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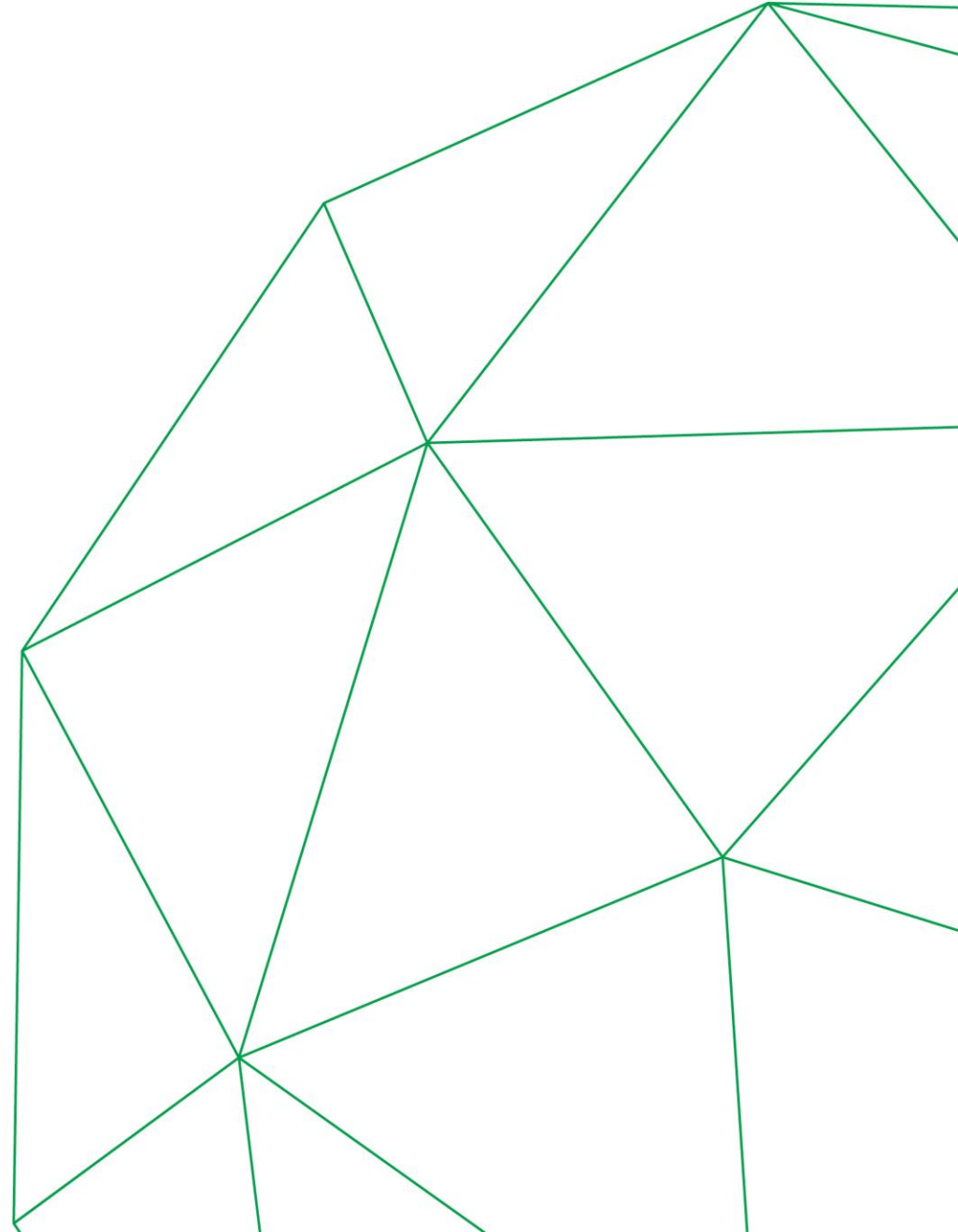
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Accreditation and partnership modalities to leverage GCF financing

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Relations Unit, Division of Country Programming

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Incheon, Republic of Korea

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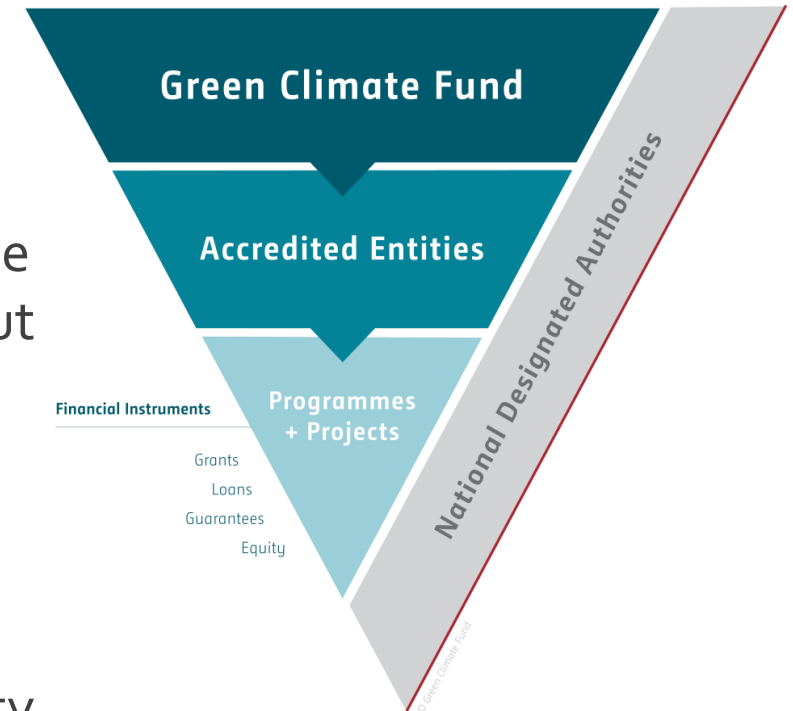


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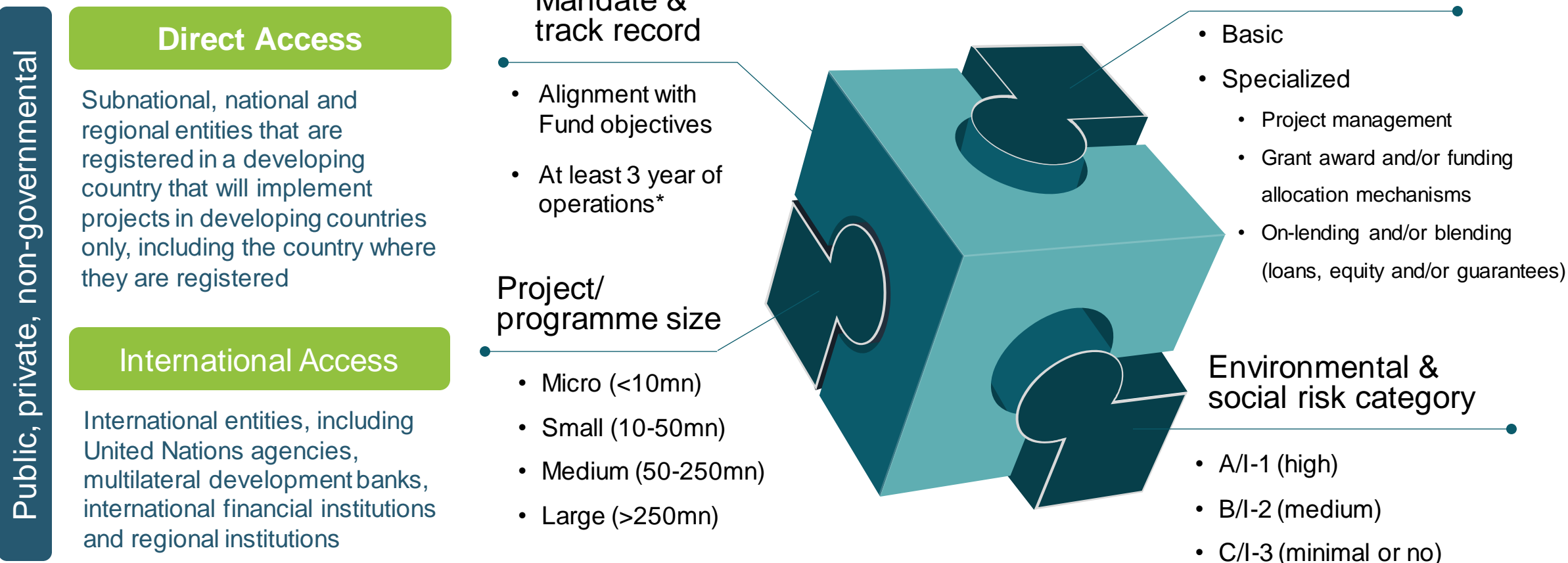
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GCF is a partnerships institution

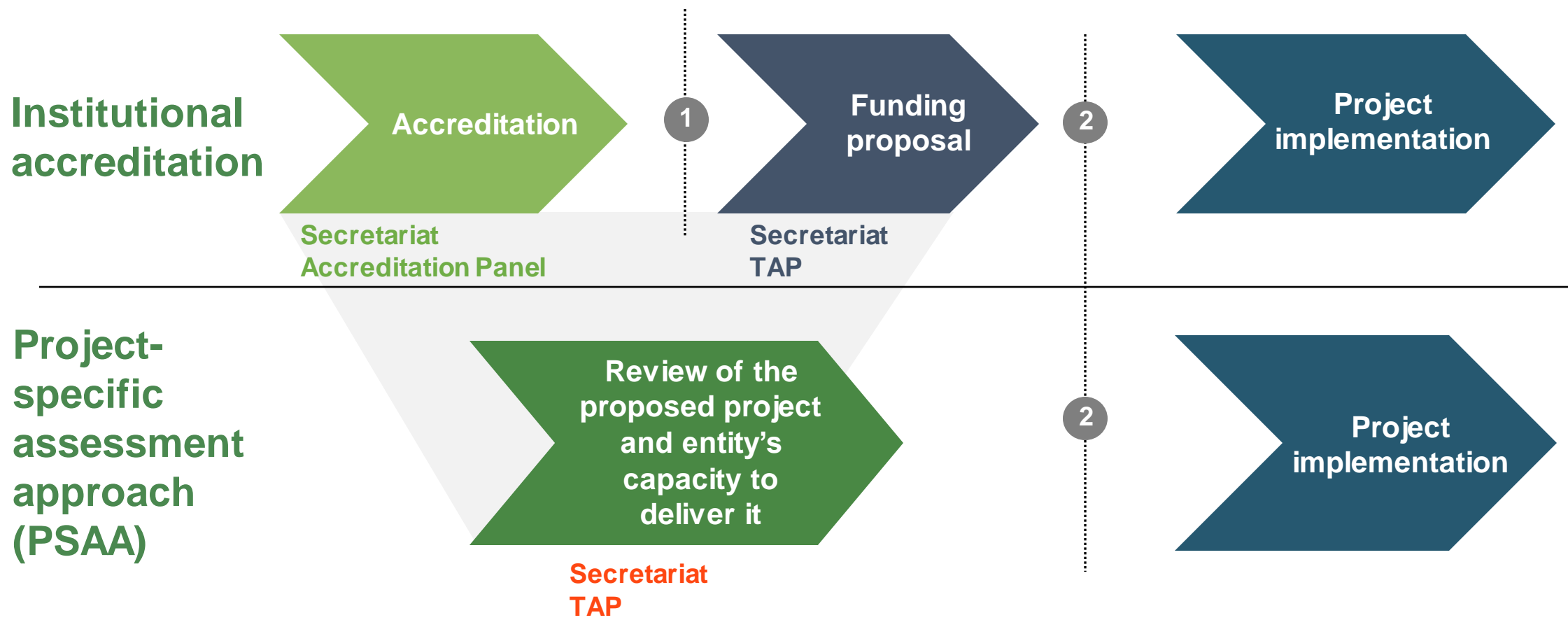
- **Accredited Entities (AEs)** develop and submit funding proposals to the GCF, and oversee and monitor the management and implementation of projects and programmes approved and financed by GCF
- **Executing Entities (EEs)** channel or use GCF proceeds for the purposes of a GCF funded activity, and/or execute or carry out a GCF funded activity or any part thereof.
- **Co-financiers** provide co-financing to GCF projects and programmes by engaging with AEs.
- **Readiness Delivery Partners (RDPs)** may be nominated by the NDAs/FPs to implement technical assistance and capacity development grants under the Readiness Programme.



Programming partners: Accreditation framework and fit-for-purpose approach to accreditation



Institutional- and project-specific accreditation approaches





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Thank you

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Additional Slides

Accredited Entity role and responsibilities



At the institutional / corporate level

- **Demonstrate institutional capacities to undertake the overall management, implementation and oversight** of climate change projects/programmes in line with GCF accreditation standards*
- **Provide evidence** of institutional systems, policies, procedures, capacity and track record in relation to GCF accreditation standards
- **Demonstrate institutional capacities to ensure Executing Entities that are managed by the AE apply the same standards, and to monitor, report and verify** that relevant GCF standards, safeguards and policies are being upheld
- **Possess independent legal personality and legal capacity** to enter into legal agreements with GCF, and undertake AE obligations on their own behalf

At the operational level

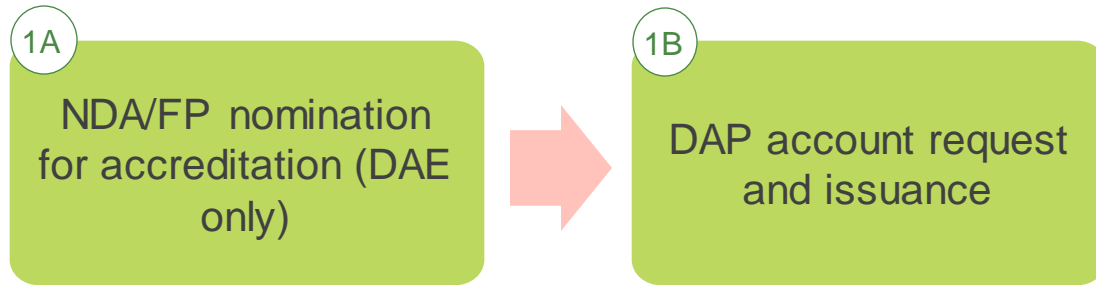
- **Cover the full project/programme cycle and engage with NDAs and focal points** to align potential projects/programmes with country priorities, strategies, approaches and needs on climate change
- **Develop and periodically update an Entity Work Programme** in order to deliver country-owned, high-impact proposals in a strategic manner
- **Design projects and develop funding proposals** to be considered by GCF for financing
- **Implement, deliver, monitor and report results of GCF-funded activities, including management of Executing Entities**

*GCF accreditation standards include fiduciary, environmental and social, and gender standards.

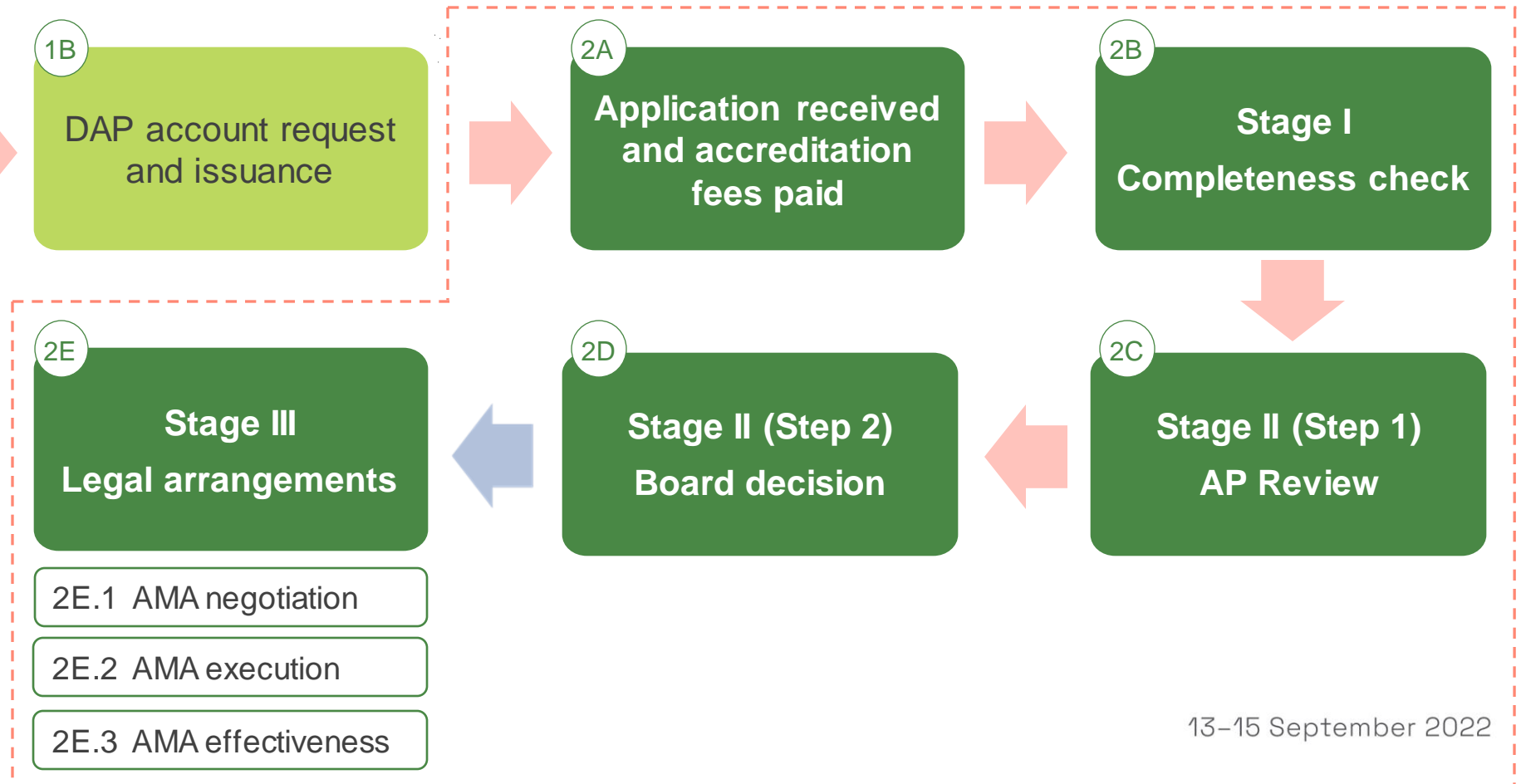


Institutional accreditation – process and stages

1. Pre-accreditation



2. Accreditation

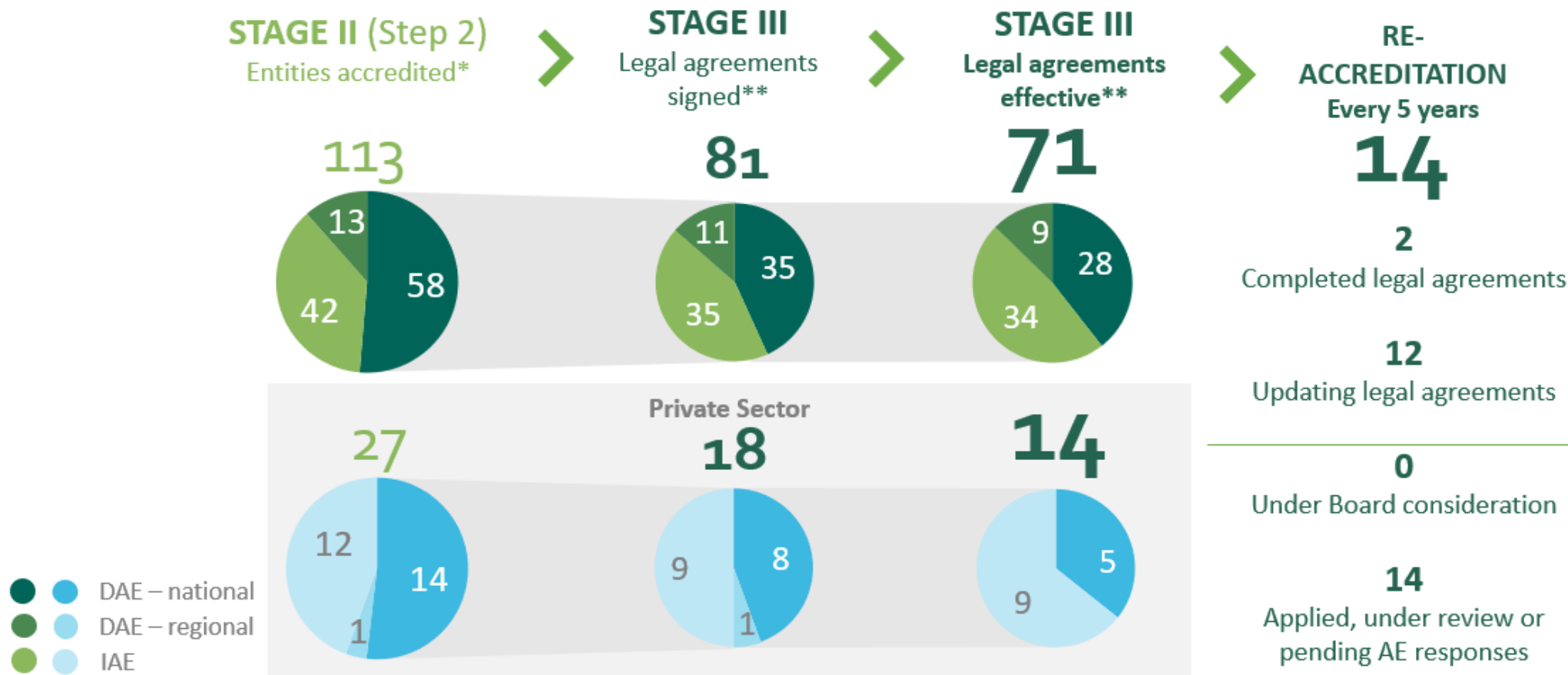


A few key statistics on the GCF AE network



- 71 DAEs (63%) in the GCF AE network, covering 59 countries
- 27 AEs (24%) are private sector entities
 - 15 private sector DAEs (55% of the private sector AE network)
- 51 AEs (45%) have an approved project/programme
- AE : project ratio of 1 project avg. US\$50M every 5 years

Accredited Entity portfolio



* Does not include former AEs that are not seeking re-accreditation to GCF.

** Does not include AEs that are seeking re-accreditation to GCF during which the accreditation term has lapsed. AEs with lapsed AMAs will be able to resume their fully operationalized engagement with GCF once re-accredited and their amended AMA has been signed and made effective.

Accredited Entity pipeline



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Application submitted,
pending payment of fees



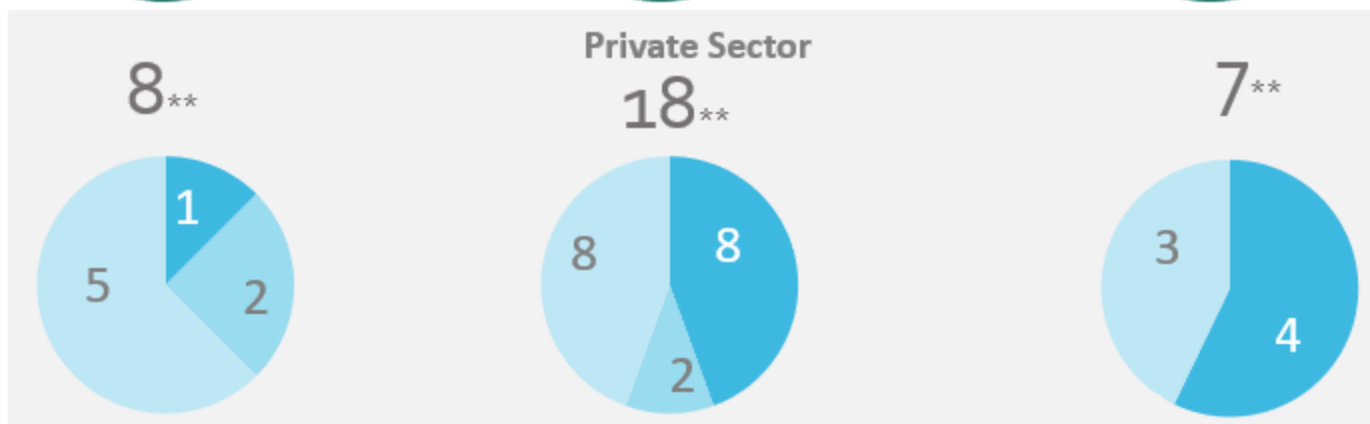
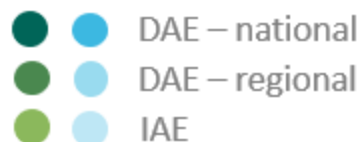
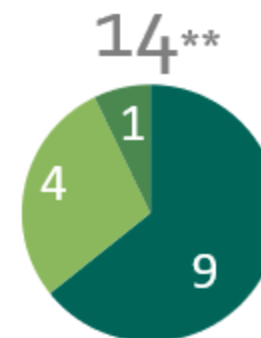
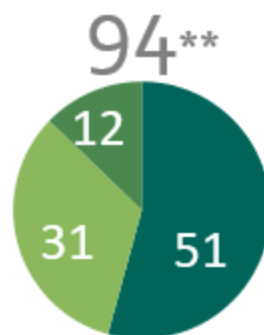
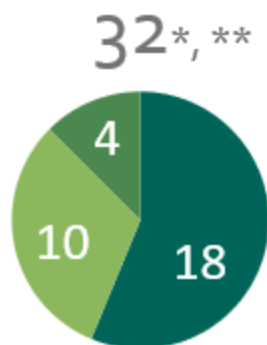
STAGE I

Applications submitted
and under Stage I check



STAGE II (Step 1)

Applications under
Accreditation Panel review



* 125 entities have access to the OAS or DAP (including active and inactive), but have yet to submit their application

** Includes active and inactive applications.

PSAA

Project-specific assessment approach to GCF accreditation

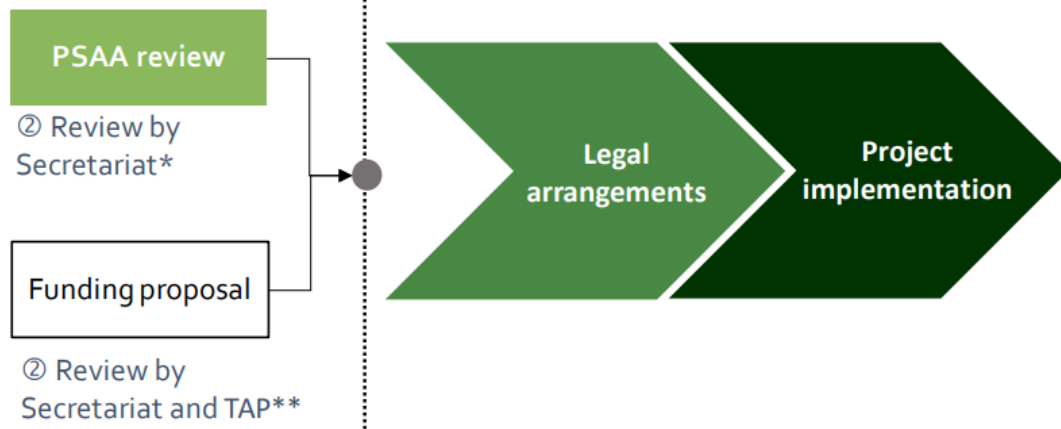
What is it? A capacity assessment of the entity to meet GCF accreditation standards to implement the proposed project/programme

- Launch coming in April 2023
 - Priorities during the 1st year upon launch
 1. Applications from subnational, national and regional entities based in developing countries, particularly countries that have yet to access GCF funding, and
 2. Entities responding to GCF Requests for Proposal
 - Secretariat and iTAP reviews estimated for 10 PSAA capacity assessments & project/programme proposals per year, of which those that meet the requirements may be submitted for Board consideration
- Pilot framework for 3 years (April 2023 – March 2026)
 - Non-AEs can apply with a **maximum of 1 funding proposal**, aligned with country programming and the GCF updated Strategic Plan and sector guides
 - PAP, SAP & RFPs
 - E&S risk category B/intermediation 2 or C/I-3
 - **All financing sizes** suitable for the proposed project/programme
 - **All financial instruments**, including equity, guarantees and loans
 - 1 PSAA legal agreement combining AMA & FAA
 - Annual PSAA entity & project reporting

Project-specific assessment approach (PSAA)



① Submission by Entity



Board decision milestone: ● Partnership and Project approval

- Approved by the Board at B.31 as part of the updates to the Accreditation Framework
- Operationalization by April 2023
- For entities not yet accredited to GCF, in particular:
 - DAEs
 - Entities responding to RfPs issued by GCF
- Maximum of one approved FP under this approach
- Maximum ESS risk category: B/medium level of intermediation, I-2.

PSAA review process

Step 1: Capacity checks:

- Institutional capacity check
- Project track record check

Step 2: Overall capacity check

- **High capacity** to undertake the proposed project/programme + positive assessment of the FP = **Entity recommended to undertake the proposed project/programme**
- **Medium capacity** to undertake the proposed project/programme + positive assessment of the funding proposal = **Discussion of potential mitigating factors** (e.g. conditions, a partnership with another entity)
- **Low capacity** to undertake the proposed project/programme = **FP not recommended; entity would need to address the gaps** identified prior to further consideration, **with possibility to request support under Readiness and Preparatory Support Programme**