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# **Upgrading accreditation to the Green Climate Fund**

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# Fit-for-purpose approach to accreditation

## Mandate & track record

- Alignment with Fund objectives
- At least 3 year of operations

## Project size

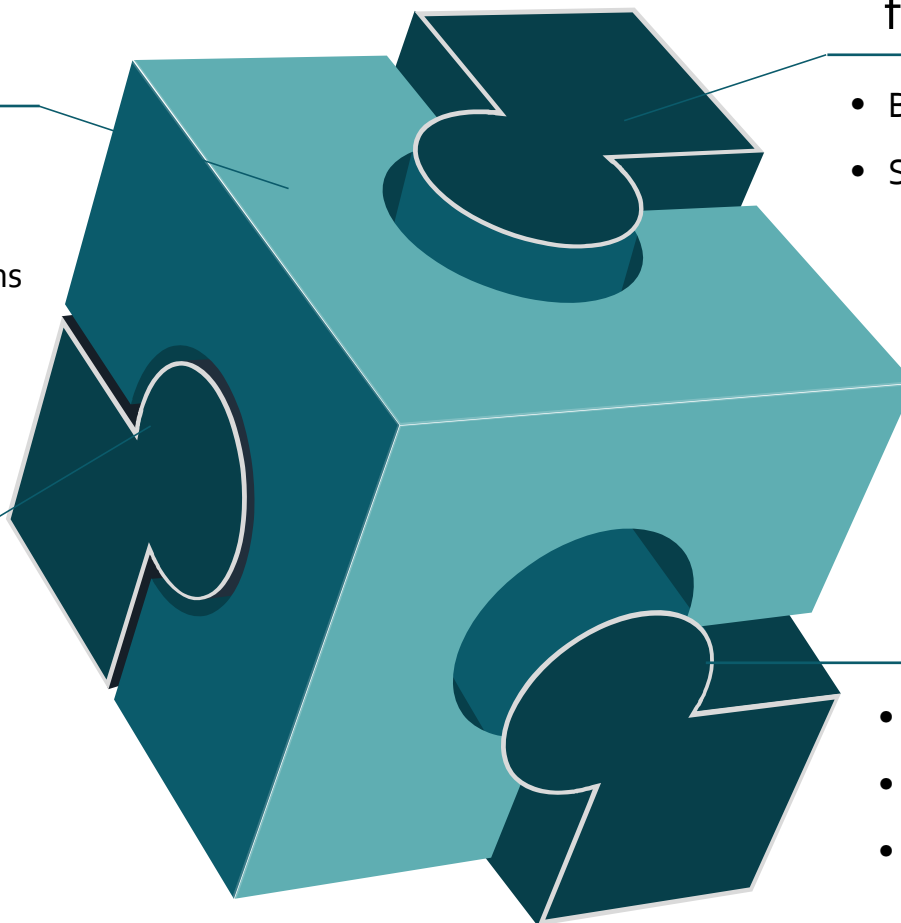
- Micro (<10mn)
- Small (10-50mn)
- Medium (50-250mn)
- Large (>250mn)

## Fiduciary functions

- Basic
- Specialized
  - Project management
  - Grant award
  - On-lending/blending (loans, equity and/or guarantees)

## Environmental & social risk category

- A (high)
- B (medium)
- C (minimal or no)





# Why upgrade?

To scale up and undertake different types of climate change projects, accredited entities may seek to manage:

- Increase fiduciary functions
  - Project management → intermediation functions
    - Grant award
    - On-lending/blending for loans, equity and/or guarantees
- Higher E&S risk levels
  - Category C → B, or B → A
- Increase size category
  - Micro → small, small → medium, medium → large

# How to upgrade

1. Start an application in the [Online Accreditation System](#)

2. Complete relevant sections of the application:

Required for all applicants:

- |   |                                      |
|---|--------------------------------------|
| 1 | Profile                              |
| 2 | Contribution to the GCF's objectives |
| 3 | Intended projects/programmes         |

Complete the relevant section for the criteria you are seeking to upgrade to:

- |     |   |
|-----|---|
| 5   | Specialized fiduciary criteria                            |
| 5.1 | Project management  |
| 5.2 | Grant award and/or funding allocation mechanisms          |
| 5.3 | On-lending/blending (for loans, equity and/or guarantees) |
| 6   | ESS   |
|     | Category A / Intermediation 1                             |
|     | Category B / Intermediation 2                             |
|     | Category C / Intermediation 3                             |



# How to upgrade

3. Submit the application
  - *Note:* accreditation fees may be applicable
4. Application review process (same as original application):





# What readiness support is available for accreditation?

Entities that apply under the direct access modality can request for and may be eligible to receive **readiness and preparatory support** to meet the GCF's accreditation requirements.

Readiness support is available for:

- Fast-track accreditation support for eligible entities
- Awareness raising of accreditation processes and standards (e.g. fiduciary, environment and social safeguards, and gender)
- Institutional gap analyses
- Developing personalized capacity building plans to address identified gaps



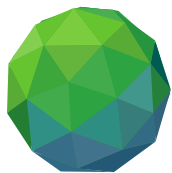
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# Get upgraded

**Apply for accreditation online**

**<http://www.greenclimate.fund/partners/accredited-entities/get-accredited>**

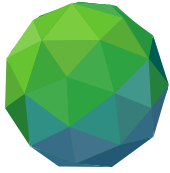
Contact | [accreditation@gcfund.org](mailto:accreditation@gcfund.org)



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# References

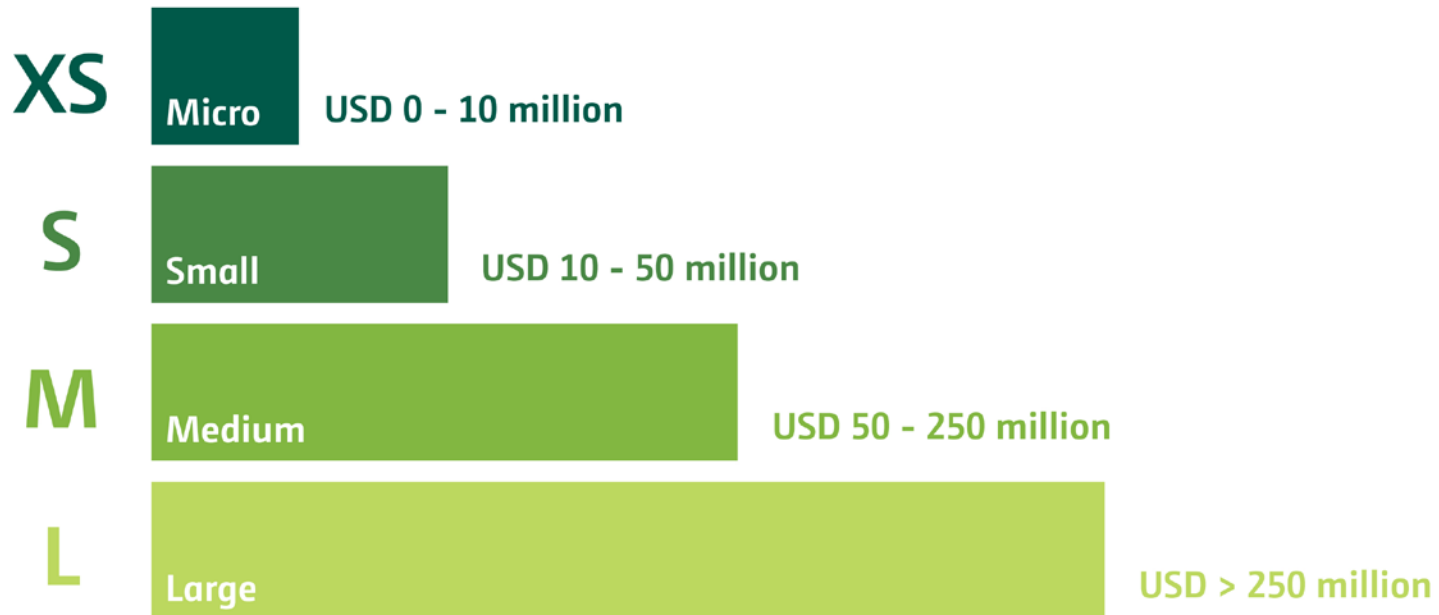




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# Size of project/activity within a programme

Total Projected Costs\*



\* At the time of application, irrespective of the portion that is funded by the GCF and, if applicable, other sources, for an individual project or activity within a programme.

# Fiduciary functions

Examples of fiduciary functions	Accreditation required against			
	Basic fiduciary criteria	Specialized fiduciary criteria for project management*	Specialized fiduciary criteria for grant award and/or funding allocation mechanisms	Specialized fiduciary criteria for on-lending and/or blending
Strengthening institutional and regulatory systems	✓			
Implementing projects using GCF's resources, where the entity itself executes the project	✓	✓		
Implementing projects using GCF's resources, where the project is executed by another entity	✓	✓		
Awarding grants	✓	✓	✓	
Managing lines of credit using the GCF's resources	✓			✓
On-lending	✓	✓		✓
Blending GCF's resources with other sources of funding	✓	✓		✓
Using GCF's resources for guarantees	✓			✓
Using GCF's resources for equity investments	✓			✓

\* Assessment of the entity against this standard will take into account whether the entity is overseeing or implementing projects/programmes.



# GCF's fiduciary standards, ESS and gender policy\*

## Basic Fiduciary Standards

- Key administrative and financial capacities
- Transparency and accountability

## Specialized Fiduciary Standards

- Project management
- Grant award and/or funding allocation mechanisms
- On-lending and/or blending

## Gender Policy

- Policies, procedures, and competencies

## Environmental and Social Safeguards (ESS)

### Institutional ESMS policy-level:

#### ✓ Performance Standard (PS) 1:

Assessment and management of relevant PS1-8 environmental and social risks and impacts through an environmental and social management (ESMS)

### Project-level:

- ✓ PS2: Labor and working conditions
- ✓ PS3: Resource efficiency and pollution prevention
- ✓ PS4: Community health, safety and security
- ✓ PS5: Land acquisition and involuntary resettlement
- ✓ PS6: Biodiversity conservation and sustainable management of living natural resources
- ✓ PS7: Indigenous peoples
- ✓ PS8: Cultural heritage

\* For more details, refer to the [initial guiding accreditation framework](#), [fiduciary standards](#), [Interim Policy on Prohibitive Practices](#), [ESS](#), [Information Disclosure Policy](#) for E&S report disclosure requirements, and [gender policy](#).



# Environmental and social risk categories

Risk level	Funding proposals	Intermediation*
<b>High</b>	<b>Category A</b> Activities with potential significant adverse environmental and/or social risks and/or impacts that are diverse, irreversible, or unprecedented.	<b>Intermediation 1 (I-1)</b> When an intermediary's existing or proposed portfolio includes, or is expected to include, substantial financial exposure to activities with potential significant adverse environmental and/or social risks and/or impacts that are diverse, irreversible, or unprecedented.
<b>Medium</b>	<b>Category B</b> Activities with potential mild adverse environmental and/or social risks and/or impacts that are few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures.	<b>Intermediation 2 (I-2)</b> When an intermediary's existing or proposed portfolio includes, or is expected to include, substantial financial exposure to activities with potential limited adverse environmental or social risks and/or impacts that are few in number, generally-site specific, largely reversible, and readily addressed through mitigation measures; or includes a very limited number of activities with potential significant adverse environmental and/or social risks and/or impacts that are diverse, irreversible, or unprecedented.
<b>Low/No</b>	<b>Category C</b> Activities with minimal or no adverse environmental and/or social risks and/or impacts	<b>Intermediation 3 (I-3)</b> When an intermediary's existing or proposed portfolio includes financial exposure to activities that predominantly have minimal or negligible adverse environmental and/or social impacts.

\* Activities involving investments through financial intermediation functions or through delivery mechanisms involving financial intermediation.



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