

Annex XXIV: Summary of recommendations

Table 1: Summary of recommended accreditation types and conditions

Applicant number	Access modality	Accreditation type being recommended under the fit-for-purpose approach			Accreditation conditions, recommendations and remarks
		Size ¹	Fiduciary functions ²	Environmental and social risk category	
APL021 ADA	Direct access, national	Small ³	Basic fiduciary standards; and Specialized fiduciary standard for project management	Medium risk (Category B/(1-2)) ⁴	<p>Condition(s) prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant:</p> <ol style="list-style-type: none"> Approve, through the applicant's board, the policies and procedures that pertain to investigations. The approved policy should contain the following elements: <ol style="list-style-type: none"> Publicly available terms of reference that outline the purpose, authority and accountability of the function; Guidelines to process cases, including standardized procedures to handle complaints received and to manage them before, during and after the investigation process; and A registry specifically for cases of fraud and corruption; Publish both (a) and (b) above; and

¹ "Size" refers to the total projected costs at the time of application, irrespective of the portion that is funded by the GCF, for an individual project or an activity within a programme. Four size categories (micro, small, medium and large) are defined in annex I to decision B.08/02.

² Decision B.07/02.

³ As per annex I to decision B.08/02 (annex I to document GCF/B.08/45), "small" is defined as "maximum total projected costs at the time of application, irrespective of the portion that is funded by the GCF, of above US\$ 10 million and up to and including US\$ 50 million for an individual project or an activity within a programme".

⁴ 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".

<p>APL022 MOFEC</p>	<p>Direct access, national</p>	<p>Small</p>	<p>Basic fiduciary standards; and Specialized fiduciary standard for project management</p>	<p>Medium risk (Category B/1-2)</p>	<p>3. Formalize the process for periodically reporting case trends <u>Condition(s) prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant:</u></p> <ol style="list-style-type: none"> 1. Finalize the recruitment of an E&S expert to help to oversee the project management cycle under the applicant's facility; and 2. Develop an external communications mechanism, which provides a system to receive, document and respond to questions or complaints from the general public <p><u>Conditions to be met on an annual basis for the three consecutive years, starting with the financial year 2016. All information shall be included on an annual basis within a semi-annual progress report consistent with the requirements of the GCF monitoring and accountability framework for accredited entities;⁵</u></p> <ol style="list-style-type: none"> 3. Report progress in respect of all projects and programmes being undertaken. The report should include information on: <ol style="list-style-type: none"> a. Progress on activities vis-à-vis a plan with specific indicators; b. Budget variances and analysis; c. Major risks and issues, if any, that may or are impacting the execution of a project/programme; and d. Brief qualitative write-up, including the likelihood of the project achieving its planned objectives (results, budget and schedule); 4. Provide the annual audit reports of projects/programmes, including verification of assets, prepared by the office of the federal auditor general within four months of the close of each year to the GCF; and 5. Provide the annual audit reports on procurement related to projects/programmes where substantial procurement has
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⁵ Decision B.11/10.

<p>been undertaken by an executing entity, which is not a public sector body, to the GCF</p>	<p><u>Remarks:</u></p> <p>The AP notes the applicant's keen interest in developing and implementing climate change projects and programmes that are medium and large in size. Recognizing that the applicant has experience in medium and large-sized projects, albeit primarily in cooperation with international organizations, the AP encourages the applicant to continue enhancing its financial, environmental and social policies and procedures, and to build capacity to allow it to independently develop and manage projects and programmes of medium and large sizes. With the possibility to apply in the future for an upgrade of its accreditation type from small to medium-sized projects and activities within a programme, the applicant should consider the provision of evidence as proof of its capability to independently manage medium-sized projects/activities within a programme. This evidence may be provided in the form of an independent evaluation report for a small-sized project undertaken independently by the applicant using the project management framework recently developed for use by the applicant's facility. The evaluation should be undertaken by an independent party, which may include a consultant or consultancy firm appointed on the basis of an international tender. The evaluation should cover a reasonable project execution period, including:</p> <ul style="list-style-type: none"> (b) Project design and appraisal; (c) Project planning and implementation; (d) Project administration and execution; (e) Project M&E; and (f) Associated corrective actions
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<p>APL023 NEMA</p>	<p>Direct access, national</p>	<p>Micro⁶</p>	<p>Basic fiduciary standards; and Specialized fiduciary standard for project management</p>	<p>Medium risk (Category B/1-2)</p>	<p>The AP would reassess the applicant's capacity to satisfactorily execute projects on the basis of this evaluation report and any other supporting evidence provided at the time. Based on a satisfactory outcome, the AP could recommend the applicant for an upgrade of its accreditation type, as defined in paragraph 33(a) of annex V, for a higher size category (e.g. medium or large) to the Board for its consideration and decision-making</p>
<p>APL024 DBSA</p>	<p>Direct access, regional</p>	<p>Large⁷</p>	<p>Basic fiduciary standards; Specialized fiduciary standard for project management;</p>	<p>High risk (Category A/1-1)⁸</p>	<p><u>Condition(s) prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant:</u> 1. Use external support, including that from co-financiers, acceptable to the GCF, to help to prepare projects or programmes that invoke any of performance standards 2 to 8</p> <p><u>Remarks:</u> 1. The applicant is requested to share key features of its gender development plan, as and when it is finalized, including efforts the applicant has made to enhance the capacities of its staff on gender-related programming</p> <p><u>Condition(s) prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant:</u> 1. Develop an external communications mechanism, which provides a system to receive, document and respond to questions or complaints from the general public</p> <p><u>Remarks:</u></p>

⁶ As per annex I to decision B.08/02, "micro" is defined as "maximum total projected costs at the time of application, irrespective of the portion that is funded by the GCF, of up to and including US\$ 10 million for an individual project or an activity within a programme".

⁷ As per annex I to decision B.08/02, "large" is defined as "total projected costs at the time of application, irrespective of the portion that is funded by the GCF, of above US\$ 250 million for an individual project or an activity within a programme".

⁸ As per annex I to decision B.07/02, category A is defined as "Activities with potential significant adverse environmental and/or social risks and/or impacts that are diverse, irreversible, or unprecedented" and intermediation 1 is defined as "When an intermediary's existing or proposed portfolio includes, or is expected to include, substantial financial exposure to activities with potential significant adverse environmental and/or social risks and/or impacts that are diverse, irreversible, or unprecedented".

<p>APL025 Crédit Agricole CIB</p>	<p>International access, private sector</p>	<p>Large</p>	<p>Specialized fiduciary standard for grant award and/or funding allocation mechanisms; and Specialized fiduciary standard for on-lending and/or blending (for loans, equity and guarantees)</p>	<p>High risk (Category A/I-1)</p>	<p>1. The Accreditation Panel notes that the applicant has well-developed internal E&S training programmes for its employees. The applicant is encouraged to share such experience with the financial institutions in the region in this regard</p>
<p>APL026 HSBC</p>	<p>International access, private sector</p>	<p>Large</p>	<p>Basic fiduciary standards; Specialized fiduciary standard for project management; and Specialized fiduciary standard for on-lending and/or blending (for loans, equity and guarantees)</p>	<p>High risk (Category A/I-1)</p>	<p><u>Condition(s) prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant:</u></p> <ol style="list-style-type: none"> 1. Develop a process for publicly disclosing information on beneficiaries and results of projects and programmes that are financed by the GCF. This process should be aligned with the requirements of the GCF regarding disclosure of project information; 2. Develop a tracking system or register within the external communications mechanism to document questions or complaints received from the general public and from clients, as well as responses to them, for projects and programmes financed by the GCF; and 3. Develop a gender policy or approach in line with the gender policy of the GCF and obtain gender competencies to implement the policy/approach on projects and programmes funded by the GCF
<p>APL026 HSBC</p>	<p>International access, private sector</p>	<p>Large</p>	<p>Basic fiduciary standards;</p>	<p>High risk (Category A/I-1)</p>	<p><u>Condition(s) prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant:</u></p> <ol style="list-style-type: none"> 1. Provide the Fund, through the Secretariat, with a letter of comfort executed by the appropriate authority within the

<p>APL027 AfDB</p>	<p>International access</p>	<p>Large</p>	<p>Specialized fiduciary standard for project management; and Specialized fiduciary standard for on-lending and/or blending (for loans, equity and guarantees)</p>	<p>Specialized fiduciary standard for project management; and Specialized fiduciary standard for on-lending and/or blending (for loans, equity and guarantees)</p>	<p>applicant entity stating that it is taking the necessary actions to strengthen its internal controls related to compliance with relevant regulations, including, but not limited to, risk management, management of operational risk, and anti-money laundering and countering the financing of terrorism;</p> <p>2. Develop a process for publicly disclosing information on beneficiaries and results of projects and programmes that are financed by the GCF. This process should be aligned with the requirements of the GCF regarding disclosure of project information; and</p> <p>3. Develop a gender policy or approach in line with the gender policy of the GCF and obtain gender competencies to implement the policy/approach on projects and programmes funded by the GCF</p> <p>(g) <u>Other condition(s)</u>:</p> <p>1. Provide the Fund, through the Secretariat, with its annual reports that disclose information on regulatory compliance;</p>
				<p>High risk (Category A/(1-1))</p>	<p><u>Condition(s) to be met for an approved project/programme that has an equity structure to be invested in by the GCF to be undertaken by the applicant:</u></p> <p>1. Prior to the first disbursement from the GCF to the equity issuer, submit draft terms of reference for the annual audit, which has to be included in the constitutional document of the equity issuer, for review and approval by the GCF; and</p> <p>2. Undertaking in the funded activity agreement to provide the GCF on an annual basis for the first three consecutive years with annual audit reports and information on the status of recommendations that may arise from such reports. After the</p>

APL028 EIB	International access	Large	blending (for loans, equity and guarantees) Basic fiduciary standards; Specialized fiduciary standard for project management; Specialized fiduciary standard for grant award and/or funding allocation mechanisms; and Specialized fiduciary standard for on-lending and/or blending (for loans, equity and guarantees)	High risk (Category A/(1-1))	first three years, the GCF will review the need to extend this condition
APL029 IFC	International access	Large	Basic fiduciary standards; Specialized fiduciary standard for project management; Specialized fiduciary standard for grant award and/or funding allocation mechanisms; and Specialized fiduciary standard for on-lending and/or	High risk (Category A/(1-1))	<p><u>Conditions:</u> none</p> <p><u>Remarks:</u></p> <ol style="list-style-type: none"> The applicant is encouraged to further enhance its strategic approach to gender with a view to integrating a formalized gender-sensitive approach in its ongoing operations. The applicant is invited to share such a strategy with the GCF once it is finalized and formally adopted
					<p><u>Conditions:</u> none</p> <p><u>Remarks:</u></p> <ol style="list-style-type: none"> In the course of its due diligence, the AP has been made aware that in 2011 the applicant conducted an audit of the environmental and social management system of its financial intermediaries and developed an action plan in response to the audit findings. The AP would like to request the applicant to report to the GCF on the progress made in the implementation of this action plan In the course of its due diligence, the AP has been made aware of the applicant's participation in the work on the harmonization of the E&S standards used by a number of international financial institutions. The AP encourages the

APL030 UCAR	Direct access, national	Small	blending (for loans, equity and guarantees)	Basic fiduciary standards; Specialized fiduciary standard for project management; and Specialized fiduciary standard for grant award and/or funding allocation mechanisms	Medium risk (Category B/1-2)	applicant to further pursue this initiative among other multilateral financial institutions and inform the GCF on the progress in this process <u>Condition(s) prior to the approval of the first funding proposal for a grant award programme submitted by the applicant to the GCF:</u> 1. Further develop the current operations and procedures manual to incorporate the features expected to be applied in the grant operations that the applicant will undertake with GCF funds
APL031 IUCN	International access	Medium	Basic fiduciary standards; Specialized fiduciary standard for project management; and Specialized fiduciary standard for grant award and/or funding allocation mechanisms	Medium risk (Category B/1-2)	<u>Condition(s) prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant:</u> 1. Develop an operations and procedures manual to incorporate the features expected to be applied in the grant operations that the applicant will undertake with GCF funds, including the procedure for public disclosure of timely information on the award of grants	
APL032 WFP	International access	Micro	Basic fiduciary standards; and	Minimal to no risk (Category C/1-3) ⁹	<u>Conditions:</u> none	

⁹ As per annex 1 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”.



APL033 WMO	International access	Small	Specialized fiduciary standard for project management	Minimal to no risk (Category C/1-3)	<u>Condition(s) prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant:</u> 1. Adopt the new project management framework, which includes the identification, mitigation, management and monitoring of E&S risks and impacts
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