

ENGAGING ACCREDITED ENTITIES IN CONCEPT NOTE DEVELOPMENT

Learning Brief #3

6th GCF Readiness Cross-Regional Learning Exchange

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Accredited Entities (AEs) play an important role in the concept note development process as owners that take the concept notes forward for submission to the GCF. The engagement of accredited entity across the different stages of the concept note development is essential to ensure ownership. This learning brief captures the different approaches to engaging and onboarding AEs.

Accredited Entity

Accredited Entities (AEs) are entities that are accredited by the GCF Board having the ability to manage GCF's resources in line with the Fund's fiduciary standards for the scale and type of funding sought, as well as the ability to manage environmental and social risks that may arise at the project level. The role of an accredited entity relates to the management and oversight of project implementation, which includes the origination and preparation of a funding proposal, project management on behalf of the provider of funds, and reporting obligations. AEs are an essential part of the GCF business model, as **only AEs can submit funding proposals to the GCF**.

As part of the GCF readiness projects, it is expected to assist the countries identifying and engaging the appropriate AE in the development and submission of project concept notes.

GCF Country Programme

GCF Country Programmes support each country's project pipeline development with GCF and is the first stage of the GCF project and programme cycle. It forms the basis for prioritising the further development of funding proposals for projects and programmes to be submitted by Accredited Entities on behalf of countries for funding.

In some cases, GCF country programmes are under development which poses a challenge in the project ideation and prioritization process, as well as the identification of potential AEs. However, reference to other key national documents (NDCs, NAPs, sectoral strategies, etc.) and close coordination with the NDA and GCF country programme developers can assist in providing further guidance on the identification of priority projects ideas that will be developed into concept notes.

In all cases it is important that the NDA is aware of the concept note ideation and development through continuous engagement to ensure ownership and alignment with country priorities. PIU teams with the support of the recruited consulting companies are expected to prepare a mapping of potential AEs. This mapping must be discussed with the NDA at the earliest possible stages of concept note development. This mapping will assist NDA decide which AEs to engage.

Entity Work Programmes

The selection of an accredited entity for a project idea can be assisted by their respective entity work programmes. An Entity work programme highlights the an indicative pipeline of projects that AE intends to submit to GCF. PIU are advised to consulta with active AE in the country and check if identified project ideas are part , partially or fully, of any AE work programme.

Leveraging the Readiness Portfolio for partnerships with International Accredited Entities

In some cases, an International AEs is being approached by more than one country to take the concept notes forward. Furthermore, GWP has strategic partnership with some of the AE at global level. Presenting existing and ongoing partnerships with the AEs in other readiness implementation countries may assist in strengthening credibility and matchmaking between project ideas and accredited entities.

Taking Project Pipeline into Consideration

Some countries have a **saturated project pipeline** with a limited number of AEs and a long list of project ideas that are being/planned to be developed into concept notes. In such cases, it becomes important to work together with AEs and **co-develop project ideas that are already in the pipeline for development**, given their alignment with the country priorities.

A **nacent project pipeline** provides a wealth of opportunities for new project concept note development. **The Readiness support allows AEs to access additional resources to develop a project concept note that is ready to be submitted to the GCF.** This will provide the AEs with a headstart on project development.

The saturation or nacency of project pipelines should also be considered in an AE scale, where project idea and AE selection can be based on the adde-value GWP can bring to concept note development in terms of readiness finance contribution as well as specific expetise.

Co-financing opportunities

Co-financing opportunities are among the criteria to be considerd for project ideas selection. GCF funding can be sought to finance the climate additionality cost or to increase the impact of projects under-development with the support of bilateral or multiratela donors. In case the latters are accredited to GCF, timely discussions are key to incorporate the concept note in a larger project scale.

Facilitating Connections and Matchmaking

There are different approaches to collaborate with AEs in concept note development such as co-developing the project idea itself, developing project idea with executing entities and approaching an appropriate AE, or even presenting the project idea or concept note to an appropriate AE (As some AEs may only feel comfortable to take the concept note forward after seeing the fully developed product). Regardless of these variances, **it is important to have AE engagement across the concept development project including consultations with them for their inputs at different stages.**

The NDA plays an important role in facilitating the match making between national priority project ideas and relevant accredited entities.

The **PMU may also leverage their networks** to schedule bi-lateral meetings with AEs and other project proponents at different stages of concept note development.

In all cases, the **NDA must be consulted continuously and lead the formal communications with the AEs.**

Establishing an enabling environment and institutional structures for Concept Note Development

Readiness efforts are geared towards submitting concept notes to the GCF through an appropriate accredited entity. However, background work can also be conducted through the readiness project to **strengthen the success of the concept note.**

This can primarily be done by engaging project proponents across the project ideation and concept note development.

Inception workshops and validation workshops provide excellent opportunities

for executing entities, accredited entities, and other stakeholders come **together to provide their inputs.** This can be further complemented with bi-lateral meetings and consultations with stakeholders.

Furthermore, **field visits** play an important role in collecting relevant information to strengthen the quality of the concept note as well as enhance the consultation process with the engagement of local stakeholders.