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# Status of accreditation matters

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## **Summary**

This document presents an overview of accreditation work up to 28 February 2017, including that associated with the accreditation process, an overview of the pipeline of applicant entities with information on support to direct access entities, and an overview of the portfolio of accredited entities, including the status of accredited entities addressing accreditation conditions.

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## **I. General mandate**

1. In decision B.08/02, paragraph (a), the Board recalled that all entities, including international, regional, national and subnational entities, can apply for accreditation to the GCF.
2. Areas of work related to accreditation matters include the following:
  - (a) Accreditation;
  - (b) The pipeline of entities, particularly supporting direct access entities seeking accreditation; and
  - (c) Relationship management of accredited entities (AEs), including the preparation of entity work programmes.
3. In addition to the above, the Secretariat supports the work of the Accreditation Committee and the Accreditation Panel (AP).
4. This document presents an overview of accreditation work up to 28 February 2017. In particular, it includes information on the accreditation process, an overview of the pipeline of applicant entities with information on support to direct access entities, and an overview of the portfolio of AEs, including the status of AEs addressing accreditation conditions. While no entity is recommended in this document for accreditation, five applicants are in an advanced stage of review by the AP in Stage II (Step 1) and are likely to be recommended in the upcoming meetings of the Board.

## **II. Recommended action by the Board**

5. It is recommended that the Board:
  - (a) Takes note of the information presented in document GCF/B.16/13 titled “Status of accreditation matters”; and
  - (b) Approves the draft decision presented in annex I to this document.

## **III. Linkages with decisions and other documents**

6. This document has actual or potential linkages with the following items:
  - (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) “Gender policy and action plan” (decision B.09/11);
  - (d) “Assessment, including gap analysis, of institutions accredited by other relevant funds” (decision B.08/03);
  - (e) “Identification of relevant potential international private sector best-practice fiduciary principles and standards and environmental and social safeguards” (decision B.08/05);
  - (f) “Country programming, readiness and preparatory support” (decision B.13/32);
  - (g) “Application documents for submissions of applications for accreditation” (decision B.08/06);
  - (h) “Policy on fees for accreditation” (decision B.08/04);

- (i) “Comprehensive information disclosure policy of the Fund” (decision B.12/35);
- (j) “Consideration of accreditation proposals” (decisions B.09/07, B.10/06, B.12/30, B.14/09, B.14/10, B.14/11 and B.15/09);
- (k) “Legal and formal arrangements with accredited entities” (decision B.09/08);
- (l) “Accreditation master agreements” (decision B.12/31);
- (m) “Investment framework” (decision B.07/06);
- (n) “Initial results management framework of the Fund” (decisions B.07/04 and B.08/07);
- (o) “Use of other financial instruments” (decision B.08/12);
- (p) “Private Sector Facility: working with local private entities, including small and medium-sized enterprises” (decision B.09/09);
- (q) “Private Sector Facility: potential approaches to mobilizing funding at scale” (decision B.09/09);
- (r) “Interim policy on fees for accredited entities” (annex II to decision B.11/10);
- (s) “Initial monitoring and accountability framework for accredited entities” (decision B.11/10);
- (t) “Strategic plan for the Green Climate Fund” (decision B.12/20);
- (u) “Strategy on accreditation” (decisions B.13/19 and B.14/08); and
- (v) “Progress and outlook report of the Readiness and Preparatory Support Programme” (document GCF/B.16/Inf.05).<sup>1</sup>

## **IV. Overview of the pipeline of applicant entities**

### **4.1 Status of applications for accreditation**

7. Since the opening of the call for applications for accreditation on 17 November 2014 and up to 28 February 2017, 202 entities have been issued with accounts on the Online Accreditation System,<sup>2</sup> the web-based portal through which applicants submit their applications for accreditation.<sup>3</sup> Of these, 126 applications have been submitted, including those of the 48 AEs. The distribution of applications received as at 28 February 2017 is provided in the section “Number of entities at each stage” available on the GCF website<sup>4</sup> and is summarized in figure 1.

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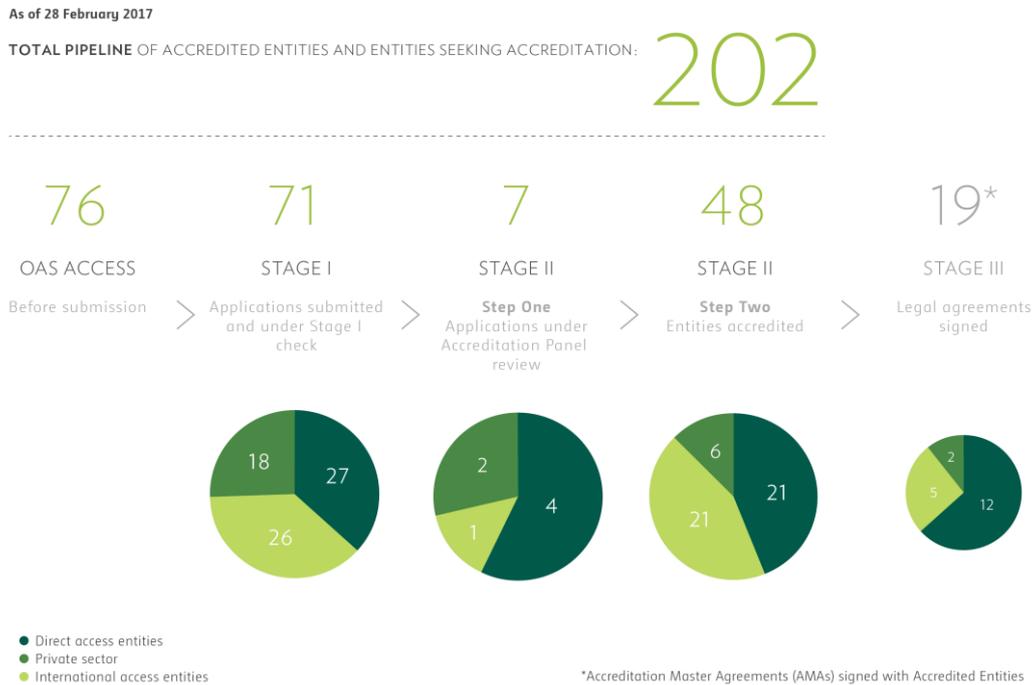
<sup>1</sup> To be considered by the Board at its sixteenth meeting.

<sup>2</sup> Available at <<https://accreditation.gcfund.org/>>.

<sup>3</sup> In decision B.07/02, paragraph (o), the Board requested the AP, in collaboration with the Accreditation Committee and the Secretariat, to report annually to the Board on the status of applications for accreditation.

<sup>4</sup> The “Number of entities at each stage” is updated on a monthly basis and is available at <<http://www.greenclimate.fund/partners/accredited-entities/ae-composition>>. Monthly information is available from 30 September 2015 onwards.

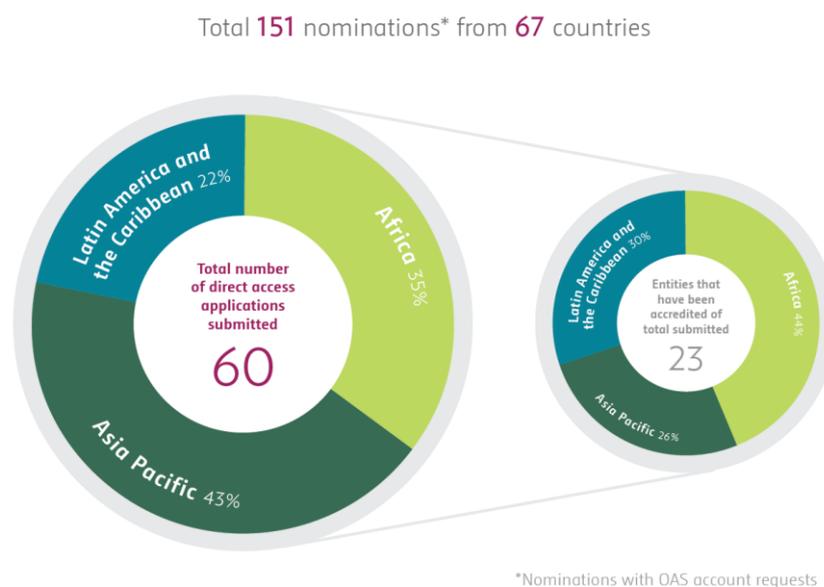
**Figure 1: Status of accreditation applications (as at 28 February 2017)**



Abbreviation: OAS = Online Accreditation System.

8. Figure 2 shows the geographical coverage for national and regional entities nominated for accreditation by national designated authorities (NDAs) or focal points, of which 60 entities have submitted an accreditation application, and of those 23 have been accredited.

**Figure 2: Direct access entities nominated for accreditation (as at 28 February 2017)**



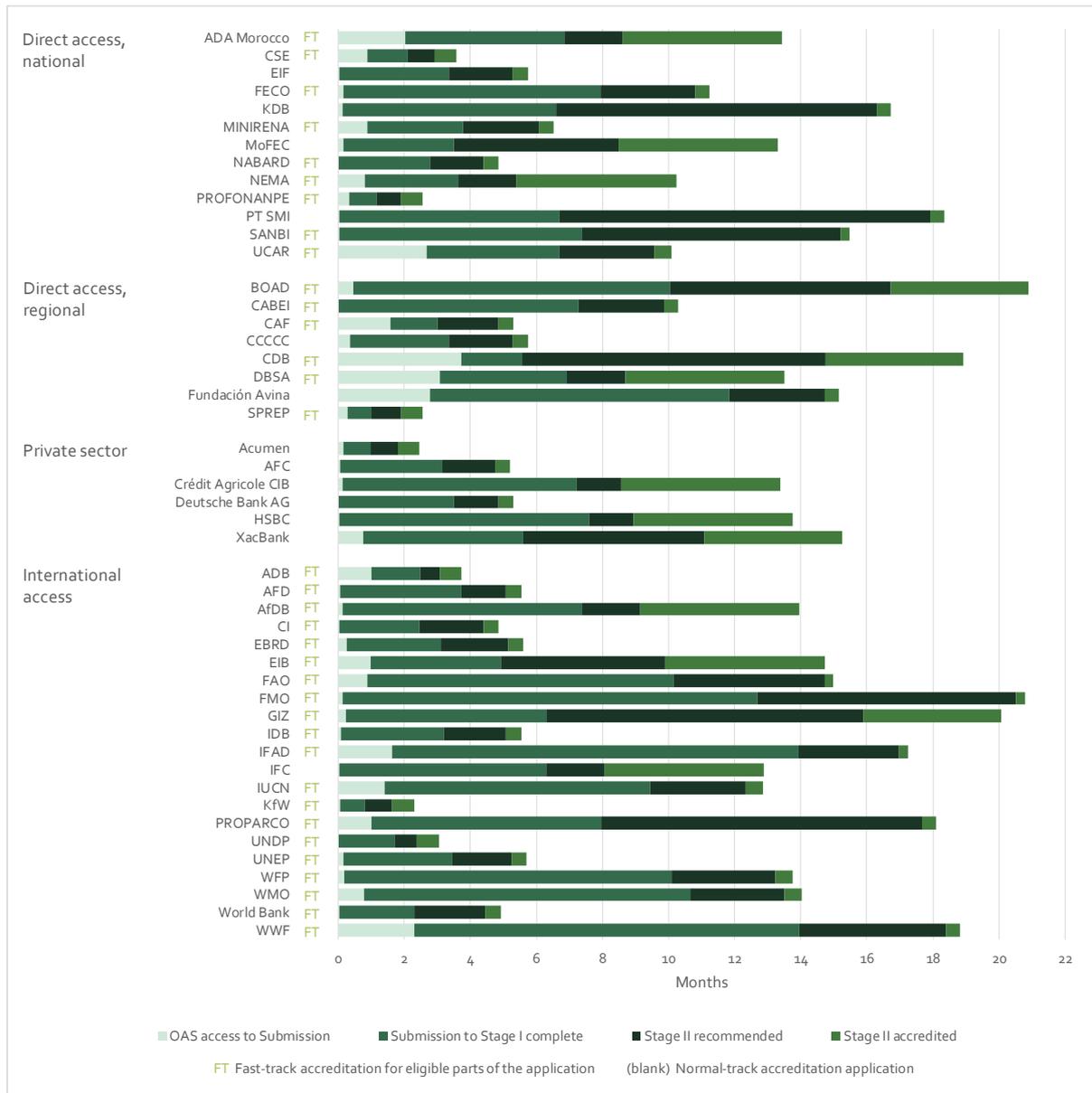
9. The submitted applications received to date reflect considerable diversity in geographical representation, the type of activities to be undertaken using GCF resources if

accreditation is granted, and the type of accreditation being sought (e.g. fiduciary function, environmental and social risk category and project/programme activity size) and whether it is from the public or the private sector. The balance of direct access (both national and regional public sector), private sector and international access public sector entities that have submitted applications is also shown in figure 1.

10. In addition to applications for accreditation, three applications from AEs to upgrade their accreditation types have been received, of which one upgrade was approved by the Board in decision B.15/09.

11. The time taken to process applicants has varied greatly and depends on the entity's capacity and the modalities for which it is applying, in addition to factors such as resources available to process applications and the workload from the growing pipeline of applicants. From opening an Online Accreditation System account to approval by the Board, it took between 2.3 and 20.9 months to accredit the 48 AEs – noting that 35 of them were fast-tracked – reflecting an average of 10.7 months (see figure 3). The average processing time by the Secretariat and the AP has been 9.1 months. There is an increasing number of applications under the normal-track accreditation process, which generally requires more time for review than applications that are fast-track eligible.

**Figure 3: Time frame from Online Accreditation System access to accreditation for the 48 accredited entities (as at 28 February 2017)**



**Abbreviations:** Acumen = Acumen Fund, Inc., ADA Morocco = Agency for Agricultural Development of Morocco, ADB = Asian Development Bank, AFC = Africa Finance Corporation, AFD = Agence Française de Développement, AfDB = African Development Bank, BOAD = Banque Ouest Africaine de Développement (West African Development Bank), CABEI = Central American Bank for Economic Integration, CAF = Corporación Andina de Fomento, CCCCC = Caribbean Community Climate Change Centre, CDB = Caribbean Development Bank, CI = Conservation International Foundation, Crédit Agricole CIB = Crédit Agricole Corporate and Investment Bank, CSE = Centre de Suivi Ecologique, DBSA = Development Bank of Southern Africa, Deutsche Bank AG = Deutsche Bank Aktiengesellschaft, EBRD = European Bank for Reconstruction and Development, EIB = European Investment Bank, EIF = Environmental Investment Fund of Namibia, FAO = Food and Agriculture Organization of the United Nations, FECO = Foreign Economic Cooperation Office, Ministry of Environmental Protection of China, FMO = Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V., GIZ = Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, HSBC = HSBC Holdings plc and its subsidiaries, IDB = Inter-American Development Bank, IFAD = International Fund for Agricultural Development, IFC = International Finance Corporation, IUCN = International Union for Conservation of Nature, KDB = Korea Development Bank, KfW = Kreditanstalt für Wiederaufbau, MINIRENA = Ministry of Natural Resources of Rwanda, MoFEC = Ministry of Finance and Economic Cooperation of the Federal Democratic Republic of Ethiopia, NABARD = National Bank for Agriculture and Rural Development, NEMA = National Environment Management Authority of Kenya, OAS = Online Accreditation System, PROFONANPE = Peruvian Trust Fund for National Parks and Protected Areas, PROPARCO = Société de Promotion et de Participation pour la Coopération Economique, PT SMI =

PT Sarana Multi Infrastruktur, SANBI = South African National Biodiversity Institute, SPREP = Secretariat of the Pacific Regional Environment Programme, UCAR = Unidad para el Cambio Rural (Unit for Rural Change) of Argentina, UNDP = United Nations Development Programme, UNEP = United Nations Environment Programme, WFP = World Food Programme, WMO = World Meteorological Organization, World Bank = International Bank for Reconstruction and Development and International Development Association, WWF = World Wildlife Fund, Inc., XacBank = XacBank LLC.

12. Learning from the first cycles of the accreditation assessment and review process, and from the feedback received from applicants, the Secretariat and the AP are continuing to discuss the lessons learned from the accreditation process to date with a view to improving it in future accreditation cycles. In particular, a combined checklist is being finalized in order to reduce redundant questions, make the process more bespoke to various types of institutions and provide better guidance to applicants.

## 4.2 Support to direct access entities

13. The Secretariat is continuing to support subnational, national and regional public and private sector entities seeking, or in the process of, accreditation in order to ensure a balance of diversity, in accordance with decision B.09/07, paragraphs (d) and (g), and decision B.10/06, paragraph (h). This has been addressed by:

- (a) Guiding and supporting the 80 direct access entities nominated by the NDAs or focal points of 43 countries in three regions throughout the application process, including via conference calls;
- (b) Providing institutional gap assessments for direct access entities seeking accreditation and action plans to address any identified gaps (see annex II to this document for details);
- (c) Using an online accreditation self-assessment tool in order to assess preparedness for the accreditation process, which may be accessed by any organization, as well as NDAs and focal points for the purposes of identifying organizations to nominate for accreditation; and
- (d) Building a roster of institutions that will provide technical and capacity-building support to both applicant and accredited direct access entities in environmental, social and gender aspects.

## 4.3 Self-assessment tool

14. Any entity can access the online GCF accreditation self-assessment tool.<sup>5</sup> Based on feedback received from users and lessons learned from the first version of the tool, the second version was launched in October 2016. This version is more user-friendly and provides additional information to help institutions to assess whether or not they meet the accreditation requirements. In addition, the tool provides an overview of results to enable participants/institutions to gain an understanding of the accreditation process as well as the provision of readiness support in meeting the GCF accreditation requirements. As at 28 February 2017, more than 207 users, including NDA/focal points considering nominating entities and entities themselves, had completed the questionnaire.

## 4.4 Accelerating direct access

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<sup>5</sup> The tool, developed with Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH and the World Resources Institute, is available at <<https://www.greenclimate.fund/partners/accredited-entities/self-assessment-tool>>.

15. Readiness support has been approved for 17 direct access entities nominated by 14 countries across different geographical/regional areas by identifying institutional gaps and generating actions plans based on the gap assessments (see annex II to this document for details).

16. As at 28 February 2017, of the 15 entities whose actions plans have been finalized, three entities (nominated by Brazil, Colombia and Honduras) had submitted their accreditation applications. Two of these are in Stage I and one (Central American Bank for Economic Integration) was accredited at the fifteenth meeting of the Board. Some of the remaining entities are working towards closing identified gaps in order to submit their application and others are in discussion with their NDA to seek additional readiness support in order to close the identified gaps.

17. The Secretariat has also built a roster of institutions that will provide technical and capacity-building support both to applicants and to accredited direct access entities in relation to environmental, social and gender aspects. Institutions selected for the roster have been notified and the legal arrangements are in progress.

## 4.5 Enhancing direct access

18. In response to the request for proposals for a pilot phase enhancing direct access (EDA) to the GCF launched in June 2016,<sup>6</sup> 13 concept notes or proposals<sup>7</sup> had been received by the Secretariat as at 31 January 2017, one of which had been approved by the Board in decision B.14/07, paragraph (q)(vii).<sup>8</sup>

19. The Secretariat is working with direct access entities that have submitted EDA pilot funding proposals and had provided initial feedback to 13 submissions as at 31 January 2017. An initiative is being developed in order to support the development of EDA funding proposals and the facilitation of the accreditation of direct access entities with fiduciary capacities that would allow them to undertake EDA activities.

## V. Overview of the portfolio of accredited entities

20. The Board accredited 48 entities through decisions B.09/07, B.10/06, B.12/30, B.14/10, B.14/11 and B.15/09. The AEs demonstrate a variety of accreditation types through the application of the fit-for-purpose approach, and reflect a geographical and institutional balance (see table 1). Information on the various accreditation types is contained in annex III to this document. Details of entities accredited by the Board to date have been published on the GCF website, including the names of the entities, their contact details and the accreditation types.<sup>9</sup>

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<sup>6</sup> For further information on the terms of reference for a pilot phase enhancing direct access to the GCF, see annex I to decision B.10/04 (annex I to document GCF/B.10/17).

<sup>7</sup> The EDA pilot concept notes and funding proposals received are at various stages of consultation with the NDAs.

<sup>8</sup> Funding proposal 024 titled “Empower to adapt: creating climate change resilient livelihoods through community-based natural resource management in Namibia”, as contained in document GCF/B.14/07/Add.07 and Add.17.

<sup>9</sup> Available at <<http://www.greenclimate.fund/partners/accredited-entities/ae-directory>>.

**Table 1: Range of options for partnering with the GCF per region: number of entities accredited in each type of capacity (as at 28 February 2017)**

Region	Fiduciary functions <sup>1</sup>					E&S risk category <sup>1</sup>			Size of an individual project or activity within a programme <sup>2</sup>	
	Project management <sup>3</sup>	Providing grants, including through grant award and/or funding allocation <sup>4</sup>	Blended finance			A	B	C	Micro and small sizes	Medium and large sizes
			Loans	Equity	Guarantees					
Africa	16	19	17	14	16	14	28	34	34	23
Latin America and the Caribbean	13	20	16	14	14	14	24	30	30	21
Asia-Pacific	11	16	16	14	15	12	24	29	29	21
Eastern Europe	8	12	10	9	10	10	16	19	19	16
SIDS	11	19	15	13	14	15	23	27	27	21
LDCs	13	19	16	13	14	14	25	30	30	21

*Abbreviations:* E&S = environmental and social, LDCs = least developed countries, SIDS = small island developing States.

<sup>1</sup> Annex I to decision B.07/02 (annex I to document GCF/B.07/11).

<sup>2</sup> Annex I to decision B.08/02 (annex I to document GCF/B.08/45).

<sup>3</sup> The specialized fiduciary standard for project management is contained in annex II to decision B.07/02 (annex II to document GCF/B.07/11). Project management underlying principles are: ability to identify, formulate and appraise projects or programmes; competency to manage or oversee the execution of approved funding proposals (including those financed through grants), including the ability to manage executing entities or project sponsors and to support project delivery and implementation; and capacity to consistently and transparently report on the progress, delivery and implementation of the approved funding proposal.

<sup>4</sup> The specialized fiduciary standard for grant award and/or funding allocation mechanisms is contained in annex II to decision B.07/02. Specific capacities for grant award and funding allocation mechanisms of grants in the context of programmes require: transparent eligibility criteria and an evaluation process; a grant award decision and procedures; public access to information on beneficiaries and results; transparent allocation and implementation of financial resources; and a good standing with regard to multilateral funding.

21. The Secretariat followed up with all AEs accredited by the Board with conditions recommended by the AP. These AEs have already closed or are making significant progress in closing the gaps identified by the AP in its assessment of their applications. The status of AEs addressing their conditions is contained in annex IV to this document, which is reported to the Board for information purposes in accordance with decision B.10/06, paragraph (e).

22. At its twelfth meeting, by decision B.12/30, paragraph (b), the Board decided to accredit applicant 026, HSBC Holdings plc and its subsidiaries (HSBC). In paragraphs (e–h) of the same decision, the Board outlined a process that includes a review by the AP prior to the fourteenth and sixteenth meetings of the Board of the entity's progress in implementing its Global Standards, including a review of material external information. In the same decision, the Board requested that the AP report to the Board on whether the results of these reviews would alter

its recommendation to accredit the entity. In line with this decision, the AP provided its report in document GCF/B.14/Inf.07 at the fourteenth meeting of the Board and is to provide its report as contained in annex V to this document at the sixteenth meeting of the Board.

## 5.1 Stage III: legal arrangements and agreements

23. Following the Board's consideration of the accreditation master agreement (AMA) template at its twelfth meeting, the Secretariat has progressed in entering into legal arrangements with AEs. As at 28 February 2017, 19 AMAs<sup>10</sup> had been signed with:

- (a) Acumen Fund, Inc. (Acumen) based in the United States of America;
- (b) Agency for Agricultural Development of Morocco (ADA);
- (c) Caribbean Community Climate Change Centre (CCCCC) based in Belize;
- (d) Centre de Suivi Ecologique (CSE) based in Senegal;
- (e) Corporación Andina de Fomento (CAF) based in the Bolivarian Republic of Venezuela;
- (f) Development Bank of Southern Africa (DBSA) based in South Africa;
- (g) Environmental Investment Fund of Namibia (EIF);
- (h) Kreditanstalt für Wiederaufbau (KfW) based in Germany;
- (i) International Union for Conservation of Nature (IUCN) based in Switzerland;
- (j) Ministry of Natural Resources of Rwanda (MINIRENA);
- (k) Ministry of Finance and Economic Cooperation of the Federal Democratic Republic of Ethiopia (MoFEC);
- (l) National Environment Management Authority of Kenya (NEMA);
- (m) Peruvian Trust Fund for National Parks and Protected Areas (PROFONANPE);
- (n) Secretariat of the Pacific Regional Environment Programme (SPREP) based in Samoa;
- (o) Unidad para el Cambio Rural (Unit for Rural Change) (UCAR) based in Argentina;
- (p) United Nations Development Programme (UNDP) based in the United States;
- (q) United Nations Environment Programme (UNEP) based in Kenya;
- (r) World Meteorological Organization (WMO) based in Switzerland; and
- (s) XacBank LLC (XacBank) based in Mongolia.

24. The Secretariat is setting up a process to ensure compliance with clause 32.04 of the AMA template, which implies that the GCF shall notify the AEs when it intends to revise or adopt rules, policies or procedures that are material and apply to them. Furthermore, the GCF shall allow AEs to provide comments to the intended revision or adoption.

## 5.2 Support for accredited direct access entities

25. A revised indicative list of activities that can be supported by the Readiness and Preparatory Support Programme, as contained in annex VII to decision B.13/32, includes activities where support for accreditation and accredited direct access entities could be provided. The Secretariat is in the process of assessing the demand for readiness support as

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<sup>10</sup> Available at <<http://www.greenclimate.fund/partners/accredited-entities/get-accredited>>.

identified by NDAs/focal points in their draft country programmes, and AEs in their entity work programmes. The country programmes and entity work programmes are being prepared in line with the strategic plan for the GCF (decision B.12/20); the Secretariat's report to the Board on the progress of their development is contained in document GCF/B.16/04/Add.01 titled "Implementation of the initial Strategic Plan of the GCF – Addendum I: Update on country programmes and entity work programmes" and related addenda GCF/B.16/04/Add.03 and GCF/B.16/04/Add.04.

### 5.3 Support for pipeline development and the Project Preparation Facility

26. As at 31 January 2017, the Secretariat had worked with AEs on a total of 13 Project Preparation Facility requests and approved one Project Preparation Facility proposal from the Ministry of National Resources of Rwanda (twelfth meeting of the Board, US\$ 1,498,841). Activities are under implementation, and the first disbursement request (US\$ 500,000) was processed in November 2016. The Secretariat is currently working on the process of due diligence of those requests and has also been having discussions related to the Project Preparation Facility with other accredited entities (both direct access and international) in the context of their entity work programme.

27. Additional details on activities to support accredited direct access entities in preparing projects through readiness support for project preparation and the Project Preparation Facility are contained in document GCF/B.16/Inf.06 titled "Status of the GCF portfolio: pipeline and approved projects".

### 5.4 Entity work programmes

28. In line with the strategic plan for the GCF, the Secretariat is working with the 48 AEs in order to update or develop draft entity work programme briefs. The Secretariat reported to the Board on the development of 31 entity work programme briefs in documents GCF/B.15/Inf.09, GCF/B.15/Inf.09/Add.02 and GCF/B.15/Inf.09/Add.03.

29. Aiming to strengthen the proactive and strategic approach of the GCF to programming in order to deliver country-owned, high-impact proposals, the entity work programme briefs include the following:

- (a) Engagement with the GCF, which may include the mission and objectives of the AE, and the envisaged partnership with the GCF;
- (b) Focus areas, if any, which may include geographical regions, sectors, types of activities, impact areas and other areas on which the AE may be focused; and
- (c) A potential pipeline with the GCF, which may include information on potential projects and programmes, as well as challenges, barriers, readiness needs and potential solutions to bringing the pipeline to the GCF. The entities may also indicate potential activities where support may be needed under the Project Preparation Facility, including those under the requests for proposals for the pilot phase for enhancing direct access, a pilot programme to support micro-, small- and medium-sized enterprises<sup>11</sup> and a pilot programme to mobilize resources at scale in order to address adaptation and mitigation.<sup>12</sup>

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<sup>11</sup> Decision B.10/11, paragraph (a).

<sup>12</sup> As footnote 11 above.

30. In line with decision B.13/10, paragraph (c), the Secretariat compiled an information document based on country and accredited entity work programme briefs (see document GCF/B.16/04/Add.01 titled “Implementation of the initial Strategic Plan of the GCF – Addendum I: Update on country programmes and entity work programmes” and related addenda GCF/B.16/04/Add.03 and GCF/B.16/04/Add.04).

## **Annex I: Draft decision of the Board**

The Board, having considered document GCF/B.16/13 titled “Status of accreditation matters”,

*Decides* that those entities referred to in annex VI are also eligible to apply under the fast-track accreditation process for the standards of the GCF in accordance with decision B.08/03, paragraph (f), for entities accredited by the Adaptation Fund, and decision B.08/03, paragraph (g), for entities under the Directorate-General for International Development and Cooperation.

## Annex II: Readiness support for direct access entities

**Table 2: Status of readiness support for gap assessment and action plan for direct access entities seeking accreditation (as at 28 February 2017)**

	Country	Delivery partner	Amount (US\$)	Status <sup>1</sup>
1	Benin	PwC	37,000	Finalized
2	Brazil	PwC	37,000	Finalized
3	Cambodia	PwC	37,000	Finalized
4	Colombia (2 entities)	PwC	74,000	Finalized
5	Honduras (2 entities)	PwC	74,000	Finalized
6	Kenya	PwC	37,000	Finalized
7	Mexico	PwC	37,000	Finalized
8	Micronesia (Federated States of) (2 entities)	PwC	74,000	Finalized
9	Niue	PwC	37,000	Finalized
10	Pakistan	PwC	37,000	Finalized
11	Palau	PwC	37,000	Finalized
12	Seychelles	PwC	37,000	Finalized
13	Peru	PwC	33,415	Approved
14	Bangladesh	PwC	34,620	Approved
	<b>Total</b>		<b>623,035</b>	

*Abbreviation:* PwC = PricewaterhouseCoopers.

<sup>1</sup> "Approved" indicates that the readiness proposal for gap assessment and action plan has been approved for further process; "Finalized" indicates that both the gap assessment and the action plan for addressing any identified gaps have been developed and sent to the entity for implementation.

**Table 3: Status of readiness support for direct access accredited entities (as at 28 February 2017)**

	Country	Recipient	Support	Amount (US\$)	Status
1	Rwanda	Ministry of Natural Resources of Rwanda	Project Preparation Facility	1,498,841	Approved
2	Vanuatu	Secretariat of the Pacific Regional Environment Programme	Readiness support for project preparation	137,000	Approved
3	Namibia	Environmental Investment Fund of Namibia	Readiness support for strengthening institutional capacities	391,009	Approved
	<b>Total</b>			<b>2,026,850</b>	

<sup>1</sup> Decision B.12/24.











	Accredited entity	Accredited entity short name	Fiduciary functions <sup>1</sup>					E&S risk category <sup>2</sup>			Size of an individual project or activity within a programme <sup>3</sup>			
			Project management <sup>4</sup>	Grant award and/or funding allocation <sup>5</sup>	Blended finance			C	B	A	Micro	Small	Medium	Large
					Loans	Equity	Guarantees							
41	South African National Biodiversity Institute <sup>46</sup>	SANBI												
42	Unidad para el Cambio Rural (Unit for Rural Change) of Argentina <sup>47</sup>	UCAR												
43	United Nations Development Programme <sup>48</sup>	UNDP												
44	United Nations Environment Programme <sup>49</sup>	UNEP												
45	World Food Programme <sup>50</sup>	WFP												
46	World Meteorological Organization <sup>51</sup>	WMO												
47	World Wildlife Fund, Inc. <sup>52</sup>	WWF												
48	XacBank LLC <sup>53</sup>	XacBank												

<sup>1</sup> Annex I to decision B.07/02 (annex I to document GCF/B.07/11).

<sup>2</sup> E&S risk category = environmental and social risk category. Refer to annex I to decision B.07/02.

<sup>3</sup> Annex I to decision B.08/02 (annex I to document GCF/B.08/45).

<sup>4</sup> Annex I to decision B.08/02. The specialized fiduciary standard for project management is contained in annex II to decision B.07/02 (annex II to document GCF/B.07/11). Project management underlying principles are: ability to identify, formulate and appraise projects or programmes; competency to manage or oversee the execution of approved funding proposals (including those financed through grants), including the ability to manage executing entities or project sponsors and to support project delivery and implementation; and capacity to consistently and transparently report on the progress, delivery and implementation of the approved funding proposal.

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- 5 The specialized fiduciary standard for grant award and/or funding allocation mechanisms is contained in annex II to decision B.07/02. Specific capacities for grant award and funding allocation mechanisms of grants in the context of programmes require: transparent eligibility criteria and an evaluation process; a grant award decision and procedures; public access to information on beneficiaries and results; transparent allocation and implementation of financial resources; and a good standing with regard to multilateral funding.
  - 6 Annex VII to decision B.09/07 (annex VII to document GCF/B.09/23).
  - 7 Annex XIII to decision B.10/06 (annex XIII to document GCF/B.10/17).
  - 8 Annex XVII to decision B.12/30.
  - 9 Annex XV to decision B.10/06 (annex XV to document GCF/B.10/17).
  - 10 Annex XI to decision B.12/30.
  - 11 Annex VIII to decision B.09/07 (annex VIII to document GCF/B.09/23) .
  - 12 Annex V to decision B.14/10.
  - 13 Annex XII to decision B.10/06 (annex XII to document GCF/B.10/17) .
  - 14 Annex VI to decision B.14/10.
  - 15 Annex IX to decision B.15/09.
  - 16 Annex IV to decision B.09/07 (annex IV to document GCF/B.09/23) .
  - 17 Annex XVI to decision B.10/06 (annex XVI to document GCF/B.10/17).
  - 18 Annex XI to decision B.10/06 (annex XI to document GCF/B.10/17).
  - 19 Annex XV to decision B.12/30.
  - 20 Annex XIV to decision B.10/06 (annex XIV to document GCF/B.10/17) .
  - 21 Annex VIII to decision B.14/10.
  - 22 Annex XIV to decision B.12/30.
  - 23 Annex VIII to decision B.10/06 (annex VIII to document GCF/B.10/17).
  - 24 Annex XVII to decision B.10/06 (annex XVII to document GCF/B.10/17).
  - 25 Annex XVIII to decision B.12/30.
  - 26 Annex VI to decision B.15/09.
  - 27 Annex XI to decision B.14/11.
  - 28 Annex X to decision B.15/09.
  - 29 Annex XVI to decision B.12/30.
  - 30 Annex XVIII to decision B.10/06 (annex XVIII to document GCF/B.10/17) .
  - 31 Annex XX to decision B.10/06 (annex XX to document GCF/B.10/17) .
  - 32 Annex XIX to decision B.12/30.
  - 33 Annex XII to decision B.14/11.
  - 34 Annex XXI to decision B.12/30.
  - 35 Annex VII to decision B.15/09.
  - 36 Annex IX to decision B.09/07 (annex IX to document GCF/B.09/23) .
  - 37 Annex XII to decision B.12/30.
  - 38 Annex IX to decision B.10/06 (annex IX to document GCF/B.10/17).
  - 39 Annex X to decision B.10/06 (annex X to document GCF/B.10/17).
  - 40 Annex XIII to decision B.12/30.
  - 41 Annex XIII to decision B.14/11.
  - 42 Annex V to decision B.09/07 (annex V to document GCF/B.09/23) .

<sup>43</sup> Annex VIII to decision B.15/09.

<sup>44</sup> Annex VI to decision B.09/07 (annex VI to document GCF/B.09/23).

<sup>45</sup> Annex XI to decision B.15/09.

<sup>46</sup> Annex X to decision B.14/11.

<sup>47</sup> Annex XX to decision B.12/30.

<sup>48</sup> Annex X to decision B.09/07 (annex X to document GCF/B.09/23).

<sup>49</sup> Annex XIX to decision B.10/06 (annex XIX to document GCF/B.10/17).

<sup>50</sup> Annex XXII to decision B.12/30.

<sup>51</sup> Annex XXIII to decision B.12/30.

<sup>52</sup> Annex XII to decision B.15/09.

<sup>53</sup> Annex VII to decision B.14/10.

## Annex IV: Status of accredited entities addressing accreditation conditions

1. During the ninth, tenth, twelfth, fourteenth and fifteenth meetings of the Board, 48 entities were recommended by the Accreditation Panel (AP) and accredited by the Board, some of which were accredited with conditions and others with recommendations or remarks from the AP. All accredited entities are required to submit to the AP, through the Secretariat, information and supporting documents on how they have addressed the condition(s). The AP thereafter assesses whether the condition(s) has/have been met. Following decision B.10/06, paragraph (e), the assessment of the AP, as contained in tables 5 and 6, is communicated to the Board by the Secretariat, on behalf of the AP, for information purposes.
2. Table 5 includes the accredited entities for which conditions of accreditation have been “fulfilled and closed”. These entities may have had recommendations or remarks raised by the AP as a part of those entities’ recommendation for accreditation, which may be “fulfilled” or “in progress”.
3. Table 6 includes the accredited entities for which conditions of accreditation, in part or whole, are “in progress”. These entities may also have recommendations or remarks raised by the AP.

**Table 5: Accredited entities that have closed accreditation conditions (as at 28 February 2017)**

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
Acumen Fund, Inc. (Acumen) <sup>1</sup>	Conditions	Fiduciary	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	(i) Publishing on its website the terms of reference that outline the purpose, authority and accountability of the function;	Fulfilled and closed	Refer to document GCF/B.11/03
			Conditions prior to the first disbursement by the GCF for an approved project/programme	(ii) Ensuring the functional independence of the responsible officer;	Fulfilled and closed	Refer to document GCF/B.11/03

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			to be undertaken by the entity			
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	(iii) Including guidelines for processing cases, and standardized procedures for handling complaints and managing cases before, during and after the investigation process; and	Fulfilled and closed	Refer to document GCF/B.11/03
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	(iv) Defining a process for periodically reporting case trends	Fulfilled and closed	Refer to document GCF/B.11/03
		Gender	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	(i) Develop a gender policy; and	Fulfilled and closed	Refer to document GCF/B.15/16
			Conditions prior to the first disbursement by the	(ii) Obtain the competencies required in	Fulfilled and closed	Refer to document GCF/B.15/16

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			GCF for an approved project/programme to be undertaken by the entity	order to implement the policy		
	Recommendations	ESS <sup>2</sup>	None	It is recommended that the applicant seek to deepen its knowledge of the interim ESS of the GCF, while further developing its relatively new ESMS <sup>3</sup> processes in order to support a potential future application for accreditation against medium E&S <sup>4</sup> risk level Category B/I-2. It is additionally recommended that the applicant strengthen its E&S reporting function	In progress	As reported in document GCF/B.11/03, the entity is actively seeking to deepen its knowledge of the interim ESS of the GCF. In the event that it endeavours to undertake projects with medium E&S risk Category B/I-2 in the future, it will upgrade its ESMS and seek an upgrade in its accreditation type accordingly  Acumen participated, with assistance from the Readiness and Preparatory Support Programme, in the interim ESS of the GCF and the gender training workshop for direct access entities held at GCF Headquarters in September 2015
Africa Finance Corporation <sup>5</sup>	Conditions	Gender	Condition prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	Develop a gender policy consistent with the gender policy of the GCF to be applied in projects and programmes funded by the GCF	Fulfilled and closed	Refer to document GCF/B.15/16

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
	Recommendations	ESS		It is recommended that the applicant seek external assistance so as to further develop its E&S policy and its application as appropriate for the type of activities for which it will seek finance from the GCF	In progress	The entity informed the GCF that it had hired an experienced E&S Risk Manager who would commence duty in September 2016. The entity had also retained the services of an E&S consulting firm that is had engaged for the last three years. The AP requested the entity to provide the curriculum vitae of the E&S Risk Manager. In addition, the entity was requested to confirm if it is working on developing its E&S policy, as appropriate, regarding its anticipated engagement with the GCF
		Fiduciary		Relating to the investigation function: It is recommended that the applicant complement its investigation function with a mechanism, such as a link on its website, in order to receive and process third-party complaints that arise from projects financed by the applicant	In progress	The AP takes note that the entity has informed the GCF that it had provided an e-mail address which is available on its website to receive third-party complaints, however, the AP was only able to find a general inquiry e-mail link and unable to identify the link to this e-mail address on the applicant's website in relation to the entity's investigation function
Agence Française de Développement <sup>6</sup>	Recommendations	ESS		The AP recommends that the applicant finalize the implementation of its stakeholder response mechanism and make the contact information for	In progress	The entity informed the GCF that its stakeholder response mechanism was presented to its board in March 2016, and it plans to integrate the mechanism in its procedures by the end of the third quarter of 2016. The recruitment of independent

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				submitting and registering a complaint publicly available on its website		experts who will implement the procedures is under way and may be effective during the last quarter of 2016. The entity will provide relevant documentation for review by the AP after finalizing the implementation of its stakeholder response mechanism
				The applicant is currently developing a new ESS procedural framework for the period following 2016 and is requested to submit it to the Fund when it is ready.	In progress	The entity informed the GCF that it is currently working on publishing its new E&S policy externally, based on its E&S procedural framework approved in November 2015. The policy will be published by the end of 2016 following internal clearance. The entity will provide relevant documentation for review by the AP after publication of its E&S policy
Agency for Agricultural Development of Morocco <sup>7</sup>	Conditions	Fiduciary	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	Relating to investigation function: 1. Approve, through the applicant's board, the policies and procedures that pertain to investigations. The approved policy should contain the following elements:  a. Publicly available terms of reference that outline the	Fulfilled and closed	Refer to document GCF/B.15/16

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				purpose, authority and accountability of the function;		
				b. Guidelines to process cases, including standardized procedures to handle complaints received and to manage them before, during and after the investigation process; and	Fulfilled and closed	Refer to document GCF/B.15/16
				c. A registry specifically for cases of fraud and corruption;	Fulfilled and closed	Refer to document GCF/B.15/16
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	2. Publish both (a) and (b) above; and	Fulfilled and closed	Refer to document GCF/B.15/16
			Conditions prior to the first disbursement by the GCF for an approved project/programme	3. Formalize the process for periodically reporting case trends.	Fulfilled and closed	Refer to document GCF/B.15/16

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			to be undertaken by the entity			
Centre de Suivi Ecologique (CSE) <sup>8</sup>	Conditions	Fiduciary	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	Related to the investigation function: (i) Publishing on its website terms of reference that outline the purpose, authority and accountability of the function;	Fulfilled and closed	Refer to document GCF/B.15/16
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	(ii) Ensuring the functional independence of the responsible officer;	Fulfilled and closed	Refer to document GCF/B.15/16
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	(iii) Including guidelines for processing cases, and standardized procedures for handling complaints and managing cases before, during and after the investigation process; and	Fulfilled and closed	Refer to document GCF/B.15/16
			Conditions prior to the first disbursement by the	(iv) Defining a process for periodically reporting case trends	Fulfilled and closed	Refer to document GCF/B.15/16

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			GCF for an approved project/programme to be undertaken by the entity			
		Gender	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	(i) Develop a gender policy; and	Fulfilled and closed	Refer to document GCF/B.15/16
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	(ii) Obtain the competencies required in order to implement the policy	Fulfilled and closed	Refer to document GCF/B.15/16

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
	Recommendations	ESS		It is recommended that the applicant seek to deepen its knowledge of the interim ESS of the GCF, while further developing its ESMS in order to support a potential future application for accreditation against medium E&S risk level Category B/Intermediation 2 (I-2)	In progress	<p>As reported in document GCF/B.12/07, the AP is reviewing the information submitted by the entity on its environmental and social policy and grievance management mechanism, and procedures for the mitigation of E&amp;S risks and impacts, which was submitted in an effort to support the entity's potential future application for accreditation against medium E&amp;S risk level Category B/I-2</p> <p>CSE participated, with assistance from the Readiness and Preparatory Support Programme, in the interim ESS of the GCF and the gender training workshop for direct access entities held at GCF Headquarters in September 2015</p> <p>In addition, the entity indicated that it was working with the national designated authority to finalize a request for readiness support that includes activities to strengthen the ESS capacities of CSE with a view to applying for an upgrade to Category B</p>
Conservation International Foundation <sup>9</sup>	Recommendations	ESS		It is recommended that the applicant seek to deepen its knowledge and application of the interim ESS of the GCF in order to support a	Fulfilled	The entity has submitted an application for an upgrade of its accreditation type from minimal to no E&S risk, Category C/I-3 to Category B/I-2, and was upgraded in decision B.15/09

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				potential future upgrade of its accreditation to medium E&S risk level Category B/1-2		
Corporación Andina de Fomento (CAF) <sup>10</sup>	Conditions	ESS	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	(i) Ensure that project-specific performance standard 2 is fully aligned with the ESS of the GCF when it is applied in projects, and to strengthen its monitoring and review of E&S <sup>6</sup> risks and impacts, as part of its ESMS; <sup>7</sup> and	Fulfilled and closed	Refer to document GCF/B.15/16
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	(ii) Approve by senior management, the consolidated blueprint for E&S management and communicate the blueprint within the organization and to its executing entities	Fulfilled and closed	Refer to document GCF/B.15/16
Development Bank of Southern Africa <sup>11</sup>	Conditions	ESS	Condition prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	Develop an external communications mechanism, which provides a system to receive, document and respond to questions or complaints from the general public	Fulfilled and closed	Refer to document GCF/B.15/16

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
	Recommendations	ESS		The AP notes that the applicant has well-developed internal E&S training programmes for its employees. The applicant is encouraged to share such experience with the financial institutions in the region in this regard	Fulfilled	Refer to document GCF/B.15/16
European Investment Bank <sup>12</sup>	Recommendations	Gender		The applicant is encouraged to further enhance its strategic approach to gender with a view to integrating a formalized gender-sensitive approach in its ongoing operations. The applicant is invited to share such a strategy with the GCF once it is finalized and formally adopted	Fulfilled	<p>The entity provided the EIB Group Strategy on Gender Equality and Women's Economic Empowerment. The strategy was formally adopted on 13 December 2016 and became effective in January 2017.</p> <p>The strategy is based on: i) the protection of women's rights in EIB's due diligence framework and in the requirements for EIB's clients and promoters; ii) increasing EIB's operations' positive impact on gender equality, while pursuing EIB's Public Policy Goals and Operational Plan objectives; and iii) the targeted promotion of women's economic empowerment, including women's increased access to employment and to credit/financial services, as well as support for female entrepreneurship.</p>

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
						The expected outcomes from the implementation of these elements are: (i) increased social and economic returns of the EIB Group investments, particularly in terms of gender equality in the access of services, resources, opportunities and benefits arising from them; and (ii) better positioning of the EIB Group to work with the clients and promoters towards increasing women's participation in the labor force, decision making and corporate governance related to the EIB Group operations.
International Bank for Reconstruction and Development and International Development Association (together known as the World Bank) <sup>13</sup>	Recommendations	ESS		The applicant is currently undertaking a review and possible revision of its own ESS and is requested to keep the GCF informed of developments in this respect	In progress	As reported in document GCF/B.12/07, the entity informed the AP of updates regarding its review of its ESS, which are published on its website. The AP noted the progress made towards the revision. The AP requested the entity to provide further updates on the revision of its ESS when available
International Finance Corporation <sup>14</sup>	Recommendations	ESS		1. In the course of its due diligence, the AP has been made aware that in 2011 the applicant conducted an audit of the environmental and social management system of its financial intermediaries and	In progress	The entity has been requested to provide information on the efforts it is taking to address the remark. The GCF is waiting for a response from the entity on the expected time frame for providing the information

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				developed an action plan in response to the audit findings. The AP would like to request the applicant to report to the GCF on the progress made in the implementation of this action plan		
				2. In the course of its due diligence, the AP has been made aware of the applicant's participation in the work on the harmonization of the E&S standards used by a number of international financial institutions. The AP encourages the applicant to further pursue this initiative among other multilateral financial institutions and inform the GCF on the progress in this process	In progress	The entity has been requested to provide information on the efforts it is taking to address the remark. The GCF is waiting for a response from the entity on the expected time frame for providing the information
International Fund for Agricultural Development (IFAD) <sup>15</sup>	Recommendations	Fiduciary		In the course of the accreditation review assessment, the AP noted that the applicant is in the process of finalizing the	Fulfilled	IFAD has provided an updated financial management and administration manual for IFAD staff and consultants, which was approved and disseminated to IFAD staff by the Director of the Financial

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				<p>first major revision to its financial management administration manual – a comprehensive financial management framework document released in 2012. The updated manual contains fundamental provisions regarding the types of financing provided by the applicant, the project cycle overview, financial management at project design and approval, the financing agreement and its negotiation process, project supervision, the withdrawal and disbursement process, audit and financial reporting requirements, conditions on loan repayments and debt services, financial management and disbursement of grants. However, the new manual is pending the approval of the applicant’s executive board. The financial management administration manual is a</p>		<p>Management Services Division on 26 September 2016. The manual is a formal and comprehensive document that contains a full list of principles and provisions of the financial management at project development and implementation, financial management and disbursement of grants, as well as rules of loan repayments and debt servicing</p>

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				document for staff, consultants and cooperating institutions, where applicable. Updates are issued under the authority of the director, Financial Management Services Division, and the updated manual will be issued by the end of 2016. The applicant may wish to consider: (a) Informing and submitting to the GCF the updated financial management administration manual approved and released to staff and consultants by the director of the Financial Management Services Division		
National Bank for Agriculture and Rural Development (NABARD) <sup>16</sup>	Conditions	ESS	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	Approve the ESS policy, and communicate the policy and procedures within the organization as well as to its executing entities	Fulfilled and closed	Refer to document GCF/B.15/16

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
		Gender	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	Develop a gender policy in line with the gender policy of the GCF to be applied in projects and programmes funded by the GCF	Fulfilled and closed	Refer to document GCF/B.15/16
Peruvian Trust Fund for National Parks and Protected Areas (PROFONANPE) <sup>17</sup>	Conditions	Fiduciary	Condition prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	Related to the investigation function: To define and implement a process for periodically reporting case trends. In order to enhance accountability and transparency, case trend reports and other information are made available to senior business management and relevant business functions, to the extent possible	Fulfilled and closed	Refer to document GCF/B.15/16
	Recommendations	ESS		It is recommended that the applicant seek to deepen its knowledge of the interim ESS of the GCF, while further implementing its new ESS policy in risk level Category B/I-2. It is additionally recommended that the applicant	In progress	As reported in document GCF/B.11/03, the entity plans to apply for an upgrade in its accreditation type from risk level Category C/I-3 to Category B/I-2.  In 2016, PROFONANPE, with readiness support from Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, has updated its institutional policy

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				strengthen its E&S reporting function		and its manual on E&S and gender safeguards. Currently, the entity is planning to organize a training course on ESS tailored to its staff with the participation of international experts. PROFONANPE also participated, with assistance from the Readiness and Preparatory Support Programme, in the interim ESS of the GCF and the gender training workshop for direct access entities held at GCF Headquarters in September 2015
Secretariat of the Pacific Regional Environment Programme (SPREP) <sup>18</sup>	Recommendations	ESS		It is recommended that the applicant seek to deepen its knowledge of the interim ESS of the GCF, while further developing its ESMS in order to support a potential future application for accreditation against medium E&S risk level Category B/I-2	In progress	As reported in document GCF/B.11/03, the entity informed the Secretariat that it plans to pursue an upgrade of its accreditation type from E&S risk level Category C/I-3 to Category B/I-2 as a matter of priority. The timing of this is largely dependent on the time it takes to acquire a sufficient track record and prepare documentation on the relevant processes and procedures to satisfy the accreditation requirements of the GCF.  SPREP participated, with assistance from the Readiness and Preparatory Support Programme, in the interim ESS of the GCF and the gender training workshop for direct access entities held at GCF Headquarters in September 2015

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
		Fiduciary		Relating to grant award and/or funding allocation mechanisms: It is recommended that the applicant continue with its plans to formalize, institutionalize and implement its grant management guidelines in order to support a potential future application for accreditation against the specialized fiduciary standard for grant award and/or funding allocation mechanisms	In progress	As reported in document GCF/B.11/03, the entity informed the Secretariat that it is in the process of developing a new project management framework, and that this will provide an opportunity for SPREP to incorporate a formalized grant management procedure into its operations manuals. Further information will be provided by the entity when the framework is finalized, with respect to a potential application for an upgrade
United Nations Environment Programme (UNEP) <sup>19</sup>	Conditions	ESS	Condition prior to the first disbursement by the GCF for an approved project/programme that bears risks contained in performance standard 4	Adopt specific policies and procedures to address performance standard 4 of the ESS of the GCF in order to undertake a project/programme that bears risks contained in performance standard 4	Fulfilled and closed	Refer to document GCF/B.11/03
	Recommendations	ESS		The AP recommends that the applicant finalize the implementation of its stakeholder response	Fulfilled	Refer to document GCF/B.11/03

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				mechanism and make the contact information for submitting and registering a complaint publicly available on its website		
World Meteorological Organization <sup>20</sup>	Conditions	ESS	Condition prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	Adopt the new project management framework, which includes the identification, mitigation, management and monitoring of E&S risks and impacts	Fulfilled and closed	Refer to document GCF/B.15/16
World Wildlife Fund, Inc. <sup>21</sup>	Recommendations	ESS		If the applicant builds its experience in implementing higher risk projects and programmes, the applicant may, in the future, seek accreditation against the high E&S risk (Category A/I-1). The 2015 ESS is a living document. The applicant has evolved quickly to develop and apply its ESS for its projects funded by the GEF, and, if accredited to the GCF, some evolution in the ESS may also be anticipated. Currently, there are small	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				<p>discrepancies between the ESS guidance, ESS training materials and actual practice (e.g. the procedure provided in the annex of the ESS for the complaints mechanism compared to that provided in the body of the ESS document vary slightly; the actual role of the safeguards review team varies slightly in practice from that outlined in the guidance; and reference to screening for impacts under performance standards 2 to 4 should now be integrated into the ESS text). Once these are harmonized, the routine updates, as already foreseen in the ESS, should be sufficient to keep abreast of best international practices. Accordingly, the applicant may wish, perhaps in the next six months, to harmonize its existing guidance, training materials and procedures,</p>		

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				and inform the GCF if this has been carried out.		
XacBank LLC <sup>22</sup>	Conditions	Fiduciary	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	1. Provide evidence of the effective application of procedures for the investigation of fraud, corruption and other forms of malpractice;	Fulfilled and closed	The entity provided a spreadsheet with a description of the cases and evidence of investigation function from May 2016 to January 2017. The document contains information on the specific cases of violations of the Code of Ethics, fraud or corruption cases and examples of the identification of the violation cases, and provides a description of the subsequent actions taken. Thus the document demonstrates the effective implementation of the procedures for the investigation of fraud, corruption and other forms of malpractice
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	2. Provide evidence of the effective implementation of the procedures for: (a) The preparation of project implementation plans;	Fulfilled and closed	The project implementation plan for the MSME Business Loan Programme for emission reduction was presented, demonstrating the implementation of the project management procedure (project plan). The plan is developed for the GCF co-financed programme for GHG emission reduction (energy efficiency, decentralized off-grid electricity generation), which is a continuation of a previous existing programme implemented by XacBank since 2013. The plan contains the details of the project

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
						financing, procurement of services, monitoring and evaluation, reporting periods and planned outcomes, and incorporates the lessons learned from the previous stages of the programme implementation
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	(b) Project closure; and	Fulfilled and closed	The entity provided a project closure report on the microfinance for clean energy product lines, prepared in compliance with the rules of an enhanced credits tracker platform. The platform was developed and used for the purpose of the monitoring and evaluation of the distribution and sale of the energy efficiency stoves and ger blankets for the nomadic dwellings in Mongolia. The energy efficiency programme approved at the fifteenth meeting of the Board is a continuation and expansion of this microfinance programme and will be developed in accordance with the same tracking and closure provisions
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	(c). The independent evaluation of project results; and	Fulfilled and closed	The entity provided a third-party (independent) verification report prepared for the Microfinance for Clean Energy Product Lines developed under the clean development mechanism. Although the verification report is prepared in accordance with the rules for

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
						<p>clean development mechanism projects and not in accordance with the entity's own policies for the independent evaluation of projects, the AP considers the evidence sufficient to close the condition at this stage, as the programme approved by the GCF at the fifteenth meeting of the Board is a continuation of the programme for which that independent verification report has been presented</p> <p>However, the AP would like to request XacBank to present further evidence (independent evaluation report) developed in accordance with its updated internal policies and procedures for the independent evaluation that comply with GCF standards. The independent evaluation report should be presented to the AP at the completion stage of the first project approved by the GCF (Business loan programme for GHG emissions reduction in Mongolia)</p>
			<p>Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant</p>	<p>3. Provide evidence of the effective implementation of the applicant's information disclosure policy</p>	<p>Fulfilled and closed</p>	<p>XacBank provided evidence on the publication of information related to monitoring and results of the MicroEnergy credits – Microfinance for Clean Energy Product Lines – Mongolia on its website under the section for its EcoBanking department. Also, XacBank published</p>

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
						information on its new environmental and social management system updated with regard to GCF requirements that is intended to support the development, installation, and operation of renewable energy projects in Mongolia through the MSMEs. XacBank indicated that it was planning to develop this MSMEs microfinance programme for the GHG reduction in Mongolia together with GCF.

<sup>1</sup> Annex VII to decision B.09/07 (annex VII to document GCF/B.09/23).

<sup>2</sup> ESS = interim environmental and social safeguards of the GCF.

<sup>3</sup> ESMS = environmental and social management system.

<sup>4</sup> E&S = environmental and social.

<sup>5</sup> Annex XIII to decision B.10/06.

<sup>6</sup> Annex XV to decision B.10/06.

<sup>7</sup> Annex XI to decision B.12/30.

<sup>8</sup> Annex IV to decision B.09/07.

<sup>9</sup> Annex XVI to decision B.10/06.

<sup>10</sup> Annex XI to decision B.10/06.

<sup>11</sup> Annex XIV to decision B.12/30.

<sup>12</sup> Annex XVIII to decision B.12/30.

<sup>13</sup> Annex XX to decision B.10/06.

<sup>14</sup> Annex XIX to decision B.12/30.

<sup>15</sup> Annex XII to decision B.14/11.

<sup>16</sup> Annex X to decision B.10/06.

<sup>17</sup> Annex V to decision B.09/07.

<sup>18</sup> Annex VI to decision B.09/07.

<sup>19</sup> Annex XIX to decision B.10/06.

<sup>20</sup> Annex XXIII to decision B.12/30.

<sup>21</sup> Annex XII to decision B.15/09.

<sup>22</sup> Annex VII to decision B.14/10.

**Table 6: Status of accredited entities addressing accreditation conditions (as at 28 February 2017)**

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
African Development Bank <sup>1</sup>	Conditions	Fiduciary	Conditions to be met for an approved project/programme that has an equity structure to be invested in by the GCF to be undertaken by the applicant	1. Prior to the first disbursement from the GCF to the equity issuer, submit draft terms of reference for the annual audit, which has to be included in the constitutional document of the equity issuer, for review and approval by the GCF; and	In progress	The entity requested that the AP conduct a site visit to its headquarters in order to gain access to the confidential information to address the condition. This visit is pending confirmation from the entity
			Conditions to be met for an approved project/programme that has an equity structure to be invested in by the GCF to be undertaken by the applicant	2. Undertaking in the funded activity agreement to provide the GCF on an annual basis for the first three consecutive years with annual audit reports and information on the status of recommendations that may arise from such reports. After the first three years, the GCF will review the need to extend this condition	In progress	The entity requested that the AP conduct a site visit to its headquarters in order to gain access to the confidential information to address the condition. This visit is pending confirmation from the entity
Banque Ouest Africaine de Développement (West African	Conditions	Fiduciary, ESS <sup>3</sup> and gender	Conditions prior to the first disbursement by the GCF for an approved	1. Provide a plan for improving the monitoring of compliance with the applicant's fiduciary, E&S <sup>4</sup>	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
Development Bank) <sup>2</sup>			project/programme to be undertaken by the applicant	and gender-related standards, as well as any conditions in general that it applies to its financing, including for projects financed by the GCF;		expected time frame for providing the information
		Fiduciary	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	2. Develop a process for publicly disclosing information on beneficiaries and the results of projects and programmes that are financed by the GCF; and	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
		Fiduciary	Conditions prior to submitting a request for GCF financing of a medium-sized grant award programme	3. Test and prove by way of having approved and successfully implemented for a minimum period of one year a small-sized grant award programme	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
	Recommendations	ESS		The applicant has a wide-ranging ESMS, <sup>5</sup> which is consistent with the requirements of performance standard 1 of the GCF interim ESS. Since the applicant's ESMS has been updated over time, it is recommended that the	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				<p>applicant now consolidate its existing guidelines in order to more easily screen and assess projects against GCF performance standards 2 to 8 and to ensure that:</p> <p>(a) All departments and all clients have the full package of the most up-to-date ESMS elements; and</p>		
				<p>(b) All departments and clients have been sufficiently trained to use the most up-to-date ESMS elements</p>	In progress	<p>The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information</p>
				<p>Although the applicant has sound policies and practices in relation to E&amp;S, gender and climate matters, it will need more staff in order to significantly increase the scale and scope of its activities as it has planned. In particular, the AP judged that more careful project design, enhanced implementation budgets and resources, and</p>	In progress	<p>The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information</p>

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				strengthened monitoring and supervision can help to overcome the existing capacity constraints. It is therefore recommended that the applicant addresses the staff shortcomings identified in paragraphs 19, 32 and 40 in annex V to decision B.14/10		
Caribbean Community Climate Change Centre (CCCCC) <sup>6</sup>	Conditions	Fiduciary	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	Relating to the internal audit function and 'know-your-customer' procedure: (i) Adopt, through its audit committee, the audit charter as its frame of reference;	Fulfilled and closed	Refer to document GCF/B.15/16
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	(ii) Submit its internal audit plan for the next financial year, 2016; and	In progress	The entity provided its 2016 internal audit plan for the financial year, 2016. The entity was requested by the AP to include a review of its purchases for project(s) disbursement as part of the 2016 internal audit plan and confirm the timeline for the completion of the audit
			Conditions prior to the first disbursement by the	(iv) Establish a 'know-your-customer' procedure as part of its anti-money	Fulfilled and closed	Refer to document GCF/B.12/07

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			GCF for an approved project/programme to be undertaken by the entity	laundering and countering the financing of terrorism procedure		
			Conditions to be met on an annual basis for the three consecutive years, starting with the financial year 2016	Relating to the internal audit function: Submit internal audit reports annually for three consecutive financial years, starting with the financial year 2016	In progress	The entity provided its internal audit plan for the financial year 2016 and was requested by the AP to include a review of its "Purchases for Project/Project Disbursement", which includes a "Review and testing of controls surrounding the purchases for projects and the disbursement of project funds to ensure compliance with the grant procurement and spending guidelines" as part of the 2016 audit plan. Furthermore, the entity indicated that the 2016 Internal Audit Report would be submitted in September 2017
		Gender	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	Adopt a gender policy consistent with the gender policy of the GCF to be applied in projects and programmes funded by the GCF	Fulfilled and closed	Refer to document GCF/B.12/07
	Recommendations	Fiduciary		Relating to grant awarding: Institutionalize the grant award procedure	Fulfilled	Refer to document GCF/B.12/07

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				developed with one of its partner institutions		
Caribbean Development Bank <sup>7</sup>	Conditions	Fiduciary	Condition prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	Demonstrate that the permanent external communications mechanism is fully functioning, in particular by identifying the staff assigned to manage, document and respond to communications, questions or complaints on the environmental and social performance of projects	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
		ESS	Condition prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	Establish an appropriate system for providing public access to information on the periodic progress of individual projects/programmes, including budget utilization, in relation to grant funding	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
Crédit Agricole Corporate and Investment Bank <sup>8</sup>	Conditions	Fiduciary	Condition prior to the first disbursement by the GCF for an approved project/programme	1. Develop a process for publicly disclosing information on beneficiaries and results of projects and programmes that are financed by the	In progress	The AP had a virtual meeting with the entity in order to discuss the condition and the action required from the entity to address it. The GCF is waiting for a

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			to be undertaken by the entity	GCF. This process should be aligned with the requirements of the GCF regarding disclosure of project information		response from the entity on the expected time frame for providing the information
		ESS	Condition prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	2. Develop a tracking system or register within the external communications mechanism to document questions or complaints received from the general public and from clients, as well as responses to them, for projects and programmes financed by the GCF; and	In progress	The AP had a virtual meeting with the entity in order to discuss the condition and action required from the entity to address it. The GCF is waiting for a response from the entity on the expected time frame for providing the information
		Gender	Condition prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	3. Develop a gender policy or approach in line with the gender policy of the GCF and obtain gender competencies to implement the policy/approach on projects and programmes funded by the GCF	In progress	The AP had a virtual meeting with the entity in order to discuss the condition and action required from the entity to address it. The GCF is waiting for a response from the entity on the expected time frame for providing the information
	Conditions	Fiduciary	Conditions prior to the first disbursement by the	Relating to internal controls: Provide the GCF, through the Secretariat,	Fulfilled and closed	Refer to document GCF/B.11/03

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
Deutsche Bank Aktiengesellschaft AG (DB) <sup>9</sup>			GCF for an approved project/programme to be undertaken by the entity	with a letter of comfort executed by the appropriate authority within the applicant entity stating that it is taking the necessary actions to strengthen its internal controls related to compliance with relevant regulations, including, but not limited to, risk management, management of operational risk and anti-money laundering and countering the financing of terrorism; and		
			Not required to be met prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	Provide the GCF, through the Secretariat, with its annual reports that disclose information on regulatory compliance	In progress	The entity indicated that its annual report for the financial year 2016 would be published in March 2017
		Gender	Conditions prior to the first disbursement by the GCF for an approved project/programme	Develop a gender policy consistent with the gender policy of the GCF to be applied in projects and programmes funded by the GCF	Fulfilled and closed	Refer to document GCF/B.15/16

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			to be undertaken by the entity			
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH <sup>10</sup>	Conditions	Fiduciary	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	Submit operational guidelines or an operational manual that describe(s) the fiduciary due diligence process the applicant would apply to GCF financing concerning transparency and accountability, with specific reference to standards on 'know-your-customer' and anti-money laundering	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
	Recommendations	Fiduciary		The applicant's traditional technical cooperation role under the Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (the Federal Ministry for Economic Cooperation and Development) has been noted as described on the ministry's website. However, based on its track record with grant intermediation, the	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				<p>applicant now plans to mainstream a financial intermediary function, as reflected in its GCF application for accreditation. In the view of the AP, this recent broadening in the scope of the applicant's activities could give rise to potential conflicts of interest between the applicant as a provider of technical cooperation on the one hand, and, on the other hand, as the supplier of GCF grants for a technical cooperation programme managed by an intermediary. In such cases, if the potential for conflict of interest is confirmed, the services should be procured following rules in line with those of the GCF fiduciary standards regarding procurement</p>		

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
Environmental Investment Fund of Namibia (EIF) <sup>11</sup>	Conditions	Fiduciary	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	(i) Undertake an initial internal audit of its operations. The items to be addressed in the internal audit should include:  1. A sample review of three grant awards, including contractual arrangements for risk, assessed against its procedures;	In progress	The initial internal audit of the entity's operations was completed as stipulated by the condition. The AP has reviewed the internal audit report and notes that the scope of the audit covered the period from 1 January to 31 August 2015. During this time there were no tenders issued by the entity for grant awards and thus it did not assess three grant awards as required in the condition. The AP and the Secretariat are continuing discussions with the entity on the internal audit report findings
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	2. Confirmation that its procurement practice complies with national law; and	In progress	The entity has submitted its newly developed Procurement Policy and Procedures and provided an explanation of how this document complies with the national law. The AP is currently reviewing the document
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	3. A review of the new information technology control framework;	In progress	The audit has been completed and the review of the new information system, in particular its implementation for the management of loans, grants and disbursements has identified items to be addressed. The AP and the Secretariat are continuing discussions with the entity on the internal audit report findings

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	(ii) Submit the internal audit plan for the next financial year, 2016;	Fulfilled and closed	Refer to document GCF/B.15/16
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	(iii) Submit the revised procurement policy and procedures; and	In progress	The entity has submitted its newly developed Procurement Policy and Procedures. The AP is currently reviewing the document
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	(iv) Publish information on its grant award mechanism and process on its website	In progress	The entity's progress in publishing information on its grant award mechanism and process on its website is acknowledged. The entity indicated that it had published the Operational Manual on its website and provided the link. The AP is currently reviewing this document

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			Conditions to be met on an annual basis for the three consecutive years, starting with the financial year 2016	Submit internal audit reports annually for three consecutive financial years, starting with the financial year 2016	In progress	The internal audit report for the financial year 2016 was provided. This condition still remains for the following two years and, as per the 2017 audit plan, must include progress on addressing the gaps flowing from audits conducted on the previous years
	Recommendations	ESS		It is recommended that the applicant seek to deepen its knowledge of the interim ESS of the GCF, while further developing its E&S management system in order to support a potential future upgrade of its accreditation against medium E&S risk level Category B/1-2	In progress	By submitting several ESS summary documents, the entity shows that it has obtained some experience in project categorization and assessing projects against performance standards. The AP emphasized that the entity should be cautious when assigning projects to Category C. Projects that require construction of facilities, movement of earth and the potential handling of waste product containing metals and/or chemicals do not generally classify as Category C. The AP requested the entity to seek further guidance from experts in the field in order to ensure the proper categorization of funding proposals  EIF has applied for readiness support relating to ESS. The entity also indicated that it is in the process of hiring consultants for ESS work  EIF participated, with assistance from the Readiness and Preparatory Support

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
						Programme, in the interim ESS of the GCF and the gender training workshop for direct access entities held at GCF Headquarters in September 2015
		Fiduciary		Relating to grant award and/or funding allocation mechanisms: It is recommended that the applicant continue to develop its grant mechanism, including the compilation of a process and procedure manual that incorporates all the mechanism's elements	In progress	The entity submitted its financial management manual. The entity was requested by the AP to provide additional information once it is available, following the application of its grant mechanism on an ongoing basis
		Gender		It is recommended that the applicant include the principles of its new gender charter in its internal procedures manuals	Fulfilled	Refer to document GCF/B.15/16
Fundación Avina <sup>12</sup>	Conditions	Fiduciary	Condition(s) prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	1. Develop its public disclosure procedures on: (a) Project implementation reports, including information on budget utilization;	In progress	The entity has been requested to provide information on the efforts it is making to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			Condition(s) prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	(b) Project evaluation reports;	In progress	The entity has been requested to provide information on the efforts it is making to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
			Condition(s) prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	(c) Grant award policy; and	In progress	The entity has been requested to provide information on the efforts it is making to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			Condition(s) prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	(d) Decisions on grant awards, including, for individual grants, information on: 1. The name, address and nationality of the beneficiary; 2. The purpose of such grants; and 3. The grant amount awarded and, where applicable, the maximum co-financing rate of the cost; and	In progress	The entity has been requested to provide information on the efforts it is making to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
			Condition(s) prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	2. Demonstrate the effectiveness of the above public disclosure procedures, provide evidence of the publication of the grant award policy, one grant award decision taken, one project implementation report and one project evaluation report.	In progress	The entity has been requested to provide information on the efforts it is making to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
HSBC Holdings plc and its subsidiaries <sup>13</sup>	Conditions	Fiduciary	Condition to be met on an annual basis	Provide the Fund, through the Secretariat, with its annual reports that disclose information on regulatory compliance	In progress	The entity has been requested to provide the 2016 annual report when it becomes available in April 2017
			Conditions from decision B.12/30, paragraphs (e – g), contained in document GCF/B.12/32. The Accreditation Panel is to report at the fourteenth and sixteenth meetings of the Board whether the results of its reviews of these conditions would alter its recommendation to accredit the applicant.	(e) Notes that the Accreditation Panel has recommended the accreditation of applicant 26 and further notes that in its review the Accreditation Panel identified a potential information gap associated with the implementation of its Global Standards programme, which overviews the applicant's progress in implementing stronger anti-money laundering and sanctions compliance mechanisms (Global Standards);	In progress	No action from the AP or the entity is required

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			<p>Conditions from decision B.12/30, paragraphs (e – g), contained in document GCF/B.12/32. The Accreditation Panel is to report at the fourteenth and sixteenth meetings of the Board whether the results of its reviews of these conditions would alter its recommendation to accredit the applicant.</p>	<p>(f) Requests that the Accreditation Panel review prior to the fourteenth and sixteenth meetings of the Board, the applicant's progress in implementing its Global Standard, including a review of material external information. Further requests that the Accreditation Panel report to the Board on whether the results of these reviews would alter its recommendation to accredit the applicant;</p>	In progress	<p>The AP, for its assessment of the entity's progress in the implementation of its Global Standards programme, reviewed (i) answers and supporting documentation provided by the entity to questions raised by the AP, (ii) relevant news articles from the websites of Reuters and Bloomberg and (iii) a publicly available court document filed by the United States of America Department of Justice. Details of the assessment are contained in document GCF/B.14/Inf.07</p> <p>The AP assessment of the efforts the entity is making to address the condition is contained in annex V to this document</p>
			<p>Conditions from decision B.12/30, paragraphs (e – g), contained in document GCF/B.12/32. The Accreditation Panel is to report at the fourteenth and sixteenth meetings of the Board whether the results</p>	<p>(g) Approves the accreditation of applicant 26 subject to the condition that the Board has the ability to temporarily or permanently suspend the applicant's accreditation based on the recommendation of the Accreditation Panel following its reviews;</p>	In progress	<p>No action from the AP or the entity is required</p>

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			of its reviews of these conditions would alter its recommendation to accredit the applicant.			
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	1. Provide the Fund, through the Secretariat, with a letter of comfort executed by the appropriate authority within the applicant entity stating that it is taking the necessary actions to strengthen its internal controls related to compliance with relevant regulations, including, but not limited to, risk management, management of operational risk, and anti-money laundering and countering the financing of terrorism;	Fulfilled and closed	Refer to document GCF/B.15/16
			Conditions prior to the first disbursement by the GCF for an approved project/programme	2. Develop a process for publicly disclosing information on beneficiaries and results of projects and programmes	In progress	The entity informed the GCF that it intends to align its process with GCF requirements. During the process of establishing the method of disclosing the relevant information, the entity will follow the

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			to be undertaken by the entity	that are financed by the GCF. This process should be aligned with the requirements of the GCF regarding disclosure of project information; and		mechanism adopted with export credit agencies' financings and will advise executing entities accessing GCF funding that the project benefits and GCF funding will be publicly divulged
		Gender	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	3. Develop a gender policy or approach in line with the gender policy of the GCF and obtain gender competencies to implement the policy/approach on projects and programmes funded by the GCF	In progress	The entity informed the GCF that it is consulting internally on the matter and an update with relevant information will thereafter be made available
International Union for Conservation of Nature <sup>14</sup>	Conditions	Fiduciary	Condition prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	Develop an operations and procedures manual to incorporate the features expected to be applied in the grant operations that the applicant will undertake with GCF funds, including the procedure for public disclosure of timely information on the award of grants	In progress	The entity submitted the terms of reference for the production of a grant operations procedures manual, detailing the milestones and time frames for addressing the condition. The manual is expected to be developed in 2016 and will be provided by the entity thereafter
	Conditions	Gender	Condition(s) prior to the first disbursement by the	1. Provide evidence that the applicant has further strengthened its	In progress	The entity has been requested to provide information on the efforts it is making to address the condition. The GCF is waiting

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
Korea Development Bank (KDB) <sup>15</sup>			GCF for an approved project/programme to be undertaken by the applicant	competencies to implement its gender policy		for a response from the entity on the expected time frame for providing the information
		Fiduciary	Additional condition(s): for every GCF funding proposal in which the applicant seeks to provide equity funds, the Secretariat shall ensure that the following conditions are met by the applicant	1. Disclosure of information regarding the equity exit strategy, including information regarding the intended purchasers of the equity participation upon the applicant's divestment; and	In progress	The entity has been requested to provide information on the efforts it is making to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
				2. The applicant shall be the equity investor of record in the proposed project; thus, equity investments through funds provided by third parties, such as the applicant's subsidiaries or private equity funds, shall not be accepted.		
	Recommendations	Fiduciary		Although the applicant has applied for the "large" size category for projects and activities within a programme, it is recommended that the applicant be accredited for	In progress	The entity has been requested to provide information on the efforts it is making to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				<p>the “medium” size category, reflecting the fact that the applicant has only recently developed its project management policies and procedures for GCF-funded projects/programmes, and that these policies and procedures are not yet tried and tested. However, the applicant may wish to consider applying for the “large” size category once it has provided evidence of the successful implementation of its project management policies and procedures to be applied in GCF-funded projects/programmes. Specifically, demonstration of the implementation of these policies and procedures should be in terms of: (a) Monitoring of the project sponsor’s procurement practices;</p>		
				<p>(b) Evaluation of projects/programmes undertaken by the</p>	In progress	<p>The entity has been requested to provide information on the efforts it is making to address the condition. The GCF is waiting for a response from the entity on the</p>

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				applicant's independent evaluation unit; and		expected time frame for providing the information
				(c) Implementation of the applicant's newly developed public information policy.	In progress	The entity has been requested to provide information on the efforts it is making to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
		ESS		Although the applicant has applied for E&S risk Category A/I-1, it is recommended that the applicant be accredited instead for Category B/I-2, reflecting the fact that a large number of the applicant's new E&S policies and practices are not yet tried and tested. However, the applicant may wish to consider applying for an E&S risk category upgrade if accredited and once it has demonstrated conformance to the GCF interim ESS for a Category B/I-2 project, and has provided further evidence of the execution of its E&S	In progress	The entity has been requested to provide information on the efforts it is making to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				capacity-building programme. This could be within the first 5-year accreditation period.		
Ministry of Finance and Economic Cooperation of the Federal Democratic Republic of Ethiopia <sup>16</sup>	Conditions	ESS	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	1. Finalize the recruitment of an E&S expert to help to oversee the project management cycle under the applicant's facility; and	In progress	The entity indicated that an E&S expert had been recruited at the beginning of 2016 and that relevant documentary evidence will be made available for review by the AP
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	2. Develop an external communications mechanism, which provides a system to receive, document and respond to questions or complaints from the general public	In progress	The entity indicated that an upgraded external communication registry to receive documents and respond to E&S related queries and complaints was finalized and is available on the entity's website. Relevant documentary evidence will be made available for review by the AP
		Fiduciary	Conditions to be met on an annual basis for the three consecutive years, starting with the financial year 2016. All information shall be included on an annual basis within	1. Report progress in respect of all projects and programmes being undertaken. The report should include: a. Progress of activities vis-à-vis a plan with specific indicators;	In progress	The entity indicated that an external firm had been recruited to address the conditions related to annual audit reports and progress in respect of projects and programmes being undertaken by the entity. Relevant documentation will be made available for review by the AP

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			a semi-annual progress report consistent with the requirements of the GCF monitoring and accountability framework for accredited entities			
			Conditions to be met on an annual basis for the three consecutive years, starting with the financial year 2016. All information shall be included on an annual basis within a semi-annual progress report consistent with the requirements of the GCF monitoring and accountability framework for accredited entities	b. Budget variances and analysis;	In progress	No comments at this time
			Conditions to be met on an annual basis for the three consecutive years,	c. Major risks and issues, if any, that may or are impacting the execution of a project/programme; and	In progress	No comments at this time

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			starting with the financial year 2016. All information shall be included on an annual basis within a semi-annual progress report consistent with the requirements of the GCF monitoring and accountability framework for accredited entities			
			Conditions to be met on an annual basis for the three consecutive years, starting with the financial year 2016. All information shall be included on an annual basis within a semi-annual progress report consistent with the requirements of the GCF monitoring and accountability framework for accredited entities	d. Brief qualitative write-up, including the likelihood of the project achieving its planned objectives (results, budget and schedule)	In progress	No comments at this time

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			<p>Conditions to be met on an annual basis for the three consecutive years, starting with the financial year 2016. All information shall be included on an annual basis within a semi-annual progress report consistent with the requirements of the GCF monitoring and accountability framework for accredited entities</p>	<p>2. Provide the annual audit reports of projects/programmes, including verification of assets, prepared by the office of the federal auditor general within four months of the close of each year to the GCF;</p>	<p>In progress</p>	<p>No comments at this time</p>
			<p>Conditions to be met on an annual basis for the three consecutive years, starting with the financial year 2016. All information shall be included on an annual basis within a semi-annual progress report consistent with the requirements of the</p>	<p>3. Provide the annual audit reports on procurement related to projects/programmes where substantial procurement has been undertaken by an executing entity, which is not a public sector body, to the GCF.</p>	<p>In progress</p>	<p>No comments at this time</p>

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			GCF monitoring and accountability framework for accredited entities			
	Recommendations	Fiduciary		<p>The AP notes the applicant's keen interest in developing and implementing climate change projects and programmes that are medium and large in size. Recognizing that the applicant has experience in medium and large-sized projects, albeit primarily in cooperation with international organizations, the AP encourages the applicant to continue enhancing its financial, environmental and social policies and procedures, and to build capacity to allow it to independently develop and manage projects and programmes of medium and large sizes. With the possibility to apply in the future for an upgrade of its accreditation type from small to medium-</p>	In progress	<p>The entity indicated that it plans to request readiness and preparatory support from the GCF in order to engage external expertise to conduct an independent evaluation of ongoing projects in an effort to address the remarks from the AP that will allow an upgrade of the entity's accreditation type to medium for the size of projects. Relevant documentary evidence of the results of the independent evaluation will be made available for review by the AP</p>

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				<p>sized projects and activities within a programme, the applicant should consider the provision of evidence as proof of its capability to independently manage medium-sized projects/activities within a programme. This evidence may be provided in the form of an independent evaluation report for a small-sized project undertaken independently by the applicant using the project management framework recently developed for use by the applicant's facility. The evaluation should be undertaken by an independent party, which may include a consultant or consultancy firm appointed on the basis of an international tender. The evaluation should cover a reasonable project execution period, including:</p> <p>a. Project design and appraisal;</p>		

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				b. Project planning and implementation;	In progress	See comments above
				c. Project administration and execution;	In progress	See comments above
				d. Project M&E; and	In progress	See comments above
				e. Associated corrective actions. The AP would reassess the applicant's capacity to satisfactorily execute projects on the basis of this evaluation report and any other supporting evidence provided at the time. Based on a satisfactory outcome, the AP could recommend the applicant for an upgrade of its accreditation type, as defined in paragraph 33(a) in annex XII to decision B., for a higher size category (e.g. medium or large) to the Board for its consideration and decision-making.	In progress	See comments above

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
Ministry of Natural Resources of Rwanda (MINIRENA) <sup>17</sup>	Conditions	ESS	Condition in respect of any project/programme funded by the GCF that invokes any of performance standards 2 to 8 until a mid-term review is undertaken for the purposes of determining the applicant's competency in the five-year accreditation period meeting the ESS of the GCF at the project level	Use external support, including from co-financiers, acceptable to the GCF in order to help to prepare projects or programmes that invoke any of performance standards 2 to 8	In progress	Refer to document GCF/B.11/03
		Fiduciary	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	Relating to the investigation function: (i) Publishing on its website the instructions and appropriate forms through which to log a complaint;	In progress	As reported in document GCF/B.11/03, MINIRENA informed the Secretariat that it is making preparations to address the accreditation condition relating to its investigation function. The entity will keep the GCF informed of developments in this regard
			Conditions prior to the first disbursement by the	(ii) Preparing quarterly reports on case trends and maintaining a formal record	In progress	No comments at this time

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			GCF for an approved project/programme to be undertaken by the entity	of all complaints received; and		
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the entity	(iii) Submitting a report of the incidents recorded with its Office of the Ombudsman for investigation on a monthly basis	In progress	No comments at this time
	Recommendations	ESS		It is recommended that the applicant consider undertaking an equivalence assessment of the country's legal framework with respect to project-specific performance standards 2 to 8 of the GCF, which would apply to projects and programmes funded by the GCF	Fulfilled	Refer to document GCF/B.15/16
National Environment Management Authority of Kenya <sup>18</sup>	Conditions	ESS	Condition prior to the first disbursement by the GCF for an approved project/programme	Use external support, including that from co-financiers, acceptable to the GCF, to help to prepare projects or programmes that invoke any of	In progress	The entity indicated that it is receiving technical assistance in the development of its projects in an effort to address the condition. Relevant documentation will be made available for review by the AP

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			to be undertaken by the entity	performance standards 2 to 8		
	Recommendations	Gender		The applicant is requested to share key features of its gender development plan, as and when it is finalized, including efforts the applicant has made to enhance the capacities of its staff on gender-related programming	In progress	The entity indicated that its staff are receiving training on gender-related programming in an effort to address the condition. Relevant documentation will be made available for review by the AP
Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden <sup>19</sup>	Conditions	ESS	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	1. Adopt and demonstrate effective implementation of policies and practices on the disclosure of project E&S assessments, as well as a stakeholder engagement strategy, in line with the GCF information disclosure policy and the GCF interim ESS (performance standard 1), respectively; and	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
		Fiduciary	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	1. Develop and demonstrate effective implementation of policies and procedures for providing information on results achieved and lessons learned, and their public disclosure, on a project-by-project basis;	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
			Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	2. Develop and demonstrate effective implementation of a policy on the disclosure of the evaluation reports on a project-by-project basis; and	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
		Gender	Conditions prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	1. Adopt a gender policy in line with the GCF gender policy, and demonstrate progress in developing appropriate competencies to implement, and experience in applying, the policy	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
PT Sarana Multi Infrastruktur (PT SMI) <sup>20</sup>	Conditions	Fiduciary	Condition(s) associated with the GCF fiduciary standards to be	1. Provide a formal plan for mainstreaming the multilateral procurement framework into the	In progress	The entity indicated that it is preparing the required documents to address this condition

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			addressed prior to first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	applicant's operations, including plans for resourcing the function and making provision for an annual audit as a standard process and provide for lessons learned. This should include provision for disclosure of contract awards on the applicant's website;		
				2. Further develop its grant management framework, ensuring the framework is mainstreamed into its overall operations. This includes further developing how the applicant intends to blend grants as part of both its direct and, in the future, its intermediated lending portfolio;	In progress	The entity indicated that it is preparing the required documents to address this condition
				3. Provide further evidence (in the form of two examples) of its compliance with its most recent AML/CFT policy in the context of its new mandate;	In progress	The entity indicated that it is preparing the required documents to address this condition

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				4. Provide for project disclosure on its website, including monitoring and evaluation of its projects;	In progress	The entity indicated that it is preparing the required documents to address this condition
				5. Provide the approved version of the risk management guidelines and procedures, including information on the segregation of duties;	In progress	The entity indicated that it is preparing the required documents to address this condition
				6. Provide two examples of reports from its management information system; and	In progress	The entity indicated that it is preparing the required documents to address this condition
				7. Provide an English version of the outcome of the recent regulation associated with government guarantees where relevant for the applicant's sustainability.	In progress	The entity indicated that it is preparing the required documents to address this condition
		ESS	Condition(s) associated with the GCF interim ESS and gender policy to be addressed prior to	1. Demonstrate with one more example per procedural step, full application of the 2016 guidance including its 10	In progress	The entity indicated that it was preparing ESS and gender reports for five projects, including projects with the World Bank and AFD, with the aim of finishing the reports in early 2017

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
			the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	ESS, as well as the application of its gender policy (i.e. provide one screening exercise, one environmental and social impacts assessment (ESIA), one gap analysis, one corrective plan, one gender assessment, one project disclosure report, one monitoring report and one environmental and social impacts assessment (ESMP); and		
				2. Provide proof of employment of an external expert acceptable to the GCF to prepare the ESIA and ESMP of the first project to be submitted to the GCF, in full compliance with its 2016 ESS guidelines.	In progress	The entity indicated that the employment of external experts for the ESIA would be the experts for the geothermal project, in cooperation with the World Bank and the New Zealand Aid Programme. The proof of employment is expected to be submitted along with other documentation
	Recommendations	Fiduciary		The fact that the applicant only “partially meets” the GCF fiduciary standards and the interim ESS standards of the GCF that it has applied for reflects	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				<p>especially the evolving nature of the applicant's operations, moderated by its own recognition that additional policy and resource requirements are required to fulfil its new mandate. These are, however, issues that are being proactively addressed by the applicant. Although the accreditation framework provides for the referral of an applicant for readiness support to address gaps such as these, in the context of this applicant, the AP assesses that deferring the applicant's accreditation to a later date for it to address such gaps – identified by way of this assessment and in large part by its own management and audit processes – is not warranted. Its corporate governance framework has facilitated proactive attempts to identify and incorporate the changes required for its new</p>		

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				<p>business model and the applicant is in a learning-by-doing mode of operation. Hence, whereas the applicant has applied for the GCF large size category and maximum E&amp;S risk Category A/I-1, the AP – although it recognizes the successes the applicant has achieved with its original business model – recommends that at this stage in its development the applicant be accredited for the small size category and E&amp;S risk Category B/I-2. More time is needed to further detail some internal administrative and financial procedures, and to demonstrate the full application of the new 2016 ESS guidance, as it moves from country systems to the interim ESS standards of the GCF. Accordingly, it is suggested that, at a mutually agreed time, the applicant should be re-assessed, having fully</p>		

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				adjusted to its new responsibilities and mooted change in status to that of a development bank. To facilitate that re-assessment, the applicant would need to have provided additional timely evidence in the following areas, among others: (a) The guidelines and procedures of its project development and advisory division;		
				(b) The early warning system in its risk management framework;	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
				(c) In respect of procurement, pricing/budget risk and construction risk in its operations to accommodate multilateral funding reporting requirements;	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				(d) The introduction of an independent evaluations mechanism based on elevated levels of risk;	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
				(e) Annual external audit of its procurement function;	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
		ESS		(f) Annual audit on the implementation of its 2016 ESS guidance and gender framework;	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
		Fiduciary		(g) Annual compliance regarding AML/CFT from its legal division; and	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				(h) Progress on grant management associated with its AFD loan.	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
				The AP also notes that the applicant does not have significant experience with financial intermediation and, in this regard, it will require time to develop its processes and expertise prior to an intermediated engagement with the GCF. This comment also applies to equities (and guarantees, if appropriate) where the applicant is encouraged to develop policies and procedures associated with these instruments and mainstream these throughout their operations.	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
Société de Promotion et de Participation pour	Conditions	Fiduciary	Condition(s) prior to the first disbursement by the GCF for an approved	1. Formally adopt an external communication mechanism which provides a system to receive,	In progress	The entity has been requested to provide information on the efforts it is making to address the condition. The GCF is waiting for a response from the entity on the

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
la Coopération (PROPARCO) <sup>21</sup>			project/programme to be undertaken by the applicant	document and respond to questions or complaints from the general public; and		expected time frame for providing the information
			Condition(s) prior to the submission of a funding proposal to the GCF that includes a guarantee operation	1. Provide two examples to fully demonstrate the applicant's capacity and ability to undertake a guarantee operation of a project/programme that is of the large size category and high E&S risk (Category A/I-1) it is seeking accreditation for.	In progress	The entity has been requested to provide information on the efforts it is making to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
	Recommendations	Fiduciary		The applicant is encouraged to inform the GCF on its progress to enhance project information (monitoring and evaluation) disclosure via the AFD platform.	In progress	The entity has been requested to provide information on the efforts it is making to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information
				Should the applicant's engagement with the GCF include funds/structures with a similar risk profile to those of FISEA, the lessons learned from its FISEA fund should be considered for their relevance in	In progress	The entity has been requested to provide information on the efforts it is making to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information

Entity	Accreditation condition, recommendation or remark	Standard	Time frame	Description of accreditation conditions, recommendations and remarks	Status	Remarks
				addressing risks and their allocation between the parties concerned.		
South African National Biodiversity Institute (SANBI) <sup>22</sup>	Conditions	Fiduciary	Condition prior to the first disbursement by the GCF for an approved project/programme to be undertaken by the applicant	Submit at least one periodic monitoring report for each of the projects “Building resilience in the Greater uMngeni Catchment” and “Taking adaptation to the ground: a small grants facility for enabling local level responses to climate change in South Africa” developed by the applicant and approved by the Adaptation Fund in order to provide evidence of the track record of SANBI in monitoring projects under its grant award mechanism	In progress	The entity informed the GCF that approval by the Adaptation Fund of annual monitoring reports is pending. The entity has indicated that relevant documentation will be made available for review by the AP
Unidad Para el Cambio Rural (Unit for Rural Change) of Argentina <sup>23</sup>	Conditions	Fiduciary	Condition prior to the approval of the first funding proposal for a grant award programme submitted by the applicant to the GCF	Further develop the current operations and procedures manual to incorporate the features expected to be applied in the grant operations that the applicant will undertake with GCF funds	In progress	The entity has been requested to provide information on the efforts it is taking to address the condition. The GCF is waiting for a response from the entity on the expected time frame for providing the information

- <sup>1</sup> Annex XVII to decision B.12/30.
- <sup>2</sup> Annex V to decision B.14/10.
- <sup>3</sup> ESS = interim environmental and social safeguards of the GCF.
- <sup>4</sup> E&S = environmental and social.
- <sup>5</sup> ESMS = environmental and social management system.
- <sup>6</sup> Annex XII to decision B.10/06.
- <sup>7</sup> Annex VI to decision B.14/10.
- <sup>8</sup> Annex XV to decision B.12/30.
- <sup>9</sup> Annex XIV to decision B.10/06.
- <sup>10</sup> Annex VIII to decision B.14/10
- <sup>11</sup> Annex VIII to decision B.10/06.
- <sup>12</sup> Annex X to decision B.15/09.
- <sup>13</sup> Annex XVI to decision B.12/30.
- <sup>14</sup> Annex XXI to decision B.12/30.
- <sup>15</sup> Annex VII to decision B.15/09.
- <sup>16</sup> Annex XII to decision B.12/30.
- <sup>17</sup> Annex IX to decision B.10/06.
- <sup>18</sup> Annex XIII to decision B.12/30.
- <sup>19</sup> Annex XIII to decision B.14/11.
- <sup>20</sup> Annex VIII to decision B.15/09.
- <sup>21</sup> Annex XI to decision B.15/09.
- <sup>22</sup> Annex X to decision B.14/11.
- <sup>23</sup> Annex XX to decision B.12/30.

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## Annex V: Review of applicant 026

### I. General mandate

1. At its twelfth meeting, by decision B.12/30, paragraph (b), the Board decided to accredit applicant 026, HSBC Holdings plc and its subsidiaries (HSBC), which is headquartered in the United Kingdom of Great Britain and Northern Ireland. In paragraphs (e–h) of the same decision, the Board outlined the following process that applies to this applicant only:
  - (a) Notes that the Accreditation Panel has recommended the accreditation of applicant 026 and further notes that in its review the Accreditation Panel identified a potential information gap associated with the implementation of its Global Standards programme, which overviews the applicant's progress in implementing stronger anti-money laundering and sanctions compliance mechanisms (Global Standards);
  - (b) Requests that the Accreditation Panel review prior to the fourteenth and sixteenth meetings of the Board, the applicant's progress in implementing its Global Standards, including a review of material external information. Further requests that the Accreditation Panel report to the Board on whether the results of these reviews would alter its recommendation to accredit the applicant;
  - (c) Approves the accreditation of applicant 026 subject to the condition that the Board has the ability to temporarily or permanently suspend the applicant's accreditation based on the recommendation of the Accreditation Panel following its reviews;
  - (d) Takes note that the process outlined for applicant 026 applies only in this case, without prejudice to further decisions.

### II. Document review

2. In line with decision B.12/30, paragraphs (e–h), the Accreditation Panel (AP) requested and received additional information from HSBC. The AP additionally undertook a review of independent third-party information that is publicly available.
3. The main sources of information used by the AP in its review of the progress made by HSBC in the implementation of its Global Standards programme are as follows:
  - (a) Answers and supporting documentation provided by the entity to questions raised by the AP;
  - (b) Web searches for relevant news articles; and
  - (c) Updated information regarding the progress and comments made by the Monitor<sup>1</sup> (information updated on 30 December 2016).

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<sup>1</sup> The “Monitor” refers to the independent corporate compliance monitor, Mr. Michael G. Cherkasky, who was named by the Department of Justice of the United States of America as part of the HSBC deferred prosecution agreement.

### III. Assessment of reviewed documentation

#### 3.1 Answers and supporting documentation provided by the entity

4. From the review of the answers and supporting documentation provided by the entity, the following conclusions are drawn by the AP:
- (a) The entity continues to implement the initiatives contained in its Global Standards programme, thus reinforcing its compliance programme related to relevant regulations, including, but not limited to, risk management, management of operational risk, and anti-money laundering (AML) and countering the financing of terrorism;
  - (b) Regarding compliance with the terms of the deferred prosecution agreement (DPA) that HSBC entered into with the Department of Justice of the United States of America (DOJ), in the *HSBC Annual Report and Accounts 2016*<sup>2</sup> the entity's Chief Executive Officer stated that "our Monitor has raised certain concerns, but we have continued to progress and our commitment remains unwavering. By the end of this year, we are on track to have our anti-money laundering and sanctions policy framework in place and to have introduced major compliance IT systems across the Group";
  - (c) A highly-qualified executive, with a demonstrated track record in the field of financial crime risk, has been retained by the entity to serve as Group Head of Financial Crime Risk. The newly formed Financial Crime Risk function allows the entity to better integrate and coordinate entity-wide efforts to prevent financial crime and assure consistent implementation of its Global Standards programme throughout its global network;
  - (d) In 2016, the entity continued to invest substantial resources in information technology and staff training aimed at improving its AML/countering the financing of terrorism capacity; and
  - (e) The term of the DPA entered into by the entity with DOJ, in 2012, is five years and the independent Monitor was appointed in July 2013 for an expected five-year period.

#### 3.2 Relevant news articles

5. From the review of relevant news articles, the following conclusion is drawn: as reported in the previous update presented to the Board at its fourteenth meeting,<sup>3</sup> the relevant news articles continue to report that the entity is making progress in its compliance function, but not at the rate required. The concerns raised in media reports are that the entity may be implementing actions to mitigate its exposure to compliance risk at a slower-than-required pace.<sup>4</sup>

#### 3.3 Updated information regarding the progress and comments made by the Monitor

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<sup>2</sup> Available at <<http://www.hsbc.com/~media/hsbc-com/investorrelationsassets/hsbc-results/2016/annual-results/hsbc-holdings-plc/170221-annual-report-and-accounts-2016.pdf>>.

<sup>3</sup> GCF/B.14/Inf.07.

<sup>4</sup> For example, refer to Martin, B. 2017. HSBC faces FCA probe into anti-money laundering controls as profits plunge. *Telegraph*. Available at <<http://www.telegraph.co.uk/business/2017/02/21/hsbc-profits-slump-volatile-year/>>.

6. The entity has provided the AP with information on the progress and comments made by the Monitor, as referenced in the DOJ quarterly filing of 30 December 2016 with the United States District Court overseeing the DPA.

7. The AP would like to bring the following points to the Board's attention, which were made by DOJ in its 30 December 2016 quarterly filing:

- (a) The independent Monitor reports that fundamental progress has been attained by the entity in key issues required for the establishment of a reasonably effective and sustainable AML and sanctions programme;
- (b) However, the Monitor emphasizes the need for greater and quicker progress if the entity is to remedy those compliance deficiencies that expose the bank to significant risk of being used to facilitate financial crime; and
- (c) DOJ notes that HSBC continues to show a commitment to meeting its obligations under the DPA, and DOJ is unaware of any issues that require the court's intervention at this time.

### 3.4 Conclusions

8. The conclusions of the AP, based on the review undertaken, are as follows:

- (a) No material change in the entity's compliance risk is reported in the news sources reviewed. The information available is not substantially different from that which was assessed at the time of the review undertaken for the update report presented at the fourteenth meeting of the Board;
- (b) The information provided by the applicant demonstrates that it continues to be committed to the implementation of its Global Standards programme. For example, the entity continues to invest substantial resources in employee training and has retained a well-qualified individual, with a proven track record, to serve as the Group Head of Financial Crime Risk; and
- (c) The information provided by the applicant regarding the comments and progress made by the Monitor is the most relevant to conclude that the entity has remained committed to, and made progress in, the implementation of its Global Standards programme. The information provided clearly states that although there are still important compliance issues that the entity must address, no evidence was found to suggest that the entity is not fully committed to meeting the requirements of the DPA.

9. It is the assessment of the AP that the entity has remained committed to the assurances provided at the time of the stage II accreditation review assessment by the AP of the entity's application for accreditation to the GCF, specifically that the entity continues to implement its Global Standards programme as stated at the time of its application.

10. Based on this assessment of the information reviewed since the previous accreditation review of the applicant<sup>5</sup> at the fourteenth meeting of the Board and up to February 2017, the AP continues to recommend applicant 026 for accreditation, in accordance with the recommendation contained in annex XVI to decision B.12/30.

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<sup>5</sup> See note 3 above.

## **Annex VI: Additional entities of other relevant funds for fast-track accreditation eligibility**

### **I. Background**

1. In decision B.08/03, paragraphs (e–g), the Board decided that entities accredited by the Global Environment Facility (GEF), the Adaptation Fund (AF) and the Directorate-General for International Development and Cooperation (DG DEVCO) up to and including 17 October 2014 and in full compliance with those institutions’ requirements, as contained in annex V to decision B.08/03 (annex V to document B.08/45), are eligible to apply under the fast-track accreditation process for the accreditation requirements of the GCF identified in the relevant paragraphs of the decision.
2. In decisions B.10/06, B.12/30, B.14/09 and B.15/09 the Board expanded the list of entities eligible to apply under the same fast-track approach, assuming all prerequisite criteria were met to include those under the GEF, the AF and DG DEVCO up to and including 9 July 2015, 9 March 2016, 14 October 2016 and 17 December 2016, respectively.
3. The entity presented below has been accredited by DG DEVCO since 17 December 2016. No new entities have been accredited by the AF or the GEF since that time.

### **II. Directorate-General for International Development and Cooperation**

**Table 7: Directorate-General for International Development and Cooperation**

<b>Name</b>	<b>Acronym</b>
Center for International Forestry Research	CIFOR

4. The international organizations listed in table 7 have been confirmed either by DG DEVCO to the Secretariat or via evidence provided by the organizations regarding their successful assessment against DG DEVCO pillar assessments, meet the requirements of the relevant European Union legislation and are authorized to carry out European Union budget implementation tasks without conditions concerning their institutional compliance.