GREEN CLIMATE FUND | Independent Evaluation Unit

QUESTIONS

Q1

Is there an accreditation policy or strategy? How is accreditation governed and operationalized?

Q2

How efficient is the process for accreditation? What are some of the challenges in the process?

KEY FINDINGS

F1

Conclusion 1. There is no strategy on accreditation, and the governance structures are not fully functional.

F1-a

Accreditation is central to the GCF business model; access to GCF resources is through Accredited Entities (AEs).

F1-b

The Accreditation Committee established by the Board has not been fully functional.

F1-c

The Accreditation Panel has little interaction with the Board and does not have a view of GCF strategy.

F1-d

The Office of Executive Director of the Secretariat has a small team responsible for managing and executing the accreditation process and function.

F1-e

The design and implementation of accreditation was based on the experience of other multilateral agencies, but the GCF has a unique mandate.

F1-f

The GCF does not have a strategy for the accreditation function, and this leads to mission overload.

F1-g

Many assumptions in the implementation of then GCF's accreditation function are unsupported by evidence.

F2

Conclusion 2. The process of accreditation is protracted and inefficient, on account of a number of factors.

F2-a

The GCF undertakes accreditation through a three-stage process, which includes reviews by the Secretariat, Accreditation Panel, the GCF Board, and an examination of legal arrangements.

F2-b

The accreditation process is widely perceived to be protracted and inefficient. For 95 entities as of March 2020, it took a median of 506 days from submission of application to approval by the Board.

F2-c

Of the 95 entities approved for accreditation by the Board, 36 do not have effective accreditation master agreements. The median time for achieving effective accreditation master agreements for 59 entities in March 2020 was 592 days.

F2-d

Several factors are responsible for the lengthy accreditation process, including the design of the accreditation process, implementation, AE capacities and legal negotiations.

F2-e

International accredited entities (IAE) and Direct accredited entities (DAE) face different kinds of challenges during accreditation.

RECOMMENDATIONS

R1

The **GCF Board** should strengthen the governance structure for accreditation, clarify the strategic role of accreditation function in the GCF, and critically address the mission overload. Other recommended actions include:
- The GCF Board should translate the Terms of Reference of the Accreditation Committee into practice.
- The GCF Board needs to strengthen the Accreditation Panel and provide policy and strategic guidance to the Panel (as stated in the Terms of Reference).
- A strategy must clarify how the accreditation function fits within the overall GCF vision, and the primary and secondary outcomes of this function.
- The GCF Board should re-examine the role of accreditation within the GCF.

R2

Efficiency of the accreditation process needs to improve. The **GCF Secretariat** needs to establish standards for the turnaround and processing times and communicate them to the GCF partnership. Other recommendations for the **GCF Secretariat** include:
- Pre-accreditation support, including RPSP, should be strengthened to build capacities of candidate entities.
- The process of re-accreditation should examine institutional performance and project results of AEs.
- These assessments should be based on clear, transparent and predictable criteria that are communicated to candidates.

TRUSTED **EVIDENCE**. INFORMED **POLICIES**. HIGH **IMPACT**.

QUESTIONS

KEY FINDINGS

RECOMMENDATIONS

Q3

What is the portfolio of Accredited Entities (AEs)? Does accreditation build AE capacity and align an AE's portfolio with GCF priorities?

F3

Conclusion 3. The GCF Board has approved 95 entities for accreditation, which include a vast variety of DAEs and IAEs, covering all GCF results areas, and a wide variety of scope.

F3-a

The GCF project portfolio is skewed in favour of IAEs, which account for 86 per cent of FP portfolio.

F3-b

Close to a fifth (19 per cent) of the AEs have not engaged in any stage of the project development process (concept notes or FPs).

F3-c

There is currently no assessment of how well the project portfolios of AEs are aligned with the mandate and objectives of the GCF, even though this has been requested by the Board.

F3-d

Although the Board has requested that accreditation should build the capacities of AEs (particularly of DAEs), this is not incentivized.

F3-e

The GCF does not directly define country ownership. While DAEs play an important role in direct access, they are not only means to ensure a country-owned pipeline of GCF projects.

R3

The selection of AEs and composition of the AE portfolio should be based on an overall strategy that indicates how these entities will help support the GCF's mandate.
Recommended actions for the **GCF Secretariat**:
- The GCF should support countries and NDAs so they can be strategic in nominating DAEs.
- Re-accreditation should include an assessment of the alignment of an AE's portfolio with the GCF mandate.
- IAEs should be assessed for their contributions to building capacities of DAEs.
- Post-accreditation support for DAEs is essential and needs to be strengthened.
Recommended actions for the **GCF Board**:
- The ongoing efforts to establish portfolio baselines for re-accreditation should be expedited and include both DAEs and IAEs.
- The (new) accreditation strategy should clarify the target portfolio mix of AEs for the GCF.

Q4

What is the proposed strategic view of accreditation for GCF-1?

F4-a

The project-specific assessment approach (PSAA) may complement institutional accreditation, but its strategic view is unclear.

F4-b

AEs apply inconsistent methodologies when reporting on GCF results.

F4-c

The Updated Strategic Plan proposes two scenarios to increase funding commitment to DAEs. According to projections by the IEU, even if the GCF doubles the amount of resources being allocated to DAEs, the share of DAEs will only be 25% of overall resources by the end of GCF-1.

R4

Recommended actions for the **GCF Board**:
- • The GCF Board should articulate the main aims of the PSAA and clearly articulate how this will fit into overall GCF outcomes.
- The design and implementation of the PSAA should consider lessons from other funds and caution about possible risks that the PSAA may introduce.
Recommended actions for the **GCF Secretariat**:
- The overall focus of the AEs' reporting should be on alignment, and mitigation and adaptation results that they have planned and achieved.
- If the overall allocation to DAEs is to increase in the next strategic period, focus must be explicitly paid to increasing the role of DAEs. A clear and implementable plan should be articulated to achieve this.