



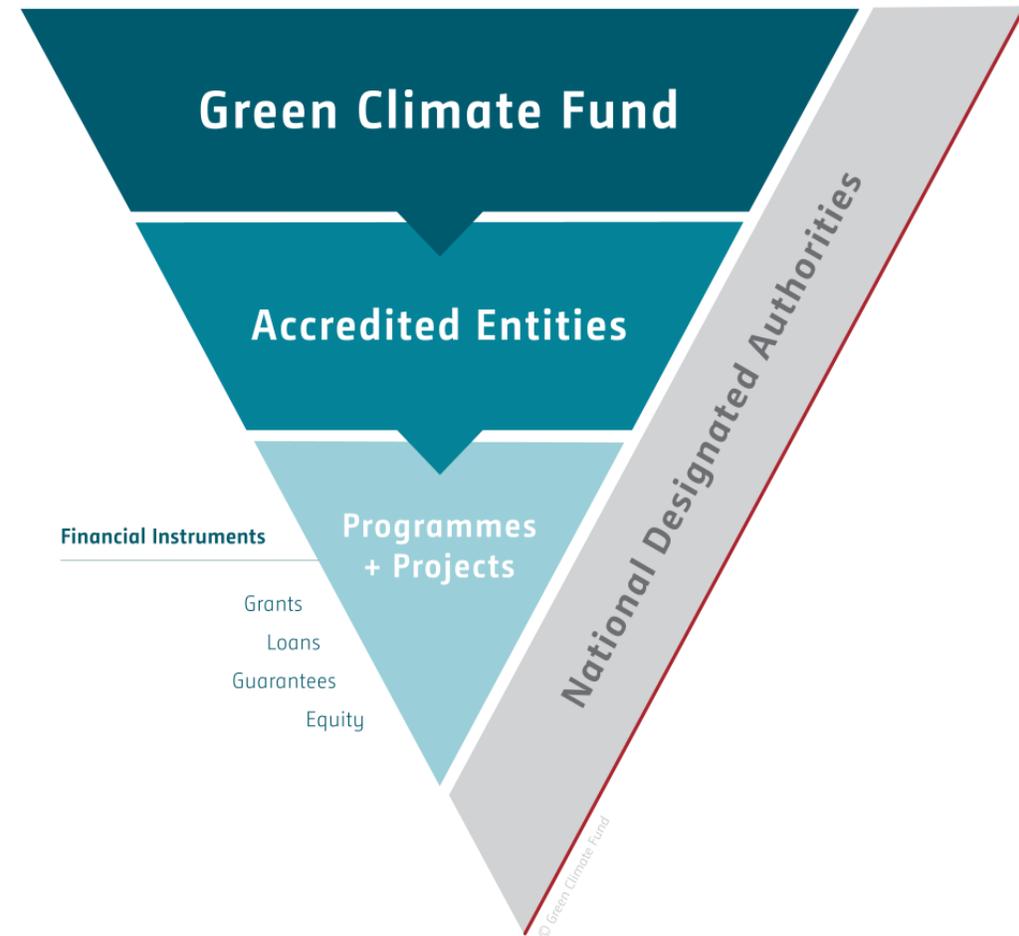
# Session 9: Accreditation for Direct Access Entities

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# GCF is a partnerships institution

- AEs design and implement climate change projects/programmes
- GCF is in a secondary due diligence position, relying on AEs





## Country Programme

**Countries are encouraged to develop a GCF Country Programme**

- NDA to lead a consultative multi-stakeholder process for developing the Country Programme
- To prioritize the most impactful projects/programmes to be funded by GCF
- To identify the most suitable GCF Accredited Entities or prospective entities seeking accreditation that are capable of programming aligned with the Country Programme
- To identify the approaches whereby the GCF's financing and risk-taking ability can mobilize higher amounts of climate investment

# 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.

# Accreditation framework and fit-for-purpose approach to accreditation

Public, private, non-governmental

## Direct Access

Subnational, national and regional entities that are registered in a developing country that will implement projects in developing countries only, including the country where they are registered

## International Access

International entities, including United Nations agencies, multilateral development banks, international financial institutions and regional institutions

### Mandate & track record

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

### Project/ programme size

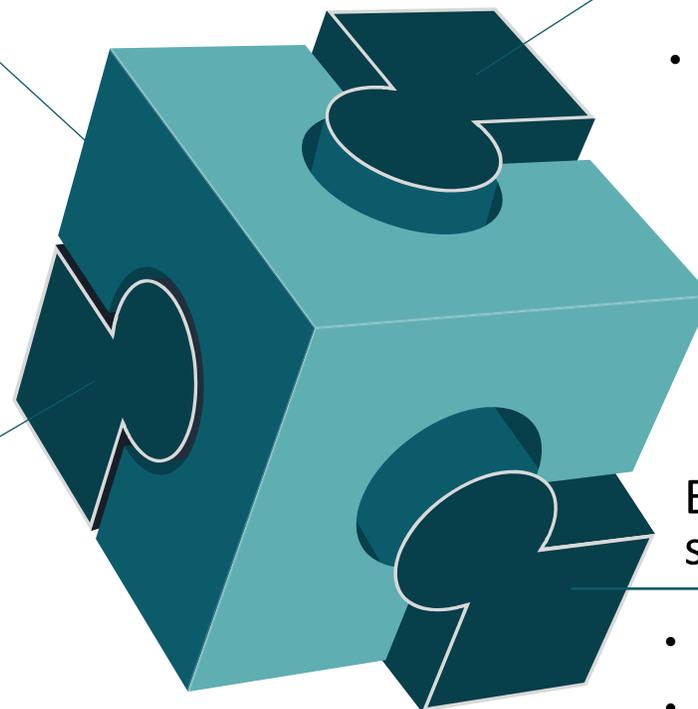
- Micro (<10mn)
- Small (10-50mn)
- Medium (50-250mn)
- Large (>250mn)

### Financing modalities

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

### Environmental & social risk category

- A/I-1 (high)
- B/I-2 (medium)
- C/I-3 (minimal or no)

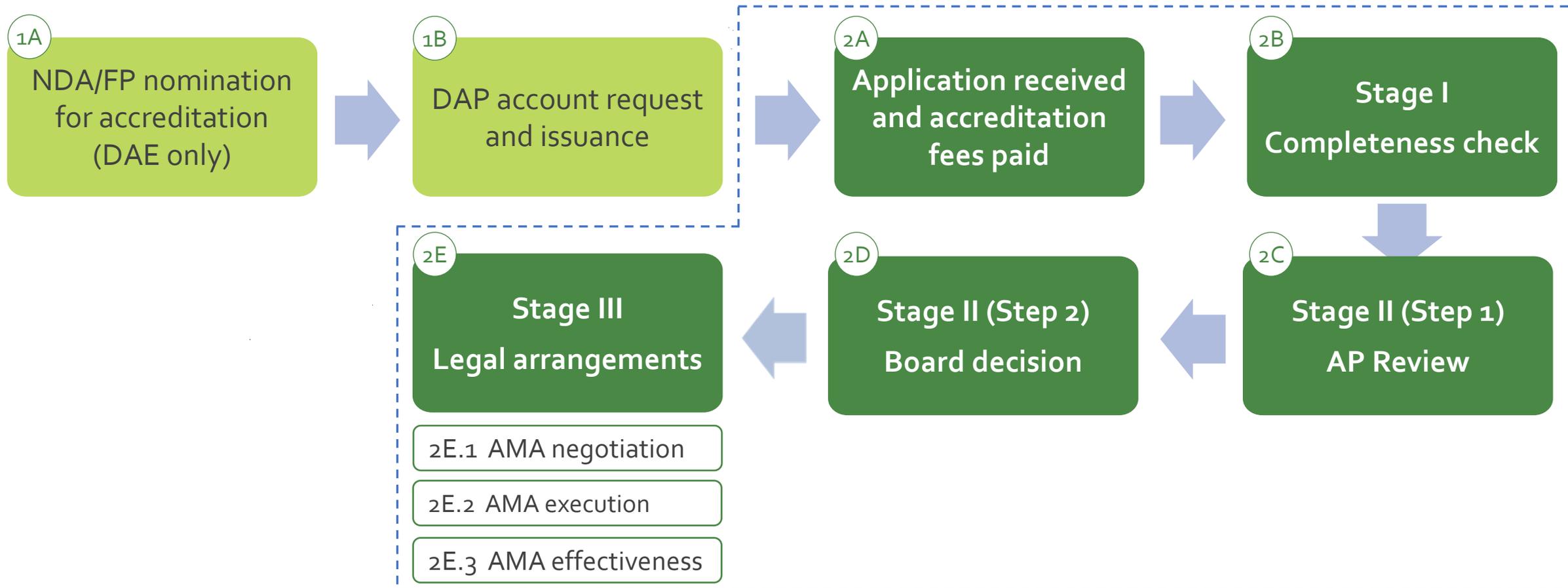


\* Lack of track record in implementing institutional systems, policies and procedures and demonstrated experience in projects/programmes instead may be addressed through conditions of accreditation required to be met prior to the development of funding proposals or during project implementation and reporting.

# Accreditation Process

## 1. Pre-accreditation

## 2. Accreditation



*Abbreviations:* AMA = accreditation master agreement, AP = independent Accreditation Panel of the GCF, DAP = digital accreditation platform, NDA/FP = national designated authority or focal point.

# Country approach/strategy for AE partnerships and nominations for accreditation

## Country programme

- Alignment of AE partnerships and accreditation pipeline with country programming priorities

## Accredited Entity's role and capacity

- Accredited Entity roles and responsibilities
- GCF fiduciary, environmental and social and gender standards

## Complementarity of nominated entities

- Existing Accredited Entities and applicant entities in the accreditation pipeline
- Complementarity in private and public sectors, thematic/results areas/sectors, project size, financial instruments, environmental and social risk levels, etc.

# Country approach/strategy for AE partnerships and nominations for accreditation

(indicative matrix)

Entity	Match with country programming and priorities	Adaptation/ Mitigation/ Cross-cutting	Sectors/Thematic areas (e.g. energy, agriculture, etc.)	Access Modality (DAE, IAE)	Private/ Public	Project Financing Size				Financing Modality and Financial Instruments			E&S Risk Category			
						Micro	Small	Medium	Large	PM	GA	OL/B	C/I-3	B/I-2	A/I-1	
<u>AE</u>	Project Ideas 1 and 3	Adaptation		DAE-National	Public											
<u>AE</u>	Project Idea 2	Cross-cutting		IAE	Public											
Applicant 1	Project Idea 4	Cross-cutting		DAE-National	Private											
Applicant 2	Project Idea 5	Mitigation		DAE-Regional	Public											

*Abbreviations:* A/I-1 = high environmental and social (E&S) risk category A or intermediation 1 level, AE = accredited entity, B/I-2 = medium E&S risk category B or intermediation 2 level, C/I-3 = minimal to no E&S risk category C or intermediation 3 level, DAE = direct access entity, GA = grant award and/or funding allocation mechanisms, IAE = international access entity, PM = project management, OL/B = on-lending and/or blending (for loans, equity and/or guarantees).



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