Adaptation Fund Board
Forty-fifth meeting
Bonn, Germany

REPORT OF THE FORTY-FOURTH MEETING OF THE ACCREDITATION PANEL

Strategic Issues

a) Reporting on the work of the Accreditation Panel with respect to accreditation and re-accreditation application portfolio.

b) The number of (re)accreditation applications in the pipeline is increasing considerably, with a total of 44 applications out of which 36 under review.

c) The secretariat received new accreditation applications for four (4) National Implementing Entities (NIEs) between the last AP43 report and AP44 report to the Board.

d) The Panel adopted a guidance document and approach document as living documents, after a thorough consultation, to ensure consistency and efficiency in the review process and the preparation of assessment reports for (re-)accreditation applications.

e) During the intersessional period between the forty-fourth and the forty-fifth meetings of the Board, the Panel recommended the accreditation of La Banque Agricole (LBA) of Senegal, Environmental Investment Fund (EIF) of Namibia, and the Bank of Industry (BOI), Nigeria as a National Implementing Entity (NIE) of the Adaptation Fund.

f) Per this Board's decision to conduct in-depth analysis of the re-accreditation process of the Fund and present it to the Accreditation Panel, the Panel proposed a recommendation for the Board's consideration at its forty-fourth meeting.

Purpose

1. This Board presents to the Board updates on the (re-)accreditation application portfolio, the findings of the independent analysis of the re-accreditation process (presented as a separate paper), and the Accreditation Panel's preferred options of the outcomes of the in-depth analysis of the re-accreditation process, and invites the Board to decide on a preferred option with the objective of enhancing long-term operational and budgetary efficiency.

Recommended Decision

2. The Adaptation Fund Board, having considered document AFB/B.45/9, and recalling its decision B.44/5 requesting the Secretariat to assess the operational implications of the current re-accreditation model and develop options for its revision, decides:

a) To take note of the three options for revising the Adaptation Fund's re-accreditation process as presented in document AFB/B.45/9.

b) To select Option 3, the continuous accreditation model with trigger-based reviews, presented in document AFB/B.45/9; and

c) To request the Secretariat to prepare, taking into account guidance by the Board provided at its 45th meeting, and in consultation with the Panel, a detailed proposal for the implementation of the selected option, including financial and operational implications, transitional period arrangements as well as any necessary amendments to policies, for consideration by the Board at its [forty-sixth] meeting.

(Recommendation AFB/AP.44/1)

3. Having considered the recommendation of the Accreditation Panel, the Adaptation Fund Board decided to re-accredit the World Food Programme (WFP) as a Multilateral Implementing Entity (MIE) 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 9 October 2030.

(Recommendation AFB/AP.44/2)

Background

4. The Accreditation Panel (the Panel) continued its work reviewing existing applications. The Panel held its forty-fourth meeting (AP43) on 2-3 September 2025 in Washington, DC. The Chair of the Accreditation Panel, Mr. Naresh Sharma (Nepal, Least Developed Countries) and Vice-Chair, Mr. Antonio Navarra (Italy, Western Europe and Others Group), presided over the 2-day meeting.

5. For the forty-fourth Panel meeting, the Adaptation Fund Board Secretariat (the Secretariat) received new accreditation applications for 3 national implementing entities (NIEs). The Panel continued reviewing 14 existing accreditation applications (12 NIEs; 2 Regional Implementing Entities (RIEs)), 19 re-accreditation applications (11 NIEs; 3 RIEs; and 5 Multilateral Implementing Entities (MIEs)). The accreditation applications of six (6) of the NIE candidates have been dormant for at least a 6-month period. Therefore, in accordance with Decision B.31/26, the Secretariat sent the first and second notifications letters notifying the respective DAs about the inactivity on 8 September 2025 and on 9 September 2025.

6. After considering the recommendation by the Panel, the Adaptation Fund Board had interssesionally approved during the period from 2 February 2025 to 10 September 2025 the accreditation of La Banque Agricole (LBA) of Senegal, Environmental Investment Fund (EIF) of Namibia, and the Bank of Industry (BOI) of Nigeria as an 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 (Decision B.44-45/2; Decision B.44-45/10; Decision B.44-45/21).

7. As of the forty-fourth meeting of the Panel, 17 accreditation applications, comprising of 15 potential NIEs and 2 potential RIEs were under review by the Panel as per the following list:

1. National Implementing Entity NIE161
2. National Implementing Entity NIE177
3. National Implementing Entity NIE160
4. National Implementing Entity NIE140
5. National Implementing Entity NIE147
6. National Implementing Entity NIE149
7. National Implementing Entity NIE155
8. National Implementing Entity NIE156
9. National Implementing Entity NIE159
10. National Implementing Entity NIE163
11. National Implementing Entity NIE164
12. National Implementing Entity NIE166
13. National Implementing Entity NIE171
14. National Implementing Entity NIE172
15. National Implementing Entity NIE136
16. Regional Implementing Entity RIE016
17. Regional Implementing Entity RIE020

GENERAL TRENDS

8. As of 16 September 2025, the total number of accredited implementing entities amounted to 63: 39 NIEs, 9 RIEs, and 15 MIEs (Figure 1). Among the 39 NIEs, there were 13 accredited NIEs that were from Least Developed Countries (LDCs) and 7 accredited NIEs that were from Small Islands Developing States (SIDS) (Figure 2). Out of the 63 accredited implementing entities of the Fund, 41 entities (65%) had been re-accredited: 23 NIEs, 6 RIEs and 12 MIEs. With respect to the geographic coverage of the 39 NIEs and 9 RIEs, 16 entities were from Latin America and the Caribbean (LAC), 19 were from Africa, 12 were from Asia-Pacific and 1 was from Eastern Europe (EE) (Figure 3). As per Decision B.36/42, the Secretariat has to date, received nominations from the Designated Authorities (DAs) of 20 countries for a second NIE to pursue accreditation with the Fund.
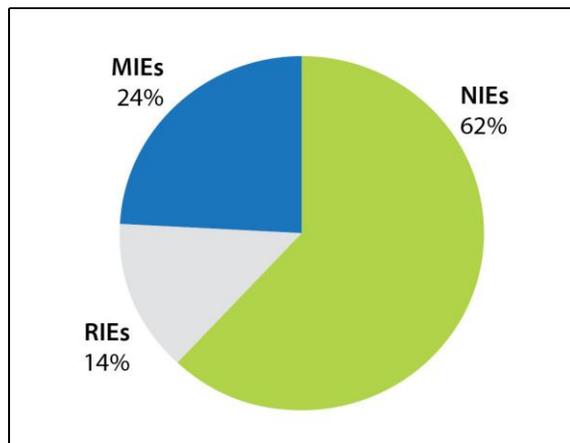
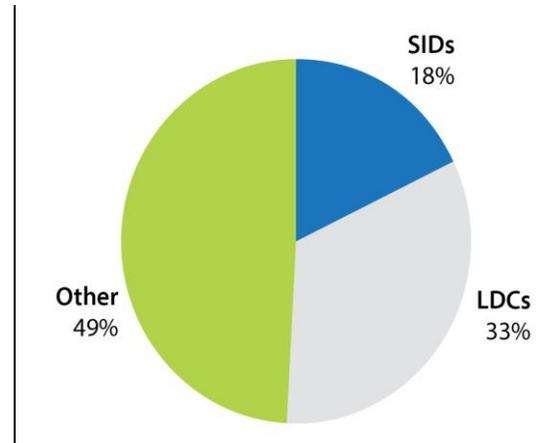**Figure 1. Accredited Implementing Entities by type**
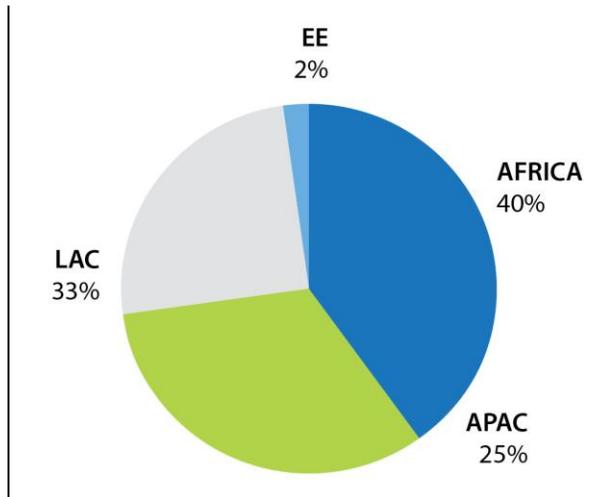

Figure 2. LDCs and SIDS among accredited NIEs

Figure 3. Accredited NIEs and RIEs by region

ACCREDITATION PIPELINE

9. The following infographic (figure 4) provides an update on the current accreditation pipeline, which does not include re-accreditation applications.

Figure 4. The accreditation pipeline of the Adaptation Fund as of 16 September 2025

STATUS OF APPLICATIONS UNDER REVIEW

APPLICANT IE	SUBMISSION OF APPLICATION (MM-YYYY)	REFERENCE FOR BACKGROUND INFORMATION	CURRENT STATUS
NEW APPLICATIONS			
NIE161	Jul-2025	N/A	The application was progressed for the initial panel review on 11 August 2025 under the regular route. In preparation for the AP44 meeting, the Panel had begun initial review of the application and noted that some of the documents including financial statements submitted by the applicant are outdated. At the time of this report, the Panel's initial round of questions is pending.
NIE177	Mar-2025	N/A	The application was forwarded for the Panel's initial review under regular accreditation track on 12 June 2025 after several rounds of screening by the Secretariat. At the AP44 meeting, the Panel had begun reviewing the application and noted that most of the required documents were submitted by the applicant. The Panel also noted that upon its preliminary review the applicant has gaps and so the Panel requested additional time to fully reflect on the specific gaps of the applicant. At the time of this report, the Panel's initial round of questions is pending.
NIE160	May-2025	N/A	The application is being reviewed under the fast-track route. After the applicant addressed all the residual comments on 13 March 2025 from its initial submission, the Secretariat progressed the application to the Panel for its initial review on 20 August 2025. At the AP44 meeting, the Panel's initial round of questions is pending.
EXISTING APPLICATIONS			

NIE140	Sept-2019	AFB.B44/10/Rev.1	The application is being reviewed under the regular accreditation route. The latest exchange with the applicant was on 16 January 2025 when the secretariat sought updates from the focal point regarding the status of the application. The applicant uploaded one document on 8 July 2025, which only partially responded to the Panel's questions. At the AP44 meeting, the Panel noted that the last detailed response received on the application in response to the Panel's questions was in 2021 although the application has made some progress since 2024. The secretariat noted that the applicant had requested support through the Adaptation Fund's Readiness Programme window and was received by the applicant in 2017 through an already accredited NIE in the country. At the time of this report, no additional documents have been uploaded by the applicant in the Workflow.
NIE147	Aug-2020	AFB.B44/10/Rev.1	The application is currently under the Panel's review through the regular accreditation route. On 14 January 2025, the focal point requested updates on the status of the application, which the secretariat conveyed to the Panel. The Panel produced the latest list of follow up questions on 15 January 2025 which the secretariat had transmitted to the focal point on 16 January 2025. After receiving the applicant's responses on 24 February 2025, the Panel shared follow-up questions on 11 June 2025, followed by a virtual meeting on 25 June 2025. The applicant uploaded one document on 18 June 2025. At the AP44 meeting, the Panel noted that although the applicant has responded to the recent requests it still needs to provide some details on financial projections and its strategic plan. At the time of this report, no new documents have been uploaded to the workflow by the applicant.
NIE149	Aug-2023	AFB.B44/10/Rev.1	The application is being reviewed by the Panel under the regular accreditation route and was progressed to the Panel on 4 January 2024 for its initial review. The Panel questions were conveyed to the applicant on 26 August 2024, which subsequently uploaded some documents to the Workflow on 31 January 2025. At the AP44 meeting, the Panel noted that although the applicant had provided responses to the last round of questions, but the responses were unsatisfactory. At the time of this report, no additional information has been provided by the applicant to the last round of question.

NIE155	Aug-2024	AFB.B44/10/Rev.1	The Secretariat assigned this application for review on 3 December 2024. The Panel completed its initial review of the application and produced a list of follow up questions which the Secretariat transmitted to the focal point on 29 April 2025. In response to a request for updates from the secretariat, the focal point uploaded three documents on 4 August 2025. At the AP44 meeting, the Panel noted that most of the submitted documents did not specifically address the issues raised. At the time of this report, the applicant's further responses to the Panel's questions are still pending as no new documents have been uploaded by the applicant.
NIE156	Jul-2022	AFB.B44/10/Rev.1	After the AP43 meeting, the secretariat informed that the assessment report is being updated and that further information would be shared with the applicant once the Panel reverts. At the AP44 meeting, the Panel noted that it had held follow-up discussion with the applicant and is currently finalizing its report. At the time of this report, the Panel has not submitted their assessment report.
NIE159	Mar-2024	AFB.B44/10/Rev.1	The last update from the applicant on the application was on 3 February 2025 when the applicant uploaded several documents in the Workflow after which the Panel was accordingly notified of the updated application by the secretariat. The second round of questions were sent to the applicant in June 2025 where the Panel noted significant gaps in the applicant's AML /CFT policies and screening procedures, environmental and social policies, among others. During a virtual meeting, the Panel suggested the entity to consider accreditation under the streamline route, which the applicant seemed to prefer as well. The secretariat advised the entity to coordinate with the DA of the country to send an official letter to the secretariat to consider the applicant under streamline accreditation. The secretariat has put the applicant in touch with Readiness team to learn about grants to support accreditation. At the time of this report, no new updates have been received from the applicant.
NIE163	Jun-2024	AFB.B44/10/Rev.1	This application is currently under the streamlined route since 7 April 2025. After AP43 and follow up call to clarify the streamline approach, the DA formally requested the secretariat for streamline route. The applicant uploaded several documents on 8 April 2025 in response to the Panel questions. The Panel conveyed follow up questions on 11 June 2025 through the secretariat, allowing the applicant to submit additional documents on 27 June 2025 and 2 July 2025. The Panel conveyed the follow-up questions to the applicant on 18 August 2025. At the AP44 meeting, the Panel noted that it has sent its sixth round of questions to the applicant and that the entity is currently going through readiness support from both GCF and AF to update its policies. At the time of this report, no new updates have been received from the applicant.

NIE164 (**Fast-Track Accreditation**)	Nov-2023	AFB.B44/10/Rev.1	The application is currently being reviewed by the Panel under the Fast-Track Accreditation route. The latest exchange with the focal point was on 28 January 2025, when the secretariat requested the applicant for updates. After AP43, at the request of the Panel, the secretariat conveyed a follow-up list of questions to the applicant on 17 March 2025. At the AP44 meeting, the Panel noted that the application is progressing slowly as there is a limited response although it is being considered on a fast-track basis. The secretariat proposed scheduling a meeting with the applicant and Panel to clarify the specific gaps and issues the applicant is currently facing. As of this report, no new information has been uploaded to the workflow by the applicant.
NIE166	Nov-2023	AFB/B.44/10/Rev.1	After AP43, the applicant responded to Panel's 27 January 2025 questions by uploading documents on 7 February and 29 April 2025 respectively. The Panel requested the secretariat to transmit follow-up list of questions on 9 June 2025. At the AP44 meeting, the Panel noted that the applicant does not have many of the fiduciary systems in place. The Panel therefore recommended the applicant to consider readiness support to address such gaps. The applicant uploaded additional documents on 2 September 2025 in response to Panel's questions. At the time of this report, the review of the Panel is pending.
NIE171	Nov-2024	AFB/B.44/10/Rev.1	The Panel began its initial review of the application on 5 December 2024 and conveyed the first round of questions on 23 January 2025. After AP43, the applicant uploaded additional supporting documents in April and May 2025. The Panel shared the follow-up list of questions with the applicant on 16 and 26 June 2025. At the AP44 meeting, the Panel noted that they would be ready to move forward with the application given that it has addressed some of the gaps outlined in the last round of questions. The applicant uploaded documents on 8-9 September 2025. At the time of this report, the panel is reviewing the additional documents.
NIE172	Oct-2024	AFB/B.44/10/Rev.1	The application is being considered for accreditation on a regular route. The application was assigned to the Panel for initial review on 4 December 2024. The Panel's first round of questions was conveyed by the secretariat to the applicant on 1 May 2025. The applicant uploaded several documents on 2 July 2025 and on 19 August for the Panel's further review. At the time of this report, the review from the Panel is pending.

RIE016	Jun-2017	AFB/B.44/10/Rev.1	This application is being reviewed on a regular accreditation route. On 27 August 2025, the secretariat sent a letter of notification of inactivity to the applicant. At the AP44 meeting, the Panel flagged this application as one of the oldest applications. The secretariat noted that it would make the efforts to understand the issues that are leading to the slow progress of the application. At the time of this report, no action has been taken by the secretariat and no information has been received from the applicant.
RIE020	Nov-2024	AFB/B.44/10/Rev.1	This is application is being reviewed under the regular accreditation route. After AP43 meeting, the Panel requested the secretariat to convey the first round of questions to the applicant on 27 March 2025. Upon the secretariat's follow-up email, the applicant focal point informed that due to internal restructuring it froze all external submissions and that after all key positions are in place, the applicant will upload the requested information by the end of September 2025. The secretariat suggested the Panel to visit the entity in February 2026 if Panel deems it appropriate. As of this report, no new information has been received from the applicant.
NIE113 (**Dormant application**)	Jan-2016	AFB/B.44/10/Rev.1	At the COP29 in Baku Azerbaijan, the secretariat met a high-level delegation from the applicant country to discuss the status of the application and the pending issues. Subsequent to that, the applicant uploaded some documents on 4 December 2024. Since then, no new updates have been made by the applicant on the workflow. At the AP44 meeting, no update was received from the applicant. On 8 September 2024, the secretariat sent the first formal notification letter on the inactivity of the applicant to the country's DA and the applicant in accordance with Decision B.31/26. At the time of this report, the focal point has neither responded nor shared additional documents in the workflow.
NIE041 (**Dormant application**)	Oct-2020	AFB/B.44/10/Rev.1	The applicant submitted one document on 27 January 2025 in response to an earlier request made on 2 February 2024 through a secretariat facilitated meeting between the Accreditation Panel and representatives from the applicant organization. A dormant application notification letter was sent by the secretariat to the DA and the entity on 9 September 2025 in accordance with Decision B.31/26. At the time of this report, the focal point has neither responded nor shared additional documents in the Workflow.

NIE055 (**Dormant application**)	Mar-2021	AFB/B.44/10/Rev.1	This application is being reviewed under the streamlined accreditation process. At the AP44 meeting, the Panel noted that their last communication with the applicant was in 2024. The Panel also noted that the key challenge with the entity is its association with a university in the applicant's host country and but also has gaps in many of the required competencies. In response to the Panel's concerns, the secretariat noted that the reasons for the participation of academic institutions in the accreditation process as part of the larger agenda on climate adaptation action. In accordance with Decision B.31/26, the secretariat issued a dormant application letter to the country's DA and the applicant on 8 September 2025. At the time of this report, no updates have been received from the applicant.
NIE066 (**Dormant application**)	Aug-2026	AFB/B.44/10/Rev.1	In accordance with Decision B.31/26, the Secretariat sent the first formal notification on the dormancy of the application on 3 February 2025 to the DA and the applicant informing them of the dormancy status. At the AP44 M meeting, the Panel noted that its last exchange with the applicant was in July 2024. On 8 September 2025, the Secretariat issued the DA and the applicant the second formal notification informing them of the dormancy of the application. At the time of this report, the secretariat has not received additional documents from the applicant in the Workflow.
NIE144 (**Dormant application**)	Sep-2020	AFB/B.44/10/Rev.1	This application is being assessed under the streamlined accreditation process. At the AP44 meeting, the Panel noted that the fifth round of questions were sent to the applicant in January 2025 while pointing out gaps in the submitted financial statements. The Secretariat also noted that the applicant was a project unit and has previously obtained readiness support from a regional development bank. In accordance with Decision B.31/26, the first and second notification letters were sent to the DA and the applicant on 3 February 2025 and 08 September 2025 respectively. At the time of this report, the applicant neither responded to the Secretariat nor uploaded new documents in the Workflow.
NIE148 (**Dormant application**)	Dec-2020	AFB/B.44/10/Rev.1	The application is being assessed under the regular route. The secretariat sent a notification letter for inactivity to the DA and the applicant on 8 September 2025. At the AP44 meeting, the secretariat noted that the application has previously received readiness support from the Adaptation Fund and so considerations are underway on how to deal with the issue for all dormant applications that have previously received readiness support from the Adaptation Fund. At the time of this report, no additional documents have been uploaded by the applicant to the Workflow.
RE-ACCREDITATION			

NIE002	Sep-2024	AFB/B.44/10/Rev.1	This application was first submitted to the secretariat on 20 May 2024. Since the AP43 meeting, the Panel shared the first round of questions on 28 March 2025 and received responses from the applicant on 29-20 April 2025. The Panel requested the secretariat to convey follow up questions on 18 June 2025 and received additional documents from the applicant on 20 June 2025. The residual questions from the Panel were transmitted to the applicant on 30 June 2025. The applicant responded with response matrix on 3 July 2025. At the AP44 meeting, the Panel noted that while some of the issues have been addressed, others have persisted and so the Panel would have to wait for the latest response from the applicant to Panel's 29 August 2025 residual questions. At the time of this report, no additional documents have been uploaded by the applicant to the Workflow.
NIE004	May-2021	AFB/B.44/10/Rev.1	This application is a second re-accreditation. Since the AP43 meeting and on 11 June 2025, the secretariat at the request of the Panel shared the fifth round of questions with the applicant. In response, the applicant has uploaded eight documents on the Workflow. At the time of AP44 and this report, the Panel's review of the latest documents is ongoing.
NIE015	May-2024	AFB/B.44/10/Rev.1	The Panel completed its initial review and shared a list of follow up questions which the secretariat transmitted to the applicant on 23 December 2024. The applicant uploaded additional documents on 06 June 2025, following which the Panel conducted further review and requested the secretariat to convey follow-up questions on 11 August 2025. At the AP44 meeting, the Panel noted that it was still waiting for responses from the applicant on pending matters and that the application is currently on a positive track. The secretariat also noted that the entity is one of the oldest accredited IEs and one of the pioneers of enhanced direct access modality. At the time of this report, the applicant has requested the secretariat to facilitate a clarification call with the Panel on 26 September 2025.

NIE016	May-2017	AFB/B.44/10/Rev.1	After AP43 meeting, the secretariat conveyed Panel's follow up list of questions on 17 March 2025, and at the request of the applicant, facilitated a clarification call on 9 April 2025. The applicant responded by uploading documents on 6 May 2025. On 16 July 2025, the applicant requested the extension of grace period for achieving re-accreditation to match the date of project completion, that is 17 January 2026, which was approved by the Board. The secretariat conveyed Panel's additional follow up questions on 17 July 2025. At the AP44 meeting, the secretariat noted that one of the challenges with the application is language translation. On 9 September 2025, the applicant uploaded several additional documents onto the workflow system. At the time of this report, the Panel is reviewing the additional documents.
NIE017	June-2025	AFB/B.44/10/Rev.1	After several back and forth with the secretariat during the screening stage, the application was progressed to the Panel for initial review on 20 June 2025. A pending document was submitted by the applicant to the secretariat on 14 August 2025 which, at the time of AP44 meeting, was available for the Panel's review .At the time of this report, the Panel is reviewing the application.
NIE020	Jun-2024	AFB/B.44/10/Rev.1	After AP43 meeting, the Panel completed the initial review and requested the secretariat to convey the first round of questions to the applicant on 21 April 2025. The applicant, in response, uploaded one document on the workflow on 9 June 2025. At the AP44 meeting, the Panel highlighted the overall strength of the application and requested the secretariat to inform the applicant to upload all supporting documents on the Workflow. At the time of this report, no further documents have been received from the applicant

NIE029	June-2022	AFB/B.44/10/Rev.1	After AP43 meeting, the applicant uploaded several documents on the workflow on 25 March 2025. The Panel requested the secretariat to convey follow-up questions on 9 June 2025. Since that period, the applicant has uploaded six documents on the workflow. At the AP44 meeting, the panel noted that the applicant is near completion of the process and Panel would deliberate internally to ensure the report that is being drafted rigorously reflects the process. The Panel also expressed a field visit might be helpful for the Panel to better understand the applicant competencies. The secretariat noted that the Fund does not typically support visits for reaccreditation, but it will consider Panel's request if deemed necessary. At the time of this report, the secretariat is coordinating with the applicant to facilitate a clarifying call with the Panel.
NIE030	Oct-2024	AFB/B.44/10/Rev.1	This is a regular re-accreditation application. On 12 February 2025, the secretariat passed the application to the Panel for initial review. At the AP44 meeting, the Panel noted that it had completed its draft of the first round of questions and deliberating internally to finalize the questions before they are sent to the applicant. At the time of this report, the secretariat has conveyed Panel's follow-up questions to the applicant on 15 September 2025.
NIE032	Oct-2023	AFB/B.44/10/Rev.1	This application was assigned for initial review on 22 May 2024. After AP43, the applicant uploaded several documents on 17 February 2025. The Panel shared the follow up questions with the applicant on 15 April 2025 to which the applicant responded on 5 May, 20 and 22 August 2025. At the AP44 meeting, the Panel noted that some of the suggestions provided on the last reaccreditation have not been addressed by the applicant. The Panel also noted that although the terminal evaluation ended in 2023, the applicant mentioned that the project was still ongoing, and so it needed clarification from the secretariat. In response, the Secretariat noted that the applicant had asked for an extension but would review the details in order to get back to the Panel with the appropriate response. At the time of this report, the Panel requested the secretariat to send its fifth round of questions to the applicant, which was transmitted to the entity on 15 September 2025.
NIE049	Mar-2023	AFB/B.44/10/Rev.1	After the AP43 meeting, the secretariat, at the request of the Panel, conveyed additional follow-up questions on 17 February 2025. The secretariat facilitated a virtual meeting on 26 June 2025 between the Panel and the applicant, following which the applicant uploaded several documents on 12 and 17 July 2025. At the AP44 meeting, the Panel mentioned that the applicant has been very responsive although the gaps are still remaining . The Panel noted that it would provide an update on the application as soon as it completes its review. At the time of this report, the Panel's review is pending.

NIE136	Jan-2025	AFB/B.44/10/Rev.1	This is a regular re-accreditation application. After a long screening process from March 2024 to January 2025, the application was passed for Panel review on 17 February 2025. At the AP44 meeting, the Panel noted that the application has a number of gaps which it will request additional through follow up questions. At the time of this report, the Panel initial review is pending.
RIE001 (**Fast-Track Accreditation**)	Nov-2021	AFB/B.44/10/Rev.1	This is a fast track re-accreditation. After AP43, a delegation from the applicant entity visited the secretariat on 10 June 2025 to understand the pending matters, which were duly clarified to the focal point. At the AP44 meeting, the Panel noted that they need additional information on project performance. The Secretariat noted that they would coordinate internally to provide project performance updates as requested by the Panel. As of this report, the Secretariat has not received any further updates from the applicant.
RIE002	Dec-2023	AFB/B.44/10/Rev.1	After AP43, the applicant uploaded additional documents on 13 February 2025. The Panel further reviewed and requested the secretariat to convey third round of questions to the applicant on 14 May 2025. On 25 June 2025, the secretariat facilitated a meeting between the Panel and the applicant to clarify the comments and questions. The applicant provided additional documents and responses on 30 July 2025. At the AP44 meeting, the Panel noted that the entity is currently developing changes in a number of its organizational areas including project cycles which would mean that they might require additional time to enable them to fully develop these systems. On 5 September 2025, the applicant sent a letter to the secretariat following up on the status of its application and also raised concerns about how delays might impact its ability to submit applications for the current rounds. At the time of the report, the panel review of the application is pending.

RIE004	May-2025	N/A	This is a second regular re-accreditation application. On 6 August 2025, the secretariat assigned the application to the Panel for their initial review. At the AP44 meeting, the Panel noted the application is fairly new, and they have completed two rounds of questions with the applicant. The Panel also noted that the recent project performance assessments provided by the secretariat was useful and requested further clarity on reasons for underperformance. In response, the secretariat informed that various factors contribute to this situation, including delays in some of the evaluation reports but noted that they would be ready to provide responses to any specific questions from the Panel in relation to the matter. The applicant had requested a restructuring of their approved project and that the next report should be finalized in 2026 when the secretariat would be able to provide additional updates to the Panel if needed. At the time of this report, no additional information or documents have been submitted by the applicant.
MIE004	May-2025	N/A	The secretariat assigned the application to the Panel on 9 June 2025. The Panel conveyed the first round of questions on 8 July 2025 through the secretariat. The applicant submitted several documents in response on 24 July 2025. The Panel requested the secretariat to transmit follow-up questions to the applicant on 6 August 2025. At the AP44 meeting, the Panel requested the secretariat to facilitate a meeting with the entity in late September . . The Panel also noted that the applicant has not shared some requested documents due to confidentiality concerns. The applicant invited the Panel to the entity's headquarters to review and discuss confidential documents. At the time of this report, the secretariat is scheduling a meeting between the Panel and the entity.
MIE005	Mar-2025	N/A	The application was last submitted for screening on 28 March 2025, thereafter the application was progressed to the Panel for initial review. The Panel's first round of question was conveyed to the applicant on 11 April 2025. The applicant uploaded documents in response on 28 May and 15 July 2025. Additional follow-up questions from the Panel were conveyed to the applicant on 20 June 2025 and again on 6 August 2025. At the AP44 meeting, the Panel noted that the applicant still has gaps in environmental and social performance and safeguards. The Panel noted that once these issues are addressed, they would move forward with the application. At the time of this report, no new responses have been received from the applicant.

MIE008	Dec-2024	AFB/B.44/10/Rev.1	This application was first submitted to the secretariat on 9 November 2023, and resubmitted with comments addressed on 5 December 2024. The secretariat progressed it for initial Panel review on 16 December 2024. After AP43, the Panel had requested the secretariat to convey the first round of questions to the applicant on 7 April 2025. The accreditation expiration of applicant was on 20 April 2025, and the applicant was unable to upload additional documentation during this time. At the AP44 meeting, the Panel noted that the entity's accreditation expired shortly after it had shared follow up comments. The Panel also noted that it strongly believes the entity has the capacity to address the questions posed but the entity was unable to respond due to time limitation. The Secretariat further noted that procedurally the status of the application will change solely on the basis of time lapse. The secretariat noted that it had held several meetings with the entity and the applicant has expressed interest in restarting the accreditation process. At the time of this report, the Accreditation Panel is preparing a Note to the Board along with the recommendation to change the status of accreditation of the entity .
MIE012	Apr-2022	AFB/B.44/10/Rev.1	After the AP43 meeting, the applicant requested a meeting with the Panel which the secretariat facilitated on 18 March 2025, following which the applicant uploaded additional documents and responses on 30 April 2025. The Panel reviewed and requested the secretariat to transmit follow-up questions to the applicant which were sent to the applicant on 30 July 2025. At the AP44 meeting, the Panel noted that the application still has gaps. The Secretariat noted that a visit to the entity was proposed by the Panel and it would be very open to facilitate such visit. The Panel noted that it will decide on any field travel-related activity once the applicant clarifies its recent questions. As of this report, no further documents have been uploaded by the applicant to the Workflow.
MIE016 (**Fast-Track Accreditation**)	Jul-2025	N/A	This application is in 'in re-accreditation process' since 25 June 2025 and is being assessed under the fast-track route. The screening by the secretariat concluded on 10 July 2025 when the application was assigned to the Panel. At the AP44 meeting, the Panel noted that there are still gaps in the grievance mechanism although the environmental and social policies align fully with the Adaptation Fund's policies. The Panel noted that it is confident the applicant would be able to meet the requirements with the additional information it has requested from the entity. At the time of this report, the Panel's initial review is pending.

OTHER MATTERS

10. AF-TERG thematic evaluation on the readiness programme

The Coordinator of the Technical Evaluation Reference Group of the Adaptation Fund (AF-TERG) presented the evaluation of the readiness programme. The Board had commissioned AF-TERG, through decision B.42/46, to undertake an evaluation of the programme in consultation with the Secretariat on a semi-independent basis. The evaluation covered the performance of the programme for the last decade including assessing performance and learning relative to other climate finance initiatives. The findings emphasized the programme's strong relevance with country needs; mixed results of effectiveness in the integration of the Environmental and Social Policy and Gender Policy and a weak control of Designated Authorities; strong efficiency despite the low absorption of grants for the intended purpose and frequent delays in the implementation of readiness activities; and strong evidence of impact albeit with differences across countries. Despite these outcomes the Panel raised concerns that the programme's impact is not fully reflected in accreditation applications received from countries supported over the years as many of the accreditation applications still have significant competency gaps. It was noted that although some applicants have received readiness grants, they are unable to address gaps in requirements such as Anti-Money Laundering (AML)/Countering the Financing of Terrorism (CFT). In view of these experiences, the Panel therefore recommended: a) a prioritization approach to identify specific relevant areas of applicant gaps for readiness support; b) an established sequencing approach to ensure alignment between readiness support implementation and accreditation process; c) deepening the alignment between the readiness programme and the design of programmes and projects; d). Furthermore, there was a discussion on improving the selection of NIEs in SIDS, LDCs, and other challenging operating environments as some of these contexts reinforce competency gaps in accreditation. Given that some of the NIE candidates that have failed to meet all the required criteria often draw on specialized expertise such as evaluation from government entities in those countries, the Panel suggests a more open invitation to ongoing capacity building activities might help provide capacity building to allied institutions related to NIEs. To ensure comprehensive readiness support including volume of funding and enhanced sequencing of readiness relative to the accreditation process, the Panel encouraged leveraging the use of external financiers and technical assistance providers to expand readiness delivery as has been done in other Work Bank-hosted funds such as the Pandemic Fund.

11. Proposed options for the Adaptation Fund re-accreditation process revision

Following the presentation by the secretariat on the proposed options for the re-accreditation process revision, the Panel preferred Option 3 (continuous accreditation with trigger-based reviews, with modification) with the rationale that option 3 centers on risk-based accreditation maintenance. Option 1 was deemed unsustainable while Option 2 was considered a hybrid option drawing on elements of both options 1 and 3 while still retaining a fixed-term cycle.

The Panel favored a modified Option 3 on the basis that it allows for comprehensive risk management, including strong AML/CFT policies and procedures. This preferred option also eliminates the timelines issues associated with re-accreditation and provides an opportunity to keep up with the evolving nature of re-accreditation with multilateral climate funds (MCFs). However, the Panel suggested that modifications such as implementing entity applicant risk self-assessment and other risk-based elements for the Secretariat's internal review during the continuous accreditation process might help improve the Panel's preferred option. This

approach will also allow for well-defined roles between the Panel and the Secretariat and enhance the operationalization of the monitoring and accountability framework. Drawing from their experience in the accreditation process, the Panel believed that Option 3 with modifications is the most practical approach given that it has the potential to reduce the perception that entities are being "policed" after an accreditation is granted. This is important because the Secretariat might not have the capacity to police accredited entities on their performance and fiduciary assessments.

The Panel clarified that accreditation is typically a point of entry and of the issues arising post-accreditation would be considered performance evaluation issues which can be decided in consultation with Designated Authorities if an accredited implementing entity with poor performance or without project participation should be re-considered for future nominations. Against this backdrop, the Panel recommended a ceiling in the number of times an entity can undergo a full review following a trigger, especially if it has confronted significant gaps or challenges during its cycle with Adaptation Fund projects. In terms of institutional changes, the Panel noted that it should be the role of entities to self-report. While the preferred option of the Panel was noted, the Secretariat explained that from the perspective of organizational management efficiency that the Panel's preferred option will be better improved in re-assigning some of the roles of the Panel to the Secretariat allowing for triggers around major risks to be passed on the Panel for investigation and identification. The Secretariat would support the proposed approach of risk scoring for project portfolios and setting up trigger-based systems, including the use of artificial intelligence and machine learning, to flag risk triggers internally without any open classification due to country sensitivities. The Secretariat also noted that they had previously met with other MCFs to standardize the existing internal monitoring systems with the possibility of incorporating elements from these funds into risk monitoring.

Next Accreditation Panel Meeting:

12. The forty-fifth meeting of the Accreditation Panel will be held in Washington, DC, on 4-5 February 2026.

Annex A: Adaptation Fund Re-Accreditation Process

Background

1. The Adaptation Fund's accreditation process ensures that organizations entrusted with the Fund's resources have the capacity and systems to manage them responsibly and deliver projects and programmes effectively. It also strengthens the Fund's direct access modality by empowering national and regional institutions to lead adaptation efforts. Since the adoption of the re-accreditation procedure in 2013, and its revision in October 2019, the Fund has required all accredited implementing entities (IEs) to undergo a full re-accreditation process every five years. This periodic process includes the submission of institutional documentation and review by the Accreditation Panel.

2. Ensuring continued access to the Adaptation Fund through a credible but efficient accreditation process is central to the Fund's mandate to empower country-driven adaptation solutions. While the current five-year, time-bound re-accreditation model was established to ensure that accredited implementing entities continue to meet the evolving accreditation criteria, it places a significant documentation and procedural burden on implementing entities, regardless of their performance or institutional capacity. As the number of accredited entities grow, the volume of re-accreditation cases is expected to increase, placing additional strain on Secretariat and Accreditation Panel resources.

3. Other climate funds, including the GEF and GCF, have moved toward risk-based and continuous accreditation models, reducing redundancy and focusing oversight where most needed. It may be useful for the Adaptation Fund to consider a comparable shift, to create incentives for engagement by implementing entities already operating across multiple funds.

4. At the time of adoption, the reaccreditation process was intended to provide consistency and rigor by requiring entities to ensure the continuity of and report substantive changes in governance, fiduciary systems, or management, and to avoid gaps in oversight between accreditation and project implementation. Unlike initial accreditation, which establishes eligibility for the first time, re-accreditation is designed to confirm continued compliance with the Fund's standards through a streamlined review. Entities with active projects are exempt from certain project-related documentation requirements, while those without projects must demonstrate full continuous compliance.

5. While this framework has contributed to robust due diligence and oversight in line with its intention, the re-accreditation cycle has increasingly been recognized, by the Accreditation Panel, implementing entities, and the Technical Evaluation Reference Group (AF-TERG), as administratively burdensome and, in many cases, duplicative. The process frequently overlaps with the Fund's project cycle and post-accreditation monitoring activities, creating inefficiencies for both applicants and the Secretariat. A uniform, time-bound process can misallocate oversight resources, devoting disproportionate effort to low-risk entities while diluting the Fund's ability to detect and act on emerging red flags in higher-risk institutions. A proportionate approach would sharpen supervision by linking the intensity of review to evidence from project performance, audits, complaints and grievance outcomes, and other monitoring signals, thereby maintaining due-diligence standards while deploying Secretariat and Accreditation Panel capacity where it most reduces risk.

6. At its forty-fourth meeting, the Adaptation Fund Board took note of these challenges and, through decision B.44/5, requested the Secretariat to conduct an in-depth review of the

current re-accreditation system. Specifically, the Board requested the Secretariat to explore options for revising the re-accreditation approach, taking into account the findings of the thematic evaluation of the accreditation process (AFB/EFC.33/11). Options presented in this document are as follows: (i) maintaining the current five-year re-accreditation cycle (status quo), (ii) introducing a fixed-term system with risk-based streamlining of documentation requirements, and (iii) transitioning to a continuous accreditation model with reviews triggered by institutional or performance-related risks.

7. This mandate aligns with broader trends in the climate finance architecture. Notably, the Green Climate Fund (GCF), under its updated accreditation framework (GCF/B.42/04/Add.01),[1] has recently moved to a continuous accreditation model that combines fit-for-purpose entry screening with ongoing monitoring under a revised Monitoring and Accountability Framework (MAF). These developments illustrate alternative ways to manage risk and reduce duplication. The Adaptation Fund's consideration of matters related to accreditation is driven primarily by its own mandate, risk profile, and oversight architecture; any elements referenced from peers would be adapted to the Fund's grant-only model, standards, and institutional roles.

8. In this context and guided by the Board's request and emerging lessons from peer funds, the Secretariat has developed three distinct options for consideration. These options range from maintaining the status quo to introducing more performance-based or risk-informed models of accreditation maintenance. Each option considers the unique characteristics of the Adaptation Fund, including its grant-only financing model, the absence of segmented environmental and social risk categorization, and the streamlined accreditation track for small national implementing entities (SNIEs).

9. The purpose of this paper is to present these three options and seek the Board's guidance on the preferred direction for modernizing the Fund's re-accreditation approach.

Analysis of the Re-Accreditation Process

10. The Adaptation Fund's re-accreditation process, last revised in 2019, mandates that all IEs undergo a full institutional review every five years to maintain their eligibility for new funding proposal submissions. At the time of adoption, the Board and Accreditation Panel emphasized that re-accreditation would bring consistency, uniformity, and rigor by requiring entities to highlight substantive changes in governance, fiduciary systems, or management. The policy was also intended to avoid gaps in oversight between accreditation and project implementation, ensuring that standards continued to be met throughout an entity's engagement with the Fund.

11. While this framework has supported robust due diligence, its limitations have become clearer over time. The five-year cycle is administratively burdensome, especially for entities with unchanged systems or proven track records and can duplicate oversight already being performed through project supervision and audits. The process has also contributed to heavy workloads for both the Secretariat and the Accreditation Panel, as per the Evaluation Office's

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[1] Green Climate Fund. (2025). Accreditation Framework. GCF/B.42/04/Add.01. https://www.greenclimate.fund/sites/default/files/document/14-accreditation-framework-gcf-b42-04-add01_1.pdf

Evaluation "The AP has been handling an increasing number of accreditation and reaccreditation applications since its first meeting" (see figure below).[2]

Figure 11. Average volume of active (accreditation and re-accreditation) applications in the pipeline that are handled by the Accreditation Panel at its meetings[102].

Volume of applications handled by AP

Average number of accreditation applications handled
Average number of re-accreditation applications handled
Average number of accreditation and re-accreditation applications handled
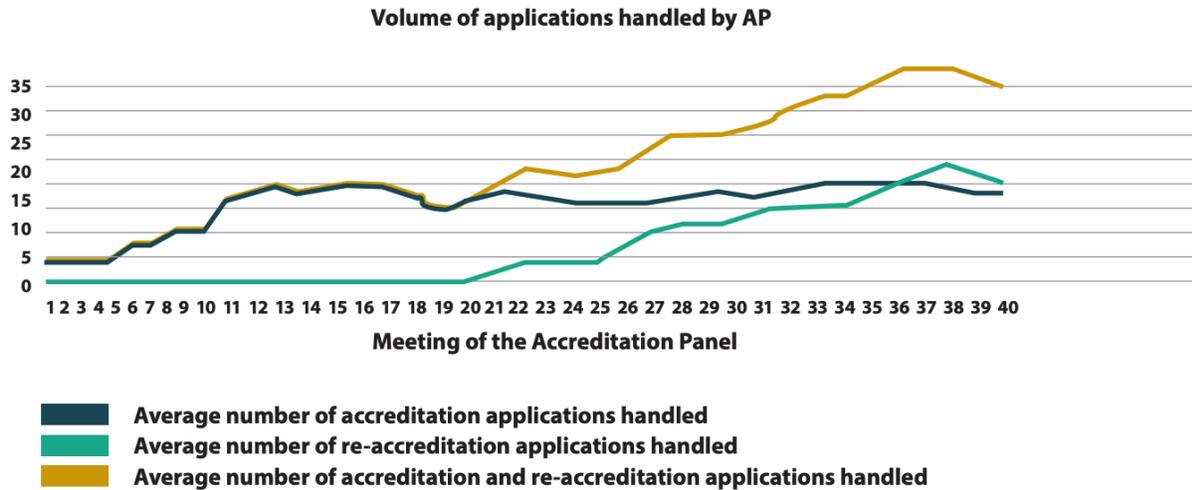
12. The current process does include **some differentiation** based on an IE's level of engagement with AF-funded projects. Entities that are actively implementing or have completed projects are exempt from submitting certain project-related documentation (e.g., on planning or appraisal), while those without any AF-funded projects must provide full submissions across all sections. This distinction, based on project status rather than institutional performance, has introduced useful streamlining, but remains narrow in scope. All entities, regardless of size, track record, or risk level, are still required to resubmit baseline institutional documentation and undergo Accreditation Panel review.

13. A **2022 Secretariat-led report on lessons learned from re-accreditation**[3] further emphasized this issue. Based on a review of 28 re-accreditation cases between 2014 and 2021, the report found that over 90% of entities had **no substantive institutional changes** from their initial accreditation. It also noted that many IEs struggled with the procedural burden, particularly where internal systems were unchanged or had already been reviewed by other climate funds. The report recommended simplifying re-accreditation requirements for IEs in good standing, strengthening communication with applicants, and exploring a more targeted, risk-based approach to re-accreditation.

14. The **thematic evaluation by the Technical Evaluation Reference Group (AF-TERG)** (April 2024)[4] echoed these findings. While the fast-track modality (available to GCF-accredited entities) has been widely used, it was found to be no faster than the regular track in practice. As of September 2023, 22 entities had been fast-tracked for re-accreditation for the first time,

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[2] Figure taken from: AF-TERG, 2024. Rapid Evaluation of the Adaptation Fund. Adaptation Fund Technical Evaluation Reference Group (AF-TERG), Washington, DC

[3] Lessons Learned from the continuous process of capacity strengthening of IEs through re-accreditation to the AF: https://www.adaptation-fund.org/wp-content/uploads/2022/03/Re-accreditation-Report-FINAL-03.07.22.pdf

[4] AF-TERG, 2024. Rapid Evaluation of the Adaptation Fund. Adaptation Fund Technical Evaluation Reference Group (AF-TERG), Washington, DC

and four for the second time. Yet the **median duration of fast-track re-accreditation was 15 months**, compared to 12 months for the regular track. Contributing factors included procedural ambiguities, challenges obtaining top-level management statements, and duplicative document requests despite the fast-track label. The TERG report recommended simplifying document requirements for fast-track re-accreditation and applying a more proportionate approach based on project and institutional performance. A more detailed summary of the analysis that has been undertaken both AF-TERG and the AF Secretariat is included as Annex 1.

15. At present, the Adaptation Fund is experiencing a sharp rise in re-accreditation cases, with multiple IEs approaching the end of their five-year terms. Without any changes, the Fund faces several risks: (i) Secretariat and Accreditation Panel capacity overstretched by a growing pipeline of re-accreditations, (ii) erosion of Implementing Entity engagement if the process is perceived as duplicative and misaligned with performance, and (iii) reduced ability to focus on entities where institutional systems have weakened over time. These risks could compromise both the Fund's efficiency and its ability to ensure financial integrity.

16. The rationale for updating the re-accreditation approach is therefore not solely about efficiency. It is about strengthening risk management, ensuring that the level of oversight is proportionate to the actual risks faced by the Fund, while reducing unnecessary duplication. By integrating evidence from project performance, audits, Quality at Entry reviews, and RBM monitoring, the Fund can maintain rigor, free up Secretariat and Panel resources, and focus attention where risks are greatest.

Options for Revising the Re-accreditation Process

17. In response to the mandate provided in decision B.44/5 and drawing on internal analysis, stakeholder consultations, and recent developments in other climate funds, particularly the GCF, the Secretariat has developed three distinct options for revising the re-accreditation process. These options range from maintaining the current approach to introducing more streamlined or performance-based models. Each option reflects varying levels of change and would require different degrees of policy and procedural adjustment.

Option 1: Status Quo – Fixed-Term Re-accreditation (No Change)

18. Under this option, the Fund would retain the current re-accreditation process as outlined in the October 2019 revision. All accredited implementing entities (IEs) are required to submit a full re-accreditation application every five years, regardless of performance history, institutional stability, or risk level.

19. The current process includes some differentiation based on the IE's experience with AF-funded projects. Entities that are actively implementing or have completed projects are exempt from completing one to up to four project cycle-related criteria of the application. However, all entities must resubmit institutional documentation covering fiduciary standards, environmental and social safeguards, and transparency mechanisms, even if there have been no material changes since their original accreditation.

20. Entities that are also accredited with the GCF can apply through a fast-track modality. While this allows some documentation to be cross-referenced, the overall time and effort required for fast-track re-accreditation has been found to be comparable to the regular track in practice.

Advantages:

- Maintains consistency and familiarity with existing processes

- Ensures periodic, comprehensive review of all IEs

Limitations:

- Does not differentiate based on risk, performance, or institutional change

- Duplicates oversight already covered through project supervision and evaluations

- Fast-track pathway does not yield significant efficiency gains

- Small NIEs face the same documentation burden as larger IEs, despite capacity differences

Risk and Mitigation:

21. While Option 1 provides the lowest risk of reduced rigor, since all entities are subject to comprehensive review, it presents significant operational risks. Secretariat and Accreditation Panel capacity could be overstretched, creating bottlenecks and delays **unless significant new resources are allocated.** It also risks alienating IEs by maintaining a high administrative burden, even for low-risk or unchanged entities. These risks could be partially mitigated by further clarifying documentation requirements and improving communication with IEs, but the systemic inefficiencies would remain.

Option 2: Fixed-Term Re-accreditation with Tailored Elements (Modified Status Quo)

22. This option retains the five-year re-accreditation cycle but significantly enhances differentiation to reduce burden and better target oversight. The re-accreditation process would apply a **tiered approach** based on:

- **Institutional performance** (e.g. project ratings, audit compliance, evaluations),

- **Evidence of institutional change** (e.g. restructuring, leadership turnover)[5], and

- **Existing accreditation status with other climate funds.**

23. Entities would be classified as low-, medium-, or high-risk based on these parameters, and re-accreditation documentation requirements would be proportionally adjusted. For example:

- **Low-risk entities** (strong performance, no material change) would only submit a summary update confirming continued compliance and any changes.

- **Medium-risk entities** would submit streamlined institutional updates and documentation for specific focus areas (e.g., updated audit systems).

- **High-risk entities** or those flagged by Secretariat would undergo full re-accreditation review.

24. Fast-track re-accreditation for GCF-accredited IEs would be strengthened by applying a **targeted gap review** against AF-specific policies only, avoiding duplication of systems

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[5] This could be identified through self-assessments or declarations by IEs, or through periodic updates requested by the Secretariat and/or AP. Similar approaches are already applied by other climate funds, so this would build on established practice. The specific mechanism would be determined once the Board has decided on the preferred option and its operationalization is further developed.

already reviewed under equivalent standards. NIEs, including those accredited under streamlined approach, would continue to follow the tailored approach but would benefit from **additional documentation relief** if performance is strong and institutional systems remain unchanged.

25. The Secretariat would conduct initial screening and assign the risk tier, which would determine the level of review. The Accreditation Panel would focus on higher-risk cases and conduct light-touch reviews for lower-risk entities.

Advantages:

- Preserves periodic review while tailoring intensity to institutional profile

- Reduces redundancy and burden for well-performing IEs

- Makes fast-track and NIE re-accreditation more meaningful and efficient

- Strengthens the Secretariat's RBM role in proactive risk screening

Limitations:

- Requires development of a formal tiering methodology and update to Operational Policies and Guidelines

- Still maintains a fixed cycle, even for unchanged institutions

Risk and Mitigation:

26. The main risk under Option 2 is that the proposed differentiated approach may rely too heavily on information voluntarily disclosed by implementing entities, including through self-assessments or standard reporting. This raises the concern that key institutional changes, such as non-application of safeguards or internal policies, could go unreported and thus undetected. While the proposed model aims to reduce the burden on well-performing IEs, it must still ensure that oversight remains credible and that latent risks are not missed.

27. To mitigate this, the Secretariat would develop clear operational guidance for assigning risk tiers, supported by triangulation with available project-level evidence (e.g., audit findings, midterm evaluations, grievance outcomes). The Accreditation Panel would validate tier assignments and focus review efforts on higher-risk or flagged entities.

28. The final structure of these self-assessment or follow-up mechanisms, whether through standardized templates, Secretariat-initiated check-ins, or AP spot checks, would be further developed after the Board selects its preferred model. This approach ensures that Option 2 builds on the efficiency of differentiated oversight while retaining the ability to verify institutional performance beyond what is voluntarily reported.

Option 3: Continuous Accreditation with Trigger-Based Reviews

29. This option would replace the fixed-term re-accreditation model with a continuous accreditation system. Under this model, an IE remains accredited as long as it is in good standing with the Fund's standards and does not trigger a compliance review.

30. A review of an IEs accreditation status would only occur in response to specific triggers, such as:

- Material institutional change (e.g., legal restructuring, significant leadership or system overhaul)

- Adverse findings from project audits, complaints, or Secretariat monitoring

- A request to upgrade accreditation status (e.g., from SNIE to regular NIE)

31. To support this model, accredited entities would submit a self-assessment of accreditation every three-years, affirming continued compliance with AF standards, absence of material changes, and disclosure of any investigations or relevant findings. In addition, the Secretariat would **actively monitor** project performance, project financial audits, midterm and terminal evaluations, and grievance outcomes to identify red flags. Any issues arising from these multiple evidence streams would **automatically trigger** a targeted institutional review. The Accreditation Panel would retain an independent role, and would be engaged only when a formal review is triggered.

Advantages:

- Significantly reduces administrative burden for IEs, the Secretariat, and the Accreditation Panel

- Focuses oversight resources on higher-risk or underperforming entities

- Aligns with evolving good practices and promotes long-term institutional partnerships

Limitations:

- Requires strong Monitoring and Accountability Framework (MAF) and Secretariat capacity to identify and act on risks

- May be perceived as less rigorous unless red flags are effectively managed

Risk and Mitigation:

32. Option 3 carries the risk of being perceived as less rigorous, and of delayed detection of institutional weaknesses if monitoring systems are insufficient. In addition, Option 3 may rely too heavily on information voluntarily disclosed by implementing entities, including through self-assessments. These risks would be mitigated by systematically embedding oversight through the Fund's existing functions: Quality at Entry reviews at project design, ongoing project implementation monitoring, and through a new function such as the red-flag trigger system that would automatically escalate cases of concern to the Accreditation Panel. Establishing transparent reporting requirements for IEs (e.g., self-assessment every three years) would further reinforce accountability and reduce perceptions of reduced rigor.

33. The proposed model incorporates structured, but proportionate, assurance measures. The intention is to use a self-assessment as a mechanism to prompt periodic reflection and disclosure from IEs, while leveraging the Fund's broader monitoring architecture for verification. The Secretariat, in coordination with the Accreditation Panel, would define the level of supporting documentation required, tailored to the entity's compliance gaps to standards and performance history. In some cases, this might extend to requesting additional documentation (*i.e.* recent external audit or project completion report) to support the self-assessment every three years. These inputs would be triangulated with ongoing monitoring data, including project audits, midterm and terminal evaluations, and grievance reports. Oversight is continuous: risks may emerge at any time through project performance or external alerts, and the Secretariat is empowered to escalate concerns to the Accreditation Panel outside of any fixed cycle. This cumulative, real-time approach is

designed to catch signs of institutional weakening earlier than the current system, which depends primarily on a five-year re-accreditation checkpoint.

34. This option represents a more transformative change and would require a revision of the Fund's accreditation policies and operational guidance.

Institutional Roles and Accountability

35. The transition from a uniform, time-bound re-accreditation model to a model that incorporates performance, risk, or trigger-based mechanisms not only alters the structure of the accreditation process itself but also requires a rebalancing of institutional responsibilities. Each of the three options presented implies different levels of engagement, sequencing, and oversight among the key actors involved: IEs, the Accreditation Panel, the Secretariat, and the Board. Ensuring accountability and continuity in standards, while reducing duplication and increasing efficiency will depend on clearly defining the roles of each actor and the interdependencies between them.

36. In the current model (Option 1), responsibility is concentrated in the Accreditation Panel, which conducts full institutional reviews of all re-accreditation submissions. The Secretariat supports this workflow administratively but has limited analytical involvement, while the monitoring function plays a marginal role. In contrast, Options 2 and 3 envision a more proactive role for the Secretariat, particularly through the application of risk-tiering (Option 2) or real-time performance monitoring and risk flagging (Option 3). These options also give the Accreditation Panel more time to engage with higher-risk or flagged cases, allowing its resources to be used more strategically.

37. A shift toward Options 2 or 3 would mean that Secretariat resources currently dedicated to administratively managing large numbers of uniform re-accreditation submissions could be reallocated to strengthening ongoing risk monitoring functions. Specifically, the Secretariat's accreditation function would focus on managing differentiated reviews and maintaining the accreditation register, while the Secretariat's portfolio supervision function would assume a role in detecting performance risks through continuous monitoring of project implementation. This redistribution would not replace the Accreditation Panel's independent role but would allow the Panel to dedicate its expertise to validating cases, investigating red-flag triggers, and ensuring that institutional standards are applied consistently across all IEs.

38. The Secretariat's Quality-at-Entry reviews and project implementation monitoring would therefore act as complementary inputs into accreditation maintenance, providing continuous evidence of institutional performance. Under this structure, the Accreditation Panel becomes the guarantor of consistency and rigor, while Secretariat serves as the first line of detection and escalation. This redistribution ensures that financial integrity and fiduciary standards are upheld while reducing duplication, allowing resources to be deployed where risks are most significant.

39. The table below summarizes how these shifts would be operationalized under each proposed model.

Table 1. Institutional Roles and Accountability under Each Option

Function	Option 1: Status Quo	Option 2: 5-year Fixed-Term Streamlined	Option 3: Continuous Accreditation
Implementing Entities (IEs)	Submit full re-accreditation package every 5 years	Submit tailored re-accreditation documents based on risk/performance identified by Secretariat	Submit self-assessment every 3-year; review of accreditation only if triggered
Secretariat	Coordinates re-accreditation workflow and supports Panel review	(i)Applies risk framework to assign risk tier; coordinates differentiated reviews (ii)Provides input on performance evidence to support risk profiling	Maintains accreditation register; screens self-assessments; flags performance or governance issues for tailored review
Accreditation Panel	Reviews all re-accreditation submissions in full	Reviews cases with significant changes or higher-risk profile; validates Secretariat tiering	Conducts targeted reviews when triggered by Secretariat
Board	Approves re-accreditation recommendations	Same as Option 1, but based on differentiated documentation	Approves recommendations from the Panel's tailored reviews ; receives compliance trend reports, decides on continuous accreditation

40. While the current five-year re-accreditation model includes a full review of institutional systems, it does not guarantee detection of changes that may occur in the interim between re-accreditation cycles. Institutional capacity can erode—through staff turnover, de-prioritization of safeguards, or weakening of oversight practices—without necessarily being disclosed unless a project-level issue triggers external scrutiny. In this sense, the current model offers only a snapshot of compliance at the time of re-accreditation, rather than a continuous view of how systems are functioning in practice. Option 3 aims to address this blind spot by integrating real-time performance data and structured self-reporting, enabling more dynamic detection of institutional changes over time.

41. Under Option 3, the Secretariat would have a more central role in risk detection and early warning, while the Accreditation Panel's engagement would become more focused and episodic. This shift requires enhanced data flow between project oversight functions and the accreditation register to ensure that issues are flagged and escalated appropriately.

Cost Considerations

42. The financial and administrative costs of the current re-accreditation process are borne across three levels: the Accreditation Panel, which must review full submissions every five years; the Secretariat which must manage the workflow, completeness checks, and coordination of reviews across all entities regardless of risk or institutional change; and the Implementing Entities, which must assemble extensive documentation even when systems are unchanged. These costs are not limited to direct expenditure but include significant opportunity costs, time and resources that could otherwise be used to strengthen risk monitoring, support new applicants, or enhance project quality.

43. Options 2 and 3 offer opportunities to rebalance these costs in line with the redistribution of institutional roles. By differentiating the level of review (Option 2) or embedding oversight into ongoing monitoring with triggers (Option 3), Secretariat resources could shift from routine case management toward risk analysis and early warning, while Accreditation Panel expertise would be reserved for higher-risk or flagged cases. For Implementing Entities, reduced documentation requirements would lessen transaction costs and make available institutional capacity for project development. While precise monetary estimates are not available, qualitative assessment suggests that both Options 2 and 3 would significantly reduce unnecessary workload across the system without compromising rigor, with Option 3 offering the largest potential efficiency gains but requiring stronger monitoring and escalation mechanisms upfront. (see table below).

Table 2: Relative Cost and Resource Implications of Each Option

Option	Secretariat Workload	Accreditation Panel Workload	IE Documentation Burden	Potential Efficiency Gains
Option 1: Status Quo	**High – full case management for all IEs every 5 years**	**High – full reviews for all submissions**	**High – extensive documentation regardless of risk or change**	**None; workload grows as pipeline expands**
Option 2: Streamlined Fixed-Term	**Moderate – differentiated case management based on risk tiers**	**Moderate – focused on higher-risk or changed entities**	**Moderate – lighter requirements for low-risk/unchanged entities**	**Moderate efficiency gains; requires clear tiering methodology**
Option 3: Continuous Trigger-Based	**Lower overall – Secretariat focuses on ongoing monitoring and red-flag screening**	**Low – engaged only when risks are flagged or scope expanded**	**Low – compliance affirmation plus targeted updates**	**Highest efficiency gains; requires robust monitoring and flagging systems**

Conclusion

44. The paper demonstrates that revising the re-accreditation process is necessary first and foremost to safeguard the financial integrity of the Adaptation Fund and maintain confidence in its due diligence framework. The existing fixed-term model, while valuable in establishing

a consistent baseline of oversight since its adoption, now risks either over-investing resources in low-risk entities or missing early warning signs in higher-risk institutions. By applying the same level of review to all Implementing Entities, the Fund expends significant time and effort on cases where institutional systems are unchanged and functioning well, while limiting its ability to concentrate on entities where governance or fiduciary standards may have weakened.

45. The rationale for change therefore rests not only on reducing the administrative burden but on strengthening the Fund's ability to manage risk in a targeted and proportionate way. A revised system would allow Secretariat and Panel resources to be deployed where they are most needed, supporting more effective supervision while preserving trust in the Fund's standards. Efficiency and alignment with peer practices are relevant secondary benefits, but the primary objective is to enhance institutional rigor and protect the Fund against the risks of financial mismanagement or institutional decline.

46. Ensuring rigor and consistent supervision across all IEs remains a core responsibility of the Accreditation Panel. Under any revised model, the Panel's role would continue to provide independent checks on institutional standards, particularly for high-risk or flagged cases. In Options 2 and 3, the Panel would shift from reviewing every case in depth to focusing its expertise on cases where Secretariat monitoring would identify elevated risk, thereby preserving uniformity of standards while making the most efficient use of resources. This approach ensures that no IE falls outside the Fund's supervisory reach, while oversight becomes more proportionate and responsive.

47. The three options before the Board represent different degrees of change. Option 1 retains the existing model, providing consistency but perpetuating inefficiency and rising workloads. Option 2 introduces risk-based streamlining within the five-year cycle, offering a pragmatic balance of rigor and efficiency. Option 3 proposes a continuous, trigger-based model, which would significantly reduce duplication and allow the Fund to focus attention where it matters most, but requires stronger monitoring and escalation mechanisms to preserve credibility.

48. While Option 3 represents a departure from the traditional time-bound re-accreditation model, the continuous approach seeks to embed monitoring more systematically across the full accreditation cycle. The model leverages multiple existing evidence streams, including project-level audits, evaluations, and safeguard monitoring, to inform ongoing assessment of institutional performance. The self-assessment requirement would introduce a standardized process for updating institutional information and affirming continued compliance, complementing performance data already received through project implementation. Depending on the final design approved by the Board, additional mechanisms, such as periodic Secretariat reviews or spot-checks by the Accreditation Panel, could be considered to further strengthen the system. In this way, Option 3 offers a more targeted and risk-responsive approach to maintaining standards, reallocating oversight resources to where they are most needed.

49. By selecting the preferred approach, the Board will determine the best means to align the Fund's oversight with its risk profile and institutional responsibilities. The Secretariat will then prepare a detailed proposal for consideration, supported by a temporary suspension of re-accreditation requirements to allow time for the revised process to be finalized and implemented. This will position the Fund to maintain the integrity of its standards while modernizing its systems in a way that strengthens risk management, ensures consistent supervision, and supports long-term partnerships with high-performing IEs.

Annex 1: Summary of Analysis on Re-Accreditation Process

1. This annex consolidates multiple analyses and Secretariat reports that have examined the functioning of the Adaptation Fund's re-accreditation system. Sources include:

   - Secretariat Lessons Learned Report on Re-accreditation (2022)

   - AF-TERG Thematic Evaluation of Accreditation (2024)

   - Secretariat Accreditation Report (March 2025)

   - Secretariat Background Analysis presented to the Board (February 2025)

   - Secretariat Presentation: Rethinking Re-accreditation (April 2025)

2. Together, these findings provide a comprehensive picture of how the current system has performed, where delays and weaknesses have emerged, and how institutional performance has evolved between cycles.

Nature of delays in the re-accreditation process

3. A Secretariat analysis in April 2025 showed that the Accreditation Panel was carrying 39 applications under review, with Panel members handling on average 18 cases each (15 of which were re-accreditations). This heavy pipeline has been a principal driver of delays. Earlier reviews confirmed that time and resource constraints, more than substantive institutional deficiencies, are the main causes.

   - 2022 Secretariat lessons-learned report: Median duration of re-accreditation was 12–15 months, with over 90% of entities showing no substantive institutional change

   - Fast-track modality: Often no faster than the regular track due to procedural ambiguities, duplicative document requests, and difficulties in securing top-level attestations.

   - 2024 AF-TERG evaluation: Found that Panel workload and Secretariat processing, not institutional weaknesses, were the primary sources of delay.

Cases where accredited IEs lost accreditation or faced significant issues

4. While most entities complete re-accreditation, several specific cases highlight the risks of the current model:

   - NIE – De-accredited after failing to comply with the re-accreditation timeline.

   - NIE – De-accredited for failing to meet the timeline and compliance requirements.

   - NIE – Application not submitted; re-accreditation deadline due November 2025, no AF project under implementation.

   - MIE – Application under screening; re-accreditation deadline due October 2025, no AF project under implementation.

   - NIE – Could not meet re-accreditation timeline; Panel has recommended de-accreditation.

   - NIE – Lengthy re-accreditation process; AF project under implementation; deadlines extended multiple times.

   - RIE – Lengthy re-accreditation; AF projects under implementation; pending satisfactory PPR submission; deadlines extended several times.

- NIE – Accreditation expires January 2025; no expression of interest submitted; risk of de-accreditation high, entity may no longer exist.
- NIE – RPG resources cancelled when re-accreditation expired without renewal.

5. These examples illustrate that delays and missed deadlines can result in the loss of accreditation or suspension of access, even where entities may still have projects under implementation.

RBM evidence of institutional policies weakening over time

6. RBM monitoring has demonstrated that institutional systems can weaken between accreditation cycles, including in entities that were initially accredited with strong frameworks. Examples include:

- Audit follow-up: Recurrent failure to act on audit recommendations, undermining internal controls
- Procurement: Continued reliance on outdated manuals or practices inconsistent with AF standards.
- Environmental and Social Safeguards: Lack of updates to safeguard frameworks in line with evolving risk contexts, leaving project-level gaps.

7. These findings confirm the value of integrating RBM and Programming evidence into accreditation maintenance so that risks are detected early, rather than relying solely on five-year reviews.

Summary

8. The experience to date highlights three main challenges:

- Delays caused by administrative burden and workload management, rather than substantive institutional weaknesses.
- Loss of accreditation in cases where entities failed to re-apply or could not demonstrate continued compliance.
- Institutional weakening over time, as revealed by RBM monitoring of audits, procurement, and safeguards, underscoring the need for continuous or risk-based oversight.

9. Together, these findings show that the current fixed-term system is both costly and inefficient, while leaving space for risks to emerge unchecked between cycles. A revised approach (whether risk-based streamlining or continuous accreditation with triggers) would allow the Fund to maintain rigor while directing resources where they are most needed.

Annex 2: Alignment with GCF Process

Alignment with GCF's Revised Accreditation Framework

1. In July 2025, the Green Climate Fund approved a significant reform to its accreditation approach (GCF/B.42/04/Add.01), eliminating fixed-term re-accreditation in favor of a continuous accreditation model based on ongoing performance and risk-based monitoring[6]. The revised GCF framework repositions re-accreditation as an exception, triggered only by substantive institutional changes, serious compliance concerns, or upgrade requests. It also formalizes the role of the Secretariat in conducting ongoing assessments through its MAF.

2. In assessing the Adaptation Fund's options against this evolving landscape:

   - **Option 1 (Status Quo)** is least aligned with the GCF's model. It retains a fixed re-accreditation term and does not differentiate oversight intensity based on risk or performance.

   - **Option 2 (Fixed-Term with Streamlining)** partially aligns with the GCF's direction by introducing risk-informed differentiation and fast-track pathways for GCF-accredited IEs. However, it maintains the five-year re-accreditation cycle.

   - **Option 3 (Continuous Accreditation with Trigger-Based Review)** is most closely aligned with the GCF's new model, as it eliminates the automatic re-accreditation requirement and focuses on performance monitoring, red flags, and adaptive oversight.

3. While full harmonization is neither required nor necessarily desirable, increased alignment with GCF practices may reduce the administrative burden on entities accredited with both funds and support coherence across the climate finance architecture.

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[6] Green Climate Fund. (2025). Accreditation Framework. GCF/B.42/04/Add.01. https://www.greenclimate.fund/sites/default/files/document/14-accreditation-framework-gcf-b42-04-add01_1.pdf

ANNEX B : REPORT OF THE ACCREDITATION PANEL ON AN ASSESSMENT OF THE UN WORLD FOOD PROGRAMME (WFP) FOR 3RD TIME RE-ACCREDITATION AS A MULTILATERAL IMPLEMENTING ENTITY (MIE) OF THE ADAPTATION FUND.

Background

The UN World Food Programme (WFP) was initially accredited with the Adaptation Fund in 2010, re-accredited in 2015, and reaccredited for the second time in 2020 under the fast-track procedure (due to the 2016 GCF accreditation).

Since accreditation, WFP has received over USD 130 million to fund 15 Adaptation Fund projects largely aimed at addressing food security, of which more than half of the funds have been disbursed. The 15 projects are implemented in 12 countries as well as at the regional level; 5 projects have seen a terminal evaluation with ratings of either satisfactory or highly satisfactory.

THE APPLICANT

Founded in 1961, WFP is the world's largest humanitarian agency with over 21,700 staff worldwide, of whom 87% are field-based. WFP has a dual mandate, often summarized as 'saving lives' (meeting food and nutrition needs in emergencies) and 'changing lives' (building resilience in communities and addressing the root causes of hunger). It aims to bring life-saving relief in emergencies and to use food aid to promote peace, stability, and prosperity for people recovering from conflict and disasters. WFP is currently present in over 120 countries and territories, a system that includes 86 country offices overseen by six regional bureaux. WFP works with governments, other international organizations, and over 1,000 NGOs around the world to implement its programmes. While a vast majority of its activities are focused on its core mandate of "saving lives", WFP has also been active in development settings through a focus on food security and climate change/adaptation, the latter gaining in increasing importance over the past ten years. Its climate change-related portfolio is integrated into its main portfolio and, while significant, can, therefore, not be expressed in absolute figures.

GCF Accreditation

The applicant's accreditation from the GCF dates to 2016 and, while not renewed when it expired in December 2024, remains active. There are currently 7 active projects on the GCF Portal, totaling USD 64 million.

Scope of Assessment for Re-Accreditation

The Assessment for regular third-time re-accreditation was conducted on the criteria reflected in the Fund's Operational Policies and Guidelines and as adopted in Board

Decision B.34/3 on 11 October 2019 based on AFB/B.34/5 on re-accreditation, and Decision B.31/26 (use of external sources as complementary information) based on AFB/B.31/7/25 of March 2018); and Decision B.32/36 (Accreditation standards related to anti-money-laundering/countering the financing of terrorism) based on AFB/EFC.23/4 of September 2018.

The assessment was based on the completed application form submitted and the relevant supportive documents provided, a review of Quality-at-Entry of ongoing Adaptation Fund projects and their implementation, as well as on the responses by WFP to the inquiries of the Panel, and several online meetings. To ensure the Panel had a comprehensive view, this was complemented by an extensive review of other documents obtained from their website, third-party reviews, and those of other related international institutions.

Summary assessment

Legal status

This criterion continues to be met. The applicant continues to have the necessary legal personality and capacity to receive and execute donor funding and to enter into agreements with international organizations.

Policies and procedures, screening and decision making related to anti-money laundering/countering the financing of terrorism (AML/CFT) on disbursements, procurement, and handling instances of non-compliance with policies and procedures, and laws.

This newly assessed criterion is met. WFP vendors are all centrally registered in the UN Global Market System and are automatically screened for any sanctions listing in that platform. While there is no specific WFP policy on AML/CFT, any violations or breaches are considered a prohibited practice in the Anti-Fraud and Corruption Policy and investigated and sanctioned accordingly. The applicant has further strengthened its screening system and ensures comprehensive screening of all individuals and entities before it contracts or transfers funds to them. An entity or individual that appears on the UN Sanctions List is not contracted. While procurement policies do not currently contain provisions on AML/CFT, this is under preparation. Vendor general terms and conditions require self-certification and cooperation with any WFP investigations. WFP's Inspector General has the mandate to investigate any breaches by vendors and staff.

Financial statements, including project accounts statement and provisions for Internal and External Audits

This criterion continues to be met. The applicant continues to produce Financial Statements that are prepared in line with internationally recognized accounting standards and that have

been receiving unqualified external audit opinions by WFP's Board-appointed external auditor following the International Standards of Auditing. The applicant's ERP system and relevant instructions have been further enhanced, and the ERP system enables relevant and robust reporting and transparency features for the entire organization. The applicant maintains an objective, well-staffed and functionally independent internal auditing in accordance with internationally recognized standards. The remit of the 7-member audit committee has been broadened and strengthened in revised terms of reference that now cover all oversight functions. Regular meetings minutes and annual reports document transparently the work of the Committee.

Internal Control Framework with particular reference to control over disbursements and payments

This criterion continues to be met. The applicant demonstrated continued use of a control framework that is documented with clearly defined roles for management, internal auditors, the governing body, and other personnel. WFP has implemented a multi-level global risk management framework to strengthen internal controls in order to put "end-to-end" assurance and internal control measures in place across all high-risk operations. This includes measures such as improved identity management, enhanced monitoring, and tracking of food supplies from origin to destination. Internal controls are overseen by a dedicated Enterprise Risk Management Division. Independent donor reviews confirm progress and that challenges remain in communicating WFP's risk appetite and ensuring consistent application across partners and operations. The applicant has demonstrated continued operation of a recognized international ERP system and related strong systems controls over disbursements and payments.

Preparation of Business Plans and Budgets, and the ability to monitor expenditure in line with budgets

This criterion continues to be met. The applicant continues to produce long-term business plans/financial projections demonstrating the capacity to monitor its financial solvency, including actively responding with adjustments in the face of declining donor funding trends, particularly as shown in 2025 to date.

Procurement

This criterion continues to be met. The applicant's comprehensive procurement manuals for food procurement and goods and services ensure rigorous, fair, and transparent procurement. Internal and external audits regularly provide oversight over potential implementation risks and indicate improvement recommendations as required.

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

This criterion continues to be met. WFP has communicated and demonstrated a strong zero tolerance for fraud and corruption, and inaction on reporting fraud and misconduct. While mismanagement is not included in the fraud policy, it is considered misconduct as per the whistleblower policy and the mandate of the inspector general. The applicant has further strengthened relevant internal policies, e.g., its anti-fraud and corruption policy, code of conduct, and whistleblower policy, and has a robust set of policies and capacities in place. Investigative capacities for allegations of fraud and corruption have been strengthened, and the Office of the Inspector General provides transparent, independent annual reporting on the case load. A recent external quality assessment found the investigative function to be performing well, albeit with challenges to tackle the increasing case load within existing resources.

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.

This criterion continues to be met. A commitment letter was provided. While the Panel identified some weaknesses in the current WFP E&S policy and ESMF application, it was satisfied to see that the results of a critical independent evaluation of the ESP triggered a strong commitment by WFP management to revise the current policy in line with the findings and recommendations of the evaluation. The Panel also reviewed terminal evaluation reports for four of the projects that have been completed and found overall mixed to positive performance regarding gender objectives, with earlier challenges regarding the collection of gender disaggregated data. The WFP gender evaluation and action plan, as well as the new Framework on Accountability for Results (FAR) framework, are expected to address these gaps and deliver a results-based approach to people-centered programming, including gender-equality outcomes. The Panel is therefore confident that the identified weaknesses in the current systems will be addressed.

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

This criterion continues to be met. WFP has a tested project-level Community Feedback Mechanism (CFM) that appears sufficiently accessible and institutionalized.

Assessment by Third Parties

The Panel reviewed and used, as appropriate, the 2024 Multilateral Organizational Performance Assessment Network (MOPAN) review and the relevant results of an EU Pillar Assessment for this exercise. Summary findings for several donor assessments were also received and reviewed. Two evaluations from WFP's independent evaluation service informed performance on environmental and social safeguarding, as well as on the WFP's

gender policy and commitments. The Panel also reviewed the available independent terminal AF project evaluations and confirmed that they were of robust quality and showed satisfactory to high satisfactory achievements and ratings.

Status of quality-at-entry (QAE) and of AF funded project implementation

The QAE of the 15 approved projects has been confirmed as overall satisfactory with some recurrent themes requiring clarification and corrective action; overall, the time span between first submission and approval has seen improvement. Regarding project implementation, the PPRs, the 8 mid-term and 5 terminal evaluations reviewed by the Panel showed satisfactory to highly satisfactory project implementation monitoring and performance. Several projects showed delays, but these were mitigated by adaptive project management.

Conclusion

Based on the results of the Panel's assessment of the application, it is concluded that WFP continues to meet all the standards and criteria required for regular re-accreditation, the Panel recommends that the Adaptation Fund Board consider re-accreditation of WFP as a Multilateral Implementing Entity of the Adaptation Fund.