GEF/C.71/05/Rev.01
June 1, 2026

71st Council Meeting
May 31 - June 3, 2026
Samarkand, Uzbekistan

Agenda Item 05

STRENGTHENING THE GEF PARTNERSHIP: AGENCY EXPANSION PROCEDURE

Recommend Council Decision

The Council, having considered document, GEF/C.71/05/Rev.01, *Strengthening the GEF Partnership: Agency Expansion Procedure*, takes note of the document and decides to:

a. Adopt the procedure for expanding the GEF Partnership under GEF-9 to align it with the policy recommendations within GEF-9 to consider opportunities to accredit a group of new complementary agencies which collectively have expertise with LDCs and SIDS, Indigenous Peoples and local communities (IPLCs), the private sector and in the 5 focal areas of the GEF;

b. Request the Secretariat to implement the adopted procedure, commencing with Stage 1 (initial desk review) at the start of the GEF-9 phase, and to initiate the formation and appointment process of the Independent Assessment Expert or Panel, in accordance with the procedure;

c. Request the Secretariat to update the Council on progress made in implementing the adopted procedure at the 72nd meeting of the Council;

d. Request the Secretariat to present for the Council's decision Agencies recommended by the Independent Assessment Expert or Panel, no later than June 30, 2027 (If the expansion process encounters material delays or constraints that prevent the timely identification of recommended candidate entities, the Secretariat is requested to report to the Council by that date, on progress made, challenges encountered, and any proposed adjustments to the implementation approach); and

e. Approve amendments to the GEF Policy on *Monitoring Agency Compliance* (ME/PL/02) and related policies on *Minimum Fiduciary Standards* (GA/PL/02), *Stakeholder Engagement* (SD/PL/01), *Gender Equality* (SD/PL/02), and *Environmental and Social Safeguards* (ESS) (SD/PL/03), as outlined in Annex VI, to transition from a periodic review cycle to a continuous, risk-based compliance monitoring approach, with the amendments becoming effective on July 1, 2026.

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Acronyms and Abbreviations

AF	Adaptation Fund
C69	69th GEF Council Meeting
CIFs	Climate Investment Funds
CSO	Civil Society Organization
ESS	Environmental and Social Safeguards
FIF	Financial Intermediary Funds
FPA	Financial Procedures Agreement
FSP	Full-Sized Project
GCF	Green Climate Fund
GEF	Global Environment Facility
IPLCs	Indigenous Peoples and local communities
LDCs	Least Developed Countries
MCFs	Multilateral Climate Funds
MoU	Memorandum of Understanding
MSP	Medium-Sized Project
SIDS	Small Island Developing States
ToRs	Terms of Reference

1. Background

1. At its 69th meeting (C69)[1], the Council requested the Secretariat to prepare for the adoption of a targeted expansion approach for the GEF Partnership under GEF-9, to potentially add up to three additional Agencies, with a focus on enhancing access to GEF resources in Small Island Developing States (SIDS) and Least Developed Countries (LDCs). During subsequent GEF-9 replenishment discussions, participants further recommended that the Council consider the possible addition of more Agencies, as appropriate within the governance model of the GEF, including to help address identified gaps in programming for the private sector and Indigenous Peoples and local communities (IPLCs). Accordingly, the exact number of Agencies to be included in this targeted expansion will be proposed after Council approval of the expansion procedure and assessments described herein.

2. The Council further requested the Secretariat to prepare an expansion procedure for consideration at C71, with a view to initiating the expansion process early in GEF-9. The Council further requested a comparative analysis of fiduciary standards, stakeholder engagement, gender equality, and ESS requirements[2] across GEF, Green Climate Fund (GCF) and Adaptation Fund (AF), to assess the feasibility of a fast-track expansion approach in the context of ongoing harmonization and streamlining efforts across these funds. This document responds to these requests.

3. In the context of broader discussions on Partnership expansion and alignment across Multilateral Climate Funds (MCFs), the Secretariat has identified an inconsistency in the timing of the current compliance review cycle for GEF Agencies under the GEF Policy on *Monitoring Agency Compliance with GEF Policies*.[3] While the policy requires a compliance assessment once per replenishment cycle (i.e., every four years), assessments may also be undertaken at any time in the event of material policy revisions. This has resulted in overlapping triggers and potential inefficiencies, as demonstrated in 2020 following the update of the GEF Policy on *Minimum Fiduciary Standards*.[4]

4. The periodic assessment process closely resembles re-accreditation or re-review processes undertaken by GCF and AF, resulting in duplicative and burdensome administrative requirements for Agencies and costs for all parties, including the Secretariat. More broadly, the MCFs are placing greater emphasis on continuous monitoring. In case of GCF, reassessment is

[1] Strengthening the GEF Partnership: Options for Agency Expansion (GEF/C.69/05_Rev.01)
[2] Policy on Minimum Fiduciary Standards (GA/PL/02), Policy on Stakeholder Engagement (SD/PL/01), Policy on Gender Equality (SD/PL/02), and Policy on Environmental and Social Safeguards (SD/PL/03)
[3] Monitoring Agency Compliance with GEF Policies (ME/PL/02)
[4] Updated Policy on Minimum Fiduciary Standards (GEF/C.57/04/Rev.02)

triggered by material changes in institutional circumstances since 2025, rather than relying on periodic re-accreditation reviews.[5]

5. In this context, and with a view to enhancing harmonization and streamlining across peer MCFs while maintaining assurance of compliance, the Secretariat has reviewed the current GEF compliance monitoring approach. Given that the proposed targeted expansion procedure includes an assessment of candidates' adherence to the GEF Minimum Standards at the point of entry, this document also discusses potential amendments to the GEF Policy on *Monitoring Agency Compliance with GEF Policies* and relevant policies, with a view to ensuring that the compliance framework remains risk-based, proportionate, and aligned with evolving practices across peer MCFs.

2. Guiding Principles for the Partnership Expansion under GEF-9

6. At C69, the Council agreed on minimum eligibility criteria[6] to guide the targeted expansion. Subsequent GEF-9 replenishment discussions further clarified the strategic application of these criteria, including the importance of complementarity across peer MCFs and delivery modalities.

7. Consistent with the Council decision and replenishment guidance, the expansion process will focus on entities that:

- are inter-governmental (regional or international) organizations with mandates and governance arrangements aligned with the needs and priorities of SIDS and/or LDCs;
- demonstrate a track record in designing and implementing environmental projects in SIDS and/or LDCs that are relevant to GEF focal areas and strategic priorities, including experience mobilizing finance for these country groups;
- have experience working with GEF or peer MCFs, including, where applicable, current accreditation with GCF and/or AF[7], which would facilitate consideration under a cross-fund fast-track assessment process; and,
- demonstrate capacity to engage and work with Civil Society Organizations (CSOs), IPLCs, and the private sector (blended finance), in line with GEF-9 priorities.

[5] Periodic full re-accreditation has been replaced in GCF by an approach centered on continuous monitoring and reassessment triggered by material changes in institutional circumstances, following the GCF Board's approval of the revised Accreditation Framework as part of the accreditation reform package at its forty-second meeting (B.42), held in June-July 2025.

[6] Decision (b) and Paragraph 39 of Strengthening the GEF Partnership: Options for Agency Expansion (GEF/C.69/05_Rev.01)

[7] CIFs are excluded, as they are designed to operate exclusively with specific MDBs and do not have an accreditation process.

8. In addition, consistent with lessons learned[8] from the 2013-2015 expansion of the GEF Agencies (the second expansion), which followed a broader open-call accreditation approach and resulted in the addition of 8 new Agencies, the targeted expansion under GEF-9 will be guided by the following considerations:

- ensuring that new Agencies provide clear added value and complement the capabilities of existing Agencies, rather than duplicating existing mandates or delivery functions;
- maintaining a strategically balanced and manageable Partnership structure that supports effective oversight, coordination, and operational efficiency, including consideration of administrative and transaction costs associated with Agency expansion;
- safeguarding the integrity and credibility of the Agencies by maintaining strong fiduciary, stakeholder engagement, gender, and ESS standards, while ensuring that accreditation and compliance requirements are risk-based and operationally efficient;
- promoting transparency, fairness, and consistency in assessment processes, including strengthening independent assessment arrangements; and
- improving efficiency and timeliness of expansion processes, including minimizing administrative burden and cost where feasible.

3. Expansion Procedure

9. The targeted expansion will be implemented through a structured, 5-stage procedure, conducted in sequenced rounds to prioritize entities with existing accreditation under peer MCFs, as outlined in Figure 1 below. This staged and round-based approach is designed to ensure independence of assessment and consistency with past expansion processes, while incorporating lessons learned and opportunities for harmonization with peer MCFs.

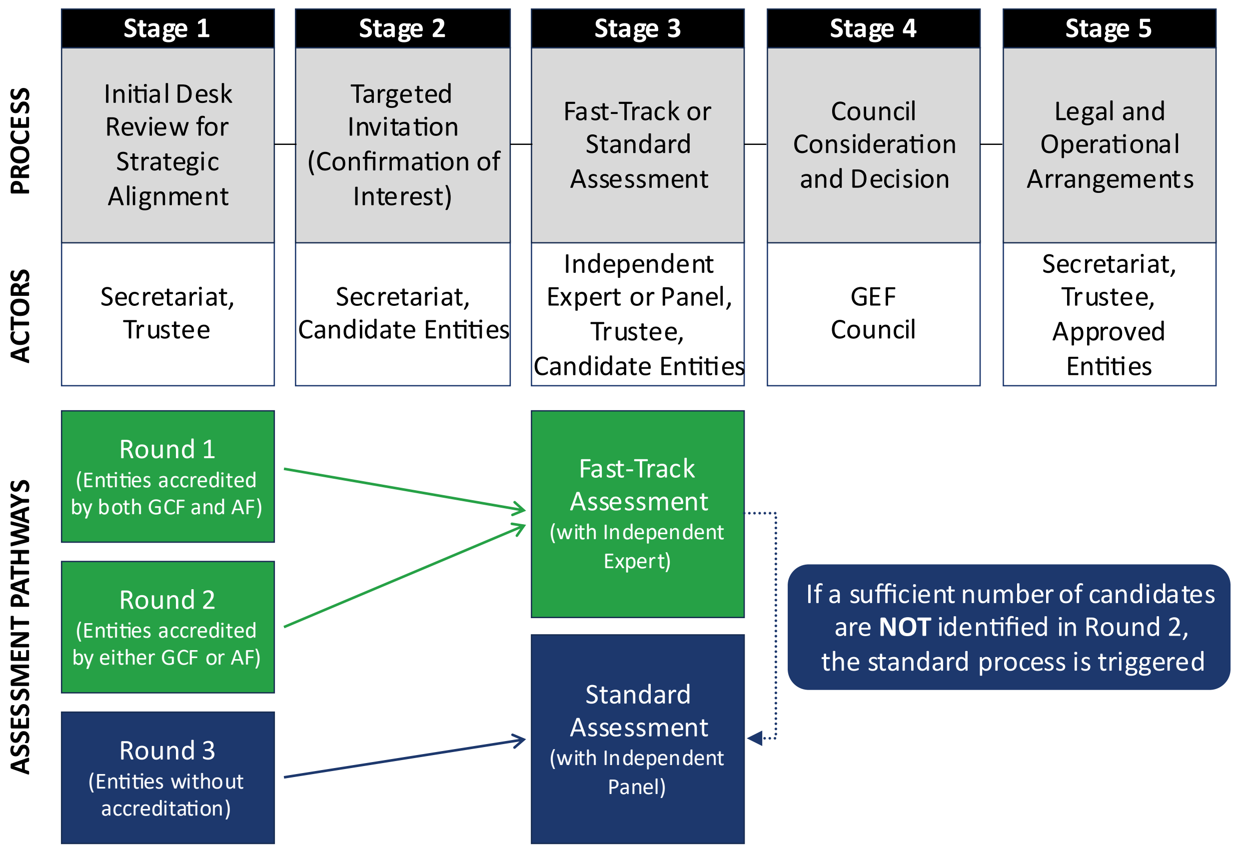
10. The five stages of the procedure are as follows.

- Stage 1: Initial desk review for strategic alignment based on the 8 minimum eligibility criteria.
- Stage 2: Targeted invitation for confirmation of interest.
- Stage 3: Fast-track or standard assessment.
- Stage 4: Council consideration and decision.
- Stage 5: Completion of legal and operational arrangements.

[8] Evaluation of the Accreditation Process for Expansion of the GEF Partnership (GEF/ME/C.48/Inf.03) and Future Directions on Accreditation (GEF/C.49/04_Rev.01)

11. Each round will proceed sequentially through Stages 1 to 3. However, a round may be concluded during Stage 1 or Stage 2 where it is unlikely to yield the required number of suitable candidate entities for progression, including where eligible and invited entities do not express interest in proceeding to Stage 3. In such cases, the Secretariat may immediately initiate Stage 1 of the subsequent round. Where the required number of candidate entities is identified prior to completion of all rounds, a subsequent round(s) will not be pursued.

Figure 1: An Overview of Expansion Procedure



Stage 1. Initial Desk Review for Strategic Alignment (Against Minimum Eligibility Criteria)

12. The Secretariat will conduct an initial desk review to assess whether candidate entities meet the minimum eligibility criteria as outlined in Figure 2 below. Annex I provides further detail on the 8 minimum eligibility criteria, including the associated review questions, means of verification, and scoring guidance used to inform this determination. Except for criteria introduced at C69 and during the GEF-9 replenishment negotiations to reflect the focus on SIDS and/or LDCs, as well as the aspirational target for IPLCs and enhanced engagement with CSOs, and the private sector, the criteria and assessment approaches largely build on those applied during the second Agency expansion (2013-2015), as set out in the *Procedures Manual for the*

Accreditation of GEF Project Agencies[9] and updated fiduciary standards, stakeholder engagement, gender equality, and ESS requirements since that time.

13. While each criterion in Annex I is assessed using four relevance ratings (*Strong Relevance, Relevance, Weak Relevance, and Almost No Relevance*), the Stage 1 desk review will be conducted on a binary basis: i.e., Ratings of *Strong Relevance or Relevance* will be considered as meeting the criterion; the other two ratings will not. Entities will advance to Stage 2 only if all minimum eligibility criteria are met. No conditional advancement will be applied.

Figure 2: Summary of Minimum Eligibility Criteria for Stage 1

Criterion 1	Criterion 2	Criterion 3	Criterion 4
Regional or International with Accreditation to GCF and/or AF	Track record in at least one of: SIDS, LDCs, IPLCs, or the private sector	Relevance to GEF Strategic Priorities	Track Record of Environmental Results
Regional or international accreditation status with GCF and/or AF	Demonstrated experience and results in delivering environmental projects	Alignment with GEF mission, focal areas, and the Integrated Programs	Evidence of achieved, evaluated environmental outcomes in past projects
Criterion 5	**Criterion 6**	**Criterion 7**	**Criterion 8**
Delivering results with CSOs	Scale of Engagement	Capacity to leverage Co-finance	Institutional Efficiency
Established partnerships with CSOs supporting inclusive and effective project delivery	Capacity to manage projects at a scale comparable to GEF funding size	Ability to mobilize co-finance and commit own institutional resources	Systems and performance indicating efficient, cost-effective operations

NOTE: **Criteria 1-2 (New)** reflect additional considerations introduced under the GEF-9 targeted expansion procedure; **Criteria 3-8 (Refined)** are adapted from the GEF Agency accreditation procedure applied during the 2013–2015 Agency expansion and updated to reflect the current GEF Minimum Standards and GEF-9 priorities

14. The desk review will be conducted in sequenced rounds, as follows.

- **Round 1:** Regional or international entities accredited to *both* GCF and AF as set out under Criterion 1 in Annex I.
- **Round 2:** Regional or international entities accredited to *either* GCF or AF.
- **Round 3:** If the required number of candidate entities is not identified through the above two rounds, the Secretariat may undertake a final round to identify suitable

[9] Procedures Manual for the Accreditation of GEF Project Agencies (GEF/C.40/Inf.04)

candidate entities accredited by *neither* GCF nor AF, provided that all other minimum eligibility criteria are met.

15. Following completion of the Secretariat's desk review against the 8 minimum eligibility criteria in each round, the Secretariat will engage with the Trustee at an early stage to discuss whether any issues may arise with the candidate entities, drawing from past experience, including, where relevant, whether a waiver to the *World Bank Directive on Financial Intermediary Funds*[10] ("*FIF Directive*") may need to be considered for entities other than MDBs, the IMF, and UN organizations, provided that the entity meets all other accreditation conditions.

Stage 2. Targeted Invitation and Confirmation of Interest

16. Entities that meet all minimum eligibility criteria under Stage 1 will be invited by the Secretariat to confirm their interest in becoming GEF Agencies through a targeted invitation and confirmation of interest. The draft template for this invitation and confirmation of interest is set out in Annex II. The Secretariat will conduct targeted outreach to the entities, specifying the timeline, format, and submission arrangements for the confirmation of interest, as well as any clarifications required to support subsequent stages of the assessment.

17. This stage confirms the invited entity's interest in participating in the process and its indicative institutional readiness, reaffirming the information reviewed by the Secretariat during Stage 1 to proceed to Stage 3. Submission of a confirmation of interest does not imply any commitment by the entity or GEF, nor does it guarantee progression to subsequent stages. Based on the confirmations received, the Secretariat will identify entities to advance to the next stage of assessment.

Stage 3a. Fast-Track Assessment

18. Entities accredited to GCF and/or AF, and identified under **Round 1 or 2** of Stage 1, may be eligible for a fast-track assessment. This approach does not presume that accreditation by GCF and/or AF automatically demonstrates full satisfaction of the GEF Minimum Standards, nor does it imply that any assessment area will be omitted. Rather, it is intended to facilitate a more streamlined GEF assessment by drawing on relevant existing accreditation evidence, while focusing particular attention on any remaining gaps, material differences across the frameworks, and any GEF-specific requirements. Annex III provides a high-level overview of areas of alignment across the GEF, GCF, and AF frameworks to help inform this approach.

19. As part of this process, candidate entities will be requested to submit, to the extent possible, documentation previously prepared for their GCF and/or AF accreditation, together

[10] FIF Directive (World Bank, 2022)

with any additional GEF-specific information requested by the Secretariat. The fast-track assessment will then consider the extent to which relevant GCF and/or AF accreditation materials address the GEF's requirements, while examining in full any areas that are specific to the GEF or not sufficiently addressed through those frameworks. GCF and AF do not have directly equivalent stakeholder engagement policies; therefore, compliance with this policy should be assessed in full at this stage, in the same manner as under the standard assessment described below.

20. The fast-track assessment also draws on the precedent established following the Council's approval of the updated Policy on *Minimum Fiduciary Standards*[11] at C57 in December 2019. In that instance, the policy revision triggered a targeted compliance assessment of GEF Agencies, which was conducted between January and September 2020.[12] The steps outlined below adapt that approach with updates to reflect the current context, including any relevant updates to assessment requirements.

- **Step 1 –Entity's Submission of Own Assessment and Related Materials:** Based on a checklist prepared by the Secretariat, invited entities submit a self-assessment together with their relevant institutional policies, procedures, and governance documentation, demonstrating compliance with the GEF Minimum Standards (fiduciary, stakeholder engagement, gender equality, and ESS). To reduce duplication, entities will be encouraged to draw on, and submit where relevant, the latest materials previously provided in connection with their GCF and/or AF accreditation.
- **Step 2 –Secretariat's Screening:** The Secretariat reviews the submitted materials for clarity, completeness, and relevance. The Secretariat may request entities to amend or complement their submissions to enable a complete assessment, if necessary.
- **Step 3 –Independent Expert Assessment:** Consistent with the indicative competency requirements set out in Annex IV, the Secretariat will hire and engage one or more independent experts to review the self-assessment and supporting materials submitted by the entities and verify whether they meet the GEF Minimum Standards.
- **Step 4 –Preparation of Council Document:** Following completion of the assessment the Secretariat prepares a Council document for consideration and decision, presenting the findings and recommendations of the assessment, including the identification of recommended candidate entities.

21. The detailed steps for the fast-track assessment are set out in Annex V.

[11] Updated Policy on Minimum Fiduciary Standards (GEF/C.57/04/Rev.02)
[12] The relevant guidance documents include: Assessment Guidelines for GEF Agencies' Compliance with Policies on Safeguards, Gender Equality, and Stakeholder Engagement (SD/GN/03) and Assessment Guidelines for GEF Agencies' Compliance with the GEF Minimum Fiduciary Standards

Stage 3b. Standard Assessment

22. Entities identified under Round 3 of Stage 1 – i.e., those without current[13] accreditation to either GCF or AF but meeting the other eligibility criteria – will be subject to a standard assessment conducted by an Independent Assessment Panel, following an approach similar to the accreditation procedure[14] undertaken during the second expansion of the GEF Partnership (2013-2015). This standard assessment would be triggered only if a sufficient number of eligible entities has not been identified through Rounds 1 and 2. The process comprises the following steps and Steps 1, 2 and 4 follow the same approach as those applied under the fast-track assessment:

- **Step 1 –Entity's Submission of Own Assessment and Related Materials:** Same as above, except that more comprehensive documentation may be required to support the assessment.
- **Step 2 –Secretariat's Screening:** Same as above.
- **Step 3 –Independent Panel Assessment:** Consistent with the indicative competency requirements set out in Annex IV, the Secretariat, in coordination with the Council, will establish an Independent Assessment Panel comprising at least three Panel members to conduct the assessment. The proposed composition of the Panel will be submitted to the Council for consideration and decision. The Panel will undertake a policy- and systems-level assessment of the entity's institutional frameworks against the GEF Minimum Standards. This assessment will examine the entity's policies, procedures, governance arrangements, institutional capacity, and relevant implementation experience, based on the submitted documentation serving as supporting evidence as well as Secretariat's desk review results from Stage 1.
  - ✓ **Document Review and Interview:** The Panel will undertake an initial review of the submitted materials and may request additional documentation or clarification. The Panel may also engage directly with the entity, including through interviews or meetings, to better understand its systems, procedures, or institutional capacities; and identify areas requiring further examination.
  - ✓ **Written Collective Assessment:** Based on their review, the Panel members will each prepare written assessments. An entity will be recommended for Council consideration only where all Panel members conclude that the entity meets the GEF Minimum Standards. The Panel will then prepare a consolidated written assessment

[13] As of June 30, 2026, or before Stage 1 formally starts. For GCF-accredited entities, this would refer to entities that have completed, or are expected to complete before the fast-track assessment begins, the full process under the GCF Revised Accreditation Framework, including accreditation and subsequent project due diligence for project approval.
[14] Draft Procedures Manual for the Accreditation of GEF Project Agencies (GEF/C.40/Inf.04)

categorizing each entity as *Recommended* or *Not recommended*, documenting the Panel's findings and the basis for its determination.

- ✓ **Resolution of Identified Gaps (if applicable)**: Where the Panel identifies gaps that are specific, remediable, and limited in scope, the entity may be requested to address these gaps prior to the Panel finalizing its recommendation. Such gaps should be limited to issues that can be readily addressed through clarification or minor revisions. All identified gaps must be fully resolved to the Panel's satisfaction before an entity may be recommended. No conditional accreditation will be applied.

- **Step 4 – Preparation of Council Document:** Same as above.

23. The detailed steps for the standard assessment are also set out in Annex V.

24. Following completion of the fast-track or standard assessment processes described above, the Secretariat will request the Trustee for a no-objection to the accreditation of the entities recommended by the Independent Assessment Expert or Panel. The Trustee will conduct due diligence on the recommended entities before issuing a no-objection to the accreditation of these entities. The due diligence assesses the integrity of each entity and its suitability to enter into legal and operational arrangements with the Trustee, in accordance with the *FIF Directive*.

25. After the Trustee provides a no-objection, the recommended entities proceed to Stage 4 (Council Consideration and Decision). For entities not recommended, the Expert or Panel may provide an explanation of the basis for the determination. The Trustee's no-objection does not imply agreement with the assessment, but rather that no issues have been identified in relation to the subsequent conclusion of the Financial Procedures Agreement (FPA).

26. Where feasible and appropriate, the Secretariat may explore alignment with existing accreditation panels from the GCF and/or the AF to support efficiency and harmonization.

Stage 4. Council Consideration and Decision

27. The Independent Expert or Panel's assessments, including the list of recommended candidate entities, will be presented to the Council for consideration. Council approval at this stage allows the recommended entities to proceed to the final stage but does not confer GEF Agency status. To become a GEF Agency, candidate entities must successfully complete Stage 5.

Stage 5. Legal and Operational Arrangements

28. As in the second expansion (2013-2015), the Trustee will establish an FPA with each Council-approved GEF Agency. A FPA sets out the financial procedures, reporting and audit requirements, and other obligations governing the Agency's participation in the GEF, and enables the Trustee to commit and transfer funds. In the event that a substantive issue relevant to the

conclusion of the FPA is identified after Council approval, that issue would need to be resolved before the FPA is finalized.

29. In parallel, the Secretariat and each Council-approved GEF Agency will also enter into a Memorandum of Understanding (MoU), setting out the understanding of GEF operational arrangements and requirements.

4. Roles of GEF Entities

The process of adding new agencies to the GEF Partnership involves several key entities, each with distinct roles and responsibilities to ensure transparency and efficiency.

GEF Secretariat

30. The Secretariat manages the overall coordination and administration of the expansion process. This includes conducting the Stage 1 Initial Desk Review to assess strategic alignment with GEF, based on the 8 minimum criteria. The Secretariat consults with the Trustee early in the process to confirm whether an entity is eligible to enter into the necessary legal and operational arrangements to operate as a GEF Agency.

31. The Secretariat selects and contracts the Independent Assessment Expert, or proposes the composition of an Independent Assessment Panel for Council approval, responsible for conducting the Stage 3 assessment. The Secretariat facilitates communication among the Council, the Independent Assessment Expert or Panel, and the Trustee, and prepares Council reports and documentation to support informed decision-making at Stage 4. At Stage 5, the Secretariat also leads the preparation and conclusion of the MoU with the approved Agencies.

Independent Assessment Expert or Panel

32. The Independent Assessment Expert or Panel conducts an independent and comparative assessment of candidate entities against the GEF Minimum Standards at Stage 3. The Panel identifies any gaps relative to these standards and determines whether the entity meets the requirements for inclusion in the GEF Partnership. The Panel develops recommendations and a list of recommended entities for the Council's consideration and may provide feedback to entities that do not meet the standards.

GEF Council

33. The Council provides overall oversight of the expansion process. It considers and approves the targeted expansion presented in this document and the entities recommended for inclusion in the GEF Partnership at Stage 4, based on the recommendations of the Independent Assessment Expert or Panel, as applicable. The Council may also consider progress updates

provided by the Secretariat during implementation of the procedure, including any material issues, delays, or adjustments that may require Council guidance. Where the standard assessment process applies, the Council also considers and approves the proposed composition of the Independent Assessment Panel.

GEF Trustee

34. The Trustee oversees the legal and operational arrangements at Stage 5 to ensure that newly approved Agencies can operate within the Trustee's financial management, cash transfer, reporting, audit, and other relevant frameworks. A key responsibility is the conclusion of a FPA with the Agency. The Trustee may also provide advisory input at any of the stages, as appropriate, including on whether any issues may arise with respect to an entity's potential eligibility to enter into legal and operational arrangements and, where relevant, whether a waiver under the *FIF Directive* may need to be considered. Before Council approval, the Trustee's no-objection will be sought for the recommended entity.

5. Indicative Implementation Timelines and Costs

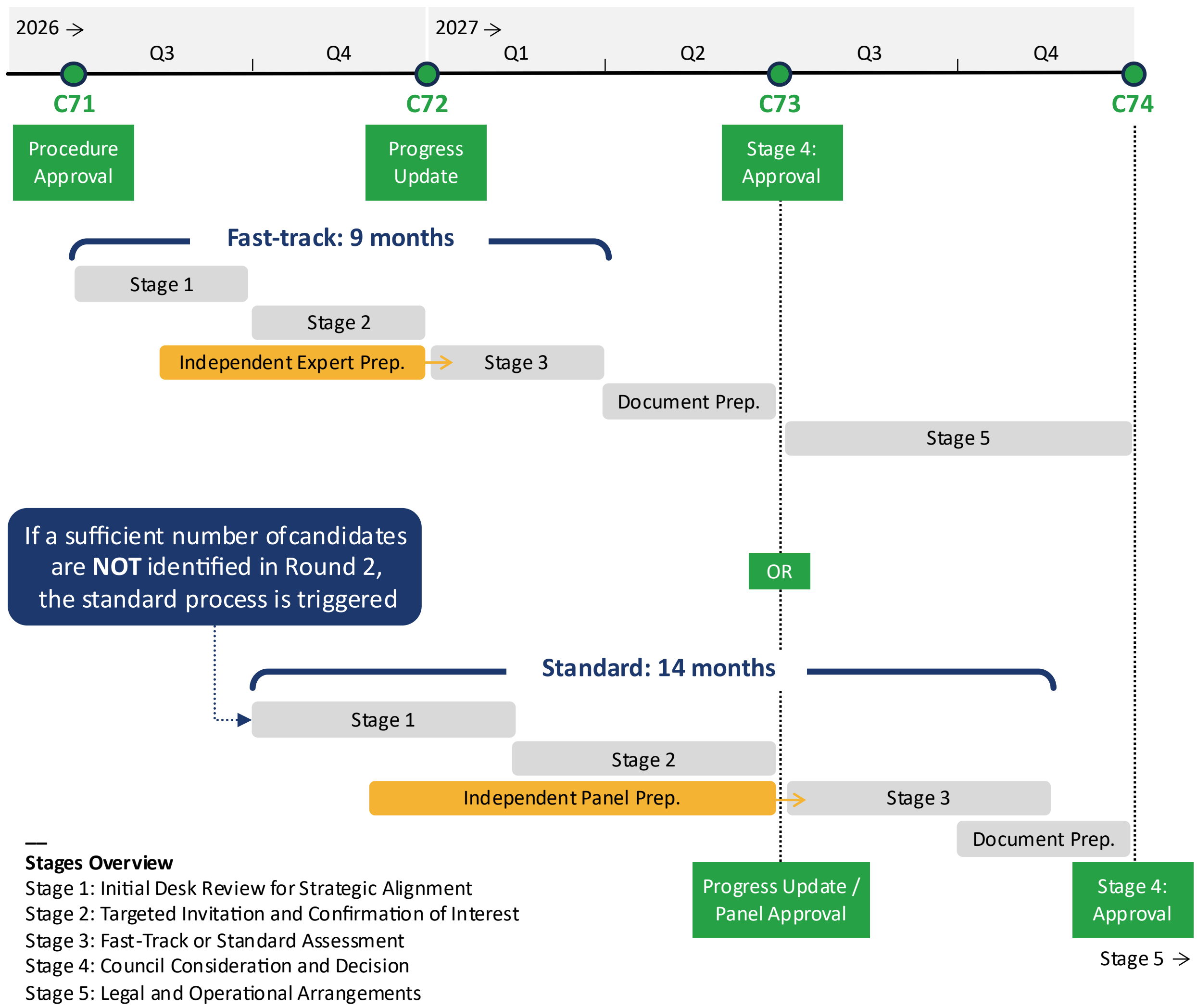
35. Upon approval of the expansion procedures at C71 (June 2026), the expansion process would be immediately initiated. As outlined in Figure 3, the full identification process, from Stage 1 through Stage 3 (prior to Council decision at Stage 4), is expected to take approximately nine months under the fast-track process for Round 1 and Round 2. If, during the implementation of Round 2, it becomes evident that a sufficient number of eligible entities is unlikely to be identified, the Secretariat may initiate the standard assessment process under Round 3 without waiting for completion of Stage 3 under Round 2. In that case, completion of the overall process would take more than 14 months.

36. The Secretariat will provide the Council with a progress update at C72 (December 2026), including the status of implementation, whether initiation of Round 3 has become necessary, and the indicative next steps and timeline for completion of the process.

37. If the required number of candidate entities is identified through the fast-track process under Rounds 1 and 2, the Secretariat could present the recommended candidate entities for Council consideration at C73 (June 2027). However, if the standard process is initiated, the Secretariat would instead provide a further progress update at C73 (June 2027) and present the recommended candidate entities for Council consideration at a subsequent Council meeting.

38. Should the standard assessment process be triggered, the Secretariat would also seek approval for the establishment and composition of the Independent Assessment Panel at C73 (June 2027).

Figure 3: Indicative Timelines of the Expansion Process under GEF-9



39. Following Council approval of the recommended entities at Stage 4, the Secretariat and Trustee will initiate Stage 5: Legal and operational arrangements with the Agencies.

40. The duration of each Stage may vary and, in some cases, require adjustment to the indicative timeline. In particular, where consideration of a waiver under the *FIF Directive* is required, the Trustee may need additional time to process the waiver. In addition, entities may be required to obtain internal approval from their respective Boards or governing bodies before confirming participation in the process or entering into the necessary legal and financial arrangements, which may also extend the timeline.

41. Given the invitational and targeted nature of the expansion process, no application fees will be charged. The expansion process will be primarily managed using the existing human resource capacity of the Secretariat. The main additional costs are expected to relate to the

engagement of the Independent Assessment Expert or Panel responsible for conducting the external assessments.

42. The level of costs will depend on the number of entities reviewed. A smaller number of entities (e.g., under Round 1) would require limited external assessment effort, while a larger number of entities under subsequent rounds (e.g., Round 2 or Round 3), or any increase in the final number of Agencies may entail higher costs. On a preliminary basis, the cost of engaging the Independent Assessment Expert or Panel is estimated at approximately USD 60,000 to USD 240,000,[15] depending on the number of rounds conducted and is reflected in the *GEF Business Plan and Corporate Budget for FY27* (GEF/C.71/04) submitted for Council consideration at C71.

43. Additional costs may also arise, including Trustee-related costs associated with due diligence, management review, and the conclusion of FPAs.

6. Changes to the GEF Compliance Monitoring Approach

44. Under the existing framework for Monitoring Agency Compliance with GEF Policies, GEF Agencies undergo a compliance assessment once per replenishment cycle. While this approach provides a structured mechanism for periodic review, it has resulted in duplication and overlapping assessments with other MCFs, and does not provide sufficient flexibility to respond to policy revisions or changes in implementation capacity that may occur within the same replenishment period.

45. In light of evolving practices across peer MCFs and ongoing efforts to enhance harmonization and streamline processes – such as the GCF's move away from period 5-year reaccreditation since 2025 – the Secretariat proposes a transition toward a continuous, risk-based compliance monitoring approach for all GEF Agencies. Under such an approach, formal compliance assessments would be undertaken where there are material amendments to the GEF Policies on *Minimum Fiduciary Standards* (GA/PL/02), *Stakeholder Engagement* (SD/PL/01), *Gender Equality* (SD/PL/02), *ESS* (SD/PL/03), or any other relevant policy; or significant changes in the governance, institutional arrangements, or systems of the GEF; or in the institutional capacity, governance, legal status, or systems of an Agency, including de-accreditation by the GCF or the AF, that may affect continued compliance.

46. Agencies shall notify the Secretariat in writing of any such changes as they arise, in accordance with the GEF Policy on *Monitoring Agency Compliance with GEF Agencies* (ME/PL/02). In addition, the Secretariat will maintain ongoing oversight of compliance through annual

[15] This estimate is based on the midpoint daily rate for a World Bank consultant at Grade C4 (USD 1,117), assuming approximately five working days of review per entity, up to five entities per assessment round, up to two experts for Rounds 1 and 2, and up to four experts for Round 3. On this basis, the estimated cost is approximately USD 60,000 for each of Rounds 1 and 2, and USD 120,000 for Round 3, for a maximum total of USD 240,000 across all three rounds.

bilateral portfolio reviews with each Agency, which will be further formalized in GEF-9, as well as through ad hoc engagements, review of relevant information arising from project supervision, implementation support, policy-related exchanges, and monitoring of developments in peer MCF accreditation processes. Where these channels indicate a potential material issue affecting continued compliance, the Secretariat may request further information from the Agency concerned and, where warranted, initiate a formal compliance assessment.

47. To give effect to this transition, the Secretariat proposes amendments to the GEF Policy on *Monitoring Agency Compliance* (ME/PL/02) and related policies on *Minimum Fiduciary Standards* (GA/PL/02), *Stakeholder Engagement* (SD/PL/01), *Gender Equality* (SD/PL/02), and *ESS* (SD/PL/03), as outlined in Annex VI, with the amendments becoming effective on July 1, 2026.

48. As noted in the Background section, a precedent for a risk-based assessment approach already exists within GEF. In 2020, following the revision of the GEF Policy on *Minimum Fiduciary Standards* (GA/PL/02) during the GEF-7 period, a compliance review was undertaken outside the standard 4-year cycle. This experience demonstrates the feasibility of conducting policy-triggered assessments when warranted.[16]

7. Monitoring and Evaluation

49. Monitoring and evaluation of the outcomes of this third Agency expansion will be important for assessing its effectiveness and supporting continuous learning and improvement. The Council may request the GEF IEO to conduct an evaluation of the expansion process and its outcomes. The evaluation may also assess the effectiveness of the fast-track approach and the risk-based compliance monitoring framework for GEF Agencies, as part of broader harmonization efforts with peer MCFs.

[16] The relevant documents include: Assessment Guidelines for GEF Agencies' Compliance with Policies on Safeguards, Gender Equality, and Stakeholder Engagement (SD/GN/03) and Assessment Guidelines for GEF Agencies' Compliance with the GEF Minimum Fiduciary Standards

Annex I: Minimum Eligibility Criteria for Stage 1

Criterion 1 - Regional or International Entities with Accreditation to GCF and/or AF

This criterion assesses whether the entity is a regional or international intergovernmental organization and holds current accreditation with the GCF and/or the AF, for the purpose of determining eligibility for fast-track assessment under the targeted expansion procedure.

Review Questions	
• Is the entity a regional or international intergovernmental organization? • Is the entity accredited to the GCF and/or the AF as of June 30, 2026 or before Stage 1 formally starts? • If accredited, does the entity hold accreditation with both funds or with one fund only? • For entities accredited to the GCF, has the entity completed the full GCF accreditation pathway, including both institutional accreditation and the relevant project-specific due diligence required for project approval, or only the initial stage of accreditation? • Are there currently any suspensions, non-renewals of accreditation, losses of accredited status, or unresolved material compliance issues associated with the entity's peer-fund accreditation status?	
Means of Verification	
• Legal and governance documentation confirming the entity's regional or international intergovernmental status • Official accreditation documentation issued by the GCF and/or the AF • Publicly available accreditation status information from the GCF and/or the AF • Public records related to accreditation applications or decisions, where applicable	
Scoring Guidance (*Strong Relevance* or *Relevance* meets this criterion)	
Strong Relevance	Regional or international intergovernmental entity; current accreditation with both the GCF and the AF; no material compliance issues identified.
Relevance	Regional or international intergovernmental entity; current accreditation with either the GCF or the AF; no material compliance issues identified.
Weak Relevance	Regional or international intergovernmental entity; pending application, or application under review for accreditation with the GCF and/or the AF; no material compliance issues identified.
Almost No Relevance	No regional or international intergovernmental entity; no prior application for accreditation with the GCF or the AF.

Criterion 2 - Track Record in at least one of: SIDS, LDCs, IPLCs, or the private sector

This criterion assesses whether the entity under consideration demonstrates a track record of designing and implementing environmental projects in SIDS and/or LDCs, and/or with IPLCs or the private sector, relevant to GEF focal areas and strategic priorities. This criterion is intended to assess how each candidate entity may contribute to the collective expertise sought under GEF-9; no single entity is expected to demonstrate experience across all dimensions. The assessment considers sustained engagement in these country contexts and/or with IPLCs or the private sector, including experience working with national institutions and relevant stakeholders.

<table>
<tr><th colspan="2">Review Questions</th></tr>
<tr><td colspan="2">• In which SIDS and/or LDCs has the entity implemented or executed environmental projects, and/or with which IPLCs or private sector actors has the entity worked?
• What types and scales of projects has the entity delivered in SIDS and/or LDC contexts, and/or with IPLCs or the private sector?
• Does the entity demonstrate experience working with national institutions and stakeholders in SIDS and/or LDCs, and/or with IPLCs or the private sector?
• What evidence exists regarding successful project delivery and outcomes in these country contexts, and/or with IPLCs or the private sector?</td></tr>
<tr><th colspan="2">Means of Verification</th></tr>
<tr><td colspan="2">• Organizational documentation describing country or regional portfolio, IPLC-related portfolio, or private sector-related portfolio
• Project implementation, completion, or evaluation reports (or equivalent)
• Independent evaluations, where available</td></tr>
<tr><th colspan="2">Scoring Guidance (Strong Relevance or Relevance meets this criterion)</th></tr>
<tr><td>Strong Relevance</td><td>Demonstrated track record of implementing environmental projects in both SIDS and LDCs, or in multiple countries within one group, and/or with IPLCs or the private sector; delivery of multiple projects with documented positive outcomes; sustained engagement over five years.</td></tr>
<tr><td>Relevance</td><td>Demonstrated track record of implementing environmental projects in either SIDS or LDCs, and/or with IPLCs or the private sector; delivery of multiple projects with documented positive outcomes; engagement with national institutions in these country contexts, and/or with IPLCs or the private sector.</td></tr>
<tr><td>Weak Relevance</td><td>Limited experience implementing environmental projects in SIDS and/or LDCs, and/or with IPLCs or the private sector; only one or two projects delivered, or experience primarily indirect; limited evidence of sustained engagement.</td></tr>
</table>

Almost No Relevance	Minimal or no demonstrated experience implementing environmental projects in SIDS or LDCs, and/or with IPLCs or the private sector.

Criterion 3 - Relevance to GEF Strategic Priorities

This criterion assesses the extent to which the stated mission and areas of work of the entity under consideration align with the GEF's mission, focal areas, and IPs.

<table>
<tr><th colspan="2">Review Questions</th></tr>
<tr><td colspan="2">• To what extent does the entity's stated mission align with the GEF's mission and strategic objectives?
• In which GEF focal areas and/or IP themes does the entity demonstrate ongoing engagement?
• What experience does the entity have in executing GEF-funded projects (GEF Trust Fund, LDCF, SCCF, or GBFF) in collaboration with current GEF Agencies, or environmental projects financed by other major bilateral or multilateral organizations?
• How long has the entity been in continuous operation, and what relevant project experience has it completed?</td></tr>
<tr><th colspan="2">Means of Verification</th></tr>
<tr><td colspan="2">• Organization's mission and areas of work (official website and organizational documents)
• Project implementation, completion, or evaluation reports (or equivalent)
• Independent evaluations, where available</td></tr>
<tr><th colspan="2">Scoring Guidance (Strong Relevance or Relevance meets this criterion)</th></tr>
<tr><td>Strong Relevance</td><td>Clear alignment with GEF strategic priorities; engagement in at least two GEF focal areas or two IP themes, as applicable; at least eight years of continuous operation; more than five completed projects funded by major bilateral or multilateral organizations.</td></tr>
<tr><td>Relevance</td><td>Moderate alignment with GEF strategic priorities; engagement in at least one GEF focal area or one IP theme; at least five years of continuous operation; at least five completed projects funded by major bilateral or multilateral organizations.</td></tr>
<tr><td>Weak Relevance</td><td>Limited alignment with GEF strategic priorities; some relevant areas of work identified; at least three years of continuous operation; fewer than five completed projects funded by major bilateral or multilateral organizations.</td></tr>
<tr><td>Almost No Relevance</td><td>Minimal alignment with GEF strategic priorities; little or no demonstrated engagement in GEF focal areas or IP themes; less than three years of operation; fewer than three completed projects funded by major bilateral or multilateral organizations.</td></tr>
</table>

Criterion 4 - Track Record of Environmental Results

This criterion assesses whether the entity under consideration demonstrates a track record of achieving clear and positive environmental results relevant to the GEF. It also considers whether the entity integrates ESS and/or gender dimensions into project design and implementation, as reflected in past project performance.

Review Questions	
• What clear, measurable environmental results has the entity achieved through projects it has implemented or executed? • What outcome ratings were assigned to these projects in terminal evaluations or equivalent independent assessments? • Where terminal evaluation ratings or equivalent independent assessments are not available, what implementation performance ratings are reported? • To what extent do completed projects reflect integration of ESS and gender considerations in the delivery of environmental or adaptation results?	
Means of Verification	
• Organization's policies and standards • Project implementation, completion, or evaluation reports (or equivalent) • Independent evaluations, where available	
Scoring Guidance (*Strong Relevance* or *Relevance* meets this criterion)	
Strong Relevance	Consistent evidence of achievement of satisfactory GEF-relevant environmental results across multiple completed projects; several documented examples (up to five) of projects delivering strong environmental benefits; independent evaluations generally rate project outcomes as satisfactory or equivalent.
Relevance	Evidence of generally moderately satisfactory achievement of GEF-relevant environmental results; documented examples (three to five) of projects delivering positive environmental benefits; independent evaluations generally rate project outcomes as at least moderate or equivalent.
Weak Relevance	Limited evidence of consistent achievement of GEF-relevant results; only one or two projects demonstrate positive environmental benefits; independent evaluations or other assessments indicate mixed or less than moderate performance.
Almost No Relevance	Minimal evidence of achievement of GEF-relevant environmental results; independent evaluations, where available, generally rate project outcomes as unsatisfactory; limited evidence of achieving satisfactory results across projects.

Criterion 5 - Delivering results with CSOs

This criterion assesses the extent to which the entity under consideration demonstrates results, established networks and working relationships with CSOs at the national, regional, and/or global levels, that are relevant to the design and implementation of GEF-funded projects.

Review Questions	
• What types of CSOs does the entity regularly collaborate with in the implementation of environmental or climate-related projects? • At which levels (national, regional, and/or global) are these collaborations demonstrated? • Has the entity supported or supervised other organizations in executing projects, that partner/collaborate with CSOs? • How have these collaborations contributed to project delivery, outcomes, or capacity development?	
Means of Verification	
• Organizational documents describing partnerships and collaboration arrangements • Project implementation, completion, or evaluation reports (or equivalent) • Documentation of partnership agreements, where available • Independent evaluations, where available	
Scoring Guidance (*Strong Relevance* or *Relevance* meets this criterion)	
Strong Relevance	Well-established and active networks with CSOs at the regional level (possibly global); documented collaboration in more than five environmental projects; evidence of experience supervising or supporting partner organizations in project execution; evidence that partnerships contributed to effective project delivery and outcomes.
Relevance	Established networks with CSOs at the regional level; documented collaboration in at least three environmental projects; evidence that partnerships supported project delivery and outcomes.
Weak Relevance	Limited or ad hoc collaboration with CSOs; few documented examples (fewer than three) of collaborative environmental projects; limited evidence of partnership contribution to project delivery.
Almost No Relevance	Minimal or no demonstrated networks with CSOs; little or no experience collaborating with such partners in the implementation of environmental projects.

Criterion 6 - Scale of Engagement

This criterion assesses whether the entity under consideration demonstrates experience and capacity to implement or execute projects at a scale comparable to the GEF project modalities, including through a track record of managing externally funded projects and adequate organizational and staffing capacity.

Review Questions	
• What is the average size of projects the entity has implemented or executed in the past five years? • What is the largest project the entity has implemented or executed, and what were its outcomes or evaluation results, where available? • From which major bilateral or multilateral organizations has the entity received funding in the past five years? • Does the entity show evidence of adequate organizational and staffing capacity to manage projects?	
Means of Verification	
• Project implementation, completion, or evaluation reports (or equivalent) • Organizational documentation of funding received from bilateral or multilateral organizations, and of organizational and staffing capacity • Independent evaluations, where available	
Scoring Guidance (*Strong Relevance* or *Relevance* meets this criterion)	
Strong Relevance	Documented experience implementing or executing projects at a scale comparable to GEF Full-Sized Projects (FSPs); successful completion of at least three projects funded by major bilateral or multilateral organizations; evidence of adequate organizational and staffing capacity to manage multiple FSPs.
Relevance	Documented experience implementing or executing projects at a scale comparable to GEF Medium-Sized Projects (MSPs); successful completion of at least two projects funded by bilateral or multilateral organizations; evidence of adequate organizational and staffing capacity to manage multiple MSPs.
Weak Relevance	Limited experience implementing or executing projects at scale; successful completion of one project funded by a bilateral or multilateral organization; limited evidence of adequate organizational or staffing capacity to manage multiple MSPs.
Almost No Relevance	Minimal experience implementing or executing projects at scale; no documented successful completion of projects funded by bilateral or multilateral organizations; insufficient evidence of organizational or staffing capacity to manage multiple MSPs.

Criterion 7 - Capacity to leverage Co-finance

This criterion assesses whether the entity under consideration demonstrates the capacity to mobilize co-financing at a meaningful level in the context of the GEF and to commit its own resources to project implementation, based on past project performance. In applying this criterion, differences across focal areas and institutional mandates will be taken into account.

Review Questions	
• What is the average amount of co-financing the entity has mobilized for its projects to date, and from which sources? • What proportion of total project financing has been contributed from the entity's own budgetary or institutional resources? • Does the entity show evidence of a diversified funding base and an ability to mobilize resources beyond GEF funding? • To what extent does past project performance indicate that the entity would not be overly reliant on GEF funding for its continued operations?	
Means of Verification	
• Organizational documents describing co-financing and resource mobilization • Project implementation, completion, or evaluation reports (or equivalent) • Budgetary and financial documents, where available • Independent evaluations, where available	
Scoring Guidance (*Strong Relevance* or *Relevance* meets this criterion)	
Strong Relevance	Evidence of capacity to mobilize co-financing at a significant level relative to the expected GEF funding, based on past project performance; documented and consistent contribution of the entity's own resources to project financing; diversified funding sources, including from the private sector, indicating limited dependence on GEF financing.
Relevance	Evidence of capacity to mobilize co-financing at a meaningful level relative to the expected GEF funding, based on past project performance; documented ability to contribute own resources to project financing; indication of access to funding sources beyond the GEF.
Weak Relevance	Limited evidence of capacity to mobilize co-financing relative to the expected GEF funding; limited ability to contribute own resources; reliance on a narrow range of funding sources.
Almost No Relevance	Minimal evidence of capacity to mobilize co-financing relative to the expected GEF funding; weak or no demonstrated ability to contribute own resources; high dependence on GEF funding for project financing.

Criterion 8 - Institutional Efficiency

This assesses whether the entity under consideration demonstrates institutional efficiency. In applying this criterion, differences in institutional size, mandate, and business models will be taken into account. The assessment also focuses on whether the entity has systems in place to track efficiency and demonstrates efforts to improve efficiency over time.

<table>
<tr><th colspan="2">Review Questions</th></tr>
<tr><td colspan="2">• What measures has the entity implemented over the past years to improve institutional efficiency?
• What evidence is available regarding the entity’s administrative costs relative to total program expenditures over the past years?
• Does the entity demonstrate systems for monitoring efficiency and using performance information to inform management decisions?</td></tr>
<tr><th colspan="2">Means of Verification</th></tr>
<tr><td colspan="2">• Organizational budgets and financial statements from the past years
• Documentation describing internal systems for monitoring efficiency
• Project implementation, completion, or evaluation reports (or equivalent)
• Independent evaluations, where available</td></tr>
<tr><th colspan="2">Scoring Guidance (Strong Relevance or Relevance meets this criterion)</th></tr>
<tr><td>Strong Relevance</td><td>Evidence of a well-developed system for tracking and improving institutional efficiency over time; evidence-based management decision-making; administrative costs generally maintained at a level that appears efficient and proportionate to program delivery.</td></tr>
<tr><td>Relevance</td><td>Evidence of established systems and indicators for measuring institutional efficiency, with performance tracking over time; management decisions informed by performance data; administrative costs generally maintained at a reasonable and proportionate level.</td></tr>
<tr><td>Weak Relevance</td><td>Limited or emerging systems for measuring institutional efficiency; weak evidence of systematic efficiency improvements; administrative costs that appear relatively high compared with program delivery.</td></tr>
<tr><td>Almost No Relevance</td><td>Minimal or no evidence of systems to monitor or improve institutional efficiency; administrative costs that appear excessive or disproportionate to program delivery, where information is available.</td></tr>
</table>

Annex II: Template for Confirmation of Interest

This Confirmation of Interest is issued on a targeted and invitational basis to entities identified through the Stage 1 desk review under the GEF-9 targeted expansion procedure.

The purpose of this template is to request confirmation of the entity's interest and indicative institutional readiness to proceed to subsequent stages of assessment for potential inclusion in the GEF Partnership as a GEF Agency, in accordance with the procedure set out in this document.

BACKGROUND INFORMATION • Name of the Entity: • Legal Status (e.g. regional or international intergovernmental organization): • Headquarters Address: • Country / Postal Code: • Telephone: • Website:
PRIMARY CONTACT PERSON • Name: • Title: • Email: • Telephone:
CONFIRMATION OF INTEREST • Please provide a brief statement (no more than half a page) confirming the entity's interest in joining the GEF Partnership as a GEF Agency and its willingness to participate in subsequent stages of the targeted expansion procedure.
INDICATIVE INSTITUTIONAL READINESS Please provide a concise, high-level overview (no more than two pages) addressing the following: • **Institutional Readiness (Indicative)** ✓ Readiness to engage with the GEF's fiduciary standards, stakeholder engagement, gender equality, and ESS requirements. ✓ Identification of any known institutional, procedural, or governance considerations that could affect the timing or sequencing of further assessment steps. • **Relevant Experience (Indicative)** ✓ Summary of relevant operational experience, including work in SIDS and/or LDCs, where applicable. ✓ Summary of experience relevant to GEF-9 priorities, as applicable, including blended finance and approaches that support IPLC leadership and engagement.

✓ Summary of experience working with multilateral/bilateral development finance institutions, climate or environmental funds, including GCF and/or AF, where relevant.
SUPPORTING INFORMATION (OPTIONAL) Entities may attach or reference publicly available documents to support the information provided above (e.g. organizational mandate, governance structure, annual reports). Submission of detailed policy, procedural, or compliance documentation is not required at this stage. Entities invited to a subsequent stage will be requested to submit more formal supporting documentation.
DECLARATION The entity confirms that the information provided above is accurate to the best of its knowledge and understands that: • Submission of this form does not guarantee progression to subsequent stages; and • Any detailed assessment of fiduciary standards, stakeholder engagement, gender equality, ESS, or other requirements will take place only at later stages, if applicable.
AUTHORIZED REPRESENTATIVE • Name: • Title: • Date:

Annex III: High-level Overview of Alignment Across GEF, GCF, and AF

This annex provides a high-level overview of the policies, standards, and accreditation-related frameworks relevant to the accreditation of entities under GEF, GCF, and AF. It draws on publicly available information, as well as previous assessments undertaken by the GCF and AF Secretariats. In particular, it reflects the GCF's 2014 determination, for purposes of its fast-track accreditation process, that the GEF framework was significantly aligned with that of the GCF, under which all 18 GEF Agencies were fast-tracked (GCF/B.08/03). It also reflects the AF Secretariat's 2018 conclusion that AF accreditation requirements are broadly consistent with those of the GCF in key areas, particularly financial controls, project evaluation, and prohibited practices (AFB/B.32/05).

While the GEF policies on M*inimum Fiduciary Standards* (GA/PL/02), *Gender Equality* (SD/PL/02), and *ESS* (SD/PL/03) have since been updated, those revisions build on the earlier policy frameworks and, in the Secretariat's view, do not alter the overall basis for concluding that a substantial degree of alignment at a high level across the GEF, GCF, and AF frameworks. At the same time, this high-level alignment should not be understood as implying that any assessment area may be **omitted**, whether under the fast-track assessment or the standard assessment. Rather, it provides a basis for a more focused Stage 3 assessment, under which particular attention may be given to areas of difference, any remaining gaps, and requirements specific to GEF in the case of the fast-track process. For example, as GCF and AF do not have directly equivalent stakeholder engagement policies, alignment in this area could not be assessed through this review alone. Accordingly, compliance with the GEF Policy on *Stakeholder Engagemen*t (SD/PL/01) should be assessed in full at Stage 3, whether through the fast-track or standard assessment process.

This high-level review also provides a basis for requesting candidate entities, to the extent possible, to submit the most recent entity-level policies, systems documentation, and other supporting materials previously prepared for their GCF and/or AF accreditation, where no material changes have occurred since their submission, together with any additional information requested by the Secretariat for GEF purposes, so as to reduce duplication while maintaining the integrity of the GEF assessment.

On that basis, this review supports the use of a fast-track approach under GEF-9 for entities accredited by GCF and/or AF, while recognizing that such high-level alignment is indicative only and does not, in itself, demonstrate full compliance with the GEF Minimum Standards.

The Secretariat will further elaborate, in its progress update at C72 (December 2026), how Stage 3 will operationalize this high-level basis for the fast-track approach, including through the assessment of GEF-specific requirements, any remaining gaps, and areas of key difference.

This review also draws on the following documents:

GEF	GCF	AF
• Minimum Fiduciary Standards Policy • Gender Equality Policy • Environmental and Social Safeguards Policy	• Revised Accreditation Framework • Initial Fiduciary Principles and Standards • Gender Policy • Environmental and Social Policy	• Fast-track Accreditation Application Form • Fiduciary Risk Management Standards • Gender Policy • Environmental and Social Policy

Annex IV: Competency Requirements for Independent Assessment Expert and Panel

The indicative competency requirements are informed by: (i) the Indicative Competency Requirements for Expert(s) contained in the Guidelines for Assessing GEF Agencies' Compliance with Policies on ESS, Gender Equality, and Stakeholder Engagement[17]; and (ii) the Draft Terms of Reference for Accreditation Panel contained in the Procedures Manual for Accrediting GEF Agencies[18].

1. General Competency Requirements

Independent Assessment Expert(s) or Panel members shall possess demonstrated expertise relevant to the assessment of institutional policies, procedures, and governance systems of international organizations. Expert(s) or the Panel members engaged for the assessment should possess competencies covering the areas relevant to the GEF Minimum Standards, including fiduciary standards, ESS, gender equality, and stakeholder engagement.

The following indicative competency requirements apply to both Expert(s) and Panel members:

- An advanced university degree in a field relevant to international development, public policy, ESS, gender equality, governance, finance, or related disciplines.
- A minimum of fifteen (15) years of relevant professional experience related to ESS, gender equality, stakeholder engagement, fiduciary oversight, governance, or institutional accountability systems.
- Demonstrated knowledge of the policies, procedures, and operational systems of international organizations, including those of multilateral development banks, United Nations agencies, MCFs, and regional/bilateral agencies.
- Experience in institutional assessments, accreditation processes, compliance reviews, or evaluations of peer MCFs or similar organizations is highly desirable.
- Strong analytical and drafting skills, including the ability to review complex institutional documentation and prepare evidence-based assessments.
- Excellent written and oral communication skills in English.

2. Composition of the Independent Assessment Panel

The Independent Assessment Panel will consist of at least three members, collectively covering the key areas of expertise relevant to the GEF Minimum Standards.

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[17] Guidelines for Assessing GEF Agencies' Compliance with Policies on ESS, Gender, Equality, and Stakeholder Engagement (SD/GN/03)

[18] Procedures Manual for Accrediting GEF Agencies (GEF/C.40/Inf.04)

The Panel should include expertise in the following areas:

Panel Member 1 – Development Project and Operations Expert

- Demonstrated experience in the design, appraisal, and management of development projects, particularly in developing country contexts.
- In-depth knowledge of development agency practices relating to project preparation, procurement, project monitoring, risk management, and project evaluation.
- Experience assessing operational systems of development agencies or participating in institutional accreditation or evaluation processes is desirable.

Panel Member 2 – Governance and Fiduciary Systems Expert

- Demonstrated experience in financial management, accounting, internal controls, or institutional governance systems in international or development contexts.
- In-depth knowledge of development agency practices relating to internal audit, financial reporting, fraud and corruption prevention, codes of ethics, and whistleblower protection mechanisms.
- Experience in assessing institutional fiduciary systems, governance frameworks, or accountability mechanisms of development organizations is desirable.

Panel Member 3 – ESS Expert

- Demonstrated experience in the application of environmental and social safeguards frameworks in development projects or programs.
- Extensive knowledge of safeguards systems used by multilateral development banks or international organizations.
- Experience with gender mainstreaming and stakeholder engagement in development operations is desirable.

3. Independence and Conflict of Interest

Independent Assessment Expert(s) or Panel members shall perform their functions in an independent and impartial manner. They shall not have any actual or perceived conflict of interest with the entities being assessed.

Prior to their appointment, Expert(s) or Panel members shall disclose any professional, financial, or institutional relationships that could give rise to a conflict of interest. Where a potential conflict is identified, appropriate measures shall be taken to ensure the objectivity and integrity of the assessment process.

Annex V: Detailed Steps for Independent Assessment (Fast-Track or Standard)

Step 1 – Entity's Submission of Own Assessment and Related Materials

Based on a checklist prepared by the Secretariat, invited entities prepare a self-assessment and submit their relevant institutional policies, procedures, and governance documentation, demonstrating compliance with the GEF Minimum Standards (fiduciary, stakeholder Engagement, gender, and ESS).

- For entities undergoing the fast-track assessment under Stage 3a, the submission should, to the extent possible, draw on documentation previously prepared in connection with GCF and/or AF accreditation, supplemented by any additional GEF-specific information requested in the checklist. For entities undergoing the standard assessment under Stage 3b, more comprehensive documentation may be required. The submission should clearly indicate whether the package includes any information that is restricted from public access in accordance with the entity's policies on information disclosure. Entities are encouraged to provide web links where supporting documents are posted on their public websites. Completed self-assessment templates and supporting documents may also be submitted electronically.
- As most of the GEF Minimum Standards relate to institutional rather than project-specific policies, procedures, guidelines, and systems, the focal points coordinating the self-assessment should ensure that all relevant departments within the entity are consulted during the preparation of the submission. This may include departments responsible for fiduciary oversight, stakeholder engagement, gender policies, ESS, and institutional governance.
- The checklist will request documentation covering the institutional policies, procedures, systems, and governance arrangements relevant to the four sets of GEF Minimum Standards and the 8 minimum criteria, including, where available, evidence of effective implementation in key areas such as the following:
  - ✓ **Relevant institutional experience and portfolio information**, demonstrating the entity's operational experience in **LDCs and SIDS**, where relevant, alignment with GEF-9 priorities (portfolio size and geographic coverage; examples of past or ongoing projects relevant to GEF focal areas).
  - ✓ **Stakeholder engagement policies and operational experience**, including engagement with **IPLCs, CSOs, and the private sector** (consultation mechanisms; partnership arrangements; participation in project design and implementation; grievance redress mechanisms).

- ✓ **ESS** frameworks and procedures (risk identification and management; safeguards policies and standards; mitigation and monitoring measures; grievance redress mechanisms).
- ✓ **Gender equality policies and gender mainstreaming approaches** (institutional gender policies; gender analysis and integration in project design and implementation; gender-responsive monitoring and reporting).
- ✓ **Project/activity appraisal and oversight** (technical, economic, financial, environmental, and social considerations; institutional checks and balances; results frameworks and key performance indicators; fiduciary oversight).
- ✓ **Procurement systems** (procurement rules ensuring competition and transparency; consultant selection; confidentiality safeguards; protest mechanisms; contract management; anti-fraud and corruption provisions; oversight of executing entities' procurement).
- ✓ **Monitoring and project-at-risk systems** (alignment with the GEF Monitoring Policy; portfolio monitoring; procedures to identify and address projects at risk).
- ✓ **Project completion and financial closure procedures** (operational completion; reporting of results and lessons learned; final financial reporting; disclosure of project results).
- ✓ **Independent evaluation function** (evaluation policy and terms of reference; institutional independence; professional standards; staffing and capacity; disclosure of evaluation reports).
- ✓ **External financial audit arrangements** (independent external auditor; recognized auditing and accounting standards; audit committee oversight; follow-up on audit findings).
- ✓ **Financial management, internal controls, and risk management frameworks** (internal control systems; institutional risk assessments; fraud prevention; segregation of duties; controls over budgeting, accounting, funds flow, and financial reporting).
- ✓ **Oversight of executing entities** (fiduciary due diligence; disclosure of funding agreements; monitoring of grant implementation; procedures for suspension or recovery of funds where misuse is identified).
- ✓ **Conflict of interest and financial disclosure policies** (disclosure requirements; review and resolution mechanisms; administrative oversight; sanctions for non-disclosure).

- ✓ **Code of ethics or conduct and ethics function** (codes applicable to staff, management, consultants, and experts; awareness and compliance mechanisms; reporting channels).
- ✓ **Internal audit function** (institutional independence; charter and terms of reference; risk-based audit planning; reporting and follow-up; quality assurance reviews).
- ✓ **Investigation function** (institutional independence; investigative standards and procedures; access to records; periodic reporting).
- ✓ **Hotline and whistleblower protection mechanisms** (reporting channels; case tracking; confidentiality protections; safeguards against retaliation).
- ✓ **Anti-money laundering and countering the financing of terrorism (AML/CFT) systems** (screening and risk-management procedures; controls to prevent prohibited payments consistent with relevant United Nations Security Council decisions).
- ✓ **Any other relevant documentation** that may demonstrate the entity's compliance with the GEF Minimum Standards.

Step 2 – Secretariat's Screening

The Secretariat reviews the submitted materials for clarity, completeness, and relevance. The Secretariat may request entities to amend or complement their submissions to enable a complete assessment, if necessary.

- The screening will focus on confirming the completeness and coherence of the submitted materials and the alignment of the entity's institutional policies, procedures, guidelines, and systems with the GEF Minimum Standards.
- During the screening process, the Secretariat may request entities to amend or complement their submissions where the evidence provided does not sufficiently demonstrate alignment with the Standards, including through the submission of additional documentation or clarification.
- Where necessary, the Secretariat may facilitate bilateral consultations with entities to discuss preliminary observations, clarify requirements, and enable the provision of additional information or documentation to support the assessment.

[Fast-Track] Step 3 – Independent Expert Assessment

Consistent with the indicative competency requirements set out in Annex IV, the Secretariat will hire and engage one or more independent experts to review the self-assessment and supporting materials submitted by the entities and verify whether they meet the GEF Minimum Standards. In doing so, the expert will draw on relevant evidence and documentation previously submitted in connection with the entity's GCF and/or AF accreditation, together with any additional information requested by the Secretariat for GEF purposes.

The fast-track assessment will not presume that accreditation by the GCF and/or the AF automatically demonstrates full satisfaction of the GEF Minimum Standards, nor will it omit any assessment area. Rather, the expert(s) will use the existing accreditation evidence as an input to a more streamlined GEF assessment.

- The review will primarily consist of a desk-based assessment of the entity's institutional policies, procedures, guidelines, and systems, as well as available evidence of their implementation.
- Engagement with the entity during this step will be kept to a minimum. Where strictly necessary, the expert may request additional documentation or clarification to confirm alignment with the applicable standards or to better understand specific institutional arrangements, operational practices, or the implementation of relevant policies.
- Based on the review, the expert will prepare a written assessment indicating whether the entity meets the Standards and whether it is recommended for Council consideration under the targeted expansion process.
- The written assessment will document the expert's conclusions regarding the entity's alignment with the GEF Minimum Standards, taking into account the documentation submitted and any clarifications provided during the review.
- For entities not recommended, the expert may provide a brief explanation of the basis for the assessment, which may be reflected in the documentation prepared for the Council.

[Standard] Step 3 – Independent Panel Assessment

Consistent with the indicative competency requirements set out in Annex IV, the Secretariat, in coordination with the Council, will establish an Independent Assessment Panel comprising at least three Panel members to conduct the assessment. The proposed composition of the Panel will be submitted to the Council for consideration and decision. The Panel will undertake a policy- and systems-level assessment of the entity's institutional frameworks against the GEF Minimum Standards. The assessment will examine the entity's policies, procedures, and governance arrangements, based on the submitted documentation serving as supporting evidence as well as the desk review results from Stage 1.

Document Review and Interview: The Panel will undertake an initial desk-based review of the submitted materials and may request additional documentation or clarification, engage directly with the entity to better understand its systems, procedures, or institutional capacities; and identify areas requiring further examination.

- The Panel may engage with the entity through technical consultations or written exchanges to clarify institutional arrangements or operational practices.
- The Panel may identify areas where additional evidence of implementation is required to substantiate compliance with the Standards.

Written Collective Assessment: Based on their review, the Panel members will each prepare written assessments. An entity will be recommended for Council consideration only where all Panel members conclude that the entity meets the GEF Minimum Standards. The Panel will then prepare a consolidated written assessment categorizing each entity as *Recommended for Council consideration* or *Not recommended*, documenting the Panel's findings and the basis for its determination.

- The written assessments will document the Panel's findings with respect to the entity's alignment with each of the Standards.
- The consolidated assessment will form the technical basis for the recommendations presented to the Council in the Secretariat's Council document.

Resolution of Identified Gaps (if applicable): Where the Panel identifies gaps that are specific, remediable, and limited in scope, the entity may be requested to address these gaps prior to the Panel finalizing its recommendation. Such gaps should be limited to issues that can be readily addressed through clarification or minor revisions. All identified gaps must be fully resolved to the Panel's satisfaction before an entity may be recommended for Council consideration. No conditional accreditation will be applied.

- The Panel may request the entity to provide additional documentation or clarification addressing the identified issues.
- The Panel will review the additional information submitted and determine whether the identified gaps have been adequately addressed prior to finalizing its recommendation.

Step 4 – Preparation of Council Document

Following completion of the assessment, and after receipt of the Trustee's no-objection on issues relevant to the subsequent conclusion of legal and operational arrangements, the Secretariat prepares a Council document for consideration and decision, presenting the findings and recommendations of the assessment, including the identification of recommended candidate entities. The Trustee's no-objection does not imply agreement with the assessment, but rather that no issues have been identified in relation to the subsequent conclusion of the FPA.

- The document will mainly present the findings of the assessment conducted by the Independent Assessment Expert or Panel, including conclusions regarding whether each entity meets the GEF Minimum Standards. It will also provide a summary of the assessment process and methodology.

Annex VI: Proposed Policy Amendments

Proposed changes are highlighted in green below.

POLICY ON MONITORING AGENCY COMPLIANCE WITH GEF POLICIES (ME/PL/02)

3. Agencies will carry out ~~periodic~~ self-assessments of their compliance with relevant GEF policies and report their findings to the Council.

4. Agencies~~'~~ shall report on self-assessments ~~once per replenishment cycle, starting in the final year of the seventh replenishment of the GEF Trust Fund (GEF-7)~~ in accordance with a continuous, risk-based compliance monitoring approach, including where there are material amendments to the Policy on Minimum Fiduciary Standards (GA/PL/02), Policy on Stakeholder Engagement (SD/PL/01), Policy on Gender Equality (SD/PL/02), or Policy on Environmental and Social Safeguards (SD/PL/03), or any other relevant policy; significant changes in the governance, institutional arrangements, or systems of the GEF; or significant changes in the institutional capacity, governance, legal status, or systems of an Agency, including de-accreditation by GCF or AF, that may affect continued compliance. Agencies shall notify the Secretariat in writing of any such changes as they arise. In addition, the Secretariat shall maintain ongoing oversight of Agency compliance on a continuous and risk-based basis. Such oversight shall be informed by annual bilateral portfolio reviews with each Agency, ad hoc engagements, information arising from project supervision, implementation support, and policy-related exchanges, and relevant developments in peer MCF accreditation processes. Where such oversight identifies a potential material issue affecting an Agency's continued compliance, the Secretariat may request additional information from the Agency concerned and, where warranted, initiate a formal compliance assessment.

8. A risk-based, independent, third-party review of Agencies' compliance with relevant GEF policies will be carried out taking into account Agencies' ~~periodic~~ self-assessments and other information.

9. The Secretariat, on behalf of the Council, contracts an independent expert or experts (hereafter "reviewer") to review Agencies' compliance on the basis of Agencies' self-assessments and other information, consistent with the scope described in paragraphs 10, 11 and 12 below~~, once per replenishment cycle, starting in the final year of the seventh replenishment of the GEF Trust Fund (GEF-7)~~. The reviewer ~~does~~ shall not have other work with the Secretariat. This review shall be undertaken in accordance with the continuous, risk-based compliance monitoring approach, starting on July 1, 2026.

POLICY ON MINIMUM FIDUCIARY STANDARDS (GA/PL/02)

13. ~~Regular periodic~~ GEF Partner Agency self-assessments; risk-based, independent, third party reviews of the Agencies' compliance with the GMFS (GEF Minimum Fiduciary Standards); and steps to respond when a GEF Partner Agency is no longer compliant will be carried out in accordance with the Policy on Monitoring Agency Compliance with GEF Policies (ME/PL/02). ~~If the GMFS are updated in between replenishment cycles, the Council will determine the timing of self-assessments and third party reviews.~~

POLICY ON STAKEHOLDER ENGAGEMENT (SD/PL/01)

17. The Secretariat facilitates an assessment of Agencies' compliance with the requirements set out in Paragraph 16, ~~for Council review and decision within 18 months of the date of effectiveness of this Policy~~ according to the Policy of Monitoring Agency Compliance with GEF Policies (ME/PL/02).

POLICY ON GENDER EQUALITY (SD/PL/02)

20. The Secretariat facilitates an assessment of Agencies' compliance with the requirements set out in Paragraph 19, ~~for Council review and decision within 18 months of the date of effectiveness of this Policy~~ according to the Policy of Monitoring Agency Compliance with GEF Policies (ME/PL/02).

POLICY ON ENVIRONMENTAL AND SOCIAL SAFEGUARDS (SD/PL/03)

7. The Secretariat facilitates an assessment of Agencies' compliance with the requirements set out in Paragraph 6, ~~for Council review and decision within 18 months of the date of effectiveness of this Policy~~ according to the Policy of Monitoring Agency Compliance with GEF Policies (ME/PL/02). The assessment considers Agencies' relevant policies, procedures, guidelines, and systems, and evidence of their effective implementation. The Secretariat prepares publicly available and easily accessible guidelines for the assessment process.