

Annex IX: Summary of recommendations

Table 9: 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	
APL035 BOAD	Direct access, regional	Medium ³	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 and guarantees)	Medium risk (Category B/I-2) ⁴	<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 a plan for improving the monitoring of compliance with its fiduciary, E&S and gender-related standards as well as any conditions in general that it applies to its financing, including for projects financed by the GCF; and 2. Develop a process for publicly disclosing information on beneficiaries and results of projects and programmes that are financed by the GCF <p><u>Condition(s) prior to submitting a request for GCF financing of a medium-sized grant award programme:</u></p> <ol style="list-style-type: none"> 1. Test and prove by way of having approved and successfully

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 (annex I to document GCF/B.08/45).

² Decision B.07/02.

³ As per annex I to decision B.08/02, "medium" 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\$ 50 million and up to and including US\$ 250 million for an individual project or an activity within a programme".

⁴ As per annex I to decision B.07/02, 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>implemented for a minimum period of one year a small-sized grant award programme</p> <p><u>Remarks:</u> Although the applicant has sound policies and practices in relation to E&S, gender and climate matters, it will need more staff in order to increase the scale and scope of its activities significantly as it has planned. In particular, it is judged that more careful project design, enhanced implementation budgets and resources, and strengthened monitoring and supervision, can help to overcome the existing capacity constraints. It is therefore recommended that the applicant addresses the staff shortcomings identified in paragraphs 19, 32 and 40 in annex V to this document</p> <p>The applicant has a wide-ranging ESMS, which is consistent with the requirements of performance standard 1 of the GCF interim ESS. Since the applicant’s ESMS has been updated over time, it is recommended that the applicant now consolidate its existing guidelines in order to more easily screen and assess projects against performance standards 2 to 8 and to ensure that:</p> <ul style="list-style-type: none"> (a) All departments and all clients have the full package of the most-up-to-date ESMS elements; and (b) All departments and clients have been sufficiently trained to use the most-up-to-date ESMS elements
APL036	Direct access,	Small ⁵	Basic fiduciary standards;	High risk	<u>Condition(s) prior to the first disbursement by the GCF for an</u>

⁵ As per annex I to decision B.08/02, “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”.

CDB	regional		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 and equity)	(Category A/I-1) ⁶	<p><u>approved project/programme to be undertaken by the applicant:</u></p> <ol style="list-style-type: none"> 1. Establish an appropriate system for providing public access to information on the periodic progress of individual projects/programmes, including budget utilization, in relation to grant funding; and 2. Demonstrate that the permanent external communications mechanism is fully functioning, in particular identifying the staff assigned to manage, document and respond to communications, questions or complaints on the environmental and the social performance of projects
APL037 XacBank	Direct access, national, private sector	Small	Basic fiduciary standards; Specialized fiduciary standard for project management; Specialized fiduciary standard for on-lending and/or blending (for loans, equity and guarantees)	Medium risk (Category B/I-2)	<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 evidence of the effective application of procedures for the investigation of fraud, corruption and other forms of malpractice; 2. Provide evidence of the effective implementation of the procedures for: <ol style="list-style-type: none"> (a) The preparation of project implementation plans; (b) Project closure; and (c) The independent evaluation of project results; and 3. Provide evidence of the effective implementation of its information disclosure policy <p><u>Remarks:</u> Following the provisions of its information disclosure policy, the applicant is encouraged to align its disclosure of E&S reports to</p>

⁶ As per annex I to decision B.07/02 (annex I to document GCF/B.07/11), 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”.

					the requirements of the GCF Information disclosure policy.
APL038 GIZ	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/I-2)	<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. Submit an operational guideline/manual that describes the fiduciary due diligence process it would apply to GCF financing concerning transparency and accountability, with specific reference to standards on 'know your customer' and AML <p><u>Remarks:</u> In the view of the AP, this recent broadening in the scope of the applicant's activities could give rise to potential conflicts of interest between the applicant as a provider of technical cooperation on the one hand, and on the other as the supplier of GCF grants for a technical cooperation programme managed by an intermediary. In such cases, if the potential for conflict of interest is confirmed, the services should be procured using rules in line with those of the GCF fiduciary standards regarding procurement</p>