

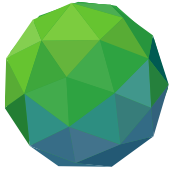


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2019 GLOBAL PROGRAMMING CONFERENCE

LOOKING AHEAD – DIRECT ACCESS

DIVISION OF COUNTRY PROGRAMMING



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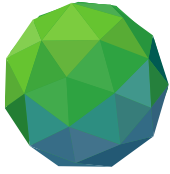
Direct Access to Realise Climate Ambition

- **Direct Access modality enables easier country ownership, a core principle of GCF approach**
- **Facilitates inclusion of local contents**
- **Stronger and easier alignment with country priorities and development objectives**



Strategic Approach to Accreditation

- **Consider needs and priorities of Country Programming**
- **Design optimal mix of implementing agencies based on various accreditation scopes**
- **Consider financial instruments to use**



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Fit-for-Purpose Accreditation

Mandate & track record

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

Fiduciary functions

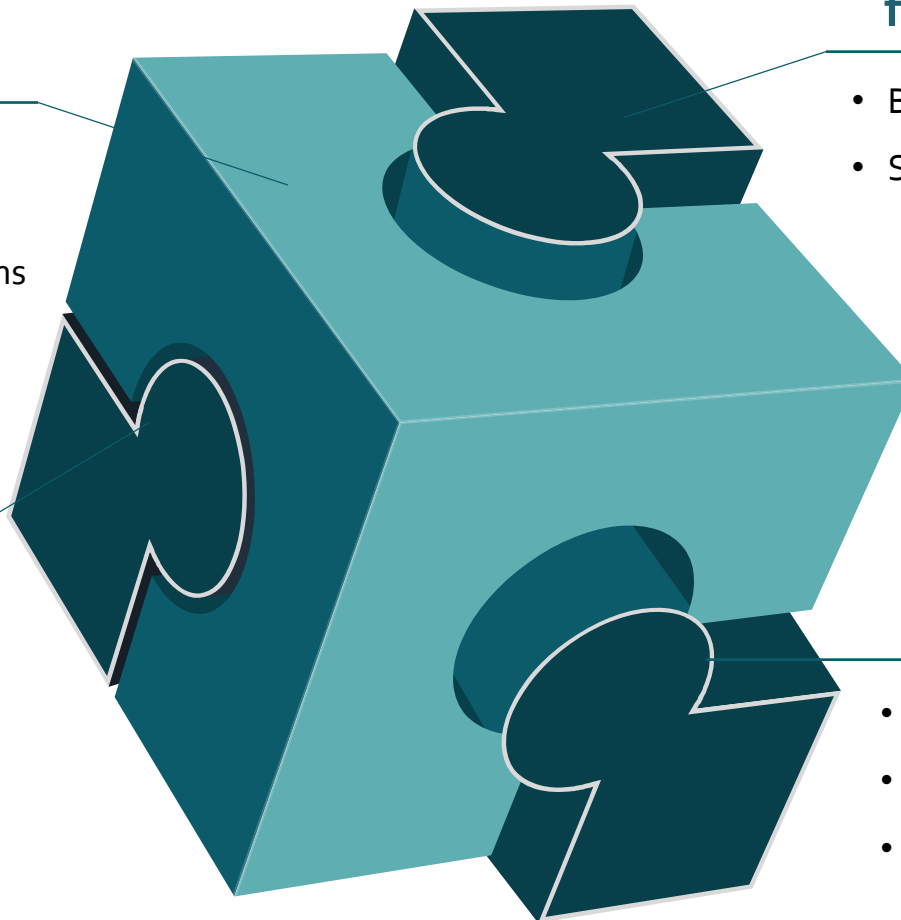
- Basic
- Specialized

Project size

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

Environment & social risk category

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





Accreditation Approach: Role of accredited entities

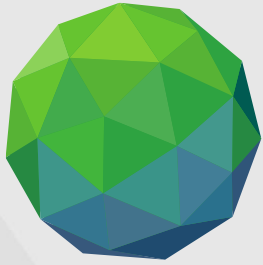
Key elements of an AE's role:

- **Design projects and develop funding proposals** to be considered by GCF for financing based on country priorities
- **Implement, deliver, monitor** and report the results of such activities
- **Develop and periodically update an entity work programme** while aligning it with country programmes



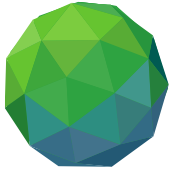
Key required capacities for Accredited Entities

- **Demonstrate** institutional capacities in line with GCF standards
- **Provide evidence** of institutional systems, policies and procedures through track record
- **Demonstrate capacity to pass GCF standards down** to EEs and to monitor, report and verify that those are being upheld
- **Possess independent legal personality and legal capacity**



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Accreditation to GCF – The Mechanics



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Accreditation to the Green Climate Fund

Entities seeking accreditation to the GCF in order to access its resources will be assessed against the GCF's fiduciary principles and standards, environmental and social safeguards (ESS) and gender policy

All entities, including public and private, can apply for accreditation via the:

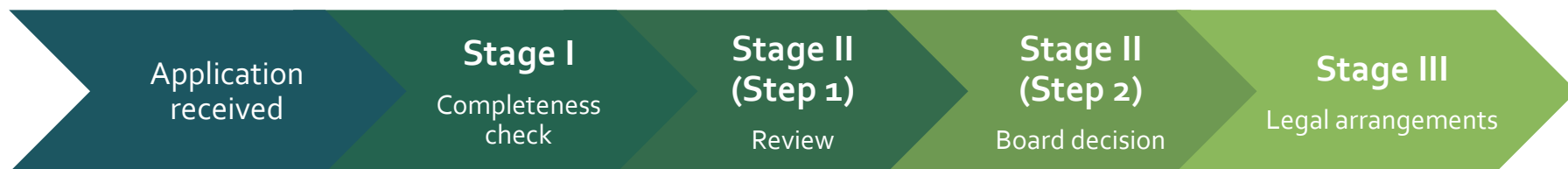
Direct access modality (direct access entities may request for readiness support on accreditation)

International access modality

Fees for the accreditation application will be paid by the entity once the application is submitted



Robust and rigorous accreditation process fit for an entity's purpose



Entities seeking accreditation to the GCF in order to access its resources will be assessed against:

- GCF's initial fiduciary principles and standards
- GCF's interim environmental and social safeguards (ESS) (including GCF's Information Disclosure Policy with requirements to disclose E&S reports for certain categories of E&S risk), and
- GCF's gender policy, indigenous peoples policy.



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](#).

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.



Environmental and social risk categories

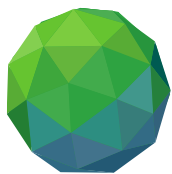
Risk level	Funding proposals	Intermediation*
High	Category A Activities with potential significant adverse environmental and/or social risks and/or impacts that are diverse, irreversible, or unprecedented.	Intermediation 1 (I-1) When an intermediary's existing or proposed portfolio includes, or is expected 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.
Medium	Category 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.	Intermediation 2 (I-2) 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.
Low/No	Category C Activities with minimal or no adverse environmental and/or social risks and/or impacts	Intermediation 3 (I-3) 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.



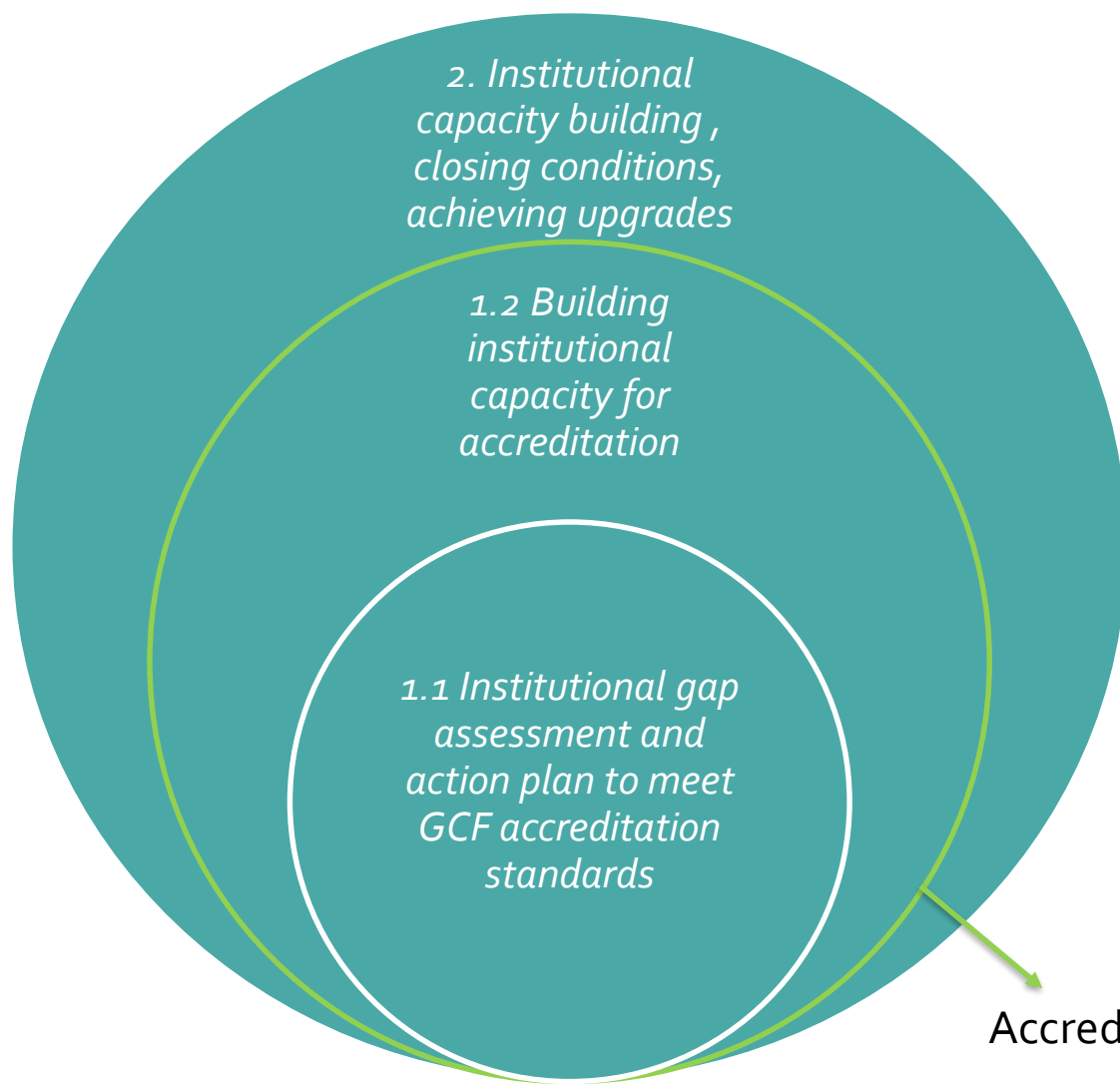
Support to Entities

- Entities that apply under the [direct access modality](#) can at any time request for and may be eligible to receive **readiness and preparatory support** to meet the GCF's [accreditation requirements](#).
- Readiness support is available for:
 - Awareness raising of accreditation processes and standards (e.g. fiduciary, environment and social safeguards, and gender)
 - Institutional gap analyses and developing personalized capacity building plans to address identified gaps
 - Building the capacity of accredited direct access entities, in areas such as ESS, the GCF gender policy and action plan, and monitoring, reporting and evaluation.
 - Strengthen accredited direct access entities institutional capacities through structured trainings
 - Support in developing their entity work programme
 - Strengthen the capacities of sub-national institutions/executing entities. ¹³

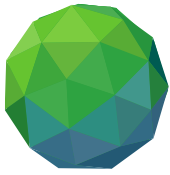


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Types of readiness support *for entities*



3. ESS / gender policy development
Roster of experts (4 firms) – For all

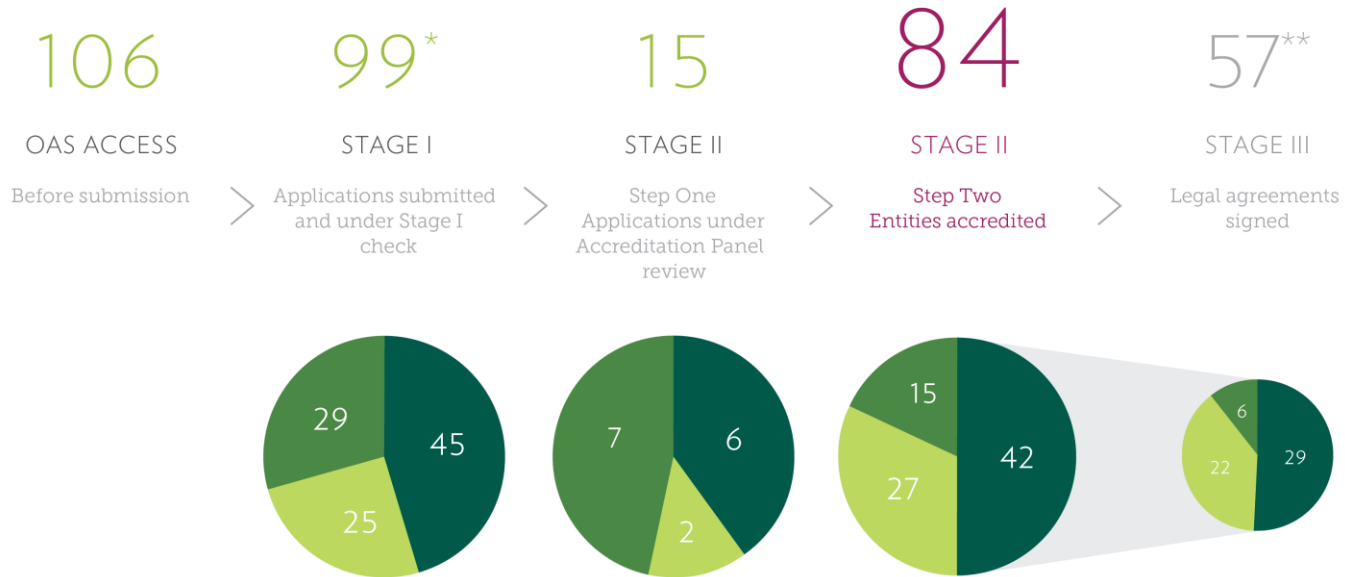


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Status of accreditation

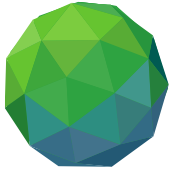
As of 31 May 2019

TOTAL PIPELINE OF ENTITIES SEEKING ACCREDITATION: 220



* 35 applicants (out of 99) are yet to officially start Stage I, as their applications are pending payment of accreditation fees

** Accreditation Master Agreements (AMAs) signed with Accredited Entities



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Entities accredited at B.23

Direct Access



Banco Nacional de
Desenvolvimento Econômico e
Social (BNDES)



Ministry of Water and
Environment (MWE) of Uganda



Ecobank Ghana Limited (EGH)

... and 2 applications for upgrading the AE's type



Infrastructure Development
Company Limited (IDCOL)



Secretariat of the Pacific
Regional Environment
Programme (SPREP)



International
Access

● Private
sector

For more info, visit www.greenclimate.fund

Quick links

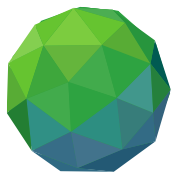
[GCF 101](#)

[GCF portfolio](#)

[Accredited Entity composition](#)

[Resources mobilized](#)

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