeking to upgrade its accreditation type:*
- (i) *Peruvian Trust Fund for National Parks and Protected Areas (PROFONANPE), based in Peru, as contained in annex XXI in document GCF/B.21/17;*
- (d) *Agrees to upgrade the accreditation type of Peruvian Trust Fund for National Parks and Protected Areas (PROFONANPE) as contained in decision B.09/07, paragraph (b), subject to, and in accordance with, the assessment by the Accreditation Panel contained in annex XXI in document GCF/B.21/17; and*
- (e) *Recalling decision B.14/08, paragraph (d)(i), decision B.18/04, paragraph (c), and decision B.19/13, paragraph (c), decides that future accreditation decisions by the Board should aim to bring forward accredited entities that fulfil the mandate on balance, diversity and coverage and advance the objectives of GCF and, to that end, decides to prioritize up to the end of the twenty-third meeting of the Board the following, not listed in order of priority:*
- (i) *National direct access entities nominated for accreditation by national designated authorities or focal points of countries that do not have an accredited direct access national entity;*
- (ii) *Private sector entities, in particular those in developing countries, seeking a balance of diversity of entities in line with decision B.09/07, paragraph (g) and decision B.10/06, paragraph (h);*
- (iii) *Entities responding to requests for proposals issued by the Green Climate Fund, for example, including a pilot phase for enhancing direct access; a pilot programme to support micro, small, and medium-sized enterprises; and a pilot programme to mobilize resources at scale in order to address adaptation and mitigation;*
- (iv) *Accredited entities seeking fulfilment of their conditions for accreditation; and*
- (v) *Accredited entities requesting upgrades in their accreditation scope.*

## **Agenda item 18: Performance review of the GCF for the initial resource mobilization period**

## Annex XVII: Accreditation assessment of Applicant 073 (APL073)

### I. Introduction

1. Applicant 073 (APL073), the Protected Areas Conservation Trust (PACT), is a national entity that was established by the Government of Belize to encourage and promote, for the benefit and enjoyment of the present and future generations of the people of Belize, the provision, protection, conservation and enhancement of the natural and cultural resources of Belize. It is a statutory authority of the country, applying through the direct access modality. The applicant is entrusted by the Government to effectively manage Belize's National Protected Areas System (NPAS) through strategic partnerships and high-impact investments.

2. The applicant submitted its application for accreditation to the Secretariat via the Online Accreditation System on 17 May 2017. Accreditation fees were received from the applicant on 19 June 2017, thereby launching the Stage I institutional assessment and completeness check. Stage I was completed on 29 June 2018 and the applicant was progressed to the Stage II (Step 1) accreditation review, which has been concluded with the publication of this assessment. The applicant has applied to be accredited for the following parameters under the fit-for-purpose approach of GCF:

- (a) **Access modality:** direct access, national. The applicant received a national designated authority or focal point nomination for its accreditation application from Belize;
- (b) **Track:** fast-track under the Adaptation Fund (AF);
- (c) **Maximum size of an individual project or activity within a programme:** micro;<sup>1</sup>
- (d) **Fiduciary functions:**<sup>2</sup>
  - (i) Basic fiduciary standards;
  - (ii) Specialized fiduciary standard for project management; and
  - (iii) Specialized fiduciary standard for grant award and/or funding allocation mechanisms; and
- (e) **Maximum environmental and social risk category:** minimal to no risk (Category C/Intermediation 3 (I-3)).<sup>3</sup>

### II. Stage I institutional assessment and completeness check

3. The applicant is eligible for, and applied under, the fast-track accreditation process as an AF entity. Its application has been assessed by the Secretariat during Stage I in accordance with the requirements and gaps identified in decision B.08/03.

#### 2.1 Legal status, registration, permits and licences

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<sup>1</sup> As per annex I to decision B.08/02 (annex I to document GCF/B.08/45), "micro" is defined as "maximum total projected costs at the time of application, irrespective of the portion that is funded by GCF, of up to and including USD 10 million for an individual project or an activity within a programme".

<sup>2</sup> Decision B.07/02.

<sup>3</sup> As per annex I to decision B.07/02, category C is defined as "Activities with minimal or no adverse environmental and/or social risks and/or impacts" and intermediation 3 is defined as "When an intermediary's existing or proposed portfolio includes financial exposure to activities that predominantly have minimal or negligible adverse environmental and/or social impacts".

4. The applicant provided documents on its establishment and licences to operate, where relevant, as a part of the application. The applicant provided its founding legal document, the Protected Areas Conservation Trust Act, dated 1 June 1995.

## 2.2 Institutional presence and relevant networks

5. PACT is Belize's national conservation trust. Revenues for the trust are primarily derived from a conservation fee of USD 3.75 paid by overnight visitors, a fifteen per cent commission from the cruise ship passenger head tax, fiduciary services, and interest earned on its term deposits. PACT redistributes the revenue throughout the NPAS by providing funding for projects that support conservation and promote environmentally sound approaches to manage Belize's natural and cultural resources.

6. In the twenty years since it was established, PACT has been accredited as a national implementing entity to the AF, as well as granted a fiduciary role for organizations such as the Belize Nature Conservation Fund, the Global Environment Facility, the Meso-American Reef Fund and the World Bank.

7. In order to advance the objectives of GCF, the applicant intends to play a key role in coordination, at the national level, of collaboration between public and private sector partners in order to mobilize resources to address growing climate-related vulnerability factors through the implementation of, among other developmental plans and strategies, the climate mitigation and adaptation objectives outlined in Belize's National Climate Change Policy and Plan; the sustainable development goals of the National Development Framework of Belize: Horizon 2030; the conservation priorities of the National Protected Areas System Policy and System Plan 2015; and the investment priorities of the National Climate Resilience Investment Plan 2013.

8. The applicant intends to work closely with the national designated authority (NDA) of Belize in identifying and developing investment priorities for GCF funding, and establishing funding priorities for the NPAS. Preliminary assessments done by PACT show there is a need for investments in biodiversity and ecosystem protection, financial sustainability of the NPAS, and building socioeconomic opportunities for the most vulnerable groups/communities in Belize. In line with its own priorities, PACT will engage the NDA during its process of developing national priorities for climate change investments in Belize.

## 2.3 Track record

9. To date, PACT has invested over USD 16.5 million dollars in the management of protected areas in Belize through the awarding of grants. The applicant partners with international and regional donors to provide fiduciary and grant management services under specific management arrangements. Climate-related projects financed by PACT include grants that range from USD 5,000 to USD 200,000, with an average project/programme duration from four months to three years.

10. The applicant has experience in climate-related activities in such areas as institutional and regulatory systems development; land use/forestry; awareness strengthening and climate risk reduction; climate information/early warning systems; energy generation and access; infrastructure and built environment; ecosystem and ecosystem services; health and well-being; food and water security; and enhanced livelihoods. Representative examples of the applicant's projects include:

- (a) USD 162,585 (grants) for a project prioritizing conservation and addressing climate change in the Rio Bravo Conservation Management Area;

- (b) USD 358,108 (grants) for a project on strengthening protected areas management through enhanced coordination, financial sustainability and climate change adaptation; and
- (c) USD 102,250 (grants) for a project on Enhancing the Climate Resilience of Monkey River Village, Belize.

### III. Stage II accreditation review assessment

11. The applicant is eligible for, and applied under, the fast-track accreditation process as an AF entity. Its application has been assessed by the Accreditation Panel (AP) during Stage II (Step 1) against the accreditation standards of GCF in accordance with the requirements and gaps identified in decision B.08/03.
12. As part of this assessment, the AP consulted the applicant's website to complement the information provided in the application.

#### 3.1 Fiduciary standards

##### 3.1.1 Section 4.1: Basic fiduciary standards: key administrative and financial capacities

13. As per paragraph 11 above, the basic fiduciary standards concerning key administrative and financial capacities are considered to have been met by way of fast-track accreditation.

##### 3.1.2 Section 4.2: Basic fiduciary standards: transparency and accountability

14. As per paragraph 11 above, the basic fiduciary standards concerning transparency and accountability, with the exception of item 4.2.4 (investigation function) and item 4.2.5 (anti-money-laundering [AML] and countering the financing of terrorism [CFT]), have been met by way of fast-track accreditation.
15. Regarding item 4.2.4, the applicant has a structure for investigating cases of misconduct by its staff. To ensure independence of the investigation function, primary responsibility for overseeing the function lies with the finance and audit committee of the applicant's board of directors while the actual investigation of cases of misconduct is carried out by either internal audit or external parties contracted for this purpose. All investigations are carried out on the basis of terms of reference which outline the purpose, authority and accountability of the function, and are posted on the applicant's website. The terms of reference are supplemented by guidelines for processing cases, including procedures for handling complaints received by the function and managing cases before, during and after the investigation process. The applicant has provisions for reporting cases investigated. However, no cases of misconduct have been reported or investigated in the past three years. The AP finds that the applicant's investigation function meets the GCF basic fiduciary standards.
16. Regarding item 4.2.5, the applicant's policy for preventing money laundering, the financing of terrorism and other prohibited practices is included in its anti-fraud policy. In addition, the applicant uses its risk management policy and risk register to identify associated risks and appropriate measures to mitigate money laundering and the financing of terrorism. The applicant has documented "know-your-customer" due diligence procedures which it uses to assess the institutional capacity of potential grantees and the appropriateness of their systems to ensure transparency and accountability in financial management prior to approving project financing. As part of the due diligence process, the applicant ensures that organizations seeking grant financing have attained certification from the country's financial intelligence unit which plays a major role in combating money laundering and financing of terrorism. The applicant monitors electronic funds transfers using mechanisms put in place by the Central Bank of Belize. Where funds transfers by the applicant involve foreign currency, approval for foreign exchange

is sought from the Ministry of Finance. This serves as an added precaution against use of the funds for money laundering or financing of terrorism.

17. In addition to AML/CFT, the applicant's anti-fraud policy covers other prohibited practices such as coercion, collusion, obstruction, abuse (theft, misappropriation and/or misuse of property), conflict of interest and retaliation against whistle-blowers. The AP finds that the applicant's policies aimed at preventing money laundering, the financing of terrorism and other prohibited practices comply with the GCF basic fiduciary standards, as well as the GCF General Principles on Prohibited Practices<sup>4</sup> and the GCF AML/CFT Policy.<sup>5</sup>

3.1.3 **Section 5.1: Specialized fiduciary standard for project management**

18. As per paragraph 11 above, the specialized fiduciary standard for project management is considered to have been met by way of fast-track accreditation.

3.1.4 **Section 5.2: Specialized fiduciary standard for grant award and/or funding allocation mechanisms**

19. The applicant has well-established policies and procedures based on transparent grant award eligibility criteria and evaluation, and proven experience and a track record in supporting conservation projects/programmes in protected areas, mainly through grant award financing. Its well-developed grant award system is guided by a recently revised operational manual that describes all stages of the grant award process. To further improve its grant award system, the applicant is in the process of putting in place a new structure for evaluating proposals for grant funding. An internal screening committee and an external technical expert group will be responsible for the review of grant applications and recommending grant award decisions to the applicant's board of directors.

20. To ensure that a wide range of potential recipients are aware of the grant opportunities, grant notices/calls for proposals are published in an annual funding notice, posted on the applicant's website and further disseminated through both social and print media and direct distribution to stakeholder organizations. The grant award notices/call for proposals are comprehensive and include information on specific eligibility requirements and the process to be followed in the evaluation of applications and selection of grant recipients.

21. The entity has a documented due diligence framework for assessing the eligibility and capabilities of potential grant recipients. It has also provided sufficient information, including periodic project implementation status reports, which show it has a sound monitoring and evaluation system in place. As part of the monitoring and evaluation process the applicant's staff undertake on-site visits to monitor project progress, support the beneficiaries, disseminate best practices and establish/maintain good relations with the beneficiary entities.

22. The applicant has an adequate system for providing access to the public to information on the periodic progress of grant-funded projects. The links to several publications where such information is available were provided.

23. The applicant's established relationships with several agencies, such as the AF, the Global Environment Facility, the Meso-American Reef Fund and the World Bank, confirm the applicant's experience and capabilities in managing a grant award system, including appraisal and monitoring implementation of grant-funded projects.

24. The applicant has also demonstrated that it has adequate provisions and checks/procedures for:

- (a) Ensuring that grants are not awarded retrospectively for activities already started or completed at the time of the application;

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<sup>4</sup> Decision B.12/31.

<sup>5</sup> Decision B.18/10.

- (b) Suspension or termination of grant awards in the event of the beneficiaries failing to comply with their obligations;
- (c) Periodic independent reviews/audit of its grant award activities; and
- (d) Recovery of funds disbursed to grantees, in respect of expenditures which are unauthorized or fall outside the scope of the approved grant funded activities.

25. The AP concludes that the applicant's grant award policies and procedures are effectively implemented throughout the grant award process and that these policies and procedures are sufficiently aligned with the GCF specialized fiduciary standard for grant award and/or funding allocation mechanisms.

### 3.1.5 **Section 5.3: Specialized fiduciary standard for on-lending and/or blending**

26. The applicant did not apply for accreditation for this standard at this time.

## 3.2 Environmental and social safeguards

### 3.2.1 **Section 6.1: Policy**

27. Although an environmental and social (E&S) policy is not required for E&S risk Category C/I-3, the applicant has an approved environmental and social management framework (ESMF), dated December 2017. The ESMF defines the roles and responsibilities regarding the E&S policy and excludes projects with activities that degrade natural habitats. In addition to the ESMF, the applicant has an operations manual developed in 2018 for its new conservation investment programme, which integrates the ESMF requirements. It also includes an updated screening protocol to address E&S matters in the project cycle.

### 3.2.2 **Section 6.2: Identification of risks and impacts**

28. The 2017 ESMF, the 2018 operations manual and screening protocol guide the applicant's E&S and gender risk identification and project categorization process over the project cycle. The manual provides screening checklists. The applicant also provided a new checklist to screen and categorize against the International Finance Corporation (IFC) performance standards 1 to 8 on environmental and social sustainability. This new checklist will be used in conjunction with the other screening tools already used by the applicant. The conservation programme officer will conduct the E&S and gender screening and categorization. Typically, if a safeguard is triggered, the applicant will ask the grantee to downscale the activity to maintain an IFC Category C designation and/or the applicant will be asked to seek clearance from the Ministry of the Environment before the applicant proceeds with its project appraisal and approval process. The applicant will also assess a grantee's capacity to implement the ESMF using its capacity assessment tool. A screening report is prepared to summarize the findings and the stakeholder consultations, and to make a recommendation to the internal screening committee and the board to approve, revise, or reject the proposed project/grantee. The applicant provided a copy of the scoring form used to review the application package, showing institutional capacity to do this work.

29. The applicant's ESMF refers to category A projects as those having minimal or no E&S risk, category B as medium E&S risk and category C as high E&S risk. This is in reverse order to the GCF E&S risk categorization system. The applicant has agreed to follow the GCF categorization sequence for any GCF-funded projects/programmes, with Category C/I-3 being a project/programme with minimal to no E&S risks and potential impacts.

30. The applicant provided a list of projects that it categorized retrospectively using the new 2017 ESMF, showing projects that fall under the maximum GCF E&S risk Category C/1-3. It is possible, given the sensitive locations of projects (i.e. in protected areas and possibly in close

proximity to indigenous peoples), that some very small-scale infrastructure projects or components therein may fall in the E&S risk Category B/I-2.

31. The AP finds that the applicant's procedures and new checklist to identify risks and impacts align with the GCF interim environmental and social safeguards (ESS) for performance standards 1 to 8, and are sufficient to address the risks of Category C/I-3 projects/programmes. Entities accredited for Category C must be able to confirm that their GCF projects remain in Category C during implementation. The applicant is developing a capacity development plan (see section 3.2.4, below), which the AP recommends should include strengthening the capacity to screen and categorize projects using the new E&S and gender checklist/procedure.

### 3.2.3 Section 6.3: Management programme

32. According to the ESMF and the 2018 operations manual, the applicant must conduct an E&S and gender risk assessment and a field-planning mission on project proposals predicted to have minor impacts. The applicant and the grantee will review and confirm the mitigation plan, monitoring procedures, data sharing requirements and reporting schedule, which will be stipulated in a partnership agreement. The assessment findings, including the results of public consultation, are summarized in the final draft of the project proposal.

33. The applicant provided an example of an E&S and gender risk assessment, showing that E&S and gender risks were reviewed and mitigation measures were identified. Implementation of the ESMF is just starting as part of implementing the new 2018 conservation investment strategy. The applicant has started to build its related track record.

34. Category C applicants are not required to have a documented institutional process to manage mitigation measures and actions stemming from the E&S and gender risk identification process. By having the core documents listed above, the applicant surpasses the requirements of Category C/I-3 under this item.

### 3.2.4 Section 6.4: Organizational capacity and competency

35. The applicant provided an organizational chart showing the E&S and gender functions and reporting lines. The conservation investment department, comprising a manager, a monitoring officer and two conservation programme officers, manages the implementation of the ESMF and ensures that E&S and gender issues are adequately addressed during the project cycle. The conservation programme officer conducts the E&S and gender technical reviews, including the screening, project categorization and compliance monitoring. The terms of reference and curriculum vitae of the chief conservation programme officer were provided.

36. The E&S and gender staff have participated in E&S and gender training webinars and forums provided by the AF and the World Bank. The applicant is currently developing an E&S and gender capacity development plan to strengthen the organizational capacity to conduct E&S and gender screening, categorization and monitoring in line with the GCF interim ESS. The applicant expects to adopt its capacity development plan by December 2018 for implementation in 2019. The capacity gap identified is reflected in the corresponding condition for accreditation (see section 4.2 below).

### 3.2.5 Section 6.5: Monitoring and review

37. The applicant's ESMF, the 2018 monitoring and evaluation framework, and the 2018 operations manual indicate that the grantee will monitor and review E&S and gender risks, as well as the implementation and effectiveness of mitigation measures at each reporting period. The conservation programme officer is responsible for the project-level E&S and gender monitoring, whereas the monitoring officer will collate all the information at institutional level for reporting to senior management.

38. The applicant provided sample project monitoring reports to show a track record for its E&S and gender monitoring in the past, as well as the sample reports monitored against planned

activities, and some E&S and gender mitigation measures. The new ESMF explicitly requires grantees to report on the implementation of E&S and gender mitigation measures. One example from a new project was provided to show that E&S and gender risks and mitigation measures are now monitored more fully and in compliance with the new core documents.

39. The ESMF requires that E&S and gender monitoring and evaluation be integrated into the external mid-term and terminal evaluations. The first institutional monitoring and evaluation report is expected after April 2019. There are also provisions to review the effectiveness of the ESMF; the first ESMF review is expected in 2021, after gaining implementation experience.

40. The ESMF and 2018 documents provide an adequate framework to monitor in line with the GCF requirement for Category C/I-3 projects/programmes. The AP considers that the E&S and gender monitoring form should be revised to facilitate the tracking of E&S and gender risks and mitigation measures against the GCF interim ESS. The procedural gap identified is reflected by the corresponding condition for accreditation (see section 4.2 below).

### 3.2.6 Section 6.6: External communications

41. The grantee must document how the local community was consulted and involved during project design and implementation. Project information is to be disclosed in two phases: draft document phase to seek input; and final document phase to inform local communities on E&S and gender measures. E&S and gender information is to be disclosed in English and in the local language, and at both the entity and local levels. The applicant uses its annual reports, website and social media accounts (e.g. Twitter, Facebook, YouTube and Instagram) to engage with the public and to disclose E&S and gender information.

42. The ESMF briefly outlines the procedures to receive, register and handle external communications and complaints related to E&S matters. The ESMF requires that grantees develop a project-specific grievance mechanism in collaboration with the affected community, but it does not mention that the applicant will need to review the adequacy of the executing entity's grievance mechanism.

43. The applicant indicated that it has not received any local-level E&S and gender complaints to date. The applicant's communications desk has managed the grievance procedure in the past, but with the recent organizational restructuring, there is no longer a designated communications desk, because the communications function is considered a cross-functional responsibility. The conservation investment department is now responsible for disclosing E&S and gender information and for managing the E&S and gender enquiries and grievance mechanism.

44. The applicant indicated that it will comply with the GCF E&S-related requirements for public consultation, information disclosure and grievance redress mechanisms. The applicant indicated that it could integrate the requirement to review the adequacy of the project-level grievance mechanism into the project monitoring and evaluation function. The procedural gap identified is reflected by the corresponding condition for accreditation in section 4.2 below.

## 3.3 Gender

45. The applicant indicated that it complies with the 2013 national gender policy, which endorses gender equality and equity, and equal benefits for women and men. The applicant adopted its own gender policy in December 2017, with principles focused on good governance, gender equity and equality, accountability and information sharing.

46. Gender considerations are integrated into core documents. The operations manual requires investments to be screened and monitored for gender impacts. The code of ethics requires compliance with all policies. The employee handbook addresses non-discrimination,

equal opportunity and protection against workplace harassment. Project proposals are screened to ensure fair employment practices, with the applicant issuing a no-objection letter before the grantee can sign contracts with consultants and suppliers. The monitoring and evaluation framework provides a tool to assess whether men and women receive equal remuneration and equal benefits. The communications strategy is being updated to integrate a requirement for gender-sensitive communications.

47. The applicant provided three project examples to show how women and men benefitted from its climate change projects (e.g. a project on alternative economic livelihoods for women and men in coastal areas).

48. The applicant's gender policy and procedures are aligned with the requirements of the GCF Gender Policy. However, the applicant indicated that staff have not received any gender training, although its independent expert panel can provide some gender expertise. The applicant also noted that there are few national gender experts. There is no gender focal point, because the applicant considers implementing the gender policy to be a cross-functional role and not a specific position. Gender-mainstreaming capacity is still weak and it should be strengthened within the capacity development plan mentioned in section 3.2.4 of this document. The gap identified is reflected in the corresponding condition for accreditation in section 4.2 below.

## IV. Conclusions and recommendation

### 4.1 Conclusions

49. Following its assessment and noting that the applicant has applied under the fast-track accreditation process, the AP concludes the following in relation to the application:

- (a) The applicant meets the requirements of the GCF basic fiduciary standards, the specialized fiduciary standard for project management and the specialized fiduciary standard for grant award and/or funding allocation mechanisms;
- (b) The applicant partially meets the requirements of the interim ESS of GCF in relation to the minimal to no E&S risk (Category C/I-3), the main issue being some capacity gaps (including gaps regarding tools) related to screening, categorizing and monitoring of projects using the GCF interim E&S standards; and
- (c) The applicant's gender policy and procedures are consistent with the requirements of the GCF Gender Policy, but the main gap is that gender mainstreaming capacity and experience needs to be strengthened.

### 4.2 Recommendation on accreditation

50. The AP recommends, for consideration by the Board, applicant APL073 for accreditation as follows:

- (a) **Accreditation type:**
  - (i) **Maximum size of an individual project or activity within a programme:** micro;
  - (ii) **Fiduciary functions:**
    1. Basic fiduciary standards;
    2. Specialized fiduciary standard for project management; and

3. Specialized fiduciary standard for grant award and/or funding allocation mechanisms; and
- (iii) **Maximum environmental and social risk category:** minimal to no risk (Category C/I-3); and
- (b) **Conditions:** the applicant will be required to submit to the AP, through the Secretariat, information on how it has complied with the condition(s). The AP will thereafter assess whether the condition(s) has/have been met. This assessment will be communicated by the Secretariat, on behalf of the AP, to the Board for information purposes:
  - (i) Conditions prior to the first disbursement by GCF for the first GCF-funded project/programme to be undertaken by the applicant:
    1. Provide a copy of the applicant's approved E&S and gender capacity development plan for 2019 that shows capacity development for E&S and gender screening, categorization and monitoring in line with GCF interim ESS, and gender mainstreaming in line with the GCF Gender Policy. The applicant can provide evidence of training events; training materials; and screening, categorization and monitoring reports to address this condition; and
    2. Provide evidence by the applicant to show the following updates to the applicant's procedures and tools:
      - a. E&S and gender monitoring form;
      - b. Gender-sensitive communications strategy; and
      - c. Monitoring and evaluation procedure that requires the applicant to review the adequacy of the executing entity's grievance redress mechanism during monitoring and evaluation of a project/programme.

51. The applicant has been informed of the recommendation for accreditation, including the accreditation type and conditions, as identified in paragraph 50 above, and agrees to the recommendation.

### 4.3 Remarks

52. The applicant may consider seeking an upgrade to E&S risk Category B/Intermediation 2 (I-2),<sup>6</sup> once it has strengthened its capacity and built its track record in implementing the 2017 ESMF and the new core documents that support the ESMF.

53. The applicant may choose to develop a GCF operations manual, which could include the GCF-relevant policies, standards and procedural updates to address the conditions of accreditation identified in section 4.2 above.

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<sup>6</sup> As per annex I to decision B.07/02 (annex I to document GCF/B.07/11), category B is defined as "Activities with potential mild adverse environmental and/or social risks and/or impacts that are few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures" and intermediation 2 is defined as "When an intermediary's existing or proposed portfolio includes, or is expected to include, substantial financial exposure to activities with potential limited adverse environmental or social risks and/or impacts that are few in number, generally-site specific, largely reversible, and readily addressed through mitigation measures; or includes a very limited number of activities with potential significant adverse environmental and/or social risks and/or impacts that are diverse, irreversible, or unprecedented".