

## Annex IV: Accreditation assessment of Applicant 057 (APL057)

### I. Introduction

1. Applicant 057 (APL057), the Department of Environment (DOE) under the Ministry of Health and the Environment of the Government of Antigua and Barbuda, is a national entity and government agency whose core mandate is to perform its functions for sustainable environmental protection and management in Antigua and Barbuda, including the implementation of various multilateral agreements on environment and climate change.
2. The applicant submitted its application for accreditation to the Secretariat via the Online Accreditation System on 13 September 2016. The Stage I institutional assessment and completeness check was completed on 20 April 2017 and 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 the GCF:
  - (a) **Access modality:** direct access, national. The applicant received a national designated authority or focal point nomination for its accreditation application from Antigua and Barbuda;
  - (b) **Track:** fast-track under the Adaptation Fund;
  - (c) **Maximum size of an individual project or activity within a programme:** small;<sup>1</sup>
  - (d) **Fiduciary functions:**<sup>2</sup>
    - (i) Basic fiduciary standards;
    - (ii) Specialized fiduciary standard for project management;
    - (iii) Specialized fiduciary standard for grant award and/or funding allocation mechanisms; and
    - (iv) Specialized fiduciary standard for on-lending and/or blending (for loans); and
  - (e) **Maximum environmental and social risk category:** medium risk (Category B/Intermediation 2 (I-2)).<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 Adaptation Fund accredited entity. Its application has been assessed by the Secretariat during

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<sup>1</sup> 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 USD 10 million and up to and including USD 50 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 (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”.

Stage I in accordance with the requirements and gaps identified in decisions B.08/03 and B.12/30.<sup>4</sup>

## 2.1 Legal status, registration, permits and licences

4. The applicant provided documents on its establishment and licences to operate, where relevant, as a part of the application. The DOE, formerly known as the Environment Division, was formed in 1996 by a cabinet decision and was transformed into a department of the Government by the passage of the Environmental Protection and Management Act (EPMA) by the Parliament of Antigua and Barbuda. The main goal of this transformation was to provide the DOE with more authority and independence to obtain and manage financial resources, as well as to develop innovative and cost-effective programmes on climate change adaptation and mitigation specifically tailored to local circumstances.

## 2.2 Institutional presence and relevant networks

5. As a part of its mandate under the EPMA, the DOE is tasked with consolidating, into one legal regime, the coordination and implementation of the multilateral environmental agreements to which Antigua and Barbuda is a party, and to establish and make operational the framework financial mechanism to implement the EPMA (the Sustainable Island Resource Framework Fund (SIRF Fund)).

6. As the national focal point of Antigua and Barbuda to the United Nations Framework Convention on Climate Change, the applicant is responsible for the implementation of strategies to address climate change impacts in the country. In particular, the applicant coordinated the preparation of the country's nationally determined contribution for the Paris Agreement. Additionally, the applicant, as a government department, has been a coordinating body that works closely with over 15 key government agencies, civil society and private sector entities in Antigua and Barbuda.

7. In order to achieve the GCF objectives for effectiveness and efficiency, the applicant intends to pioneer direct access in the eastern Caribbean, to enhance climate resilience across the subregions in the country and to leverage funding through the SIRF Fund, which is the core business model of the applicant and is a national fund to catalyse internal and external funding sources to enable the country to meet its climate and sustainability goals in a coordinated, systematic and cost-effective manner.

## 2.3 Track record

8. The applicant has implemented programmes and projects in the context of different financial mechanisms of multilateral agreements on environment and climate change, such as the Adaptation Fund and the Special Climate Change Fund under the Global Environment Facility. Such projects include policy development and implementation; integrated approaches to renewable energy; energy efficiency; resilience building; wetlands and waterway protection and restoration; biodiversity protection and management; and structuring sustainable

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<sup>4</sup> At the time of the proposal for Board consideration to expand the list of entities potentially eligible for GCF fast-track accreditation in line with decision B.08/03 (document GCF/B.12/07), which was adopted in decision B.12/30, the applicant's name was the Environment Division. In a letter received by the Secretariat from the applicant in March 2017, the applicant indicated a change in the name from "Environment Division" to "Department of Environment" and a change in the title of the head of the Department, with all other details and structures of the Department remaining unchanged.

financing. These projects may fall within the GCF environmental and social (E&S) Category B/I-2 or lower E&S risk levels.

9. The applicant's track record in financing climate change related projects includes the following, which fall within the GCF small size category:
  - (a) USD 10 million (grant and receipt of loans) for An Integrated Approach to Physical Adaptation and Community Resilience in Antigua and Barbuda's Northwest McKinnon's Watershed;
  - (b) USD 15 million (receipt of loans) for the Hybrid Solar and Wind Power Project;
  - (c) USD 17 million (grant and receipt of loans) for Building Climate Resilience Through Innovative Financing Mechanisms for Climate Change Adaptation; and
  - (d) USD 30 million (grant and receipt of loans) for the International Renewable Energy Agency Project.

### III. Stage II accreditation review assessment

10. The applicant is eligible for, and applied under, the fast-track accreditation process as an Adaptation Fund entity. Its application has been assessed by the Accreditation Panel (AP) during Stage II (Step 1) against the standards of the GCF in accordance with the requirements and gaps identified in decisions B.08/03 and B.12/30.

11. As part of this assessment, the AP consulted the applicant's website and third-party websites 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

12. As per paragraph 10 above, the basic fiduciary standards concerning key administrative and financial capacities is considered to have been met by way of fast-track accreditation.

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

13. As per paragraph 10 above, the basic fiduciary standards concerning transparency and accountability of the accreditation application has been met by way of fast-track accreditation, with the exception of item 4.2.4, investigation function, and item 4.2.5, anti-money laundering and countering the financing of terrorism policies.

14. Regarding item 4.2.4 of the accreditation application, the applicant has an investigation function in place, including a transparent formalized process for the submission and handling of complaints and concerns regarding actual or suspected violations of national law and environmental regulations and actual or suspected violations of the applicant's internal policies for misconduct in the projects financed by the applicant. The whistle-blower protection policy and the mechanism that allows the public to launch complaints are available on a dedicated webpage.

15. With regard to investigation, reporting and the prosecution of fraud and corruption, the applicant follows the national legislation of Antigua and Barbuda that outlines the procedures for the receipt and investigation of the complaints, offences of fraud and corruption, and conducting corresponding inquiries and audits of the complaints. The legislation for the prevention of fraud and corruption establishes the relevant authorities to conduct the investigation process and decide on the follow-up measures.

16. The applicant has provided relevant audit reports for the years 2015–2016 and also a note on the investigation of two cases in the last three years, one of which was confirmed to be a case relating to a breach of fiduciary duties.

17. Regarding item 4.2.5 of the accreditation application, the applicant, as a government department, is regulated by the national anti-money laundering and countering the financing of terrorism acts, policies and procedures of Antigua and Barbuda. The applicant also complies with the national laws of Antigua and Barbuda with respect to prohibited practices. The definitions of the various prohibited practices are contained in a number of national laws of Antigua and Barbuda, and in general are found to be in line with the GCF interim policy on prohibited practices. Also, the reference to prohibited practices is included in the regulations of the applicant's SIRF Fund, the activities of which the applicant seeks to scale up using GCF resources.

18. Risk-based “know-your-customer” counterparty due diligence is carried out by the applicant's technical advisory committee through site visits and using templates to collect the necessary information on the credibility of the potential grants and loans beneficiaries, and on the eligibility of the potential grant award programme activities. The names of the organizations benefiting from the grants are made public on the applicant's website. Sample copies of recently undertaken “know-your-customer” due diligence reports and copies of the electronic transaction reports corresponding to the evaluated beneficiaries were provided.

19. The applicant has a sound mechanism for the approval and recording of the wire transfers, which targets payments that are undertaken through banking transactions. All purchases and goods and services received by the applicant have to be approved by the procurement committee, and the transfers occur in accordance with the procurement committee's decisions. The wire transfers are monitored by the authorized project coordinator for the respective approved project. Copies of the wire transfers to subcontractors, consulting services and for equipment purchases in accordance with the payment schedules within the projects were provided.

20. Due to the small amount of the payments, the applicant has not deemed it necessary to develop a complex in-house electronic payment system. However, the applicant's current system is considered adequate and acceptable by the AP given the size of the institution and the scale of projects/programme activities under the specialized fiduciary standard for project management, the specialized fiduciary criteria for grant award and/or funding allocation mechanisms and the specialized fiduciary criteria for on-lending and blending (for loans), such as micro loans under the applicant's SIRF Fund.

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

21. As per paragraph 10 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**

22. The applicant's grant award mechanism procedural framework is found to be mature and well developed. The applicant has extensive experience of working with a number of multilateral organizations, including the World Bank, the Inter-American Development Bank, the Global Environment Facility and the Adaptation Fund and, regarding the existing initiatives, has developed a pilot enhanced direct access programme to replicate and scale up successful arrangements to contribute to the region's climate change preparedness. The enhanced direct access programme is developed to provide micro-financing to households and grants to non-governmental organizations to build the resilience of buildings, and to support public sector infrastructure projects to cope with climate-related impacts.

23. The SIRF Fund was established by the applicant in order to increase the cost-effectiveness of the enhanced direct access programme implementation. The SIRF Fund is regulated under newly adopted national legislation and is being operationalized with assistance from several donors via projects and some grants. This revolving fund serves the role of a treasury for grants and micro loans disbursed to public or non-governmental agencies. The applicant's role in implementing such a fund structure and its institutional capabilities have been assessed by the AP during the accreditation review and found to be in line with the requirements of the GCF specialized fiduciary standard for grant award and/or funding allocation mechanisms and the specialized fiduciary standard for on-lending and/or blending (for loans).

24. The environmental protection and management regulations of Antigua and Barbuda (2017) form the basis for grant management procedures and for the grants and revolving fund manual of the applicant. The manual includes clear standardized provisions for conducting calls for proposals, eligibility criteria for projects and potential grantees, evaluating proposals and awarding grants, due diligence procedures, and roles and responsibilities for grant proposal consideration, approval, disbursement and reporting.

25. The applicant's grant award management procedure includes: standardized provisions for the recovery of funds awarded to the grantees, in respect of expenditures which are unauthorized or fall outside the scope of the funding for the projects; procedures for the suspension, reduction or termination of grants in the event of the beneficiary failing to comply with its obligations; and systems to prevent irregularities in the use of grant funds. The relevant clauses on the conditions for the termination of grants and recovery of funds are included in the standardized grant agreement template.

26. The grant award programme is managed by the applicant through supporting manuals and tools that are to be used by its technical evaluation committee in the preparation of the recommendations on the grant awards to the applicant's general board of directors. The terms of reference and records of the work of the technical advisory committee, technical evaluation committee and the board of directors were provided and contain evidence of the competence and independence of their members and objectivity of their decision-making.

27. The applicant has provisions for the periodic review of its grant award activities and has provided examples of the monitoring and evaluation reports of the programmes implemented in the last five years. In addition, the applicant provided reports compiled by its donor partners (multilateral organizations) containing positive observations and conclusions on the performance of the applicant in respect of its management of projects and grant award programmes.

28. Although the applicant publishes information on grant award notices on its website, it does not have a formal procedure in place to provide public access to information on grant award decisions and grant award programme results. The applicant is currently in the process of finalizing the designated website to provide the relevant information on its grant award programmes and revolving fund operations. The development of the website is expected to be completed in September 2017. Therefore, in order to fully meet the GCF specialized fiduciary standard for grant award and/or funding allocation mechanisms and to demonstrate the effective implementation of the grant award procedure, the applicant would need to provide evidence of the public disclosure of grant award decisions and grant award programme results.

29. The applicant conducts close monitoring of the activities implemented under its grant award programme and undertakes regular site visits to support its beneficiaries before, during and after project/programme implementation. The applicant also disseminates best practices and maintains good relations with the grant awardees. A number of examples of such site visit reports were provided to demonstrate the effective implementation of the monitoring procedures.

30. Overall, following the assessment, the AP concludes that the grant award mechanisms implemented by the applicant are mature and well-established and can be applicable to GCF-funded activities subject to the development and implementation of the policy for the public disclosure of grant award decisions and grant award programme results.

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

31. The applicant has established a micro-finance programme within the SIRF Fund. Specifically, it is a micro-financing revolving fund, which will provide loans at concessional rates directly to beneficiaries, which mainly comprise local households. The target group of the programme is vulnerable or “unbankable” households, who have limited income but have a desire to borrow to improve the resilience of their home or building to climate change. The loans will be provided for specific purposes to meet transformational policies, such as a new building code, or national laws related to climate change adaptation and mitigation. The loans will be unsecured, in the amount of less than USD 75,000 per loan, at 2 to 4 per cent interest, and with flexible repayment timeframes. The applicant is seeking to scale up this programme using GCF resources and is therefore applying for the specialized fiduciary criteria for on-lending and/or blending for loans. The applicant is authorized by the Government to conduct the revolving fund programme under the EPMA of 2015. The applicant will not use intermediaries for the programme, because the intermediary financial institutions may impose their rules and regulations that would make the vulnerable households ineligible for accessing traditional financing.

32. The applicant is currently establishing in-house capacity to support the programme. A designated team of specialists has been established to work on the loan applications, due diligence, site visits, consultations, monitoring and reporting.

33. The applicant has all of the necessary manuals and procedures in place to undertake due diligence, credit assessments and background checks on potential beneficiaries to ensure that borrowers have the capacity to repay and that the loan portfolio meets the objectives of this pilot programme – to assist vulnerable populations to adapt to climate change.

34. The applicant has established appropriate credit policies, internal control procedures, and procedures for evaluating loan applications. The relevant legislative and procedural framework documents, as well as a detailed financial analysis and financial model for the revolving fund, were provided.

35. In order to ensure the transparency and competency in the decision-making process of the SIRF Fund, the applicant has established multisectoral and multi-stakeholder technical review and decision-making committees, such as the SIRF Fund board and the loans board that include both members and observers from non-governmental organizations and the private sector.

36. The revolving fund programme’s financial risks are covered by the Ministry of Finance of Antigua and Barbuda, which provides the authorization to the applicant to manage financial and other risks. The applicant, on a quarterly basis, convenes risk assessment and monitoring meetings across units to update the risk registry.

37. The assets of the applicant belong to the Government of Antigua and Barbuda, and as such are managed on behalf of the Government to meet the EPMA requirements. The asset liability management is managed in-house by the applicant and is assisted by an assets and liabilities committee.

38. The treasury function of the applicant is managed by the accounts unit, and the operational function is managed by the project management unit, thus ensuring a clear separation between the two functions.



39. The applicant is planning to cooperate with the governments of the other smaller island States such as Dominica and Grenada on replicating the revolving fund model in the region. The revolving fund is considered by the AP to be a show case of the innovative financial approach to assist vulnerable communities in adapting to climate change in small island developing States and least developed countries.

40. Since the revolving fund has not yet been fully operationalized, there is no evidence of the publication of the beneficiaries and results of the programme. Therefore, the corresponding accreditation condition is recommended in paragraph 57(b) below.

## 3.2 Environmental and social safeguards

### 3.2.1 Section 6.1: Policy

41. The applicant is a government entity with a mandate to promote and steward environmental protection and management in the country. Its main mandate is the implementation and oversight of environmental and social standards of all development activities, as described in the EPMA of 2015, and the Physical Planning Act of 2004. The EPMA is umbrella national legislation that addresses environmental protection, conservation of biodiversity and natural resources, waste management, environmental management and monitoring, as well as multilateral environmental agreements. It sets the broad objectives and principles for sustainable development and for climate mitigation and adaptation. The EPMA also sets national environmental standards as well as international conventions ratified by the country.

42. The applicant has also submitted drafts of an environmental and social safeguards policy and a technical manual that are designed to guide the applicant's operations. The technical manual will serve as a comprehensive guide for projects and programmes, including those funded by international partners, while the policy documents provide an overview of environmental and social safeguard requirements laid out in various pieces of legislation. Both documents are scheduled for finalization and approval at the end of 2017.

43. The EPMA defines the mandate of the applicant, and its role in upholding the requirements and provisions of the EPMA. Roles and responsibilities of the applicant regarding project and programmes are further detailed in the draft technical manual.

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

44. The applicant follows the process laid out in the EPMA and the Physical Planning Act. The latter provides a list of types of project that require a full environmental impact assessment, and describes a screening process for projects not included in the list. The process is also described in the draft technical manual to be finalized at the end of 2017. Although these procedures do not explicitly categorize projects in the same manner as the GCF for E&S risk levels, projects are differentiated by the type of environmental impact assessment required, based on potential environmental impacts and risks.

45. Screening of environmental risks and impacts is conducted by the applicant's technical staff, as is the preparation of terms of reference for the environmental assessments. Screening and scoping tools are available in the draft technical manual. Furthermore, the applicant has adopted a risk management framework that encompasses a wide variety of risks, including political, institutional, financial and compliance (including environmental) risks. Overall project risks are assessed in the early stages of design and documented in a risk registry. The risk registry is reviewed by the applicant's project management committee and the technical advisory committee.

46. The applicant has provided evidence from the last three years of projects it has implemented that would fall into the GCF E&S risk Category B/1-2. This is considered sufficient evidence of its capacity and track record. With respect to the assessment of alternatives and associated facilities, the applicant's sample documents show sufficient experience. With regards to cumulative impact assessment, government legislation does not explicitly require cumulative impact assessments to be conducted for individual environmental and social impact assessments. Furthermore, the high cost and complex data requirements to analyse cumulative impacts have led the Government of Antigua and Barbuda to assume responsibility for addressing cumulative impacts through strategic environmental assessments and local area plans for watersheds.

### 3.2.3 Section 6.3: Management programme

47. The applicant has provided a draft technical manual, which was developed for the new organizational structure as the applicant transitions from a division to a department. The manual guides the management of projects as well as the mitigation of E&S risks and impacts. The applicant has stated that its draft technical manual will be updated to incorporate implications from: the upcoming ratification by the Government of Antigua and Barbuda of the Paris Agreement; internal organizational changes that the applicant is undergoing; and requirements that arise from the GCF accreditation. As the technical manual is an important element to guide the management of E&S mitigation efforts, it is important that the technical manual is finalized and approved by the applicant prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant if accredited.

### 3.2.4 Section 6.4: Organizational capacity and competency

48. Environmental and social safeguards has been a core function of the applicant since its days as a division within the Ministry of Health and the Environment. In its new, upgraded institutional status as a department, the environmental and social safeguards function will continue, and will make use of the institutional capacity and competence already established. A new organizational chart for the applicant has been provided in several documents, and a description of tasks related to the environmental and social management system is described in the draft technical manual.

49. The applicant has provided curriculum vitae showing competent technical staff, and demonstrates the applicant's experience in fostering long-term partnerships with reputable international and regional entities to provide long-term support for baseline data collection, E&S monitoring, project management, and so on. The partnerships and framework agreements were part of mitigation measures developed to overcome challenges in recruiting staff to the applicant organization, a result of being a small island nation.

### 3.2.5 Section 6.5: Monitoring and review

50. The applicant's draft technical manual describes the monitoring requirements expected of executing entities, as well as the applicant's role (as regulator) in conducting inspections to confirm compliance. Non-compliance is reported to the office of the Attorney General. In addition, the applicant has indicated that it uses a modified monitoring framework from an international development partner for all its programmes/projects. The applicant provided sample documents which demonstrate that the environmental and social safeguards monitoring is incorporated. In the applicant's organization, environmental monitoring is done by the Monitoring, Evaluation and Data Management Unit, and is supported by an environmental information/data management system.

### 3.2.6 Section 6.6: External communications



51. The applicant operates an external communications system that is available on its website, and has provided a sample of complaints from the public and how they were handled.
52. Specifically, for the disclosure of environmental documents, the applicant is prepared to implement the requirements of the GCF Information Disclosure policy for Category B/I-2 projects/programmes.

### 3.3 Gender

53. As part of the Government structure, the applicant is not mandated to have its own gender policy. Rather, it is required to follow national gender directives. Nonetheless, its draft technical manual has a section on a social and gender policy, which requires the applicant to comply with the gender requirements of major donors and financing entities, including the GCF.
54. All staff are sensitized to gender mainstreaming tools and techniques; and the applicant plans to establish a subcommittee on social and gender issues within the technical advisor committee that plays a critical role in project approval and monitoring. The applicant will also continue to foster strong relations with the Directorate for Gender Affairs, which is under the Ministry of Social Transformation, to provide technical support and oversight for gender mainstreaming.
55. The applicant has demonstrated experience in developing and implementing projects/programmes that benefit vulnerable groups, including women, young men, the elderly and those with physical disabilities. This includes a revolving fund that benefits poor households and small businesses (many led by women) to adapt to extreme weather conditions resulting from climate change.

## IV. Conclusions and recommendation

### 4.1 Conclusions

56. 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 and specialized fiduciary standard for project management, and partially meets the requirements of the specialized fiduciary standard for grant award and/or funding allocation mechanisms and the specialized fiduciary standard for on-lending and/or blending (for loans). The applicant is working on the launch of the new website for the purpose of disclosing the detailed information on its grant programmes, and this is expected to be completed in September 2017. Consequently, the applicant could not provide evidence of the public disclosure of grant award decisions or of the grant award programme operation results and reports on the operation of the newly established SIRF Fund. Also, according to the new regulatory framework, the applicant must establish a technical evaluation committee to conduct the evaluation of the grant proposals. However, no records of the work of this newly formed committee so far have been provided;
- (b) The applicant partially meets the requirements of the interim environmental and social safeguards of the GCF in relation to the medium E&S risk (Category B/I-2). The final version of the technical manual and environmental and social safeguards policy that establishes the procedures and requirements related to environmental and social safeguards for projects/programmes have not yet been approved by the Government of Antigua and Barbuda; and

- (c) The applicant has demonstrated that it has competencies, policies and procedures in order to implement its gender policy, which is found to be consistent with the GCF Gender policy, and has demonstrated that it has experience with gender considerations in the context of climate change.

## 4.2 Recommendation on accreditation

57. The AP recommends, for consideration by the Board, applicant APL057 for accreditation as follows:

- (a) **Accreditation type:**
- (i) **Maximum size of an individual project or activity within a programme:**
1. Micro<sup>5</sup> in relation to the specialized fiduciary standard for on-lending and/or blending (for loans); and
  2. Small (including micro) in relation to the specialized fiduciary standard for project management and the specialized fiduciary standard for grant award and/or funding allocation mechanisms; and
- (ii) **Fiduciary functions:**
1. Basic fiduciary standards;
  2. Specialized fiduciary standard for project management;
  3. Specialized fiduciary standard for grant award and/or funding allocation mechanisms; and
  4. Specialized fiduciary standard for on-lending and/or blending (for loans); and
- (iii) **Maximum environmental and social risk category:** medium risk (Category B/I-2) including lower risk (Category C/Intermediation 3 (I-3)<sup>6</sup>); and
- (b) **Conditions:** the applicant will be required to submit to the AP, through the Secretariat, information on how it has complied with the conditions. The AP will thereafter assess whether the conditions have been met. This assessment will be communicated by the Secretariat, on behalf of the AP, to the Board for information purposes;
- (i) Conditions to be met prior to the first disbursement by the GCF for the first approved project/programme to be undertaken by the applicant:
1. Provide evidence of having an approved procedure for the public disclosure of grant award decisions, which shall contain at least the following information:
    - a. Name, address and nationality (in case of individuals) or place of incorporation (in case of legal entities) of the beneficiary;
    - b. Purpose of the grant; and

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<sup>5</sup> 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 USD 10 million for an individual project or an activity within a programme”.

<sup>6</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”.

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- c. Grant amount awarded and, where applicable, the maximum percentage of grant co-financing; and
  2. Provide evidence of an approved technical manual and an environmental and social safeguards policy that establish the procedures and requirements related to environmental and social safeguards for projects/programmes; and
- (ii) Conditions to be met on an annual basis for the three consecutive years starting at the beginning of the second year of implementation (with the first deadline falling at the end of the first quarter of the second year of implementation) of the first GCF-funded project/programme through a grant award and/or funding allocation mechanism:
1. Provide evidence of the public disclosure of the monitoring and evaluation reports for any GCF-funded project/programme implemented through the applicant's grant award programme, as well as of the annual reports on the results of the operation of the revolving fund programme; and
  2. Provide the minutes of the applicant's technical evaluation committee meetings evidencing the process of consideration and approval of any grant proposals received under a grant award project/programme.
58. The applicant has been informed of the recommendation for accreditation, including the accreditation type and conditions, as identified in paragraph 57 (b) above, and agrees to the recommendation.