

## Annex III: Accreditation assessment of upgrade application from the World Food Programme

### I. Introduction

1. The World Food Programme (WFP) is the world's largest humanitarian organization, saving lives in emergencies and using food assistance to build a pathway to peace, stability and prosperity for people recovering from conflict, disasters and the impact of climate change and is an international access accredited entity (AE) based in Italy. As one of the world's largest humanitarian agencies fighting hunger worldwide, the applicant pursues a vision of the world in which every man, woman and child has access at all times to the food needed for an active and healthy life. Based on the 2030 Agenda and the Sustainable Development Goals (SDGs), the applicant aims to: (1) end hunger by protecting access to food; (2) improve nutrition; (3) achieve food security through improved productivity and incomes, and sustainable food systems; (4) partner to support implementation of the SDGs; and (5) partner for SDG results. The applicant seeks accreditation to upgrade its accreditation scope in order to further advance the objectives of GCF.

2. WFP was accredited as an international access entity by the Board on 10 March 2016 in decision B.12/30, paragraph (b), for the following parameters, as recommended by the Accreditation Panel (AP), under the fit-for-purpose approach of GCF.

- (a) **Access modality:** international access;
- (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; and
  - (ii) Specialized fiduciary standard for project management;
- (e) **Maximum environmental and social (E&S) risk category:** minimal to no risk (category C/intermediation 3 (I-3)).<sup>3</sup>; and
- (f) **Indicative results areas for intended projects/programmes with GCF:**
  - (i) Energy generation and access;
  - (ii) Land use and forests;
  - (iii) Enhancing livelihoods;
  - (iv) Health and wellbeing and food and water security;
  - (v) Climate information/early warning systems;
  - (vi) Awareness strengthening and climate risk reduction; and

<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 the GCF, of up to and including US\$ 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."

(vii) Public and cross-cutting types of projects/programmes.

3. The applicant signed its accreditation master agreement (AMA) with GCF on 23 November 2018, which became effective on 6 December 2019.

4. The AE submitted its application to GCF for an accreditation upgrade via the Online Accreditation System on 20 March 2017. Accreditation fees were received from the applicant in relation to the upgrade application on 26 April 2018, thereby launching the stage I institutional assessment and completeness check. Stage I was completed on 17 December 2021 and the applicant was progressed to the stage II (step 1) accreditation review by the AP, which has been concluded with the publication of this assessment. The applicant has applied to be upgraded for the following parameters under the fit-for-purpose approach of GCF, and in addition has updated the indicative result areas for the projects/programmes it intends to submit to GCF to the following:

- (a) **Access modality:** international access;
- (b) **Track:** fast track under the Adaptation Fund (AF);
- (c) **Maximum size of an individual project or activity within a programme:** medium;<sup>4</sup>
- (d) **Fiduciary functions:**<sup>5</sup>
  - (i) Specialized fiduciary standard for grant award and/or funding allocation mechanisms;
- (e) **Maximum E&S risk category:** medium risk (category B/intermediation 2 (I-2));<sup>6</sup> and
- (f) **Indicative results areas for intended projects/programmes with GCF:**
  - (i) Energy generation and access;
  - (ii) Health, well-being, food and water security; and
  - (iii) Ecosystems and ecosystem services.
- (g) **All other criteria for which the applicant was accredited:**<sup>7</sup> no change.

## II. Stage I institutional assessment and completeness check

5. 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 and in accordance with the following GCF policies and standards to the extent applicable to accreditation:

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<sup>4</sup> As per annex I to decision B.08/02 (annex I to document GCF/B.08/45), “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.”

<sup>5</sup> Decision B.07/02.

<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.”

<sup>7</sup> For example, the fiduciary functions.

- (a) “Guiding Framework and Procedures for Accrediting National, Regional and International Implementing Entities and Intermediaries, Including the Fund’s Fiduciary Principles and Standards and Environmental and Social Safeguards” (decision B.07/02);
- (b) “Guidelines for the Operationalization of the Fit-for-purpose Accreditation Approach” (decision B.08/02);
- (c) “Policy on Prohibited Practices” (decision B.22/19);
- (d) “Anti-Money Laundering and Countering the Financing of Terrorism Policy” (AML/CFT Policy) (decision B.18/10);
- (e) “Policy on the Protection of Whistleblowers and Witnesses” (decision B.BM-2018/21);
- (f) “Environmental and Social Management System: Environmental and Social Policy” (decision B.19/10);
- (g) “Revised Environmental and Social Policy” (decision B.BM-2021/18);
- (h) “Comprehensive Information Disclosure Policy of the Fund” (decision B.12/35) regarding the disclosure of E&S information;
- (i) “Gender Policy and Action Plan” (decision B.09/11); and
- (j) “Updated Gender Policy and Gender Action Plan 2020–2023” (decision B.24/12).

## 2.1 Legal status, registration, permits and licences

6. The applicant provided documents on its establishment and licences to operate, where relevant, as a part of the application. WFP is a joint subsidiary autonomous programme of FAO and the UN which was created by concurrent resolutions of the FAO Conference (Resolution 1/61) and the UN General Assembly (Resolution 1714(XVI)), adopted respectively on 24 November and 19 December 1961.

## 2.2 Institutional presence and relevant networks

7. The applicant is headquartered in Rome, Italy and reaches over 115 million people with food assistance in more than 80 countries each year. The applicant supports national, local and regional food security and nutrition plans and partners with third parties, including, but not limited to, Government entities, other United Nations agencies, international organizations, non-governmental organizations, civil society and the private sector to enable people, communities and countries to meet their own food needs.

8. In line with its strategic plan, the applicant aims to build partnerships for SDGs to help developing countries access a range of financial resources for development investment. In addition, the applicant intends to foster knowledge-sharing, expertise and technology to strengthen global partnership support to country efforts to achieve the SDGs. With a focus on bringing a variety of initiatives to reinforce its work on losses and damage from climate extremes, the applicant has already included activities designed to reduce disaster risk, build resilience and help people adapt to climate change into approximately 40 per cent of its operations. The applicant is playing a crucial role in helping both governments and communities prepare and respond to extreme events, reduce vulnerability and build lasting climate resilience.

9. WFP intends contribute to furthering the objectives of GCF as an AE through:

- (a) Bringing extensive experience on food security and nutrition;

- (b) Extensively working on improving the understanding of the impact of climate risks on food security as well as programmatic options for building resilience and supporting climate change adaptation;
  - (c) Sharing its experience in innovation initiatives as a leading innovator in the area of climate risk management solutions for food insecure people;
  - (d) Supporting nationally owned social protection and safety-net programmes which are critical tools that can protect lives and livelihoods, while at the same time building resilience to climate shocks;
  - (e) Bringing extensive experience from its Adaptation Fund projects: as an implementing entity of the Adaptation Fund, the applicant has 11 approved projects in Colombia, Congo, Ecuador, Egypt, Gambia, Lesotho, Malawi, Mauritania, Nepal and Sri Lanka;
  - (f) Result-based management of programmes that address the full sequence of activities from planning, through designing and implementing activities that deliver the desired results; and
  - (g) Gender-sensitive programming.
10. An upgrade in the maximum size category, maximum level of the environmental and social safeguards (ESS) risk, and addition of the specialized fiduciary standard for grant award and/or funding allocation mechanisms would allow WFP to enhance its partnership with GCF through more innovative project/programme structures at scale, support GCF in achieving its portfolio-level goals, and contribute to the adaptation/mitigation balance of the GCF portfolio.

## 2.3 Track record

11. The applicant has a strong track record of climate change projects and has mobilized USD 142.7 million from climate finance multilateral funds since 2012. Specifically, USD 96.8 million is from the Adaptation Fund and USD 45.9 million from GCF. Additionally, the applicant has mobilized:
- (a) USD 87.7 million (grants) for the R4 Rural Resilience Initiative, an integrated climate risk management strategy giving food insecure households access to climate risk microinsurance by enhancing their natural, productive and financial asset base;
  - (b) 26 million (grants) for the African Risk Capacity Replica programme to utilize microinsurance to improve government's capacities to be protected against climate shocks and allow partners to finance early humanitarian response in case of extreme events;
  - (c) 32 million (grants) for Climate Services and Anticipatory Action programmes to provide climate and weather information to farmers and connect early warning systems to pre-arranged financing and actions that prevent predictable extreme weather events from becoming humanitarian disasters;
  - (d) USD 10 million (grants) for Climate and Food Security analyses and Capacity Building to help Governments better understand the impacts of climate change on food security, and plan and act accordingly; and
  - (e) USD 6 million (grants) for Energy Programmes to provide energy access to households, schools and institutions in humanitarian settings in sub-Saharan Africa.
12. Five WFP funding proposals have been approved by GCF, and are under implementation:
- (a) USD 9.98 million in grants for the "Building the climate resilience of food insecure smallholder farmers through integrated management of climate risk (R4)" project in Senegal (FP049);
  - (b) USD 9.97 million total (of which the GCF financing portion is USD 9.27 million in grants) for the "Building climate resilience of vulnerable and food insecure communities through capacity

- strengthening and livelihood diversification in mountainous regions of Tajikistan” project (FP067);
- (c) USD 9.64 million total (of which the GCF financing portion is USD 8.58 million in grants) for the “Climate services and diversification of climate sensitive livelihoods to empower food insecure and vulnerable communities in the Kyrgyz Republic” project (SAP002);
  - (d) USD 9.96 million total (of which the GCF financing portion is USD 8.86 million in grants) for the “Integrated climate risk management for food security and livelihoods in Zimbabwe focusing on Masvingo and Rushinga Districts” project (SAP007); and
  - (e) USD 10.0 million total (of which the GCF financing portion is USD 9.25 million in grants) for the “Climate-resilient food security for women and men smallholders in Mozambique through integrated risk management” project (SAP011).
13. Five additional concept notes have been submitted:
- (a) USD 10 million total for the “Promoting climate resilient livelihoods of food insecure people in southern Iraq” project;
  - (b) USD 10 million for the “Integrated climate risk management for strengthened resilience to climate change in Newly Merged Districts (NMD) of Pakistan” project (SAP concept note);
  - (c) USD 10 million for the “Women-Adapt: Enhancing women smallholder farmers’ adaptive capacity and scaling up climate-resilient food production systems in Côte d’Ivoire” project (SAP concept note);
  - (d) USD 10 million for the “Scaling up Climate Resilient Agriculture (CRA) to enhance the resilience and food security of climate vulnerable smallholder farmers in the State of Palestine” project (SAP concept note); and
  - (e) USD 10 million for the “Building capacity in Lao PDR to understand, anticipate and adapt to climate change impacts” project (SAP concept note).

## 2.4 Potential support for direct access entities

14. The applicant works closely with all national and subnational partners to ensure they have the capacity to effectively implement programmes and intends to continue to support national and subnational entities to gain the experience, systems and other capacities needed to directly implement urgent climate change action. The applicant’s work on climate change is embedded in strong partnerships with governments, United Nations agencies, non-governmental organizations, the private sector and communities, among other third parties. The applicant intends to support and advise countries while they develop the fiduciary and environmental, social and gender standards required for accreditation to GCF. The applicant will also cooperate with national institutions to advance their administrative, financial, procurement, project preparation and management (including monitoring and evaluation) capacities. The applicant has so far supported entities through a series of initiatives which include:

- (a) Ensuring that the national designated authorities (NDA), executing entities (EE) and other governmental stakeholders are always engaged in project design and proposal;
- (b) Engaging governmental stakeholders as GCF projects’ EEs who, in turn, could become accredited entities to GCF. This builds their capacity in project implementation and allows them to become familiar with GCF rules and requirements in terms of funds management and reporting;
- (c) Sponsoring participation of NDA or other relevant government representatives at the Conference of the Parties and/or other regional climate conferences allowing future potential AEs to attend such important events, network and meet other NDAs and AEs, engage in policy discussions, participate in panels and be more exposed to global climate policy processes; and

- (d) Providing advice to potential direct access entities (DAE) by sharing lessons and experiences on the accreditation process and requirements.

### III. Stage II accreditation review assessment

15. The applicant is eligible for, and applied under, the fast track accreditation process as an AF entity. Its application has been assessed by the AP during stage II (step 1) against the GCF accreditation standards and gaps identified in decision B.08/03 and the accreditation requirements to the extent applicable to accreditation identified in paragraph 5 above, and:

- (a) “Evaluation Policy” (decision B.BM-2021/07).

16. 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. Basic fiduciary standards: key administrative and financial capacities

17. WFP did not have any conditions with regards to the basic fiduciary standards on key administrative and financial capacities recommended by the AP for the original accreditation application.

18. The applicant has applied for an upgrade in accreditation scope to a maximum size category of medium. The applicant has provided examples of recent programmes that are within the medium size category. Noting that the applicant has applied under the fast-track accreditation process, the AP concludes that the relevant systems, policies, procedures and capacities meet the GCF basic fiduciary standards on key administrative and financial capacities in relation to a maximum size category of medium.

19. As per paragraph 15 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. Basic fiduciary standards: transparency and accountability

20. WFP did not have any conditions with regards to the basic fiduciary standards on transparency and accountability recommended by the AP for the original accreditation application.

21. As per paragraph 15 above, the basic fiduciary standards concerning transparency and accountability have been met by way of fast-track accreditation, with the exception of policies on prohibited practices and the protection of whistle-blowers, investigation function, and anti-money laundering and countering the financing of terrorism policies.

22. Regarding the prohibited practices and the protection of whistle-blowers, the legal and procedural framework for protecting against prohibited practices is provided by the WFP Anti-Fraud and Anti-Corruption (AFAC) Policy as well as a comprehensive Whistle-blower Policy which ensures that individuals making complaints in good faith will be protected from retaliation. These policies are available to staff on the WFP intranet and on the website of the Executive Board of WFP, together with other relevant documents such as the WFP Code of Conduct, contractual obligations of staff and the human resources manual.

23. Regarding anti-money laundering and countering the financing of terrorism policies, the structure and mandate of the WFP investigation function is outlined in the Charter of the Office of the Inspector General (OIG Charter) and investigations are carried out by the Office of



Inspections and Investigations (OIGI). Revisions to the OIG Charter were made in November 2019 to strengthen its independence through approval of its Charter by the Executive Board and escalation of important matters to the Independent Oversight Advisory Committee and the Executive Board. The OIG is structurally independent from any interference from other activities of WFP.

24. The scope of investigations encompasses a legally based and analytical process designed to gather information in order to determine whether misconduct or wrongdoing has occurred and, if so, the persons or entities responsible. All investigations are conducted in accordance with the Uniform Guidelines for Investigations as well as by the OIGI Investigations Guidelines, which provide investigation guidance and which are available to all staff through the WFP intranet. The Office of the Inspector General operates multiple complaint portals in various languages for WFP employees, its contractors, counterparts, implementing partners, United Nations agencies and others, to confidentially report incidents of fraud, waste, abuse or mismanagement.

25. WFP prepares publicly available annual reports that provide detailed information on cases that have been reported and investigated with regard to violations of the rules and regulations, policies, procedures and other administrative requirements, such as fraud, corruption, theft, harassment, sexual harassment, sexual exploitation and abuse, and abuse of authority.

26. Regarding AML and CFT policies, WFP updated its Anti-Fraud and Anti-Corruption Policy in 2021 to include AML and CFT, and sanctions measures. WFP is strongly committed to preventing the misuse of its resources, including financial contributions originating from Member States and intergovernmental bodies. To this end, WFP maintains robust and adequate measures, including beneficiary targeting, selection and monitoring. This approach is aimed at deterring misuse of WFP assistance including diverting resources for money laundering or financing of terrorism. In the case of cash projects, the amounts of money involved are small with a value which allows beneficiaries to do little more than address their immediate needs. As an additional control, post distribution monitoring is regularly conducted on selected beneficiaries to ensure that the intended impact of the project is achieved and there is no misuse of funds as defined in WFP policies.

27. The selection process for Financial Service Providers (FSPs), contracted by WFP for projects involving cash transfers, has a well-established and effective FSP identification, selection, analysis, evaluation and assessment process, which includes a thorough review of the FSP's key processes, internal controls and systems. In order to be eligible for selection by WFP, an FSP must be properly registered and licensed to provide the required services in the relevant jurisdiction. WFP global banking partners are contractually required to comply with WFP requirements and all laws and regulations – including those establishing know your customer (KYC) and AML/CFT legal requirements and standards.

28. With the WFP Anti-Fraud and Anti-Corruption (AFAC) Policy having been recently updated to explicitly address AML/CFT, WFP is well placed to qualify for upgrade from micro to medium-sized projects where there could be a greater risk of fraud or misuse of WFP funds. In addition, consistent with numerous United Nations Security Council resolutions, WFP has chosen to screen the names of entities and individuals that enter into contractual commitments with WFP against the Consolidated United Nations Security Council Sanctions List. The AP concludes that the checks and controls in place, including those relating to KYC, are adequate for the scope and nature of WFP operations and the inclusion of specific AML/CFT procedures and sanctions in its AFAC Policy can ensure that the organization is well placed for medium-sized projects and further expansion of its operations.

29. The applicant has applied for an upgrade in accreditation scope to a maximum size category of medium. The applicant has provided examples of recent programmes that are within the medium size category. Noting that the applicant has applied under the fast-track accreditation process, the AP concludes that the relevant systems, policies, procedures and capacities meet the GCF basic fiduciary standards on transparency and accountability in relation to a maximum size category of medium.

30. As per paragraph 15 above, the basic fiduciary standards on transparency and accountability are considered to have been met by way of fast-track accreditation. The AP also finds that the applicant's policies, procedures and capacity, supported by evidence of track record, fully meet the Policy on the Protection of Whistle-blowers and Witnesses, the Policy on Prohibited Practices and the AML/CFT Policy.

### 3.1.3. **Specialized fiduciary standard for project management**

31. WFP did not have any conditions with regards to the specialized fiduciary standard on project management recommended by the AP for the original accreditation application.

32. The applicant has applied for an upgrade in accreditation scope to a maximum size category medium. The applicant has provided examples of recent programmes that are within the medium size category. Noting that the applicant has applied under the fast-track accreditation process, the AP concludes that the relevant systems, policies, procedures and capacities meet the GCF specialized fiduciary standard for project management in relation to a maximum size category of medium.

33. As per paragraph 15 above, the specialized fiduciary standard for project management is considered to have been met by way of fast track accreditation.

### 3.1.4. **Specialized fiduciary standard for grant award and funding allocation mechanisms**

34. WFP is seeking an upgrade to its accreditation status to include the specialized fiduciary standard for grant award and funding allocation mechanisms for its programme of partnerships with non-governmental organizations (NGOs). The majority of WFP activities are implemented through these NGO partners. Strong performance-based partnerships are essential to WFP programmes that provide critical access to food while building resilience. The WFP NGO Partnership Guidance emphasizes a risk management and comprehensive due diligence and capacity assessment in partner selection and agreement finalization. It provides WFP country managers with tools for registering risks and for adopting mitigation measures. WFP issues a call for proposals when contracting NGOs to ensure quality, transparency and competitiveness of the selection process which gives confidence in the partnerships selected. In line with the value for money concept, WFP does not necessarily require the least expensive option, but seeks the potential for impact and complementarity, and for high quality programming at acceptable cost.

35. The Field Level Agreement (FLA) is the contract that NGO partners sign to engage in project implementation with WFP. The FLA promotes global consistency in the partnership cycle and gives both WFP and the NGO partner confidence that their interests are protected. The process for partner selection involves country office staff from all involved functional areas such as finance, programme and logistics. A Cooperating Partner Committee (CPC) reviews final recommendations on proposals and preparation of FLAs, verifying that all documentation, including budgets, are properly agreed. After negotiation, the FLA is reviewed by a compliance and finance officer and, together with the recommendation from the CPC, it is given to the Country Director for signature. The Country Director is the legal representative in the country



office and has final authority on all FLAs. The NGO Partnership Guidance has been provided together with an FLA template and a diagram of the WFP Business Process on FLA Management.

36. A recent internal audit report on management of donor funding is available on the WFP website. The specific areas reviewed were coordination of donor relations management, management of obligations and risks, financial management, reporting and communication. Also published is an internal audit of WFP management of NGO partnerships and all agreed actions have been implemented. Furthermore, the processes of selecting and managing NGO partners is reviewed as part of WFP country office audits. Findings, if any, are reported and published in the country office audit reports.

37. WFP uses a country office tool called COMET for managing its programme operations. It is an online tool to design, implement, and monitor programmes and improve performance. It provides for oversight and management of NGO partnerships and is essential to the risk management of WFP partnerships. NGOs not selected for partnership are informed in a clear, concise, and correct manner, with an explanation of the reasons for the decision and an indication of possible future opportunities. In collaboration with UNHCR and UNICEF, WFP has introduced the United Nations Partner Portal (UNPP), an online platform designed to simplify and harmonize United Nations work processes for partnering with civil society organizations. In the Portal, all NGO partners must complete both the required mandatory partnership declaration that is harmonized across multiple United Nations agencies, and the comprehensive registration and partner profiles. All the United Nations agencies then conduct due diligence verification of prospective partners and share the results with other United Nations agencies. Potential partners are automatically screened against the United Nations Security Council sanctions lists, and United Nations agencies share information on partnership risks via a flagging system. Before partners can apply for calls for proposals, all verifications must take place. After proposal submission, further internal and offline controls will be in place before final selection.

38. Monitoring is addressed in the WFP NGO Partnership Guidance document to ensure project implementation follows the Plan of Operations and FLA obligations and to determine whether accurate measurements of activity outputs and outcomes will be available for final evaluation. Monitoring of individual FLAs is done at country office level and consolidated in Annual Country Reports (ACR) which are prepared and published for every WFP country office. Through COMET, country offices can manage, through one corporate system, all partnership agreements and collaborations, including NGO partnerships, tracking project results against the commitments agreed with partners. COMET reports are also used to inform ACRs as well as for monitoring, evaluation, reporting and learning purposes. ACRs provide examples of projects that demonstrate the WFP track record.

39. In 2020, the WFP evaluation function underwent peer review under the aegis of the United Nations Evaluation Group and the Development Assistance Committee of the Organisation for Economic Co-operation and Development. The peer review was positive, concluding that the independent evaluation function of WFP produces high-quality evaluations and that since the previous peer review in 2014 real progress had been made towards the vision of a WFP culture of accountability and learning supported by evaluative thinking, behaviour and systems. The peer review acknowledged the scope for further progress towards this vision and made recommendations accordingly. The updated WFP evaluation policy finalized in 2022, responds to those recommendations, and to changes in circumstances since the last evaluation policy was approved, to ensure that WFP profits from a well-balanced, utility-focused evaluation function that supports a culture of accountability and learning. The updated evaluation policy is introduced at a time when the WFP strategic plan for 2022–2025 has made clear the organization's commitment to becoming evidence-driven in delivering its results. The updated WFP evaluation policy is rooted in the most recent international norms

and standards for evaluation. It builds on the previous policy to ensure that the evaluation function continues to mature, particularly at the decentralized level, that the use of evaluations and evaluation evidence is enhanced within WFP, and that the evaluation function can further its partnerships with others to support global decision-making and achievement of the SDGs.

40. Regarding public access to information on beneficiaries and results, NGO partners have access to WFP partnership opportunities through the UNPP and every effort is made by WFP field offices to reach out to potential partners through appropriate channels, depending on the operational context, including public advertisement, announcement via the humanitarian networks, and calls for expression of interest. The UNPP offers the partnership opportunity directly to the partner but does not publish a list of those who were rejected publicly. The partnering decisions involve programmatic and strategic decision-making processes beyond purely quantifiable criteria such as for instance cost, delivery period or financial standing. Clear segregation of duties and standardized partnership management mechanisms collectively ensure the objectivity, transparency and fairness of partnering decisions. Partnership activities and the names of strategic partners are reported in various publicly available channels.

41. Based on the AP's review of WFP's donor-funded activities under its NGO partnership programme, the AP finds that the applicant's policies, procedures and capacity, supported by evidence of its track record, fully meet the specialized fiduciary standard for grant award and/or funding allocation mechanisms for a maximum size category of medium.

**3.1.5. Specialized fiduciary standard for on-lending and/or blending (for loans, equity and/or guarantees)**

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

## 3.2 Environmental and social safeguards

43. WFP did not have any conditions with regards to the GCF interim environmental and social safeguards (ESS) standards recommended by the AP for the original accreditation application with a maximum accreditation scope of a maximum E&S risk category C/intermediation 3.

**3.2.1. Environmental and social policy**

44. The applicant provided its Environmental Policy approved in February 2017 by its Executive Board which supersedes its 1998 E&S Policy. The Environmental Policy provides a framework for its efforts to protect the environments of the people it serves while working towards a world free from hunger. The Environmental Policy enhances the focus on accountability, aiming to fill gaps in existing management systems to ensure that the applicant's activities are designed in an environmentally sound manner that avoids harming the environment and maximizes environmental benefits wherever possible. The applicant recognizes that care for the environment is essential to achieving food security and sustainable development as outlined in the SDGs.

45. Guided by a set of overarching principles, the Environmental Policy will support the applicant in: (i) progressively enhancing the environmental sustainability of activities and operations; (ii) protecting the environment; (iii) increasing resource efficiency and minimizing its carbon footprint; (iv) aligning its actions with good international practice and global standards for environmental sustainability; and (v) strengthening the capacity of partners to plan and implement environmentally sound activities for food security and nutrition.

46. The Environmental Policy has adopted the following eight E&S standards: Standard No. 1, Sustainable Natural Resources Management; Standard No. 2, Biodiversity and Ecosystems; Standard No. 3, Resource Efficiency, Waste and Pollution Management; Standard No. 4, Climate Change; Standard No. 5, Protection and Human Rights; Standard No. 6, Gender Equality; Standard No. 7, Community Health, Safety and Security; and Standard No. 8, Accountability to Affected Populations. These standards are aligned with international best practices and reflect the principles guiding the GCF Performance Standards 1–8.
47. The applicant takes into account national requirements and regulations, including on environmental and social risk management, wherever this is not in conflict with any of the applicant’s policies, standards, or regulations, nor with any of the humanitarian principles (humanity, impartiality, neutrality and independence), nor any international agreement that is applicable to the applicant, or any donor requirement. Whenever standards are not aligned, the higher standard will be respected.
48. The applicant’s Indigenous Peoples Policy framework is provided in the E&S Standards No. 5 (Protection and Human Rights) and E&S Standard No. 8 (Accountability to Affected Populations). E&S Standard No. 5 requires that Environmental and Social Impact Assessments (ESIA) must include an Indigenous Peoples Engagement Plan, including a report on how the free, prior and informed consent was obtained from the indigenous peoples and how it will be maintained, where relevant. The applicant has a global advisor on indigenous peoples and a network of employees at the country level equipped to implement procedures related to indigenous people. The ESS advisors at both the Headquarters (HQ) and Regional Bureau levels are also capacitated to manage issues related to indigenous peoples.
49. The applicant’s updated gender policy is both complementary to and in alignment with its protection and accountability policy and the Executive Director’s circular on special measures for protection from sexual exploitation and abuse.
50. The applicant provided its Executive Director’s circular dated March 2018 on “Protection from Harassment, Sexual Harassment, Abuse of Authority, and Discrimination” including evidence on the applicant’s capacity which are aligned with the provisions on sexual exploitation, sexual abuse, or sexual harassment in the GCF Revised E&S Policy. The E&S Standard No. 6 requires that the applicant’s projects and interventions must not create, exacerbate or contribute to gender inequalities or discrimination, and must mitigate risks of gender-based violence, while further details are provided in the applicant’s Gender Policy.
51. Since 2017, the applicant has established a corporate Climate Change Policy that defines how it will contribute to efforts to prevent climate change and climate-related shocks from exacerbating existing vulnerabilities and risks and undermining progress towards ending hunger and malnutrition. The policy provides the applicant’s staff with guiding principles and programmatic options for integrating activities to address climate change into their work, with a focus on supporting adaptation and reducing loss and damage from climate extremes. The applicant has built strong experience in conducting climate and food security analyses which are an important first step to assess climate change risks and impacts and identify the most appropriate actions that WFP, governments and partners can consider when designing a climate change adaptation intervention.
52. The applicant first measured and reported its global greenhouse gas (GHG) emissions in 2008, and was one of the first field-based agencies to submit a full inventory. In line with the United Nations Climate Neutral Commitment, the applicant’s GHG inventory follows the common United Nations boundary and GHG accounting principles prescribed by the GHG Protocol. The applicant reports GHG emissions from all its premises, vehicles, commercial air travel and public transport. It also reports emissions from its aviation, aircraft and airfreight, as

well as United Nations Humanitarian Air Service due to their significant carbon footprint compared to other sources.

53. The applicant does not plan in the future to have investments in fossil fuels and has none currently, nor had in the past.

54. The applicant provided its Evaluation Policy approved by its Executive Board in 2022 which is in line with the requirements of the GCF policy on evaluation with regard to the evaluation of environmental and social sustainability as well as gender dimensions.

55. The Environmental Policy has been communicated within the organization through the applicant's internal communication channels, and dedicated web pages have been created. A relevant factsheet and a brochure have also been developed for further dissemination.

56. The AP finds that the applicant's environmental and social management system, comprising its Environmental Policy and Environmental and Social Sustainability Framework (ESSF), supported by evidence of its track record, fully meets the GCF Revised Environmental and Social Policy to the extent applicable to accreditation and GCF interim ESS standards for maximum E&S risk category B/I-2 projects/programmes with respect to performance standards 1–8.

### 3.2.2. Identification of environmental and social risks and impacts

57. The applicant's ESSF was officially endorsed by WFP senior management and approved by its Executive Director in September 2021. The ESSF has a set of principles, standards and tools to manage the environmental and social risks. The ESSF integrates the core values, principles and standards and applies to all activities, operations and assets managed or funded by the applicant. By extension, the ESSF also governs the work of partners or contractors that receive funds from the applicant, or that implement programmes, operations or interventions on its behalf. The ESSF is composed of four modules: ESSF Overview (Module 1); Environmental and Social Standards (Module 2); Environmental and Social Safeguards for Programme Activities – Screening Tool (Module 3); and Environmental Management System Manual (Module 4).

58. The ESSF describes the applicant's means of identifying E&S risks and impacts including screening and categorization based on the risk categories (A, B and C) in line with Performance Standards 1–8. Any programme activity that entails some risks (medium or high) is categorized as B or A would require the applicant to establish risk management measures that aim to avoid or reduce the risks, or mitigate or offset the expected adverse impacts. These risk management measures are described in an Environmental and Social Management Plan (ESMP). If a programme activity entails high environmental and/or social risks, an independent Environmental and Social Impact Assessment (ESIA) is required.

59. The use of the screening tool and the subsequent categorization of the activities falls under the responsibility of the entity designing the activities, these being either the applicant's programme managers or partners. The applicant's country office is then responsible for reviewing the screening forms and ensuring compliance with the ESSF's requirements. The applicant provided a list of projects with the relevant categorization.

60. The applicant provided evidence on use of the screening tool by providing E&S screening and categorization for two projects funded by the Adaptation Fund in E&S risk category B/I-2 and micro size category and two projects funded by KfW E&S risk category B/I-2 in medium size category. The applicant also provided an E&S screening and residual risk management plan prepared for the GCF Mozambique proposal (SAP011) categorized as risk level C.

61. The AP finds that the applicant's system of identification of E&S risks and impacts, supported by evidence of its track record, fully meets the GCF Revised Environmental and Social Policy to the extent applicable to accreditation and GCF interim ESS standards for maximum E&S risk category B/1-2 projects/programmes with respect to performance standards 1–8.

### 3.2.3. Environmental and social management programme

62. The ESSF Module 3 describes the applicant's institutional process for managing E&S risk and impact mitigation measures and actions stemming from the E&S risk identification process. If a project is categorized as medium risk (category B), an ESMP must be prepared. If the identified risk is high (category A), an ESIA with an associated ESMP must be produced. An ESMP may be developed for a low-risk activity (category C) if deemed appropriate. The ESMP will be part of the contractual arrangements stipulated between the applicant and its partner(s) through a Field Level Agreement, a Memorandum of Understanding or a Construction Contract.

63. The ESMP is developed by the person/team/entity designing the activity. This may be the applicant's Activity Manager, the implementing partner, or a government entity. In the case of a high risk activity (category A), the ESMP is developed by an expert or expert company carrying out the ESIA, in collaboration with the person or entity designing the activity. The ESMP includes: an overview of the environmental and social risks identified through the screening; an elaboration of the potential impacts related to these risks; the measures proposed to manage the risks and/or impacts; the cost of these measures; when the measures will be implemented and by whom; how the risks and implementation of the risk management measures will be monitored.

64. The risks stemming from category A and category B activities are recorded and tracked in the risk registry of the applicant's country office. The corresponding ESMPs are stored in the country office's risk management platform. The applicant's Office of the Inspector General (OIG), which carries out independent audits, has developed an audit approach and work programme specific for environmental matters. This is an integral part of OIG audit methodology.

65. The applicant provided sampleESIAs and ESMPs for the projects indicated in the section 3.2.2 as evidence of its track record on E&S management.

66. The applicant's Office of Evaluation and Office of Internal Audit are responsible, among other mandates, for providing independent and objective assurance and advice on the adequacy and effectiveness of the applicant's ESSF. All audits performed by the Office of Internal Audit and all evaluations performed by or mandated by the Office of Evaluation are presented to the applicant's Executive Board and come with a management response letter from the relevant country office/HQ office management. All such audits and evaluations are also publicly available on the applicant's website.

67. The applicant provided a sample of two project-level audit reports that were among the first to include environmental aspects. The approach is expected to become systematic in future country office audits and use of the tool/checklist currently under development will ensure further integration of environmental aspects.

68. The AP finds that the applicant's management programme, supported by evidence of its track record, fully meets the GCF Revised Environmental and Social Policy to the extent applicable to accreditation and GCF interim ESS standards for maximum E&S risk category B/1-2 projects/programmes with respect to performance standards 1–8.

### 3.2.4. Monitoring and review

69. The applicant provided the document on its monitoring and evaluation standard operating procedures (ME SOP) which contains a description of standard operating procedures



for its monitoring and evaluation programme. The E&S mitigation measures proposed in the ESMP will be an integral part of the activity implementation. Monitoring of the risks and risk management measures will be an integral part of activity monitoring. The implementing partner (cooperating partner or government entity) will periodically report to WFP on the risks and implementation of the risk management measures. With reference to corporate cross-cutting indicators, the applicant monitors the application of the E&S risk screening tool through the corporate indicator “proportion of activities for which environmental and social risks have been screened”.

70. For category B projects, especially those funded by the Adaptation Fund or GCF, partners (executing entities or cooperating partners) are requested to provide the applicant with quarterly or semi-annual project progress reports, that include E&S risks and other narrative and financial information. The information contained in these reports is checked and used to prepare the annual reports that are submitted to donors. In addition, the applicant has field monitors who regularly visit project sites and monitor activity implementation. Finally, the applicant includes the obligations and requirements regarding E&S risk management and monitoring in its contracts with partners (subsidiary agreements with executing entities, FLAs with cooperating partners, or construction contracts with construction firms).

71. The applicant has an active monitoring capacity in all its projects. Field monitors regularly visit project sites and work with partners to identify and solve any issues identified. For projects with potentially adverse environmental or social effects, implementation of ESMP measures is monitored and reported upon.

72. Two Project Performance Reports prepared by the applicant for two separate Adaptation Fund projects were provided which show how E&S matters are reported at project level to the donor. The applicant provided a sample of E&S monitoring annual reports for category B projects financed by the Adaptation Fund.

73. The AP finds that the applicant’s system of monitoring and review, supported by evidence of its track record, fully meets the GCF Revised Environmental and Social Policy to the extent applicable to accreditation and GCF interim ESS standards for maximum E&S risk category B/I-2 projects/programmes with respect to performance standards 1–8.

#### **3.2.5. External communications, consultations, information disclosure and grievance redress mechanism at the institutional level**

74. All communication with the public via the applicant’s website is accessed from the form on the “Contact Us” page: <https://www.wfp.org/contact>. The applicant’s publications manager in the Communications Division screens enquiries and directs them to the relevant contact point in the organization, keeping track of when the various inquiries are answered. The same process applies to enquiries directed from social media forums, via the applicant’s social media editor. General mail (e.g. register queries and checks) is processed by the applicant’s correspondence administrator in the Office of the Executive Director, whereby correspondence is registered, dealt with and followed up. Individual country offices are responsible for communications with beneficiaries and have relevant systems in place to deal with this. A country-level beneficiary feedback desk is located at the respective country offices and is accessed by phone, email and fax. Specific examples of the beneficiary feedback mechanisms and registers of inquiries were provided, including dashboards and reports to show how data about complaints is recorded.

75. The applicant’s Directive on Information of Disclosure, as well as the ESSF Module 1, defines the information related to its programmes and operations available to the public, except for limited information that is deemed “confidential”. The disclosure of E&S screenings/ESMPs/ESIAs is therefore regulated by this Directive. The E&S Standards in United



Nations Programming include basic principles governing the duration required for public disclosure: ESMPs for medium-risk projects to be disclosed at least 30 days in advance; ESIA/ESMPs for high-risk projects to be disclosed at least 120 days in advance. ESIA/ESMPs or screenings are recommended to be disclosed as soon as a full draft is finalized.

76. If required by the donor or national law, the applicant will disclose, both on its website and directly to stakeholders, the risk screening and ESMP of a category B activity during the period required by the donor or national law, and in any case within 30 days. The information will be provided in the primary languages of all stakeholders.

77. The applicant provided evidence of its policy/practice as well as track record on project-level disclosure and consultation on ESS assessment documents by executing entities that it oversees with the public in general and specifically with the project-affected persons.

78. The applicant's Complaints and Feedback Mechanism (CFM) handles complaints and feedback of any nature, including E&S matters. The policy/normative framework for the CFM is provided in the applicant's, "Protection and Accountability Policy 2020", available at [https://executiveboard.wfp.org/document\\_download/WFP-0000119393](https://executiveboard.wfp.org/document_download/WFP-0000119393).

79. The applicant operates decentralized Complaints and Feedback Mechanisms (CFM) in every country where it operates; each has its own contact details. The CFMs serve to receive and respond to grievances associated with the applicant's operations. Feedback mechanisms amplify the voices of affected populations, facilitating the two-way flow of information that can help to improve the relevance and timeliness of programming. Raising awareness of the CFM is central to improving engagement with affected populations. The CFM Standard Operating Procedure, Minimum Requirements Checklist and the CFM Guidance Manual to support the establishment of a CFM at country level were provided. In addition, the applicant relies on its deep field presence through its extensive network of sub-offices and field monitors to regularly solicit and receive communications from the public. However, the applicant's website does not have a section for submitting E&S related complaints and the applicant has not established and published its institutional-level procedure on its CFM for receiving, assessing and responding (including the timeline) to E&S complaints received from the public at large and project-affected persons.

80. In the majority of cases, the applicant is a co-executing entity. However, it works extensively with partners and is in the process of updating its FLAs to require cooperating partners to have functioning protection and a strategy on Accountability to Affected Populations (AAP) processes and mechanisms, including CFMs in line with its guidance. CFMs must be able to receive and refer all cases. Evidence of the applicant's policy/practice on project-level grievance mechanisms of executing entities that it oversees has been provided. The CFM applies to activities under the responsibility of executing entities, as well as the applicant, its partners or its vendors.

81. The AP finds that the applicant's system of external communications, consultations, information disclosure and grievance redress mechanism, supported by evidence of its track record, partially meets the GCF Revised Environmental and Social Policy to the extent applicable to accreditation, the GCF Information Disclosure Policy regarding E&S information disclosure, and GCF interim ESS standards requirements for maximum E&S risk category B/I-2 projects/programmes with respect to performance standards 1-8. The applicant has not established and disclosed on its website the institutional level procedure related to its CFM to receive, assess and respond to E&S related complaints from public at large including project-affected persons.

### 3.2.6. Organizational capacity and competency

82. The applicant has a network of HQ and regional E&S Safeguards advisers who support country offices and Regional Bureaux to implement the Environmental and Social Safeguards and set up Environmental Management Systems. They also provide trainings to country office field colleagues and cooperating partners on the use of the E&S screening tool, E&S risk management procedures and the associated monitoring. HQ and regional advisors perform random checks on the quality of the E&S risk screenings and ESMPs. These checks are systematized for project proposals to some specific donors such as the Adaptation Fund, GCF, KfW, World Bank, etc. Where elaborated, all required ESIA's are reviewed by the E&S Safeguards team at HQ level and by the relevant E&S regional Safeguards Adviser.

83. The departments responsible for the implementation of the ESSF are the Programme and Policy Department and the Resources Management Department. The Environment and Social Safeguards Team (in the Programme and Policy Department) is responsible for mainstreaming the environmental and social sustainability framework requirements within the applicant's programmatic work. This ensures that programme operations are compliant with the E&S Standards and screening requirements.

84. The Environmental Unit (in the Resources Management Department) is composed of environmental specialists who help Country Offices and HQ to mainstream environmental management. Current focus areas include reducing the applicant's energy use and GHG emissions, minimizing and properly managing WFP waste, reducing WFP water consumption, promoting sustainable procurement decisions and increasing staff awareness on environmental management.

85. An organizational chart describing roles and responsibilities was provided. This focuses on both the Programme and Policy Department team and Resource Management Department (Environmental Unit). Terms of Reference of the E&S Safeguards team were also provided as a reference.

86. To date, approximately 400 participants from WFP Regional Offices, country offices and partners (including government officials) have received either in-person or online training on WFP E&S Safeguards requirements as well as on those of specific donors. The training includes a theoretical and a practical session on the use of the screening tool and cover compliance with WFP's Environmental and Social Safeguards requirements and any other environmental and social safeguards requirements agreed with donors and governments. .

87. The AP finds that the applicant's organizational capacity and competency, supported by evidence of its track record, fully meet the GCF Revised Environmental and Social Policy to the extent applicable to accreditation and GCF interim ESS standards for maximum E&S risk category B/I-2 projects/programmes with respect to performance standards 1-8.

## **IV. Conclusions and recommendation**

### **4.1 Conclusions**

88. Following assessment of the upgrade application, the AE is found to have the potential with its upgraded accreditation scope to support GCF in implementing its Updated Strategic Plan for 2020-2023 with respect to:

- (a) Alignment of the pipeline of project concept notes that the AE has submitted to GCF with the respective country programming priorities;
- (b) Mobilizing climate finance at scale since the applicant is being recommended for an upgrade to the size category Medium; and

- (c) Addressing interests of particularly vulnerable groups.
89. The AP also concludes, following its assessment of the application against GCF standards in accordance with the accreditation requirements identified in paragraph 15 above, and noting that the applicant has applied under the fast track accreditation process:
- (a) The AE meets the requirements of the GCF basic fiduciary standards, and, to the extent applicable to accreditation, the Policy on the Protection of Whistle-blowers and Witnesses, the Policy on Prohibited Practices, the AML/CFT Policy; and the specialized fiduciary standard for grant award/funding allocation mechanism; noting the AE provided track record of implementing recent programmes in excess of USD 50 million;
- (b) The AE partially meets the GCF Revised Environmental and Social Policy to the extent applicable to accreditation, GCF interim ESS standards and the GCF Information Disclosure Policy on disclosure of E&S information in relation to the medium E&S risk (category B/I-2) projects/programmes; and. The applicant's website does not provide for submitting E&S related complaints, and the applicant has not published an institutional-level procedure to receive, assess and respond to E&S related complaints from the public at large including project affected persons. The above gap is reflected in paragraph 73 above and addressed in the corresponding conditions of accreditation in section 4.2; and
- (c) The AE has demonstrated capacities and competencies in order to implement the GCF Evaluation Policy for its GCF-funded activities as demonstrated via assessment of meeting GCF basic and specialized fiduciary standards and interim ESS standards.

## 4.2 Recommendation on accreditation

90. The AP recommends, for consideration by the Board, WFP for an upgrade in its accreditation type, as originally accredited in decision B.12/30, paragraph (b), and annex XXII to document GCF/B.12/32, as follows:

- (a) **Accreditation type:**
- (i) **Maximum size of an individual project or activity within a programme:** medium.<sup>8</sup> (including micro and small);
- (ii) **Fiduciary functions:**
- (1) Specialized fiduciary standard for grant award and/or funding allocation mechanisms; and
- (iii) **Maximum environmental and social risk category:** medium risk (category B/I-2.<sup>9</sup>) (including lower risk (category C/I-3.<sup>10</sup>)).

<sup>8</sup> As per annex I to decision B.08/02 (annex I to document GCF/B.08/45), "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."

<sup>9</sup> As per the Revised Environmental and Social Policy adopted in decision B.BM-2021/18, 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."

<sup>10</sup> As per the Revised Environmental and Social Policy adopted in decision B.BM-2021/18, category C is defined as "Activities with minimal or no adverse environmental and/or social risks and/or impacts," and intermediation 3 is

- (iv) **All other criteria for which the applicant was accredited:**<sup>11</sup> no change.
- (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 by the AE prior to the submission of the first funding proposal with an E&S risk level category B/intermediation 2 to GCF:
- (1) Provision by the AE of:
    - a. a procedure for receiving, assessing and responding to E&S related complaints from the public at large, including project-affected persons, for projects/programmes financed by the AE; and
    - b. evidence of publication of the procedure on the AE's website; and
  - (2) Provision of evidence by the AE of the establishment on the AE's website of a page, form or other process for members of the public, including project-affected persons, to submit E&S related complaints to the AE.
91. The applicant has been informed of the recommendation for the accreditation upgrade, including the upgrade accreditation type and conditions, as identified in paragraph.

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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."

<sup>11</sup> Decision B.12/30, paragraph (b), and annex XXII to document GCF/B.12/32.