



THE INDEPENDENT EVALUATION OF THE GREEN CLIMATE FUND'S ACCREDITATION FUNCTION

ACCREDITATION IN THE GCF

Accreditation is central to the business model of the Green Climate Fund (GCF). The GCF's Governing Instrument states that GCF resources will be accessed through national, regional and international entities accredited by the Board. The Governing Instrument also states that recipient countries will determine the mode of access and that both International Access Entities (IAEs) and Direct Access Entities (DAEs) may be used simultaneously.

AIM OF THIS NOTE

The IEU synthesis study¹ examines the existing evidence regarding accreditation. The desk-based study was informed by interviews and the IEU DataLab. The aims of this synthesis study were to (a) collect all relevant documents produced by the GCF Secretariat, IEU and external stakeholders (b) critically appraise those documents, and (c) synthesize high-quality evidence into knowledge and lessons learned.

KEY QUESTIONS

1. Is there a **policy or strategy for accreditation**? How is accreditation governed and operationalized?
2. How **efficient** is the process for accreditation? What are some of the challenges in the process?
3. Is the portfolio of Accredited Entities (AEs) **aligned** with GCF priorities?
4. Is the proposed **strategic view** of accreditation during GCF's first replenishment period relevant, sufficient?

KEY FINDINGS

1. The Accreditation Committee established by the Board has **not been fully effective**. It has been unable to deliver on several parts of its Terms of Reference.
2. The Accreditation Panel interacts primarily with the Secretariat and has **little interaction with the Board**. It does not review the alignment of applicants with GCF strategic priorities.

¹ Eussner, Ansgar, David Huang, Jyotsna Puri, Archi Rastogi, Asha Warsame, and Temurbek Zokirov (2020). Independent synthesis of the Green Climate Fund's accreditation function. Evaluation Report No. 6, June 2020. Independent Evaluation Unit, Green Climate Fund. Songdo, South Korea.



3. The GCF does **not have a strategy** for its accreditation function. This has led to a mission overload for accreditation, and the unrealistic expectation for accreditation to achieve a very diverse set of aims.
4. Many assumptions in the implementation of the accreditation function are **unsupported by evidence**. These include: (a) AEs will align their portfolios with the GCF's mandate; (b) more AEs will mean a greater diversity of entities applying for and receiving resources from the GCF, and (c) DAEs and the private sector will be encouraged to work with the GCF.
5. 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.
6. The **accreditation process is lengthy**. For 95 entities as of March 2020, it took a median of 506 days from submission of the application to approval by the Board.
7. Of the 95 entities approved for accreditation by the Board, **36 do not have effective accreditation master agreement**. The median time for achieving effective accreditation master agreements for 59 entities in March 2020 was 592 days.
8. **Several factors are responsible for the lengthy accreditation process**, including the design of the accreditation process, implementation and AE capacities and legal negotiations.
9. The GCF **project portfolio is skewed** in favour of IAEs, which account for 86 per cent of GCF's committed USD portfolio. Further, 52 per cent of DAEs do not have any funding proposals in the pipeline.
10. Close to a fifth (19 per cent) of the **AEs have not engaged in any stage** of the project development process (including concept notes or funding proposals).
11. 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.
12. Although the Board has requested that accreditation should build the capacities of AEs, (particularly of DAEs), this is **not incentivized**.
13. The project-specific assessment approach (PSAA) may complement institutional accreditation, but its strategic view is unclear.
14. Even if GCF doubles the amount of resources being allocated to DAEs in GCF-1, the share of DAEs will only be 25% of overall GCF resources.

KEY RECOMMENDATIONS

Recommendations for the GCF Board

1. Strengthen the **governance structure** for accreditation.
2. Clarify the **strategic role** of accreditation function within the GCF, and critically address the mission overload.

Recommendations for the GCF Secretariat

1. **Improve efficiency** of the accreditation process. The Secretariat needs to establish standards for turnaround and processing times.
2. Ensure that the accreditation process assesses and **incentivizes capacity-building and alignment** of an AE's portfolio with the GCF mandate.
3. Clarify the **aim and limitations of the PSAA** before piloting; GCF-1 strategic planning should include targets and plans.

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