



**GREEN
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Consideration of accreditation proposals – Addendum VII Accreditation assessment of APL143

Summary

This document contains the accreditation assessment conducted by the Secretariat and the Accreditation Panel in accordance with decision B.31/06, and the recommendation by the Accreditation Panel for accreditation of applicant 143 (APL143), United Nations Children's Fund (UNICEF), based in the United States of America, for the first accreditation term.

I. Introduction

1. United Nations Children's Fund (UNICEF) is a United Nations agency with a mandate to advocate for the protection of children's rights, to help meet their basic needs, and to expand their opportunities to reach their full potential. UNICEF is guided by the Convention of the Rights of the Child and works with partners towards achieving Sustainable Development Goals and the realization of the vision of peace and social progress. It is active in more than 190 countries and territories, with 7 regional offices, 399 field offices and over 17,000 staff.

2. The applicant submitted its application for accreditation to GCF via the online accreditation system on 6 August 2016. Accreditation fees were received from the applicant on 27 March 2017, thereby launching the stage I institutional assessment and completeness check. Stage I was completed on 2 August 2024 and the applicant progressed to the stage II (step 1) accreditation review, which has been concluded with the publication of this assessment. The applicant has applied to be accredited for the following parameters under the GCF fit-for-purpose approach:

- (a) **Access modality:** international access;
- (b) **Track:** normal track;
- (c) **Maximum size of an individual project or activity within a programme:** medium;¹
- (d) **Fiduciary functions:**²
 - (i) Basic fiduciary standards;
 - (ii) Specialized fiduciary standard for project management; and
 - (iii) Specialized fiduciary standard for grant award and/or funding allocation mechanisms;
- (e) **Maximum environmental and social risk category:** medium risk (Category B/Intermediation 2 (I-2));³ and
- (f) Indicative results areas for intended projects/programmes with GCF:
 - (i) Energy generation and access;
 - (ii) Buildings, cities, industries and appliances;
 - (iii) Livelihoods of people and communities;
 - (iv) Health, food and water security;
 - (v) Infrastructure and built environment; and
 - (vi) Ecosystems and ecosystem services; as well as

¹ As per annex I to decision B.08/02 (annex I to document GCF/B.08/45), "medium" is defined as "maximum total projected costs at the time of application, irrespective of the portion that is funded by the GCF, of above USD 50 million and up to and including USD 250 million for an individual project or an activity within a programme".

² Decision B.07/02.

³ As per annex I to decision B.07/02 (annex I to document GCF/B.07/11), category B is defined as "Activities with potential mild adverse environmental and/or social risks and/or impacts that are few in number, generally site specific, largely reversible, and readily addressed through mitigation measures," and intermediation 2 is defined as "When an intermediary's existing or proposed portfolio includes, or is expected to include, substantial financial exposure to activities with potential limited adverse environmental or social risks and/or impacts that are few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures; or includes a very limited number of activities with potential significant adverse environmental and/or social risks and/or impacts that are diverse, irreversible, or unprecedented."

- (vii) Public types of projects/programmes.

II. Stage I institutional assessment and completeness check

3. The applicant applied and was assessed by the Secretariat during stage I under the normal track accreditation process in accordance with GCF policies and standards to the extent applicable to accreditation below:

- (a) Updated Strategic Plan for the Green Climate Fund: 2020–2023 (decision B.27/06);
- (b) Update of the Strategic Plan for the GCF 2024–2027 (decision B.36/13);
- (c) Updates to the Accreditation Framework (decision B.31/06);
- (d) Guiding Framework and Procedures for Accrediting National, Regional and International Implementing Entities and Intermediaries, Including the Fund’s Fiduciary Principles and Standards and Environmental and Social Safeguards (decision B.07/02);
- (e) Guidelines for the Operationalization of the Fit-for-purpose Accreditation Approach (decision B.08/02);
- (f) Policy on Prohibited Practices (decision B.22/19);
- (g) Anti-Money Laundering and Countering the Financing of Terrorism Policy (AML/CFT Policy) (decision B.18/10);
- (h) Policy on the Protection of Whistleblowers and Witnesses (decision B.BM-2018/21);
- (i) Comprehensive Information Disclosure Policy of the Fund (decision B.12/35) regarding the disclosure of environmental and social (E&S) information;
- (j) Updated Gender Policy and Gender Action Plan 2020–2023 (decision B.24/12);
- (k) Revised Environmental and Social Policy (decision B.BM-2021/18); and
- (l) Evaluation Policy (decision B.BM 2021/07).

2.1 Legal status, registration, permits and licences

4. The applicant provided documents on its establishment and licences to operate, where relevant, as a part of the application. UNICEF was established in 1946 by United Nations General Assembly Resolution 57 (I), 1946 as a fund in accordance with Article 55 of the Charter of the United Nations. The applicant has indicated that it has the legal capacity to enter into the accreditation master agreement with GCF, noting that further discussions will take place during Stage III if accredited.

2.2 Institutional presence and relevant networks

5. As an international organization, the applicant currently operates in 190 countries and territories (including 49 least developed countries), with 7 regional offices, 140 country offices, 399 field offices (sub-country offices) and over 17,000 staff. The applicant’s country offices lead planning, implementation and monitoring of programmes in cooperation with national governments which allows delivery of responsive and effective programmes for children. UNICEF has built a vast network of partnerships with national governments, over 10,000 non-governmental organizations (NGOs) and civil society organizations (CSOs), development actors including United Nations agencies, private sectors, and regional, national and international financial institutions.

6. UNICEF works in key social sectors for the protection of children including health, nutrition, education, social protection, and water, sanitation and hygiene (WASH). UNICEF can leverage its extensive network of public and private sector partners to deliver maximum impact to the most vulnerable groups. UNICEF's 2022–2025 Strategic Plan confirms its commitment to transform programming in key sectors to be climate-smart, both as a cross-cutting priority and with specific areas of focus. These specific areas of focus include the provision of climate-resilient water and sanitation services, developing climate-smart health systems, improving disaster risk reduction, fostering climate-sustainable education systems, and developing social protection nets responsive to climate change. UNICEF released the Sustainability and Climate Change Action Plan (2023-2030) which outlines three objectives:

- (a) Protect the lives, health and well-being of children and the resilience of their communities by adapting essential social services to a changing climate, more frequent disasters and a degrading environment;
- (b) Empower every child through their life course with the developmental opportunities, education and skills to be a champion for the environment; and
- (c) Reduce the emissions and environmental footprint of UNICEF, support its global network of partners to do the same, and advocate for the fulfilment of ambitious international sustainability and climate change agreements.

7. Furthermore, the applicant is planning to provide support to developing countries in Africa and Asia-Pacific through the Readiness Preparatory Support Programme and has six approved proposals to implement capacity-building activities to enhance climate resilience in sectors such as water resource management, and water and sanitation.

2.3 Track record

8. The applicant's track record in financing climate change-related projects to date includes the following:

- (a) EUR 132 million (grants) from German Federal Ministry for Economic Cooperation and Development (BMZ) for the regional programme for Building Resilience in the Sahel;
- (b) USD 89.6 million (grants) for durable WASH solutions to strengthen resilience in Southern Ethiopia;
- (c) USD 82 million (grants) from BMZ/KfW Development Bank for multi-sectoral, including WASH, projects in Yemen;
- (d) EUR 67.7 million (grants) from BMZ/KfW Development Bank for three-phase WASH programme implemented in East Africa; and
- (e) USD 65 million (grants) from the Government of the Netherlands, Ministry of Foreign Affairs for multi-country WASH programme implemented in East and West Africa.

2.4 Potential support for direct access entities

9. The applicant works in close collaboration and coordination with the governments and national agencies in the countries of its operations. The applicant intends to identify national and regional entities in key social sectors and provide support by building their capacity in developing funding proposals in those sectors. More specifically, the applicant is keen to support in the following key areas:

- (a) Identify national or regional entities in key social sectors with the potential to become direct access entities to GCF;
- (b) Identify areas to strengthen direct access entities' systems in order to meet GCF standards;
- (c) Develop an action plan to address identified gaps; and
- (d) Support the potential direct access entities in developing the programming strategy.

III. Stage II accreditation review assessment

10. The applicant applied under the normal track accreditation process. Its application has been assessed by the Accreditation Panel (AP) during stage II (step 1) against requirements in accordance with the GCF policies and standards identified in paragraph 3 above to the extent applicable to accreditation.

11. As part of this assessment, the AP consulted the applicant's website and third-party websites to complement the information provided in the application.

3.1 Fiduciary standards

3.1.1. Basic fiduciary standards: key administrative and financial capacities

12. Functions of the UNICEF Executive Board include implementing United Nations General Assembly and Economic and Social Council formulated policies; advising UNICEF's Executive Director (ED) in strategy implementation; and overseeing performance and approving budgets. The board is chaired by a president, and its work is coordinated by a bureau comprised of the president and four vice presidents, representing the five United Nations regional groups. The board's 36 members, elected annually from United Nations member states, provide intergovernmental support and supervision of UNICEF's activities.

13. The ED is appointed by the United Nations Secretary-General and leads the strategic administration of UNICEF under policies determined by the board. The organization also includes 32 national committees, established as independent legal entities in their countries of origin, active in fundraising and advocacy. UNICEF's headquarters manages overall administration and policy direction, coordinating with specialized divisions and regional offices in 190 countries and territories through country offices cooperating with host governments. Accountability systems at UNICEF are well articulated in a recent report⁴ prepared for the Executive Board.

14. UNICEF looks towards United Nations institutional level independent (external) oversight mechanisms, namely the Board of Auditors⁵ and Joint Inspection Unit (JIU).⁶ Further, UNICEF's Audit Advisory Committee provides independent advice to the Executive Director on governance, management and oversight responsibilities, and shares its annual report⁷ with the Executive Board. In addition, UNICEF has a Financial Advisory Committee on investment matters. A Senior Management Risk Committee that takes a strategic and cross-functional view

⁴ See: https://www.unicef.org/executiveboard/media/12806/file/2022-24-Report_of_accountability_system_of_UNICEF-EN-ODS.pdf

⁵ See: <https://www.un.org/en/auditors/board/>

⁶ See: <https://www.unjiu.org/>

⁷ See: [UNICEF Audit Advisory Committee-2023 Annual Report to the Executive Board \(Annual session 2024\) | UNICEF Executive Board \(Available at: https://www.unicef.org/executiveboard/documents/unicef-2023-aac-annual-report-as-2024\)](#)

of enterprise risk management is in place (see paragraph 22). Independent internal assurance bodies at UNICEF are the Office of Internal Audit and Investigations (OIAI), Evaluation Office, and Ethics Office, each with a director reporting to the ED and described in paragraphs 27, 28 and 47 below. Furthermore, regarding governance and oversight, a 2023 JIU report⁸ benchmarking organizations inside and outside the United Nations system recommends strengthening governance, in particular, oversight functions of the three boards⁹ of five United Nations Funds and Programmes in the areas: (i) roles and responsibilities; (ii) composition and structure; (iii) meetings; (iv) secretariat roles/responsibilities; (v) oversight functions; and (vi) risk management. It was noted that UNICEF's Executive Board is actively considering the recommendations from the JIU report, in its 2024 regular sessions.

15. Four Deputy Executive Directors are responsible for Programmes, Partnerships, Management, and Humanitarian Action and Supply. The operational structure of UNICEF is decentralized and field-based, with country programmes as the primary proximate delivery and decision-making unit with appropriate authority and accountability under a matrix management approach. A global shared services centre provides centralized support and services to UNICEF's operations, with a view to standardization and efficiency.

16. UNICEF's Strategic Plan 2022–2025 is periodically reviewed by the Executive Board; it sets the organization's objectives and is supported by its integrated results and resources framework, with over 330 indicators spanning 5 goal areas at the outcome level and 18 results areas at the output level. Additionally, the strategic plan covers nine change strategies and five enablers that underpin and propel the organization's mission. For each indicator, UNICEF sets baseline, milestone and target values through extensive consultations across its headquarters, regional and country offices. Climate action is a key, strategic cross-cutting programmatic area, including developing child-sensitive climate policies, enhancing disaster resilience, promoting climate education, and reducing the organization's carbon footprint. A recent mid-term report (and data compendium) on the strategic plan, along with the Executive Director's Annual Report¹⁰ and data scorecards, are available on the UNICEF website.

17. UNICEF's annual financial statements are prepared under International Public Sector Accounting Standards. Audited financial statements for the years ending 31 December 2021 and 2022 were shared, along with the most recent United Nations Board of Auditors' external audit report, including typical financial statements, including comparison of budget, recommendations to management, and follow up of prior year recommendations. UNICEF's financial reporting also aligns with the requirements of various international frameworks, such as the International Aid Transparency Initiative and is consistent with those of other United Nations agencies, facilitating comparison and accessibility, and maintaining high standards of financial integrity.

18. Globally, UNICEF has implemented VISION, a SAP-based Enterprise Resource Planner system designed to enhance accountability, risk management and operational efficiency across the organization, and InSight, a SharePoint based system performance management platform, enabling real-time, web-based monitoring and reporting on financial and results-based information worldwide. UNICEF's payment and disbursement systems are governed by its financial rules and regulations, and processes are standardized, where possible, through a global shared services centre.

⁸ See: <https://documents.un.org/doc/undoc/gen/g24/009/93/pdf/g2400993.pdf>

⁹ Note: The United Nations Development Programme, United Nations Population Fund and United Nations Office for Project Services, share a common executive board.

¹⁰ See: <https://www.unicef.org/media/157491/file/UNICEF%20Annual%20report%202023%20EN.pdf>

19. At the governance level, UNICEF's Audit Advisory Committee's annual reports¹¹ to the Executive Board are available online and summarize key advice provided to the ED. The applicant's OIAI is integral to the organization's internal oversight, operating under a detailed charter that defines offering independent and objective assurance and advisory services through comprehensive audits across UNICEF's global operations, including country and regional offices, headquarters divisions, and cross-cutting thematic areas. Audit areas are selected based on a risk model and are outlined in OIAI's annual work plan, reviewed by the Audit Advisory Committee, approved by the Executive Director, and shared with the Executive Board. Internal audit reports are publicly available¹² and annual OIAI reports to the Executive Board, including comprehensive management responses, are available online.
20. Regarding professional standards, OIAI's audits are conducted in accordance with International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors, as confirmed in internal and external quality assurance assessments. In addition, regarding OIAI's independence, noting its primary reporting line is to the ED, a 2022 self-assessment identified opportunities to further strengthen the independence of OIAI including increased interaction and consultation with the Executive Board. The applicant informed the AP that the OIAI had closed sessions with the Executive Board on a need-basis and the practice of presenting its annual work plan to the Executive Board has also been introduced.
21. Regarding external auditing, the United Nations Board of Auditors has operational independence and audits under the framework of the International Standards on Auditing and the International Standards of Supreme Audit Institutions. Audit reports of the United Nations Board of Auditors are publicly accessible. In addition, the AP noted the efficiencies UNICEF gains with multilateral and bilateral donors by applying a single audit principle whereby the internal audits conducted by OIAI and external audits by the UN Board of Auditors and relied on by United Nations stakeholders in lieu of project-specific audits.
22. Regarding UNICEF's control framework and risk management systems, policies and procedures align with the Committee of Sponsoring Organizations of the Treadway Commission (COSO) model, focusing on the control environment, risk assessment, control activities, information and communication, and continuous monitoring. In the area of enterprise risk management, UNICEF significantly advanced its risk management practices with the appointment of a Chief Risk Officer in the Office of the Executive Director. UNICEF uses the three-lines model for risk management oversight and clarifying roles and responsibilities across the organization. A cross-disciplinary Senior Management Risk Committee, comprised of senior managers at the deputy executive director level and with regional and country representatives oversees enterprise risk management effectiveness and advises executive management on critical risks. UNICEF's internal controls are further reinforced through regular reviews and updates to processes and procedures. The annual Statement of Internal Control, included in UNICEF's audited financial statements, provides assurance of the integrity of its financial reporting and reflects the organization's proactive approach to managing risks and ensuring compliance with global standards. Regular internal reviews and external audits by the United Nations Board of Auditors support a dynamic and responsive control environment, safeguarding UNICEF's mission, resources and reputation.
23. UNICEF's Supply Division is responsible for global standards for supply chain activities and establishes specific procedures that are applied to strategic globally procured commodities and to other procurement which is delegated to regional and country offices - these procedures are in line with the common principles for procurement by organizations in the United Nations.

¹¹ See: <https://www.unicef.org/executiveboard/documents/unicef-audit-advisory-committee-2022-annual-report-2023>

¹² See: <https://www.unicef.org/auditandinvestigation/internal-audit-reports>

Specific procedures govern sourcing and solicitation methods for institutional consultants, contractors and service providers and place importance on economy and efficiency. Good procurement principles, such as solicitation, review committees, contract reviews and awards, roles and authorities, including monetary thresholds and the composition and responsibilities of procurement committees, are included, in addition to the segregation of duties.

24. Guided by United Nations procurement principles, UNICEF's procurement framework emphasizes best value for money, fair competition, and ethical practices and policies. The Supply Division publishes procurement opportunities on the United Nations Global Marketplace¹³ via (i) requests for expressions of interest for supplier and product information; (ii) requests for quotations for lower value procurement; (iii) requests for proposals; and (iv) invitations to bid for higher value procurement. Examples of these procurement methods and the publication of contract award information were reviewed on the United Nations Global Marketplace and UNICEF's monthly reports.¹⁴ Publications such as the United Nations Annual Statistical Report on Procurement and UNICEF's Supply Annual Report also provide stakeholders with an overview of UNICEF's global procurement activities.

25. Monitoring and assessment mechanisms to oversee the procurement activities of UNICEF's partners include spot checks, audits and continuous monitoring. Companies doing business with UNICEF are required to accept the United Nation's detailed supplier code of conduct covering labour, human rights, the environment, and ethical conduct. Regarding dispute resolution, the Supply Division's webpage explains that any issues concerning a procurement process can be reported via a dedicated email address. Furthermore, any ethical complaints can be reported directly to the UNICEF OIAI via the mechanisms described in paragraph 33 below.

26. The AP finds that the applicant's policies, procedures and capacity, supported by evidence of its track record, fully meet the GCF basic fiduciary standards on key administrative and financial capacities.

3.1.2. **Basic fiduciary standards: transparency and accountability**

27. All employees are required to comply with Meridiam's values and code of ethics and Two key units at UNICEF are crucial in maintaining integrity, transparency, and accountability. Reporting to the ED, OIAI conducts audits and assurance activities and independent investigations into suspected misconduct, fraud and corruption. By employing a risk-based approach, OIAI has a key role in systematically assessing and strengthening governance, risk management and control processes, advising management and the Executive Board on its findings and tracking implementation. The Ethics Office complements these efforts by (i) providing guidance, training and policy support to help UNICEF employees uphold the highest ethical standards in their work, (ii) administering UNICEF's financial disclosure framework and (iii) handling whistle-blower protection matters. UNICEF's ethical framework extends contractually to third-party consultants and counterparties as evidenced in examples of documentation provided to the AP.

28. The Ethics Office reports to the ED and operates with sufficient independence in promoting an ethical and value-based culture, promoting awareness and understanding of UNICEF's ethical framework and standards, which are derived from the United Nations Staff Regulations and Rules, and the Standards of Conduct for the International Civil Service which emphasizes upholding human rights, integrity and impartiality while prohibiting conflicts of interest, exploitation and harassment. All UNICEF staff, consultants and affiliated personnel are

¹³ See: <https://www.ungm.org/>

¹⁴ See: <https://www.unicef.org/supply/contract-awards>

required to take a mandatory Ethics and Integrity at UNICEF training, which covers ethical behaviour, personal and professional integrity, conflicts of interest, awareness of and addressing misconduct, and protection from retaliation; statistics shared by the applicant indicate the coverage and impact of this training.

29. The Ethics Office collaborates with sibling offices in the United Nations system via the Ethics Panel of the United Nations to ensure harmonized and coherent application of ethical standards and tone from the top. The 2023 report of the Ethics Office to UNICEF's Executive Board describes its work on: (i) standard-setting and policy support; (ii) ethics training, outreach and awareness; (iii) providing confidential ethics advice and guidance to management and staff; (iv) administering the UNICEF Conflict of Interest and Financial Disclosure Programme (CIFDP); (v) administering protection against retaliation under the UNICEF Policy on Whistle-Blower Protection against Retaliation (PWPR); and (vi) details of the Ethics Office's engagement with the Ethics Panel of the United Nations and the Ethics Network of Multilateral Organizations.

30. Regarding disclosing and managing conflicts of interest, the applicant's CIFDP is guided by standards of conduct for the international civil service, United Nations staff regulations and rules and UNICEF's 2012 Executive Directive on Financial Disclosure and Declaration of Interest Statements. These policies describe actual and potential conflicts of interests and mandatory disclosure by selected senior staff members and staff with authority for certain functions that include personal and immediate family investment, banking, property and asset information and self-certification/affirmation. The CIFDP is confidential and overseen by the Ethics Office, which provides guidance or requests additional information to resolve issues and evidence of its implementation was shared with the AP. Regarding disclosures at the Executive Board level, the applicant indicated that due to the nature of board appointments from government representatives and consensus-based decision-making, conflict of interest disclosures on appointment or prior to board decisions are not presently covered by a policy and adopting good practice with comparable boards is recommended.

31. UNICEF's framework for preventing and addressing wrongdoing and prohibited practices are centered around its 2013 Policy Preventing and Combatting Fraud and Corruption, which defines prohibited practices, including fraud, corruption, coercion, collusion and obstruction and sets out reporting, investigation, disclosure and protection provisions. The policy is overseen by the OIAI. Regarding the prevention of wrongdoing, OIAI conducts regular risk assessments and prioritizes identified higher-risk areas such as procurement and financial management.

32. The OIAI is responsible for investigating all allegations of wrongdoing as well as ensuring appropriate actions are taken to mitigate risks and prevent recurrence. Policies are reinforced by mandatory training programmes for all employees (staff, consultants, contractors and non-staff), ensuring a broad understanding of expected standards of conduct. A similar commitment is required of individual consultants, and civil society implementing partners and vendors must have no less stringent policies in place.

33. A link¹⁵ for reporting wrongdoing is accessible from the home page of UNICEF's website and provides guidance and support to whistle-blowers, outlines what should be reported and the ensuing process, and provides links to different reporting avenues, including OIAI, the Ethics Office, Human Resources and the Office of the Ombudsmen for United Nations Funds and Programmes. Both the OIAI and Ethics Office web pages provide links to whistle-blowing intake mechanisms and a web form, available internally and under development for external use, as the primary intake method will further strengthen UNICEF's systems and procedures in this

¹⁵ See: <https://www.unicef.org/auditandinvestigation/report-wrongdoing>

area. These mechanisms provide assurances about confidentiality and advice on how to report anonymously, where follow-up correspondence can take place if contact information is provided. The OIAI publishes audit reports¹⁶ unless there are sensitivity issues.

34. UNICEF's 2018 Policy on Whistle-Blower Protection against Retaliation safeguards all personnel, including staff, contractors and external partners, from any form of retaliation for reporting misconduct or cooperating with investigations and oversight activities. Reports concerning whistle-blower protection can be submitted to managers, the OIAI Director, or through the UNICEF misconduct hotline (integrity1@unicef.org), and may be referred to the United Nations Ethics Committee if needed. The Ethics Office is empowered to implement interim and long-term protection measures, such as suspending retaliatory actions, reassigning the complainant, or placing the alleged retaliator on administrative leave. Corrective actions, including rescinding decisions or transferring the whistle-blower, are taken if retaliation is confirmed.

35. The OIAI is central to managing and independently investigating reports into a wide range of misconduct, such as fraud, corruption and harassment, involving UNICEF staff, contractors and third parties. The OIAI's secure, confidential case management system is staffed by qualified experts and supported by a dedicated intake team. Cases falling outside OIAI's mandate are appropriately referred to the relevant office. As an independent entity within UNICEF, OIAI has confidential and unrestricted access to key oversight bodies, including the Executive Board, Audit Advisory Committee, and the United Nations Board of Auditors.

36. OIAI's investigative function is detailed in its charter and is aligned with the Conference of International Investigators' uniform guidelines for investigations and principles for intake and assessment and the OIAI Investigations Manual. These documents set out standardized procedures for the intake, assessment and investigation of complaints, ensuring consistent and transparent processing of all cases that the OIAI's standard operating procedures are based on. In instances involving staff members, the UNICEF Policy on the Disciplinary Process and Measures is applied. The OIAI Charter, along with related guidelines and frequently asked questions, is available on the applicant's website, providing clear information about its investigative mandate. OIAI also publishes annual reports with addendums that detail closed investigation cases, offering insights into the types of misconduct encountered, actions taken, and preventative lessons learned. UNICEF's policy regarding anti-money laundering and countering the financing of terrorism (AML/CFT) aligns with international standards linked to key risks associated with fundraising, programme implementation, and contracting third parties, and is tailored for its operational presence in fragile operating contexts. The policy is principles-based and sets out minimum standards for internal controls designed to prevent the misuse of resources. It applies to all UNICEF offices, personnel and counterparties, including fundraising partners, suppliers and implementing partners.

37. AML/CFT risk assessments are supported by due diligence processes that screen potential counterparties and monitor their activities to detect any "red flags" that might indicate suspicious behaviour. Examples of red flags that guide UNICEF's management teams include: (i) inconsistencies in information provided by counterparties; (ii) unusual requests for payments; and (iii) suspicious source of funds, such as funds received from a high-risk entity. UNICEF also relies on advanced monitoring systems such as Risk Intelligence Data Monitor and the United Nations Partner Portal, which screen CSOs against United Nations sanctions lists and a system of automated alerts that flag risks and prompt intervention when necessary. Suspicious activities are reported to UNICEF's Office of the Comptroller and the Division of Data, Analytics, Planning and Monitoring for further investigation and action. OIAI, in

¹⁶ See: <https://www.unicef.org/auditandinvestigation/internal-audit-reports>

accordance with its mandate, may periodically assess compliance of UNICEF offices with this policy.

38. The AP finds that the applicant's policies, procedures and capacity, supported by evidence of its track record, fully meet the basic fiduciary standards on transparency and accountability, and to the extent applicable to accreditation, the GCF Policy on Prohibited Practices, the GCF Policy on the Protection of Whistle-blowers and Witnesses, and the GCF AML/CFT Policy.

3.1.3. Specialized fiduciary standard for project management

39. UNICEF's Country programmes are a primary means of achieving its mandate. UNICEF adopts a results-based approach to programme management under a strategic framework for partnerships and collaboration that describes UNICEF's modus operandi of working through and with implementing partners under a typology of: (i) government; (ii) United Nations agencies; (iii) CSOs (international NGOs, national NGOs, community-based organizations and academic institutions); and (iv) non-United Nations intergovernmental institutions.

40. UNICEF leverages the expertise of its programme managers, sectoral specialists, and government counterparts during the development of country programme documents and annual work plans to identify and design projects that align with national priorities and UNICEF's strategic goals. This collaborative approach is further enhanced by engaging local NGOs and community organizations as implementing partners, ensuring that projects are informed by both technical expertise and grassroots insights.

41. The applicant's Procedure on Programme Implementation and its Programme Implementation Handbook guide project management and oversight systems. The Programme Implementation Handbook covers the following project-cycle elements: (i) work planning; (ii) partner selection, risk assessment and contracting; (iii) resource transfer; (iv) monitoring assurance and reporting; (v) adaptation, escalation and closure; and (vi) programme implementation benchmarks.

42. Other institutional policies, procedures and guidance that are part of UNICEF's framework include guidance on field-level monitoring, guidance on financial reporting, an evaluation policy, and procedures for reporting annual programmes. UNICEF's primary programme/project delivery unit is its country programmes which work collaboratively with national governments, civil society and other partners to plan projects, incorporating technical, financial, and environmental considerations.

43. Key examples from UNICEF's portfolio of projects/programmes that demonstrate its recent track record in project cycle management are:

- (a) German Federal Ministry for Economic Cooperation and Development (BMZ) funded EUR 132 million Sahel resilience-building project that ran to April 2024;
- (b) BMZ/KfW Development Bank funded EUR 67.7 million, three-phase WASH programme implemented in East Africa that commenced in 2020 and will be implemented until 2026; and
- (c) Government of the Netherlands, Ministry of Foreign Affairs funded a USD 65 million, multi-country WASH programme implemented in East and West Africa that concluded in December 2023.

44. Documentation that demonstrates the application of UNICEF's policies, procedures and guidelines through the project cycle was shared, including project proposals, documents pertaining to implementation and partnership coordination, results frameworks, risk

management monitoring and evaluation, budgets, and country office mission reports and project progress reports that incorporate key results and findings.

45. Regarding programme monitoring at UNICEF, at the corporate level, reporting against annual objectives is supported by procedures on annual programme and management results. UNICEF's programme monitoring systems are described in its programme implementation procedure and handbook described in paragraph 41 above. Under the framework of the Harmonized Approach to Cash Transfers (HACT)¹⁷ to Implementing Partners, micro assessments are carried out to determine the risk ratings of partners' programme implementation and financial management capabilities, and mitigation measures are identified that in turn determine minimum requirements for programmatic and financial assurance. The type and frequency of monitoring activities throughout implementation are also a product of the HACT assessment process. Monitoring is through verification (remote, depending on the context) of receipt of services or goods, and programmatic visits. Various examples of site visit reports, including recommendations, were shared. UNICEF provided statistics indicating its recent completion rate of targeted programmatic visits exceeding minimum requirements (targets).

46. A digital platform (ETools) is a central source of information for UNICEF staff and partners and for monitoring implementation. End-of-year reporting by country offices through a results assessment module captures key achievements and lessons learned as reported by UNICEF country programmes.

47. UNICEF's Evaluation Office is staffed by a director, who reports to the ED, as well as evaluation and sectoral experts who oversee strategic evaluations of global programmes and institution-wide operational and policy issues. The Evaluation Office also provides normative leadership of the evaluation function, through guidance to and oversight work of the decentralized evaluation function, to ensure that the function and its enabling environment adhere to established international norms and standards for evaluation.

48. The applicant's evaluation function aims to maximize the organization's results, contribute to oversight and accountability, foster organizational learning, and help empower stakeholders at all levels. The applicant's evaluation policy is supplemented by detailed guidance on evaluability assessments, impact evaluation, with specific guidance on climate integration in evaluation also under development and scheduled for completion in 2024. All final evaluation reports and their corresponding management responses are publicly available.¹⁸

49. Regarding public disclosure of project information, UNICEF is openly committed to sharing key information with stakeholders and publishes a broad range of project information via its transparency portal¹⁹ with data available by output, outcome and interactive search tools for stakeholders to draw information. The applicant's information disclosure policy highlights the primary disclosure method as UNICEF's global and country office websites and outlines confidentiality and information request policies and processes. A published annual funding compendium²⁰ has summary-level information on UNICEF's sources of funding and areas of expenditure.

50. The applicant shared an initial draft of its updated information disclosure policy, under revision in light of the United Nations Transparency and Accountability Initiative, which allows the public to request the disclosure of UNICEF information. The policy covers but is not limited

¹⁷ See: https://open.unicef.org/sites/transparency/files/documents/UNICEF_HACT_Procedure.pdf

¹⁸ See: <https://www.unicef.org/evaluation/reports#/>

¹⁹ See: <https://open.unicef.org/>

²⁰ See: https://www.unicef.org/media/159111/file/UNICEF_FundingCompendium2023_R3.pdf.pdf

to accessibility of information, disclosure limitations, information requests and reproduction. In addition, an open access policy is under development to allow UNICEF to align with United Nations-wide recommendations and initiatives. Related to this, UNICEF has been a signatory to the International Aid Transparency Initiative.

51. The AP finds that the applicant's policies, procedures and capacity, supported by evidence of its track record, fully meet the specialized fiduciary standard for project management.

3.1.4. **Specialized fiduciary standard for grant award and funding allocation mechanisms**

53. UNICEF's Programme Cooperation Agreements with implementing partners, serve as the umbrella legal agreements, and expressions of interest are issued to gauge interest, capability and qualifications and pre-qualify bidders to participate in the next stage of calls for proposals (RFPs) which solicit detailed proposals from pre-qualified vendors or suppliers for specific supplies and works or for programmatic grants to partners. UNICEF uses the United Nations Global Marketplace (<https://www.ungm.org/>) and its Partner Portal²¹ as its primary mechanisms for ensuring transparency in working with partners and vendors and for workflow management and archiving the expressions of interest and calls for proposals.

54. In determining project delivery methods under partnership, contracting and consultancies, factors such as the type of work, availability, capacity, long-term agreements, specific expertise, and local knowledge are considered. For all civil society partners, selection occurs through either an open or a direct selection process. In the open selection process, UNICEF posts a partnership opportunity, also known as a Call for Expressions of Interest, on the UN Partner Portal and invites all interested partners to submit concept notes. In the direct selection process, UNICEF reaches out to one or more partners via the UN Partner Portal to directly solicit their interest in partnership. UNICEF's Partnership Review Committee structure carries out technical reviews and approves proposed partnerships with clear justification of the modality and selection, and partners sign programme cooperation agreements and programme documents. Furthermore, the applicant indicated an increased emphasis on the selection of partners in general and for specific activities through open calls and has demonstrated the capacity to conduct these processes.

55. UNICEF's track record in awarding grants, often as components of larger programmes, is demonstrated in:

- (a) BMZ/KfW Development Bank-funded EUR 82 million multi-sectoral (including WASH) projects in Yemen; and
- (b) A USD 69.6 million project that commenced in 2023 supporting Syrian refugees and host communities, implemented in Lebanon.

56. For these programmes/projects, the applicant shared general review and assessment documentation for proposals, expressions of interest and calls for proposals to demonstrate its track record assessment documentation, along with general information regarding the posting and notification of awards. In the case of the Lebanon WASH project, a component of the programme was divided into specific calls for expressions of interest and documentation demonstrating the review, assessment and award by a partnership review committee were reviewed by the AP.

57. Regarding UNICEF's good standing with other multi- and bilateral donors, a long-term partnership with the European Union (EU) as one of UNICEF's top five funders sees UNICEF

²¹ See <https://www.unpartnerportal.org/landing/>

strategically represented with the EU, and its primary relationships are held with the Directorate-General for European Civil Protection and Humanitarian Aid Operations (DG ECHO) and the Directorate-General for International Partnership (INTPA). UNICEF has undergone the EU's pillar assessment process with positive assessments, as of June 2024, under pillars 1-5 and 9. UNICEF was last assessed by the Multilateral Organization Performance Assessment Network (MOPAN) in 2020, assessing the agency across strategic, operational and knowledge management dimensions concluding that UNICEF is a forward-looking organization, capitalising on its strengths and engaged in business model improvement, addressing organizational and operational challenges to progress its mission and strategy delivery.

58. The AP finds that the applicant's policies, procedures and capacity, supported by evidence of its track record, fully meet the specialized fiduciary standard for grant award and/or funding allocation mechanisms.

3.1.5. Specialized fiduciary standard for on-lending and blending (for loans, equity and/or guarantees)

59. The applicant did not apply for accreditation for this standard at this time.

3.2 Environmental and social safeguards

3.2.1. Environmental and social policy, management and monitoring

60. As part of its approach to date, UNICEF has applied E&S requirements consistent with the E&S frameworks of partners funding specific projects, such as the World Bank, KfW, and African Development Bank. Through this approach, UNICEF has gained experience in key aspects of E&S risk management, including risk identification, management and monitoring. In 2022, UNICEF initiated the development of a comprehensive, E&S policy and procedure, to replace the project/donor-specific approach, which will be applied to all programmes undertaken going forward. This new policy, titled UNICEF Policy on Environmental and Social Safeguards and Sustainability, and the environmental and social management system (ESMS) are, according to the applicant, currently undergoing final review by the Office of the Executive Director and are expected to become effective on 1 January 2025.

61. For this assessment, the AP reviewed the newly proposed E&S policy and system, while capacity and track record were evaluated based on the implementation of the previous approach.

62. The UNICEF Policy on Environmental and Social Safeguards and Sustainability will require identification, assessment, mitigation and monitoring of E&S risks and impacts; considers direct, indirect, cumulative and induced impacts in the area of influence and associated facilities; strengthening capacity of UNICEF staff, vendors and partners; effective stakeholder engagement, including through a grievance redress mechanism (GRM); identification and enhancement opportunities for positive, sustainable outcomes; and promotion and monitoring of compliance of the E&S requirements. UNICEF's policy will require its partners to ensure compliance of activities with the host country's laws and regulations with regard to environmental and social assessments, and the E&S standards proposed by UNICEF for assessing and managing E&S risks and impacts, which are compatible with the requirements of the International Finance Corporation Performance Standards 1–8 (awaiting approval).

63. UNICEF's proposed E&S standards include a specific standard on Indigenous People (ES 6), which includes requirements for respect of Indigenous People's human rights; free, prior and informed consent; equitable sharing of profits, respect for Indigenous People's collective rights to their traditional lands and resources, their cultural heritage and confidentiality of

secret cultural heritage, among others. The applicant has in-house expertise on Indigenous Peoples' issues, which is complemented through external consultants as needed. The applicant has demonstrated its capacity and competencies in implementing such safeguards. In addition, UNICEF has been developing and implementing projects to specifically support Indigenous People, including the development of policies for safeguarding Indigenous lands, capacity-building and strengthening resilience to adverse weather events. The AP finds that UNICEF has the systems and capacity to meet PS 7 on Indigenous Peoples as per the GCF interim E&S standards.

64. UNICEF has recently revised its Evaluation Policy, which was approved by its Board, and its implementation is overseen by the Evaluation Office. The policy and procedures developed meet the requirements of the GCF Evaluation Policy. The AP finds that the applicant has the systems and capacity to implement the policy and procedures in line with the GCF Evaluation Policy.

65. UNICEF is committed to addressing sexual exploitation, abuse and harassment (SEAH), as reflected in its Gender Policy. Cases of sexual exploitation, abuse and harassment are registered and managed by the OIAI. SEAH checks in terms of partner staff awareness, training and communicating mechanisms for reporting are included in HACT field monitoring templates, completed versions of which were reviewed by the AP. Regarding recruitment checks, UNICEF uses the United Nation's internal Clear Check²² mechanism, currently used across 38 United Nations entities to guard against appointing and re-employing individuals with substantiated SEAH allegations or who resigned during a pending investigation or disciplinary process within a United Nations entity. In addition, the applicant shared information on the form of declarations related to misconduct that are typically required of candidates as well as template forms and the process of background verification and reference checks. The AP finds that UNICEF has the systems and capacity to meet the SEAH principles in the GCF revised E&S policy.

66. UNICEF's 2016 Executive Directive summarizes how the organization will address the impacts of climate change in its work and the recently approved Sustainability and Climate Action Plan 2023–2030 outlines the institution's commitment and objectives to contributing to climate change. For purposes of particular project preparation, UNICEF prepares a detailed country-specific climate-risk assessment that identifies key climate-specific risks and impacts, and for which examples were provided to the AP. In addition, publicly available E&S due diligence reports prepared for programmes financed by donors such as the World Bank, include an assessment of the potential climate risks and impacts and how these would be mitigated. The new E&S procedure also has a specific standard on climate (ES 8, Climate Change and Disaster Risk Reduction) that will be applied going forward to all projects. The applicant also calculates the potential greenhouse gas emission reductions of a select number of its programmes already. As part of its work, UNICEF supports national governments with the implementation of their Nationally Determined Contribution commitments made against the Paris Agreement, National Adaptation Plans and Adaption Communications and has incorporated climate change-related aspects into its own programmes as a cross-cutting issue. The data provided by the applicant shows that expenditures for climate related aspects in UNICEF's projects increased from USD 1 billion in 2019 (16 per cent) to USD 3 billion in 2023 (35 per cent). Over the last five years projects with a high level of spending on climate change-related aspects have increased six-fold. In addition, UNICEF has an internal goal to reduce its own footprint by 45 per cent by 2030 and continues to offset the remaining emissions.

²² See: <https://unsceb.org/sites/default/files/2024-08/ClearCheck%20Factsheet%20%5B1%20August%202024%5D.pdf>

67. The applicant also has developed a proposed E&S procedure (UNICEF procedure on environmental and social safeguards and sustainability in programme implementation). The E&S process outlined in the proposed ESMS includes key steps such as categorization, E&S risk and impact identification (including screening against the UNICEF E&S Exclusion List and the eight E&S standards), E&S risks identifications, mitigation measures identified, and management plans developed. All required mitigation measures under UNICEF's E&S system are expected to be incorporated into legal agreements with partners, vendors, etc. The ESMS also includes adequate measures for monitoring and evaluating the E&S performance of activities supported, in addition to the general approach to monitoring followed by the applicant, which is outlined in the UNICEF Guidance on Field Monitoring, and UNICEF Procedure on Monitoring. The proposed new E&S procedure will not be rolled out after its approval in all Country Offices immediately, but in phases.

68. UNICEF provided examples of E&S assessments and monitoring reports as well as specific E&S documents prepared for projects (e.g. Environmental and Social Management Frameworks, Stakeholder Engagement Plans, Labor Management Plan etc.) by its donors (with donor permission and marked as confidential) as well as its own staff, which demonstrate the applicant's capacity to categorize, identify E&S risk and impacts and manage and monitor these adequately.

69. The new E&S policy and procedure are not yet being implemented, and therefore no ESMS audit has yet been undertaken. However, the applicant commissioned an independent evaluation of its E&S experience to date in 2023, undertaken by its Evaluation Office and the results were extensively discussed with senior management. The key findings and recommendations have been incorporated into the new E&S policy and procedures, as well as the capacity-building and roll-out plan prepared. Another independent evaluation of UNICEF's E&S system is expected to take place in 2026 by UNICEF's Evaluation Office to track progress on implementation and identify areas of improvement.

70. A new long-term organizational structure is currently being put in place to enable implementation of the new E&S policy and procedure, strengthen E&S staffing and capacity across the organization, and address the key gaps identified in the 2023 evaluation. The organizational structure for the new integrated risk management, including E&S function, is finalized and the Partnership Implementation and Safeguarding Unit has been established. Recruitment of additional key E&S staff members is currently in progress. Key roles and responsibilities are outlined in the new E&S policy and procedure. Oversight and technical support will be provided by headquarters (two senior staff and seven other staff), including the Chief Risk Officer and the Risk management in the Partnership Implementation and Safeguarding Unit, as well as an E&S manager supported by a staff member responsible for the roll-out strategy. The AP is satisfied with the expertise and qualifications of the two E&S managers.

71. Headquarters and Regional Offices are responsible for allocating resources to ESS for technical staff at the Country Office level, provide technical guidance, capacity-building, quality control and oversight. The core functions of the Country Office E&S focal points will be (i) to implement and manage all aspects of activities related to E&S appraisal and supervision (categorization, risk identification, mitigation, management and monitoring; and (ii) supporting partners with establishing their own E&S policies and systems. For high-risk transactions E&S screening (Environmental and Social Impact Assessments, Environmental and Social Management plans) is undertaken by external consultants with the required background and experience. The overall number of E&S staff at the Country Office level is yet to be determined, depending on the size of the country-specific programme, the complexity and risks, but with an overall increase in staff expected. The Division of Data, Analytics, Planning and Monitoring (DAPM) will ensure that the E&S policy and procedure are applied across all operations, with

other departments such as the Evaluation Office, OIAI and Programme Management group providing additional oversight and monitoring.

72. To date, E&S resources, capacity and implementation were largely limited to Country Offices implementing donor-funded programmes with E&S requirements, and training provided by the donors focused on their own standards. The 2023 E&S evaluation undertaken highlighted that E&S-related technical capacity and competency, and resource allocation in UNICEF required strengthening in order to roll out the new E&S policy and procedures across all Country Offices. Key areas for focus included: increasing awareness, ensuring E&S focal points are designated at Country Office level, strengthening experience with ESS implementation, delivering enhanced training, guidance and training materials, reinforcing quality assurance capacity, and reviewing investment in budget and resources for E&S.

73. In response to the findings of the 2023 evaluation, the applicant has prepared an extensive E&S policy and procedure Roll-Out Plan (2024–2026) which includes a phased implementation across headquarters and all Country Offices, accompanied by an extensive training and capacity-building programme for all key staff and stakeholders involved in ESS implementation. This will include online training modules, webinars, targeted training for specific functions, technical training for focal points, training of trainers, as well as a communication and awareness-raising campaign, and post evaluation and monitoring of its effectiveness. Implementation of the roll-out plan and capacity-building has only recently commenced, and not all Country Offices and staff involved in implementation of the proposed new E&S policy and procedure have the capacity to implement the new E&S policy and procedures.

74. The AP finds that the applicant's environmental and social management system, comprising the UNICEF Policy on Environmental and Social Safeguards and Sustainability and the UNICEF procedure on environmental and social safeguards and sustainability in programme implementation, supported by evidence of its track record, partially meets the GCF revised Environmental and Social Policy to the extent applicable to accreditation and GCF interim ESS standards for maximum E&S risk Category B/1-2 projects/programmes with respect to performance standards 1–8. The relevant gaps are identified in paragraphs 60, 67 and 72 and are reflected by the corresponding conditions of accreditation in section 4.2.

3.2.2. External communications, consultations, information disclosure and grievance redress mechanism at the institutional level

75. To date, the practice has been that feedback is provided and handled at the Country Office level (in about 30 countries), particularly for donor-funded projects. Given the large number of Country Offices and differences in practices, currently no overall register of complaints and feedback is available at the institutional level. However, enquiries and complaints regarding significant misconduct and safeguarding (sexual exploitation and abuse, etc.) are registered and managed at the institutional level by the OIAI.

76. UNICEF is currently developing a new Complaints, Feedback and Redress Mechanism Procedure (CFRM Procedure), which will be overseen by a dedicated manager, independent of the E&S and project teams. It builds upon many Country Offices' existing practices and ensures greater coherence and integration between existing and new policies and systems. Regional and Country Offices will be responsible for implementing the CFRM Procedure, and required to have adequate governance, systems including complaints register and capacity in place.

77. A zero draft of the new CFRM Procedure was shared with the AP. The CFRM Procedure covers both provisions for external communication and feedback, as well as a GRM for complaints. Feedback can be provided, and complaints raised, by any individual or group of individuals internally and externally and via the website, in person or in writing. The

mechanism is confidential and easily accessible to communities, child-friendly, and suitable to vulnerable and marginalized groups. The key principles of the CFRM Procedure are in line with good practices and include that it is legitimate, independent, accessible, predictable, equitable, transparent, rights-compatible and confidential. It applies to all issues arising from UNICEF's presence, programmes and operational actions, including of staff and implementation partners and vendors. The draft CFRM Procedure includes a process to receive, register, screen, assess and respond to issues raised.

78. Partners will be required to have equivalent GRM policies and procedures in place. In cases, where projects or parts of projects are implemented by partners or vendors, the UNICEF Country Office level GRM is to be utilized. Partnership agreements and contracts with consultants and contractors have mandatory requirements in this respect. The new CFRM Procedure is not yet finalized and approved and is expected to become effective in 2025.

79. Stakeholder engagement and information disclosure are an integral part of UNICEF's programme development and implementation. The Country Office teams will be required, as per the proposed new E&S policy and procedure and Information Disclosure Policy (2010), which is currently being updated, to provide stakeholders with access to relevant, understandable information prior to the start of the activities, disclosed in local languages and in an accessible and culturally appropriate manner, taking into account the specific needs of various stakeholder groups. The information is to include potential E&S risks and impacts, as well as the proposed mitigation measures. Stakeholder Engagement Plans for projects are disclosed in line with the existing Information Disclosure Policy, which is currently also being updated and expected to come into effect in the first quarter of 2025. UNICEF has indicated its willingness, in accordance with its Policy on Information Disclosure and consistent with GCF's Information Disclosure Policy, to disclose relevant environmental and social (E&S) information and documents for GCF-funded projects/programmes.

80. The AP finds that the applicant's system of external communications, consultations, information disclosure and grievance redress mechanism, supported by evidence of its track record, partially meets the GCF revised Environmental and Social Policy to the extent applicable to accreditation, GCF interim ESS standards and GCF Information Disclosure Policy regarding E&S information disclosure requirements for maximum E&S risk Category B/I-2 projects/programmes with respect to performance standards 1-8. The relevant gaps are identified in paragraph 78 and are reflected by the corresponding condition of accreditation in section 4.2.

3.3 Gender

81. UNICEF has a gender policy (UNICEF Gender Policy 2021-2023) in place, as well as a Gender Action Plan (UNICEF Gender Action Plan 2022-2025), which are both applied at the entity (workplace and practices) and project level, and which demonstrate UNICEF's commitment to non-discrimination and gender equity and equality. At the programme level, 39.3 per cent of UNICEF's total expenditure was spent on activities integrating gender into its projects in 2023. UNICEF has many programmes that target specifically girls/adolescent young women in addition to addressing gender-specific aspects in all their programmes.

82. At the institutional level, UNICEF achieved gender parity in its staffing globally, with 49.5 per cent women in 2023 (a slight increase from 2022), in line with virtual gender parity (53/47) as defined in the United Nations System-wide Strategy on Gender Parity. More specific gender gaps continue to be monitored, particularly at junior professional levels and at director level.

83. A dedicated budget for gender is available, and the applicant has a qualified gender team in place. UNICEF's gender function is fully integrated into its overall staffing structure, headed by an Associate Director, and comprises 40 full-time gender specialists, 225 gender focal points, and 10 regional and global gender advisers. For the Country Offices a 'Gender Staffing Guidance' has been developed. In addition to the in-house gender staff, gender consultants are retained for specific projects implemented and support is provided to partners with the analysis of gender issues and risks and building staff capacity. The applicant has also developed several gender focused training and capacity-building programmes, which are delivered on an ongoing basis both internally and externally for projects.

84. At the project level, women and girls are consulted regularly as part of the programme development, and gender analysis is routinely integrated into project monitoring, regular reviews, as well as evaluations and independent assessments. Gender-related risks and impacts of projects funded are identified as part of the E&S due diligence (as per donor requirements previously and the new E&S procedure developed). A Gender Programmatic Review Toolkit and Guidance and sector-specific guidance have been developed to provide guidance, tools and examples on how to ensure stakeholder engagement and consultations are gender sensitive and responsive. Gender aspects are integrated into the action and monitoring plans, including the relevant gender data to be collected and monitored during implementation.

85. Internal and external evaluations of the gender policy, strategic plans, projects and country-level programmes have been carried out over the past 15 years since the development of the first gender policy, have been shared with the AP. In addition, a Gender Equality Steering Committee has been established, which reviews annually the effectiveness of the gender policy and strategy and provides guidance on how to address any gaps. Progress on the implementation of the Gender Action Plan is also reported to the Board once a year (Gender Action Plan Board Report), and key findings inform the development of new policies and strategies.

86. UNICEF has developed and published many gender-focused studies, assessments and guidance materials related to children's specific issues, and the impacts and interlinkages of climate risk on children have been assessed, including through studies, briefing materials and advocacy efforts.

87. The AP finds that the applicant's gender policy, procedures, capacity and competencies, supported by evidence of its track record, fully meet the GCF Updated Gender Policy to the extent applicable to accreditation.

IV. Conclusions and recommendation

4.1 Conclusions

88. Following the adoption of the updated Strategic Plan for the Green Climate Fund 2024–2027, the Secretariat has been reviewing all applicants based on their potential to contribute to the targeted results of the Strategic Plan. Following the assessment of UNICEF, the applicant is found to have the potential to support GCF in implementing the Strategic Plan for 2024–2027 with respect to:

- (a) Complementing the existing GCF network of accredited entities, particularly through its ability to work in least developed countries and fragile and conflict-affected areas in line with GCF approved policies as well as providing emergency relief and recovery efforts in the aftermath of disasters, including those related to climate change;

- (b) The indicative projects/programmes that the applicant intends to submit to GCF within the scope of accreditation recommended by the AP in paragraph 90 below;
- (c) Alignment of said indicative pipeline with the countries' nationally determined contributions, national adaptation plans and country programming priorities, notably in the WASH sector (water sanitation, and hygiene), where UNICEF has a comparative advantage that is not yet comprehensively covered with the existing network of accredited entities operating;
- (d) Potential contribution to the adaptation and mitigation balance in the GCF portfolio since the applicant focuses on adaptation and cross-cutting activities, and supporting diversity in GCF results areas such as health, food and water security, livelihoods of people and communities, and ecosystems and ecosystem services;
- (e) Establishing new or improved early warning systems, developing low emission climate resilient infrastructure and increasing adaptation actions in the health, nutrition and education sectors;
- (f) Addressing interests of particularly vulnerable groups (youth and children) and ensuring that climate finance reaches those most in need; and
- (g) Mobilizing climate finance at scale since the applicant is being recommended for accreditation in the category with a maximum size of "medium".

89. Following its assessment, the AP concludes the following in relation to the application with respect to the applicant's ability to meet the GCF accreditation standards identified in paragraph 10 above:

- (a) The applicant meets the requirements of the GCF basic fiduciary standards, and to the extent applicable to accreditation, the GCF Policy on the Protection of Whistle-blowers and Witnesses, the GCF Policy on Prohibited Practices, the GCF AML/CFT Policy and the specialized fiduciary standard for project management, and specialized fiduciary standard for grant award and/or funding allocation mechanisms;
- (b) The applicant partially meets the GCF revised Environmental and Social Policy to the extent applicable to accreditation, GCF interim ESS standards and the GCF Information Disclosure Policy on disclosure of E&S information in relation to the medium E&S risk Category B/I-2. The gaps relate to: (i) adoption of the new E&S policy and procedure that will be applied to GCF-funded activities; (ii) training and capacity-building for Country Office staff who will be involved in GCF-funded activities; and (iii) adoption of the new CFRM Procedure. These gaps are identified in paragraphs 60, 67, 72 and 78 and are addressed by corresponding conditions in section 4.2 below;
- (c) The applicant has demonstrated that it has a policy, procedures and competencies in order to implement its gender policy, which is found to be consistent with the Updated GCF Gender Policy to the extent applicable to accreditation and has demonstrated that it has experience in gender consideration in the context of climate change; and
- (d) The applicant has demonstrated that it has institutional-level systems, capacities and competencies regarding evaluation as required by the aforementioned GCF basic and specialized fiduciary standards and interim ESS standards that would enable it to meet the GCF Evaluation Policy for its GCF-funded activities.

4.2 Recommendation on accreditation

90. The AP recommends, for consideration by the Board, APL143 for accreditation as follows:

- (a) **Accreditation type:**
- (i) **Maximum size of an individual project or programme:** medium;²³
 - (ii) **Fiduciary functions:**
 - (1) Basic fiduciary standards;
 - (2) Specialized fiduciary standard for project management; and
 - (3) Specialized fiduciary standard for grant award and/or funding allocation mechanisms; and
 - (iii) **Maximum environmental and social risk category:** medium risk (Category B/I-2);²⁴
- (b) **Conditions:** the applicant will be required to submit to the AP, through the Secretariat, information on how it has complied with the conditions. The AP will thereafter assess whether the conditions have been met. This assessment will be communicated by the Secretariat, on behalf of the AP, to the Board for information purposes:
- (i) Condition to be met by the applicant prior to the effectiveness of the accreditation master agreement during stage III of the accreditation process:
 - (1) Delivery to GCF by the applicant of evidence, in form and substance satisfactory to the AP, that (i) the UNICEF Policy on Environmental and Social Safeguards and Sustainability (“E&S policy”) and the UNICEF Procedure on environmental and social safeguards and sustainability in programme implementation (“E&S procedure”) satisfy the relevant requirements of the GCF revised Environmental and Social Policy, (ii) the E&S policy and E&S procedures have been adopted by the applicant and are in effect, and (iii) the E&S policy has been published on its website; and
 - (ii) Conditions to be met by the applicant prior to the submission of the first funding proposal to the GCF Board:
 - (1) Delivery to GCF by the applicant of evidence, in a form and substance satisfactory to the AP, that:
 - a. The applicant’s E&S policy and E&S procedure will be applied to all GCF-funded activities;
 - b. The applicant’s staff who will be involved in the implementation of GCF-funded activities have completed E&S training as per the applicant’s ‘E&S policy roll-out plan’; and
 - c. (i) the applicant has adopted the CFRM Procedure, (ii) that the CFRM Procedure satisfies the relevant requirements of the GCF revised

²³ As per annex III to decision B.31/06, “medium” is defined as “maximum total projected costs at the time of application, irrespective of the portion that is funded by GCF, of above USD 50 million and up to and including USD 250 million for an individual project or programme”.

²⁴ As per the revised Environmental and Social Policy adopted in decision B.BM-2021/18, Category B is defined as “Activities with potential limited adverse environmental and/or social risks and impacts that individually or cumulatively, are few, generally site-specific, largely reversible, and readily addressed through mitigation measures”, and intermediation 2 is defined as “When an intermediary’s existing or proposed portfolio includes, or is expected to include, substantial financial exposure to activities with potential limited adverse environmental or social risks and impacts that are few, generally site-specific, largely reversible, and readily addressed through mitigation measures; and includes no activities with potential significant adverse environmental and social risks and impacts that, individually or cumulatively, are diverse, irreversible, or unprecedented.”

Environmental and Social Policy, and (iii) the applicant has published guidance pertaining to the CFRM mechanism on its website.

91. The applicant has been informed of the recommendation for accreditation, including the accreditation type and conditions, as identified in paragraph 90 above, and agrees to the recommendation.

4.3 Remarks

92. The applicant is taking proactive steps to implement the remaining recommendations from the most recent self-assessment of the independence of UNICEF's OIAI.

93. The applicant's Executive Board is actively considering the recommendations from the United Nations Joint Inspection Unit's 2023 review of governance and oversight of the three Executive Boards of five United Nations Funds and Programmes, including UNICEF's.

94. The applicant's Executive Board is encouraged to consider benchmarking against peer boards' conflict of interest policies.

95. The applicant is encouraged to finalise the development and implementation of a standardized web form, integrated with its case management system, for all stakeholder wrongdoing reports and to further strengthen guidance regarding anonymous reporting.

96. The applicant is in the process of revising its institutional information disclosure policy and has indicated its willingness in accordance with its Policy on Information Disclosure and consistent with GCF's Information Disclosure Policy, to disclose relevant environmental and social (E&S) information and documents for GCF-funded activities.
