



ADAPTATION FUND

11 November 2024

Adaptation Fund Board

Accreditation Panel Recommendation on the Fast-Track Accreditation of the Fondo para la Acción Ambiental y la Niñez (Fondo Acción) of Colombia as a National Implementing Entity (NIE) of the Adaptation Fund

Having reviewed the fast-track accreditation application of the ***Fondo para la Acción Ambiental y la Niñez (Fondo Acción)*** of Colombia, the Accreditation Panel recommended that Fondo Acción be accredited as a National Implementing Entity (NIE) of the Adaptation Fund.

A summary of the review is presented in Annex I below.

Accreditation Decision:

Having considered the recommendation of the Accreditation Panel, and following the fast-track accreditation process approved by Decision B.32/1, the Adaptation Fund Board decided to accredit the ***Fondo para la Acción Ambiental y la Niñez (Fondo Acción) of Colombia*** as a National Implementing Entity (NIE) of the Adaptation Fund for five years, as per paragraph 39 of the operational policies and guidelines for Parties to access resources from the Adaptation Fund. The accreditation expiration date is 11 November 2029.

Decision B.43-44/2

ANNEX I

REPORT OF THE ACCREDITATION PANEL ON AN ASSESSMENT OF THE FONDO PARA LA ACCIÓN AMBIENTAL Y LA NIÑEZ (FONDO ACCIÓN), COLOMBIA FOR FAST TRACK ACCREDITATION AS A NATIONAL IMPLEMENTING ENTITY (NIE) OF THE ADAPTATION FUND

Background

The Fondo para la Acción Ambiental y la Niñez (Fondo Acción), or Fund for Environmental Action and Children, was created as a trust fund in 2000 within the framework of the Bilateral Agreement of the Initiative for the Americas, signed between the governments of the Republic of Colombia and the United States of America. The mission of Fondo Acción is to generate significant and sustainable changes in Colombian society in two priority areas: the relationship between citizens and the natural environment and the comprehensive fulfillment of the rights of children and adolescents. Staffed by some 40 employees, Fondo Acción has acquired extensive experience in the implementation and management of conservation and sustainable development projects, in line with its core mission, implementing a cumulative portfolio covering over 650 projects.

The initial application for the accreditation of Fondo Acción with the Adaptation Fund was put forward by the Designated Authority of Colombia in March 2022. The review and assessments by the Panel were based on the completed application form submitted through the online system and the documents provided by the applicant. The Panel complemented its review with information available on the applicant's website as well as relevant documents from the websites of the Green Climate Fund and other related international institutions as well as third-party assessments.

Assessment against the fast-track accreditation criteria

This assessment was conducted according to the Fund's Board Decision B.28/38 due to Fondo Acción having been accredited by the Green Climate Fund in October 2018, using the criteria as set out in Board Decision B.28/38 (Fast-track accreditation of implementing entities accredited with the Green Climate Fund) based on AFB/EFC.19.7 of December 2016; B.32/36 (Accreditation standards related to anti-money-laundering/countering the financing of terrorism) based on AFB/EFC.23/4; and Decision B.34/3 (Revised re-accreditation process) based on AFB/B.34/5 and its annexes.

For fast-track accreditation review, the above-mentioned Board decisions also required an assessment of the criteria related to conditions attached to the fast-track accreditation by the GCF (Decision B.34/3 of November 2019; and third-party assessments on project performance and the capacity of an implementing entity applicant as complementary information. (Decision B.31/26 of March 2018).

SUMMARY ASSESSMENT

The Fondo Acción has demonstrated full compliance with the following criteria and review process for fast-track accreditation (FTR) by the Adaptation Fund:

The fiduciary standard related to the legal status

The applicant has demonstrated that it has the legal personality, capacity, authority, and ability to enter into contracts or agreements and to directly receive funds from international, and national institutions and the private sector as well as the legal capacity to serve as a plaintiff or defendant in a Court of law.

Policies and procedures, screening, and decision-making related to anti-money laundering/countering the financing of terrorism (AML/CFT) on disbursements, procurement, and handling instances of non-compliance to policies and procedures, and laws

The applicant provided evidence that it follows the strict national AML/CFT regulations and has appropriate and robust internal policies and procedures in place to identify, manage, investigate, and report the risk of AML/CFT.

Policies and Framework to deal with fraud, financial mismanagement, and other forms of malpractice

The applicant has a strong zero-tolerance message and anti-fraud policy displayed on its website. While, given its size, it does not have an in-house investigative capacity, it has policies and capacities in place for dealing with financial mismanagement and other forms of malpractice by staff members, consultants, suppliers, and other external parties conducting business with the applicant. An example of a fraud allegation case was provided showing appropriate handling of the case by a multidisciplinary team. To bolster its capacity, the applicant has committed to engaging a competent firm to provide ad-hoc professional investigative services as required.

Commitment by the entity to apply the Fund's Environmental and Social Policy (ESP) and Gender Policy and to address environmental, social, and gender risks

A top-level management statement confirms the applicant's commitment to abide by the Adaptation Fund's environmental, social, and gender policies and the applicant has further aligned its environmental and social management framework to ensure greater coherence with the Fund's Policies. These policies and third-party reviews of projects executed by the applicant demonstrate the strong commitment of the applicant to ensure abidance with the Adaptation Fund's safeguarding policies in its projects.

Mechanism to deal with complaints on environmental and social harms and gender harms caused by projects/programs

The applicant has a well-documented and implemented grievance mechanism for its Environmental and Social safeguards that meets AF standards. Gender grievances are also addressed through a separate mechanism. Examples of grievances received were shared with the Panel and they demonstrated follow-up and resolution by the applicant. The applicant also could refer to several project grievance mechanisms it had set up in the past.

Assessment of GCF Fast-Track Accreditation Conditions

The accreditation by GCF was approved at the 21st (GCF/B.21-34) Meeting on 20 October 2018 subject to several conditions that were reported as having been met by February 2019. (GCF/B.22/02). The Fondo Acción is currently executing three readiness projects to strengthen national capacities in adaptation and climate financing. A portfolio of projects with private sector, community-based organizations and government entities is under preparation.

Third-Party Assessments

In addition to the GCF assessments, the Panel reviewed several assessments (audits and evaluations) issued by USAID and the World Bank GEF. They all confirmed satisfactory performance and delivery of results by the applicant.

Recommendation

The Panel concludes that the applicant fully meets the standards and other criteria for fast-track accreditation. The Panel recommends the fast-track accreditation of Fondo Acción as a national implementing entity of the Adaptation Fund by the Adaptation Fund Board.