

Annex VIII: Policy on fees

1. The table below sets out the Fees Structure for accredited entities (AEs) of GCF for public sector grants for projects/programmes and project/programme preparation under the Project Preparation Facilities (PPFs), and to delivery partners (DPs) for grants under the Readiness Programme, including for national adaptation plans (NAPs) and other adaptation planning processes. The percentages shown in the table below represent the maximum fees* for the size categories for public sector grant projects, PPFs and readiness grants, including NAPs and other adaptation planning processes. Fees for private sector projects/programmes and fees for non-grant public sector projects/programmes will be negotiated on a case-by-case basis, as required. The policy on fees will only apply to the projects/programmes, PPFs and the Readiness Programme, including NAPs or other adaptation planning processes, approved by GCF after B.19.

Table: Fees structure for AEs of the Green Climate Fund

| Size ¹ | Fee cap % of GCF funding (grant portion) ² |
|-----------------------------|--|
| Micro (< USD 10 million) | Up to 8.5%* |
| Small (USD 10–50 million) | Up to 7% ** |
| Medium (USD 50–250 million) | Up to 5% |
| Large (> USD 250 million) | Up to 4% |

“Up to” means the fees are subject to review and negotiation between GCF and the accredited entity based on the general principles and eligible expenditures.

*In case of the micro-size projects, a fees cap may be increased to 10% if the Secretariat considers that there is a strong justification for increasing the percentage.

**In case of the Small size projects, a fees cap may be increased to 8% if the secretariat considers that there is a strong justification for increasing the percentage.

¹ Annex I to decision B.08/02.

² If a grant falls under the higher GCF funding category, the fees cap shouldn't be lower than the highest fees cap under the preceding lower funding category. For example, the fees cap for a USD 51 million grant should be USD 3.5 million (i.e. USD 50 million × 7 per cent) and not USD 2.55 million (i.e. USD 51 million × 5 per cent).