



## ADAPTATION FUND

19 January 2026

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Adaptation Fund Board

***Accreditation Panel Recommendation on the Re-accreditation of the South African National Biodiversity Institute (SANBI), South Africa as a National Implementing Entity (NIE) of the Adaptation Fund***

Having reviewed the re-accreditation application of the South African National Biodiversity Institute (SANBI), South Africa the Accreditation Panel recommended that SANBI be re-accredited as a National Implementing Entity (NIE) of the Adaptation Fund.

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

***Re-accreditation Decision:***

Having considered the recommendation of the Accreditation Panel, the Adaptation Fund Board decided to re-accredit the ***South African National Biodiversity Institute (SANBI), South Africa*** as a National Implementing Entity (NIE) of the Adaptation Fund for five years, as per paragraph 39 of the operational policies and guidelines for Parties to access resources from the Adaptation Fund. The accreditation expiration date is 19 January 2031.

***Decision B.45-46/9***

## **ANNEX I**

### **REPORT OF THE ACCREDITATION PANEL ON AN ASSESSMENT OF THE SOUTH AFRICAN NATIONAL BIODIVERSITY INSTITUTE (SANBI) FOR SECOND REGULAR RE-ACCREDITATION AS A NATIONAL IMPLEMENTING ENTITY (NIE) OF THE ADAPTATION FUND**

#### **BACKGROUND**

The South African National Biodiversity Institute (SANBI) was initially accredited with the Adaptation Fund in 2011 and re-accredited in 2019. Since accreditation, SANBI has received USD 9.94 million to fund two Adaptation Fund (AF) projects including one financed under the pilot Enhanced Direct Access (EDA) modality. Both projects were approved in October 2014. SANBI's current accreditation expired in March 2024. The applicant's accreditation from the GCF dates to 2019 and was extended in 2023 for a further 3 years due to changes in the GCF's accreditation policies. The GCF approved a grant of USD 40.1 million in July 2025 for scaling up ecosystem-based approaches to managing climate-intensified disaster risks in vulnerable regions of South Africa.

#### **THE APPLICANT**

SANBI is an autonomous public entity established by the South African Government in 2003 under the National Environmental Management Biodiversity Act. It is tasked with research and dissemination of information on biodiversity, and legally mandated to contribute to the management of the country's biodiversity resources. Evidence submitted demonstrates that it has a well-established governance structure which includes oversight from the South African Ministry of Forestry, Fisheries and the Environment and is subject to public sector financial management and audit policies.

#### **SCOPE OF ASSESSMENT FOR RE-ACCREDITATION**

The assessment for regular second-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; 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.

These decisions require an assessment for re-accreditation to be conducted against all criteria, except where the entity has implemented or is in the course of implementing an Adaptation Fund-approved project. In the case of SANBI, it has fully completed two grants from the AF. Thus, the detailed analysis for criteria 6-9 have been excluded from the Panel review.

The assessment was based on the completed application form submitted and the relevant supportive documents provided, a review of the quality-at-entry of the two completed AF

projects and their performance based on their independent terminal evaluations, as well as on the responses by SANBI to the inquiries of the Panel, and an online meeting. The project evaluations were the only third party reviews available for this review. To ensure the Panel had a comprehensive view, this was complemented by an extensive review of other documents obtained from SANBI's website.

## **SUMMARY ASSESSMENT**

### **Legal Status**

The applicant continues to meet this criterion. There has been no change in status since the last re-accreditation. Under its enabling legislation, and evidenced by a demonstrated track record, the applicant has the necessary legal personality, capacity to receive funds directly, enter into contracts or agreements with international organizations and serve as a defendant or plaintiff in a court of law.

### **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**

The applicant meets the related criteria. It has an AML-CFT policy which communicates principles to abide by relevant AML-CFT legislation, and information on responsibilities and reporting processes. It has a screening system which documents all individuals and/or entities before the agency transfers money to them. All material public procurement in South Africa, including that by SANBI, is with entities registered in the National Central Supplier Database. Comprehensive Know-Your-Customer information is required and is updated on an ongoing basis for sanctioned entities including those subject to UN Security Council sanctions. There are also updated checks at the raising of purchase orders and periodic disbursements. SANBI receives a small portion of its revenue from external grants, sponsorships, donations and bequests from individuals and private entities. There is currently no guidance on AML-CFT screening of these revenue streams, however SANBI has committed to implement a strengthened process for screening revenue from non-government bodies in early 2026.

The SANBI policy guides actions in the event that there are indications or complaints of money laundering or terrorist financing in its operations, including taking the necessary disciplinary measures towards concerned staff members. No violations have been identified to date.

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

The applicant continues to meet this criterion. While maintaining its arrangements for financial statements and their independent audit, SANBI has updated its accounting systems and its charters for internal audit and internal oversight. It has provided adequate evidence that it produces financial statements in accordance with South African

generally recognized accounting practice, which is established by the South African Accounting Standards Board through a regulatory process that is based on international accounting standards (in particular IPSAS) and assesses their applicability in South Africa on an ongoing basis. This is supported by an internationally widely used modular financial management and accounting system. It is externally audited by the Auditor General of South Africa in accordance with International Standards on Audit and has had unqualified audit opinions for the last three fiscal years; it has an active internal audit function which observes international standards on internal auditing including risk based planning and quality assurance; and an active Audit and Risk Committee of its Board with an appropriate mandate, and which meets on a quarterly basis.

The applicant has met the requirements for audited project financial statements for the two implemented AF projects.

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

The applicant continues to meet this criterion. While SANBI does not have a stand-alone internal control framework document, controls are adequately established in various documents, aligned with South African government requirements. SANBI has provided evidence of implementation of a sound system of risk management and internal control assessment. It has documented disbursement controls including verification requirements, clear authorities and segregation of duties.

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

The applicant continues to meet this criterion. SANBI follows comprehensive South African government planning and budgeting requirements and has established longer term strategic plans and annual performance plans which are subject to systematic Board and management monitoring and internal and external audit review. As a public entity, its solvency is dependent on annual government grants supplemented by grants through other government departments and some international partners, sponsorships, donations and bequests. SANBI is implementing a financial sustainability strategy to optimize and expand its revenue base. It provided evidence that it is effectively applying the government-mandated budget planning and monitoring process.

### **Procurement**

The applicant continues to meet this criterion. Its supply chain management policy has been updated since the last re-accreditation and brings together the requirements established for public entities by the South African government. The policy addresses international good practices that promote fair, equitable, transparent, competitive and cost-effective procurement. This includes appropriate provisions for bid protest and dispute resolution. A recent internal audit review confirmed that the controls are well-

designed and no significant, systematic deficiencies were identified. SANBI has also demonstrated a solid track record of oversight of project executing entity procurement.

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

The applicant continues to meet this criterion. It commits publicly to a zero tolerance for fraud, financial mismanagement and other forms of malpractice, and has established and regularly updates its framework for preventing, detecting and responding to such misconduct. This includes messaging, training, fraud risk management, reporting channels that are systematically monitored, whistleblower protection measures and capacity for objective, independent investigations. Quarterly risk management reports to the Board's Audit and Risk Committee include information on the number and handling of complaints received through reporting channels, and indicate that these are functioning as intended.

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

The applicant continues to meet this criterion. It has provided an updated top management letter of commitment to apply the Fund's environmental and social and gender policies. It has established its own internal policies requiring in general terms the review of the related risks and to mainstream gender in projects. These are supplemented by expanded guidelines which ensure that AF requirements are met on projects it funds. SANBI has established internal capacity to implement the requirements. It has demonstrated in two AF projects an ability to implement this commitment on those projects, with the evaluation of the Small Grants project noting particular challenges under the Enhanced Direct Access modality.

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

The applicant continues to meet this criterion. SANBI has implemented institutional mechanisms for receiving and addressing complaints on environmental, social and gender harms and has demonstrated in two AF projects its ability to implement grievance mechanisms at project level. It also has a system of oversight to monitor the effectiveness of the process. It advised that it has not received complaints of this nature so far on its projects.

**Status of Quality at Entry and Performance of AF Funded Projects**

Quality-at-entry assessments for the two SANBI implemented projects indicated that in both instances, SANBI observed the two-step submission process in which the recommendations of the first technical review were addressed in a second submission. It is therefore concluded that SANBI has adequately shown its capability to efficiently meet the AF's Quality-at-Entry requirements.

The Panel reviewed the available independent terminal AF project evaluations and confirmed that they were of satisfactory quality, and showed satisfactory to high satisfactory ratings on most aspects. While the evaluation of the Small Grants Program implemented under the pilot Enhanced Direct Access modality noted some challenges, it concluded that the project was largely successful in getting resources to those most vulnerable to climate change.

## **CONCLUSION AND RECOMMENDATION**

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