



ADAPTATION FUND

09 July 2025

Adaptation Fund Board

Accreditation Panel Recommendation on the Fast-Track Accreditation of the Environmental Investment Fund (EIF) of Namibia as a National Implementing Entity (NIE) of the Adaptation Fund

Having reviewed the fast-track accreditation application of the ***Environmental Investment Fund (EIF)*** of Namibia, the Accreditation Panel recommended that EIF be accredited as a National Implementing Entity (NIE) of the Adaptation Fund.

A summary of the review is presented in Annex I below.

Accreditation Decision:

Having considered the recommendation of the Accreditation Panel, and following the fast-track accreditation process approved by Decision B.32/1, the Adaptation Fund Board decided to accredit the ***Environmental Investment Fund (EIF) of Namibia*** as a National Implementing Entity (NIE) of the Adaptation Fund for five years, as per paragraph 39 of the operational policies and guidelines for Parties to access resources from the Adaptation Fund. The accreditation expiration date is 09 July 2030.

Decision B.44-45/10

ANNEX I

REPORT OF THE ACCREDITATION PANEL ON AN ASSESSMENT OF THE APPLICATION FROM THE ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA FOR FAST-TRACK ACCREDITATION AS A NATIONAL IMPLEMENTING ENTITY (NIE) OF THE ADAPTATION FUND

Background

The Environmental Investment Fund of Namibia (EIF) is set up under the laws of Namibia, as a non-commercial public enterprise statutory entity outside the public service. Through the EIF Act, the Fund provides a sustainable source of funding to support environmentally sound development in Namibia and does so in a manner that complements programmes and actions of both the public and private sectors. The EIF was set up with the express purpose of raising financial resources for direct investment in environmental protection and natural resource management activities and projects, which support the sustainable economic development of Namibia. The Fund is not just for financing "conservation activities" but pursues a broader investment portfolio by providing economic opportunities and a stake in the use of natural resources to the poorest sectors of society. The ultimate goal is to improve the quality of life and the economic well-being of this sector, thereby reducing the possibility of them pursuing activities that degrade Namibia's fragile environment and waste its natural resources. Specifically, the objectives of the Fund are to mobilize funding for the maintenance of an endowment fund that will generate income in perpetuity; allocate this income to activities and projects which promote the sustainable use of the environment and its natural resources, the maintenance of biological diversity and the ecological processes that underpin them; and thereby contribute to economic improvements for sustainable rural and urban development.

Assessment against the fast-track accreditation criteria

EIF started its application for AF accreditation on 16 February 2024 and this assessment was therefore conducted using the fast-track modality due to EIF having been accredited by the Green Climate Fund most recently in October 2021, reviewing the criteria set out in Board Decision B.32/1 (Fast-track accreditation of implementing entities accredited with the Green Climate Fund) based on AFB/EFC.19.7 of December 2016; these also included the requirement to assess the criteria related to conditions attached to fast-track accreditation by the GCF. In addition, the Panel applied Board Decision B.32/36 (Accreditation standards related to anti-money-laundering/countering the financing of terrorism) based on AFB/EFC.23/4 and Board Decision B.31/26 of March 2018 regarding the use of third-party assessments.

The review and assessments by the Panel were based on the completed application form submitted through the online system provided by the EIF as well as on their responses to follow-up questions. To ensure that the Panel had comprehensive coverage, this was complemented by an extensive review of documents obtained from the website of EIF which were downloaded and assessed as evidence of compliance with all the criteria required under the fast-track accreditation process. Relevant documents from the websites of the Green Climate Fund (GCF) and other related international institutions were also reviewed, as necessary. In addition to the 2021 GCF reaccreditation review, the Panel reviewed various EIF audit and evaluation reports undertaken by independent consultants or international organizations to inform its assessment.

SUMMARY ASSESSMENT

The applicant has demonstrated full compliance with the following criteria and review process for fast-track accreditation (FTR) by the Adaptation Fund:

Legal status

The applicant meets the criterion. The applicant has demonstrated that it possesses the appropriate legal personality, capacity, authority, and ability to enter into contracts or agreements and to directly receive funds from international, and national institutions and the private sector as well as the legal capacity to serve as a plaintiff or defendant in a Court of law.

Policies regarding Anti-money Laundering and Counter-Terrorism Financing (AML/CFT)

The applicant meets this criterion. EIF is subject to government financial intelligence regulations and provisions and has developed and put in place a recently developed AML/CFT policy accompanied by Know Your Customer (KYC) Guidelines and an updated procurement manual, which are all aligned with the Financial Intelligence Act of Namibia. The applicant has embarked on mandatory screening of all vendors and partners against sanctions' lists and provided evidence of doing so. The candidate has well-defined structures and processes in place to handle, report, and investigate suspicious activities, including addressing staff non-compliance with AML/CFT policies.

Policies and Framework to deal with fraud, financial mismanagement, and other forms of malpractice

The applicant meets this criterion. A strong zero-tolerance message signed by the executive director was provided and posted on the applicant's website. This message is underpinned by various internal policies including an anti-fraud policy, a code of ethics, duty to report, employee grievance, and disciplinary procedures. These allow EIF to address risks of mismanagement and other forms of malpractice. There are internal investigative procedures. While there is no established in-house investigative capacity, the Board of Directors is empowered to oversee investigations, and the applicant can resort to external expertise and plans to use a roster of experienced investigative consultants should the need arise.

Commitment by the entity to apply the Fund's Environmental and Social Policy (ESP) and Gender Policy and to address environmental, social, and gender risks

The applicant meets this criterion. A firm top-level management statement posted on the applicant's website confirms the applicant's intention to abide by the Fund's Environmental, Social, and Gender Policy for projects funded by the Adaptation Fund. This commitment is underpinned by EIF issuing its own 2015 Environmental and Social Policy and the updated 2022 gender policy and action plan.

Mechanism to deal with complaints on environmental and social harms and gender harms caused by projects/programs

The applicant meets this criterion. EIF has multiple avenues for complainants to submit grievances including a complaints portal on its website. The complaints portal allows for specific complaints regarding environmental and social safeguards. EIF has been applying grievance

mechanisms in its current project portfolio funded by the Green Climate Fund. A list of complaints received and dealt with was shared with the Panel.

Assessment of GCF Fast-Track Accreditation Conditions

The first accreditation by the GCF took place in 2016 (GCF/B.10/06). GCF has approved four projects with a total budget of USD 37.7 million under the oversight of EIF. These are all adaptation projects in drought-stricken rural communities in Namibia with the use of grants as the financial instrument. EIF's engagement with GCF also includes two approved grants under the Readiness and Preparatory Support Programme (Readiness Programme). In 2021, EIF was reaccredited by the GCF with a number of conditions reflecting concerns regarding certain fiduciary aspects and capacities to handle financial reporting, and project management, and M&E. The GCF reaccreditation team nevertheless rated progress on project implementation on overall satisfactorily. The seven conditions (three before the amendment of the Master Agreement and four within a year of its signature) have all been confirmed as met by October 2023.

Third-Party Assessments

In addition to the GCF assessments, the Panel reviewed several assessments (audits and evaluations) issued by the GCF and UNDP. They all confirmed satisfactory performance and delivery of results by the applicant.

Conclusion and Recommendation

The Panel concludes that the applicant fully meets the standards and other criteria for fast-track accreditation. The Panel recommends the fast-track accreditation of EIF as a national implementing entity of the Adaptation Fund by the Adaptation Fund Board.