

Twelfth Session of the Assembly
13-14 May 2025, Ulaanbaatar, Mongolia

Agenda Item 3.3

Update on the Process and Status of Green Climate Fund (GCF) Accreditation and Adaptation Fund (AF) Accreditation

I. Background

1. In line with the Assembly's decision (DECISION 12-I-18R), the Secretariat has been enhancing its external relations to support the implementation of AFoCO Strategic Plan (2024–2030) and the 10-Year Climate Action Plan (2025–2034).

2. In order to improve access to global climate financing mechanisms, AFoCO submitted its application for accreditation with the Green Climate Fund (GCF) in March 2020 and has been updated since then. To further strengthen AFoCO's status as an international organization and enhance its ability to access multilateral funding channels, the Secretariat is actively pursuing accreditation and exploring additional opportunities.

II. Green Climate Fund (GCF)

3. Following the Secretariat's visit to the GCF headquarters, AFoCO received feedback from the GCF Secretariat on 16 December 2024 and subsequently submitted a revised accreditation application on 31 January 2025. Reflecting the GCF's suggestion to enhance programmatic impact, the application included a change in project size category from "Micro" (up to USD 10 million) to "Small" (USD 10–50 million).

4. To progress to the next stage of accreditation as a "Small"-scale entity, the Secretariat acknowledges the need to further develop additional institutional frameworks such as risk management, procurement, prohibited practices, and internal control. In response, the Secretariat has prepared initial working drafts of these frameworks and will present them for consideration at the 13th Session of the Assembly, as part of efforts to strengthen AFoCO's institutional readiness for GCF accreditation.

5. Recognizing that a proven track record in project implementation can help expedite the accreditation process, the Secretariat is concurrently pursuing project development in collaboration with the Member Countries:

- a. Timor-Leste: AFoCO is developing a GCF project titled “*Enhancing climate resilience through sustainable watershed management and agroforestry practice in Timor-Leste*” under the Landscape Partnership Asia initiative. Discussions are ongoing with national stakeholders, including the National Designated Authority (NDA), to finalize and submit the Concept Note.
- b. Kyrgyz Republic: Following bilateral consultations, the Kyrgyz Republic expressed its intention to identify GCF pipeline projects in which AFoCO may be engaged as a co-implementing entity.

6. In addition, the Secretariat seeks to explore further engagement with the GCF through the development of proposals under the Project-Specific Assessment Approach (PSAA) and REDD+ Results-Based Payment (RBP) modalities in cooperation with interested Member Countries. To this end, active communication with NDAs and close collaboration on project development will be necessary and the Secretariat kindly requests the continued support and cooperation of the Member Countries to advance these efforts.

III. Adaptation Fund

7. The Adaptation Fund plays a critical role in supporting climate adaptation efforts in developing countries, with a particular focus on strengthening the resilience of vulnerable communities and ecosystems. The Secretariat is considering applying for accreditation as a Regional Implementing Entity (RIE) with the Adaptation Fund, in parallel with its ongoing efforts for GCF accreditation.

8. As an initial step, AFoCO should obtain a Letter of Support from the Designated Authorities (DAs) in countries where project implementation is envisioned. The Secretariat kindly requests the cooperation of member countries in facilitating communication with their respective DAs to secure this endorsement, which is a key requirement for accreditation.

9. To expedite the process, project preparation activities will also proceed in parallel. The Secretariat intends to initiate feasibility studies and prepare project documents for countries that submit Letters of Support or express formal interest in project development under the Adaptation Fund.

IV. Points for Consideration

10. The Assembly may wish to:
 - a. Take note of the progress on AFoCO’s GCF and Adaptation Fund accreditation process and on-going project development efforts;
 - b. Task the Secretariat with further developing the necessary institutional frameworks required for GCF accreditation;
 - c. Request the Member Countries to support the accreditation process for both GCF and Adaptation Fund by facilitating communication with their respective NDAs for GCF and DAs for Adaptation Fund, including providing Letters of Support for the AFoCO’s accreditation to the Adaptation Fund; and
 - d. Task the Secretariat with advancing project development efforts in coordination with interested member countries.

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