



Food and Agriculture
Organization of the
United Nations

Procedure to assess / prioritize potential Direct Access Entities for the Green Climate Fund Accreditation Process

FAO/MCD-ACC-04

Project “Strengthening country capacities for climate change adaptation and mitigation
and finalization of Country Work Programme for the Republic of North Macedonia”

Food and Agriculture Organization of the United Nations
2020



Republic of North Macedonia
Government of the Republic of North Macedonia



Green development
Republic of North Macedonia

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ABBREVIATIONS

- DAE- Direct Access Entity
- CSO- Civil Society Organizations
- ESS - Environmental and Social Safeguards
- FAO- Food and Agriculture Organization of United Nations
- FS- Fiduciary Standard
- IFC- International Finance Corporation
- GCF- Green Climate Fund
- MOEPP- Ministry of Environment and physical planning
- NDA- National Designated Authority
- NDCs – Nationally Determined Contributions
- PS – Performance Standards
- PSO - Private Sector Organizations
- REU- Regional Office for Europe and Central Asia
- SAC – Strategic Advisory Committee
- UNFCCC- United Nations Convention on Climate Change

I. Background

“Strengthening country capacities for climate change adaptation and mitigation and finalization of Country Work Programme for the Republic of North Macedonia” is North Macedonia’s second project from the Green Climate Fund (GCF) Readiness and Preparatory Support Programme, implemented by the Food and Agriculture Organization of the United Nations (FAO) under the guidance and leadership of the National Designated Authority (NDA) for North Macedonia, the Cabinet of the Deputy President of the Government of the Republic of North Macedonia in charge of Economic Affairs.

The overall objectives of the second readiness project is to support the country in further developing its capacities by expanding the support to other government and non-government stakeholders, particularly focusing on the Government institutions participating in the GCF Country Coordination Mechanism and on developing strong partnerships for private sector participation in climate action.

The project focuses on four main outcomes:

- Outcome 1:** Institutional Capacity and Coordination Mechanisms in place to govern and coordinate climate action and finance
- Outcome 2:** Country Programming Process.
- Outcome 3:** Direct Access to climate finance.
- Outcome 4:** Climate Finance Strategies and project portfolio strengthened.

More concretely, this document is developed in the context of Outcome 3 “**Direct Access to Climate Finance**”, which has an overall objective of strengthening the national capacities of stakeholders regarding the GCF accreditation process, to identify potential Direct Access Entities (DAEs) that could eventually pursue the accreditation process and to provide tailored support to the prioritized entity in preparing their GCF’s accreditation application forms. The activities to identify and support potential DAEs in the Republic of North Macedonia will include four key stages:

- 1) **Preparatory Stage & Public Awareness:** Preparing necessary training materials and knowledge products needed to conduct an open and inclusive raising awareness process - regarding GCF accreditation process, access modalities and standards and, obtaining an initial long-list of entities interested in becoming a GCF accredited entity.
- 2) **Rapid Assessment Stage:** Through the Rapid Assessment Methodology and Application Forms the objective of this second stage is to assess the entities that have shown interest in being considered as potential DAEs and to shortlist those entities that present greater potential to become accredited for the GCF, based on their performance and capacities for project/programme implementation. Based on the technical assessment of interested entities, the NDA in cooperation with the Strategic Advisory Committee (SAC) will prioritize one institution to conduct an in-depth gap analysis and to further receive tailored support for the completion of the accreditation applications through the Online Accreditation System (OAS) account¹.
- 3) **Gap Analysis & Roadmap:** Undertake an institutional Gap Analysis of the prioritized entity with regard to the compliance with the GCF specific accreditation criteria; and develop a Road Map (action plan) to bridge gaps and potential solutions.

¹ The potential DAEs identified and shortlisted will be considered for participation in the process to develop concept notes (CNs) in Outcome 4. However, because the GCF accreditation process is expected to extend longer, their role will initially be as Executing Entity according to the sector of expertise.

- 4) **Accreditation Application:** Supporting the prioritized potential DAE in obtaining the Nomination Letter from the NDA and providing specific support to this entity in identifying, gathering and systematizing the supporting documents and in completing the GCF Accreditation Application Form. This stage will follow after the Gap Analysis is completed.

II. Purpose of this document

The purpose of this document is to provide key actors or stakeholders the main guidelines and criteria on how the entities that wish to engage into the GCF accreditation process in the Republic of North Macedonia will be assessed and prioritized. The document highlights the main steps that the reviewers shall follow while using the quantitative scoring tool to assess the Application Forms submitted by potential DAEs.

The present document was developed under the context of the country's second GCF readiness project, in order to illustrate the process for prioritizing potential DAEs, in a transparent and inclusive manner. To avoid potential conflict of interest, the prioritization and scoring procedure will be shared with candidate entities once the assessment process has concluded.

III. Phases of the Rapid Assessment of potential Direct Access Entities

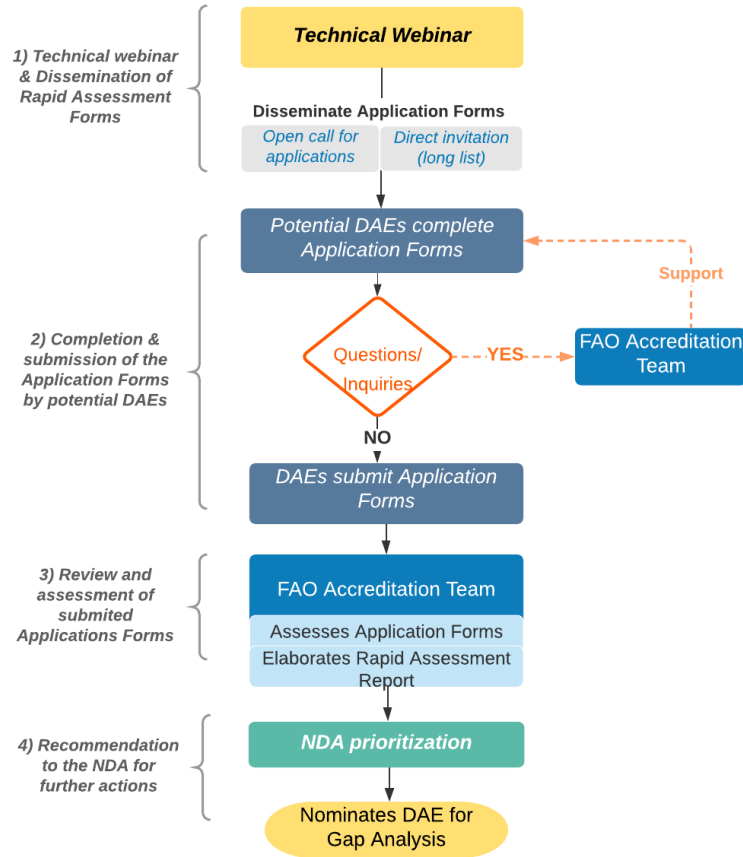
The rapid assessment aims at evaluating the strategic positioning and capacities of each applicant entity to meet the requirements of the GCF for accreditation as Direct Access Entity. The key areas being examined through the Rapid Assessment include i) operational alignment of the entity with the Fund's objectives ii) climate change rationale and experience, iii) basic fiduciary capacities of the entity, iv) specialized fiduciary capacities, v) existence and application of environmental and social safeguards, and vi) gender mainstreaming in the entity's operations.

The Rapid Assessment process has been designed to prioritize potential DAEs through four distinctive phases:

- 1) Technical webinar & dissemination of Rapid Assessment Forms;
- 2) Completion and submission of the Application Forms by potential DAEs
- 3) Review and assessment of submitted Application Forms by a team of reviewers and
- 4) Recommendations to the Nationally Designated Authority on further actions for the selection of potential DAEs

A complete diagram of the Rapid Assessment process for technical prioritization of candidate DAEs is presented in **FIGURE 1**.

FIGURE 1 DIAGRAM OF THE PROCESS FOR PRIORITIZING CANDIDATE DAES



Phase 1: Technical webinar & dissemination of Rapid Assessment Forms

In the context of the Rapid Assessment, a workshop (Technical Webinar) will be organized by the NDA in collaboration with FAO as Delivery Partner for the Readiness grant. The technical webinar will focus on providing additional information related to the GCF accreditation criteria and to familiarize the stakeholders with the methodology by which national and subnational institutions wishing to engage in the GCF accreditation process and to potentially become DAES, will be prioritized by North Macedonia’s NDA, with the technical and methodological support of FAO. To this end, a long-list of institutions interested in exploring the accreditation process in the Republic of North Macedonia has been put together; all the stakeholders included in that list will be invited to participate at the technical webinar and to share the information and invitation with their peers. Additionally, to ensure a transparent process, an Open Call for Expressions of Interest will be advertised in the NDA’s website www.greendevlopment.mk, so that all other relevant entities can register/ participate at the Rapid Assessment Workshop (Technical Webinar). The Technical Webinar Sessions will be recorded and will be available through the NDA’s website.

Particularly, the Technical Webinar will have the main objective to **provide information regarding the concrete steps that national, subnational and regional entities shall follow to participate in North Macedonia's prioritization process.** Additionally, it will give participants the opportunity to **understand and get familiarized with the methodology and "Application Forms"** that would be used as part of the Rapid Assessment Process.

In accordance with the GCF policy, the gender structure or female's representation at the workshop will be considered and closely monitored.

The FAO country office in the Republic of North Macedonia and the NDA of North Macedonia will be responsible of disseminating the Application Forms (FAO/MCD-ACC-02 and FAO/MCD-ACC-03), relevant background and supporting information to enable applicants fully understand the process ([Guidebook for potential Direct Access Entities to Engage in the GCF Accreditation Process](#) (FAO/MCD-ACC-01) and the [Procedure to assess/prioritize potential direct access entities for the GCF accreditation process](#) (FAO/MCD-ACC-04)).

Disclosure of the information to stakeholders will be conducted through formal written communication channels and particularly the Application Forms will be available on-request through the NDA website (www.greendevlopment.mk), as part of an open Call for Application. Furthermore, the FAO national accreditation team will be responsible of confirming that institutions have received the documents and arranging bilateral meetings and/or consultations with stakeholders to discuss any questions related to the completion of the Application Forms. The FAO accreditation team will also ensure the whole process is duly documented along the different stages, from dissemination of information (documenting meetings with formal records, e.g. minutes of meetings), and developing a technical report of main findings, including recommendations to the NDA on the selection of 1 (one) institution with the most relevant capacities to initiate the accreditation process.

For a **transparent and meaningful stakeholder engagement** process, the NDA and FAO will ensure that:

- Information is presented in a manner and format that is understandable and easily accessible (tailored to the target audience).
- The communication channels are consistent with the audience that the NDA is aiming to reach, for example, academia, civil society organizations (CSOs), private sector organizations (PSOs), Public institutions, literacy levels and access to communication technologies among stakeholders will vary; in this sense, different communication channels will be used as needed.
- To the extent possible, information will be available in local languages; during the workshop, simultaneous translation will be provided. However, applicant institutions/ organizations must complete and submit the documents in English as a requirement of the GCF. The accreditation consultants will be available for assistance and consultation during the whole process.
- Meetings and events will take place online, unless otherwise required and agreed by all interested parts.

Phase 2: Completion and submission of the Application Forms by potential DAEs

Two main documents were developed to conduct the assessment process based on which eligible potential Direct Access Entities will be shortlisted and further prioritized according to their capacities to potentially initiate the Green Climate Fund accreditation process. These two documents comprise the Application Forms:

a) **Eligibility Assessment Questionnaire (FAO/MCD-ACC-02):**

The questionnaire consists of a blend of open and multiple-choice questions, which aim at getting to know the applicant entity, how the entity works, the main sectors or activities it implements, as well as information regarding its operations, standards, procedures, systems, among other useful information. The questionnaire is divided in eight sections, out of which seven (7) will be scored by the reviewers.

b) **Climate Change Project Portfolio (FAO/MCD-ACC-03):**

To understand the experience of entities designing and implementing climate change (mitigation and/or adaptation) project/programmes, potential DAE will have to complete a Project Portfolio **for the period comprising the past 3 years**, providing detailed information on the type of project(s) implemented, financial instruments deployed, result areas, environmental and social risk category of the project, among other information.

All entities will have **30 calendar days to complete the questionnaire and the project portfolio**, starting from the day the Open Call for Applications of Potential GCF DAEs is announced i.e invitations for Applications of Potential GCF DAE is sent by FAO and the NDA.

FAO Accreditation Team will be available for consultations and assistance to the applicants during the whole process.

The Call for Applications is officially launched on 19 November 2020 and will be open until 21 December 2020. The interested entities are invited to visit the open call accessible on the website www.greendevlopment.mk and under the Section "Information Lab - Announcements".

Applicants that wish to submit their application should register under the link "APPLY". After completed registration, interested applicants will receive the forms for application and guidance for completing and submitting their applications.

The deadline for submission of completed application forms according to the instructions is **21 December 2020**, Close of business (COB).

When completing the application forms, entities can contact the FAO national team, in case of any doubts or comments regarding how to answer the questionnaire, using the following contact details.

NAME	POSITION	CONTACT INFORMATION
Blagica Petrova	National Accreditation Consultant FAO country office in North Macedonia	Email: blagica.petrova@fao.org Mobile: + 389 (0)76 319 506
Igor Slavkoski	National Team Leader and Project Manager FAO country office in North Macedonia	Email: Igor.Slavkoski@fao.org mobile: + 389 (0)70 212 557

Upon completion of the Applications Forms, entities shall submit both documents to the following email address: info@greendevlopment.mk

Phase 3: Review and assessment of submitted Application Forms by a team of reviewers

Step I: Initial Screening and verification

FAO national accreditation team will conduct an initial screening and verification of the received questionnaire and project portfolio, ensuring that information provided by potential DAEs is complete, and that documentation was answered according to the provided instructions, for example:

- (a) The candidate entities answered all the sections of the questionnaire and the submission of the questionnaire was made on time, according to the deadline established by the NDA.
- (b) The questions have been answered according to the instruction provided (multiple or one choice of answers, statements of multiple selection options, etc.).

Only those application forms that have been properly completed by the applicant entities and received on time according to the established deadline, will be evaluated and assessed by the reviewers.

Step II: Systematic revision and assessment

Systematic revision and assessment of the Application Forms (FAO/MCD-ACC-02 and FAO/MCD-ACC-03) will be conducted.

The Application Forms will be scored per applicant entity, based on the evaluation criteria.

FAO Accreditation Team will be the overall responsible for conducting a thorough and systematic revision and assessment of the submitted Application Forms. Representatives of the NDA will be periodically briefed on the status of the process. Upon finalization of the initial screening and verification, and revision and assessment of the Application Forms by the FAO national accreditation team, all received documents by the Applicants will be shared with the NDA.

The maximum score that any potential DAE, which completed both documents, can obtain is **175 points**: 145 points for the Questionnaire and 30 for the Project Portfolio.

Scoring of the Eligibility Assessment Questionnaire (FAO/MCD-ACC-02):

The questionnaire has been divided in eight (8) sections, out of which seven (7) will be scored (Table 1). Section 1 “General Information” will not be arithmetically scored, as the objective of this section is to gather/compile basic background information of the entity. Potential DAEs are required to complete all the eight sections of the questionnaire.

All the seven sections of the questionnaire are equally relevant or important for the assessment, and were designed to understand how the entity operates (which standards or principles it follows), its potential alignment with GCF objectives and the result areas, its experiences and capacities for managing/administrating resources and for developing and implementing climate change programs, which take into consideration environmental and social safeguards and gender mainstreaming.

The Rapid Assessment Questionnaire and its Scoring Tool have been divided or classified into sections to facilitate the analysis of the information. Each section consists of different number of questions (open and multiple choice questions) and therefore the total maximum score of each section will vary, nonetheless this does not mean that one section is more relevant than the other. It is important to clarify and highlight that the Scoring Tool has been designed to reflect the overall performance of the entity, in an equitable/balanced way. In this sense, for example the fact that section “5. Experience” has the highest maximum score is based on the number of assessment criteria that are being evaluated in that specific section. For example, it is possible that an entity that has experience deploying different financial

instruments (e.g on lending and blending resources, or awarding a grant to a third party) will have a higher score on this section as the scoring tool takes into consideration the experience of this entity implementing specialized fiduciary standards.

For each question the number of maximum points is presented.

Additionally, minimum required points to be shortlisted are assigned to each question i.e. to each of the possible answers. The minimum required points i.e. answers are assigned based on the GCF eligibility criteria for DAE.

TABLE 3. SCORING THE ELIGIBILITY CRITERIA QUESTIONNAIRE

Scoring Sheet Eligibility Assessment Questionnaire (FAO/MCD-ACC-02)		
Section	Max Score	Min score to be shortlisted
Legal Framework	7	4
Strategic alignment	13	5
Financial & Administrative	13	10
Experience	55	14
Environmental and Social Safeguards (ESS)	20	9
Gender	14	8
Commitment	23	8
Total	145	58

Analysing the Climate Change Project Portfolio (FAO/MCD-ACC-03):

Potential DAEs shall demonstrate that they have the experience and track record (at least three years of experience) in developing and implementing climate change initiatives. For this, applicant entities will have to complete a Project Portfolio template, providing at least three examples of mitigation and/or adaptation projects/programmes designed and/or implemented **during the past three years**.

The application form FAO/MCD-ACC-03, comprises information related to the type of project, its cost, financial instruments deployed as well as environmental and social risk category of the project and International Finance Corporation (IFC)-Performance Standards (IFC-PS) triggered for each of the project/programmes. **In this section, entities can score a maximum of 30 points (Table 2).**

TABLE 4 EVALUATION CRITERIA FOR A PROJECT PORTFOLIO

EVALUATION CRITERIA FOR PROJECT PORTFOLIO	Points
Projects/programmes implemented	
Less than three (< 3) projects/programmes related to climate change implemented during the last 3 years	0
Three (3) projects/programmes related to climate change implemented during the last 3 years	5
Four to five projects/programmes related to climate change implemented during the last 3 years	10
Six or more (≥6) projects/programmes related to climate change implemented during the last 3 years	20
IFC Performance Standards	
No experience implementing IFC or similar/equivalent Performance Standards in climate change project/programme during the last 3 years	0
Experience implementing IFC or similar/equivalent Performance Standards in 1 or 2 climate change projects/programmes during the last 3 years	2
Experience implementing IFC or similar/equivalent Performance Standards in 3 or more climate change projects/programmes during the last 3 years	5
Financial Instruments	
Experience deploying one (1) financial instrument in three (3) or more climate change projects/programmes during the last 3 years	2
Experience deploying two (2) or more financial instruments in three (3) or more climate change projects/programmes during the last 3 years	5
Maximum Score	30

FAO Accreditation Team will assess the completed Application Forms (FAO/MCD-ACC-02 and FAO/MCD-ACC-03) individually and will sum-up both sub-scores per applicant entity afterwards.

Step III: Prioritization

The applicant entities will be prioritized based on the received total score and a shortlist will be created. Two main criteria will need to be satisfied in order for the applicant to be shortlisted:

1. A candidate DAE will need to score at least 58 points on the Eligibility Assessment Questionnaire (FAO/MCD-ACC-02), i.e. all minimum required points per question to be shortlisted as recommended entity.
2. A candidate DAE will need to score at least 5 points on the Climate Change Project Portfolio (FAO/MCD-ACC-03), i.e. entities shall demonstrate that they have the experience and track record in developing and implementing climate change initiatives, with at least three years of experience and more than three Climate Change Projects or Programmes implemented.

Phase 4: Recommendations to the Nationally Designated Authority on further actions for the selection of potential DAEs

Once all the questionnaires and project portfolio documents have been reviewed and assessed, FAO consultants will prepare a report summarizing the process of prioritizing potential DAEs, workshops, deliverables, meetings, as well as the results and key findings of the assessments. The shortlist of potential entities that would be included in the report will be based on: Rapid Assessment score which takes into consideration the interest, commitment and experience of the entity, as well as their potential climate change portfolio. Additionally, the strategic views of the NDA and the GCF coordination mechanism with regards to the sectoral expertise of the institutions and the required scale of operations to support implementation of North Macedonia's Country Work Programme for the GCF will also be considered.

Additionally, as part of the Country Programme for the GCF, the FAO Accreditation Team will provide support to the NDA to develop a Direct Access Strategy Section, including short list of potential DAEs².

At least one candidate Direct Access Entity will be recommended to the NDA of North Macedonia, so that they can consider prioritizing this entity to participate in the following stage (Gap Analysis & Road Map), and eventually issuing a Nomination Letter to this entity to initiate the accreditation process with the GCF.

Exceptions: There is possibility that even when a potential DAE has a high score on the questionnaires, it will not be possible to prioritize this entity, because it has less than three years of experience and track record, or not sufficient information was provided regarding the entity's climate changes project portfolio. Such cases will be assessed separately and the best suitable option for the entity will be advised by the expert team of the project and discussed with the NDA.

The results from the assessment i.e. the shortlist will be further discussed between the FAO Team and representatives of the NDA and decision will be made finally by the NDA on which potential DAE is best suited to move forward to the following stage "Gap Analysis & Road Map" and to eventually obtain a Nomination Letter to initiate the GCF accreditation process.

To reduce biases and individual perceptions, NDA could also consider consulting the Strategic Advisory Committee (SAC) to review the results of the assessment presented by FAO and take a final decision on which entity should be prioritized for a GCF accreditation purposes.

It is important to highlight that the **NDA will have the final decision** on which entity/ entities will continue in the process, and which entity/entities will obtain a Nomination Letter for the GCF accreditation process. Also, and if deems necessary, the NDA could potentially request additional readiness grant support from the GCF for the entity identified after the gap assessment is conducted, to bridge identified gaps and comply with specific pending requirements.

² The potential DAEs identified and shortlisted will be considered for participation in the process to develop CNs in Outcome 4. However, because the accreditation process is expected to extend longer, their role will initially be as Executing Entity according to the sector of expertise.

IV. Responsibilities

The process of prioritizing potential DAEs is a process conducted by the **NDA with technical and methodological support of FAO**. Other key actors on this process are the **potential Direct Access Entities**, that are interested and committed in participating in the GCF accreditation process, as well as the **FAO team** in charge of coordinating the project and developing the methodology that will be used to prioritize DAEs. Hence, responsibilities for identification of potential DAEs will be as follows:

1. **FAO country office in North Macedonia in coordination with the NDA** are responsible for disseminating with potential national DAEs, the information related to the methodology to prioritize potential DAE, including the Application Forms and other support materials developed for the project (e.g. guidebook, briefs and other related documents), and duly notifying the deadlines defined for the submission of the applications forms.
2. **Potential DAEs** are responsible for completing and submitting the completed Application Forms within the established deadline.
3. **FAO national accreditation team** will conduct an initial screening and verification of the received questionnaires and project portfolios, ensuring that information provided by potential DAEs is complete, and that all questions have been answered appropriately.
4. **FAO accreditation team** (the reviewers) will conduct a thorough and systematic review and analysis of the completed Application Forms and will prepare a report describing the screening process and summarizing the results and findings of the assessments. **FAO National accreditation team** will be in charge of formally documenting all the process of shortlisting of potential DAE, e.g. preparing meeting minutes, and compiling other relevant evidence.
5. **FAO Readiness Coordination team** will share results obtained from the assessment with NDA for further discussion and with potential DAEs entities that submitted the completed documentation to notify the results of the assessment.
6. **The NDA** will be in charge of taking the final decision on which entity will further move to the next stage to participate in the Gap Assessment, as well as on deciding which entity or entities will obtain a Nomination Letter, and whether or not the nominated entity will require further support from the GCF Readiness and Preparatory Support Programme.

V. References

Guidebook for potential Direct Access Entities to engage in the GCF Accreditation Process

(FAO/MCD-ACC-01). Available at:

www.greendevlopment.mk/en/Dokumenti/DocFAO/Guidebook_Engaging%20into%20GCF%20Accreditation.pdf

Eligibility Assessment Questionnaire (FAO/MCD-ACC-02) and **Climate Change Project Portfolio** (FAO/MCD-ACC-03) are available upon registration on the following link:

www.greendevlopment.mk/en/apply.aspx