ADAPTATION FUND

2 July 2026

Adaptation Fund Board

***Accreditation Panel Recommendation on the Re-accreditation of the United Nations Educational, Scientific and Cultural Organization (UNESCO) as a Multilateral Implementing Entity (MIE) of the Adaptation Fund***

Having reviewed the re-accreditation application of the ***United Nations Educational, Scientific and Cultural Organization (UNESCO)***, the Accreditation Panel recommended that UNESCO be re-accredited as a Multilateral Implementing Entity (MIE) 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 **United Nations Educational, Scientific and Cultural Organization (UNESCO)** 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 2 July 2031.

***Decision B.46-47/16***

**ANNEX I**

**REPORT OF THE ACCREDITATION PANEL ON AN ASSESSMENT OF THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION (UNESCO) FOR RE-ACCREDITATION AS A MULTILATERAL IMPLEMENTING ENTITY (MIE) OF THE ADAPTATION FUND**

## Background

The United Nations Educational, Scientific and Cultural Organization (UNESCO) was initially accredited by the AF on 14 December 2011 and re-accredited on 1 September 2017. The accreditation expired at the end of August 2022.

UNESCO has received four grants from the AF for a total amount of US$ 26.3 million, of which US$ 17.0 million (64.4%) have been transferred to the Organization by the date of this report. Two projects are active, while the other two projects in their initial phases.

UNESCO is not accredited by the Green Climate Fund and operates on GEF-funded projects as an executing or technical partner with other international organizations.

## APPLICANT

UNESCO was created in 1945 by governments of the States Parties "to contribute to peace and security by promoting collaboration among the nations through education, science and culture in order to further universal respect for justice, for the rule of law and for human rights and fundamental freedoms which are affirmed for the peoples of the world, without distinction of race, sex, language or religion, by the Charter of the United Nations Organization."

UNESCO's Medium-Term Strategy 2022-2029 (412 c/4 of 2021) outlines its strategic vision and framework, focusing on education, science, culture, communication, and information to promote peace, eradicate poverty, and foster sustainable development.

UNESCO's governance structure includes the:

- General Conference, which is the highest political decision-making body; it determines UNESCO's policies, approves the working plan and budget, and elects members to the Executive Board and the Director-General,
- Executive Board, which is elected by the General Conference and supervises the execution of UNESCO's program, prepares the work for the General Conference, and ensures the decisions are carried out properly,
- and Secretariat, which operational and administrative tasks; it is led by a Director-General, who is responsible for proposing a biennial working plan, periodic reports on activities, and staff management.

The organization's headquarters are in Paris, with a global presence of 53 field offices and specialized institutes. Expenditure under the Integrated Budget Framework in 2024, which includes Extraordinary Budget funding, increased by 13% compared to the same period of the previous biennium. While some of this increase may be attributed to inflation and rising operational costs, it also reflects strong programme implementation and the scaling up of activities due to an ad hoc reinforced budget.

As part of UNESCO 43 C/5 Revised Draft Appropriation Resolution for 2026/2027 , the Regular Budget 2026/2027 amounts to USD 685 million, which is slightly higher than the previous period in nominal terms 2024/2025, but corresponds to a loss of purchasing power in real terms. When adjusted for inflation, the Regular Budget loss in terms of purchasing power since 2000 is estimated at 45%. To be noted, para 8 states that the Director-General will have to present a $534.6 million expenditure plan for the 2026-2027 regular budget to the Executive Board, to address the impact of non-payment of assessed contributions by the Member States withdrawing from the Organization. This will require the new leadership of the Organization to duly act upon the situation, to ensure long term sustainability and financial viability.

**SCOPE OF ASSESSMENT FOR RE-ACCREDITATION**

The assessment is based on the completed application form and documents submitted by UNESCO through the AF Accreditation System between January 2022 and April 2026, i.e., which included the initial screening by the Secretariat and the comprehensive assessment of the Accreditation Panel. Additionally, an extensive review of other documents available on the applicant's website, third-party reviews and evaluations, and those of other related international institutions was conducted to reach the conclusion and submit it to the AF Board.

The Assessment for regular re-accreditation was conducted in accordance with

- B 34/3 on implications of an implementing entity's accreditation expiration and a possible revision of re-accreditation policy,

- B.32/36 on anti-money-laundering/countering the financing of terrorism,

- B.31/26 on the use of third-party assessments as complementary information.

The scope of the assessment includes a total of 9 accreditation competencies, as outlined in the following section. Other accreditation criteria relating to Project Management, are assessed in the context of the AF project activities and are not part of this assessment, in accordance with the aforementioned Board Decision on re-accreditation.

**SUMMARY ASSESSMENT**

**Legal status**

This criterion is met. UNESCO, a specialized agency of the United Nations, possesses legal personality, enabling it to contract, acquire and dispose of property, and participate in legal proceedings. This is affirmed by UNESCO's Constitution, the Convention on the Privileges and Immunities of Specialized Agencies, and an agreement with the French government.

**AML-CFT aspects**

This criterion is met. Although UNESCO has not adopted yet a stand-alone policy framework related to AML-CFT, it has put in place provisions in payments/disbursements, procurement and with regard to its staff that demonstrate the capacity of the Organization to prevent, detect, mitigate and manage risks related to AML-CFT.

**Financial statements including Project Accounts statement and the provisions for Internal and External Audits**

This criterion is met. UNESCO Consolidated Financial Statements (CFS) are being prepared in accordance with IPSAS, accrual accounting, and the UNESCO Financial Regulations. Budget accounting is prepared in accordance with modified cash basis accounting.

UNESCO CFS are subject to external audit performed by an external auditor, who should be the Auditor General of a Member State, appointed for a non-renewable period of six years. The external auditor has performed its work in accordance with the International Standards on Auditing and UNESCO has received a clean audit opinion in the last 5 years.

The applicant uses SAP ERP to manage its activities and prepare its financial reports; the system is undergoing upgrade and integration, which is expected to complete its third phase in the next few years.

UNESCO has an established Internal Audit Function within the Division of Internal Oversight, which includes also an Investigation Service and Evaluation Office. The Internal Audit function provides its service in line with international internal auditing standards.

UNESCO's Oversight Advisory Committee advises both the Director General and the Executive Board on fiduciary oversight responsibilities, including internal audit, external audit, evaluation, investigations, risk management, and ethics. The committee's 2025 Annual Report confirms its effectiveness and independence.

**Internal control framework with particular reference to control over disbursements and payments**

This criterion is met. UNESCO adopted an Internal Control Framework (ICF) based on recognized international frameworks, which was revised in 2018. Additionally, the Organization has an Enterprise Risk Management (ERM) policy embedded since 2022 in the Administrative Manual that is integrated with the internal control framework, the results framework, and other operational systems. The Internal Control Framework addresses governance and accountability structures.

While from the compliance perspective UNESCO has the necessary framework in place, the assessment shows that the full implementation, sound management, and overall effectiveness and efficiency of its ICF are work in progress. This is also confirmed by the 2025 UN Joint Inspection Unit review of the Organization.

UNESCO Financial Regulations and Rules operationalize financial commitments and expenditures through its ERP platform. The External Auditors' report that transactions audited comply with UNESCO Financial Regulations and Rules.

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

This criterion is met. UNESCO submitted its 2022-2029 Mid Term Strategy and the Draft Programme and Budget for 2022-2025, demonstrating long-term planning and budget preparation. While UNESCO submitted its biennial budgets and expenditure reports, a performance audit revealed shortcomings in budget management due to understaffing and lack of transparency; these shortcomings were addressed by the Organization.

The Oversight Advisory Committee, in its 2025 report concludes on the need for the Organization to have a more strategic approach to resource management, taking inspiration from other UN bodies. Considering the overall documentation submitted and the different elements, it can be concluded that the Organization has the capacity to develop and prepare Business Plans and monitor its expenditure, although a more strategic approach to resource management is reported as requiring further development.

**Procurement**

This criterion is met. UNESCO applies procurement rules which are considered to be consistent with international practice and in line with UN requirements.

**Project Closure and Final Evaluation**

This criterion is met. UNESCO documentation, policies and reports confirm the Organization's understanding and capacity to undertake these assessments. In accordance with the documentation submitted, the Organization has long experience in supervising projects that are requested by different clients, funded by national governments or different donors. The Evaluation Office possesses the capacity to contract and/or conduct professional evaluations of completed projects.

**Policies and Framework to deal with financial mismanagement and other forms of malpractices**

This criterion is met. UNESCO has established a framework reflecting zero tolerance of the organization towards fraud, corruption and financial mismanagement, as well as different malpractice within the Organization and in relation to its activities. UNESCO's Human Resources Manual includes a whistleblower protection policy safeguarding persons/entities reporting misconduct. The Ethics Office assesses retaliation allegations and recommends corrective measures. The Organization has put in place a framework that allows for effective and independent investigation and follow-up of allegations of wrongdoing by the Independent Oversight Service.

**Commitment by the entity to apply the Fund's environmental and social and gender policy**

This criterion is substantially met. The Organization submitted the Top-Level Management Statement Letter to the AF Secretariat in April 2022. Since the submission of the re-accreditation application, UNESCO adopted a series of policy documents that demonstrate the commitment of the Organization to address environmental, social and gender risks. Some improvements in the area of risk assessment would further benefit UNESCO's Environmental and Social Safeguard Framework (ESSF) implementation. In advance of the adoption of the new policy, there is evidence of implementation of the underpinning approach in the different phases of programmes/projects; it can be expected that substantial change would be introduced over time with the roll-out of the recently approved new ESSF.

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

This criterion is substantially met. UNESCO has set up at the central level a mechanism to receive all types of complaints, including those about environmental, social and gender harms caused by projects. The overall setup should allow for receiving complaints in relation to ES&G and other matters.

This assessment has been informed by the UN Joint Inspection Unit's Review of UNESCO – reported on 5 March 2026. The report concludes that UNESCO needs to move beyond managing institutional decline and embrace a transformative governance and accountability model. Grounded in transparency, strategic coherence and ethical leadership, such a model will be critical to restoring effectiveness, credibility and relevance in a rapidly evolving global context.

**Quality at Entry**

The initial technical reviews of the four funded AF projects found, overall, that the projects' adaptation rationale and problem statement were clear but, in some cases, the proposals lacked specificity in concrete adaptation. The final technical reviews revealed that the outstanding issues had been adequately addressed, leading to the proposal for the Board's adoption of the funding for the projects.

**Performance**

All the four projects faced delays and challenges such as the COVID-19 pandemic, political unrest, and security concerns. Despite these obstacles, two of the projects maintained reasonable disbursement and execution rates, with effective safeguard measures in place. With regard to the other two projects, one is still at inception level and the other is expected to start during the next few months.

**Recommendation and Conclusion**

Based on the results of the Panel's assessment of the application, the Panel concludes that the United Nations Educational, Scientific and Cultural Organization (UNESCO) continues to meet the assessed Criteria and is recommended for re-accreditation to the Adaptation Fund Board.