



**GREEN
CLIMATE
FUND**

Meeting of the Board
28 June – 1 July 2021
Virtual meeting
Provisional agenda item 6

GCF/B.29/Inf.06

7 June 2021

Reports from committees, panels and groups of the Board of the Green Climate Fund

Summary

This document contains the reports on activities that have already conducted or are planned to be undertaken by the following committees and panels of the Board of the Green Climate Fund during the reporting period from 1 January to 30 April 2021:

- (a) Accreditation Committee;
- (b) Accreditation Panel; and
- (c) Performance Oversight Committee.

I. Introduction

1. This report covers the reporting period of 1 January 2021 to 30 April 2021, and also indicates activities planned to be carried by the committees and panels of the Board of the GCF in advance of its twenty-ninth meeting (B.29).

II. Report on activities of the Accreditation Committee

2. The report addresses the mandate given to the Accreditation Committee (AC), in annex IV to decision B.07/02, to provide policy guidance to the Board on accreditation-related matters.

2.1 Activities during the reporting period

3. During the twenty-eighth meeting of the Board (B.28), the AC members held one formal virtual meeting and one formal meeting jointly with the members of the Accreditation Panel (AP) to discuss accreditation matters. Communication among AC members on accreditation matters also took place via email.

4. As of 31 January 2021, the selection of a new Chair of the AC had not been made. In accordance with paragraph 7 of the Rules of Procedure which applies *mutatis mutandis* to Board Committees in case a committee chair is not elected by 1 January of the year, the chair from the previous year shall continue their functions until a successor has been elected. As such, Mr. Lars Roth, who was selected as Chair of the AC on a no-objection basis by AC members on 28 May 2020 for the year 2020, will continue as Chair of the AC in 2021 until a new Chair is selected.

5. During the twenty-eighth meeting of the Board (B.28), the AC noted that the Co-Chairs have been working on the matters related to chairpersonship of all committees, noting different committees apply different approaches to the election of the committee Chairs. The AC members agreed to wait for further guidance from the Co-Chairs in terms of guidelines and process, so that all committees could follow in a consistent manner.

6. During the reporting period, on 12 January 2021, Ms. Gisella Berardi, Senior Adviser for Global Public Goods at the Ministry of the Economy and Finance of Italy, International Financial Relations, replaced Ms. Paola Pettinari as a member of the AC; and on 15 March 2021 Mr. José De Luna Martínez, Chief of the Credit and International Affairs Unit of the Ministry of Finance and Public Credit of Mexico, replaced Ms. Brenda Ciuk, Deputy Director-General for International Financial Organizations of the Ministry of Finance and Public Credit of Mexico, as member of the AC.

7. The AC continued the work on further development of the updated accreditation framework, UAF. During the reporting period, the AC members noted the updated status of the UAF, including the endorsement from the Budget Committee on the budget request proposed in the UAF, specifically, on the implementation arrangements and corresponding budget for the institutional accreditation update and the project-specific assessment approach. In addition, the AC members noted Co-Chairs' note on B.28 shared with the Board on 15 March 2021, indicating the updated accreditation framework is pending with the Board's discussion on whether the document will be discussed for the Board's decision or information at B.28. This agenda item was not opened at B.28.

8. In decisions B.23/15, the Board requested the AC, in consultation with the Head of the IIU, to consider the best way to integrate the Anti-Money Laundering and Countering the Financing of Terrorism Policy into the interim fiduciary standards of GCF. The AC was also

mandated to bring a proposal for integration of these policies to the Board for consideration. An informal meeting with the IIU was conducted at B.24. No follow up meetings have taken place since then and the AC has not been involved in consecutive work carried out by the IIU. A proposal on the update or amendment has yet to be presented to the Board for its consideration.

III. Report on activities of the Accreditation Panel

9. This report addresses the mandate given to the Accreditation Panel (AP) in decision B.07/02, paragraph (g), to serve as an independent technical panel to advise the Board on matters related to the accreditation of entities to GCF. The AP is responsible for conducting the accreditation process in accordance with its terms of reference, as adopted by the Board through decision B.07/02, paragraph (h).

3.1 Activities during the reporting period

10. During the reporting period, the transition of the AP membership was completed. The following AP members completed their term on April 30, 2021: Anastasia Northland, Antonio La Vina, Godfrey Tumusiime and Max Contag. Following the appointment by the Board of four new members to the Accreditation Panel for one term starting on 1 May 2021 and expiring on 30 April 2024 in decision B.BM-2020/13, the AP membership going forward includes Mr. Benjamin Boxer, Ms. Binny Prabhakar, Ms. Natalie Unterstell and Mr. Vikesh Mirani. Mr. Mark Alloway will continue his second term and serve as Chair of the AP while Mr. Yogesh Vyas will continue his second term and serve as Vice-Chair.

3.1.1. Review of accreditation applications

11. During the reporting period, the AP held numerous conference calls with applicant entities during the Stage II (Step 1) accreditation review to gain better knowledge of each applicant and to clarify and discuss Stage II (Step 1) questions raised by the AP. Due to the COVID-19 pandemic, in person site visits have been postponed until further notice, however the AP continues to use online channels to advance the review of accreditation applications.

12. The AP continued to work on its in-depth assessment of 18 applications for accreditation that have successfully completed Stage I, as conducted by the Secretariat. Of these, the AP completed the review of four new applicants, and of one upgrade application, and are recommending them for the Board's consideration on accreditation at B.29. AP continued to work with the applicants initially planned to be presented to B.28 to support them to meet some of the accreditation conditions prior to Board consideration. The remaining applications are at different points of review in Stage II (Step 1). Further details are contained in document GCF/B.29/XX titled "Consideration of accreditation proposals" (pending publication).

13. The AP, in cooperation with the Secretariat, continues to support the roll-out of the Digital Accreditation Platform (DAP). During the reporting period, the AP utilised DAP for the Monitoring and Accountability Framework reports and re-accreditation applications. The AP will continue to provide inputs into the development of subsequent DAP modules as they are released in June and July of 2021.

3.1.2. Review of accreditation conditions for Accredited Entities

14. The AP continued to provide guidance to the Secretariat and AEs related to ongoing conditions adopted by the Board at the time of their respective accreditation. Further

information on the status of accreditation conditions is contained in the “Status of the fulfilment of accreditation conditions” (document GCF/B.29/XX/Add.01, pending publication).

3.1.3. **Establishing a baseline of the overall portfolio of Accredited Entities**

15. In line with decision B.12/30, paragraph (d), the AP, with the support of the Secretariat, worked towards establishing a baseline methodology on the overall portfolio of AEs and the extent it has evolved in the direction of the paradigm shift towards low-emission and climate-resilient development pathways during the accreditation period.

16. Implementation of the pilot phase of the baseline methodology was completed in December 2020 with 16 AEs having agreed to participate in the pilot. The consulting firm supporting the AP in this work collected and consolidated the information provided by AEs in accordance with the methodological framework and calculated the relevant indicators. A detailed analysis of the information submitted by each of the entities was carried out and follow-up meetings were held with each entity. Based on the results of the pilot phase of the study, the initially proposed methodological framework in the document titled “Matters related to the accreditation, including the framework review, and matters related to the baseline of accredited entities: Baseline on the overall portfolio of accredited entities” (document GCF/B.22/Inf.15) was revised.

17. The AP presented the final methodological framework, which was finalised in January 2021, at B.28 in document GCF/B.28/11/Add.02. Two training workshops led by the Accreditation Panel and consultants, were held on 8 April for AEs with a total of 120 participants.

18. The AP applied the framework to two re-accreditation applications to be presented at B.29.

3.1.4. **Re-accreditation**

19. Following decision B.23/11, which states that accreditation is considered complete upon the effectiveness of the accreditation master agreement (AMA) and decision B.24/13 wherein the Board adopted the re-accreditation process, the AP, alongside the Secretariat began implementation of the re-accreditation process, including reviewing two re-accreditation applications on DAP. To date, the AP’s reviews of applications have been for new applicants and upgrade applications of AEs. However, since re-accreditations have now started, it is expected that a key proportion of the AP’s application reviews in future will focus on the re-accreditation of AEs.

20. The AP anticipate working on up to nine re-accreditation applications in preparation for B.30.

3.1.5. **Monitoring and Accountability Framework Assessments**

21. The AP in the first and second quarters of 2021 reviewed annual self-assessment reports, as needed, and mid-term review reports submitted by AEs for calendar year 2020, in line with the AEs’ institutional-level reporting requirements per their accreditation master agreement with GCF and the GCF monitoring and accountability framework. The Secretariat and Accreditation Panel are in the process of reviewing the AE institutional-level compliance reports and will report to the Board on the outcomes of the review at B.30.

3.2 Next steps

22. The accreditation process is ongoing, and the AP is continuing the review of accreditation, AE upgrade and re-accreditation applications that have completed Stage I, with the aim of providing recommendations on (re)accreditation at subsequent meetings of the Board. The AP also continues to review information from AEs related to accreditation conditions.

23. The AP will continue to work on reviewing evidence provided by AEs pertaining to conditions adopted by the Board at the time of their respective accreditation, with the aim of providing recommendations on accreditation conditions at subsequent meetings of the Board.

24. The Secretariat and Accreditation Panel will continue the process of reviewing the AE annual self-assessment reports, as needed, and mid-term review reports submitted by AEs for calendar year 2020 and will report to the Board on the outcomes of the review at B.30.

IV. Report on activities of the Performance Oversight Committee

25. The members of the Performance Oversight Committee (POC) have actively engaged with the SRI Executive (SRI) to set up the Board-appointed officials' (BAO) evaluation system with support from the Office of Human Resources (OHR). With high-level confidentiality during the process, the following activities have been operated.

4.1 Activities during the reporting period

26. The project mobilization meeting with POC and SRI was held on 14 January 2021, reviewing the methodology of 2020 and 2021 evaluations for the BAOs. Under POC guidance and confirmation, the SRI started the performance management process with the Secretariat.

27. Interviews with the BAOs and SRI were conducted to introduce the performance management process, and the performance criteria were also shared for review and confirmation from each BAO.

28. After consultation with the BAOs, the SRI presented to the POC of the collated performance criteria with key performance indicators and the stakeholder lists for each BAO to consult for the 2020 performance evaluation.

29. On 26 February 2021, the performance criteria and the stakeholders, including the Board members who were active in 2020, were confirmed for the BAOs evaluation. With the POC's confirmation, all stakeholders were contacted to submit their feedback through the online survey by 5 April 2021.

30. Collation and analysis of all stakeholder consultation data were conducted by SRI and the draft preliminary evaluation reports for individual BAOs were shared with the BAOs for review. The full review of the evaluation report was shared to the POC to incorporate their feedback and the final version is planned to be updated by 4 May for sign-off.

31. The POC meeting with the SRI is planned on 17 May 2021 to discuss the BAOs' final 2020 performance evaluation report.

4.2 Matters where specific guidance from the Board is sought

4.2.1 BAO's Merit Increase 2020

32. POC will submit for Board consideration the recommended decision with regards to the BAO's merit increase for 2020, effective from January 2021.

4.2.2. BAO's recognition of merit pay for previous years of service

33. POC will present a recommendation to grant the BAOs merit increase for service years previous to 2020, that were not granted due to the lack of a standard evaluation system, which is the prerequisite for performance or merit-pay.

4.3 Next steps

34. Individual discussion between the BAO and the POC regarding the performance report are scheduled for 1 June 2020.

35. Instructions will be provided to the Secretariat to implement the decision of the Board regarding merit pay for BAO.

36. The 2021 performance review process of the BAOs will begin through a similar process and performance-related pay will be outlined to the POC for consideration.
