

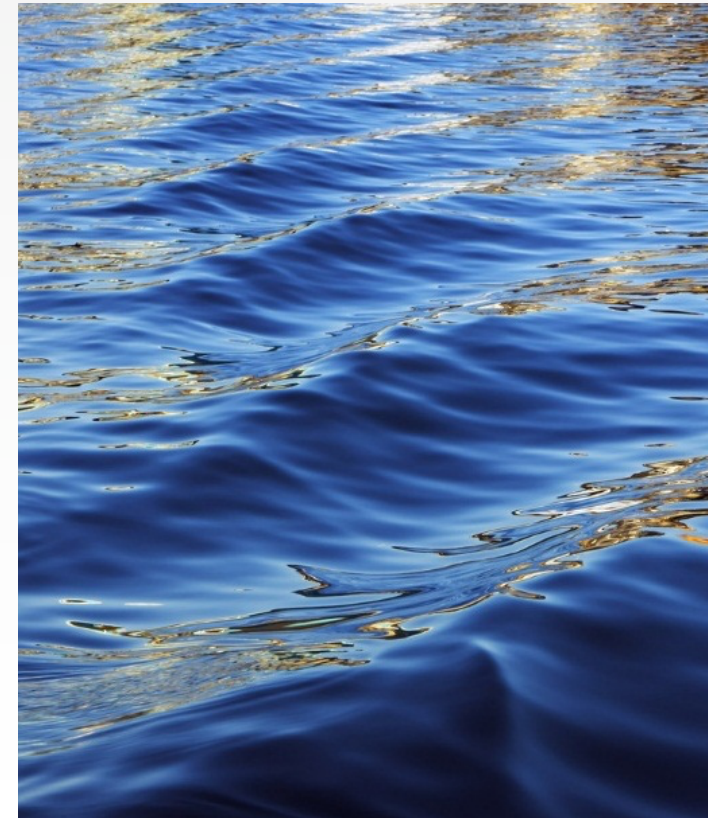


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# Overview of the AF Accreditation process

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- ☐ Background to the AF Accreditation Process
- ☐ How an entity can become accredited with the AF
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# Background to the AF Accreditation Process



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- ❑ The AF Accreditation process is intended to ensure that applicant entities follow fiduciary and safeguard standards while accessing financial resources of the Adaptation Fund.
- ❑ Applicants undergo an assessment for accreditation to make sure they adhere to sound accreditation standards and implement effective [social and environmental safeguards](#) to **identify any project risks in advance, prevent any harm and improve the effectiveness and sustainability of results.**
- ❑ Follows a transparent and systematic process through an Adaptation Fund Accreditation Panel (the Panel) supported by the Secretariat.



# How an entity can become accredited with the AF



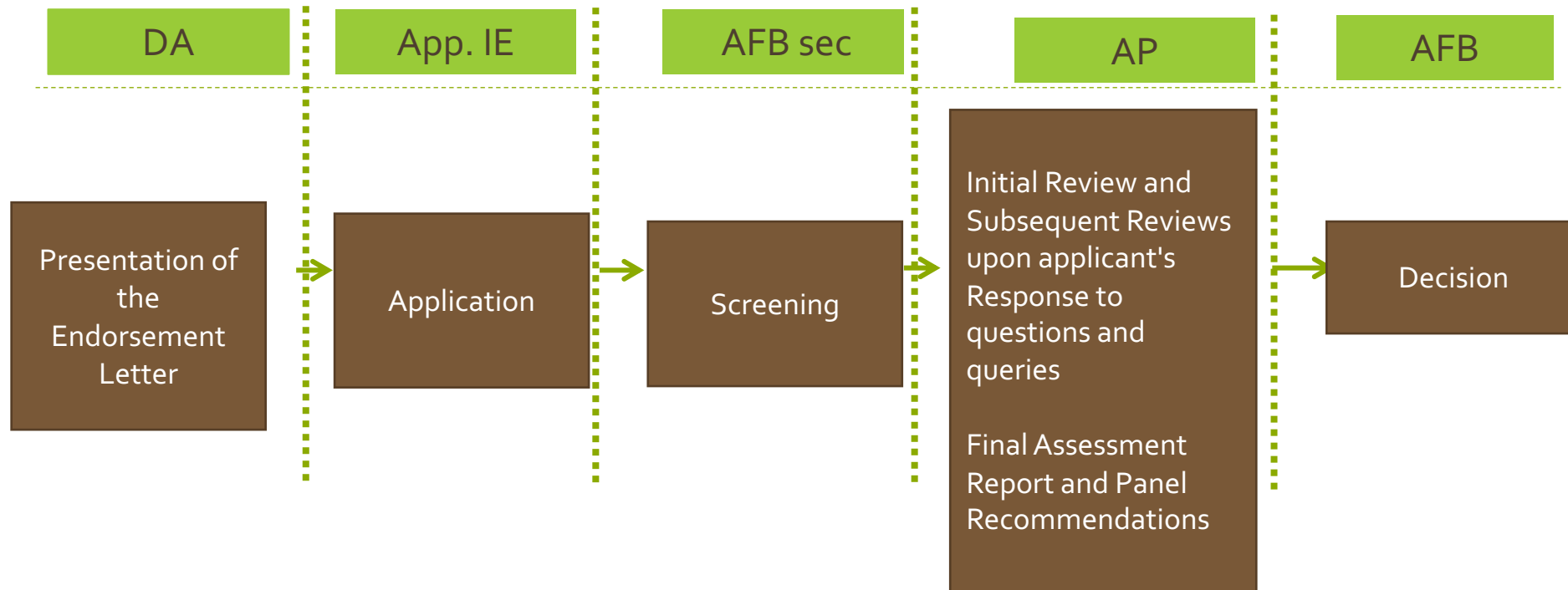
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- ☐ **Nomination:** An entity that meets the accreditation standards is identified and nominated as a potential implementing entity by a Designated Authority (DA)
- ☐ **Application:** Submission of accreditation application to the Secretariat together with the required supporting documentation to verify how an applicant meets the fiduciary standards and their commitment and ability to comply with the environmental and social policy and gender policy.
- ☐ **Screening by the AFS:** To ensure that all the necessary information is provided. AFS follows up with the potential implementing entities to ensure that the application package is complete.
- ☐ **Review by the AP:** The Panel reviews the application, identifies any questions and potential gaps and communicates directly with the applicant until it is ready to make a final assessment and recommendation.
- ☐ **AP Recommendation:** Based on the Panel's assessment and recommendation, the AFB approves recommendation for accreditation.

# Parties of the Accreditation Process

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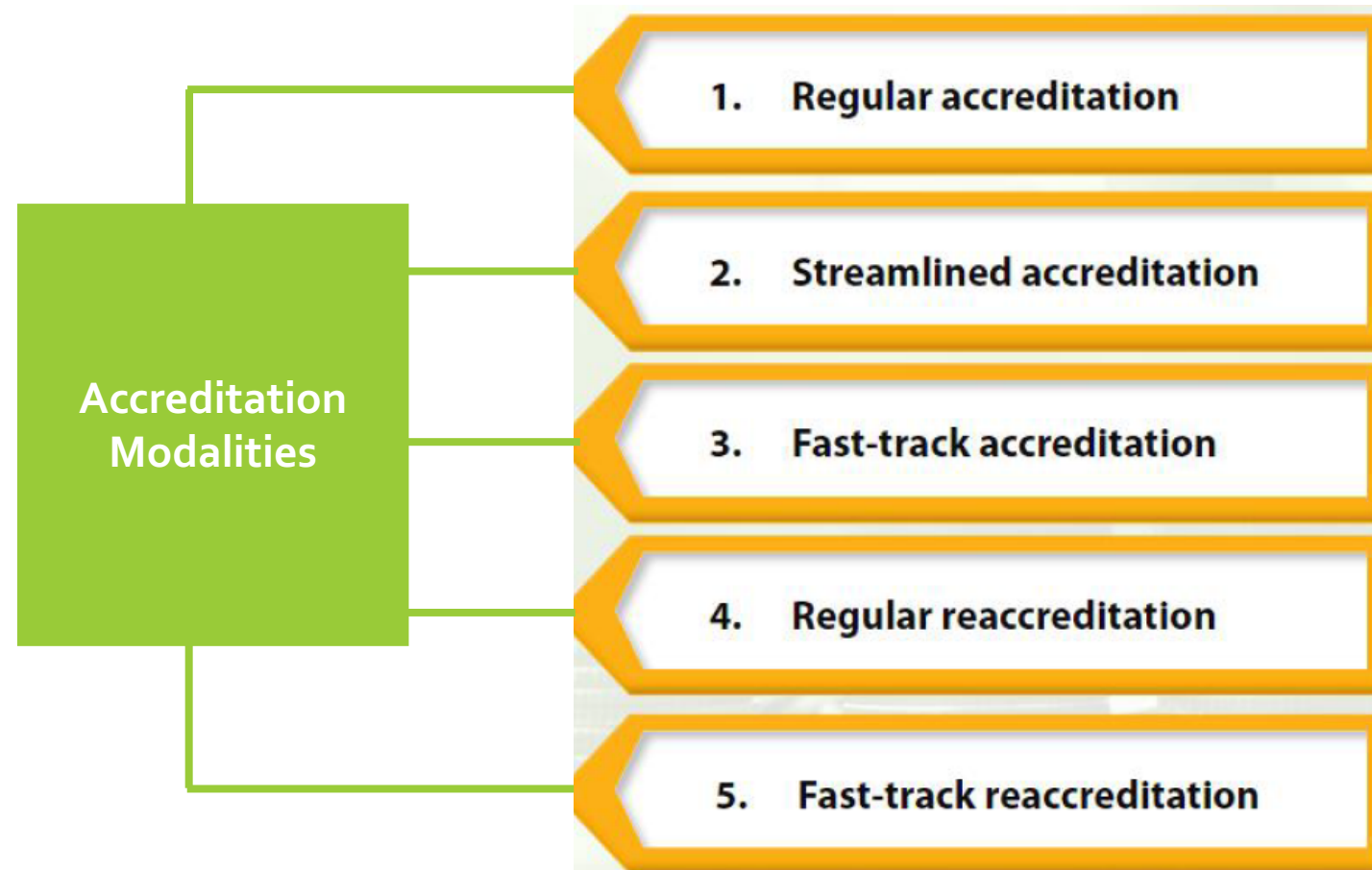




# Accreditation modalities



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- ❑ Accreditation status, whether granted through the Regular, Streamlined, or Fast Track accreditation process, is **valid for five years with a possibility of renewal.**

# Accreditation modalities – cont'd

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- ❑ **Regular Accreditation:** Available to entities of all types, sizes, and risk profiles.
- ❑ **Streamlined Accreditation:** Designed to support **smaller entities** access AF resources; typically available for applicants that **execute or implement projects that cost up to USD 1 million**; that have a **staff of up to 25 members** engaged in projects, and that have **annual administrative expenses of up to USD 1 million**.
- ❑ **Fast-track Accreditation:** Available to all applicant entities that had been accredited by the GCF within a period of four years prior to the submission of the accreditation application to the Fund.
- ❑ **Regular re-accreditation & fast-track re-accreditation:** Allow an entity to renew its accreditation status, either through the Regular Reaccreditation or Fast-Track Reaccreditation modality.
  - Developed to provide the Panel with a systematic approach to review the sustainability of an applicant's competencies under the fiduciary standards as well as its potential to address the criteria of the ESP and GP.

# AF Accreditation standards



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- The Adaptation Fund's accreditation process is composed of a set of accreditation standards that consist of four broad categories: **Legal status; Financial and management integrity; Institutional capacity; and Transparency, self-investigation and anti-corruption.**

## Legal status

- Demonstration of legal personality
- Ability to contract with AF and authority to directly receive funds

## Financial Management and Integrity

- Financial Statements and External Audit requirement
- Internal Control Framework
- Internal Audit/Assurance and Oversight arrangements
- Preparation of Business plans and budget



# AF Accreditation standards – cont'd



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## Institutional Capacity

- Procurement
- Project Preparation and Appraisal
- Project Implementation Planning
- Project Monitoring and Evaluation
- Project Closure and Final Evaluation

## Transparency, Self-investigative Powers, Anti-corruption measures and handling complaints about harmful Environmental or Social Impact of projects

- Policies and Framework and capacity to deal with fraud, corruption and other forms of malpractice
- Commitment by the entity to apply the Fund's Environmental & Social and Gender policy
- Mechanism to deal with complaints on environmental and social harms caused by projects

# AF Accreditation standards – cont'd

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- ❑ The Adaptation Fund Board has also considered (Decision B.32/36) issues related to **Anti Money Laundering (AML) and Countering the Financing of Terrorism (CFT)** and has approved “examples of supporting documentation” related to the “internal control framework”, “procurement” and “policies and framework to deal with financial mismanagement” criteria in the accreditation application form.
  
- ❑ In particular the supporting documentations are related to: (i) **Policies and procedure related to anti-money-laundering/countering the financing of the terrorism;** (ii) **Screening system which documents all individuals and/or organizations before the entity transfers money to them;** (iii) **Decision-making process that the entity follows when it identifies risks related to any individuals and/or organizations.**

# AF Accreditation Portfolio to date



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A total of 51 accredited implementing entities as at 1 October 2020



32 NIEs, 6 RIEs, and 13 MIEs



9 accredited NIEs from LDCs; 7 accredited NIEs from SIDS; and 16 accredited NIEs from other developing countries

☐ 12 out of the 27 IEs re-accredited to date are NIEs