



**GREEN
CLIMATE
FUND**

Meeting of the Board
17 – 20 July 2022
Incheon, Republic of Korea
Agenda item 15

GCF/B.33/08/Add.01

18 July 2022

Accreditation strategy of the Green Climate Fund – Addendum I

Comments matrix

Summary

In response to decision B.31/06, the Secretariat, under the guidance of the Co-Chairs, was also requested to prepare the accreditation strategy for consideration by the Board no later than its thirty-third meeting. The draft Accreditation Strategy of the Green Climate Fund has been presented in document GCF/B.33/08 for the Board's consideration at its thirty-third meeting.

In line with decision B.31/06, the Secretariat conducted consultations with the Board, Accredited Entities, National Designated Authorities and Observers. This document contains a compilation of comments received during the consultation process.

I. Introduction

1. In response to decision B.31/06, the Secretariat, under the guidance of the Co-Chairs, was also requested to prepare the accreditation strategy for consideration by the Board no later than its thirty-third meeting (B.33). The draft Accreditation Strategy of the Green Climate Fund has been presented in document GCF/B.33/08 for the Board's consideration at B.33.
2. In line with decision B.31/06, the Secretariat conducted consultations with the Board, accredited entities (AEs), national designated authorities (NDAs) and observers on document GCF/B.33/08 titled "Accreditation Strategy of the Green Climate Fund" from 28 June to 8 July 2022, through which written comments were received. The Secretariat also conducted a technical session with the Board on 5 July 2022, during which verbal comments were received.
3. This document contains a compilation of comments received during the consultation process.

II. Key themes raised during consultations

4. A synthesis of the comments and responses will be provided in due course due to the limited time prior to B.33. An indicative and non-exhaustive list of key themes and topics that have emerged from the comments received during the consultations is below:
 - (a) GCF's operating model and the objective of accreditation;
 - (b) Partnership approaches (including institutional accreditation, the project-specific assessment approach to accreditation (PSAA) and the graduating out of the accredited entity role);
 - (c) AE network size;
 - (d) Incentives (including the aim for each AE to have at least two projects/programmes every five year accreditation term);
 - (e) Country ownership;
 - (f) Direct access entity (DAE) capacity, and the role of international access entities (IAEs) in supporting such strengthening
 - (g) Private sector;
 - (h) Mechanisms for evolving the AE network (including prioritizing AEs and applicants (e.g. linkages with GCF programming targets, frequency of updating), and retiring non-performing AEs);
 - (i) Metrics (e.g., climate change programming; how the overall portfolio of AEs' activities beyond those funded by GCF have evolved towards low-emission and climate-resilient development pathways; IAE support to DAEs for capacity building and strengthening; and AE performance); and
 - (j) Efficiency;
 - (k) Amongst others.
5. Comments were also received regarding the consultation process including whether further consultations would be conducted, and how the draft accreditation strategy addresses recommendations in the Independent Synthesis of the GCF's Accreditation Function conducted

by the Independent Evaluation Unit (IEU) in 2020 (document GCF/B.28/16),¹ as well as other related IEU evaluations that covered matters related to the GCF's accreditation function.

III. Comments received during the consultations

6. Table 1 below provides a list of the submissions received during the consultations.

Table 1. List of submissions received during consultations on the draft accreditation strategy, 28 June to 8 July 2022

Consultation group	Submissions by
Board	
Written submissions	<ol style="list-style-type: none"> 1. African Board and alternate members; 2. Bhutan on behalf of Least Developed Countries (LDCs); 3. France; 4. Germany; 5. Italy; 6. Netherlands, Denmark and Luxembourg; 7. Spain, Ireland and New Zealand; 8. Sweden; 9. Switzerland, Finland, Hungary, Monaco, and Liechtenstein; and 10. United States.
Technical session comments	<ol style="list-style-type: none"> 1. Albania; 2. Adviser to the Board member from Antigua and Barbuda; 3. Germany; 4. Italy; 5. Sweden; 6. Adviser to the Board member from Switzerland; 7. Adviser to the Board member from South Africa; and 8. United States.
Accredited entities	<p><u>Direct access entities (DAEs):</u></p> <ol style="list-style-type: none"> 1. National Committee for Sub-National Democratic Development (NCDD), Cambodia; <p><u>International access entities (IAEs):</u></p> <ol style="list-style-type: none"> 1. Asian Development Bank (ADB); 2. Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ); 3. Kreditanstalt für Wiederaufbau (KfW); and

¹ The Secretariat management response to the Independent Synthesis of the GCF's Accreditation Function undertaken by the IEU is contained in document GCF/B.28/16/Add.01.

Consultation group	Submissions by
	4. United Nations Development Programme (UNDP).
National designated authorities or focal points	<ol style="list-style-type: none"> 1. Belize; 2. Brazil; 3. El Salvador; and 4. Zambia.
Accredited observers organizations (Observers)	1. GCF Observer Network of Civil Society Organizations, Indigenous Peoples and local communities (GCF Observer Network) (joint comments)

7. Comments received during the consultations are contained in annex I to this document.

Annex I: Consultation comments received on the draft document “Accreditation strategy of the Green Climate Fund” – 28 June to 8 July 2022

1. Table 2 below contains the written submissions received from the Board during the consultations on the draft accreditation strategy held from 28 June to 8 July 2022.

Table 2. Written submissions from the Board received during consultations on the draft accreditation strategy, 28 June to 8 July 2022

Board Written Comments			
Submitted by	Section	Text	Comment
Bhutan on behalf of Least Developed Countries (LDCs)	General	NA	Background sections (policy rationale, analysis of policy proposal) should explain in more detail how the proposal is consistent and how it would be addressing relevant mandates, particularly elements in paragraph (p) of decision B.31/06. We suggest the use of a tabular format for structuring and presenting this analysis.
France	General	NA	We welcome the overall direction proposed in this draft strategy. We particularly welcome that the strategy should have clear directions on how to prioritize accreditation and reaccreditation applications. We also welcome that the extent to which IAEs have worked with DAEs in the development and/or implementation of projects or programmes is to be used as an information during the re-accreditation process. In the same spirit, we fully support that the re-accreditation be informed by the assessment of the degree to which an AE’s overall portfolio of activities beyond those funded by the GCF has evolved towards low-emission and climate-resilient development pathways. The accredited entities are key players in delivering the GCF mandate and objectives, and the GCF is also instrumental in helping them shift their portfolios towards climate-positive investments.
Germany	General	NA	We welcome this important document to kick-start the development of an accreditation strategy, given the key role

Board Written Comments			
Submitted by	Section	Text	Comment
			<p>accredited entities (AE) play for developing countries' access to GCF resources and delivery of impact within the unique positioning of the GCF as a partnership institution and in the context of delivering on the overall vision and strategic objectives.</p> <p>[We] would like to highlight the importance of the board being also informed by consultations with NDAs, AEs and Accredited Observers.</p>
Germany	General	NA	<p>We also consider elements, such as streamlining of processes, prioritising re-accreditation (to avoid lapses) and developing various forms of partnerships to be appropriate to achieve the overarching goals. Additionally, considering an option in which PSAA can graduate into institutional partnership would be an option to encourage learning and capacity building for programming development.</p>
Germany	General	NA	<p>Overall, we also support the planned enhanced guidance and capacity building as very important elements of the strategy.</p>
Germany	General	NA	<p>We would like to suggest a few additional issues with the overall document to be addressed for the strategy to fulfil its function:</p> <p><u>Structure:</u> We suggest the strategy should be developed based on an analysis of gaps/needs as identified in the portfolio review provided for B.31 and the IEU report from 2020 on accreditation. This analysis should be grounded in a sound methodology, which can guide the structure of the strategy and should include a more qualitative analysis (e.g., why AEs have not handed in FPs). Reasons can be manifold such as project preparation takes substantial time and resources, country priorities, AMA not signed). Such a methodology should also clearly define terminology (e.g., "truly innovative investment proposals" – a terminology that is used as a</p>

Board Written Comments			
Submitted by	Section	Text	Comment
			<p>criterion for the PSAA, but also the need of “incentivising” NDAs and AEs, which is mentioned across the Strategy, but the meaning is not further explained). The methodology may also draw and benefit from results of existing analysis, such as previous and ongoing IEU activities (e.g., Independent evaluation of the GCF's approach to the private sector (2021), the efficiency and effectiveness assessment of direct access within the GCF (pending).</p> <p>The Strategy should then be developed, explicitly drawing on the insights gained from the analysis (the analysis part should for instance examine why private DAE are the least active in programming, and the strategy part could then put forward a way of addressing these underlying reasons).</p>
Germany	General	NA	<p><u>Promoting AEs programming activities at the same time enhancing capacity:</u> In the draft board decision to adopt the accreditation strategy the Secretariat proposes a focus on private sector entities, especially direct access private sector, that are capable and seeking institutional accreditation to GCF to develop and implement projects and programmes (a) of a large or medium size category. Also, in the draft strategy, it proposes that the GCF should aim for each AE to have at least two projects/programmes every 5-years (para 11). Both these suggestions bear the risk of excluding AEs that are currently not ‘capable’ of seeking institutional accreditation and those AEs that lack capacities to submit at least 2 projects every 5 years, essentially countering the aim of strengthening national DAE. → Here, a differentiated approach – ensure activities of bigger international AEs at the same time as enhancing capacities of national DAE – should be developed. The qualitative analysis suggested above, would allow to develop KPIs that reflect the different kind of AEs (e.g., a KPI</p>

Board Written Comments			
Submitted by	Section	Text	Comment
			that requests at least two projects/programmes every 5-year may be more suitable for larger AEs but not smaller AEs).
Germany	General	NA	<u>PSAA</u> : The Accreditation Strategy should also clarify the strategic added value of the PSAA. It may need a review of potential “ <i>ad hoc and limited basis, shorter-term access</i> ” partners that are foreseen for the PSAA. Already, the IEU in the Independent Synthesis of the Green Climate Fund’s Accreditation Functions (June 2020), raised concerns about the strategic added value of PSAA.
Germany	General	NA	We would also like make one specific remark in relation to implementation and enforcement of existing requirements for IEs to support NDA:decision B.10/06, paragraph (i) (in GCF/B.10/17) states that IE shall indicate in their accreditation proposal how they intend to strengthen capacities of, or support potential subnational, national and regional entities to meet accreditation requirements and requests them to report back to the board annually. The GCF’s Monitoring and accountability framework for accredited entities (adopted by decision B.11/10) also recalls decision B.10/06, para i. However, currently AE-Reports (e.g., GCF_B.30_03_Add.02) do not include such information - indicating that this particular reporting requirement is it not followed through or enforced by the GCF. Also, it would be good to further encourage IEs to enter into twinning arrangements with DAEs with the objective to contribute to capacity building and cultivate country ownership (An option that was already recommended by the IEU in its Independent Evaluation of the Green Climate Fund’s Country Ownership Approach (2020, GCF/B.25/03) and later again, when addressing particular challenges of DAEs in LDCs in its Independent evaluation of the relevance and effectiveness of the GCF’s investments in the LDCs (2022).)

Board Written Comments			
Submitted by	Section	Text	Comment
Netherlands, Denmark and Luxembourg	General	NA	<p>We would be grateful for the Secretariat's view, that both the Strategy itself but also the Decision Text be elaborated in the following ways:</p> <ol style="list-style-type: none"> 1. An acknowledgement that - in sourcing projects - the GCF has a multi-pronged approach, focused traditionally on accreditation (Institutional Accreditation) but also through projects directly tied to accreditation (PSAA) but also a willingness to consider standalone project activities (e.g. through RFP). 2. An application for accreditation generally will be accepted only when the applicant has already identified a suitable project to at least pre-feasibility stage for GCF financing. In turn, an AE will be accepted for re-accreditation generally only if the entity has already had at least one project approved for GCF financing
Netherlands, Denmark and Luxembourg	General	NA	<p>We would like the GCF to adopt an accreditation-project target, e.g. in the medium term (5 year) a target of approving on average 2 new projects per AE, i.e. 15 projects per board meeting.</p>
Netherlands, Denmark and Luxembourg	General	NA	<p>For purposes of improving the effectiveness and efficiency of accreditation - we would like to see a time defined implementation plan, with dates and responsibilities. The plan should be cleared by the Board, and its implementation should be reported upon annually to the Board by the Secretariat. The plan might be adapted over time.</p>

Board Written Comments			
Submitted by	Section	Text	Comment
Netherlands, Denmark and Luxembourg	General	NA	We also request an assessment of the staff implications of the Strategy and the associated budget costs.
Netherlands, Denmark and Luxembourg	General	NA	Can the Secretariat describe in detail what consultation has currently taken place, and what further consultation is planned?
Spain, Ireland and New Zealand	General	NA	We welcome the presentation of the draft Accreditation Strategy. The draft provides a good basis to further develop our collective thinking on this important issue and help us confirm what we wish to see in an Accreditation Strategy for the GCF.
Spain, Ireland and New Zealand	General	NA	We welcome many of the elements proposed in the draft Strategy particularly the steps that are proposed to improve the efficiency of the accreditation and reaccreditation process. For example, developing clearer guidance on the types of partnerships that can be built with the GCF to help steer organisations/partners to the most appropriate form of engagement with the GCF or them most appropriate accreditation track (PSAA/institutional).
Spain, Ireland and New Zealand	General	NA	It seems many of the proposed initiatives / approaches (while we welcome them) are operational rather than strategic. The Strategy could benefit from a clearer strategic vision of accreditation at the GCF. What would accreditation at the GCF look like in 5-10 years? How can success be measured?
Spain, Ireland and New Zealand	General	NA	We agree there is a need to improve the efficiency of the accreditation process given that there are 140 entities in the accreditation pipeline and that there is an expectation that 30 entities per year are likely to seek reaccreditation from 2023 onwards. To this end we welcome the actions described to

Board Written Comments			
Submitted by	Section	Text	Comment
			enhance and streamline the efficiency of the accreditation process and improving the capacity of AEs.
Spain, Ireland and New Zealand	General	NA	We would like to see more discussion about the optimal size of the accreditation portfolio given the tension between continuing to accredit new agencies and the expectation that – at most – an AE could expect to have two FPs approved over a five year period. The more AEs there are the less likely that are to see a successful FP progress through the process over 5 years (and therefore the less attractive it is to become accredited). Does the Secretariat envisage or recommend a cap on numbers – or is it envisaged that the portfolio will reach equilibrium at some point?
Spain, Ireland and New Zealand	General	NA	On re-accreditation we suggest there could be discussion of the need for the 5 year re-accreditation process. Could this be done on an exceptions basis? That is, for those entities who wish to change the scope of their accreditation, combined with rolling review of entities who have not engaged in FP development processes at all over the 5 years of their accreditation (i.e. readiness, PPF, pipeline of CNs or FPs) and a review of whether AEs have met their accreditation conditions? For others who are meeting their conditions, have engaged in GCF FP development processes and do not wish to change the scope of their accreditation, is re-accreditation strictly necessary?
Spain, Ireland and New Zealand	General	NA	We support the intention of the strategy to use accreditation of partners to fill gaps in coverage and capabilities. However, the strategy is not explicit about where the GCF will target its efforts in terms of new entities. What types of entities are needed (and that would therefore could be targeted and prioritised for accreditation) to help the GCF deliver on its mandate and support improved access to finance? What are the underserved regions,

Board Written Comments			
Submitted by	Section	Text	Comment
			results areas, financing instruments that will be targeted through the strategy?
Spain, Ireland and New Zealand	General	NA	We strongly believe that the GCF, as a climate fund, should partner with AEs that share GCF mandate. To this end, the GCF should prioritize the accreditation and reaccreditation of AEs that have clear targets and policies in place to promote the paradigm shift towards low emission and climate resilient development pathways. If those targets and policies are not met as committed by the AE, the GCF should assess the pertinence to continue partnering with them.
Sweden	General	NA	In line with previous submissions, we believe that key building blocks in a forthcoming strategy on accreditation are: <ol style="list-style-type: none"> 1. clarify the strategic role of accreditation, 2. provide clear guidance for institutional performance, project pipeline and results and portfolio alignment to be examined during accreditation and re accreditation, 3. incentives for IAEs to contribute to building capacities of DAEs including twinning arrangements between IAEs and DAEs and clarify target portfolio mix and size based on a cost-effective analysis.
Sweden	General	NA	We fully support the Secretariat's proposal of a hybrid approach to accreditation – aiming both for capacity building/institutional reforms and targeting high-performing AEs.
Sweden	General	NA	We also support the proposed prioritization of entities as reflected in the proposed decision text.

Board Written Comments			
Submitted by	Section	Text	Comment
Sweden	General	NA	We support the proposals made regarding prioritization for re accreditation as well as retirement for non-performing entities
Sweden	General	NA	However, there are a few issues that still need to be addressed: One is the perceived inconsistency and potential conflicting goals regarding the overarching aims of the strategy which need to be addressed. On the one hand side the strategy aims to streamline the accreditation processes in order to be able to accredit up to 25-30 entities annually (compared to 15 as is currently the case). On the other hand, it is stated that with the current size of the accreditation portfolio there is very little incentive to build up dedicated capacity and thus ability for learning. This challenge will only increase if the current size of the accreditation portfolio continues to increase. It therefore seems key for the strategy to provide guidance on alternative partnerships with the GCF, an area which is currently missing.
Sweden	General	NA	There also is a need for a cost-effective analysis on what is the most efficient way to increase access to financing which should be one of the overarching goals of the strategy. Is it through increasing the portfolio of accredited entities or is it through supporting the current set of accredited entities for them to be able to come forward with high-performing funding proposals? What are the possible trade-offs including resource implications when comparing those two alternatives with each other?
Sweden	General	NA	Capacity building for direct access entities - is it possible to identify incentives that could encourage multilateral organizations to enter into twinning arrangements with DAEs? And by doing so to contribute to capacity build-up?

Board Written Comments			
Submitted by	Section	Text	Comment
Switzerland, Finland, Hungary, Monaco, and Liechtenstein	General	NA	We thank the Secretariat, in particular the Accreditation and Entity Relations division, for this solid first draft. We support the Secretariat’s proposal to formalize the hybrid approach, focusing both on GCF ability to deliver on its programming targets by partnering with high-performing AEs, and the capacity building of AEs.
Switzerland, Finland, Hungary, Monaco, and Liechtenstein	General	NA	We would have liked the strategic vision on what the GCF wants to achieve with the AE network to come with an indication on the optimal size of the AE network, or some consideration on which types of AEs match with the GCF’s programming and project delivery capabilities. A more manageable AE network would be key to maximize the overall efficiency and predictability of access to GCF funding, but we understand that it would not be consensus-ready at this stage.
Switzerland, Finland, Hungary, Monaco, and Liechtenstein	General	NA	We support authorizing the Secretariat to proactively guide AEs towards the most suitable form of partnership with the GCF. This should happen as early as possible in the accreditation process, including for the 140 applicants already in the pipeline. Given the strategy’s prioritization of re-accreditations and the number of candidates, the Secretariat should do “expectation management” with less suitable applicants, and re-orient them to a more appropriate type of partnership. The strategy should clearly spell out alternatives to full accreditation (PSAA entity, co-financer, implementing agency, etc.) and explain what type of entity would be more suitable for which role.
Switzerland, Finland, Hungary, Monaco, and Liechtenstein	General	NA	The development of a metric for climate change programming and implementation capacity is also an essential improvement, as this is a major lacuna in the current accreditation process. The

Board Written Comments			
Submitted by	Section	Text	Comment
			Secretariat should prioritize accreditation of entities that have strong implementation capacity, or high potential and demonstrated willingness to develop it through GCF capacity building. To fully use its network for capacity building, the GCF should encourage its network of AEs (in particular IAEs, but also experienced DAEs) to enter into project arrangements with DAEs that have lower implementation capacity/experience.
Switzerland, Finland, Hungary, Monaco, and Liechtenstein	General	NA	There is a need for establishing clear, transparent, and predictable criteria for re-accreditation. We fully support the proposed prioritization in re-accreditations, in terms of funding proposals, concept notes, and actual results. For us, it is most important to look at quality and impact of projects and contribution to paradigm-shift (based on IRMF indicators) when prioritizing re-accreditations. In addition, the GCF should also prioritize the re-accreditation of AEs that have demonstrated a wider portfolio shift towards Paris alignment. The strategy could develop clearer criteria for this, beyond the language used in the USP1. MDBs are developing Paris alignment methodologies for their entire portfolio, including financial intermediaries. The GCF, as a leading multilateral climate fund, should not lag behind on this topic. This issue could also be addressed in the context of USP2 if it is not consensus-ready at this stage.
Switzerland, Finland, Hungary, Monaco, and Liechtenstein	General	NA	To fill programming gaps, the GCF should first make full use of its current 113 AEs and strategically use the PSAA, and expand its already vast AE network only in a targeted fashion to fill remaining gaps. The aim to have at least two funding proposals per AE every 5-year term makes sense, as full accreditation should be for entities willing to work with more projects. However, if the network remains at a level of 110+ AEs, there is a risk that this aim leads to a fragmentation of the GCF portfolio. Also, for already

Board Written Comments			
Submitted by	Section	Text	Comment
			accredited entities at least, one larger project/programme rather than two might also be a possibility. Finally, the programming gaps will have to be reassessed for GCF2, based on the outcome of the USP2.
Switzerland, Finland, Hungary, Monaco, and Liechtenstein	General	NA	We fully support enhancing the efficiency of processes, including related to the Accreditation Master Agreements (AMA). Efficiency measures will have a positive impact if they are combined with greater selectivity in (re-)accreditation, as suggested in the draft (and, if possible and consensus-ready, a longer-term target in total number of AEs). We also wonder what would differ from the current accreditation and AMA processes. The indicator should not be the number of applications processed per year, but the time it takes for an entity to go through the entire accreditation process. The initial ambition has been around 6 months. This might be a tall order, but 12 months should be possible. Is the Secretariat of the opinion that the Accreditation Strategy will be able to deliver on such a reduced process time – if not, what additional measures are necessary?
United States	General	NA	The United States welcomes the opportunity to comment on the document GCF/B.33/08 – Accreditation Strategy of the Green Climate Fund. As noted in the Updated Strategic Plan for GCF-1, taking a more strategic approach to accreditation is central to the success of the GCF, and we are strongly supportive of the steps articulated in this document to act on that ambition.
United States	General	NA	It would be helpful to see more clearly the evidentiary basis on which this Strategy is based. For example, the Independent Evaluation Unit has made a number of recommendations regarding the GCF's accreditation function. Could the Secretariat clarify how these recommendations have been addressed?

Board Written Comments			
Submitted by	Section	Text	Comment
			<p>Additionally, we have found the programming gap assessment included in the strategy to be very helpful. It may be helpful to have this analysis expanded to include information about the types of AEs which have brought successful funding proposals in each area, such as types of expertise, sector, or other attributes and characteristics.</p>
United States	General	NA	<p>We welcome the Strategy's discussion of its objective, noting the importance of increasing the speed and scale of the GCF's work, as well as building the capacity of partners. We would note that there are a number of important objectives which are served by the GCF's accreditation work, including:</p> <ul style="list-style-type: none"> • Advancing the GCF's ability to finance transformative funding proposals, including in terms of quantity, quality, speed, leveraging capability, and results area coverage • Building capacity among GCF partners to better engage with the GCF and advance country-driven climate action in their respective contexts • Scaling-up financial support for climate action by engaging partners, including to mainstream climate considerations throughout their working modalities and supporting shifts in their wider investment portfolios
United States	General	NA	<p>With regard to the components of the Strategy itself, we welcome the use of a hybrid approach and would urge the GCF to demonstrate how each of the parallel objectives the Strategy pursues is being advanced. In particular, we are supportive of the use of prioritization, in particular to fill key gaps in the GCF's project portfolio, as well as the strong focus on capacity building efforts to support the work of Direct Access Entities.</p>

Board Written Comments			
Submitted by	Section	Text	Comment
United States	General	NA	<p>We are also interested in the concept of “graduation” from accreditation but would welcome further details in this regard. Importantly, this raises the question of the types of partnerships that the GCF engages in, including but not limited to accreditation, and how those can be appropriately supported. For example, entities which apply to the GCF via the PSAA may be encouraged to pursue full accreditation after a successful initial partnership. How can the Accreditation Strategy support this, as appropriate? Further, how can entities which are not project implementers engage with and support the work of the GCF, including institutional investors or other potential co-financiers? Can the GCF help match non-accredited entities to other forms of participation in GCF projects, such as executing entities, vendors, consultants, legal advisors, or other roles, and potentially highlight a graduation path for such entities toward accreditation, if it is of interest?</p>
United States	General	NA	<p>We also welcome the focus on implementation in the Strategy, including the importance of further updating the Accreditation Framework, continuing to streamline GCF processes, and enhancing access without sacrificing the integrity of other important GCF policies. We also note the critical importance of the Readiness Program in the GCF’s capacity building efforts, as well as the Accreditation Panel in reviewing AE applications, and the Risk Management Committee in finalizing Accreditation Master Agreements. However, we also note the significant pipeline increase in annual AE applications, as well as the large proportion of AEs which have not yet signed AMAs. We would welcome future discussion of how these processes could be strengthened to support the implementation of this strategy. This includes in terms of resources needed, as well as operational modalities. For</p>

Board Written Comments			
Submitted by	Section	Text	Comment
			example, it may be helpful to develop processes or procedures for AE's to report information related to portfolio shifting to the Secretariat and Board on a more regular basis and consistent format, supporting the AP's efforts and the Board's review of re-accreditation applications.
African Board and alternate members	Background document: I. Introduction and mandate, para. 2	"prioritizing certain types of applicants in the accreditation process"	It is important the Secretariat also clarifies how it will prioritise applications, in particular from DAEs. Decision B.14/08 para (d) ii requests the Secretariat in consultation with the Accreditation Committee and Plan to consider and refine the criteria for prioritization.
African Board and alternate members	Background document: I. Introduction and mandate, para. 5(b)	"(b) Streamlining the accreditation process and developing alternative accreditation modalities, including a PSAA;"	As we have the PSSA for streamlining the accreditation process, it may be essential to clarify the 'Alternative accreditation modalities'? As handed in the Board Workplace for 2020-2023.
African Board and alternate members	Background document: I. Introduction and mandate, para. 9	"To optimize this model, the accreditation strategy aims to: [...]"	B.27/06 Annex VI para 26 (a) USP recommends a strategic approach to accreditation- including increasing the share of DAEs. It is not clear if this draft response to that.
Italy	Background document: I. Introduction and mandate, para. 9(a)	"[...] Enhance the efficiency of the GCF accreditation and re-accreditation process;"	Proposed changes: "[...] Enhance the efficiency, <u>effectiveness and inclusiveness</u> of the GCF accreditation and re-accreditation process;"
Italy	Background document: I. Introduction and mandate, para. 9(b)	"Strategically use accreditation of partners to fill in gaps in capabilities and coverage;"	There is a need to better highlight the goal of an updated accreditation model, which should better clarify how an AE actively contributes to the goals of the GCF by its capacity to develop, in a country-driven manner, high quality

Board Written Comments			
Submitted by	Section	Text	Comment
			<p>transformational and paradigm shifting funding proposals in the GCF results areas.</p> <p>Proposed changes:</p> <p><u>“Strategically use accreditation of partners to advance the goals of the GCF, including by filling in gaps in capabilities and coverage, as well as to develop quality funding proposals.”</u></p>
Italy	Background document: I. Introduction and mandate, para. 9(c)	“Optimize incentives for partners to invest in a dedicated capacity to programme for GCF;”	Please clarify what is meant for “dedicated capacity”.
Italy	Background document: II. Policy rationale, para. 11	“As highlighted in document GCF/B.32/08, the GCF AE network has grown to a diverse set of 113 partners that, theoretically, have the capacity to programme across all GCF thematic and geographic areas, financing sizes, financial instruments and environmental and social risk levels. However, a review of the GCF AE portfolio reveals an uneven project quality at pipeline entry and programming gaps against GCF-1 priorities. An increasingly low project to AE ratio limits incentives for AEs to invest in a dedicated capacity to programme for GCF.”	It would be good to make reference to some of the findings of the IEU independent evaluation, i.e. the synthesis of the accreditation function in the policy rationale chapeau.
African Board and alternate members	Background document: II. Policy rationale, para. 13	“The GCF could act as a high-volume, high-speed climate finance provider, working with a targeted set of high-performing AEs that meet the GCF standards. If GCF opts	The African BM do not support this option- as indicated, it is contrary to GI and all the Board decisions that stressed the

Board Written Comments			
Submitted by	Section	Text	Comment
		for volume and speed through a smaller AE network, its key feature of direct access and ability to recognize diversity of needs may become secondary.”	importance of country to ownership and needs - and prioritisation of DAEs to respond to countries needs.
African Board and alternate members	Background document: II. Policy rationale, para. 13	“[...] it could also play a capacity builder role, whereby priority would be given to strengthening the capabilities of AEs to design and implement climate finance projects, even if programming targets may take longer to be achieved. This would require GCF to increase its capacity to deliver tailored and scaled-up support to AEs, as well as increasing its capacity to process re-accreditation and accreditation applications and review concept notes and funding proposals.”	This is a critical role of the GCF- enabling AEs to design and implement climate finance projects, particularly by supporting DAEs and regional DAEs. We share the important of enhancing efficiency to address delays.
African Board and alternate members	Background document: II. Policy rationale, para. 13	“[...] strengthening the capabilities of AEs [...]”	The IEU recommendation also supports- the GCF role of strengthening capacity of AEs- including supporting countries and NDAs to nominate direct access entities, and support DAEs in post accreditation.
African Board and alternate members	Background document: II. Policy rationale, para. 13	“[...] GCF to increase its capacity to deliver [...]”	Increasing the capacity of the GCF and strengthening the governance for accreditation is among IEU recommendations. This recommendation must be taken up in this option.
Italy	Background document: II. Policy rationale, para. 13	“The GCF could act as a high-volume, high-speed climate finance provider, working with a targeted set of high-performing AEs that meet the GCF standards. If GCF opts for volume and speed through a smaller AE	As correctly highlighted, these two models are not alternative to each other, and a combination of the two should forge the GCF accreditation strategy. While it is understandable to provide two options, they should not be presented as strategic directions. The overall goal of an accreditation strategy should be to create a

Board Written Comments			
Submitted by	Section	Text	Comment
		network, its key feature of direct access and ability to recognize diversity of needs may become secondary. Alternatively, it could also play a capacity builder role, whereby priority would be given to strengthening the capabilities of AEs to design and implement climate finance projects, even if programming targets may take longer to be achieved. This would require GCF to increase its capacity to deliver tailored and scaled-up support to AEs, as well as increasing its capacity to process re-accreditation and accreditation applications and review concept notes and funding proposals.”	network of AEs able to support the goals of the GCF in developing bankable, transformational projects/programs for mitigation and adaptation. The strategic directions are management tools, but not the goals themselves of the strategy. Both the high-performance of AEs and the direct access capacity building functions should be kept in the accreditation strategy.
African Board and alternate members	Background document: II. Policy rationale, para. 14; and Annex II, para. 2	–“In between these two options lies a combination that aims to optimize both allocation of climate funding volumes and capacity-building.”	We believe that the priority should be strengthening the GCF Sec capacity to support AEs & DAEs, and improving the efficiency of the accreditation process- from reducing the timeline (506 days)to the finalisation of the legal documents (AMA takes up to 638 days). The draft strategy should be informed by the recommendation on IEU on these challenges and propose solutions to address them.
Italy	Background document: III. Analysis of policy proposal, para. 18	“These risks could be mitigated by increasing the efficiency of the GCF accreditation and re-accreditation process; strategically using accreditation of partners to fill in gaps in capacities and coverage; and optimizing incentives for partners to	See comment above in para 9c. “[...] a dedicated capacity”: See comment above in para 9b. Proposed changes: “These risks could be mitigated by increasing the efficiency, <u>effectiveness and inclusiveness</u> of the GCF accreditation and re-accreditation process; strategically using accreditation of partners

Board Written Comments			
Submitted by	Section	Text	Comment
		invest in a dedicated capacity to programme for GCF.”	to <u>advance the goals of the GCF, including by filling in</u> gaps in <u>capabilities capacities</u> and coverage; and optimizing incentives for partners to invest in a dedicated capacity to programme for GCF.”
African Board and alternate members	Background document: III. Analysis of policy proposal, section 3.1	Section 3.1 “Enhance the efficiency of the GCF accreditation and re-accreditation process”	<p>This section does not provide/ answer the questions on how enhance efficiency of the GCF accreditation and re- accreditation process – including:</p> <ol style="list-style-type: none"> 1. How to enhance the efficiency of the GCF to review more than 15 applications per year? As mentioned above it takes more than 500 days, and the finalisation of the legal agreement - more than 600days. 2. How to strengthen the role of the AC? 3. Also, how to strengthen the AP to review more than 15 application per year? <p>The IEU also recommended the need of strengthening the role of the AC to guide the AP.</p>
Italy	Background document: III. Analysis of policy proposal, section 3.1	Section 3.1 “Enhance the efficiency of the GCF accreditation and re-accreditation process”	<p>Proposed changes:</p> <p>Section 3.1 “Enhance the efficiency, <u>effectiveness and inclusiveness</u> of the GCF accreditation and re-accreditation process”</p>
Italy	Background document: III. Analysis of policy proposal, section 3.2	Section 3.2 “Strategically use accreditation of partners to fill in gaps in capabilities and coverage”	<p>Proposed changes:</p> <p>Section 3.2 “Strategically use accreditation <u>to advance the goals of the GCF, including by of partners to filling in</u> gaps in capabilities and coverage <u>as well as to develop quality funding proposals</u>”</p>

Board Written Comments			
Submitted by	Section	Text	Comment
African Board and alternate members	Background document: III. Analysis of policy proposal, para. 27	“It also includes authorizing the Secretariat to actively guide entities towards the most suitable form of partnership with GCF, including at pre-accreditation and stage I of the process on the appropriate accreditation track.”	What will be the criteria for the Sec recommendation?
African Board and alternate members	Background document: III. Analysis of policy proposal, para. 27	“[...] re-accreditation of AEs will be prioritized to minimize lapses in accreditation terms.”	We note the importance of ensuring the continuity of the implementation of projects by AEs. However, the re-accreditation criteria must be met, including accessing IAEs for their contribution towards supporting DAEs. As per the IEU recommendation- the African BM call for clear criteria to be communicated to assess IAEs.
African Board and alternate members	Background document: III. Analysis of policy proposal, para. 27	“[...] metric for climate change programming development and implementation capacity will be explored at accreditation and re-accreditation.”	Is there a timeline for development of a metric?
African Board and alternate members	Background document: III. Analysis of policy proposal, para. 27	“[...] the capacity development of relevant GCF organs [...]”	What are the capacity development plans? And will it be for all GCF organs?
African Board and alternate members	Background document: III. Analysis of policy proposal, para. 27	“[...] measures are expected to increase the processing capacity of the GCF from the historical rate of 15 applications per year to 25–30 applications per year [...]”	Is it possible to get the list of measures mentioned here? It could be important to assess the possibility of increasing the processing capacity.

Board Written Comments			
Submitted by	Section	Text	Comment
African Board and alternate members	Background document: III. Analysis of policy proposal, para. 29	“However, a more structural solution is required.”	We agree that there is a need for structural solution- including enhancing efficiency of the GCF concept note and FP review and supporting DAEs to develop high quality FP.
Italy	Background document: III. Analysis of policy proposal, para. 30	“[...] it does not assess the entity’s capacity to prepare and implement climate projects.”	The capacity of an AE to contribute to advance the goals of the GCF by developing bankable projects and programmes should be the key element of the updated accreditation strategy. For this reason, we propose to modify the headline here, to clearly highlight this focus. Development of criteria to measure the track record of an AE in developing projects and/or how IAEs partnered and supported DAEs to this end could be a key added value for the accreditation strategy.
Italy	Background document: III. Analysis of policy proposal, para. 32	“GCF could also unleash the potential of some AEs by providing tailor-made support to improve project quality at pipeline entry.”	The role of IAEs' contribution to support capacity of DAEs here is critical. More incentives need to be given to IAEs to improve DAEs' capacity to develop quality funding proposals and respond to country-driven programming.
African Board and alternate members	Background document: VI. Consultations, para. 49	“[To be added: summary of consultation process and feedback received, to be contained in annex III.]”	The consultation must be inclusive and transparent - we need a clear timeline for the consultations by the Board, NDAs and observers.
African Board and alternate members	Background document: VII. Monitoring and review, para. 50	“The Secretariat will be responsible for proposing to the Board, in collaboration with the Accreditation Committee and AP, an updated accreditation framework guided by the USP 2020–2023 and the	This does not comply with Board decision B.31/06 para (m), which mandated a revised AF. We do not support keeping this review under the AC alone, and the CCs/Sec need to present a revised timeline for the revision of the AF, as mandated. In addition, the provisions in B.31/06 para (o) are not fully responded to. It will be useful for the sec to indicate in a tabular

Board Written Comments			
Submitted by	Section	Text	Comment
		accreditation strategy laid out in annex II to this document.”	format the various elements of para (o) and how they have been addressed.
African Board and alternate members	Background document: VII. Monitoring and review, para. 51	“With a view to improving the overall accreditation process, a Secretariat-led review of the strategy will be undertaken after the first year of implementation. This will inform work to further assess opportunities for the GCF accreditation framework in the second replenishment period, taking account the needs identified by NDAs and an evidence-based understanding of the performance of the AE network.”	This one-year review makes little sense. This will need to re-considered in light of the policy cycle of the 4 year work programme. We do not support adopting a strategy now and then re-doing this under the USP.
African Board and alternate members	Background document: VIII. Recommended Action by the Board, para. 53(b)	“(b) Adopt the decision included in annex I.”	We are not ready to adopt a decision at this point, but have highlighted concerns in the draft.
Bhutan on behalf of LDCs	Annex I, Draft decision of the Board, para. (a)	“(a) Adopts the accreditation strategy contained in annex II to this document;”	We consider the document as a first iteration, not ready for adoption. Several issues need to be consulted, clarified and further developed if needed.
African Board and alternate members	Annex I, Draft decision of the Board, para. (b)	“(b) Decides, pursuant to paragraph (a) above, to prioritize up to the end of 2023 the following for institutional accreditation: [...]	It makes no sense to have a time bound prioritization, rather the Board needs to prioritise and review the status of the accreditation/re-accreditation of such entities. Proposed changes: “(ii) <u>Increase share of DAEs, and</u> National direct access entities, including private sector entities and non-governmental

Board Written Comments			
Submitted by	Section	Text	Comment
		(ii) National direct access entities, including private sector entities and non-governmental organizations, nominated for accreditation by national designated authorities or focal points of countries that do not have an accredited national direct access entity;"	organizations, nominated for accreditation by national designated authorities or focal points of countries that do not have an accredited national direct access entity;"
Bhutan on behalf of LDCs	Annex I, Draft decision of the Board, para. (b)	<p>“(b) Decides, pursuant to paragraph (a) above, to prioritize up to the end of 2023 the following for institutional accreditation:</p> <p>(i) Private sector entities, particularly direct access private sector entities, that are capable and seeking institutional accreditation to GCF to develop and implement projects and programmes (i) of a large or medium size category, (ii) have a focus on the GCF adaptation results areas, and (iii) utilize equity and guarantee instruments under the specialized fiduciary standard for on-lending and/or blending; and</p> <p>(ii) National direct access entities, including private sector entities and non-governmental organizations, nominated for</p>	<ol style="list-style-type: none"> 1. Having clarity of the accreditation pipeline would help to assess these options and their implications. How will the Board be informed before taking a decision? 2. In general, for LDCs increasing the share of DAE in the portfolio is relevant, as well as increasing the share of funding channeled through these entities. 3. Medium and large private sector entities looking for accreditation are scarce in our countries. Small entities can have meaningful impact, and should not be excluded. How is this taken into account in this prioritization option? 4. The Board may want to discuss these options pursuing to deliver on GCF-1 portfolio targets. Is it an option to consider it independently of the discussion on the Accreditation Strategy?

Board Written Comments			
Submitted by	Section	Text	Comment
		accreditation by national designated authorities or focal points of countries that do not have an accredited national direct access entity;"	
African Board and alternate members	Annex I, Draft decision of the Board, para. (c)	"(c) Agrees to review the accreditation strategy adopted in paragraph (a) above, as needed, in line with updates to the Strategic Plan for the GCF for the second replenishment period of the GCF;"	As noted we do not agree to this linkage
African Board and alternate members	Annex I, Draft decision of the Board, para. (d)	"(d) Requests, pursuant to decision B.31/06, paragraph (m), the Board to present a revised accreditation framework to address matters: (iii) Outlined in paragraph 26 (a)(i)–(v) of annex VI to decision B.27/06; and (iv) Arising out of the accreditation strategy adopted through paragraph (a) above, no later than the thirty-fifth meeting of the Board;"	It would be more appropriate to outline the review process here than. The point of the review is to assess the relevance of the AF itself, we do not agree to limit the review to the elements outlined in the USP.
Italy	Annex I, Draft decision of the Board, new para. (b)(iii)	New text	Proposed change: <u>"(iii) Entities that are seeking institutional accreditation to the GCF with a proven track record and proposing programmes and projects that consider partnership with and capacity building support to national direct access entities;"</u>

Board Written Comments			
Submitted by	Section	Text	Comment
United States	Annex I, Draft decision of the Board, para. (c)	“Agrees to review the accreditation strategy adopted in paragraph (a) above, as needed, in line with updates to the Strategic Plan for the GCF for the second replenishment period of the GCF”	We do not support the inclusion of paragraph (c) in the decision text. We recognize the importance of reviewing this strategy, as appropriate, at a later date, potentially by the Str, but we question the timing as suggested by paragraph (c) of the draft decision text, which calls for this to take place following the adoption of USP-2. In our view, the Accreditation Strategy pertains to operational aspects that extend beyond the lifetime of any particular replenishment period. In contrast, USP-2 is a cross-cutting strategy which articulates particular objectives, targets, and priorities for a specific replenishment period. While operationalization of the Accreditation Strategy will naturally be informed by the strategic programming objectives and targets from USP-2, it would be premature to suggest updating this Strategy right after adoption of USP-2 because there would not have been adequate time in its implementation for a proper assessment. An update to the Accreditation Strategy may be appropriate after at least five years, for example, to properly assess implementation through at least one cycle of accreditation. At that point, we would support undertaking a review of the Strategy to help determine if any updates would be needed to further improve the GCF’s approach to accreditation.
African Board and alternate members	Annex II, para. 2	“GCF follows a hybrid operating model with both ambitious transformative programming targets and AE capacity development objectives”	As stated above, we are of the view- GCF can play an enabling role to support AEs deliver ambitious and transformative programmes. The objective of the strategy should promote the strategic role of accreditation in the GCF. We believe that the priority should be strengthening the GCF Sec capacity to support AEs and DAEs, and improving the efficiency of the accreditation process- from reducing the timeline. The draft

Board Written Comments			
Submitted by	Section	Text	Comment
			strategy should be informed by the recommendations on IEU on these challenges and propose solutions to address them.
African Board and alternate members	Annex II, para. 2	"Second, GCF seeks to strengthen the institutional capacities of AEs for developing and implementing high-quality climate change projects and programmes to contribute towards achieving the goals of the Paris Agreement."	This seems to be mixing too many issues, albeit that they are inter-related. The accreditation strategy is about the range of institutions we can work with. Building capacity for programming/projects is a separate task that is better addressed elsewhere.
Bhutan on behalf of LDCs	Annex II, para. 2	"To that end, the objective of this accreditation strategy is to clarify the GCF operating model and guide the evolution of the GCF network of AEs. GCF follows a hybrid operating model with both ambitious transformative programming targets and AE capacity development objectives. First, GCF focuses on the value-addition of AEs to deliver country-driven climate change programming and to advance the GCF strategic objectives, while continuing to prioritize strengthening the role of direct access entities (DAEs) in programming. Second, GCF seeks to strengthen the institutional capacities of AEs for developing and implementing high-quality climate change projects and programmes to contribute towards achieving the goals of the Paris Agreement."	The hybrid approach explained in paragraph 2 seems suitable. Strengthening the role of DAEs in programming, and strengthening the institutional capacities of AEs are key elements of the accreditation approach.

Board Written Comments			
Submitted by	Section	Text	Comment
Germany	Annex II, para. 2	<p>“To that end, the objective of this accreditation strategy is to clarify the GCF operating model and guide the evolution of the GCF network of AEs. GCF follows a hybrid operating model with both ambitious transformative programming targets and AE capacity development objectives. First, GCF focuses on the value-addition of AEs to deliver country-driven climate change programming and to advance the GCF strategic objectives, while continuing to prioritize strengthening the role of direct access entities (DAEs) in programming. Second, GCF seeks to strengthen the institutional capacities of AEs for developing and implementing high-quality climate change projects and programmes to contribute towards achieving the goals of the Paris Agreement.”</p>	<p>We support the hybrid operating model outlined in the draft strategy (para 2) addressing transformative programming targets as well as AE capacity development objectives, noting that this hybrid model is consistent with the overall strategy of the GCF. We would not see this as a trade-off but rather as a combination in line with the strategic objectives of the GCF. It would be useful to explicitly develop the link between this model and the complementarity of the two elements of the hybrid model within the broader set of strategic objectives and vision of promoting the paradigm shift and supporting the implementation of the Paris Agreement and UNFCCC, and in the context of the comparative advantages of the GCF being country-driven and working through a partnership-based business model to eventually serve as an accelerator and amplifier for climate action as outlined in the Updated Strategic Plan (USP) for the GCF for 2020-2023.</p>
Italy	Annex II, para. 3	<p>“[...] promoting the participation of local private sector actors in developing countries, including small and medium-sized enterprises and local financial intermediaries.”</p>	<p>The promotion of private sector participation should be strengthened at all levels, including international private sector.</p> <p>Proposed change:</p> <p>“[...] promoting the participation of local private sector actors in developing countries, including <u>local and</u> small and medium-sized enterprises and local financial intermediaries.”</p>
Germany	Annex II, para. 4	<p>“To optimize the GCF operating model, the accreditation strategy aims to:</p>	<p>We support the three aims outlined in the draft strategy (para 4) of enhancing the efficiency of the GCF accreditation and re-</p>

Board Written Comments			
Submitted by	Section	Text	Comment
		<p>(a) Enhance the efficiency of the GCF accreditation and re-accreditation process;</p> <p>(b) Strategically use accreditation of partners to fill in gaps in capabilities and coverage; and</p> <p>(c) Optimize incentives for partners to invest in a dedicated capacity to programme for GCF."</p>	<p>accreditation process; strategically using accreditation of partners to fill in gaps in capabilities and coverage; and optimizing incentives for partners to invest in a dedicated capacity to programme for GCF.</p> <p>However, we suggest reviewing and broadening or enhancing these aims to address all of the aims (i) to (v) outlined in the USP for a more strategic approach top accreditation. In particular the element of quality or effectiveness to address aim (iv) in para 26 of the USP ("accredit institutions which are ready to meet GCF standards and to advance the goal of the GCF to promote the paradigm shift (...)") and (v) ("inform re-accreditation decisions with an examination of AE performance in contributing to GCF programming results" including the "assessment of the extent to which AEs overall portfolio of activities beyond those funded by the GCF has evolved towards low-emission and climate resilient development pathways" seem to not be sufficiently covered by the aims formulated in para 4 of the draft strategy.</p>
Italy	Annex II, para. 4(a) and (b)	<p>"(a) Enhance the efficiency of the GCF accreditation and re-accreditation process;</p> <p>(b) Strategically use accreditation of partners to fill in gaps in capabilities and coverage;"</p>	<p>Proposed changes:</p> <p>"(a) Enhance the efficiency, <u>effectiveness and inclusiveness</u> of the GCF accreditation and re-accreditation process;</p> <p>(b) Strategically use accreditation of partners to <u>advance the goals of the GCF, including by filling in</u> gaps in capabilities and coverage, <u>as well as to develop quality funding proposals:"</u></p>
Bhutan on behalf of LDCs	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process	Section I. "Enhance the efficiency of the GCF accreditation and re-accreditation process" General	Increasing the efficiency of the accreditation process is a relevant element of the strategy, however the approach should be balanced: Efforts should also target reducing the time of the overall process and reduce the burden for applicant entities.

Board Written Comments			
Submitted by	Section	Text	Comment
			Options for discarding applications ex-ante require further discussions and careful consideration. Applications are endorsed by NDAs. Efforts should be strengthened for providing guidance and building capacities to have the right AEs at entry point.
Italy	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process	Section I. “Enhance the efficiency of the GCF accreditation and re-accreditation process”	Proposed changes: Section I. “Enhance the efficiency, <u>effectiveness and inclusiveness</u> of the GCF accreditation and re-accreditation process”
African Board and alternate members	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 6	“GCF will seek to accredit institutions that have potential to submit for consideration and then implement projects and programmes.”	The accreditation process has clear policies and standards. Is this paragraph proposing new criteria? ‘What does GCF will seek to accredit institutions that have the potential to submit projects mean?’
African Board and alternate members	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 6	“Entities that are not suitable or willing to undertake the full role and responsibilities of the AE will be encouraged, where appropriate, to partner with AEs in GCF projects and programmes (e.g. as an executing entity, co-financier role or contractor), noting that such organizations do not need to undergo accreditation.”	Is this before the accreditation application? If that is the case, What is the criteria for that?
African Board and alternate members	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-	“GCF will continue to enhance the efficiency of the accreditation and re-accreditation processes in order to support	As highlighted above- African BM supports enhancing the efficiency of the accreditation and re-accreditation process- in particular - proposals for increasing the GCF Sec review process of

Board Written Comments			
Submitted by	Section	Text	Comment
	accreditation process, para. 7	the identification of the most suitable partners [...]"	accreditation proposals, reducing accreditation timelines (506 days) and legal negotiations.
Italy	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7	"GCF will continue to enhance the efficiency of the GCF accreditation and re-accreditation process [...]"	Proposed changes: "GCF will continue to enhance the efficiency, <u>effectiveness and inclusiveness</u> of the GCF accreditation and re-accreditation process [...]"
Switzerland, Finland, Hungary, Monaco, and Liechtenstein	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(a)(iii)(1)	"Project-specific assessment approach"	We welcome the strategic use of the PSAA for entities that are seeking one-time engagement with the GCF for a specific project, in distinction to full accreditation, which should only be for long-term programming partners with several projects. The PSAA pilot should be used to support highly innovative technologies and approaches, for example in the insurance sector, in complement to what is already offered by the GCF's network of AEs. If the partnership is successful and the PSAA entity has other promising project ideas, it can apply to become a full AE. In this case, it could be useful to later analyse if there are steps in the accreditation process that are redundant for the PSAA entities without relaxing on due diligence. In addition, the strategy could explore ways to further simplify the PSAA. The strategy should also clarify (in Annex 2) that the PSAA is implemented on a pilot basis, not (yet) as a permanent modality.
African Board and alternate members	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-	"Institutional accreditation"	It is unclear how the capacity of accrediting entities will be built-specifically, DAEs.

Board Written Comments			
Submitted by	Section	Text	Comment
	accreditation process, para. 7(a)(iii)(2)		
Italy	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(a)(iii)(2)	“Institutional accreditation [...] The primary objective is that these partners will deliver regularly on high-quality climate change project and programme portfolios aligned with GCF’s programming targets. The secondary objective is to build institutions that are capable of developing and implementing climate change programming. The institutional capacity built through institutional accreditation will enable GCF to continue incentivizing capacity-building and alignment of programming with the mandate and the strategic priorities of the GCF”	Italy supports it.
African Board and alternate members	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(a)(iv)	“Updating re-accreditation and accreditation guidance to NDAs and entities [...]”	It should be provided that IAE’s reaccreditation must assess the IAES contribution towards building the capacity of DAEs.
Italy	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(a)(iv)	“Updating re-accreditation and accreditation guidance to NDAs and entities, based on GCF strategic priorities and programming directions, and the accreditation strategy.”	Proposed change: “Updating re-accreditation and accreditation guidance to NDAs and entities, based on GCF strategic priorities and programming directions <u>and track record of high-quality funding proposals that contribute strategically to the goals of the GCF and the Paris Agreement, [...]</u> ”

Board Written Comments			
Submitted by	Section	Text	Comment
African Board and alternate members	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para 7(b)(i)	“Exploring the development of a metric on climate change programming development and implementation capacity.”	Is it possible to get more information on a possible metric?
Bhutan on behalf of LDCs	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para 7(b)(i)	“Exploring the development of a metric on climate change programming development and implementation capacity. [...]”	Is this metric intended to become a criterion/standard for accreditation?
Switzerland, Finland, Hungary, Monaco, and Liechtenstein	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(b)(i)	“Exploring the development of a metric on climate change programming development and implementation capacity. [...] If developed, the metric will be part of the accreditation and re-accreditation processes”	Could the Secretariat provide more details, initial thoughts and suggestions on how this metric could look like? So the metric would be applied up-front and to both new applicants and AE that apply for re-accreditation?
African Board and alternate members	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para 7(b)(ii)	“Authorizing the Secretariat to actively guide entities both at the pre-accreditation stage and during stage I of the accreditation process towards the appropriate accreditation track [...]”	Will the Sec develop a document for guiding the entities? What are the criteria, and will it be different from the accreditation policies and standards?
African Board and alternate members	Annex II, Section I. Enhance the efficiency of the GCF	“Prioritizing the re-accreditation of AEs to minimize lapses in accreditation terms;”	African BMs support this para, but it should be in line with the re-accreditation policy- in particular, assessment of capacity support to DAEs

Board Written Comments			
Submitted by	Section	Text	Comment
	accreditation and re-accreditation process, para. 7(b)(iii)		
Italy	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(b)(iii)	“Prioritizing the re-accreditation of AEs to minimize lapses in accreditation terms;”	Please elaborate on how such a prioritization would work and how criteria will be defined for such purpose.
African Board and alternate members	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(b)(iv)	“[...] the Board authorizes the Executive Director of the Secretariat, in consultation with the relevant Secretariat divisions, offices and units, to determine on a case-by-case basis whether or not a change to the AMA template proposed by an AE is considered substantive, and would therefore require Board approval during stage III of the AMA process;”	Will the Sec propose ways to enhance the review process of accreditation proposals? - to increase the number of AP reviewed per year? What are the possible ‘substantive changes’? How will this proposal enhance efficiency- it is possible to get scenarios as for the case by case and targets for reducing the number of days as a result of this proposal? Will the 600 days be significantly reduced?
African Board and alternate members	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(b)(vi)	“Updating the accreditation framework to align with the accreditation strategy [...]”	Proposed changes: “ Updating <u>Reviewing</u> the accreditation framework to align with the accreditation strategy [...]”
Sweden	Annex II, Section III. Optimize incentives for partners to invest in a dedicated	“[...] including establishing clear, transparent and predictable criteria for re-accreditation [...]”	Referring back to (ii) there is a need for establishing clear, transparent and predictable criteria for re accreditation.

Board Written Comments			
Submitted by	Section	Text	Comment
	capacity to programme for GCF, para. 7(b)(vi)		
Switzerland, Finland, Hungary, Monaco, and Liechtenstein	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(b)(vi)	"[...] including establishing clear, transparent and predictable criteria for re-accreditation; detailing the further streamlined processes for re-accreditation and accreditation [...]"	This is very welcomed, however, ideally there would also be clear, transparent and predictable criteria for accreditation!
Switzerland, Finland, Hungary, Monaco, and Liechtenstein	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(c)(i)	"Developing tailored guidance on [...]"	For whom would this guidance be developed?
African Board and alternate members	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(c)(ii)	"Investing in AE capacity pre- and post-accreditation through the GCF Readiness and Preparatory Support Programme and in alignment with GCF strategic priorities;"	Proposed changes: "Investing in AE capacity, <u>in particular for DAEs</u> pre- and post-accreditation through the GCF Readiness and Preparatory Support Programme and in alignment with GCF strategic priorities;"
Bhutan on behalf of LDCs	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(c)(ii)	"Investing in AE capacity pre- and post-accreditation [...];"	This should be in particular to DAEs.

Board Written Comments			
Submitted by	Section	Text	Comment
Switzerland, Finland, Hungary, Monaco, and Liechtenstein	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(c)(iii)	“Continuing to allow for conditions of accreditation [...] Accreditation Panel [...]”	What conditions exactly are referred to here? The Strategy could / should clarify the (strategic) role and tasks of the Accreditation Panel going forward.
African Board and alternate members	Annex II, Section II Strategically use accreditation of partners to fill in gaps in capabilities and coverage	“Strategically use accreditation of partners to fill in gaps in capabilities and coverage”	We are open to a conversation of the role of accreditation/ indirect and direct, and the broader partnership for the GCF to work outside of the accreditation framework with a clear focus on the public sector in developing countries. However, this conversation needs to be based on proposed initiatives/results areas, otherwise it will just be a theoretical exercise
Bhutan on behalf of LDCs	Annex II, Section II Strategically use accreditation of partners to fill in gaps in capabilities and coverage	“Strategically use accreditation of partners to fill in gaps in capabilities and coverage”	<ol style="list-style-type: none"> 1. There are several mentions in the document to the low ratio of projects per AE. The text should make clear that this is not necessarily caused by lack of capacities of entities, or non-fitting entities, but to reluctance to undertake burdensome GCF processes. 2. Responding only to indicators based on programming or portfolio level targets can negatively affect applications of DAE from vulnerable countries and regions, where their accreditation, if approved, can have a valuable impact. 3. To implement the provisions of this section will require the Board to have a clear understanding of the pipeline of applications. 4. While is part of the draft decision text, prioritization of accreditation of DAEs of countries which do not

Board Written Comments			
Submitted by	Section	Text	Comment
			have yet a national or regional DAE- is missing from this strategy document.
Italy	Annex II, Section II Strategically use accreditation of partners to fill in gaps in capabilities and coverage	“Strategically use accreditation of partners to fill in gaps in capabilities and coverage”	Proposed changes: “Strategically use accreditation of partners to <u>advance the goals of the GCF, including by filling in</u> gaps in capabilities and coverage, <u>as well as to develop quality funding proposals</u> ”
African Board and alternate members	Annex II, Section II Strategically use accreditation of partners to fill in gaps in capabilities and coverage, para. 9(a)(i)	“Consolidate programming engagement with capacity-ready AEs [...]”	Proposed changes: “Consolidate programming engagement with capacity-ready AEs, <u>and in particular DAEs</u> [...]”
African Board and alternate members	Annex II, Section II Strategically use accreditation of partners to fill in gaps in capabilities and coverage, para. 9(a)(ii)	“Incentivize and engage AEs to programme in underserved areas of programming.”	What are the incentives?
Italy	Annex II, Section II Strategically use accreditation of partners to fill in gaps in capabilities and coverage, para. 9(b)(i)	“The prioritization of applicants by the Secretariat will be based on priorities set by the Board.”	Proposed change: “The prioritization of applicants by the Secretariat will be based on <u>the objectives set in the Accreditation Strategy</u> priorities set by the Board. ”

Board Written Comments			
Submitted by	Section	Text	Comment
Switzerland, Finland, Hungary, Monaco, and Liechtenstein	Annex II, Section II Strategically use accreditation of partners to fill in gaps in capabilities and coverage, para. 9(b)(i)	<p>“The prioritization of applicants by the Secretariat will be based on priorities set by the Board.”</p> <p>“The prioritization of applicants will be revisited annually to align with programming gaps or opportunities that may arise.”</p>	<p>OK, but the Governing instrument and the USP should also be mentioned and provide guidance on the priorities.</p> <p>The frequency should be re-considered and possibly reduced to biannually or with the USP.</p>
Bhutan on behalf of LDCs	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF	General	<ol style="list-style-type: none"> Overall this section requires more detail to understand the content and scope of the provisions. For example, clearly identify what are the targeted incentives and how they will be optimized. Clarify the expression “dedicated capacity to programming for GCF” and what would the implementation of this capacity mean for AEs.
Italy	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 10	“GCF will increasingly operate as a convener, building new coalitions of AEs and consolidating different sources of finance, as well as a knowledge sharer to optimize this range of benefits and incentivize AEs to build or strengthen a dedicated capacity to programme for GCF.”	Italy supports it.
African Board and alternate members	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to	“To that end, GCF will aim for each AE to have at least two projects/programmes every 5-year accreditation term.”	We have raised a question on this para during the technical session - in particular to the feasible of the GCF capacity to review and approve FP.

Board Written Comments			
Submitted by	Section	Text	Comment
	programme for GCF, para. 11		
Bhutan on behalf of LDCs	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 11	“To that end, GCF will aim for each AE to have at least two projects/programmes every 5-year accreditation term.”	It is important to note that a target 2 projects every 5 years may not be achieved by all AEs especially DAEs from small developing countries. Sometimes it takes more than 2 years for a project to get approved by the GCF.
France	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 11	“To that end, GCF will aim for each AE to have at least two projects/programmes every 5-year accreditation term.”	Please clarify how the minimum requirement of 2 projects per AE and per accreditation term would impact the overall number of accredited entities within the GCF partnership.
Germany	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 12	“In order to further optimize performance of the AE network, GCF will dynamically manage the AE network through the following key actions: [...]”	We would also like to suggest to further develop the key actions in para 12 of the draft strategy, also in the light of addressing aims (iv) and (v) of the for a more strategic approach to accreditation: Action (f) in para 12 of the draft strategy just states that the GCF will “inform re-accreditation decisions through an assessment of the extent to which an AE overall portfolio of activities beyond those funded by the GCF has evolved towards low-emission and climate-resilient development pathways”. We would expect this to be further developed and specified, given this just repeats the wording from the USP, instead of enhancing and specifying to achieve a more strategic approach. This should be translated into an action of clear prioritisation of re-accreditation of AE that have clearly demonstrated an alignment of their overall portfolio with

Board Written Comments			
Submitted by	Section	Text	Comment
			the Paris Agreement objectives. Similarly, it should translate into a retirement of non-performing AEs that are not fulfilling this requirement.
Sweden	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 12	“In order to further optimize performance of the AE network, GCF will dynamically manage the AE network through the following key actions: [...]”	While in support of para 12 (b), (c) and (d) we believe that (e) and (f) need to be rephrased.
France	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 12(a)(ii)	“Graduate out of the AE role and onto other forms of partnering with GCF, which may include supporting and partnering with DAEs and co-financing GCF projects and programmes, in order to advance the objectives of the GCF”	The role of executing entity could be further highlighted and valorized within the GCF partnership, as these are key partners for the realization of the GCF objectives, but do not currently receive much attention compared to the accredited entity.
African Board and alternate members	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 12(b)	“Prioritize the re-accreditation of AEs with funding proposals submitted during their accreditation term that address the GCF programming targets set out in the updated Strategic Plan 2020–2023”	Programming targets and country needs
African Board and alternate members	Annex II, Section III. Optimize incentives for partners to invest in a dedicated	“Retire non-performing AEs at the end of their accreditation term that (1) do not have either a funding proposal submitted nor an approved GCF funded project or	Will this consider if there were projects in the pipeline? We also noted that 40% of all registered concept notes for adaptation projects are withdrawn during the review process.

Board Written Comments			
Submitted by	Section	Text	Comment
	capacity to programme for GCF, para. 12(d)	programme, or (2) have received post-accreditation support to build capacity for programming, but have not submitted a concept note during their accreditation term”	We also note the challenges of adaptation FP, including the adaptation project approval process, which takes over two years and much longer than mitigation projects, and the challenge faced by DAEs that it takes on average 475 days for national DAEs to conclude legal negotiations for adaptation projects.
Bhutan on behalf of LDCs	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 12(e) and (f)	<p>“(e) “Inform re-accreditation decisions through an assessment of the extent to which an international access AE has worked with or commits to work with national or regional entities, including DAEs, in the development and/or implementation of climate change projects/programmes;</p> <p>(f) Inform re-accreditation decisions through an assessment of the extent to which an AE’s overall portfolio of activities beyond those funded by the GCF has evolved towards low-emission and climate-resilient development pathways.”</p>	Clarify paragraphs 12 (e) and 12 (f) on “informing re-accreditation decisions”. How would this action be implemented and against which references will be assessed?
Sweden	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 12(e)	“Inform re-accreditation decisions through an assessment of the extent to which an international access AE has worked with or commits to work with national or regional entities, including DAEs, in the development and/or implementation of climate change projects/programmes;”	While in support of para 12 (b), (c) and (d) we believe that (e) and (f) need to be rephrased with (e) reading “ <u>Prioritize the Inform</u> re-accreditation of decisions through an assessment of the extent to which an international access AEs that have worked with or commits to work with national or regional entities, including DAEs, in the development and/or implementation of climate change projects/programmes”.
Sweden	Annex II, Section III. Optimize incentives	“Inform re-accreditation decisions through an assessment of the extent to which an	While in support of para 12 (b), (c) and (d) we believe that (e) and (f) need to be rephrased with [...] (f) reading “ <u>Prioritize the Inform</u>

Board Written Comments			
Submitted by	Section	Text	Comment
	for partners to invest in a dedicated capacity to programme for GCF, para. 12(f)	AE's overall portfolio of activities beyond those funded by the GCF has evolved towards low-emission and climate-resilient development pathways."	re-accreditation of decisions through an assessment of the extent to which an AE's <u>that have demonstrated a shift towards Paris alignment within their overall investment portfolio and retire entities that do not have clear targets and policies in place to advance the mandate of the GCF of activities beyond those funded by the GCF has evolved</u> towards low-emission and climate-resilient development pathways."
Bhutan on behalf of LDCs	Annex III: Consultation feedback	"[Feedback from consultations with the Board, NDAs, AEs and Accredited Observers to be added following consultations.]"	We would like to have more information regarding the consultation process and its next steps. Also, feedback provided verbally (for example, in technical sessions) should be registered and considered as part of the consultation process.

2. Table 3 below contains a summary of verbal comments received during the technical session for the Board held on 5 July 2022. The summary provided does not constitute a transcript of the consultation. In cases where a written submission was submitted in addition to the verbal comments, the comments below reflect those that were not included directly in the written submission.

Table 3. Summary of verbal comments from the Board received during the technical session held on 5 July 2022 during consultations on the draft accreditation strategy

Board Verbal Comments			
Submitted by	Section	Text	Summary of Verbal Comment
Albania	General	NA	Do we have feedback on why IAEs are able to program a greater percentage over their 5-years of accreditation? We would like to understand better the situation of the DAEs and how we can improve their percentage. Can we have a roadmap or action plan on how we can improve the situation?

Board Verbal Comments			
Submitted by	Section	Text	Summary of Verbal Comment
Albania	General	NA	Process for consultation and feedback
Albania	General	NA	If an AE that performs well and doesn't have any conditions, why do they need to go through re-accreditation every 5-years?
Adviser to the Board member from Antigua and Barbuda	Annex I, Draft decision of the Board, para. (b)(i)	"Private sector entities, particularly direct access private sector entities, that are capable and seeking institutional accreditation to GCF to develop and implement projects and programmes (i) of a large or medium size category, (ii) have a focus on the GCF adaptation results areas, and (iii) utilize equity and guarantee instruments under the specialized fiduciary standard for on-lending and/or blending;"	In the strategy need to have some type of operationalization and build out of para. 43 of the Governing Instrument: "The facility will promote the participation of private sector actors in developing countries, in particular local actors, including small- and medium-sized enterprises and local financial intermediaries. The facility will also support activities to enable private sector involvement in SIDS and LDCs." This should fit into the decision text somewhere.
Adviser to the Board member from Antigua and Barbuda	Annex I, Draft decision of the Board, para. (b)(i)	"[...] of a large or medium size category [...]"	Note the attractiveness of (i) under para b (i), says "large and medium". How do we ensure small scale activities, for example for SIDS especially given our small size, that these are not lost, when it comes to those entities that can programme these types of projects? Especially, noting the transaction costs on micro- and small-sized projects from previous discussions and how we ensure an uptake of such projects given that IAEs have said these types of projects are not attractive (as quoted in SIDS evaluation). How will we incentivize those types of projects? That should be built up in the next iteration of the strategy.
Adviser to the Board member from Antigua and Barbuda	Annex I, Draft decision of the Board, para. (d)	"Requests, pursuant to decision B.31/06, paragraph (m), the Board to present a revised accreditation framework [...]"	The Secretariat should reach out to the SIDS – to discuss scale of the activities outlined in the Accreditation Framework, need a

Board Verbal Comments			
Submitted by	Section	Text	Summary of Verbal Comment
			discussion because of the potential impacts on the programmatic approach.
Adviser to the Board member from Antigua and Barbuda	Annex II, para. 4	<p>“To optimize the GCF operating model, the accreditation strategy aims to:</p> <ul style="list-style-type: none"> (a) Enhance the efficiency of the GCF accreditation and re-accreditation process; (b) Strategically use accreditation of partners to fill in gaps in capabilities and coverage; and (c) Optimize incentives for partners to invest in a dedicated capacity to programme for GCF.” 	Highlight (b) – potentially re-order as this is one of the main priorities, if not the main priority
Adviser to the Board member from Antigua and Barbuda	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 6	“Entities that are not suitable or willing to undertake the full role and responsibilities of the AE will be encouraged, where appropriate, to partner with AEs in GCF projects and programmes (e.g. as an executing entity, co-financier role or contractor), noting that such organizations do not need to undergo accreditation.”	<p>“Not suitable” – a bit striking and language might create barriers. If an entity is not suitable currently, they can build capacity to be suitable.</p> <p>Language can be maintained for “not willing” but “suitable” can implicitly keep entities out of the AE role. Encouraging them to take another role can bar them out of roll. Introduce some encouraging language.</p>
Adviser to the Board member from Antigua and Barbuda	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation	“Investing in AE capacity pre- and post-accreditation through the GCF Readiness and Preparatory Support Programme and in alignment with GCF strategic priorities;”	SIDS have been advocating for a separate SIDS readiness window to ensure we are not sharing the same pot as the NDA – which does water down readiness. Creates a lot of issues because a USD 1 million amount gets stretched. If we are relying on readiness for capacity building it is currently under resourced.

Board Verbal Comments			
Submitted by	Section	Text	Summary of Verbal Comment
	process, para. 7(c)(ii)		
Adviser to the Board member from Antigua and Barbuda	Annex II, Section II Strategically use accreditation of partners to fill in gaps in capabilities and coverage, para. 9(a)(ii)	“Incentivize and engage AEs to programme in underserved areas of programming. This may include geographic areas (underserved countries/regions), public or private sector, GCF results areas and financing instruments (e.g. equity and guarantees);”	Would be good to unpack how this will be done, especially in smaller SIDS areas, and addressing transaction cost issue which was identified by the IEU.
Adviser to the Board member from Antigua and Barbuda	Annex II, Section II Strategically use accreditation of partners to fill in gaps in capabilities and coverage, para. 9(c)	“Provide capacity development support for climate programming, in particular for DAEs, through the GCF Readiness and Preparatory Support Programme and the Project Preparation Facility to strengthen their capabilities to develop and implement projects and programmes aligned with GCF programming directions and developing countries’ needs.”	Here would be a good place to address what the IAEs obligations and will the Secretariat regulate that more? How will the Secretariat be tracking that because we don’t necessarily think the IAEs are doing their part with useful capacity building for DAEs.
Adviser to the Board member from Antigua and Barbuda	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF	“Optimize incentives for partners to invest in a dedicated capacity to programme for GCF”	Do not see incentives per se, see an obligation that AEs should bring 2 projects, every 5-years would be good to understand the roles and responsibilities of the Secretariat and what is the AE role in this. As we discussed the complex procedures for getting a project approved can limit this. Also, are we creating a conditionality for accreditation or not? If not, this needs to be laid out.

Board Verbal Comments			
Submitted by	Section	Text	Summary of Verbal Comment
Adviser to the Board member from Antigua and Barbuda	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 12(a)(ii)	“Graduate out of the AE role and onto other forms of partnering with GCF, which may include supporting and partnering with DAEs and co-financing GCF projects and programmes, in order to advance the objectives of the GCF;”	Nice language but what does this look like, is there any incentive to graduate out of this role? Are we creating another tier of partnership? Needs some unpacking.
Adviser to the Board member from Antigua and Barbuda	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 12(e) and (f)	“(e) Inform re-accreditation decisions through an assessment of the extent to which an international access AE has worked with or commits to work with national or regional entities, including DAEs, in the development and/or implementation of climate change projects/programmes; and (f) Inform re-accreditation decisions through an assessment of the extent to which an AE’s overall portfolio of activities beyond those funded by the GCF has evolved towards low-emission and climate-resilient development pathways.”	Good to get an understanding of what this means for re-accreditation. What do those two areas mean for re-accreditation?
Germany	General	NA	Feedback and consultations will be very important. Outlined hybrid model clearly is positive however, wondering if narrative around it really captures the whole picture and the role of the GCF clearly. We’ve seen it in other documents there are tensions, maybe something is missing, whether it is worth considering looking into – there may be not only be trade-offs but synergies between the areas – accreditation strategy could have a

Board Verbal Comments			
Submitted by	Section	Text	Summary of Verbal Comment
			positive approach to support and enhance access and in particular for DAEs but this is not necessarily a trade-off to enhancing impact and achieving the paradigm shift – was wondering if the synergies created weren't missing in the narrative?
Germany	General	NA	Improving efficiency and prioritization are all valuable input to look at in terms of improving the situation. Have you however looked into a potential risk when looking at prioritizing AEs and country ownership, achieving impact?
Germany	General	NA	Question of whether AEs that have not handed in project proposals has that been looked at and taken into account, for example they may have reasons for not handing in a proposal?
Germany	General	NA	Looking into dedicated capacities – that is a point that is explained very well and very important. What can be expected of larger entities versus smaller entities and how to not disadvantage smaller entities?
Germany	General	NA	In terms of underutilization have you looked into the underlying reasons for AEs not being used?
Germany	General	NA	In reference to the PSAA – as one form of improving efficiency and would caution here whether you have looked into whether this will really increase efficiency overall?
Italy	General	NA	Elaborate on what is meant for “dedicated capacity” to programme for GCF – it is not 100% clear what this means?

Board Verbal Comments			
Submitted by	Section	Text	Summary of Verbal Comment
Italy	General	NA	Policy rationale provides the two models with a combination of the two as an alternative – these other two should not be presented as strategic direction.
Italy	General	NA	The overall goal should be to create a network of AEs able to support the goals of the GCF in developing bankable and transformational projects for mitigation and adaptation. The strategic directions are management tools and not a goal in and of themselves. Both the performance of the IAEs and the DAEs functions should be kept in the strategy.
Advisor to the Board member from South Africa	General	NA	An ongoing plague for the Board is that Board still doesn't know who is in the pipeline, we have no idea that for example that if we decided to act on the COP guidance from Glasgow to support parametric insurance that we know if we have any institutions beyond the than the MDB that can do this. This continued insistence by legal consul that applicants to the GCF remain confidential from Board. I don't think it is a wise approach anymore. There is a sound approach to not let the Board cherry pick or politicly influence decision, but I think it is important that the Board actually knows who applied to be accredited to the GCF because it will give us some sense of the appetite to work with us. The whole system needs to become more transparent both from the Board's perspective, but I suspect for the AEs as well.
Advisor to the Board member from South Africa	General	NA	On AMAs, there will be ones that can never sign because we accredited the wrong legal component of an entity, it doesn't really make sense to be spending a lot of legal time. More information around this needs to be provided.

Board Verbal Comments			
Submitted by	Section	Text	Summary of Verbal Comment
Advisor to the Board member from South Africa	General	NA	<p>Don't see many of the IEU decisions being taken up so we think this could be better articulated.</p> <p>Also do not see any strategy for how to address the Governing Instrument as well as decision B.04/08 that would allow entities to not accredited to access funding so direct access versus accreditation which is indirect access.</p>
Advisor to the Board member from South Africa	General	NA	<p>On the 2 project goal, agree that there is a potential for this to add conditionality to accreditation which could kill DAEs. Not quite sure if we would scale up capacity to meet this goal or whether it is presented as a conditionality/obstacle for entities.</p>
Sweden	General	NA	<p>There is some contradiction in the strategy, on the one had we want to be able to move from 15 AEs to 25 to 30 on the other hand. We are saying that even with the current set-up less than 2 funding proposals are approved per AE. If we move ahead we will find ourselves in the same problem with even less than 1 per AE with more AEs. At the same time we don't speak about cost-efficiency implications. We also needs to look at cost-effectiveness for future AEs going through the process, which we know is cumbersome and to do so for 1 project per accreditation timeframe. This kind of analysis seems missing from paper</p> <p>From my end access to finance does not necessarily mean more AEs but we do have to support those AEs currently accredited to access finance.</p>
Sweden	General	NA	<p>A key element missing is what other partnerships are available. The document does refer to partnerships, but would like to see this further developed and spelled out not within a different document but within this document.</p>

Board Verbal Comments			
Submitted by	Section	Text	Summary of Verbal Comment
Sweden	General	NA	In full support to receive information on what is in the accreditation pipeline. This would be similar to what we receive for project proposals.
Sweden	General	NA	As mentioned, insurances is an important tool to look into; would like to add those types of entities to the priority list. Insurance mechanism is something we would like to see more of in the future.
Sweden	General	NA	In terms of capacity building – are we able to come up with any incentives for twinning arrangements where an IAE would partners with a DAE to support capacity building?
Advisor to the Board member from Switzerland	General	NA	Overall solid first draft. Briefly, we support the hybrid approach, the proposed metric for project implementation, capacity building of DAEs and clarifying to AEs the different types of partnerships also the prioritization of accreditation (just to name a few elements). It is also useful to clarify that the Fund is open to entities that seek a one-time engagement with the fund through the PSAA and also for longer-term partners for us it is useful to move beyond the one size fits all approach and have more flexible access to the Fund.
Advisor to the Board member from Switzerland	General	NA	A couple of questions or remarks on the draft: (1) The AP will play a central role, how do we ensure that the Panel will have enough capacity? (2) Detail on metric for implementation capacity and how it will work together with the stronger focus on capacity building of DAEs? (3) On the 2 proposals per AEs, we support the concept but wonder how it will work with the PSAA entities that would potentially have only 1 partnership with the AEs?

Board Verbal Comments			
Submitted by	Section	Text	Summary of Verbal Comment
United States	General	NA	<p>Good start to the discussion, but is a first stage in the consultation process. Interesting for us to see a stronger evidentiary basis for the work alternatives here, for example as mentioned there are relevant IEU recommendations that can be integrated. Also additional information on AEs, for example, how many AEs there are, how they are articulated over the different sectors, etc. bringing in more of that context would be helpful potentially include in the policy rationale section to set-up the context where we are coming from/starting from.</p>
United States	General	NA	<p>Seeing as this is a strategy, it needs to set out what are we trying to achieve, what is the purpose and in particular what is the purpose of having a strong network of AEs. We've heard a number of different related but distinct but visions here of what the document should be. Some have said that the real reason is so developing countries can access climate finance and programme as many projects as possible and that this is really about the project pipeline first and foremost. And I think this is true, but not necessarily mutually exclusive. Are we talking about here having a higher quantity of projects that come through our accredited AE network, are we talking about having "better" projects, are we trying to fill key gaps in the portfolio? I think all of these are related to what advancing our pipeline could be.</p> <p>We have also heard talk about the important role of capacity building – I concur with the sentiment as well as providing an indicative number of projects for DAEs, but I certainly see the point that if we determine that entities are not currently capable of programming with the GCF, it could have a chilling effect to prevent partnerships in the future. I think if there is a capacity building element of the strategy it could also be more strongly articulated.</p>

Board Verbal Comments			
Submitted by	Section	Text	Summary of Verbal Comment
United States	General	NA	What we could hear more of is the role of accreditation in helping to scale-up financial support. One of the key roles the AEs play is to bring to bear their institutional and financial resources on the GCF portfolio to leverage more advanced and larger activities. This really needs to do 2 things (1) articulate a vision that may be multifaceted – what we expect the accreditation to deliver and (2) how to improve of our processes to deliver?
United States	General	NA	Types of roles – would like to see more to this effect. The term “graduation” seems apt and useful. Could do more to articulate the types of roles/partnerships that can be undertaken with the GCF. Not apartment if they all need to be articulated fully in the strategy but drawn out and could potentially be elaborated elsewhere.
United States	General	NA	PSAA in particular – supportive of this – one thing I have not seen if primarily what we are focused on is getting strategic projects funded through GCF it sort of makes sense but if what we want to do is build a long-term network of partners we need to consider under what circumstances PSAA entities could transition to AEs.
United States	General	NA	Re-accreditation and importance of that process particularly as our AE network starts to age. Having more clarified process for that would be helpful. This also does relate to vision of what we are trying to achieve. There is space to flesh out a little bit more for how to further improve those.

3. Table 4 below contains the written submissions received from accredited entities (AEs) during the consultations on the draft accreditation strategy held from 28 June to 8 July 2022.

Table 4. Written submissions from AEs received during consultations on the draft accreditation strategy, 28 June to 8 July 2022

AE Written Comments			
Submitted by	Section	Text	Comment
National Committee for Sub-National Democratic Development (NCCD), Cambodia	General	NA	That is great ambitious that GCF is developing the Accreditation Strategy. Personally, I think it is good document for AEs and its partners. Regarding enhancing the capacity of AEs in the context of Covid-19 pandemic recovery, a regular AEs networking should be established to share information, role and responsibility within its type or level of accreditation. However, that would bring voices from AEs to their country led climate action to take serious responses to climate.
Asian Development Bank (ADB)	General	NA	ADB understands that the intention of GCF's accreditation strategy is to streamline the accreditation and re-accreditation process. ADB would like to clarify the role of Risk Management Committee (RMC) of the Board with regards to the current GCF policy and procedures on accreditation and re-accreditation, approved by the GCF Board as decision B.07/02 and decisions B.24/13, B.12/31 and B.13/29, respectively. Prospectively and given RMC hasn't constituted yet, ADB would also like to understand how the mandate of the RMC of the Board will likely affect the various stages of accreditation/re-accreditation of AEs. (e.g. how the RMC's mandate may come into play for AE's undergoing stage 3 re-accreditation)
Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ)	General	NA	We welcome the recognition of inherent trade-offs within a hybrid strategy for GCF to act as high-volume, high- speed climate finance provider working with a targeted set of high-performing AEs as well as GCF playing a capacity builder role to strengthen capabilities of AEs and accordingly the planned

AE Written Comments			
Submitted by	Section	Text	Comment
			development of clear guidance on types of partnerships, AE obligations and responsibilities, and prioritization for re-accreditation.
Kreditanstalt für Wiederaufbau (KfW)	General	NA	The document “Accreditation strategy of the Green Climate Fund” is well written and addresses pressing issues of the GCF accreditation process. The analysis is comprehensible and the findings correspond to a large extend with KfW’s experiences and internal assessment.
KfW	General	NA	<p>Differentiated Approach: We agree with the findings, that the current accreditation process as well as the procedures for appraisal of a funding proposal and monitoring of project implementation are highly resource intensive and stretch the capacities of the GCF secretariat as well as those of the AEs. With an increasing AE network this approach will not be sustainable anymore. In addition to the reasons identified in the document and the proposed solutions we would like to add an important observation and recommendation:</p> <p>Currently all institutions have to follow the same detailed due diligence process during accreditation and have to fulfill the same criteria. Depending on the determined capacity the institutions are then accredited for different scopes. However, these different capacities are later not reflected sufficiently in the processes, procedures or the legal arrangements. All institutions, regardless of their experiences, capacities, legal status, risk profile or partnership role have to agree on similar legal arrangements, follow the same procedures and are monitored by the GCF Secretariat in the same way. This leads to a situation, that the efforts of the GCF Secretariat are similar for a highly experienced and specialized institution</p>

AE Written Comments			
Submitted by	Section	Text	Comment
			<p>such as – for instance – the World Bank as for a smaller local organization that may be implementing climate change projects for the first time.</p> <p>We therefore suggest a differentiated approach: The GCF should strongly rely on the internal processes and procedures (for project development, appraisal and implementation) of institutions that have demonstrated a high capacity during accreditation. The GCF resources could then be focused on a stronger support of institutions with low capacities. In this way the scarce resources of the GCF Secretariat could be used more efficiently and the cooperation with all institutions may improve.</p>
KfW	General	NA	<p>Legal Arrangements: One of the main barriers for timely accreditation, Funding Proposal submission and implementation are the current legal arrangements. This aspect is touched in the document (e.g. page 16, “Encouraging rapid signing of AMAs”). However, it should be deeper analysed, how the legal arrangements could be simplified, improved and structured in a way that the risks, rights and obligations are shared in a fair way between the GCF and the AE. The current legal arrangements are structured to reflect more a Principal- Agent Model between the GCF and an AE than a true partnership model. On the one hand this leads to extremely long negotiation times. On the other hand it prevents the submission of innovative but higher risk Funding Proposals or the use of higher risk GCF instruments.</p>
KfW	General	NA	<p>PSAA Modality: The PSAA modality could be a game changer and help to overcome the identified challenge of an increasing number of AEs compared to less increasing capacities and</p>

AE Written Comments			
Submitted by	Section	Text	Comment
			financial resources of the GCF. The PSAA could enable the GCF to work together with dedicated and specialized institutions to finance specific climate change programmes. However, the PSAA as currently designed in the pilot phase is too limited to reach its full potential. It should be opened up so that all types of institutions and organizations that meet the requirements of the GCF and have the necessary capacities could apply for funding. It should also not be limited to certain environmental and social categories. And finally, PSAA should also enable not accredited institutions to work together with AEs, e.g. in a financing consortia (e.g. for larger coal phase out programmes etc.).
KfW	Background document: III. Analysis of policy proposal, para. 20	“Following the Board’s decision to accredited an entity, stage III of the process entails the entity and GCF entering into an accreditation master agreement (AMA) to formalize and govern the partnership. The template AMA was approved by the Board, and the Secretariat has been given the authority to negotiate the AMA on the basis of such template. Once the Secretariat reaches a working level agreement with the AE on the text of the AMA, pursuant to decision B.12/31, the Secretariat consults with the Risk Management Committee (RMC) of the Board to determine if there are any “substantive changes” from the template AMA. If not, with the no	Only one template for all AEs. This does not reflect the different capacities, (legal) backgrounds and accreditation scopes of the AEs. The result: all AEs are treated in the same way, which means that the Secretariat cannot rely on the existing, proven modalities of the AEs with high capacities and at the same time cannot support AEs with lower capacities sufficiently. This is an inefficient use of resources and does not reflect the identified hybrid approach.

AE Written Comments			
Submitted by	Section	Text	Comment
		objection noted from the RMC, the AMA is signed by GCF and the AE. If there are “substantive changes” from the AMA template, the Secretariat, with the RMC’s endorsement, is required to submit the negotiated AMA to the Board for approval. Only after such approval has been obtained, in the event there are “substantive changes” from the template, can the GCF and AE sign the negotiated AMA. Once an AMA is signed, AEs need to meet the conditions precedent in order to make their AMA effective, thereby starting their five-year accreditation term. The process from Board decision to AMA effectiveness in most cases takes one to two years, with some taking less than two months while others take over five years.”	
KfW	Background document: III. Analysis of policy proposal, para. 27	“Coupled with the updates to the accreditation framework adopted in decision B.31/06 and the capacity development of relevant GCF organs, these measures are expected to increase the processing capacity of the GCF from the historical rate of 15	First it should be clarified if a substantially increased number of AEs helps to solve the issues identified above (esp. the ratio of approved funding proposals to AEs, see para. 11 above).

AE Written Comments			
Submitted by	Section	Text	Comment
		applications per year to 25–30 applications per year.”	
KfW	Background document: III. Analysis of policy proposal, para. 30	“As currently structured, the accreditation framework focuses on safeguarding projects from fiduciary, environmental and social, and gender risks and impacts: it does not assess the entity’s capacity to prepare and implement climate projects. This is a factor that leads to uneven quality of climate-focused funding proposals at pipeline entry, requiring significant involvement of the Secretariat in the development process. There are on average 2.5 iterations on one funding proposal. Having limited expertise in climate change project development will also affect the entity’s capacity to implement climate-focused projects and programmes, and increases the risk of misalignment with GCF’s objectives.”	The many iterations are, however, not only caused by lack of climate change expertise but also in a repeated deliberation of fiduciary, gender, environmental and social and other aspects in each funding proposal. Such aspects are a focus of the thorough accreditation process. To increase efficiency, the Secretariat should rely on the capacities of the AEs as determined during accreditation and should not question them in each funding proposal again. The assessment of climate change capacities should become part of the GCF accreditation process.
KfW	Background document: III. Analysis of policy proposal, para. 32	“Further programming guidance and tools can be developed to better leverage the existing AE network, particularly those that have the capability but are not actively programming in under-programmed areas. GCF could also unleash the	PSAA should be also used to facilitate dedicated high volume / high impact climate finance programmes which may require a combination of AEs and PSA-Entities (e.g. coal exit programmes, climate risk insurances, programmes for natural sinks etc.) --> PSAA approach should be broadened.

AE Written Comments			
Submitted by	Section	Text	Comment
		potential of some AEs by providing tailor-made support to improve project quality at pipeline entry. During the third quarter of 2022 GCF will be launching project design and appraisal platforms to help NDAs and AEs develop and self-appraise funding proposals. This platform is expected to reduce the number of iterations and facilitate access to GCF resources. Furthermore, PSAA may be used in a targeted manner to source high-quality transformative climate projects to complement the work of the existing AE network and address programming gaps, such as for addressing requests for proposals issued by GCF.”	
KfW	Background document: III. Analysis of policy proposal, para. 33	“Approximately one-third of AEs accredited by the Board have not signed or do not have an effective AMA (36 out of the 113 accredited), which means these entities cannot yet programme with GCF. Furthermore, only 45 per cent of AEs actually programme with GCF. Private sector DAEs are the least active, with only 14 per cent of them having at least one approved funding proposal. Public sector international access entities are the most active,	Legal arrangements are a major issue. There should be an analysis on why the AMAs are not signed (and why it takes so long). The concept of the AMAs should be reviewed and simplified.

AE Written Comments			
Submitted by	Section	Text	Comment
		but at 58 per cent their activity also leaves room for improvement.”	
KfW	Background document: III. Analysis of policy proposal, para. 36	“Nevertheless, the number of projects that an AE can reasonably expect to submit to GCF per programming cycle (i.e. the project to AE ratio) will remain essential for incentivizing AEs to invest in a dedicated GCF capacity”	Very important point. How can this be achieved? E.g. Streamlined funding proposals, less iterations on funding proposals, reliance on appraisal process of AE (at least AEs with high capacity), simplified Legal Agreements, fairer risk sharing between GCF and AEs in legal agreements, including project development costs as part of the AE fee etc.
KfW	Background document: III. Analysis of policy proposal, para. 40	“[...] maintain the current average project to AE ratio of 1:2 per accreditation term.”	It should probably mean 2:1 (2 projects for 1 AE). However, this would still be a very low incentive for larger AEs with higher capacities. This ratio hardly justifies the high resources necessary for accreditation and general GCF cooperation.
KfW	Background document: III. Analysis of policy proposal, para 40	“GCF may also provide options for entities to graduate out of the AE role and on to other forms of partnering with the GCF.”	Other forms of partnering with the GCF: In the proposed Accreditation strategy of Annex II they are not mentioned anymore. We recommend to further explore such other partnership models after graduating out of the AE role. This could help the GCF to use the resources of experienced AEs (such as for knowledge sharing or other joint activities for which an accreditation is not needed). And former AEs could continue to support the objectives of the GCF outside the accreditation. At the same time, it would free capacities of the GCF for accrediting new entities, especially Direct Access Entities. KfW offers to support the GCF in exploring and developing options for such other partnership models. Important suggestion that should be further developed: The option for graduation out of the AE role while remaining a dedicated partner of the GCF could help solving many of the

AE Written Comments			
Submitted by	Section	Text	Comment
			identified issues: a) it would reduce the barrier for entering and exiting the GCF; b) experienced GCF partners could remain partners outside of accreditation and could support the objectives of the GCF; c) a voluntary exit from accreditation could open capacities for new AEs which bring in new expertise etc. KfW is happy to support the GCF in developing such a new partnership approach!
KfW	Background document: V. Implementation arrangements and operational impact, para. 47	“The opposite scenarios of focusing on GCF portfolio-level programming goals and at the same time focus on AE capacity building have implications on the scale and focus of GCF’s capacity.”	The scenarios could also be combined: fast track accreditation (with low GCF resources) for entities with high capacities, more GCF support and resources for entities with lower capacities.
KfW	Background document: V. Implementation arrangements and operational impact, para 47	“If GCF opts for volume and speed, its capacity can remain lean and be focused on programming development and implementation.”	For achieving volume and speed the procedures need to be reviewed and substantially simplified.
GIZ	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(a)(iii)(2)	“Institutional accreditation [...] The secondary objective is to build institutions that are capable of developing and implementing climate change programming. The institutional capacity built through institutional accreditation will enable GCF to continue incentivizing capacity-building and alignment of programming with the mandate and the strategic priorities of the GCF.”	It would be interesting to better understand the modalities for achieving this and how it would address different needs of diverse types of entities including e.g., government agencies seeking accreditation for small- size, grant projects, which may not yet have the capacity or experience for GCF programming or systematic access to international climate funding. Further pre- and post- accreditation support through the Readiness Programme would be highly beneficial, including through peer-to- peer exchange which could build on existing networks such as the Community of Practice of Direct Access Entities (CPDAE) as well as the Peer-to-Peer Learning Alliance on Integrity, and harness the experience of

AE Written Comments			
Submitted by	Section	Text	Comment
			more advanced DAEs who are willing to share their experience with newly accredited DAEs or those who are in the process of getting accredited.
GIZ	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para 7(a)(iv)	“Updating re-accreditation and accreditation guidance to NDAs and entities [...]”	Not only guidance but also continued support for NDAs for further strengthening their strategic role in identifying best suited DAEs may be necessary. For this purpose, a more strategic use of Readiness funds, building on Delivery Partners’ and NDAs’ experience to support NDAs’ critical role in steering GCF access at the country level could be helpful.
GIZ	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para 7(b)(i)	“Exploring the development of a metric on climate change programming development and implementation capacity”	Such a metric can be very useful as it may provide better guidance to entities with regards to what they have to build up in order to successfully programme for GCF. This can also be used as a tool to determine needs and measures to strengthen (D)AE capacity.
KfW	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(b)(i)	“Exploring the development of a metric on climate change programming development and implementation capacity”	An assessment of climate capacity may be useful. However, if this is in addition to the normal accreditation scope the process would be extended, rather than streamlined. It should be specified where resources could then be saved (e.g. FP stage, Monitoring requirements etc.).
UNDP	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(b)(v)	“Encouraging rapid signing of AMAs. AEs approved by the Board during stage II (step 2) of the accreditation process will be expected to complete stage III by signing and making effective their AMA with GCF within eighteen (18) months from the date of the Board decision to accredit the entity, and their amended and	We understand that the timelines indicated (18 months and 12 months) are target timelines that GCF and the AE will actively engage to achieve, as it may be quite challenging to meet these timelines (if they are hard deadlines) in cases where negotiations with the Sec take extended periods of time or where Board approval is required for substantive changes (in which case the signing of the AMA would be further delayed). In both cases, there would be limited control that AEs may have on the timelines for achieving AMA signing.

AE Written Comments			
Submitted by	Section	Text	Comment
		restated AMA for re-accreditation within twelve (12) months from the date of the Board decision to re-accredit the entity;"	We would appreciate the Secretariat's clarification on this matter and the relevant edits to be made in the text to reflect this.
KfW	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(b)(vi)	"[...] ensuring monitoring and reporting by AEs at the institutional-level includes an assessment of AE performance, results and alignment with the GCF mandate;"	Monitoring and Reporting at institutional level should be streamlined and focused on material changes compared to accreditation.
KfW	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(c)(i)	"Developing tailored guidance on and providing institutional capacity support measures for AEs and entities [...]"	GCF resources could be freed if GCF would accept and rely more on the procedures, processes and standards of experienced AEs with proven high capacities. These free resources could be used for more support to AEs with low capacities.
GIZ	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(c)(iv)	"Delivering tailored support to AEs and to foster greater engagement with NDAs, particularly in supporting DAEs in addressing accreditation conditions and to develop and implement climate change projects/programmes"	Would these be additional to the Readiness support mentioned in (ii)? It's recommendable to make use of existing platforms and networks (see above) for identifying DAE programming needs and for disseminating targeted guidance and tools as well as considering existing trainings for climate project design / GCF programming.
GIZ	Annex II, Section II. Strategically use accreditation of partners to fill in gaps in capabilities and coverage, para. 9(a)(i)	"Consolidate programming engagement with capacity-ready AEs, for them to generate project/programme ideas, in line with country programming	In practice, it is very challenging to align entity programming with country programming efforts (for example timeline etc.), esp. for IAEs that can operate across the globe & for multi-country proposals. This should be given a due consideration to also incentivize action internationally to achieve climate

AE Written Comments			
Submitted by	Section	Text	Comment
		priorities, and steer AEs towards specific strategic goals or funding modalities;”	impact across borders, e.g., regarding agricultural value chains & global commodities. In this regard, it is important for GCF to accept a certain level of flexibility in terms of revising EWP or CP pipelines e.g., mid-programming cycle
GIZ	Annex II, Section II. Strategically use accreditation of partners to fill in gaps in capabilities and coverage, para. 9(a)(ii)	“Incentivize and engage AEs to programme in underserved areas of programming. This may include geographic areas (underserved countries/regions), public or private sector, GCF results areas and financing instruments (e.g. equity and guarantees);”	In general, it's unclear what kind of incentives could be offered to AEs, esp. to programme in underserved geographic areas. For instance, higher PMC rate in fragile and conflict affected contexts, flexibility on assessing sustainability criteria could encourage AEs to develop concepts in more challenging settings.
GIZ	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 10	“[...] GCF will also optimize incentives for partners to invest in a dedicated capacity for GCF.”	An incentive for AEs to invest in a dedicated capacity to programme for GCF would certainly be the assurance to expect board approval for significantly more than 2 projects per accreditation term provided high quality proposals are submitted to GCF in due time.
GIZ	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 10	“GCF will increasingly operate as a convener, building new coalitions of AEs and consolidating different sources of finance, as well as a knowledge sharer to optimize this range of benefits and incentivize AEs to build or strengthen a dedicated capacity to programme for GCF.”	These efforts are very much appreciated. GCF can also act as a facilitator to foster partnerships between AEs, e.g., by: <ol style="list-style-type: none"> 1. Matchmaking DAEs – IAEs for multi-purpose collaboration (capacity strengthening + programming + implementation) 2. Building coalitions for joint submissions and/or multi- country programmes 3. Setting up a Community of Practice for the GCF AE network

AE Written Comments			
Submitted by	Section	Text	Comment
GIZ	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 11	“To that end, GCF will aim for each AE to have at least two projects/programmes every 5-year accreditation term”	The number of projects does not seem like a useful metric as the volume of projects differs significantly and it could turn into an implicit cap of projects per AE, esp. if the number of AEs remains high
KfW	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 11	“To that end, GCF will aim for each AE to have at least two projects/programmes every 5-year accreditation term”	If the GCF budget is not substantially increased, the target of 2 projects / AE would lead to substantially lower average project volumes, especially if the number of AEs increases. Low funding volumes would be less attractive and may not achieve the desired high climate impacts. Low average funding volumes would also increase the administrative costs of the GCF and lower its efficiency.
GIZ	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 12(e)	“Inform re-accreditation decisions through an assessment of the extent to which an international access AE has worked with or commits to work with national or regional entities, including DAEs, in the development and/or implementation of climate change projects/programmes;”	Support and collaboration with potential DAEs, e.g., those are nominated and/or in the accreditation process, can be included. Furthermore, creating enabling conditions to incentivize IAEs to further support DAEs in the development and/or implementation of their own projects and programmes should be given due consideration.
KfW	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 12(e)	“Inform re-accreditation decisions through an assessment of the extent to which an international access AE has worked with or commits to work with national or regional entities, including DAEs, in the development and/or implementation of climate change projects/programmes;”	The actual results of the current mandatory support of DAEs by AEs should be analysed. It is to be expected that the real achievements so far have been low. It would be better to set incentives for a cooperation between int. AEs and DAEs instead of an obligation. For instance joint Funding Proposals between int. AEs and DAEs should be enabled and encouraged (currently no clear policy available). Other ideas could be a mentoring programme (as for instance currently conducted within the IDFC).

AE Written Comments			
Submitted by	Section	Text	Comment
KfW	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF para. 12(f)	“Inform re-accreditation decisions through an assessment of the extent to which an AE’s overall portfolio of activities beyond those funded by the GCF has evolved towards low-emission and climate-resilient development pathways.”	The assessment of a portfolio outside of GCF projects is in reality challenging as a portfolio is determined by many different factors. The current practise based on using GHG emissions is not suitable (due to methodological challenges). Larger portfolios do not change substantially within a 5 year period. A better approach would be the assessment of implementation of Paris Alignment policies within an institution or its transformation plan towards a 1.5°C path etc.
KfW	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 12	New text proposed	Another bullet (g) should be added to reflect para 40 of the analysis: GCF may develop options for entities to graduate out of the AE role and on to other forms of partnering with GCF, as indicated in para. 40 of GCF/B33/08. This would help to free resources for accrediting new entities. It would also help to limit the increase of AEs and would ensure that AEs with a high knowledge of the GCF and experience in climate finance can remain in the partnership network of the GCF and can continue to contribute to the objectives of the GCF outside the role of an AE.

4. Table 5 below contains the written submissions received from national designated authorities (NDAs) and focal points during the consultations on the draft accreditation strategy held from 28 June to 8 July 2022.

Table 5. Written submissions from NDAs and focal points during consultations on the draft accreditation strategy, 28 June to 8 July 2022

NDA and Focal Point Written Comments			
Submitted by	Section	Text	Comment
Belize	General	NA	<p>We have reviewed the updated strategy and do take note of the actions taken to improve access to GCF resources. We don't have anything to add, however, we do take note that it should enhance the efficiency of accreditation process as well as incentive partners to strengthen their capacity.</p> <p>We stand ready to provide support.</p>
Brazil	General	NA	<p>It has been quite difficult to find accredited entities willing to engage in smaller national projects or even Readiness projects. Multilateral banks, international development agencies and even entities with international operations tend to prefer large projects that comprehend several countries. Thus, there would be a great need to accredit more national or regional entities interested in working on smaller-scale projects. In 2021, countries were asked to identify a portfolio of projects that would be submitted to GCF in the coming years. In this sense, Brazil, in a great coordination effort with different national stakeholders, identified a considerable list of projects that are currently in a process of prioritization. Nevertheless, Brazil has faced difficulties not only in finding accredited entities to submit concept notes for national projects, but mainly for partnership in Readiness projects.</p>
Brazil	General	NA	<p>In the Accreditation Strategy draft document, GCF mentions its limitations in the accreditation and re-accreditation processes and we understand and support that GCF wants to ensure that accredited entities comply with all accreditation phases. It was also mentioned the future limitation for the PSAA modality, which will be launched in 2023. But we were also struck by the fact that a modest percentage of current accredited entities actively</p>

NDA and Focal Point Written Comments			
Submitted by	Section	Text	Comment
			participate in the project submission process. These entities must at some point be re-accredited and will occupy resources that would be used to accredit new entities that could play a more relevant role in submitting proposals to the GCF. Perhaps the accreditation of new entities, mainly national ones, should be a priority over the re-accreditation of AEs that have not played a significant role in recent years.
Brazil	General	NA	Another suggestion would be to allow entities that have already advanced in some stages of accreditation to submit Readiness projects, which are usually of lower value and faster completion. It has been especially difficult to find partnerships for Readiness projects with regional or multilateral entities, since these entities prefer to be involved in larger projects. The document presents that there are currently 77 fully accredited entities, but in fact countries can only rely on a modest percentage of these entities. This situation has bottlenecked the ability of countries to submit projects to the GCF in all modalities.
El Salvador	General	NA	<p>We have analyzed the proposal of Accreditation strategy of the Green Climate Fund and, after a detailed review of its content, we agree with what is expressed in the document.</p> <p>We believe that the proposed improvements will be of great benefit to the accreditation strategy and we hereby express our full support for the proposal. We also have no comments on the current text of the proposal.</p>
Zambia	General	NA	We are happy with the suggestion of looking at high performing AE's to partner with the AE's that are not performing well.

NDA and Focal Point Written Comments			
Submitted by	Section	Text	Comment
			<p>Our concern on this matter is that high performing AE's should not use this process drive their agenda as opposed to the national agenda in the process of building capacity.</p> <p>International and Regional EA's should be willing to share with the countries in which they have offices, their "Entity Work Programme" which should form a basis for engagement.</p> <p>This is our general comment as Zambia. Due to limited time, we will not share specific comments.</p>

5. Table 6 below contains the written submissions received from accredited observer organizations during the consultations on the draft accreditation strategy held from 28 June to 8 July 2022.

Table 6. Written submissions from Observers during consultations on the draft accreditation strategy, 28 June to 8 July 2022

Observer Written Comments			
Submitted by	Section	Text	Comment
GCF Observer Network of Civil Society Organizations, Indigenous Peoples and local communities (GCF Observer Network) (joint comments)	General	NA	We appreciate the opportunity to share with the GCF Secretariat comments on the draft GCF Accreditation Strategy on behalf of the GCF observer network of civil society organizations, Indigenous Peoples and local communities (GCF observer network). Our comments reflect the inputs of a number of representatives from different observer groups that have constructively engaged with the draft accreditation strategy.
GCF Observer Network	General	NA	While we appreciate the need to have an accreditation strategy, we feel that the draft accreditation strategy as presented is not yet ripe for adoption at B.33. In our view, it should not be adopted, but instead consultation should be broadened both in

Observer Written Comments			
Submitted by	Section	Text	Comment
			<p>terms of time-line and scope, as the current consultation period of a bit more than a week is too short for a broad participatory and inclusive process, as demanded in Board decision B.31/06, paragraph (p), even though we recognize that those challenging time-limits were set by the Board. Nevertheless, such compressed engagement is inadequate given the importance of this strategy, which will help shape the future composition and priorities of the Fund's network of implementing partners and thus its ability to comply with its objectives and mission as laid out in the Governing Instrument (although the GI is not referenced in the background document).</p>
GCF Observer Network	General	NA	<p>In particular, the mandate to prepare the accreditation strategy in a transparent manner as mandated by the Board is not complied with, as the development of the draft accreditation strategy seems to be based on a set of underlying assumptions of the Secretariat alone for which often data sources either is missing, or data used is irrelevant to addressing the GCF's overarching mandate – as outlined in the Governing Instrument – or the achievement of the current GCF-1 programming targets. Based on these starting points, a primary focus of the accreditation strategy should be to increase the amount of financing going through DAEs, which make up the majority of currently accredited entities, but have made little leeway in increasing their share of programming. So we suggest spending additional time to strengthen the draft accreditation strategy by increasing its focus on institutional capacity-building of DAEs and helping those DAEs already accredited with the Fund to bring forward projects or programmes. This also entails strengthening the accountability and the reporting of IAEs which are supposed to help provide capacity-building to DAEs, including by publishing such reports.</p>

Observer Written Comments			
Submitted by	Section	Text	Comment
			We are curious to what extent they have been considered in the development of the draft accreditation strategy.
GCF Observer Network	General	NA	Access to climate finance, especially access at the local level and by local communities, is an ongoing challenge and improving access to climate finance through the GCF, including through accreditation should be addressed. In light of that we are deeply concerned that the draft accreditation strategy only pays lip service to the importance of addressing developing country needs and being guided by a country driven approach. Tellingly, there is no reference whatsoever in the background document on country-drivenness, and though the draft strategy does list the priorities for addressing country-drivenness and developing country-needs as articulated in the Governing Instrument in para.3, the draft strategy does not seem to be based on or even informed by these priorities.
GCF Observer Network	General	NA	Instead, much of the draft accreditation strategy seems to reflect not the priorities of developing countries and their right to access climate finance nor their preference for the partner through which they would like to see GCF funding channeled for the benefit of their countries' climate approach and the direct benefit of their communities and people, but those of the Secretariat toward the prioritization of private sector entities operating at large and medium scale, whose primary qualification for engagement with the Fund would be their capacity to use equity and guarantee as financial instruments to programme GCF funding, particularly adaptation approaches. This proposed "solution" to the shortcomings of the current accreditation approach does nothing to address the problem of how long accreditation takes nor that a small number of mostly international AEs dominate the portfolio or that many (mostly

Observer Written Comments			
Submitted by	Section	Text	Comment
			direct access) AEs have no projects/programmes. It conflates these issues and assumes that the proposed accreditation prioritization will fix the problem of too many AEs not having funding proposals (either through PAP or SAP). However, it's not necessarily about what type of entities are accredited, but the capacity-building and working with those entities during or post-accreditation to increase their ability to bring forward high quality climate projects
GCF Observer Network	General	NA	Counterintuitive to what an accreditation strategy should be doing, the proposed accreditation strategy seems to attempt to undermine and undersell the value of the GCF accreditation process as a way of building the institutional capacity of its AEs, especially of DAEs, and of elevating the quality of climate finance projects/programmes through increasing the number of partner entities with better internal policies and the ability to implement climate actions in compliance with the GCF's own fiduciary, transparency, consultation and participation, and accountability standards, environmental and social safeguards and gender and Indigenous Peoples' policies leading to more rights-based, gender-responsive projects and programmes. The capacity to apply those good practice standards not only in, but outside of GCF financing to their overall portfolio and investment approaches is part of the way to achieve the paradigm shift the GCF aims to support through its activities.
GCF Observer Network	General	NA	Accreditation is one of GCF's most powerful tools. The accreditation strategy should be thinking of ways to strengthen it, including through post-accreditation capacity building rather than ways to make it more limited (PSAA) and discretionary (through the proposed increased flexibility of the Secretariat in

Observer Written Comments			
Submitted by	Section	Text	Comment
			negotiating significant deviations from the Board-approved template AMA).
GCF Observer Network	General	NA	We are particularly concerned about the proposed approaches to actively manage (and potentially significantly curtail) the number of AEs with the ability to access GCF funding following a “criteria-based” determination by the Secretariat of required retirement and/or graduation of AEs. What a ‘fit-for-purpose’ GCF accredited entity looks like, and who is worthy of accreditation and re-accreditation are decisions that are fundamental to the GCF’s fair and effective operation. Such decisions need to be made in a transparent and unbiased way, with clear and demonstrable links to the Fund’s overarching objectives. The process suggested in the draft strategy does not reflect such an approach.
GCF Observer Network	General	NA	<p>Given these concerns and the need for further consultation to allow for a substantial refocusing of the draft strategy on country-ownership and the need for better pre- and post-accreditation support for DAEs to serve developing country priorities, we feel that a further iteration of this document is needed and hope to see one that reflects the recommendations and suggestions proposed in this submission.</p> <p>As presented, the draft accreditation strategy should not be considered for adoption by the Board at B.33.</p>
GCF Observer Network	Background document: II. Policy rationale, para. 11	“An increasingly low project to AE ratio limits incentives for AEs to invest in a dedicated capacity to programme for GCF.”	This assertion is not taking into account that a number of international access AEs such as UNDP or EBRD or others (FAO/IFAD) have a large number, and thus more than their “fair share” of projects. They would be prioritized under the proposed accreditation strategy for re-accreditation. So the concentration

Observer Written Comments			
Submitted by	Section	Text	Comment
			will be cemented and DAEs will be penalized for not having succeeded in getting a project in during IRM and GCF-1.
GCF Observer Network	Background document: II. Policy rationale, para. 13	“The GCF could act as a high-volume, high-speed climate finance provider, working with a targeted set of high-performing AEs that meet the GCF standards.”	This language and the conclusion it draws is quite worrisome: it is biased towards prioritization of large-scale financialization approaches over targeted programming, including local project approaches. While it is embedded in the "hybrid proposal" of "optimizing both allocation of climate funding volumes and capacity building" it seems to already indicate a very narrow understanding of the criteria the Secretariat will use in determining whether an entity seeking accreditation is fit-for-purpose under the strategy (= focused on private sector entities with the capacity to utilize guarantee and equity investments and applying them to adaptation....).
GCF Observer Network	Background document: II. Policy rationale, para. 14	“In between these two options lies a combination that aims to optimize both allocation of climate funding volumes and capacity-building.”	The policy rationale for the Accreditation Strategy must be linked back to the Governing Instrument and reiterate that the GCF's overarching objectives include being country-driven, and that direct access is one of the stipulated modalities defined by the GI, which also specifies that "Recipient countries will determine the mode of access" in their country - i.e. it is not for the Board/Secretariat to rule in or out some options for countries. Thus, paragraph 14 describing two possible options really describes two sub-par options. Improving the ease of accreditation and project proposal processes such that the Fund had a wide spread of DAEs implementing projects would be another option that is simply left out here.
GCF Observer Network	Background document: III.	“While the hybrid scenario ensures a combined approach to transformational climate funding it also carries risks [...]”	The observer network is struck by the potential disregard of genuine country-ownership if accredited partners are not chosen

Observer Written Comments			
Submitted by	Section	Text	Comment
	Analysis of policy proposal, para. 17		by the project countries themselves. This applies particularly to the IAEs which dominate GCF programming.
GCF Observer Network	Background document: III. Analysis of policy proposal, paras. 22, 23	<p>22. “[...] entities that are not suitable for the AE role or are not fully aligned with the GCF strategic objectives and programming directions. Unless an applicant chooses to withdraw its application, neither the Secretariat nor the AP have the authority to close an accreditation application early in the accreditation process.”</p> <p>23. “Similarly, the current accreditation process involves the review of all applications received on a first come, first complete basis regardless of suitability to undertake the AE role and alignment with GCF strategic programming objectives and country programming priorities. The obligation to review every application diverts GCF time and efforts from reviewing applications from the most suitable candidates, contributing to the continued lengthening of processing times and backlog of applications for review, and in turn, increases reputational risks to GCF. There are also similar obligations to review re-accreditation applications seeking to continue their partnership with GCF every five years, regardless of whether the AE has submitted funding proposals or has a portfolio of approved</p>	<p>This language is foreshadowing and is intended to justify the proposed strategy approach of allowing the Secretariat to actively manage application by sorting those out that are perceived as "unsuitable" to contribute to the mission of the GCF. The big problem is here that what sounds like there are objective criteria (and who would set them, and according to what strategic goal?) would instead be under a bias adopted by the Secretariat's priorities. So for example, if "leverage capacity" becomes one of the top criteria for suitability to be a suitable AE, or the ability to utilize the whole suite of GCF financial instruments, this will reinforce the existing bias towards accrediting banks (and thus entities capable of large-scale intermediation projects and programs), vs. allowing for example public and non-profit NGO DAEs with an interest in a narrow grant-based direct project management approach as new applicants or for re-accreditation</p>

Observer Written Comments			
Submitted by	Section	Text	Comment
		funded activities, and regardless of whether the AE has a pipeline of funding proposals for the next accreditation term.”	
GCF Observer Network	Background document: III. Analysis of policy proposal, para. 26	“The constraints posed by the current approach lead to long processing times and a perception of GCF as a partner-unfriendly institution with lengthy processing times.”	<p>The issue here is framed as one linked to the inability of the GCF Secretariat to decide who to accredited, or whom to give priority to. It is hard to believe that the long processing times and perception of unfriendliness are only linked to these constraints of the decision making power of the Secretariat.</p> <p>The current process and requirements for accreditation are never mentioned or even questioned. It is more likely that the long process and resulting perception is linked to the GCF requirements not reflecting the realities of many DAEs and IAEs, and the inability of the GCF to provide support to DAEs to get accredited and access funding successfully. The IEU's Independent synthesis of the GCF's Accreditation function also points at other issues in the process of accreditation itself.</p> <p>In the introduction, this document does mention the potential role of the GCF in AE capacity building, which should be further explored and clarified. Additionally, the GCF should review its accreditation processes and requirements and explore potential simplifications that could streamline these and also result in improved efficiency.</p>
GCF Observer Network	Background document: III. Analysis of policy proposal, para. 27	“It also includes authorizing the Secretariat to actively guide entities towards the most suitable form of partnership with GCF.”	This is very worrisome conclusion/recommendation based on the current apparent bias towards (commercial) banks with focus on full financial intermediation capacity vs. grant-focused DAE direct project management and implementation. Under such an approach, we fear that most of the current accredited DAEs are

Observer Written Comments			
Submitted by	Section	Text	Comment
			advised to become "partners" as executing entities instead of with the right to access GCF financing directly.
GCF Observer Network	Background document: III. Analysis of policy proposal, table 1, row 1, column 3	"However, financing across adaptation priorities is uneven, with limited involvement from the private sector."	This statement has no bearing here, as the private sector is already addressed in a separate target. Instead, it shows a clear prioritization bias, implicit throughout the draft accreditation strategy, for private sector entities.
GCF Observer Network	Background document: III. Analysis of policy proposal, table 1, row 3, column 3	"On a portfolio level, this target is currently being met, with 17% of funding in grant equivalent terms going to DAEs, compared with 11% in the IRM."	While this is a noteworthy percentage increase, it's still a very low portion of the overall funding portfolio (with the majority concentrated in a few bank DAEs), and one that seems to have a clear link with accreditation, especially as there are still many countries that have no DAE; thus, this should be highlighted as a priority of the accreditation strategy.
GCF Observer Network	Background document: III. Analysis of policy proposal, table 1, row 5, column 3	"Private sector AEs account for 24% of the AE network and 34% of the financing in nominal terms but only 16% in GE. The level of concessionality for private sector projects is lower than for public sector projects, generating a gap between nominal and GE terms.	<p>It is unclear how this is an issue of accreditation that could be solved by targeted accreditation of the private sector. The text itself admits that it is linked to concessionality levels. It seems to be added here to highlight the private sector even when the issue has nothing to do with accreditation.</p> <p>Related to this, we are very concerned about the 'conclusion' the Secretariat seems to be drawing from this observation, namely using this as a justification for accrediting more private sector entities, especially those that can do equity and guarantees which have an extremely low GE. This mean that the nominal imbalance is going to blow out of proportion all in an effort to increase the allocation to PSF in GE terms.</p>

Observer Written Comments			
Submitted by	Section	Text	Comment
GCF Observer Network	Background document: III. Analysis of policy proposal, table 1, row 7, column 3	“The actual number of AEs that can work with a variety of financial instruments to catalyse private investment at scale is low.”	The reference to the “actual” number of AEs is not clear here. Is it referring to the much lower number of AEs with the ability to use financial instruments that have an effective AMA (the 77 mentioned previously)?
GCF Observer Network	Background document: III. Analysis of policy proposal, para. 30	“As currently structured, the accreditation framework focuses on safeguarding projects from fiduciary, environmental and social, and gender risks and impacts: it does not assess the entity’s capacity to prepare and implement climate projects.”	<p>We are concerned about the implication here that the Secretariat will minimize safeguarding and instead focus on whatever “capacity to prepare and implement climate projects” means. It needs to be assured that the current safeguarding requirements must be maintained, and indeed perhaps strengthened, as the GCF works to make the AE accreditation process more efficient and effective. It needs to be ensured that there is no backsliding on safeguards.</p> <p>In fact, the ability to “prepare and implement climate projects” goes hand in hand with the ability to implement safeguards, ensure participation of civil society, Indigenous Peoples, and local communities, uphold rights, etc. Having strong policies and standards is part of being prepared to implement high-quality climate projects. Both should be assessed and seen as complementary not contradictory.</p> <p>The capacity to prepare and implement climate projects, not the capacity to use financial instruments and intermediation has to be the focus here</p>
GCF Observer Network	Background document: III. Analysis of policy proposal, para. 31	“Accreditation efforts could be optimized by prioritizing entities that can address some specific programming gaps (e.g. for private sector DAEs engaged in adaptation or AEs with a proven expertise in specific	We have some concern with the implication that other entities seeking accreditation may not be “prioritized” on the grounds that they have no proven expertise. But what indicators are in place to show proven expertise? It can easily become very

Observer Written Comments			
Submitted by	Section	Text	Comment
		regions or new technical/financial climate solutions).”	<p>dependent on who is doing the assessment to determine prioritizing.</p> <p>While a prioritization based on some identified gaps can be discussed, this paragraph here seems to be used as a justification to narrowly determine who might be eligible for the PSAA pilot (with the expected 10 projects per year starting in April 2023), namely with a focus actors with high tech and financial innovation instead of a focus on a different set of actors that bring a different level of community engagement to bear, such as cooperatives.</p>
GCF Observer Network	Background document: III. Analysis of policy proposal, para. 35	“[...] accreditation also enables entities to join, collaborate, co-invest and share knowledge with the largest climate network in the world.”	How exactly does the accreditation provide this? It does not seem like this is done in any systematic way, and should maybe be explored further.
GCF Observer Network	Background document: III. Analysis of policy proposal, para. 36	“Nevertheless, the number of projects that an AE can reasonably expect to submit to GCF per programming cycle (i.e. the project to AE ratio) will remain essential for incentivizing AEs to invest in a dedicated GCF capacity.”	The argument here is unclear, and misguided if the assumption is that AEs will only be incentivized to apply if they can reasonably expect to submit multiple projects per programming cycle (replenishment period?) This seems a clearly stating a Secretariat’s bias of wanting large AEs who can implement multiple projects simultaneously while disregarding the capacity building, learning and institutional strengthening, especially among DAEs that can come from just implementing even one project during that time.
GCF Observer Network	Background document: III. Analysis of policy proposal, para. 38	“Should the 140 applicants currently seeking to become AEs to GCF be accredited, this average would fall to less than one project per AE every five years. Some AEs may have to seek re-accreditation more often than they submit	The point being made here is not clear. The problem with the average, as stated here, is partly that the GCF assumes an average of 30-50 projects per year and partly the number of AEs. The solution could just as well be that the GCF increases its ability to approve projects, by streamlining the procedures, thus increasing the average number of projects approved per year, in which case

Observer Written Comments			
Submitted by	Section	Text	Comment
		<p>projects to GCF. While increasing the number of active AEs would improve opportunities for leveraging the GCF network, it will further reduce the incentive for individual AEs to invest in the dedicated capacity required for high-quality GCF programming development. Furthermore, entities will not be able to benefit from the learning curve of having the same teams developing projects for GCF."</p>	<p>even with more AEs, incentives would be there to invest in dedicated capacity.</p> <p>For example, it does not take into account the possible increase of funding proposals under a truly simplified approval process/SAP that would facilitate involvement of and programming by DAEs with low-risk micro accreditation, many of which have so far no projects (and would under the proposed approach be kicked out from re-accreditation).</p> <p>The document is drawing this conclusion without much to support it. Does the Secretariat have an assessment of the exact number of approved projects that would be necessary to incentivise AEs to have dedicated teams? Additionally, one would assume many AEs will have other climate related projects, therefore have external incentives to have such teams, beyond just access to GCF funding. The logic behind this argument seems rather weak and would require more detailed assessments involving AEs views</p>
GCF Observer Network	Background document: III. Analysis of policy proposal, para. 40	<p>"Given the current challenges in terms of AE engagement, GCF may decide to maintain the current average project to AE ratio of 1:2 per accreditation term. GCF may prioritize re-accreditation of AEs with approved projects under implementation and AEs that have submitted a funding proposal. GCF may also retire non-performing AEs. GCF may also provide options for entities to graduate out of the AE role and on to other forms of partnering with GCF.</p>	<p>How is "non-performing" characterized? If it is the lack of active proposals, this would disadvantage DAEs, many of which are undergoing readiness and capacity building programs to build up their capacity to program. "Retiring" them as non-performing would waste GCF readiness expenditures and advances in institutional capacity-building.</p> <p>Not clear what other forms of partnering mean: PSAA? something else?</p> <p>It definitely disadvantages DAEs if it is lack of proposals and also undervalues the role of the GCF in working with entities and capacity-building to be able to develop projects or programmes.</p>

Observer Written Comments			
Submitted by	Section	Text	Comment
GCF Observer Network	Background document: IV. Policy linkages, table 2, row 1, column 2	“Independent Evaluation Unit’s Independent Synthesis of the Green Climate Fund’s Accreditation Function (2020)” (decision B.31/06)	Here the IEU’s country ownership review should also be added as relevant for the accreditation strategy – this goes in line with our concern/observation that country ownership is not prioritized/highlighted as the core principle framing an accreditation strategy. .
GCF Observer Network	Background document: V. Implementation arrangements and operational impact, para. 45	“The measures that can be operationalized with the existing capacity include the development of guidance on the role and expectations of AEs and delivering on programming; prioritizing certain types of applications; and measures to dynamically manage the AE network and its performance.	The proposed strategy is highly problematic, as it puts the GCF Secretariat in an active sorting role and with respect to DAEs it undermines country-ownership regarding those entities that countries would like to bring into accessing GCF finance (especially with the focus by the Secretariat accrediting more private sector entities, as the accountability and collaboration with NDAs/the country and related country control is problematic at best). This can serve to undermine country ownership.
GCF Observer Network	Background document: V. Implementation arrangements and operational impact, para. 46	“[...] the potential development of a metric for determining an AE’s climate change programming development and implementation capacity [...]”	This has to be approached with extreme caution; we have seen in the past that the Secretariat has priced the ability to financially structure higher than an understanding of climate contexts (see the accreditation of equity investment firms with little prior climate engagement understanding purely on their financial capability).
GCF Observer Network	Background document: VI. Consultations, para. 48	“Decision B.31/06, paragraph (p), requested the Secretariat, under the guidance of the Co-Chairs, to prepare the accreditation strategy in an open, inclusive and transparent manner in accordance with the relevant provisions of decision B.23/03, including engaging in consultations with the Board, AEs,	As the observer network we want to point out that in our opinion this limited consultation effort to which we are contributing (namely giving observers a little bit over a week to provide comments on a draft strategy) is not to be understood to fulfill the requirement as set out in Decision B.31/06.

Observer Written Comments			
Submitted by	Section	Text	Comment
		observers and NDAs, for consideration by the Board no later than its thirty-third meeting.”	
GCF Observer Network	Background document: VI. Consultations, para. 49	“[To be added: summary of consultation process and feedback received, to be contained in annex III.]”	<p>The observer network finds this “placeholder’ very problematic, as it seems to imply a condensed summary of feedback received, but without apparent willingness to integrate that feedback into a second iteration of the draft document. It seems to assume that the text of the policy document providing the justification for the strategy, as well as presumably the accreditation strategy text itself will remain unchanged as a result of the comments and feedback received. If this is indeed the intention, then the entire “consultation” is a mere ticking exercise.</p> <p>While we recognize that the mandate and timing the Board gave the Secretariat to produce this strategy is very tight, this should not be an excuse to shortcut the necessary broader and comprehensive consultative for this important strategy.</p> <p>Indeed, if anything, this policy approach paper, and the draft text for the accreditation strategy both demonstrate that there needs to be a focus/emphasis/prioritization of assisting existing DAEs to develop FPs/SAPs rather than rushing through an accreditation strategy that has not been able to be fully consulted on and isn’t ready for adoption.</p>
GCF Observer Network	Annex I, Draft decision of the Board, para. (b)	“Decides, pursuant to paragraph (a) above, to prioritize up to the end of 2023 the following for institutional accreditation: [...]”	<p>We feel that asking the Board to take a decision based on both the justifications and argumentations provided in the introductory policy approach paper, as well as the proposed strategy with the suggested prioritization approach is pre-mature. The Board should NOT take a decision on the proposed draft accreditation strategy. As presented here, a decision is suggested without any discussion of the full role of the GCF, and mostly based, it seems,</p>

Observer Written Comments			
Submitted by	Section	Text	Comment
			<p>on table 1, which does not even provide any coherent arguments for the need to focus on private sector as a solution to the pending programming gaps. It rather reveals the bias by the Secretariat applied from the outset to the development of the accreditation strategy.</p> <p>Instead of being approved at B.33, the draft accreditation strategy should be substantially reworked on the basis of a more comprehensive consultation that stronger prioritizes country ownership as the guiding principle for a new accreditation strategy and focuses on strengthening DAEs, including those already accredited and potential DAE applicants, to access and program substantially more of the GCF's funding</p>
GCF Observer Network	Annex II, para. 1	"[...] needs of developing countries [...]"	<p>This reference here is quite important, especially in light of the fact that in the whole previous discussion on accreditation, many issues were raised to justify prioritisation of AEs and the new strategy, including the programming targets; but what was never mentioned is the needs of developing countries and how the proposed strategy would respond to those needs.</p> <p>Thus, we feel that the justifications for the strategy and the draft strategy as articulated reflects not the needs of the countries but priorities and goals of the Secretariat, (see the focus on financial instruments, especially equity and guarantees) as the narrow lens through which the accreditation strategy is perceived.</p>
GCF Observer Network	Annex II, para. 2	"[...] AE capacity development objectives. First, GCF focuses on the value-addition of AEs to deliver country-driven climate change programming and to advance the GCF strategic objectives, while continuing to prioritize strengthening the role of	<p>Focusing on AE capacity development and on the "value-addition of AEs to deliver country-driven climate change" should mean a prioritization of DAEs in countries and not prioritization of entities that are capable of using various financing instruments, nor does it suggest the "retiring of AEs," etc. or the many things that the background part of this paper seems to be trying to</p>

Observer Written Comments			
Submitted by	Section	Text	Comment
		<p>direct access entities (DAEs) in programming. Second, GCF seeks to strengthen the institutional capacities of AEs for developing and implementing high-quality climate change projects and programmes to contribute towards achieving the goals of the Paris Agreement.”</p>	<p>justify, but instead suggests that the accreditation strategy should focus on DAEs and on IAEs actually helping increase capacity of DAEs, and that being a considerable part of the evaluation of at least their re-accreditation. , The accreditation strategy cannot be looked at isolated, but instead be seen in the overall scope of the GCF and the Sec't needing to focus more on the assistance to DAEs to bring forth SAPs and FPs rather than focusing on accrediting more entities.</p> <p>This also does not seem to be reflected in any way in the proposal. What measures/policies/objectives is the GCF actually proposing in this strategy that will deliver country-driven programming?</p>
GCF Observer Network	Annex II, para. 3	<p>“[...] ensuring thematic and geographic balance; in the context of allocating resources for adaptation, prioritizing developing countries that are Parties under the United Nations Framework Convention on Climate Change that are particularly vulnerable to the adverse effects of climate change, including least developed countries (LDCs), small island developing States (SIDS) and African States; paying specific attention to adaptation activities; significantly increasing funding channelled through DAEs relative to the initial resource mobilization period; and promoting the participation of local private sector actors in developing countries, including small and medium sized enterprises and local financial intermediaries.”</p>	<p>The proposed prioritisation of the private sector in the decision text is incompatible with the priorities expressed here. In here the focus is on small and medium sized enterprises and local financial intermediaries, but the decision text speaks of large and medium size category and specialised fiduciary standards.</p> <p>Contrary to the implied thinking here, the direct engagement of those actors is possible, not just through large-scale financial intermediation via equity funds and financing facilities.</p> <p>The draft strategy showcases the glaring disconnect between the stated intent in the intro paragraphs of wanting to focus on country drivenness, local actors and DAEs and then a proposed strategic accreditation approach that does not focus on these entities.</p>

Observer Written Comments			
Submitted by	Section	Text	Comment
GCF Observer Network	Annex II, para. 4(c)	“Optimize incentives for partners to invest in a dedicated capacity to programme for GCF.”	These should include having strong, rights-based safeguards, policies that respect human rights, strong frameworks for working with local communities and Indigenous Peoples in developing projects, etc. as all of those things will lead to better climate action and ability to also work with other funds like the Adaptation Fund.
GCF Observer Network	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 6	“Entities that are not suitable or willing to undertake the full role and responsibilities of the AE will be encouraged, where appropriate, to partner with AEs in GCF projects and programmes [...]”	The crucial question is how the Secretariat will be assessing “suitability” – will it be assessed as the Here the issue would be whether the suitability is to assessed as the ability to implement any project or program, or the ability to implement specific kinds of projects and programs that the Secretariat prioritizes. It needs to make sure that small scale, grant-based direct project management/ implementation is still considered as "suitable" and that the suggestion is not and also that they are not suggesting that smaller entities, and especially DAEs, should only be executing entities/contractors, rather than working with entities through readiness, etc. to build their capacity to implement GCF projects and programs.
GCF Observer Network	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7	“[...] most suitable partners and AEs capable of programming with GCF [...]”	What are the criteria? Who determines them? How does this comport with the country-driven nature, emphasis on DAEs especially from LDCs, SIDS, etc?
GCF Observer Network	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-	“Project-specific assessment approach”	This should come with the same requirements for safeguards, fiduciary duties, etc. as AEs have to have because those things have to be complied with in the context of a project. Also, this means that the entity can only have 1 GCF project ever (at least as

Observer Written Comments			
Submitted by	Section	Text	Comment
	accreditation process, para. 7(a)(iii)(1)		<p>the PSAA is currently written), which may not be what the country or AE wants.</p> <p>Focusing on /incentivizing the PSAA reduces the GCF's leverage and ability to help create the paradigm-shift and to influence the overall shift of entities' portfolios and so could undermine GCF goals.</p>
GCF Observer Network	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(a)(iii)(2)	“The secondary objective is to build institutions that are capable of developing and implementing climate change programming.”	It is quite worrisome that the institutional- and capacity building impact of accreditation should be listed as the secondary objective. The primary and secondary objectives should be seen as connected to one another. Also the "secondary" objective should not be seen as lesser given that building capacity would in fact enable the GCF to enhance country-ownership, etc. (all the values it espouses in the opening couple of paragraphs of this strategy and then seems to forget about).
GCF Observer Network	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(a)(iv)	“Updating re-accreditation and accreditation guidance to NDAs and entities [...]”	This seems to be extremely biased towards wanting to have specific DAEs. It does not sufficiently address the inadequacy of international access entities applying for re-accrediting (which do not need NDA endorsements).
GCF Observer Network	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(b)(i)	“Exploring the development of a metric on climate change programming development and implementation capacity.”	This would only "streamline" the process in as much as it would likely limit the number of entities that would be considered fit for accreditation/re-accreditation, without actually improving the process itself in any way. Depending on how such a metric is set it could worsen existing inequities in the GCF partner network. We would particularly object to the inclusion of prioritization of "finance leverage" as a criteria.

Observer Written Comments			
Submitted by	Section	Text	Comment
			The proposed strategy is actually failing to address the real problem, which is the process itself and the post-accreditation capacity-building and prioritization that may be needed to ensure more DAE projects.
GCF Observer Network	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(b)(ii)	“Authorizing the Secretariat to actively guide entities both at the pre accreditation stage and during stage I of the accreditation process towards the appropriate accreditation track (PSAA or institutional accreditation), and to decline those that may not be suitable for these roles based on the criteria against which applicant entities are assessed during stage I “institutional assessment” of the accreditation process, as set out in the GCF accreditation framework;”	<p>If the Secretariat was to have such a power, a very detailed and transparent process, including specific guidelines/criteria would need to be established to avoid any opacity in the decision making linked to this. Additionally, the ability of observers and other stakeholders to understand this decisions, and for them to be evaluated would need to be ensured, to avoid the opacity that is often seen with decision on FPs.</p> <p>The question is also what this means for entities that are not (yet) fulfilling the entire suite of criteria but are developing capacities as part of the accreditation process (which is an implicit benefit of institutional strengthening). Here again an inherent bias by the Secretariat (pro private sector actors, contra small-scale direct grant-based implementation) might come to bear.</p> <p>This is also potentially problematic given how the Secretariat is determining who to decline. If it is about those who have current institutional capacity there is likely a bias towards IAEs and other bigger entities. How does this fit in with addressing developing country needs and being guided by country ownership? What if part of the AEs goal is to work with the GCF through accreditation to build capacity to meet the GCF standards because they want to do more climate projects? Shouldn't the Secretariat be working with these entities rather than "declining" them?</p>
GCF Observer Network	Annex II, Section I. Enhance the efficiency of the GCF	“Prioritizing the re-accreditation of AEs to minimize lapses in accreditation terms”	While this makes sense from an operational point of view, it does nothing to address and will in fact further cement the existing

Observer Written Comments			
Submitted by	Section	Text	Comment
	accreditation and re-accreditation process, para. 7(b)(iii)		imbalance in GCF project/program implementation of more than 80% of the financing amounts being programmed by IAEs.
GCF Observer Network	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(b)(iv)	“Streamlining the process for approval of “substantive changes” to the template accreditation master agreement (AMA).”	We are opposed to giving the GCF Secretariat even more leeway to negotiate substantial deviations from the template AMA, by reducing GCF Board oversight. The entities profiting from such increased discretion would be large scale international and private sector entities mostly, which are already often undercutting transparency and accountability requirements through special provisions negotiated in their AMAs – a power that smaller DAEs do not have. At a minimum, specific guidance limiting what could be changed through the Secretariat would be necessary.
GCF Observer Network	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(b)(v)	“[...] signing and making effective their AMA with GCF within eighteen (18) months from the date of the Board decision to accredit the entity [...]”	In order to speed signing up, the discussion of the AMA should begin prior to board approval. At the very least the template AMA could be shared and discussed so that the entity would know what it says and thus could be more prepared to sign it closer to Board approval. This would not require giving the Secretariat more discretion to negotiate substantial deviations from the template AMA.
GCF Observer Network	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(b)(vi)	“[...] ensuring monitoring and reporting by AEs at the institutional-level includes an assessment of AE performance, results and alignment with the GCF mandate”	It is not clear based on what criteria the performance would be assessed. Additionally this focus on self-assessment of AE performance is clearly insufficient.

Observer Written Comments			
Submitted by	Section	Text	Comment
GCF Observer Network	Annex II, Section I. Enhance the efficiency of the GCF accreditation and re-accreditation process, para. 7(c)	“Enhance engagement and build institutional capacity, including through [...]”	This is where the main focus of the accreditation strategy should be.
GCF Observer Network	Annex II, Section II Strategically use accreditation of partners to fill in gaps in capabilities and coverage, para. 8	“Yet of the 113 entities accredited, only 51 AEs (45 per cent) have an approved project/programme. Furthermore, a review of the GCF portfolio against priorities during the first replenishment period reveals an uneven project quality at pipeline entry and programming gaps.”	This does not take into account the concentration risk of a handful of AEs together accounting for the majority of projects/programs in both number and financing amounts. As such, this also isn't a problem of accreditation per se, but of post-accreditation work. It also doesn't seem to take into account that many of the entities that took a long time or still don't have fully effective AMAs may be IAEs. It seems to be assuming a lot without reference to underlying data.
GCF Observer Network	Annex II, Section II Strategically use accreditation of partners to fill in gaps in capabilities and coverage, para. 9(a)(ii) and (iii)	“(ii) Incentivize and engage AEs to programme in underserved areas of programming. This may include geographic areas (underserved countries/regions), public or private sector, GCF results areas and financing instruments (e.g. equity and guarantees); and (iii) Support an increase in programming by DAEs that have demonstrated an ability to deliver on programming targets, especially for adaptation and the private sector;”	It seems that this is the pre-determined outcome around which the accreditation strategy is drafted (and which is in line with the private sector strategy argumentation and the first draft of the adaptation approach paper shared at B.32). What is the basis for saying that "equity and guarantees" are underserved? There isn't supposed to be a balance of financing instruments where there is xx amount of equity, xx amount of guarantees, xx amount of loans. The board has not decided on an "allocation" strategy for financial instruments that the Secretariat seems to want to operationalize with this draft strategy Bullet (iii) This isn't necessarily about accreditation, but about capacity building for DAEs.

Observer Written Comments			
Submitted by	Section	Text	Comment
GCF Observer Network	Annex II, Section II Strategically use accreditation of partners to fill in gaps in capabilities and coverage, para. 9(b)(i)	"[...] based on priorities set by the Board."	It is not clear which priorities this is referring to. Which policies/decisions will be used to set these priorities, and especially to balance potential competing priorities? Are those explicit priorities previously set? Or "implied" priorities such as through noted documents? Also, some priorities can shift or change in the time frame from accreditation to programming (which in many cases implies at least a year or more).
GCF Observer Network	Annex II, Section II Strategically use accreditation of partners to fill in gaps in capabilities and coverage, para. 9(b)(ii) and (iii)	"(ii) Using PSAA strategically to identify the most innovative projects and programmes to enable GCF to meet its programming targets; and (iii) Optimizing the performance of the AE network: Recognizing that the GCF AE network has evolved over the initial resource mobilization and first replenishment periods to include a diverse set of partners with capabilities to programme across any of the financing sizes, financial instruments, environmental and social risk levels and sectors that GCF offers, GCF will maximize use of the existing AEs to address GCF programming directions, including targeting gaps in the portfolio;"	As mentioned earlier, this is problematic, depending on how "most innovative projects and programmes" are defined. The intro document to the strategy implicitly states that those would be focused on tech and financial innovation. it would not mean innovation through a focus on underserved actors (cooperatives or community-owned actors) or approaches (indigenous/traditional knowledge). This highlights one of the fundamental problems with the way the PSAA is approached through the Secretariat. Bullet (iii): Shouldn't this have significantly more focus! This is how to close the gap on number of AEs with projects/programmes. There are more DAEs already accredited and so focusing on this and focusing on improving capacity building/readiness to have climate projects while the entity is going through the accreditation process (and not waiting until later) could in fact create the change desired
GCF Observer Network	Annex II, Section III. Optimize incentives	"[...] collaborate, co-invest [...]"	Some clarification is needed on how the Secretariat sees this relating to its earlier proposals for establishing a co-investment

Observer Written Comments			
Submitted by	Section	Text	Comment
	for partners to invest in a dedicated capacity to programme for GCF, para. 10		platform, which was repeatedly rejected by the Board (as for example in an attempted inclusion into the USP).
GCF Observer Network	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 11	“To that end, GCF will aim for each AE to have at least two projects/programmes every 5-year accreditation term.”	<p>This number seems to be chosen more or less at random, with no evidence that this will provide any incentives for AEs to establish a dedicated team. It also does not take into account the current concentration of many projects being implemented by a very small number of AEs (mostly IAEs) -- would this then involve efforts to actively cap IAE access for example?</p> <p>It is also unclear if it means has projects approved or projects being implemented as there is often a lag between project approval and implementation. Also what if an entity doesn't want to have two projects every 5 years? What if it's a small DAE? What if its one project is a large program?</p> <p>In addition to potentially capping IAE access especially for those who have many, many projects and/or a handful of very large projects, it will require more capacity-building, concentration on working with entities post-accreditation.</p>
GCF Observer Network	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 12(a)(ii)	“Graduate out of the AE role and onto other forms of partnering with GCF [...]”	<p>Does this mean the concerned AE would no longer be accredited to manage GCF funding? What incentives/modalities could the GCF provide an AE in order for it to fulfill any of these role?</p> <p>Will the Secretariat use this to clean" out the AEs they think underperform?. If so, this could involve many of the current DAEs, especially those accredited for small scale direct project management activities, who would then be "recommended" to an EE role, but without commensurate pressure on and</p>

Observer Written Comments			
Submitted by	Section	Text	Comment
			<p>requirements for the remaining AEs (such as IAEs) to share their financing access this way.</p> <p>Again, the meaning of this is not clear. The clause "may include supporting and partnering with DAEs" could also be interpreted to mean that IAEs or those who have done a lot with the GCF are "graduated" to a different/heightened role. So it's not clear if entities that have overperformed/performed are "graduating" or if entities they are eliminated/involuntarily retired as having "underperformed".</p>
GCF Observer Network	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 12(c)	"[...] demonstrated or delivered results [...]"	<p>This needs to be clarified. What does the GCF mean by results? How are results defined? Number of projects? Amount of money programmed? Actual results on the ground? Have a project approved or having project(s) under implementation?</p> <p>How does this account for the AEs that have to meet conditions, need more capacity building help? Does it account for growth (i.e. does it give more weight to smaller entities that have grown in their ability to deliver over a large MDB who may have a larger program in terms of \$ amount)?</p>
GCF Observer Network	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 12(d)	"Retire non-performing AEs at the end of their accreditation term that (1) do not have either a funding proposal submitted nor an approved GCF funded project or programme, or (2) have received post-accreditation support to build capacity for programming, but have not submitted a concept note during their accreditation term;"	<p>This stipulation would affect many of the existing DAEs with micro direct project management based on grant financing. Is also begs to have a clearer understanding of what it means to "graduate"? What is the difference between "retiring" and "graduating"?</p> <p>What if it isn't enough support? Is that considered? What if an entity is close to being able to submit a concept note?</p>

Observer Written Comments			
Submitted by	Section	Text	Comment
GCF Observer Network	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 12(e)	“Inform re-accreditation decisions through an assessment of the extent to which an international access AE has worked with or commits to work with national or regional entities, including DAEs, in the development and/or implementation of climate change projects/ programmes”	This is potentially useful, but only if used in addition to a prioritization of efforts to increase the number and capacity of DAEs further and not as a consolation for “retiring” a number of DAEs or relegating them to the status of EEs for IAEs, especially given that increasing funding channeled through DAEs is a goal. .
GCF Observer Network	Annex II, Section III. Optimize incentives for partners to invest in a dedicated capacity to programme for GCF, para. 12(f)	“Inform re-accreditation decisions through an assessment of the extent to which an AE’s overall portfolio of activities beyond those funded by the GCF has evolved towards low-emission and climate-resilient development pathways.”	It is useful to have this re-iteration here of what is already codified in para. 35 of the Monitoring and Accountability Framework but not (yet) implemented well. However, the reference here should be coupled with a commitment to improve the respective re-accreditation portfolio shift assessment from its current form.
GCF Observer Network	Annex III, Consultation feedback	“[Feedback from consultations with the Board, NDAs, AEs and Accredited Observers to be added following consultations.]”	Reiterating our concern on whether the consultation feedback will just be listed, without informing/being reflected in a new text iteration of the draft accreditation strategy. The way it is presented here makes it seem as if the text of the strategy is not intended to change, which would make a mockery of the consultation exercise and be counter to the mandate of the Board.