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# GCF REGIONAL DIALOGUE

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**Saint Kitts and Nevis**  
17–20 March 2025





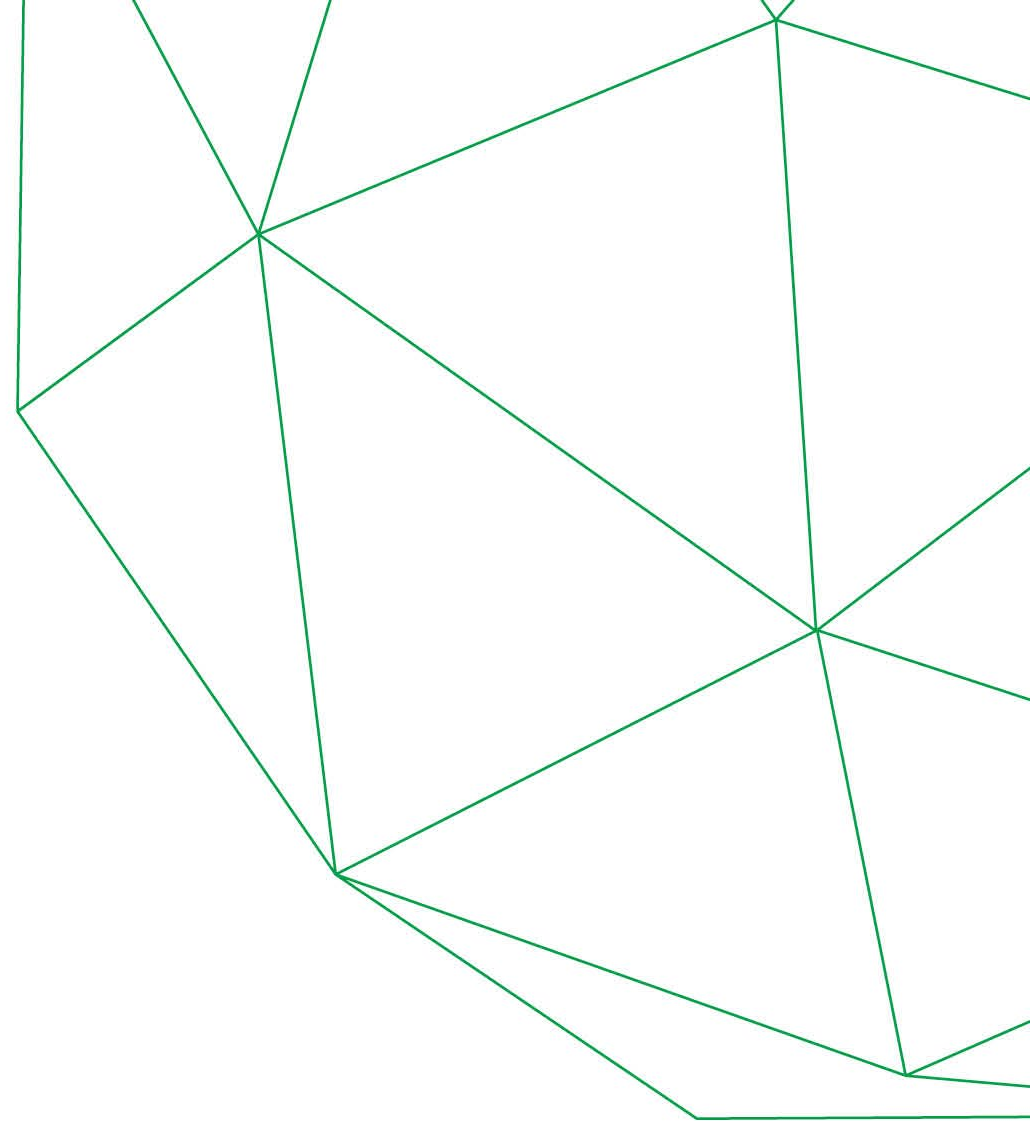
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# Accreditation Reform Update: Insights and approach for the Caribbean region

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# B.40 Guidance and Reform Package



The Board, having considered document GCF/B.40/15 titled “Accreditation Framework”:

(a) Decides that the current accreditation process is not effective as it should be and revisions to the accreditation framework are necessary and a priority for the Fund with a view to enhancing transparency, responsiveness, efficiency, fairness, country ownership, the capacity of direct access entities, and accredited entity accountability, while maintaining the standards in the initial fiduciary principles and standards

(b) Requests the Secretariat, to present for the Board’s consideration and approval at its forty-second meeting the following:

- (i) A revised accreditation framework;
- (ii) The related screening requirements for accreditation;
- (iii) An analysis of policies that will be impacted by the revised accreditation framework;
- (iv) An updated policy on fees for accreditation;
- (v) Updates to the monitoring and accountability framework; and
- (vi) A proposal for a fit-for-purpose approach to legal arrangements with all current and future accredited entities.

# Strategic directions



Linkage to GCF Strategic Plan 2024-2027 and Vision 50 by 30



Section 3.3 Item 16 states that as a targeted result is “Doubling the number of DAEs with approved GCF funding proposals through strengthened climate programming capacity and increasing the allocation of GCF resources through DAEs”

Process Update: Draft Accreditation framework discussed at Consultation with the Board, CSOs and Private Sector on the margins of B41. Secretariat integrating comments to update reform package. Broader consultations to be held in April 2025.

# Accreditation reform: Key changes under consideration



## Refocusing accreditation on institutional due diligence

- Accreditation will primarily assess institutional fit, while project-specific due diligence will be shifted to relevant project level appraisal stages.

## Process simplification

- Streamlining screening requirements to remove redundant checks

## Allocating assessment through the programming cycle

- Defining areas for assessment under accreditation and those best placed for review at concept note / funding proposal stage

## Fast-tracking eligible entities

- Fast tracking components of screening based on international standards and experience in managing finance

## Alignment with USP-2

- DAEs, entities in LDCs/SIDS, private sector entities, and those focusing on vulnerable people and communities and in underrepresented countries or sectors.

# Key changes under consideration



## Self nomination of non-governmental entities to equalize opportunities

- Levelling the playing field for non-governmental DAEs that currently need nominations, while IAEs do not
- Enhance share of local private sector in AE network
- Relieve NDAs from identifying and nominating non-governmental entities

## Integrating reaccreditation function in the updated monitoring and accountability framework

- More resources dedicated to accrediting new entities
- Ensuring ex-post reviews focusing on programming
- Lighter and refocused reporting requirements for entities

## The role of the Accreditation Panel

- Sound technical expertise supporting the review of applicants
- Independent assessment

# Proposed accreditation process flow



Pre-accreditation  
support:  
Readiness  
Country Window

Three  
Application  
Windows,  
aligned to  
Board cycle : 2  
months each

Processing and  
Board Approval  
Window: 09  
Months

Post  
accreditation  
support:  
Readiness DAE  
Window

# Fast Track options under consideration



## Principle

- No blanket approach, review alignment to guide level of fast track and areas for further assessment

## International benchmarking

- International Financial Reporting Standards (IFRS)
- International Public Sector Accounting Standards (IPSAS)
- International Standards Organisation (ISO) certifications for management systems
- International Standards on Auditing (ISA)

## Country, regional and global level fast track

- Ministries or equivalent from developing countries that have received financing from DFIs, MDBs, IMF in the past 3-5 years. Such entities have already undergone rigorous financial scrutiny and due diligence.
- National / Regional Development Banks (N/RDBs) and entities regulated by domestic financial or securities regulator given their proven track record in managing finance.
- MDBs, DFIs

## Continued Fast Track

- Adaptation Fund; GEF; EU DG INTPA



# The State of Accreditation in the Caribbean

# Direct Access Entities (DAEs) in the CARICOM Region



	Name	Acronym	Type	Sector	Accreditation Scope	Environmental and Social Safeguards (ESS)
1	Development Bank of Jamaica Limited	DBJ	National	Public	Large	Categories B,C/I2/I3
2	Caribbean Development Bank	CDB	Regional	Public	Medium	Category A/I2
3	Department of Environment, Ministry of Health and Environment, Government of Antigua and Barbuda	DOE_ATG	National	Public	Medium	Categories B,C/I2/I3
4	Jamaica Social Investment Fund	JSIF	National	Public	Small	Categories B,C/I2/I3
5	Caribbean Community Climate Change Centre	CCCCC	Regional	Public	Small	Category B/I2
6	Protected Areas Conservation Trust	PACT	National	Public	Micro	Category C/I3
7	CARICOM Development Fund	CDF	Regional		Micro	Category B/I2

- Accreditation scope categories are based on project ticket size-Micro (up to USD 10 million), Small (over USD 10 million up to USD 50 million), Medium (over USD 50 million up to USD 250 million), and Large (over USD 250 million).
- ESS standards are based on the potential for adverse environmental impacts. Category A involves significant adverse impacts, Category B involves limited and reversible impacts, and Category C involves minimal or no impacts.
- Intermediation (I) standards refer to use of financial instruments that may cause adverse environmental impact. High intermediation (I1) - significant adverse impacts, medium intermediation (I2) - limited and reversible impacts without significant risks, and low intermediation (I3)-minimal or negligible impacts.

# Challenges



- There are 7 DAEs in the Caribbean region. There are also 7 potential AEs pursuing accreditation (currently in the pipeline) and another one that has expressed interest.
- Having so few DAEs in the region has become an impediment to the region pursuing more ambitious, innovative programming. Only one DAE Development Bank of Jamaica (DBJ) has a large accreditation scope and is limited as a National AE, while others are accredited at micro and small level.
- What is lacking is engagement with regional entities that operate in more varied areas such as health, education, youth affairs etc. Limited engagement with Caribbean civil society and grassroots organizations relevant for GCF programming. The private sector and MSMES are also an untapped resource.
- From a technical standpoint most entities seeking accreditation from the Caribbean region have challenges in the provision of adequate track record and fiduciary requirements. A reason for this may be that capacity is not understood in the same way for the entities in the Caribbean as it understood by the GCF. There are different baselines for assessment.

# Undeserved Sectors in the CARICOM Region (Least to Most Prioritized)



1: Forestry and Land Use

2: Low Emission Transport

3: Buildings, Cities and Industries & Appliances

4: Ecosystem & Ecosystem Services

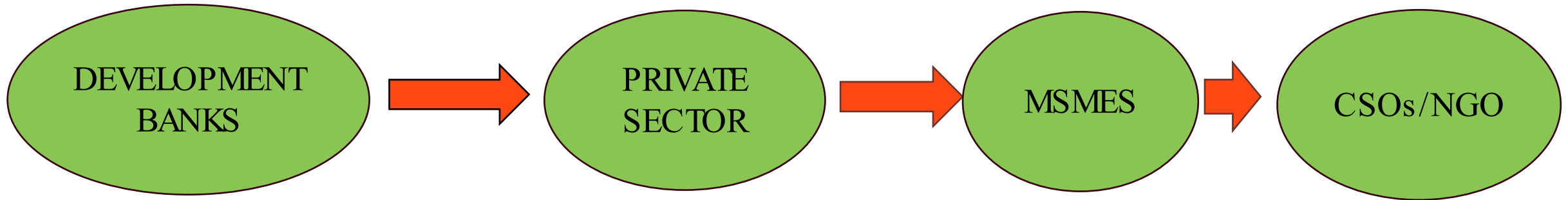
5: Energy Access & Power Generation

6: Health and Well-being, and Food & Water Security

7: Infrastructure & Built Environment

8: Most Vulnerable People & Communities

# Prospective accreditation applicants



- Development Banks may consider accreditation given track record in managing finance

- The private sector remains a source of untapped finance and can make positive contribution in climate action

- Untapped and will contribute to meeting Targets of USP-2 on local finance institutions

- Unmatched on the ground knowledge, with impact potential especially on locally led adaptation

# Repositioning accreditation in the region: recommendations



A communications campaign directed at prospective entities may be effective in informing them of the work of the GCF and the role they may play in the advancement of climate change mitigation and adaptation initiatives in the region.

NDAs may seek advice on entities at the beginning of their accreditation process as to the best approach based on their structure. E.g., coming in on the strength of the holdings company instead of one branch or their legal personality, where they are registered

Engagement must increase between GCF, development banks, the private sector and MSMEs in the Caribbean as they form the backbone of economic activities. Encourage participation in the work of the Fund e.g. as Executing Entities / PSAApilot. This would enable them to gain track record which may assist them with their future institutional accreditation process should they seek to pursue it.

Underserved sectors and sectors of country priority should be considered when approached by potential AEs. Consider how potential AEs can address gaps in programming.

# Guiding questions





# Thank you



# Project Specific Assessment Approach



## Purpose and Scope:

The PSAA Pilot is a three-year framework (April 2023 – March 2026) designed to streamline access to climate finance for entities not yet accredited by the GCF, focusing on one climate project or programme aligned with developing countries' priorities and GCF's strategic objectives.



## Eligibility and Criteria:

Entities eligible for PSAA include private, public, non-governmental, sub-national, national, regional, or international bodies with legal capacity and a positive track record. They must be nominated by the NDA/FP and have a no-objection letter for the proposed project.



## Accreditation Standards:

PSAA complements institutional accreditation; entities must uphold GCF accreditation standards, including financial, gender, environmental, and social safeguards throughout the project duration.



## Benefits and Goals:

The PSAA accelerates access to GCF resources, reduces transaction costs, and potentially builds a track record for institutional accreditation, broadening partnerships with underserved countries and technologies.



## Project Eligibility:

Projects of any size using various financial instruments (grants, loans, equity, guarantees) are eligible, provided they have low to medium environmental and social risks (Categories C/I-3 and B/I-2).

# Project Specific Assessment Approach



- An entity submits a [PSAA questionnaire](#) for a preliminary review, including:
  1. Project/Programme summary
  2. Pitchbook
  3. Evidence of country ownership & stakeholder engagement

Note: An entity cannot proceed without a complete questionnaire.