Annex III: Accreditation Framework of the Green Climate Fund

I.   Objective

1.   As per the Governing Instrument for the GCF, developing countries can access GCF resources through national, regional and international implementing entities accredited by the Board. Accreditation qualifies an entity for the submission of funding proposals to GCF, subject to alignment with relevant country priorities, thus contributing to the GCF objective, in the context of sustainable development, to promote the paradigm shift towards low-emission and climate-resilient development pathways by providing support to developing countries to limit or reduce their greenhouse gas emissions and to adapt to the impacts of climate change, taking into account the needs of those developing countries particularly vulnerable to the adverse effects of climate change.

2.   The accreditation framework aims to enhance developing countries' access to climate finance by expanding and diversifying the network of partners through a streamlined and efficient accreditation process, while maintaining fit-for-purpose due diligence, risk management and accountability for GCF.

3.   To achieve this, the accreditation framework defines the principles, screening requirements and process for accreditation, including nomination, application, assessment and approval.

II.   Definitions

4.   Capitalised terms used in this accreditation framework shall have the meanings set forth below:

(a)   **Accredited entity or AE**: a direct access entity (DAE) or international access entity (IAE) that the Board has accredited under this accreditation framework and any other DAE or IAE that the Board has previously accredited under the initial guiding framework for the GCF accreditation process adopted in decision B.07/02 or the accreditation framework adopted in decision B.31/06 updating the initial guiding framework for the GCF accreditation process, or re-accredited pursuant to the re-accreditation process for AEs adopted in decision B.24/13, with the exception of any entities that have informed GCF that they no longer wish to be an AE.

(b)   **DAE:** a government (which may be acting through a ministry or department) of a recipient country or a subnational, national or regional organization (i) legally incorporated or established in a developing country and (ii) operating in one or more developing countries;

(c)   **Effective date**: the date this accreditation framework becomes effective in accordance with paragraph 83;

(d)   **IAE**: an organization operating across borders and addressing diverse climate challenges (e.g. United Nations agencies, multilateral development banks, international financial institutions, regional institutions, and private sector entities registered in a developed country with global reach and potential to advance climate action by implementing projects in developing countries);

(e)   **Monitoring and accountability framework or MAF**: the monitoring and accountability framework for AEs, adopted at B.42, as updated from time to time, which identifies the monitoring and reporting requirements applicable to AEs; and

(f)   **Policy on Fees for Accreditation**: the policy on fees for accreditation to the Fund, adopted at B.42, as may be updated from time to time.

III.   Role and responsibilities of accredited entity

5.   AEs play a critical role for the delivery of financing to developing countries to meet national mitigation and adaptation priorities while also meeting relevant GCF standards and safeguards. AEs may serve as implementing entities and/or intermediaries in respect of GCF-funded activities. A diverse set of AEs provides recipient countries with a range of programming partners to meet their needs and priorities in addressing climate change.

6.   On an operational level, AEs are expected to:

(a)   Cover the full project and programme cycle in engaging with GCF, starting from engaging with developing countries in order to respond to and align potential projects/programmes with country priorities, strategies, approaches and needs on climate change;

(b)   Design projects and develop funding proposals to be considered by GCF for financing;

(c)   Where possible, undertake projects/programmes originated by other organizations (e.g. sponsorship); and

(d)   Implement, deliver, monitor and report the results of such activities.

7.   On an administrative level, including fiduciary and legal matters, AEs must:

(a)   Demonstrate institutional capacities and experience to undertake the overall management, implementation and oversight of climate change projects and programmes in line with applicable GCF standards and policies;

(b)   Provide evidence of institutional systems, policies and procedures in terms of those standards and policies as well as the track record, as appropriate, of implementing such institutional systems, policies and procedures for undertaking the projects and programmes;

(c)   Demonstrate (a) their capacity to ensure that their downstream executing entities (EEs) apply the same standards; and (b) their ability to monitor, report and verify that the relevant GCF standards, safeguards and policies are being upheld; and

(d)   Possess independent legal personality and legal capacity to enter into legal agreements with GCF and undertake the relevant obligations on their own behalf, notably funded activity agreements in respect of approved funding proposals.

8.   GCF relies on the primary due diligence and the risk assessments performed by AEs. The AEs are responsible for the overall management, implementation and supervision of activities financed by GCF and are expected to administer funds disbursed with the same degree of care as they use in the administration of their own funds. This includes management and oversight of EEs. EEs are entities through which GCF financing is channelled, entities which use GCF financing for the purposes of a GCF-funded project/programme or a part thereof (such as a specific component), or entities that execute or carry out all or part of a GCF-funded project/programme. In each case, the EE performs its duties under the overall guidance, management or supervision of the implementing entity or intermediary (e.g. the AE). An AE may also act as an EE.

9.   Each AE is expected to work in consultation with developing countries in the programming process, bring forward impactful funding proposals in line with GCF investment criteria, and effectively implement approved projects/programmes.

10.   IAEs are expected to partner with local entities in the delivery of their programming and support local partners' institutional capability to conduct climate programming.

IV. Principles of accreditation

Country ownership

11.   Country ownership underpins the GCF's business model and programming. Entities applying for accreditation, whether they are applying to become DAE or IAE, must demonstrate a commitment to advancing this principle at entry and during project development and implementation, ensuring alignment with national climate strategies and priorities in contribution to regional and global goals.

12.   Before applying for accreditation, prospective applicants are encouraged to engage in discussions with the developing countries in which they intend to operate. The purpose of this early engagement is to identify how the entity could contribute to the countries' climate priorities and GCF's strategic programming goals.

Adherence to GCF purpose

13.   Accreditation of entities is anchored in the overarching purpose of the GCF as outlined in the Governing Instrument. AEs are expected to contribute to this purpose by supporting developing countries to limit or reduce their greenhouse gas emissions and adapt to the impacts of climate change, taking into account the needs of developing countries particularly vulnerable to the adverse effects of climate change.

Adherence to applicable GCF standards and policies

14.   The accreditation process and its screening requirements are grounded in the GCF's fiduciary principles and standards, environmental and social safeguards (ESS) standards, and other relevant policies, including on gender. These standards are applied in a fit-for-purpose manner which ensures that the assessment of the applicant's conformity with the screening requirements and the applicant's capacity to implement ESS is commensurate with the scale and nature of the potential activities.

15.   Accreditation is the initial part of the entire suite of GCF's due diligence placed across an AE's lifecycle of engagement with GCF, including accreditation screening, concept note and funding proposal review, monitoring, and project implementation and closure. All the GCF requirements AEs must meet are distributed throughout the lifecycle to promote efficiency and fit-for-purpose due diligence, risk management, and accountability for GCF.

16.   The accreditation screening requirements comprise a subset of GCF fiduciary principles and standards, ESS standards, and other relevant policies, including on gender, that were:

(a)   Either identified based on, inter alia, the GCF Risk Appetite Statement, as being necessary to be checked upfront to manage risk(s) associated with potential engagement with the applicant; or

(b)   Identified as targeting the institutional systems of the applicant (unlike the requirements that can be checked in the context of concrete project parameters).

17.   The remaining standards and policy requirements will be reviewed during concept note and funding proposal review in alignment with the principle that by the time an AE receives funding under an approved funding proposal, it will have met all the applicable fiduciary and ESS standards and other relevant policies, including on gender.

Predictability and transparency

18.   The accreditation process will be managed based on clear service standards set out by the Secretariat for key accreditation process milestones to ensure greater predictability and transparency in the overall process of each application.

19.   The applicants for accreditation will be reviewed in alignment with strategic guidance and principles established by the COP and the key GCF strategies and policies[2]. As part of its initial prioritization, the Secretariat will prioritize accreditation applications from:

(a)   Direct access applicants, particularly if the applicant is from a country where no DAE is accredited;

(b)   Entities based in and operating from least developed countries, small island developing States and/or African States;

(c)   Entities that can design and implement locally led adaptation approaches targeting climate vulnerable groups, including Indigenous Peoples; and

(d)   Private sector entities proposing to engage in climate activities in developing countries.

20.   Further prioritization may be undertaken by the Secretariat to align the network of AEs with GCF's evolving strategic programming targets. For example, the Secretariat may prioritize applicants that would fill significant gaps in the current portfolio in terms of targeted results, the scale of activities, or their ability to deploy certain financing instruments, thereby ensuring the network of AEs collectively covers a broad range of needs and capabilities.

21.   The Secretariat will manage accreditation applications pipeline and application windows based on the GCF's processing capacity.

22.   The Secretariat will also guide prospective applicants on the roles and responsibilities of AEs and necessary legal and institutional prerequisites to effectively identify the optimal mode of engagement with GCF based on their fundamental systemic characteristics.

23.   In line with the GCF Information Disclosure Policy (and any revisions thereof), the Secretariat will enhance transparency around accreditation by sharing key documents and information.

Building capacity for direct access

24.   GCF provides support to strengthen the capacities of direct access applicants and accredited DAEs through the following main channels:

(a)   Pre-accreditation preparation support under the country window of the Readiness and Preparatory Support Programme (Readiness Programme) to help potential direct access applicants prepare for accreditation;

(b)   Post-accreditation support for DAEs under the DAE window of the Readiness Programme to strengthen their institutional capacities and systems for climate programming after accreditation;

(c)   Project Preparation Facility (PPF) assistance: financial and technical support to AEs, particularly DAEs, for the development of funding proposals;

(d)   Technical assistance during project implementation, provided as needed up to project closure, to build the AE's capacity in executing GCF projects;

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[2] These include the Accreditation Strategy of the GCF (decision B.34/19), the updated Strategic Plan for the GCF 2024–2027 (USP-2) (decision B.36/13) and the Private Sector Strategy (decision B.32/06).

(e)   Support from the IUs to complement the aforementioned capacity-building efforts with respect to integrity, grievance redress and evaluation matters within their respective mandates and budgets; and

(f)   Peer support, for instance, IAEs partnering with DAEs through collaborative implementation arrangements (such as a DAEs serving as an EE in IAE-led projects, or vice versa), to transfer knowledge and build lasting capacities.

Complementarity and coherence

25.   In accordance with the principle of complementarity and coherence outlined in the Governing Instrument, the accreditation framework seeks complementarity through the fast-track approach with relevant accreditation or due diligence processes of other entities and international benchmarking systems for fiduciary and ESS standards. Such complementarity will be pursued without diminishing the rigor with which GCF's own screening requirements are applied.

26.   The fast-track programme, as adopted by decision B.08/03, continues to be exercised in respect of the screening requirements as contained in part I of annex II to document GCF/B.42/04/Add.01 used as GCF accreditation assessment criteria. The Secretariat may bring for Board consideration further benchmarking options, with a corresponding gap analysis against GCF screening requirements, to expand and complement the existing fast-track programme.

27.   The Secretariat will maintain regular dialogue and information-sharing with the secretariats and accreditation/benchmarking bodies of other relevant institutions to ensure consistency and efficiency. The Secretariat will also seek formal channels for mutual updates on operational guidelines and procedures, ensuring that GCF's accreditation approach remains coherent with the wider climate finance landscape.

V.   Screening requirements

28.   GCF accreditation is based on a defined set of screening requirements contained in part I of annex II to document GCF/B.42/04/Add.01, which represent a subset of the GCF's fiduciary principles and standards, ESS standards and policies, and other relevant policies, including on gender. An applicant must meet all screening requirements relevant to its business model and proposed scope of activities for which it is to be accredited. This is necessary for the entity to be eligible to receive GCF funding and/or to act as a channel for GCF financing in climate change projects and programmes.

29.   The screening requirements cover legal status, corporate governance and internal control, financial management, procurement, integrity (including relevant requirements of the Policy on Prohibited Practices, Anti-Money Laundering and Countering the Financing of Terrorism Policy, and Policy on the Protection of Whistleblowers and Witnesses), project management, appropriate registration/licence for on-lending and blending (if the entity intends to use non-grant instruments such as loans, equity and guarantees during programming), IAE applicant's support to DAEs (if applicable), and relevant requirements from the Revised Environmental and Social Policy, the GCF ESS, Indigenous Peoples Policy and updated Gender Policy.

30.   For environmental and social risk, GCF categorizes activities as category A, B or C (or intermediation 1, 2 or 3 for intermediated activities). Applicants will be screened for compliance with policies and standards corresponding to the highest risk category they intend to work in. Entities accredited in each environmental and social risk category may undertake projects of that category or lower, subject to any further project-specific assessments during proposal review.

31.   As part of the accreditation screening, the scale of the applicant's experience in financing and/or managing climate-related projects and the types of financial instruments it has financed and/or managed will also be reviewed and noted.

32.   This includes examining: (i) the size and composition of the entity's track record of relevant projects over the past 10 years; (ii) the range of financial instruments such as grants, loans, equity and guarantees it has managed; (iii) the largest project (by funding size) the entity has handled in the past 10 years and the instruments involved; and (iv) the median and average size of the projects the entity has handled in that period, and the types of instruments used.

33.   This information will inform the assessment of the entity's capacity during project/programme review and will be reflected in relevant project documentation.

VI.   Accreditation process

Institutional accreditation

34.   Under this accreditation framework,[3] GCF will conduct an institutional accreditation process that evaluates whether the applicant entity has the institutional systems and track record to manage a portfolio of projects in line with GCF standards. This approach is intended to foster long-term partnerships as an AE may submit multiple funding proposals and, if approved, implement them in the future.

35.   Before applying for institutional accreditation, all prospective applicants should discuss with GCF and relevant countries regarding their plans to contribute to the countries' climate priorities and GCF's strategic programming objectives; and whether seeking institutional accreditation is the most appropriate modality of partnership with GCF, or whether other avenues (such as the project-specific assessment approach (PSAA) or serving as an EE for an AE) might be more suitable.

Figure 1: Overview of accreditation approaches: institutional accreditation and the project-specific assessment approach

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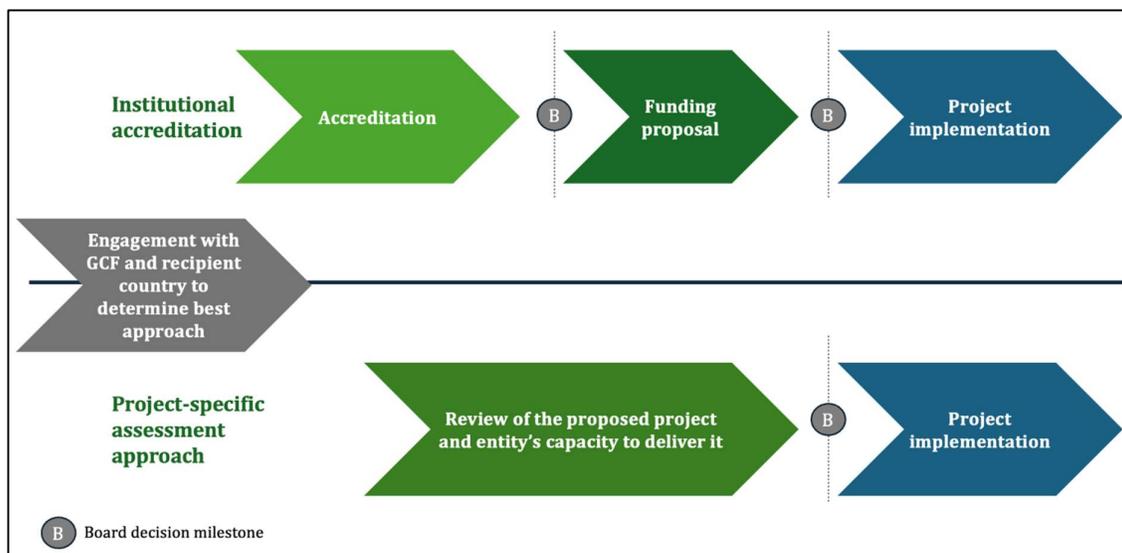
[3] The Secretariat, at an appropriate time in the future, will propose for the Board's approval necessary arrangements, which may include access modalities in accordance with paragraph 44 of the Governing Instrument, to enhance the operations of the Private Sector Facility in accordance with decision B.04/08, paragraph l.

6.1   Institutional accreditation steps

36.   The GCF institutional accreditation process will be based on five steps:

(a)   Government nomination or self-nomination;

(b)   Pre-screening;

(c)   Application and fees;

(d)   Screening and report; and

(e)   Board decision (approval).

Figure 2: Overview of the accreditation process

Step 1: Government nomination or self-nomination

37.   Applicant entities may pursue accreditation through one of two access modalities, as defined above: (a) direct access for subnational, national or regional organizations; or (b) international access for multilateral or other international organizations.

38.   Direct access applicants such as governments of developing countries[4] (acting through an authorized ministry, department or agency) and government-controlled subnational, national or regional entities must be nominated for accreditation by the relevant country's national designated authority (NDA) or focal point, whereas subnational, national or regional entities that are not government-controlled may self-nominate following consultation with the relevant country's NDA. Self-nominating applicants shall provide information with respect to such consultation to the Secretariat during the accreditation process.

39.   International access applicants can self-nominate for accreditation.

40.   Templates for government nominations and self-nominations will be made available by the Secretariat on the GCF website.

41.   Prospective direct access applicants could be eligible to seek pre-accreditation readiness support, subject to relevant NDA endorsement and if aligned with the country's readiness programming priorities.

42.   All entities applying for accreditation must have legal personality. In the case of an applicant that is a government, it is recognized that the application may be submitted by the government acting by or through the appropriate ministry, department or similar body that has the authority to enter into legal agreements with GCF and directly receive and manage international funds on behalf of the government.

43.   If, in a particular country, various ministries or departments have separate legal personalities, the country is encouraged to identify one such institution that will serve as the AE. This approach does not preclude other national entities – whether government-controlled or not – from seeking accreditation, nor does it set a formal cap on the number of entities from a country that can be accredited.

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[4] As per paragraph 47 of the Governing Instrument, developing countries will nominate competent subnational, national and regional implementing entities for accreditation.

44.   In respect of private sector entities, non-profit organizations and other types of organizations that are a part of corporate groups or otherwise have affiliates, the entity seeking accreditation should have separate legal personality and sufficient autonomy and a track record within the organization to implement programming activities. In cases of multiple applicants that are part of the same organization, the entity within the organization that is best suited to undertake the role and responsibilities of the AE and has the relevant institutional presence and networks itself to bring forward projects/programmes that meet the objectives and mandate of GCF should seek accreditation and enter into the relevant legal agreements with GCF. Entities without separate legal personality (such as branches or country offices) should be included in the application made by the relevant entity with legal personality. Subsidiaries, affiliates and other entities that have separate legal personality but which are part of the same corporate or organizational group as the entity seeking accreditation may be included in such an accreditation application and assessed at the same time as such an entity. Notwithstanding the foregoing, subsidiaries, affiliates, country offices and branches, among others, that are not accredited in their own right may still participate as an EE in the project/programme proposed by the entity within the organization that is the AE.

Step 2: Pre-screening

45.   Prospective applicants will undergo a pre-screening process, to be conducted by the Secretariat, based on a basic eligibility and capacity check in line with the roles and responsibilities of AEs described in section III above. The pre-screening is intended to be a preliminary check to identify whether the entity meets basic criteria to fulfil the role and responsibilities of an AE and is adequately prepared to proceed with the application, and establish criteria for fast-track accreditation programme if applicable. Applicants that pass the pre-screening process will be invited to submit an application.

46.   The Secretariat will organize information sessions on pre-screening and engage with prospective applicants and NDAs prior to and during the pre-screening process.

Step 3: Application and fees

47.   Following a successful pre-screening process, the applicant must submit a complete application for accreditation that should contain all required information and supporting documentation necessary for the screening review to begin.

48.   The application must indicate the highest environmental and social risk category for which the applicant seeks accreditation. Additionally, the application must indicate if the applicant intends to programme with both grant and non-grant instruments.

49.   To enhance predictability and transparency, the accreditation application process will be managed in defined cycles. There will be two application windows each year, and each window will remain open for a two-month period. Entities are expected to submit their applications within these windows. The opening of each application window will be announced through an official notice on the GCF website, accompanied by outreach such as information sessions for prospective applicants and NDAs to provide guidance on the accreditation process.

50.   The application form, guidance and associated service standards will be publicly available on the GCF website, and the Secretariat will engage with applicants prior to and during the application submission windows to provide support where needed.

51.   Once the application is deemed complete, the applicant will be expected to pay the applicable accreditation fees in accordance with the GCF policy on fees for accreditation. If the applicant fails to pay the fees within a reasonable time frame, as defined by the service standards, the application will be considered inactive, and the applicant may be removed from the active pipeline.

52.   If an entity is unable to submit a complete application during a given window, it may submit it in a subsequent window after addressing the gaps.

Step 4: Screening and report

53.   When an application enters the screening stage, it will be assessed against the full set of screening requirements, taking into consideration the highest environmental and social risk category the applicant applied for. The screening is primarily a desk-based review of the applicant's policies, procedures, track record and capacity in each of the assessment areas.

54.   The Accreditation Panel (AP) and Secretariat will conduct the accreditation screening while adhering to established service standards. The AP may be supported by external consultants (firms and/or individuals) that may be engaged to undertake technical reviews, as needed, to ensure a thorough and expedited review. During the screening process, applicants may be asked to provide additional information as needed. Applicants are expected to respond to such requests in a timely manner.

55.   If an applicant is unable to respond to a round of questions or requests for additional information within a reasonable time frame (to be defined by the service standards), the application will be considered inactive, and the applicant may be removed from the active pipeline. Such an applicant would have the opportunity to resubmit an application during a subsequent application window when they are ready to proceed, considering that additional accreditation fees may be applied by the Secretariat.

56.   Upon completion of the screening process, the AP and Secretariat will issue a screening report to the applicant entity with the following information:

(a)   Confirmation that the entity meets the screening requirements; or

(b)   Communication that the entity does not meet one or more of the screening requirements, in which case the report will identify the specific areas where the screening requirements were not met.

57.   The screening report may also include observations or feedback intended to help the applicant to improve its institutional or programming capacities for future engagement with GCF.

58.   In the case of direct access applicants that were nominated by a country, the Secretariat will inform the nominating country of the outcome of the screening once the report is issued. This applies both in scenarios where the applicant meets the requirements and where it does not. The NDA will also be informed if an application is closed due to the applicant not responding within required timelines during the screening stage.

59.   All direct access applicants which do not meet the screening requirements can coordinate with the respective NDAs to seek support through the Readiness Programme's country window to strengthen the areas identified in the screening report as gaps. This post-screening readiness support can help strengthen the entity in the specific areas where it fell short, thereby improving its chances for accreditation upon re-application.

60.   Any applicant which did not meet the screening requirements may choose to address the identified gaps and resubmit its application. When reapplying, the entity should update its application to demonstrate how it has addressed the gaps noted in the earlier screening report. If the re-submission occurs within a reasonable time frame, to be defined by the service standards, the follow-up screening process may be expedited by focusing primarily on the areas that were previously non-compliant subject to the applicant confirming that all other areas of the application remain materially unchanged. Any additional fees that may be charged will be determined on a case-by-case basis by the Secretariat.

Step 5: Board decision (approval)

61.   The AP will recommend to the Board the entities that meet the screening requirements for accreditation decision and approval.

62.   The Board will consider the recommendations and decide whether to approve the applicant for accreditation. If the Board determines that an applicant should not be accredited, the Board may provide guidance to the Secretariat on communicating the reasons for this decision to the applicant.

63.   Following accreditation by the Board, the applicant will become an AE. Each AE will be issued a confirmation/certificate which will be evidence of the entity's accreditation and will confirm the environmental and social risk category the entity is accredited for.

Service standards and communication

64.   The Secretariat will develop service standards for each milestone of the accreditation process that will apply to the Secretariat, the AP and applicants.

65.   If an applicant avails itself of GCF readiness support for accreditation preparation at any point after submitting an application, the application process for that entity will be paused and the entity will be withdrawn from the active accreditation pipeline while it receives the support. The entity can re-apply in a future window once it has utilized the readiness resources to improve its preparedness.

66.   Applicants will be notified at each major milestone of the processes described above, including when their application is received, when the invoice for accreditation fees is issued and fees are received, when the screening report is made available, and when the applicant is to be considered by the Board for accreditation, in adherence with the service standards.

67.   A template for (self-) nomination letters, application form, pre-screening questionnaire, further relevant templates and guidance materials, and associated service standards will be developed by the Secretariat and published on the GCF website.

Post-accreditation

68.   Once accredited, an entity is eligible to participate in GCF programming as a partner to developing countries. An AE can engage with countries to develop concept notes and funding proposals for climate change projects or programmes aligned with those countries' mitigation and adaptation priorities and GCF strategic programming goals and investment criteria. It is the responsibility of the AE to work in close coordination with interested developing countries to identify project ideas, prepare concept notes and, upon feedback, develop full funding proposals.

69.   In its role as an AE, the entity is expected to maintain and strengthen the necessary capacities for programming. This includes ensuring it has in place robust project management systems, technical expertise, risk management and safeguards capacities, and financial management capabilities to develop and implement the projects and programmes that meet GCF investment criteria and country priorities.

70.   Upon Board accreditation, DAEs become eligible for additional support. In particular, they can apply for resources under the DAE window of the Readiness Programme to strengthen their institutional capacities. The DAEs that were not nominated by a NDA for accreditation under this framework will need to provide evidence of its coordination with the respective NDA in line with country priorities, including a support letter from the NDA prior to seeking resources under the DAE window. DAEs can also request funding from PPF to aid in the development of their project proposals.

71.   AEs will also be part of the GCF's community of practice. This community provides a platform for knowledge exchange, peer learning, and cooperation among AEs, as well as access to international networks.

72.   For the avoidance of doubt, an AE that was not initially assessed against screening requirements relevant to on-lending/blending may submit concept notes or funding proposals in respect of non-grant financial instruments, such as loans, equity and guarantees. The AE will be assessed against the relevant fiduciary standards during the project assessment stage.

73.   With regard to the review of project proposals submitted after the Effective Date by AEs accredited before the Effective Date of this framework:

(a)   If the proposal is within the AE's original (re-)accreditation scope, then the applicable standards/requirements assessed during the entity's (re-)accreditation will not be reassessed at the concept note or funding proposal stage. However, if specific conditions were attached to the AE's original (re-)accreditation with respect to any of the applicable standards/requirements, those aspects will be reviewed and assessed at the concept note/funding proposal stage in accordance with this framework; and

(b)   If the AE submits a proposal for activities that are beyond their original (re-)accreditation scope (in terms of proposed project size or specialised fiduciary standards) they will be reviewed and assessed against the applicable standards/requirements during the assessment of the proposed project or programme, since the AE's compliance with those standards/requirements was not assessed during the entity's (re-)accreditation.

6.2   Upgrades in the environmental and social risk category

74.   An AE that initially obtained accreditation for category B or C projects (medium or minimum-to-low environmental and social risk, including intermediary risk levels I-2 or I-3 where applicable) may seek to upgrade to a higher risk category.

75.   Upon receiving a complete application for an upgrade and the applicable fees, the AP will assess the application in accordance with the institutional accreditation process set out in section 6.1 above. In essence, an upgrade application undergoes an accreditation screening focused on the incremental capacities and safeguards needed for the higher environmental and social risk category.

76.   The AE must meet all the screening requirements relevant to the higher environmental and social risk category. Once approved by the Board, the AE will receive an updated accreditation certificate reflecting the upgraded risk category. The AE cannot submit funding proposals under the higher risk category until the Board has approved the upgrade.

77.   Upgrade applications may be submitted at any time following Board approval of the accreditation of the AE, where they consider themselves ready to pursue such an upgrade.

78.   If the AP determines that the AE does not meet the screening requirements for the higher environmental and social risk category or the Board does not approve the upgrade, the AE shall continue to be accredited for its original risk category.

6.3   Accredited entity monitoring and accountability

79.   There is no fixed accreditation term. Monitoring and reporting for AEs will be carried out in accordance with the MAF. The relevant AE-level monitoring and reporting requirements will commence upon the accreditation decision for AEs accredited under this accreditation framework. In respect of AEs accredited prior to the effectiveness of this accreditation

framework, AE-level monitoring and reporting shall be in accordance with the MAF, subject to any applicable transitional arrangements.

6.4   Governance and organizational approach

80.   The institutional accreditation process will be implemented and overseen by several key actors within the GCF's institutional framework, including the Board, Accreditation Committee, AP, and the Secretariat, with their roles and mandates as described in this framework, the Governing Instrument and, where applicable, their Board-approved terms of reference.

81.   The Secretariat will further develop the necessary processes, in-house technical expertise and capacity to implement the accreditation framework.

VII.   Project-specific assessment approach

82.   The pilot framework for the PSAA remains operational under the terms approved through decision B.31/06.

VIII.   Effective date and transitional period

83.   This accreditation framework shall become effective on the date falling one day after the closing of the 43rd meeting of the GCF Board.

84.   Upon the effectiveness of the accreditation framework, there will be a 12-month transitional period during which the Secretariat will take all necessary measures to effectively implement the accreditation framework, including completion of transitional arrangements as adopted by the Board in its decision adopting this accreditation framework.

85.   In respect of applicants for accreditation and AEs as at the effective date of the accreditation framework, the transitional arrangements adopted by the Board in its decision adopting this accreditation framework shall apply.

IX.   Monitoring and review

86.   The Secretariat will monitor the implementation of the accreditation framework against the outcomes, targets and service standards to be developed under the transitional arrangements and report to the Accreditation Committee and the Board as part of its regular reporting.

87.   Monitoring will also be guided by the Strategic Plan for the GCF and using the same metrics as the Strategic Plan targets and work programme indicators, where available. Monitoring will include, but not be limited to, the following metrics:

(a)   Average time of the accreditation process disaggregated by the Secretariat/AP processing time and applicant responses time;

(b)   Share of DAEs accredited; and

(c)   Stakeholder satisfaction scores.

88.   If any changes are necessary to ensure continued alignment between the principles of accreditation and the evolving operational context, the Secretariat will provide recommendations to the Board.