



**GREEN
CLIMATE
FUND**

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Consideration of accreditation proposals and activities – Addendum VII

Accreditation assessment of APL179

Summary

This document contains the accreditation assessment conducted by the Secretariat and the Accreditation Panel in accordance with decision B.31/06 and the transitional arrangements in respect of the revised accreditation framework adopted in decision B.42/13 paragraph (m) and set out in annex VI to that decision, and the recommendation by the Accreditation Panel for accreditation of applicant 179 (APL179), Climate Fund Managers B.V. (CFM), based in the Netherlands.

I. Introduction

1. Climate Fund Managers B.V. (CFM) is a blended finance fund manager specializing in the development and financing of climate-aligned infrastructure projects in emerging and frontier markets. Using blended finance structuring to attract public and private capital, CFM contributes to mitigating and building resilience to climate change in the areas most affected by its consequences.

2. The applicant submitted its application for accreditation to GCF via the Digital Accreditation Platform on 2 July 2025. Accreditation fees were received from the applicant on 4 September 2025, thereby launching the Stage I institutional assessment and completeness check. Stage I was completed on 31 October 2025 and the applicant progressed to the Stage II (Step 1) accreditation review, which has been concluded with the publication of this assessment. The applicant has applied to be accredited for the following parameters under the GCF fit-for-purpose approach:¹

- (a) **Access modality:** international access;
- (b) **Track:** normal track;
- (c) **Maximum size of an individual project or programme:** large;
- (d) **Fiduciary functions:**²
 - (i) Basic fiduciary standards;
 - (ii) Specialized fiduciary standard for project management; and
Specialized fiduciary standard for on-lending and/or blending (for loans, equity and guarantees);
- (e) **Maximum environmental and social risk category:** high risk (category A/intermediation 1 (I-1));³ and
- (f) Indicative result areas for intended projects/programmes with GCF:
 - (i) Energy generation and access;
 - (ii) Buildings, cities, industries and appliances;
 - (iii) Livelihoods of people and communities;
 - (iv) Infrastructure and built environment; and
 - (v) Ecosystems and ecosystem services; as well as
 - (vi) Public, private and cross-cutting types of projects/programmes.

¹ Refer to section 4.2 below for the scope of accreditation recommended by the Accreditation Panel.

² Decision B.07/02.

³ As per the revised Environmental and Social Policy adopted in decision B.BM-2021, category A is defined as “Activities with potential significant adverse environmental and/or social risks and impacts that, individually or cumulatively, are diverse, irreversible, or unprecedented,” and intermediation 1 is defined as “When an intermediary’s existing or proposed portfolio includes, or is expected to include, financial exposure to activities with potential significant adverse environmental and social risks and impacts that, individually or cumulatively, are diverse, irreversible, or unprecedented”.

II. Stage I institutional assessment

3. The applicant applied and was assessed by the Secretariat during Stage I under the normal track accreditation process in accordance with the following GCF policies and standards to the extent applicable to accreditation:

- (a) Updated Strategic Plan for the GCF 2024–2027 (decision B.36/13);
- (b) Updates to the accreditation framework (decision B.31/06); and
- (c) Guidelines for the Operationalization of the Fit-for-purpose Accreditation Approach (decision B.08/02).

2.1 Legal status, registration, permits and licences

4. The applicant provided documents on its establishment and licences to operate, where relevant, as part of the application. CFM is a private limited liability company incorporated under the laws of the Netherlands. The company was established on 30 October 2015 as Coöperatief Climate Fund Managers U.A, and subsequently changed its legal form from a cooperative to a private limited company and changed its name to Climate Fund Managers B.V on 30 April 2021. CFM is registered with the Netherlands Chamber of Commerce (Kamer van Koophandel) under registration number 64460789. The applicant is licensed as an alternative investment fund manager registered with and regulated by the Dutch Authority for Financial Markets and the Dutch Central Bank.

5. The applicant has indicated and provided evidence that it has independent legal personality and legal capacity to enter into legal arrangements directly with GCF. In accordance with the transitional arrangements in respect of the revised accreditation framework adopted in decision B.42/13 paragraph (m) and set out in annex VI to that decision, if approved, the applicant's accreditation will be deemed to be complete on the date that GCF issues a confirmation/certificate evidencing the applicant's accreditation.

2.2 Institutional presence and relevant networks

6. CFM operates across emerging markets in Africa, Asia and Latin America and maintains offices in The Hague, Cape Town, Singapore and Bogotá, allowing it to originate, structure and manage investments close to target markets while retaining global oversight. This geographic footprint supports its model of combining central fund management with regionally embedded investment, technical, environmental, social and governance (ESG), and operational capacity tailored to local market conditions. As of 30 April 2026, CFM had 150 full-time staff.

7. CFM has built a broad ecosystem of institutional partnerships spanning public donors, development finance institutions, commercial financiers, technical partners and regional platforms. These partnerships include cooperation with the European Union, the United States Agency for International Development/Power Africa, the Nordic Development Fund, the Directorate-General for International Cooperation, development finance institutions and export credit agencies. They also include partnerships linked to specific platforms, such as the GAIA Climate Loan Fund, where CFM works with FinDev Canada, Mitsubishi UFJ Financial Group, Pollination and other partners, and the Regional Transmission Infrastructure Financing Facility which is being developed in collaboration with the Southern African Power Pool and the Southern African Development Community. CFM leverages these networks to mobilize concessional, commercial and grant capital; strengthen project origination and preparation; access market intelligence and technical expertise; and embed projects within regional and national investment ecosystems, thereby increasing both bankability and development impact.

8. The applicant's investment approach is closely aligned with the GCF objectives of promoting paradigm-shifting, country-driven climate action while mobilizing private capital at scale. Its blended finance model is designed to address market barriers in sectors where upfront risks, long development timelines or limited local financing can constrain climate investment, thereby supporting the GCF mandate to use concessional finance strategically for both mitigation and adaptation. CFM also emphasizes alignment with country priorities by structuring investments around national climate strategies, nationally determined contributions and sectoral plans, as illustrated by its focus on green hydrogen in Namibia and South Africa in response to those countries' energy transition priorities (the Climate Investor Three fund), as well as its broader activities in renewable energy, water, sanitation and resilient infrastructure across climate-vulnerable emerging markets.

9. Should it be accredited by GCF, CFM intends to build on its existing and emerging platforms to manage and oversee the development and construction of climate-resilient infrastructure. This includes the continued expansion of climate investor funds, such as Climate Investor Three for energy transition and green hydrogen in collaboration with the Development Bank of Southern Africa. More broadly, CFM is positioned to propose programmes that target renewable energy, water and sanitation, low-carbon transport, green buildings and other climate-resilient infrastructure, with an emphasis on catalytic structures that attract commercial finance while responding to country demand and GCF investment priorities.

2.3 Track record

10. To date, CFM has more than USD 2.8 billion in assets under management, with projects financed in 15 countries. CFM-managed funds are supporting more than 21 large-scale projects across Africa, Asia and Latin America in various stages of construction and operations whereas 45 are in various stages of development, spanning across sectors such as onshore and offshore wind, solar photovoltaic projects, run-of-river hydropower, water treatment and green hydrogen.

11. The applicant's track record in managing sustainable development and climate change related projects to date includes the following:

- (a) USD 920 million (grants, loans, equity and guarantees) for the Climate Investor One project (GCF FP099) in collaboration with Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden (FMO);
- (b) USD 1,065 million (grants, loans, equity and guarantees) for the Climate Investor Two project (GCF FP190) in collaboration with FMO;
- (c) USD 600 million (grants and loans) at first close for the GAIA Climate Loan Fund, in collaboration with MUFG Bank, Ltd (GCF FP223); and
- (d) USD 175 million (grants and equity) for the Climate Investor Three (CI3) project launched in February 2025 with commitments from European donors.

2.4 Potential support for direct access entities

12. CFM is committed to supporting potential direct access entities (DAEs) by building on its expertise in blended finance, project structuring capabilities and experience working with climate-focused institutions in emerging markets. CFM could assist potential DAEs in understanding and meeting GCF accreditation requirements, particularly where entities seek to develop or strengthen capacities related to on-lending, blending, investment management, governance, fiduciary systems and project oversight. CFM is also able to support DAEs on developing relevant environmental and social safeguards policies and integrating gender considerations into their policies, project designs and implementation strategies. This support

could include targeted advice on institutional gaps and practical recommendations on strengthening policies and procedures.

13. In addition, CFM could help potential DAEs in identifying climate-relevant pipelines and designing financing structures that respond to both country priorities and GCF requirements. CFM could also act as a liaison between DAEs and other entities within the CFM network of project developers and financial institutions to enable knowledge transfer and project origination beyond the scope of its direct interventions.

III. Stage II accreditation review assessment

14. The applicant applied under the normal track accreditation process. Its application has been assessed by the AP during Stage II (Step 1) against requirements in accordance with the following GCF policies and standards to the extent applicable to accreditation:

- (a) GCF policies and standards identified in paragraph 3 above;
- (b) Policy on Prohibited Practices (decision B.22/19);
- (c) Anti-Money-Laundering and Countering the Financing of Terrorism Policy (AML/CFT Policy) (decision B.18/10);
- (d) Policy on the Protection of Whistleblowers and Witnesses (decision B.BM-2018/21);
- (e) Comprehensive Information Disclosure Policy of the Fund (decision B.12/35) regarding the disclosure of environmental and social (E&S) information;
- (f) Updated Gender Policy and Gender Action Plan 2020–2023 (decision B.24/12);
- (g) Revised Environmental and Social Policy (decision B.BM-2021/18); and
- (h) Evaluation Policy for the GCF (decision B.BM 2021/07).

15. As part of this assessment, the Accreditation Panel (AP) consulted the applicant's website and third-party websites to complement the information provided in the application.

3.1 Fiduciary standards

3.1.1 Basic fiduciary standards: key administrative and financial capacities

16. FMO and Sanlam Infracore B.V. each hold 50 per cent in CFM B.V. Sanlam Infracore is majority owned by the South African Sanlam Group, while a minority stake is ultimately held by CFM's Chief Executive Officer (CEO). CFM operates on the basis of management agreements with investment funds and is responsible for sourcing, managing and reporting on investments. CFM has raised and manages two equity funds in which GCF participates through FMO as an accredited entity: FP099, Climate Investor One, and FP190, Climate Investor Two. Another project with GCF participation is the GAIA Climate Loan Fund, for which MUFG serves as an accredited entity (FP223), and which reached first close in October 2025.

17. The Supervisory Board is the main governance body under the shareholders' agreement between FMO and Sanlam Infracore. The Supervisory Board's role and responsibilities are reflected in its charter and comprises four members, two appointed by each shareholder. The Supervisory Board is supported by two committees: the Audit Risk and Compliance Committee (ARC) and the Remuneration and Nomination Committee, each with its own charter. The ARC oversees the risk management and compliance frameworks, internal and external audit activities, and compliance with regulations by reviewing any matters of significance affecting financial reporting, risk and the internal controls of CFM and its managed vehicles/funds. The Supervisory Board appoints the Management Board, consisting of four members, including the

CEO, and operates based on its charter. The Management Board has formal meetings at least quarterly and meets three times a month informally. It is supported by four committees: the CFM Investment Committee, the New Ventures Approval Committee, the Liquidity Committee and the recently established Credit Committee. The co-founders of CFM, the CEO and the Management Board member Head of Investments, have remained in their positions since the establishment of CFM in 2015, while other senior management positions have gradually evolved in line with organizational growth.

18. The funds managed by CFM have broadly similar governance arrangements and are governed by the relevant provisions of the relevant Dutch or Luxembourg laws, articles of association and members' agreement among each fund, CFM and the various investors. CFM first reviews proposed investments through its internal Investment Committee (or Credit Committee), after which it presents investment recommendations to the respective fund's Investment Committee, which is the ultimate decision body. The composition of fund Investment Committees is dominated by members appointed by investors. The Investment Committees also advise CFM on portfolio management, and review and give opinions on the annual valuations of the funds. An example of a charter of a fund investment committee was provided to the AP, setting out the structure and scope of responsibilities and the voting and quorum rules. A similar structure is followed for the GAIA Climate Loan Fund. Oversight is provided by the funds' Advisory Boards, with members appointed by investors, who monitor performance, review the valuation methodology of the funds and approve any conflicts of interest, acting as a general form of communication between investors and CFM. Furthermore, the investors in each fund must approve any changes to the fund agreements, including amendments to investment strategy and restrictions. For the GAIA Climate Loan Fund, the Limited Partner Advisory Committee has a similar role to the Advisory Board. Key Person provisions are included in the fund documents, setting minimum requirements for key personnel, and these provisions have not been triggered over the past five years. For the Climate Investor Three fund, which is the most recent funding platform focused on green hydrogen and energy transition, CFM has moved to a fully discretionary investment committee designed and operated by CFM, thereby placing greater responsibility on CFM with a delegated authority to make investment decisions.

19. CFM has more than 150 full-time staff, with more than half based in its external company⁴ in South Africa. Regional teams have also been established in Latin America and Asia, through CFM subsidiaries in Colombia and Singapore. Key management roles are in the Netherlands, South Africa and the United Kingdom of Great Britain and Northern Ireland. The organizational chart shared with the AP shows clear reporting lines and names/locations of staff and is available internally through the BambooHR platform.

20. Several other subsidiaries have been established for structuring future funding platforms. Each subsidiary that is not fully owned by CFM has its own board that takes decisions that are subject to reserved matters regulated under the relevant shareholders' agreements and fund documentation. Information on CFM shareholders is summarized on its website.⁵ Organizational and legal structure charts are not publicly disclosed, but are available for regulatory and investor reporting purposes upon request. The CFM Strategy document shared with the AP incorporates as the main pillars: making blended finance a mainstream asset class; strengthening strategic partnerships; and innovating financial products. CFM has an annual planning and control cycle. In the last quarter of each year, the Management Board presents to the Supervisory Board an annual business plan based on the CFM Strategy and financial forecast, with upside case, base case and downside case scenarios. Examples were

⁴ An external company is a company incorporated outside South Africa that conducts business or non-profit activities within South Africa, without being locally incorporated as a South African company. The concept is defined and regulated by section 23 of the Companies Act 71 of 2008.

⁵ See <https://climatefundmanagers.com/shareholders/>.

shared with the AP for 2025 and 2026. The annual budget is approved by both the Management Board and the Supervisory Board. Management also provides the Supervisory Board with quarterly financial reports, updated forecasts and operational reviews that track actual performance against key performance indicators, examples of which were reviewed by the AP.

21. CFM prepares its financial statements in accordance with the Dutch Accounting Standards, which are generally aligned with the International Financial Reporting Standards and received unqualified audit opinions for 2022–2025 in line with the Dutch Standards of Auditing, which are equivalent to the International Standards on Auditing. Annual financial statements are also prepared for each fund managed by CFM in accordance with the International Financial Reporting Standards. The investment agreements between the funds and project companies require that they prepare their financial statements in accordance with International Financial Reporting Standards.

22. The CFM finance team responsible for financial and treasury activities across all CFM entities comprises 10 staff, including the Chief Financial Officer (CFO). It uses Microsoft Dynamics as its accounting system, which includes a review and approval workflow to ensure segregation of duty. The CFO must approve changes to workflow rules in Dynamics. The CFM fund administration team, which also reports to the CFO, comprises six staff responsible for fund administration. The core function of fund administration is currently outsourced to Apex Group Limited, while CFM retains oversight to ensure the use of appropriate systems and segregation of duties. Apex Group Limited was appointed in 2023 owing to its demonstrated experience with Dutch regulated structures. It uses Allvue, an enterprise-grade accounting platform built on top of Microsoft's enterprise systems. Each fund is separately recorded in Allvue. On a quarterly basis, capital account statements are distributed to investors. The CFM group-wide Managing the Business, Administrative Organization and Internal Controls Policy (AOIC Policy) sets out the structure, responsibilities and reporting lines of both the CFM finance team and the CFM fund administration team and ensures that fund assets are segregated from those of CFM.

23. CFM has moved to an in-house compliance function that was previously outsourced. Based on the regional set-up, the compliance function for European-based entities within the CFM group is performed by the Compliance Manager in the Netherlands, supported by another officer. Two more compliance staff are based in South Africa and oversee compliance for international entities as well as AML/KYC activities, whilst the oversight is performed by the head office. The internal team will be strengthened in line with business and regulatory requirements. Where deemed necessary, an external outsourced partner may support the delivery of compliance activities.

24. The applicant has a functional ARC as required under Dutch law that is independent and oversees the work of the internal audit function as well as the external audit firm. The ARC comprises two members, each appointed by the shareholders, who possess relevant financial expertise. The ARC operates in accordance with its charter and meets at least four times a year. Minutes of committee meetings reviewed by the AP demonstrate the committee's oversight function.

25. CFM is transitioning from outsourcing its internal audit function to an in-house model, and the Internal Audit Lead was hired in early 2026. The internal audit function reports to the Chief Operations Officer and the ARC. The internal audit strategy for 2026 is to deliver on the approved internal audit coverage and focus on further resourcing, while the outsourced partner will support the delivery of planned reports. One additional in-house internal audit staff member is to be appointed in 2027. CFM plans to re-assess the co-sourced relationship by the end of 2027. The applicant provided internal audit plans for 2024–2026 developed through a risk-based prioritization of the audit universe, as well as examples of recent reports, such as on donor and investor management, enterprise risk management and maturity assessment, fund administration, ESG reporting, information security compliance and anti-money-laundering.

26. The recommendations of internal audits are tracked at the ARC level, with minutes of ARC meetings provided to the AP confirming that findings are being reviewed and followed up on. Internal audit reports also contain management responses on report findings. An internal audit tracker file with action items was provided as further evidence. CFM also shared an example of responding to external auditor recommendations, with minutes from ARC committee meetings demonstrating that an action plan was developed to address the recommendation. The internal audit charter provides for annual assessment of the performance and objectivity of the internal audit function by the ARC. It also provides for an external independent quality review of the internal audit function; however, no such assessment has been performed to date.

27. The CFM internal control framework is based on four lines of defence and is anchored in its AOIC Policy, which is supported by a policy tree and annexes, manuals, checklists and registers. The framework applies to CFM and its managed funds. The Risk and Compliance Unit is currently staffed with six employees and acts as the applicant's second line of defence, with the internal audit function acting as the third and the ARC as the fourth. Formal charters, reporting lines and escalation procedures are defined in the AOIC Policy. The Authorizations Policy applies to all CFM staff and all funds and sets out authorization levels based on the internal role grading system and contains detailed lists of designated persons for various areas of operations. The Risk and Compliance Unit implements the risk management framework for CFM and each fund. Risk mitigation measures include capital commitments (by the investors), maintaining sufficient liquid assets and stress testing.

28. The CFM Procurement and Outsourcing Policy is part of the AOIC Policy and applies to CFM and its funds and is available on the entity's website.⁶ CFM does not maintain a separate procurement function, with responsibilities sitting primarily embedded within the business operations function, with different teams playing a role in the process, including the compliance function. The policy distinguishes between the procurement of goods and services, with more stringent processes applied for services, has value-based thresholds and embeds the principles of competitive selection. Requests for proposals and awards are not published as a default practice. CFM has a Preferred Supplier and Service Provider List for core/regulatory services, as well as for long-standing relationships. Material providers and preferred suppliers are monitored annually.

29. CFM provided examples of two selection processes for service providers that justified decisions made in accordance with the Procurement and Outsourcing Policy. CFM uses its Know your Supplier Protocol Manual, which was reviewed by AP, to conduct supplier due diligence. The second and third line of defence provide oversight of the procurement process. The outsourced internal audit provider covered the Procurement and Outsourcing Policy in its Governance Review Report for 2025. CFM encourages investee project companies to adopt a procurement policy similar to that of CFM. If no policy exists, the deal team will work with a project company to adopt a version of the CFM policy tailored to the needs of the entity. Appropriate language is agreed at the term sheet stage, and examples were provided to the AP. CFM verifies that the company adopts the policy and provides oversight of the general principles of applying the policy during procurement activities as part of project monitoring.

30. The AP finds that the applicant's policies, procedures and capacity, supported by evidence of its track record, partially meet the basic fiduciary standards on key administrative and financial capacities. The relevant gaps are identified in paragraphs 26 and 28 above and are reflected by the corresponding conditions for accreditation in section 4.2 below.

⁶ See <https://climatefundmanagers.com/wp-content/uploads/2026/05/AOIC-Annexure-D-Procurement-and-Outsourcing-Policy.pdf>.

3.1.2 Basic fiduciary standards: transparency and accountability

31. The CFM Code of Conduct is publicly available and applies to all staff (including the Management Board and the Supervisory Board and the boards of subsidiaries that are not 100 per cent owned by CFM) and all CFM funds.⁷ All staff are trained annually on the policies, with the most recent training taking place in November 2025, for which evidence was provided to the AP. All staff attest at onboarding and annually to compliance with the Code of Conduct and to understanding CFM policies. CFM also maintains its Third-Party Ethics and Conduct Protocol, which applies to individuals associated with CFM, its subsidiaries and funds who are not covered under the definition of CFM staff (i.e. contractors, advisers). The Third-Party Ethics and Conduct Protocol includes several CFM policies relevant to such individuals, including the Code of Conduct and Conflict of Interest Policy. An acknowledgement form signed by a contractor was provided to the AP as evidence. CFM does not have an Ethics Committee and the ARC covers integrity and ethics in accordance with its charter.

32. The CFM Conflict of Interest Policy focuses on conflicts arising from multiple fund structures, related-party transactions, and the coexistence of equity and credit investment activities. The annex to the Conflict of Interest Policy contains multiple potential conflict areas and formulates detailed mitigating actions, should such situations arise. In accordance with the Conflict of Interest Policy, following identification, conflicts of interest are managed through avoiding, controlling (through approaches such as establishing separate teams or information barriers) and disclosing. The compliance function maintains a conflict of interest register and CFM provided two examples from the register, including mitigation of a potential conflict of interest between equity and credit investment teams through establishing information barriers. Conflict of interest declarations are gathered from staff annually.

33. The CFM Anti-Corruption, Anti-Money Laundering and Know Your Customer Policy, a summary of which is available on its website, clearly articulates its zero-tolerance stance⁸ and is applicable to CFM and its funds. Bribery and corruption have a wide definition, as well as crimes such as tax evasion, fraud, forgery and extortion, with coverage substantially aligned with GCF Policy on Prohibited Practices. At the project company level, CFM ensures that project companies have an anti-money-laundering and anti-bribery/corruption or similar policy in place. Where such policies are not in place, CFM requires that project companies adopt a version of the CFM policy. Appropriate language is added at the term sheet stage, with examples provided to the AP. CFM may further strengthen implementation through the appointment of a board member to a project company.

34. CFM maintains an anonymous whistle-blowing line operated by Navex.⁹ The communication channel is encrypted and password-protected, with an identification number assigned to each complaint. CFM has not yet received any reports through its whistle-blowing service, although one report received through an external channel in 2024 was followed up and subsequently closed. CFM staff can also report complaints to their manager or other relevant staff member. The process for handling complaints and whistle-blowing reports is outlined in the publicly available Code of Conduct, which states the principles of impartiality, whistle-blower protection, non-retaliation and investigation responsibility. CFM has also published guidelines for processing cases on its website under 'Whistleblowing Complaints Process'.¹⁰ The applicant's compliance function will lead the investigation, with support from an appropriately qualified expert if needed, such expertise may more commonly be required for investigations at project companies. The Code of Conduct further specifies reporting of

⁷ See <https://climatefundmanagers.com/wp-content/uploads/2026/06/AOIC-Annexure-B-CFM-Code-of-Conduct-v10.2.pdf>.

⁸ See <https://climatefundmanagers.com/policies/#2>.

⁹ See <https://report.whistleb.com/en/climatefundmanagers>.

¹⁰ See <https://climatefundmanagers.com/policies/>.

incidents to the MB, the ARC and to the applicable project company board, with regular reporting on the course of investigations, the outcome and recommendations. Whistle-blowing reports are to be monitored and tracked, with semi-annual reporting to the MB and the ARC. Based on its Anti-Corruption, Anti-Money Laundering and Know Your Customer Policy, CFM operates a risk-based anti-money-laundering and countering the financing of terrorism (AML/CFT) framework designed to prevent, detect and manage risks. The policy has been designed in accordance with applicable laws, regulations and guidelines aligned with the AML/CFT laws in all the jurisdictions in which CFM operates. The ARC oversees compliance with the policy and CFM has established a designated group-wide Money Laundering Compliance Officer and a Money Laundering Reporting Officer within its compliance function. The Customer Risk Assessment and Know Your Customer Manual forms part of the policy, with a broad definition of customer, including investors, investees or suppliers.

35. The level of due diligence depends on the entity type and their source of funds, the duration of the business relationship and whether an entity is subject to financial sanctions or is a politically exposed person. These factors will determine the level of due diligence (simplified, standard or enhanced), with the assessment to include a tax integrity and entity corporate structure analysis. Sanctions lists tracked include United Nations Security Council lists, United States Office of Foreign Assets Control lists, European Union consolidated lists, World Bank lists and other national sanctions lists. In accordance with the policy, CFM may engage third-party service providers to undertake certain components of the know your customer process, and several examples of such due diligence reports were provided to the AP. Regular training is mandatory on AML/know your customer for all staff, and a corporate-wide email from December 2025 was shared with the AP as evidence. CFM requires as part of investment agreements that each investee company adopt an anti-money-laundering, anti-corruption and know your customer policy. CFM deal leads work with project companies to ensure that they have the necessary policies in place to ensure good governance and reduce risk. Appropriate language is added at the term sheet stage, with examples provided to the AP.

36. The AP finds that the applicant's policies, procedures and capacity, supported by evidence of its track record, fully meet the basic fiduciary standards on transparency and accountability, and to the extent applicable to accreditation, the GCF Policy on Prohibited Practices, the GCF Policy on the Protection of Whistleblowers and Witnesses and the GCF AML/CFT Policy.

3.1.3 Specialized fiduciary standard for project management

37. CFM has more than USD 2.8 billion in assets under management and has financed projects in 15 countries. It has an active management approach with in-house technical/engineering and ESG teams. For equity investments, CFM typically appoints a board member. This is not standard market practice for debt funds, for which CFM instead relies on contractual protections, such as negative control rights and other undertakings as part of loan agreements.

38. CFM relies on its Equity Investment and Asset Management Policy for equity investments, which outlines investment processes, beginning with deal screening, followed by project development and investment structuring, then investment execution and asset management, with exit as the final phase. Initial deal screening includes a fit and compliance check given the mandate of the respective fund, as well as portfolio considerations. Financial attractiveness and impact potential are also measured at this stage. If positive, screening concludes with a Mandate Fit Form approved by the Head of Investments and the deal team lead. In the second phase, a transaction route map document is put together, setting out the planning and coordination of project development and operations and documenting the due diligence process the key risks and how they are managed. CFM provided two examples of transaction route map documents to the AP.

39. The investment process is led by the CFM in-house investments and asset management team, which comprises more than 40 professionals with sectoral expertise in renewable energy, water, sanitation and ocean infrastructure, and backgrounds in private equity, project finance, development finance, engineering and ESG. The Heads of Investments for Asia, Africa and Latin America are experienced professionals with at least 20 years of experience in investments. A project may initially be staffed with one to three team members, expanding to include a minimum of one member of staff from the technical team and the ESG team as the deal progresses. The deal team is structured regionally and thematically. The CFM investment process is supported by in-house legal, finance, ESG, impact, compliance and risk management teams, while external advisers may be used for specialized knowledge.

40. Final investment proposals are presented to the fund investment committees. Two examples of final investment proposals were provided to the AP: a water project in the Philippines and a solar photovoltaic project in Colombia, both showing detailed assessments of the risks, including financial, legal, technical, procurement and ESG risks, with multiple annexes providing additional details. CFM also shared with the AP financial model template and samples of technical due diligence reports prepared by external consultants as examples of project assessment.

41. Once a fund has invested in a project, CFM works with a project company to implement a series of key risk management and governance measures to ensure that the risk management functions are in place, in accordance with its Equity Investment and Asset Management Policy. This includes the establishment of an ARC (upon the start of operations) and specialist subcommittees for construction and ESG. CFM also requires that the project companies adopt several policies, such as an authorizations policy, code of conduct, procurement policy, responsible investment code and anti-corruption policy.

42. Monitoring of investments is performed by the investments and asset management team, which develops asset management plans and maintains key risk registers, examples of which were shared with the AP. Projects are monitored monthly and quarterly against the transaction route map, with evidence of ongoing monitoring reviewed by the AP. CFM provided examples of how several project problems were identified and addressed in 2024 (i.e. a staff retention problem at one project, an underperformance of a wind turbine in another). Quarterly monitoring reports are presented to the fund Investment Committees, while the Advisory Boards review detailed portfolio presentations on a semi-annual basis. An independent mid-term evaluation of Climate Investor One in 2023 was commissioned by the Dutch Ministry of Foreign Affairs five years after the fund's inception.¹¹

43. In accordance with the CFM Responsible Investment Policy, CFM discloses project information in accordance with legal and investor requirements. CFM demonstrates transparency by publicly disclosing basic project information on its website¹² and through its Impact Hub,¹³ a publicly accessible website. Annual reports distributed to fund investors include financial statements prepared in accordance with the International Financial Reporting Standards and annual progress reports outlining milestones achieved and financial performance. These reports also include slides for each project covering an overview, annual progress (with a quarterly breakdown), technical and financial performance, and any operational issues encountered, in addition to an action plan identifying key risks and how they will be addressed.

44. The AP finds that the applicant's policies, procedures and capacity, supported by evidence of its track record, fully meet the specialized fiduciary standard for project management.

¹¹ See <https://www.fmo.nl/climate-investor-one-evaluation>.

¹² See <https://climatefundmanagers.com/investments/>.

¹³ See <https://impact.climatefundmanagers.com/>.

3.1.4 **Specialized fiduciary standard for grant award and/or funding allocation mechanisms**

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

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

46. On-lending, blending, equity investments and the provision of guarantees are embedded into fund structuring arrangements and are governed through fund documentation and investment committee approvals. On-lending may take the form of equity investments, shareholder loans, credit-enhanced debt instruments (through guarantees or subordinated loans) or senior debt.

47. CFM has held a licence from the Dutch Authority for Financial Markets as a manager of private equity investments since 2021, with the scope amended in 2024 to also include private debt investments. The licences remain valid indefinitely unless revoked by the Authority for Financial Markets.

48. CFM has significant experience with equity investments with the Climate Investor One, Climate Investor Two and, more recently, Climate Investor Three funds. The applicant's experience with guarantees is through structuring guarantee instruments for projects, primarily through donor-funded or first-loss tranches within CFM funds. Since 2019, the funds have benefited from a guarantee instrument provided by Atradius, the Dutch export credit agency. Valued at USD 1.65 billion, the guarantee provides de-risking within the Climate Investor One and Climate Investor Two funds. CFM projects have been awarded more than USD 400 million in political risk insurance from organizations such as the United States International Development Finance Corporation and the Multilateral Investment Guarantee Agency (MIGA). For example, a wind project in Djibouti benefited from a USD 76 million MIGA guarantee¹⁴ and a solar photovoltaic project in Africa benefited from a USD 65 million MIGA guarantee.¹⁵ CFM also manages a EUR 205 million guarantee facility extended to Climate Investor Two by the European Commission under its European Fund for Sustainable Development Plus.

49. The applicant's experience with senior debt is supported by the establishment of the GAIA Climate Loan Fund, which achieved its first close of USD 600 million in November 2025. A private credit team of seven experienced staff was established, headed by a professional with 25 years of experience in energy, debt capital markets and project finance. CFM established the internal Credit Committee for all debt transactions, operating based on a charter, which comprises six members, five from CFM and one independent member. The CFM Credit Risk Management Policy and Private Credit Liquidity Policy were approved in 2025. Although the GAIA Climate Loan Fund has not yet made its first investment, CFM is working on a pipeline of active projects, as reported in the annual 2025 investor report. The CFM private credit team has also led and structured several (mostly partial) refinancings of projects within the Climate Investor One and Climate Investor Two funds for a total of about USD 300 million, replacing equity with long-term senior debt. Furthermore, in 2023 CFM, through its Oceans Finance Company (part of Climate Investor Two), acted as a key structuring partner on a large debt-for-nature swap transaction in Ecuador, in which the Government exchanged approximately USD 1.63 billion of existing sovereign bonds for a USD 656 million impact loan

¹⁴ See <https://www.miga.org/project/ghoubet-djibouti-windfarm-project>.

¹⁵ See <https://www.miga.org/project/scatec-bond-1>.

and bond structure.¹⁶ The transaction required senior debt structuring and due diligence, demonstrating the applicant's experience with debt financing.

50. CFM itself is not rated. Its 50 per cent shareholder, FMO, is rated AAA by Fitch and S&P Global Ratings, aligned with the rating of the Dutch sovereign. The CFM finance team prepares quarterly financial reports, including liquidity forecasts, which are presented to the ARC and the Management Board, examples of which were shared with the AP. In addition, a monthly finance report is prepared, which contains a dashboard income statement, balance sheet and cash flow forecast, and compares the actual performance with the budget and gives explanations for variances, an example of which (for July 2025) was provided to the AP. At the fund level, the CFM fund administration team prepares monthly and quarterly liquidity forecasts to determine expected cash flows and identify cash flow needs in the next quarter. If necessary, a draw request is sent to the investors. CFM has a structured financial management system that includes liquidity management. Monthly management accounts and fund reports are prepared and reviewed. CFM has established the Liquidity Committee, chaired by the CFO, to ensure consistent treasury management in the group. The Liquidity Committee reviews and approves proposed cash distributions from the investee companies and reviews and approves distributions to investors in the funds; Liquidity Committee meeting minutes were provided to the AP. Liquidity is managed through structured fund models, ensuring that each fund aligns its liquidity profile with its obligations.

51. The AP finds that the applicant's policies, procedures and capacity, supported by evidence of its track record, fully meet the specialized fiduciary standard for on-lending and/or blending for loans, equity and guarantees.

3.2 Environmental and social safeguards

3.2.1 Environmental and social policy, management and monitoring

52. CFM operates in emerging markets in Africa, Asia and Latin America under a Responsible Investment Policy,¹⁷ mandated by its Management Board and Supervisory Board. This policy provides the overarching E&S objectives and principles guiding the organization at the institutional level and is reviewed at least every three years, most recently in November 2023.

53. As a climate-focused blended finance fund manager, 100 per cent of CFM investments are directed toward climate mitigation and/or climate-resilient infrastructure. Investment decisions are informed by, and aligned with, host-country climate policy frameworks through engagement with government counterparts and local stakeholders. This alignment is operationalized through the CFM thematic mandates: renewable energy for Climate Investor One, water and oceans for Climate Investor Two, and green hydrogen and the energy transition for Climate Investor Three, all structured as private equity funds. GAIA Climate Loan Fund which is focused on adaptation, is structured as a private debt fund. Climate risk and vulnerability assessments are conducted prior to project implementation, with adaptation plans developed where risks are identified, and portfolio greenhouse gas emissions are calculated and reported in accordance with internationally recognized standards (such as the European Union Sustainable Finance Disclosure Regulation). At the corporate level, CFM has adopted several measures to reduce its corporate emission footprint, including relocating offices, and is

¹⁶ See <https://www.dfc.gov/media/press-releases/financial-close-reached-largest-debt-conversion-marine-conservation-protect>.

¹⁷ See <https://climatefundmanagers.com/wp-content/uploads/2025/06/CFM-Group-INVESTMENTS-Responsible-Investment-Policy.pdf>.

currently considering adopting a decarbonization transition plan as part of a longer-term ambition to achieve reductions in Scope 1, 2 and 3 emissions.

54. CFM recognizes sexual exploitation, abuse and harassment (SEAH) risks as material social risks in project environments, particularly in large infrastructure, construction and community-facing activities. Each Fund's environmental and social management system (ESMS) incorporates explicit measures to prevent, mitigate and respond to SEAH risks, requiring each project company to adopt an SEAH-sensitive grievance mechanism and appropriate codes of conduct for employees and contractors. Project-level procedures include confidential, survivor-centred reporting channels, culturally appropriate support mechanisms and protocols for immediate escalation to dedicated safeguarding focal points. Oversight of SEAH risks is anchored at the institutional level within the CFM Management Board, with technical guidance provided by the Head of Impact & ESG (for investment-related SEAH risk management) and the Head of Human Resources (for internal SEAH risk management). ESG staff in each region act as local focal points for safeguarding-related matters and ensure integration of SEAH considerations across the investment life cycle. Project-specific SEAH-related data is collected regionally and this is complemented by a centralized grievance tracking system that enables monitoring of SEAH-related complaints and identification of emerging risks across the portfolio. The AP finds that CFM has the necessary systems and capacity to meet the SEAH principles outlined in the GCF revised Environmental and Social Policy.

55. In accordance with International Finance Corporation (IFC) Performance Standard (PS) 7, the applicant screens all projects for the presence of Indigenous Peoples and vulnerable ethnic groups. Where relevant, further due diligence is undertaken, including baseline studies and impact assessments, to determine whether additional measures, such as Indigenous Peoples plans or free, prior and informed consent processes, are required. This approach is supported by an Indigenous Peoples Planning Framework embedded within the ESMS, which guides the identification, assessment and management of risks related to Indigenous Peoples across a project's life cycle. CFM provided evidence from sample projects across Colombia, India, Nigeria and pan-Africa, and Viet Nam, demonstrating the application of these procedures in practice, including structured screening methodologies, field validation and institutional verification processes. To date, screening has not identified cases requiring free, prior and informed consent. However, the applicant has demonstrated the ability to assess complex and high-sensitivity contexts, including situations involving potential impacts on customary land, cultural heritage and vulnerable communities, and to identify and escalate risks where necessary. The AP finds that CFM has the systems and capacity to meet the requirements of IFC PS 7 under the GCF E&S safeguards standards.

56. CFM applies a structured approach to evaluation that is embedded within its results measurement framework. Various assessments have been made in relation to the overall effectiveness of CFM ESG risk management, governance and monitoring mechanisms, including those commissioned by the Dutch Government through FMO. These reviews test controls against ESG policies, procedures and regulatory requirements, with findings subject to management response and follow-up. At the institutional level, periodic internal audits led by the internal audit function evaluate the effectiveness of E&S systems, including climate safeguards, gender integration, stakeholder engagement quality and project-level performance. CFM also commissions independent external evaluations for selected projects to validate development impact outcomes, E&S performance and alignment with fund objectives. The AP finds that CFM meets the requirements of the Evaluation Policy for the GCF.

57. CFM has established and operationalized an ESMS aligned with the IFC PSs, which is applied consistently across its investment life cycle. The ESMS integrates E&S considerations from initial screening through to due diligence, investment decision-making, construction, operation and exit. CFM applies a two-stage E&S risk classification process. An initial screening assessment assigns a preliminary risk category based on available information and a conservative evaluation of potential impacts. This is followed by detailed due diligence,

including independent E&S due diligence, and an E&S impact assessment, through which the final risk classification is confirmed. This distinction is critical, as several projects initially identified as high risk (category A) have been either confirmed, reclassified or not progressed following detailed assessment.

58. Every potential investment is assessed for E&S risks and categorized into one of four risk levels (A, B+, B, C), consistent with the European Development Finance Institution framework. This ensures that high-risk projects (category A) receive appropriate scrutiny and that mitigation measures are proportionate to the level of risk identified. The ESMS Manual includes detailed procedures for risk identification, assessment, management planning, monitoring, reporting and corrective action. Outputs such as environmental and social action plans (ESAPs), E&S impact assessments, and environmental and social management plans (ESMPs) are developed and tracked to closure, with provisions for independent third-party inputs where necessary. The ESMS includes provisions for the application of the mitigation hierarchy, including the preparation of biodiversity action plans where required, and ensures that corrective actions are agreed and monitored until resolved.

59. Following financial close, CFM implements structured monitoring and supervision mechanisms to ensure ongoing compliance with E&S requirements. These include monthly ESG reporting, quarterly and annual performance reviews, and regular internal and external audits. Evidence provided (e.g. audit reports, corrective action plan trackers, and monitoring visit documentation) confirms that corrective actions are systematically identified, tracked and closed. This demonstrates that E&S risk management extends beyond due diligence and is actively implemented throughout a project's life cycle.

60. The CFM governance structure supports E&S risk management through active participation in project-level boards and committees, including ESG and construction subcommittees. These forums are used to review E&S performance, monitor ESAP implementation and address emerging risks. Evidence from portfolio projects indicates that ESG issues are regularly escalated and addressed through these governance mechanisms, ensuring accountability and oversight at both the operational and board level.

61. CFM has an established in-house team responsible for implementing the responsible investment commitments set out in its Responsible Investment policy. The team is represented at senior management level on the Executive Committee and reports directly to the Management Board. The Head of Impact & ESG, who reports to the Chief Operating Officer and operates independently from investment origination, serves as custodian of the ESMS and may recommend delays, conditions or adjustments to investment decisions on E&S grounds. Independent assurance is provided by the compliance and internal audit functions, which are both functionally and hierarchically independent from the investment teams. These functions report directly to the ARC and conduct thematic reviews based on risk assessments. Out of a staff of more than 150, 10 professionals across the three regions in which CFM operates are dedicated to ESG matters, with qualifications and experience in managing E&S risks demonstrated through job descriptions and the curricula vitae of key personnel.

62. CFM has demonstrated an ability to identify and assess category A risks across its pipeline and portfolio. A total of 13 projects have been assigned preliminary or confirmed category A risk ratings based on potential impacts such as critical habitat disturbance, biodiversity sensitivity, resettlement and impacts on Indigenous Peoples. Of these, a smaller number have progressed to advanced stages with confirmed classification and implementation, while others were either reclassified or discontinued following due diligence. This demonstrates both risk identification capacity and the application of risk-based investment decision-making. Among the projects under implementation is a 19.9 megawatt run-of-river hydropower project in Colombia, which is currently under construction and subject to established oversight mechanisms. For this project, publicly available ESMS documentation demonstrate systematic risk management across the project's life cycle. In addition, an internal

environmental, health, safety and social audit has been completed, confirming the effective integration of E&S considerations and development outcomes.

63. CFM currently manages three large-scale blended finance facilities: Climate Investor One (FP190¹⁸ with FMO), Climate Investor Two (FP099¹⁹ with FMO) and the GAIA Climate Loan Fund (FP223²⁰ with MUFG). Those represent more than USD 2.8 billion in assets under management and USD 498.5 million in GCF funding. Within these programmes, CFM acts as the primary executing entity, with responsibility for day-to-day operational management, including E&S risk assessment and oversight. All three programmes allow for category A subprojects and were approved by the GCF Board following extensive due diligence of the capacity of CFM to manage high-risk E&S impacts.

64. The AP finds that the applicant's ESMS, comprising the Responsible Investment Policy, ESMS Manual and related procedures, supported by evidence of its track record, fully meets the GCF revised Environmental and Social Policy to the extent applicable to accreditation and GCF interim ESS standards for maximum E&S risk category A/I-1 projects/programmes with respect to IFC PSs 1–8.

3.2.2 External communications, consultations, information disclosure and grievance redress mechanism at the institutional level

65. CFM maintains an external communications and disclosure system aligned with IFC PS 1, the Comprehensive Information Disclosure Policy of the Fund and international good practice. Project-level E&S information, including E&S impact assessments, ESMPs and ESAPs for higher-risk projects, is disclosed prior to investment approval in English and, where relevant, in local languages. Such information is made available through appropriate channels, including online platforms and accessible community locations. In addition, CFM publishes project summaries, E&S risk classifications and relevant updates on its website.

66. Stakeholder engagement is initiated during early project development and continues throughout a project's life cycle. Evidence indicates that stakeholder input is documented and, where relevant, reflected in project design, mitigation measures and ESAPs. Project companies are required to implement stakeholder engagement plans proportionate to project risk and context, using a range of engagement methods to support meaningful participation. Disclosure and engagement activities are monitored by the CFM ESG team and are subject to periodic review and verification, including through audits. Investors receive regular reporting on E&S performance, including incidents, grievances and corrective actions.

67. At the institutional level, the applicant operates the CFM Grievance Redressal Mechanism (GRM), which functions as an independent mechanism to receive and address external complaints related to CFM operations or portfolio activities. The mechanism is accessible online and in local contexts. It operates independently from project management and ESG teams to ensure impartiality, and is governed by a formal procedure outlining roles, responsibilities, timelines and escalation pathways. CFM commits to acknowledging grievances within three working days and providing a full response within 20 working days, keeping complainants informed in cases requiring extended investigation. The process may include dialogue, site visits and independent expertise, depending on the nature of the complaint. CFM also ensures that its GRM has trained staff and adequate resources. The company has assigned personnel who understand grievance handling (with training in dispute resolution or stakeholder engagement). CFM maintains a centralized register of inquiries and grievances, which is monitored at the institutional level and reported to investors. To date, no ESS grievances have been received through the institutional mechanism. However, while grievance

¹⁸ See <https://www.greenclimate.fund/project/fp190>.

¹⁹ See <https://www.greenclimate.fund/project/fp099>.

²⁰ See <https://www.greenclimate.fund/project/fp223>.

data are systematically tracked internally, information on grievances is not publicly disclosed and there is no publicly accessible registry of complaints.

68. The institutional GRM is intended for external stakeholders, while project-level grievances are primarily managed through mechanisms established by project companies. Where grievances are submitted directly to CFM, the institutional GRM coordinates with the relevant project-level mechanism to support resolution. The system is supported by centralized tracking and reporting processes, enabling oversight of grievance handling at the institutional level.

69. Project-level grievance mechanisms are mandatory for all investments and are required to be accessible, transparent and responsive, including provisions for gender-based violence, harassment and SEAH-related complaints. These requirements are embedded within the ESMS and are communicated to investees during E&S due diligence, formalized through ESAPs and contractual arrangements, and monitored throughout a project's life cycle.

70. The AP finds that the applicant's system of external communications, consultations, information disclosure and GRM, supported by evidence of its track record, partially meets the GCF revised Environmental and Social Policy to the extent applicable to accreditation, GCF interim ESS standards and Comprehensive Information Disclosure Policy of the Fund regarding E&S information disclosure requirements for maximum E&S risk category A/I-1 projects/programmes with respect to IFC PSs 1–8. The relevant gap is identified in paragraph 67 above and is reflected by the corresponding condition for accreditation in section 4.2 below.

3.3 Gender

71. The applicant has articulated a commitment to gender equality and inclusion through its Responsible Investment Policy and its participation in international initiatives such as the United Nations Women's Empowerment Principles. CFM has also established the group-level Gender Policy, which sets out commitments to mainstream gender across both its internal operations and investment activities. The approach of CFM is broadly aligned with the GCF updated Gender Policy and Gender Action Plan 2020–2023 and integrates gender considerations within its environmental and social management framework.

72. A gender analysis and action plan is developed and implemented at the level of each fund. These plans are adopted by senior management and form part of core fund documentation. The gender analysis and action plan provides a structured framework to integrate gender considerations across the investment's life cycle, including programme inception, project development and construction, and monitoring and reporting. It incorporates an inclusive understanding of gender that recognizes intersectionality and the differentiated impacts of investments on diverse groups.

73. Gender considerations are systematically incorporated into project-level due diligence, E&S impact assessments, stakeholder engagement and monitoring processes. Evidence demonstrates that gender aspects are embedded in project documentation and implementation tools, including the use of gender action plans, gender-sensitive stakeholder engagement approaches and gender-related provisions within ESAPs and ESMPs. The applicant also uses targeted instruments such as terms of reference for gender assessments and action plans to support project-level implementation.

74. Monitoring arrangements include the collection of gender-disaggregated data at the project level, including workforce data and employment indicators, as evidenced in ESG performance reporting. Portfolio-level systems (e.g. iLEVEL) also track gender-disaggregated employment data across investments (as shown in the portfolio dashboard). In addition, gender-related commitments are subject to periodic monitoring, internal reviews and

independent audits, including gender and social inclusion action plan evaluations where applicable.

75. At the institutional level, responsibilities for gender-related commitments are defined across functions and embedded within the applicant's ESG and human resources structures. The gender analysis and integration action plan further clarifies roles and responsibilities for gender integration, including the involvement of the Head of Impact & ESG and the engagement of external gender and social inclusion specialists to support due diligence and project implementation. Gender-related responsibilities are operationalized across the investment's life cycle rather than through a dedicated stand-alone unit, with ESG practitioners leading implementation and project companies responsible for executing gender-specific measures at the project level. The approach is supported by capacity-building initiatives, including training for staff to strengthen awareness and competencies in gender integration.

76. The CFM track record includes the preparation and implementation of gender assessments and action plans within GCF-funded programmes and other investments, demonstrating practical experience in applying its approach across different contexts. Monitoring of gender-related commitments is undertaken through project-level ESG monitoring, portfolio reporting and periodic internal assurance processes.

77. Evidence was provided to the AP on the gender composition of the CFM workforce, including overall staff distribution and disaggregation at the senior management and governance level. As at January 2026, women represented 53 per cent of the total workforce (81 out of 154 employees). Gender-disaggregated data are also available for senior leadership, indicating a lower female representation at the decision-making levels, including 25 per cent at the Management Board level (1 out of 4), 27 per cent at the Executive Committee level (3 out of 11) and 15 per cent at the Investment Committee level (2 out of 13). These data are tracked through internal human resources systems and dashboards and are reviewed periodically by management and Management Board level committees.

78. The AP finds that the applicant's gender policy, procedures, capacities and competencies, supported by evidence of its track record, fully meet the GCF updated Gender Policy and Gender Action Plan 2020–2023 to the extent applicable to accreditation.

IV. Conclusions and recommendation

4.1 Conclusions

79. Following the assessment of the applicant, the applicant is found to have the potential to support GCF in implementing the updated Strategic Plan for the GCF for 2024–2027 with respect to:

- (a) The indicative projects/programmes that the applicant intends to submit to GCF within the scope of accreditation recommended by the AP in paragraph 81 below;
- (b) Alignment of said indicative pipeline with country programming priorities in Namibia and South Africa;
- (c) Potential contribution to the adaptation and mitigation balance in the GCF portfolio since the applicant covers results areas in both adaptation and mitigation;
- (d) Mobilizing climate finance at scale since the applicant is being recommended for accreditation in the large size category; and
- (e) Enhancing private sector participation by creating enabling environments and de-risking climate investments through the use of financial instruments such as loans, equity and guarantees.

80. Following its assessment, the AP concludes the following in relation to the application with respect to the applicant's ability to meet the GCF accreditation standards identified in paragraph 14 above:

- (a) The applicant partially meets the requirements of the GCF basic fiduciary standards, and fully meets, to the extent applicable to accreditation, the GCF Policy on the Protection of Whistleblowers and Witnesses, the GCF Policy on Prohibited Practices and the GCF AML/CFT Policy. The gaps relate to the lack of a quality assessment of the internal audit function and procurement processes and awards not being made public. The gaps are identified in paragraphs 26 and 28, above and are addressed by the corresponding conditions for accreditation in section 4.2 below;
- (b) The applicant meets, to the extent applicable to accreditation, the specialized fiduciary standard for project management and the specialized fiduciary standard for on-lending and/or blending for loans, equity and guarantees;
- (c) The applicant partially meets the GCF revised Environmental and Social Policy to the extent applicable to accreditation, GCF interim ESS standards and the Comprehensive Information Disclosure Policy of the Fund on disclosure of E&S information in relation to the high E&S risk category (category A/I-1). The gap relates to the lack of accessibility of the GRM and absence of a public registry of complaints. The gap is identified in paragraph 67 above and is addressed by the corresponding condition for accreditation in section 4.2 below;
- (d) The applicant has demonstrated that it has a policy, procedures and competencies in order to implement its gender policy, which is found to be consistent with the GCF updated Gender Policy and Gender Action Plan 2020–2023 to the extent applicable to accreditation, and has demonstrated that it has experience in gender consideration in the context of climate change; and
- (e) The applicant has demonstrated that it has institutional-level systems, capacities and competencies regarding evaluation as required by the aforementioned GCF basic and specialized fiduciary standards and interim ESS standards that would enable it to implement the Evaluation Policy for the GCF for its GCF-funded activities.

4.2 Recommendation on accreditation

81. The AP recommends, for consideration by the Board, APL179 for accreditation as follows:

- (a) **Accreditation type:**
 - (i) **Maximum size of an individual project or programme:** large;
 - (ii) **Fiduciary functions:**
 - (1) Basic fiduciary standards;
 - (2) Specialized fiduciary standard for project management; and
 - (3) Specialized fiduciary standard for on-lending and/or blending (for loans, equity and guarantees); and
 - (iii) **Maximum E&S risk category:** high risk (category A/I-1); and
- (b) **Conditions:** the applicant will be required to submit to the AP, through the Secretariat, information on how it has complied with the conditions. The AP will thereafter assess whether the conditions have been met. This assessment will be communicated by the Secretariat, on behalf of the AP, to the Board for information purposes:



- (i) Conditions to be met by the applicant prior to the submission of the first funding proposal to the Board:
 - (1) Delivery to GCF by the applicant, in a form and substance satisfactory to the AP, of:
 - a. A final report of an independent quality assessment of the overall effectiveness of the applicant's internal audit function prepared by a qualified independent third party;
 - b. Evidence of publication of procurement guidelines applicable for third parties for GCF approved projects and establishment of a system to publicize on the applicant's website the tendering procedures, competitive procurement notices and subsequent contract awards for GCF-financed projects; and
 - c. Evidence of the implementation of the GRM confirming the effective operationalization of the public registry of complaints.

82. The applicant has been informed of the recommendation for accreditation, including the accreditation type and conditions, as identified in paragraph 81 above, and agrees to the recommendation.
