



**GREEN
CLIMATE
FUND**

Meeting of the Board
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Incheon, Republic of Korea
Provisional agenda item 6

GCF/B.33/Inf.09/Add.01

14 July 2022

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

Summary

This document contains the reports on activities that have already conducted or are planned to be undertaken by the following committees and panels of the Board of the Green Climate Fund during the reporting period from 1 April 2022 to 31 May 2022:

- (a) Accreditation Committee;
- (b) Accreditation Panel;
- (c) Independent Technical Advisory Panel; and
- (d) Ad Hoc Selection Committee.

I. Introduction

1. This report covers the reporting period of 1 April 2022 to 31 May 2022, and also indicates activities planned to be carried by the committees and panels of the Board of the GCF in advance of its thirty-third meeting (B.33).

II. Report on activities of the Accreditation Committee

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

2.1 Activities during the reporting period

3. At the thirty-first meeting of the Board (B.31), the membership of the AC was constituted. Five members of the AC were appointed by the Board for a term starting on 1 January 2022. It is to be noted that the Latin American and Caribbean States have not yet selected their members for the fourth term of the GCF Board membership, hence one seat is left vacant to be filled in by the members from the Latin American and Caribbean States, once they are selected and appointed to the AC. However, the vacancy does not affect the quorum. To constitute a quorum, two-thirds of the AC members (i.e., four members) must be present at a committee meeting.

4. On 27 April 2022, the AC held a formal virtual meeting to discuss accreditation matters and the process of selection of the AC Chair.

5. On 4 May 2022, the AC held a virtual meeting jointly with members of the independent Accreditation Panel (AP) to discuss accreditation matters. The meeting was held informally due to the lack of quorum on AC members.

6. On 15 May 2022, prior to the thirty second meeting of the Board (B.32), the AC held a formal meeting under a hybrid format with in-person and virtual participation. During the meeting, members of the AC nominated Ms. Ornela Çuçi as the Chair of the AC for 2022. During the same meeting, the AC also agreed to select Ms. Ornela Çuçi as the Chair of the AC for 2022.

7. The Board at B.31 adopted the updates to the Accreditation Framework, and requested the AC, in consultation with the Secretariat and AP, to update the draft working modalities of the Accreditation Panel set out in annex I to document GCF/B.21/Inf.10 titled "Reports from committees, panels and groups of the Board of the Green Climate Fund" to reflect the use of external consultants and/or consultancy firms in the context of reviews of entities in Stage II (Step I) in line with the updates to the Accreditation Framework that will become effective by 1 April 2023, with a view to presenting such working modalities to the Board for its consideration no later than at its first meeting in 2023. The AC commenced discussions with the AP on this topic during its joint meeting held on 4 May. The AC will consider this item in its workplan for 2022.

8. In line with the terms of reference for the AP in annex V to decision B.07/02, the AP is composed of six international experts and are selected through a process of nomination by the AC and consideration by the Board for decision-making on appointment. Following the resignation of one AP member in 2021, the Secretariat is continuing to support the AC in the recruitment process with the most recent call for experts launched in early 2022. A list of potential candidates will be presented to the AC for its consideration for nomination.

9. In decision B.23/15, the Board requested the AC, in consultation with the Head of the Independent Integrity Unit (IIU), to consider the best way to integrate the Anti-Money

Laundering and Countering the Financing of Terrorism Policy (AML/CFT) into the interim fiduciary standards of GCF that were adopted in decision B.07/02. The AC was also mandated to bring a proposal for integration of these policies to the Board for consideration.

10. Following the meeting between the former chair of the AC and the IIU, with the Secretariat facilitating the organization of the meeting, on 31 August 2021, the IIU prepared the draft updated fiduciary standards incorporating Anti-Money Laundering and Countering the Financing of Terrorism Policy. During the subsequent meeting between the former chair of the AC and the IIU, with the Secretariat facilitating the organization of the meeting and providing feedback where relevant, on 14 December 2021, the former Chair of the AC noted the draft and suggested IIU to present the draft to the AC, when ready. It was also noted that further discussion would take place regarding the update of the fiduciary standards for the AML/CFT Policy, also considering updates to the fiduciary standards to reflect other integrity policies of the GCF. The draft update of the fiduciary standards is under preparation by the IIU.

2.2 Next steps

11. The AC's workplan for 2022 will include the items noted above in relation to:
- (a) Consideration of nominating a member of the AP for the Board's consideration;
 - (b) Update the working modalities of the AP to reflect the updates to the Accreditation Framework adopted in decision B.31/06; and
 - (c) Continue the dialogue with the IIU with the view to support development of the proposal of the updates to the interim fiduciary standards of GCF to integrate the AML/CFT Policy.

III. Report on activities of the Accreditation Panel

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

3.1 Activities during the reporting period

13. During the reporting period, while not within its scope or mandate, the AP is pleased to see the progress of recruiting a replacement for the AP member who resigned in 2021 to continue, candidate to be presented to the Board for approval in due course.

3.1.1. Review of accreditation applications

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

15. The AP continued to work on its in-depth assessment of 14 applications for accreditation and one application for upgrade in accreditation scope that have successfully completed Stage I of initial accreditation, as conducted by the Secretariat. The AP completed the review of the upgrade application to recommend for an upgrade at B.33. The remaining

applications are at different points of review in Stage II (Step 1), noting progress is limited due to focus on re-accreditation and AP staffing limitations, as reported to the Board previously. Further details are contained in document GCF/B.33/09 titled “Consideration of accreditation proposals”.

16. The AP, in cooperation with the Secretariat, continues to further support operationalization and refinement of the Digital Accreditation Platform (DAP). During the reporting period, the AP utilized DAP for the Monitoring and Accountability Framework reports, re-accreditation applications, and, to certain extent for applications for upgrades in accreditation scope, noting the corresponding module is still under development. The AP will continue to provide inputs into the development of subsequent DAP modules and make improvements to the modules that already operational.

17. The AP maintains its work to improve and streamline the accreditation process and replicate best practices.

3.1.2. Review of accreditation conditions for Accredited Entities

18. The AP continued to provide guidance to AEs related to ongoing conditions adopted by the Board at the time of their respective accreditation. Following the review of the evidence submitted by two AEs, the AP considered some of the accreditation conditions fulfilled and closed. Further information on the status of accreditation conditions is contained in the “Status of the fulfilment of accreditation conditions” (document GCF/B.33/09/Add.02).

3.1.3. Re-accreditation

19. Following decision B.23/11, which states that accreditation is considered complete upon the effectiveness of the accreditation master agreement (AMA) and decision B.24/13 wherein the Board adopted the re-accreditation process, the AP, alongside the Secretariat, is implementing the re-accreditation process, reviewing re-accreditation applications progressed to Stage II (Step 1), including ones seeking upgrades in parallel with re-accreditation applications on DAP.

20. The AP continued to work on its in-depth assessment of seven applications for re-accreditation that have completed Stage I review and Secretariat assessment. The AP completed the review of three re-accreditation applications in addition to one upgrade application for recommendation at B.33. The remaining re-accreditation applications are at different stages of review; further details are contained in the document GCF/B.33/09 titled “Consideration of accreditation proposals”.

21. The AP continues to apply the GCF methodology for establishing a baseline of greenhouse gases emissions and climate resilience for the portfolio of AEs, as contained in document GCF/B.28/11/Add.02, in its assessment of the extent to which an AE’s overall portfolio of activities beyond those funded by GCF has evolved in the direction of the paradigm shift towards low-emission and climate-resilient development pathways in the context of sustainable development during the accreditation period. The methodology was applied to three re-accreditation applications to be presented at B.33.

22. The AP is continuing to prioritise re-accreditation applications compared to other workstreams such as upgrade applications for AEs and new applicants, as communicated in the previous AP reports. The AP anticipates that the work on re-accreditation applications will continue to absorb significant part of the AP resources during the remainder of 2022.

3.1.4. Monitoring and Accountability Framework Assessments

23. The AP in the first and second quarters of 2022 reviewed annual self-assessment reports, as needed, and mid-term review reports submitted by AEs for calendar year 2021, in line with the AEs' institutional-level reporting requirements per their accreditation master agreement with GCF and the GCF monitoring and accountability framework. The Secretariat and AP are in the process of reviewing the AE institutional-level reports and will report to the Board on the outcomes of the review at B.34.

3.2 Next steps

24. The accreditation process is ongoing, and the AP is continuing the review of accreditation, AE upgrade and re-accreditation applications that have completed Stage I, with the aim of providing recommendations on new applications and reaccreditations at subsequent meetings of the Board.

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

26. The Secretariat and Accreditation Panel will continue the process of reviewing the AE annual self-assessment reports, as needed, and mid-term review reports submitted by AEs for calendar year 2021 and will report to the Board on the outcomes of the review at B.34.

IV. Report on activities of the independent Technical Advisory Panel

4.1 Activities during the reporting period

4.1.1. Review of funding proposals

27. During the reporting period, the independent Technical Advisory Panel (TAP) continued to assess funding proposals based on the initial investment framework and guidelines provided through various decisions of the Board since the adoption of the initial investment framework in decision B.07/06.

28. Starting from the thirtieth meeting of the Board (B.30), the independent TAP has been reviewing funding proposals under the Board's newly adopted operational modality usually referred to as "rolling basis", as approved by the Board at B.28 (decision B.28/03).

29. For B.33 the independent TAP received advance notification for seven funding proposals. However, only five funding proposals were submitted to iTAP by the Secretariat for assessment. The independent TAP allocated the funding proposals among members, creating review teams for each funding proposal.

30. In carrying out the funding proposal assessments, the independent TAP continued to engage with the accredited entities (AEs). Because of global travel restrictions imposed in response to the COVID-19 pandemic, all independent TAP meetings took place online. Written question and answer exchanges as well as video conference calls with the AEs and the Secretariat were carried out to get a better understanding of the funding proposals, to present the independent TAP's opinions, and to discuss possible conditions and recommendations. Whenever necessary, discussions with the Secretariat's Office of the General Counsel's lawyers took place before finalizing the assessments.

31. Of the five funding proposals assessed in this round, the independent TAP endorsed four for consideration by the Board at B.33 (one of which was endorsed with conditions). The remaining fifth funding proposal was not endorsed.

4.1.2. Providing inputs on other matters

32. In addition to carrying out funding proposal assessments, the Chair of the independent TAP, Mr. Daniel Nolasco, had several meetings with Mr. Henry Gonzalez, Deputy Executive Director a.i., to discuss matters related to the operations of the independent TAP and the submission of funding proposal packages to the independent TAP.

33. The independent TAP has also extended the contracts of four international experts who are on its roster for an additional 12 months.

34. Starting from the pre-B.32 assessment period, the independent TAP has received the funding proposal packages via the newly developed independent TAP Project Review and Tracking Platform (iTAP-PRTP). The platform should enable the independent TAP to store all its assessments and interactions with the Secretariat and AEs to enhance consistency and efficiency in its operations. The iTAP-PRTP platform is still being improved.

V. Report on activities of the Ad Hoc Selection Committee

35. The Ad Hoc Selection Committee were newly appointed and convened their first meeting on 16 May 2022 electing Ms Nadia-Spencer Henry as new Chair of the Ad Hoc Selection Committee.

36. The Secretariat was asked to update the Selection Committee on the recruitment progress for the Head of Independent Evaluation Unit (IEU). The Secretariat informed the Selection Committee that the contract of the Search firm was updated with the revised scope which includes the recruitment process for the Head of Independent Integrity Unit (IIU) and the Head of Independent Redress Mechanism Unit (IRMU).

5.1 Activities during the reporting period

37. The Ad Hoc Selection Committee requested the Secretariat to provide a background information on past activities performed by the previous Selection Committee and the Secretariat until this date, to update all members of the Committee.

38. The summary of the Ad Hoc Selection Committee and Secretariat activities before 16 May 2022 was distributed to the newly appointed Ad Hoc Selection Committee. It was clarified that as the Head of Independent Evaluation Unit terms of reference was revised and approved after its thirty-first board meeting, the process of the recruitment was on-hold.

39. With the updated summary and timeline for the Head of IEU recruitment process, the Ad Hoc Selection Committee met briefly on 18 May 2022, approved the Secretariat's timeline of events and proposed a slight modification to the schedule for the recruitment of the Head of the IEU (see annex I).

40. The revised schedule was then circulated and approved by the Ad Hoc Selection Committee on 20 May 2022 as a non-objection basis. The updated timeline is attached in annex 1 for further details.

41. Considering the extended scope of work, the search firm provided a quotation, which was renegotiated and ultimately reduced to USD 48,000, to which the Chair and the Budget Committee agreed.

42. The Secretariat posted the vacancy announcement of the Head of Independent Evaluation Unit on the GCF career website with the deadline as 17 June 2022.

5.2 Next steps

43. The meeting of the ad hoc Selection Committee will be held during B.33. During the meeting, SRI will provide a presentation and update on the recruitment process to the members of the Ad Hoc Selection Committee.

Annex I: Updated timeline for the Head of IEU recruitment process

Date/Deadline	Content	Action
13 May 2022	The draft compendium of decisions adopted by the Board at its thirty-first meeting (GCF/B.31/14/Drf.01) including the updated Terms of Reference for the Head of Independent Evaluation Unit (IEU) was circulated to the Board.	Board
+ 10 days 26 May 2022	Finalising the work order with SRI Executive and Secretariat publication of the vacancy announcement including through a notification to all governments.	Secretariat
+3 weeks 17 June 2022	Advertisement deadline of the Head of IEU.	SRI Executive / Secretariat
+2 weeks 1 July 2022	Review of the applications, including detailed information gathering and presentation of the Longlist of 20-25 candidates for IEU Head to the Selection Committee.	SRI Executive
+ 4 weeks (interviews) early August	Recruitment firm to conduct first interviews with the short-list of candidates (approximately 10 candidates), creation of a final interview list of 5 candidates.	SRI Executive / Secretariat Selection Committee oversees the process
+ 4 weeks (interviews) early September	Second-round of interviews with the 5 candidates by the Selection Committee for the IEU Head.	SRI Executive / Selection Committee / Secretariat The Selection Committee will be actively involved when interviewing the final five candidates prior to the recommendation to the Board
Publication date for B.34 End of September/Early October	The Selection Committee recommends to the Board the final list of two candidates for the IEU Head.	Selection Committee / Secretariat
B.34 October (to be confirmed)	The Board appoints the new Head of the Independent Evaluation Unit .	Board