

National Designated Authority Guide for the **Green Climate Fund** (GCF) in Brazil



National
Designated
Authority

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The preparation of this document was supported by FUNBIO, through the GCF Readiness Project BRA-RS-005, aimed at strengthening Brazil's National Designated Authority (NDA).

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Acronyms and Abbreviations

AE - Accredited Entity

BIP - Brazil Platform for Climate Investments and Ecological Transformation (*Plataforma Brasil de Investimentos Climáticos e para a Transformação Ecológica*)

CN - Concept Note

COFIEX - Commission on External Financing (*Comissão de Financiamentos Externos*)

DAE - Direct Access Entity

DP - Delivery Partner

DPS - Digital Proposal Submission platform

EE - Executing Entity

ESIA - Environmental and Social Impact Assessment

ESMF - Environmental and Social Management Frameworks

ESMP - Environmental and Social Management Plan

ESMS - Environmental and Social Management System

ESS - Environmental and Social Safeguards

FMCA - Financial Management Capacity Assessment

“GCF” or “Fund” - Green Climate Fund

GHG - Greenhouse Gases

IPP - Indigenous Peoples Plan

IPPF - Indigenous Peoples Planning Framework

IRM - Independent Redress Mechanism

IRMF - Integrated Results Management Framework

iTAP - Independent Technical Advisory Panel

LDCs - Least Developed Countries

LTAs - Long-Term Agreements

LTS - Long-Term Strategy

LT-LEDS - Long-Term Low Emission Development Strategies

NAP - National Adaptation Plan

NDA - National Designated Authority

NDC - Nationally Determined Contribution

NOL - No-Objection Letter

PPF - Project Preparation Facility

PSAA - Project-specific Assessment Approach

PTE - Ecological Transformation Plan (*Plano de Transformação Ecológica*)

RMF - Results Management Framework

RRMF - Readiness Results Management Framework

SAIN - Secretariat for International Affairs of the Ministry of Finance

SAP - Simplified Approval Process

SIDS - Small Island Developing States

ToR - Terms of Reference

UNFCCC - United Nations Framework Convention on Climate Change

Glossary

Accreditation: The process through which entities are assessed and approved to access GCF financing. Accreditation defines the scope of an entity's authorization, including maximum financial thresholds and environmental and social risk categories.

Accreditation Master Agreement (AMA): A legal contract that marks the final stage of accreditation between the GCF and an Accredited Entity. It defines the general terms of the relationship, roles, and responsibilities during the accreditation period. The agreement may be adjusted to reflect the specific characteristics of the entity, based on the Fund's standard template.

Accreditation Panel: An independent technical panel established by the GCF Board to advise on matters related to the accreditation of entities and intermediaries. The panel is composed of six experts appointed by the Accreditation Committee and is responsible for assessing Phase II (Step 1) of accreditation applications, reviewing how entities meet accreditation standards.

Accreditation Standards: The systems, policies, procedures, track record, and demonstrated capacity of applicant entities seeking GCF accreditation, based on fiduciary standards, environmental and social safeguards, and gender policy requirements.

Accredited Entity (AE): An institution or organization accredited by the GCF to submit funding proposals and manage the implementation of approved projects and programmes. Only Accredited Entities may submit proposals to the GCF.

Climate Change: A change in climate attributed directly or indirectly to human activities that alter the composition of the global atmosphere, in addition to natural climate variability observed over comparable periods.

Climate Investment Committee (CIC): A committee of the GCF Secretariat responsible for overseeing the project portfolio. The CIC plans financial development, manages the pipeline of

funding proposals, and aligns initiatives with GCF objectives.

Co-financing: Additional public or private financial resources, beyond those provided by the GCF, used to implement a funded activity.

Commitment Letter: A document setting out the main terms and conditions of a funded activity, to be submitted to the GCF Board.

Concept Note (CN): A document submitted by Accredited Entities or National Designated Authorities containing information on a proposed project or programme for preliminary assessment of alignment with GCF investment criteria and policies.

Cumulative Impacts: Impacts that result from the incremental effects of a project on areas covered by or directly affected by the project, which generate additional impacts that are planned or reasonably foreseeable at the time risks and impacts are identified.

Direct Access Entity (DAE): An Accredited Entity under the direct access modality, such as ministries, development banks, NGOs, or other national, regional, or subnational organizations nominated by the National Designated Authority.

Due Diligence: An assessment conducted by the GCF Secretariat on funding proposals to identify financial, environmental, and social risks and to ensure compliance with GCF policies. This includes reviewing environmental and social safeguards, audits, and regulatory compliance prior to entering into agreements.

Environmental and Social Effects: Any potential or actual change that alters the physical, natural, or cultural environment, as well as effects on surrounding communities and workers, resulting from supported activities.

Environmental and Social Impact Assessment (ESIA): An integrated assessment process, proportional to the scale and nature of potential bio-physical and social risks and impacts of projects,

programmes, and/or policies. It includes evaluating alternatives and designing appropriate mitigation, management, and monitoring measures.

Environmental and Social Management System (ESMS): A set of organizational processes and procedures used to identify, assess, manage, and mitigate adverse environmental and social impacts of activities. It forms the basis for due diligence of activities proposed for financing.

Environmental and Social Safeguards (ESS): A set of standards and requirements that define the GCF's commitments to sustainable development by integrating environmental and social considerations into all funded activities. Safeguards are proportional to risks and impacts and appropriate to the scale of the activity. Each Accredited Entity must have its own ESS consistent with its accreditation scope and GCF standards.

Executing Entity (EE): Any entity that uses GCF resources to implement funded activities, which may be a developing country or an organization with legal personality.

Financial Instruments: Include grants, loans, guarantees, equity, and results-based payments used to mobilize GCF resources.

First-level Due Diligence: The initial due diligence conducted by the Accredited Entity on a funding proposal prior to submission to the GCF, based on its own policies and GCF requirements.

Gender Policy: A policy aimed at promoting gender equality and integrating gender considerations across all GCF-funded activities.

Indigenous Peoples Plan (IPP): A plan developed to ensure that Indigenous Peoples are meaningfully consulted and that adverse impacts are avoided, minimized, or mitigated, while benefits are culturally appropriate.

Indigenous Peoples Planning Framework (IPPF): A framework outlining procedures for preparing Indigenous Peoples Plans when project impacts on Indigenous Peoples cannot be determined at the time of project design.

Funding Proposal: The complete document prepared by Accredited Entities using GCF standard templates and submitted for formal approval of funding for a project or programme.

Master Country Programme (Country Programme): A document prepared by the National Designated Authority, with participation from other national stakeholders, consolidating the country's strategy for engagement with the GCF. It defines national climate finance priorities, strategic investment sectors, and technical criteria guiding the development of the project pipeline.

National Designated Authority (NDA) / Focal Point: The official interface between a country and the GCF. The NDA provides strategic oversight of GCF activities at the country level and ensures alignment with national priorities set out in the Country Programme.

No-Objection Letter (NOL): An official document issued by the National Designated Authority or Focal Point indicating that the country has no objection to the submitted funding proposal.

Project Preparation Facility (PPF): Support provided to Accredited Entities for project preparation and development of funding proposals, particularly for direct access entities and small-scale projects.

Project-specific Assessment Approach (PSAA): An accreditation option under which an entity is assessed only for its capacity to implement a specific project or programme, rather than for a broader accreditation scope.

Restructuring and Cancellation Policy (RCP): A policy that establishes procedures for requesting changes to funded activities and the mechanisms for GCF decision-making regarding such changes.

Second-level Due Diligence: An assessment conducted by the GCF Secretariat on funding proposals to identify financial, environmental, social, and legal risks and ensure compliance with GCF policies. The Secretariat may request clarifications or additional documentation and builds

upon the first-level due diligence carried out by the Accredited Entity.

Sexual Abuse: Any actual or attempted physical act of a sexual nature carried out by force or under conditions of inequality or coercion.

Sexual Harassment: Unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature that interferes with work, is made a condition of employment, or creates a hostile, intimidating, or offensive environment in relation to a GCF-funded activity.

Trustee: A fiduciary appointed by the GCF Board responsible for managing and disbursing the Fund's financial resources in accordance with the GCF Governing Instrument. The International Bank for Reconstruction and Development (IBRD) serves as the permanent Trustee of the GCF.





Objective and target audience of this manual

This manual aims to enhance the transparency, predictability, and efficiency of the processes for the design, appraisal, approval, and implementation of projects financed by the Green Climate Fund (GCF) in Brazil. It consolidates practical guidance on entity accreditation, project submission and approval procedures, appraisal criteria, and requirements for effective project management and implementation, with particular emphasis on environmental and social safeguards, including gender and Indigenous Peoples considerations. The manual also provides links to official GCF documentation, facilitating access to complementary and up-to-date information.

The target audience comprises institutions interested in developing climate change adaptation and mitigation projects with GCF support, operating at different stages of the project cycle in coordination with Brazil's National Designated Authority (NDA) and the GCF Secretariat. This includes national, regional, and international Accredited Entities seeking to operate in Brazil.

1. Executive Summary

The Green Climate Fund (GCF) is a global climate finance mechanism established in 2010 at the 16th Conference of the Parties in Cancún (COP16). It operates as the financial mechanism of both the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement, with a mandate to support developing countries in reducing greenhouse gas (GHG) emissions and adapting to the impacts of climate change. Its central objective is to **mobilize and channel climate finance at national, regional, and international levels to support public and private sector projects in developing countries.**

The GCF does not operate under a fixed funding allocation. Instead, financial support is provided based on the appraisal and approval of individual funding proposals. Since 2015, more than 280 projects have been approved globally, including over 15 projects involving Brazil.

Key features of the GCF

1. Country ownership.
2. Balanced support for mitigation and adaptation.
3. Parity-based governance, with equal representation of contributor and recipient countries on the GCF Board.
4. A diverse range of accredited entities and financial instruments.
5. The largest multilateral climate fund globally.

The country ownership approach, under which developing countries lead the programming and implementation of climate finance, is a defining feature of the Green Climate Fund (GCF). Under this approach, countries carry out the initial assessment of funding proposals and ensure that projects are aligned with their Nationally Determined

Contributions (NDCs) and broader national climate strategies. Country ownership is reinforced through the GCF Readiness Programme and guided by the Country Programme, which sets national priorities for engagement with the Fund.

The GCF operates through Accredited Entities, which submit funding proposals under the strategic oversight of National Designated Authorities (NDAs) appointed by national governments.

NDAs are government institutions that act as the operational interface between the GCF and each country. In Brazil, this role is carried out by the **Secretariat for International Affairs (SAIN)** of the Ministry of Finance. The NDA is responsible for ensuring that projects and programmes are aligned with national climate priorities and for safeguarding the principle of country ownership throughout the project cycle.

In addition, the NDA reviews funding proposals and issues the **No-Objection Letter (NOL)**, a mandatory requirement for the consideration and approval of proposals by the GCF Board.

The NDA leads the development of the **Country Programme**, a strategic and voluntary instrument that sets out Brazil's national climate vision and its portfolio of priority projects for the Green Climate Fund (GCF). The Country Programme is grounded in national policies such as the NDCs, National Adaptation Plans (NAPs), and Long-Term Climate Strategies (LTS), and is developed through a participatory process involving the NDA, public and private institutions, and civil society.

The most recent version of the Country Programme was updated in 2025 and outlines Brazil's programming priorities for the second GCF replenishment period (GCF-2). In the same year, the NDA published an updated indicative short-term project pipeline (2025–2027) for the GCF. This

pipeline was developed in a technical and transparent manner, based on pre-defined criteria validated through public and sectoral consultations, and includes projects that were already under consideration by the NDA at the time of the update.

The pipeline is indicative and subject to continuous review, in line with the pace of project submission and approval, under a rolling basis assessment model. New proposals may be submitted to the NDA, which will assess their alignment with the criteria set out in the Country Programme and, where applicable, include them in its database for future pipeline reviews.

The NDA does not execute projects or implement GCF resources. These responsibilities rest with Accredited Entities, which may manage GCF resources directly or oversee their implementation by Executing Entities.

The GCF works in partnership with more than 200 Accredited Entities, fostering collaboration among governments, the private sector, and civil society. The full list of Accredited Entities is available on the [GCF website](#), while the National Designated Authority (NDA) website provides a list of [Accredited Entities with offices in Brazil](#).

Accredited Entities are classified as national, regional, or international based on the geographic scope of their portfolio of programmes and projects. The following classifications guide the type and scope of accreditation granted to each Accredited Entity:

Access modality

Regional or International Accredited Entities: These may include United Nations agencies, multilateral development banks, international financial institutions, and regional institutions. The GCF considers these organizations to have broad geographic rea-

ch and extensive experience in addressing climate change-related issues. As such, they do not require nomination by National Designated Authorities (NDAs).

Direct Access Entities (DAEs): These are subnational, national, or regional institutions that have received prior nomination by an NDA. DAEs may include ministries or government agencies, development banks, climate funds, commercial banks or other financial institutions, private foundations, and non-governmental organizations.

Financing size

- **Micro:** up to USD 10 million
- **Small:** USD 10-50 million
- **Medium:** USD 50-250 million
- **Large:** above USD 250 million

Environmental and social risk category

- **Category A:** Significant adverse environmental and/or social impacts
- **Category B:** Limited adverse environmental and/or social impacts
- **Category C:** Minimal and/or no adverse environmental and/or social impacts

The GCF offers a flexible combination of financial instruments aimed at leveraging climate finance, mobilizing private capital, and structuring innovative solutions for mitigation and adaptation. GCF resources are deployed through five types of financial instruments (grants, loans, guarantees, equity, and results-based payments) which **may be combined** both within GCF financing and alongside co-financing arrangements. It should be noted that the **GCF does not operate in local currency and does not disburse funds in Brazilian reais (R\$)**.

Within the GCF framework, **private sector proposals are encouraged to priori-**

size financing structures composed predominantly of repayable instruments, with a limited share of non-repayable resources.

The GCF supports programmes and projects in both the public and private sec-

tors across eight priority result areas for mitigation and adaptation. Proposals with cross-cutting impacts that generate benefits for both mitigation and adaptation are particularly encouraged.

Submission of projects or programmes

The process for submitting and assessing proposals to the GCF comprises stages established by the NDA as well as stages managed directly by the Fund. Brazil's NDA has procedures in place for the submission of proposals to the GCF and strongly recommends that Accredited Entities and proposing institutions follow these steps in order to streamline approvals and ensure adherence to the principle of country ownership.

Access to the Fund generally follows a standard submission process, which **involves initial engagement with the NDA** and the preparation of two key documents: the **Concept Note** and the **Funding Proposal**.

The GCF finances both projects and programmes, which follow the same submission and approval process. The main difference between a project and a programme lies in their scope and level of complexity. Programmes are typically more complex to implement and may involve multiple entities, with national, regional, or global (multi-country) reach.

- **Initial contact stage:** When the proponent does not yet have formal documents for submission but has an initial project or programme idea, they must contact the NDA to assess alignment with Brazil's national strategies and priorities, as well as with the technical criteria for structuring the project pipeline defined in the Country Programme.
- **Concept Note stage:** The Concept Note is an introductory document that outlines the objectives of the proposed pro-

ject or programme, its alignment with national policies and GCF investment criteria, and provides an initial estimate of expected impacts and financing costs.

- **Funding Proposal stage:** The Funding Proposal is the document that fully details the project or programme, including expected results and impacts, implementation arrangements, co-financing structure, and other required elements. Once the Concept Note has been approved, the proponent proceeds with the preparation of the Funding Proposal.

Regardless of their nature (project or programme) or the profile of the proponent (public sector, private sector, or civil society), all proposals must follow the steps outlined below:

1. Definition of the access modality to the GCF:

- A.** Partnership with an Accredited Entity
- B.** Institutional accreditation
- C.** Project-specific Assessment Approach (PSAA)

- ### 2. Contact with the NDA:
- Visit the [NDA contact page](#) or send an email to and.gcf@fazenda.gov.br, presenting the project or programme concept to the NDA for an initial assessment of its relevance and alignment with the Country Programme. The NDA will indicate the next steps for proposal development.

3. NDA approval: Following NDA approval, the proponent may proceed with the specific steps applicable to the selected access modality.

There are three ways to access GCF resources:

Partnership with an Accredited Entity: The proponent develops the proposal in partnership with an Accredited Entity, which is responsible for intermediating the submission, approval, and monitoring process with the GCF.

Institutional accreditation: The proponent may seek accreditation directly with the GCF, enabling the institution to submit and manage projects independently. This process requires the institution to demonstrate experience in climate-related projects and to meet the GCF's technical, fiduciary, and environmental and social safeguards requirements. Institutional accreditation is intended for institutions that wish to assume the role and responsibilities of an Accredited Entity and plan to submit more than one proposal.

Project-specific Assessment Approach (PSAA): In specific cases, the proposing institution may opt to submit a single project or programme to the GCF. Under the PSAA, the institution undergoes a capacity assessment limited to the implementation of that specific project or programme and is not required to establish a partnership with an Accredited Entity or to complete the full institutional accreditation process.

The process begins with the submission of an initial idea, whether for a project or a programme. Proposal development may be initiated either by an Accredited Entity or by a proposing institution. When the proponent does not yet have formal submission documents but has an initial project or programme concept, it is necessary to contact the National Designated Authority (NDA) to assess alignment with Brazil's national strategies and priorities.

Submission of funding proposals for multi-country programmes

The submission process for multi-country programmes differs from that of national projects or programmes. National Designated Authorities (NDA) may receive Concept Notes or Funding Proposals for multi-country programmes that have already been developed by regional or international Accredited Entities. However, prior engagement with the NDA is important to ensure the development of a cohesive proposal that is consistent with Brazil's specific circumstances and priorities.

Funding proposals for multi-country programmes must be submitted to the NDAs of all participating countries for review and for the issuance of the respective

Non-Objection Letters (NOLs). In the case of Brazil, it is **mandatory** that, at the time of **submission of the Funding Proposal**, the Accredited Entity also submit a **document evidencing Engagement with the NDA of Brazil**. This document aims to present the specific activities planned for Brazil, the program's areas of impact in the country, and to ensure that the proposed activities are appropriate and effective in mitigating the effects of climate change and in strengthening national resilience.

The **2025 Country Programmes** establishes additional rules for Multi-Country Programmes:

- In the short and medium-term, regional programmes targeting the private sector are not eligible for Brazil.
- Regional or multi-country public-sector proposals that include Brazil may be considered eligible, provided that:
 - there is clear demonstration of national ownership, including engagement with local stakeholders;
 - the project is recognized as a priority by at least one sectoral ministry;
 - the amount of resources allocated to activities in Brazil is explicitly specified; and
 - an explanatory note is submitted detailing the interventions planned within Brazilian territory and the rationale for Brazil's participation in the program.

Proposal Assessment

The National Designated Authority (NDA) reviews Concept Notes and Funding Proposals submitted to the GCF using standardized assessment forms based on established evaluation criteria. These criteria assess the proposal's relevance to the national context, alignment with climate policies, potential impact, and engagement with stakeholders.

Assessment of Concept Notes: At this stage, the assessment is conducted exclusively by the NDA. The Concept Note must be submitted to the NDA for review prior to submission to the GCF.

Assessment of Funding Proposals: At this stage, the assessment is carried out by

the NDA in coordination with invited ministries. Based on the results of this assessment, a decision is made on whether to issue the Non-Objection Letter (NOL). The NDA invites sectoral ministries as well as ministries responsible for cross-cutting themes relevant to each proposal. **The NDA prepares a Technical Note that consolidates its own assessment and those of the participating ministries, and may recommend the issuance of the NOL and/or propose improvements to the design of the proposal.** The input from the ministries is essential for identifying potential risks and highlighting aspects that should be monitored during project implementation.

Environmental and Social Safeguards (ESS)

The GCF has sustainability and inclusion policies in place to ensure that climate finance does not adversely affect local communities or ecosystems. The Environmental and Social Policy, the Indigenous Peoples Policy, the Gender Policy, and the Information Disclosure Policy must be observed and applied by Accredited Entities, as well as by executing and implementing entities of GCF-financed programmes and projects.

These policies are aligned with the International Finance Corporation (IFC) Performance Standards, which comprise eight provisional environmental and social safeguards adopted by the GCF. These stan-

dards must be considered during the accreditation and re-accreditation processes of entities, as well as at the level of programme and project activities, as outlined below.

As part of the Funding Proposal assessment, the risk category of the proposed activities is verified to ensure consistency with the risk category assigned to the Accredited Entity at the time of accreditation. The risk level of the activities must be equal to or lower than the entity's accredited risk category. Only activities that fall within the Accredited Entity's approved risk level are eligible for GCF financing.

GCF Gender Policy

The Gender Policy recognizes that gender roles, responsibilities, and relations strongly influence women's and men's access to decision-making processes and shape how the impacts of climate change may

exacerbate existing gender inequalities. As mandatory requirements, a Gender Assessment and a Gender Action Plan must be submitted at the project level as part of the Funding Proposal.

GCF Indigenous Peoples Policy

The GCF integrates considerations related to Indigenous Peoples into its decision-making processes through the Indigenous Peoples Policy. The core requirement of this Policy is to ensure that Indigenous Peoples are fully informed, meaningfully consulted, and provided with appropria-

te and legitimate opportunities to actively participate in the design of the project and in the determination of implementation arrangements, including during project operation and the decommissioning of areas where GCF-financed activities are or will be implemented.

2. The Fund and Its Structures

The Green Climate Fund (GCF) functions as the financial mechanism of the United Nations Framework Convention on Climate Change (UNFCCC). Each year, the Conference of the Parties (COP) provides guidance to the Fund on its policies, programme priorities, and eligibility criteria.

The GCF Board serves as its main decision-making body. It approves strategic guidelines, allocates resources, and authorizes projects. The Board also follows COP directives and submits annual reports for review.

The National Designated Authority (NDA) acts as the official liaison between the GCF and individual countries, ensuring that projects and programmes align with national climate goals and priorities. GCF support is delivered through Accredited Entities, which are approved based on financial management capacity and compliance with environmental and social safeguards, including gender policy.

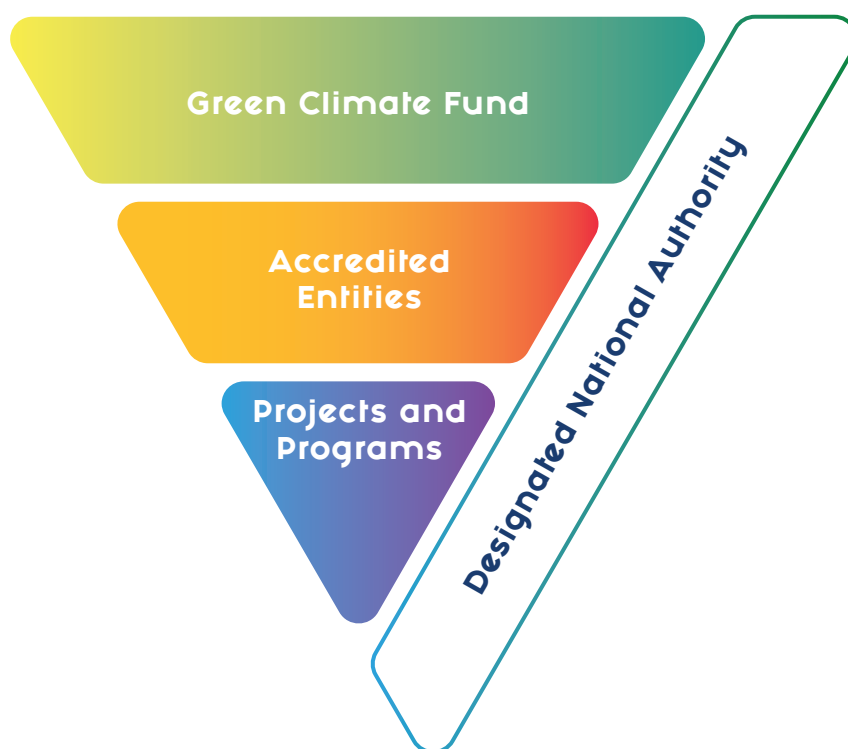


Figure 1: GCF Operating Structure.

This chapter presents the main components of the Fund's internal structure and the partners involved.

2.1. Internal Structure

2.1.1. Board

The Board is responsible for all strategic and operational decisions of the GCF and is composed of 24 members from the 194 governments participating in the UNFCCC - half from developed countries and half from developing countries. It meets approximately three times a year to deliberate on funding proposals and policies. Accredited Entities must plan their submissions according to the Board's meeting schedule. Brazil is represented on the Board by the **Ministry of Foreign Affairs (MRE, the acronym in Portuguese)**, and decisions are taken by consensus among its members.

2.1.2. Secretariat

The Secretariat is the executive arm of the Fund, responsible for day-to-day operational management. It has more than 300 staff members and is led by an Executive Director appointed by the Board. The Secretariat's structure is organized into departments and evolves according to Board decisions and the Fund's needs.

2.1.3. Trustee

The World Bank serves as the Trustee of the GCF, responsible for the financial administration of its resources. Its functions include receiving and managing contributions, transferring funds to approved projects, and reporting to the Fund. Since 2023, the World Bank has carried out this role on a permanent basis, with periodic performance reviews.

2.1.4. Independent Technical Advisory Panel (iTAP)

The Independent Technical Advisory Panel (iTAP), established by [decision B.07/03](#), was created to assess funding proposals submitted to the GCF. Its recommendations are mandatory for proposals to be presented to the Board of Directors. The Panel is composed of six experts - three from developing countries and three from developed countries - appointed for three-year terms, with the possibility of renewal. It may receive additional technical support when necessary.

2.1.5. Independent Redress Mechanism (IRM)

The Independent Redress Mechanism (IRM) is an independent body that reports directly to the Board. It acts in cases where individuals or communities claim to have been harmed by GCF-supported projects that fail to comply with the Fund's policies. It may also be triggered by an NDA to request the reconsideration of rejected proposals. In addition, it has an advisory role, with the ability to recommend improvements to the Fund's operational policies.

2.2. Partners

2.2.1. National Designated Authority (NDA)

National Designated Authorities (NDAs) are government institutions that serve as the operational interface between the GCF and each country. In Brazil, this role is carried out by the **Secretariat for International Affairs (SAIN)** of the Ministry of Finance. The NDA provides broad strategic oversight of GCF activities in the country, ensuring that projects and programmes align with national policies and strategic objectives, in accordance with the principle of country ownership (Box 1). It is also responsible for reviewing concept notes and full funding proposals to be submitted to the Fund and issuing, respectively, an endorsement to proceed and the **No-Objection Letter (NOL)**, both of which are required for proposals to be assessed by the Secretariat and subsequently by the Board for funding approval. In addition, the NDA works in coordination with Accredited Entities, exercising strategic leadership and oversight to ensure that proposals reflect national priorities.

BOX 1: How the NDA Contributes to Country Ownership

- Recommends funding proposals to the Board based on national strategies
- Serves as the official communication channel with the Fund
- Verifies the consistency of proposals with national climate policies
- Leads the development of the national strategy for allocating Fund resources (Country Programme)

The NDA leads the development of the **Country Programme**, a voluntary strategic instrument that guides the country's engagement with the GCF and presents Brazil's portfolio of priority projects for the Fund. The document is the result of a collective effort involving the public and private sectors as well as civil society. Its purpose is to align national climate-finance priorities with opportunities within the GCF, address challenges faced in the proposal-submission process, and strengthen Brazil's leadership in programming. The most recent version¹, prepared in 2025, outlines Brazil's programming priorities for the 2025–2029 period.

2.2.2. Accredited Entities (AEs)

Accredited Entities (AEs) are institutions authorized by the GCF to access and manage the Fund's resources. They work in partnership with countries and proposing institutions to support the development of funding proposals for approval by the GCF Board. They are the implementing institutions of the GCF: they submit, manage, and monitor the projects financed by the Fund, and they also report to the NDA and stakeholders on the progress and impacts of activities.

¹ Previous versions of the Country Programme were released in [2017](#) and [2022](#).

Accredited Entities undergo an accreditation process to assess their technical, financial, and institutional capacity, as well as their compliance with environmental, social, and gender safeguards. They may be private or public, non-governmental, subnational, national, regional, or international. A single country may access the Fund through multiple entities simultaneously. The full list of [Accredited Entities](#) is available on the GCF website, and the list of Accredited Entities with offices in Brazil is available on the [NDA's website](#).

Accredited Entities are responsible for ensuring that funded projects comply with the GCF's environmental, social, and fiduciary standards. Their responsibilities encompass three aspects presented in Table 1 below:

Environmental and Social Management	<ul style="list-style-type: none"> • Implement the environmental and social management system (ESMS) to identify and mitigate project-related risks; • Promote consultation and participation of diverse stakeholders, especially vulnerable communities; • Ensure transparent disclosure of project-related information.
Legal Compliance	<ul style="list-style-type: none"> • Ensure that projects comply with applicable national and international laws; • Respect relevant environmental and social treaties.
Monitoring and Reporting	<ul style="list-style-type: none"> • Track the implementation of funded activities; • Report regularly on performance to the Fund and to stakeholders.

Table 1: Responsibilities of Accredited Entities.

BOX 2: Difference and Relationship Between the NDA and Accredited Entities

The two work in close collaboration, but the NDA is responsible for coordinating the country's engagement with the GCF, providing strategic oversight of Fund-related activities, and ensuring that investments align with local needs and national climate planning. The Accredited Entity is responsible for developing and submitting the Funding Proposal in partnership with the country, channeling resources, and implementing and executing the projects submitted to the GCF.

2.2.2.1. Classification of Accredited Entities

The classification of Accredited Entities as national, regional, or international depends on the geographic scope of their portfolio of programs and projects. In Brazil, national Direct Access Entities include BNDES, Caixa Econômica Federal, and FUNBIO. International entities include United Nations agencies (such as FAO and UNDP), multilateral development banks (IDB, CAF), among others.

The classifications that determine the type of accreditation granted to an Accredited Entity are:

- Access modality (DAE or International)
- Funding size
- Environmental and social risk category

Together, these classifications define the maximum scope within which an Accredited Entity may submit a Funding Proposal for a project or program.

There are two types of Accredited Entities based on access modalities:

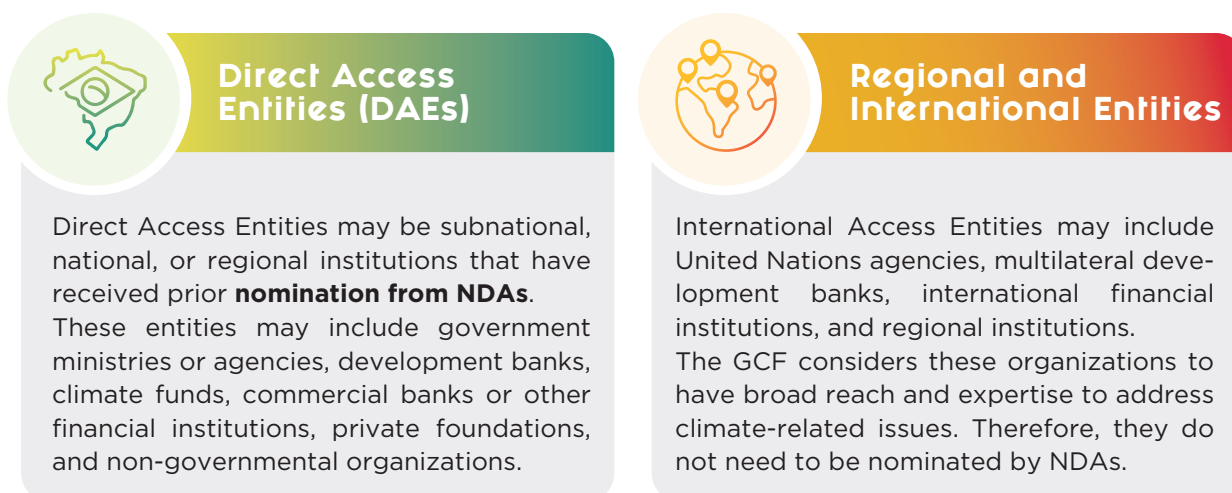


Figure 2: Definition of Direct Access Entities and Regional and International Entities

Based on the size of the costs of a project or activity, an Accredited Entity may be classified by its funding size:

Micro	up to US\$ 10 million
Small	US\$ 10-50 million
Medium	US\$ 50 to 250 million
Large	over US\$ 250 million

Table 2: Funding Size Classification

The Environmental and Social Risk Categories, which relate to the scope of activities in the projects or programs the Entity intends to propose, are as follows:

Category A	Significant adverse environmental and/or social impacts
Category B	Limited adverse environmental and/or social impacts
Category C	Minimal and/or no adverse environmental and/or social impacts

Table 3: Classification by Environmental and Social Risk Categories

The accreditation levels and their corresponding risk categories, which determine how entities are classified during the accreditation process, will be explored in greater detail in Chapter 4 on Environmental and Social Safeguards.

2.2.2.2. Accreditation Process

o operate as an Accredited Entity, an organization must undergo a rigorous accreditation process that assesses its ability to meet GCF requirements, including:

- 1. Financial Management:** ability to manage large-scale resources effectively and transparently.
- 2. Risk Management:** capacity to manage environmental and social risks.
- 3. Gender Inclusion:** commitment to addressing gender considerations as established in the GCF Gender Policy.

Organizations may choose between two types of accreditation:

- **Institutional Accreditation:** a comprehensive assessment of the entity for long-term engagement with the GCF.
- **Project-specific Assessment Approach (PSAA):** accreditation linked to a specific project, designed to expand access to the GCF through new partners and technologies not yet represented in the current network of Accredited Entities. The assessment of the entity’s capacities occurs in parallel with the review of the Funding Proposal, and if the entity demonstrates potential, it may be encouraged to pursue institutional accreditation after completing the PSAA. The PSAA is in a pilot phase until March 2026, with a limit of up to 10 proposals per year, and may become permanent depending on a Board decision. The accreditation process linked to proposal submission under the PSAA is detailed in section 3.1.2.

More information on Accredited Entities and the accreditation process is available on the [GCF website](#) and in the document [Revised Accreditation Framework](#). The new accreditation model entered into force after the 43rd meeting of the GCF Board, in October 2025. Under the new Framework, there are **two annual two-month windows** for submitting applications. Several policies have been updated:

- Updated policy on accreditation fees
- Updated monitoring and accountability framework for Accredited Entities
- Revised approach to legal agreements with Accredited Entities
- Policy coherence analysis for the proposed revised accreditation framework

The step-by-step process for Institutional Accreditation is outlined below:

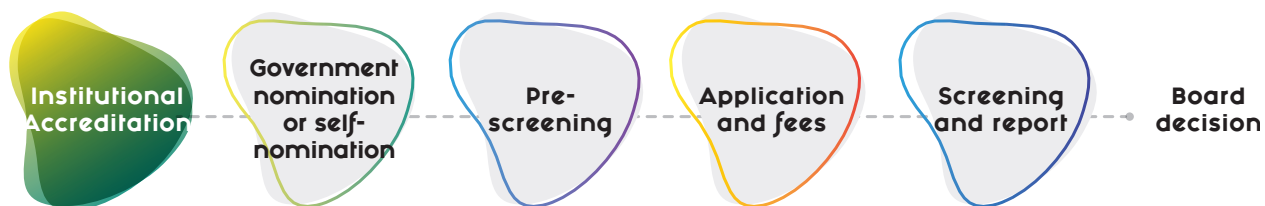


Figure 3: Stages of Institutional Accreditation

Step 1 (Nomination): Direct Access Entities (national) are nominated by the NDA through a nomination letter, which must be submitted to the GCF by the applicant. This nomination letter must be requested from the NDA at least 30 days in advance. International or regional entities may self-nominate.

Step 2 (Pre-screening): Potential applicants undergo a pre-screening process conducted by the Secretariat, based on a basic eligibility and capacity check in line with the functions and responsibilities of Accredited Entities. This step aims to determine whether the entity meets the minimum criteria to perform the functions and responsibilities of an Accredited Entity and whether it is adequately prepared to proceed with the application. It also establishes criteria for an accelerated accreditation program (fast-track²), when applicable. Applicants approved in the pre-screening process will be invited to submit their application.

The Secretariat will organize pre-screening information sessions and communicate with potential applicants and NDAs before and during the pre-screening process.

Step 3 (Application and fees): At this stage, the applicant must submit a complete accreditation application containing all required information and supporting documentation needed to begin the screening review. During this step, the entity indicates the highest environmental and social risk category for which it seeks accreditation and the financial instruments it intends to operate. Once the application is considered complete, the applicant must pay the applicable accreditation fees³.

² If your entity is accredited by the Global Environment Facility (GEF), the Adaptation Fund, or the Directorate-General for International Partnerships (DG INTPA), you remain eligible for the Green Climate Fund (GCF) accelerated accreditation program. In addition, if your entity has successfully implemented projects with the World Bank or the African Development Bank (AfDB), you may also be eligible for accelerated accreditation.

³ Accreditation fee amounts can be found in the [Accreditation Fee Policy](#).

Step 4 (Screening and reporting): When an application enters the screening phase, it is assessed against the full set of screening requirements, taking into account the highest environmental and social risk category for which the applicant has applied. Screening consists primarily of a document-based review of the applicant's policies, procedures, track record, and capacity in each assessment area.

The Accreditation Panel and the Secretariat will conduct the accreditation screening in accordance with established service standards. During the screening process, applicants may be asked to provide additional information as needed. Entities that do not meet the requirements may receive support from the **Readiness Window** (Section 5.2.2) to address gaps and reapply. After the screening process is completed, the Accreditation Panel and the Secretariat will issue a screening report to the applicant entity, and in the case of Direct Access Entities, the NDA is informed.

Step 5 (Board decision): The Accreditation Panel will recommend to the Board the entities that meet the screening requirements for a decision and approval of accreditation. The Board will review the recommendations and decide whether to approve the applicant's accreditation. If the Board determines that an applicant should not be accredited, it may instruct the Secretariat on how to communicate the reasons for this decision to the applicant. The GCF will issue a confirmation/certificate to the accredited entity, which will serve as proof of accreditation and confirm the environmental and social risk category for which the entity is accredited. The GCF is available to provide further information and clarify any questions via the email accreditation@gcfund.org.

2.2.3. Executing Entities (EEs)

Executing Entities (EEs) are responsible for carrying out the activities financed by the GCF. An Accredited Entity may also act as an Executing Entity or delegate this function to a partner organization.

2.3. GCF Strategic Plan

The Strategic Plan defines the long-term vision, objectives, and operational priorities for each programming cycle. The Fund is currently in its third strategic plan, covering the period 2024-2027 (Updated Strategic Plan – USP-2), which aims to scale up support to developing countries by expanding access and maximizing catalytic impact through its core assets: financing, partnerships, institutional capacity, technical staff, and knowledge.

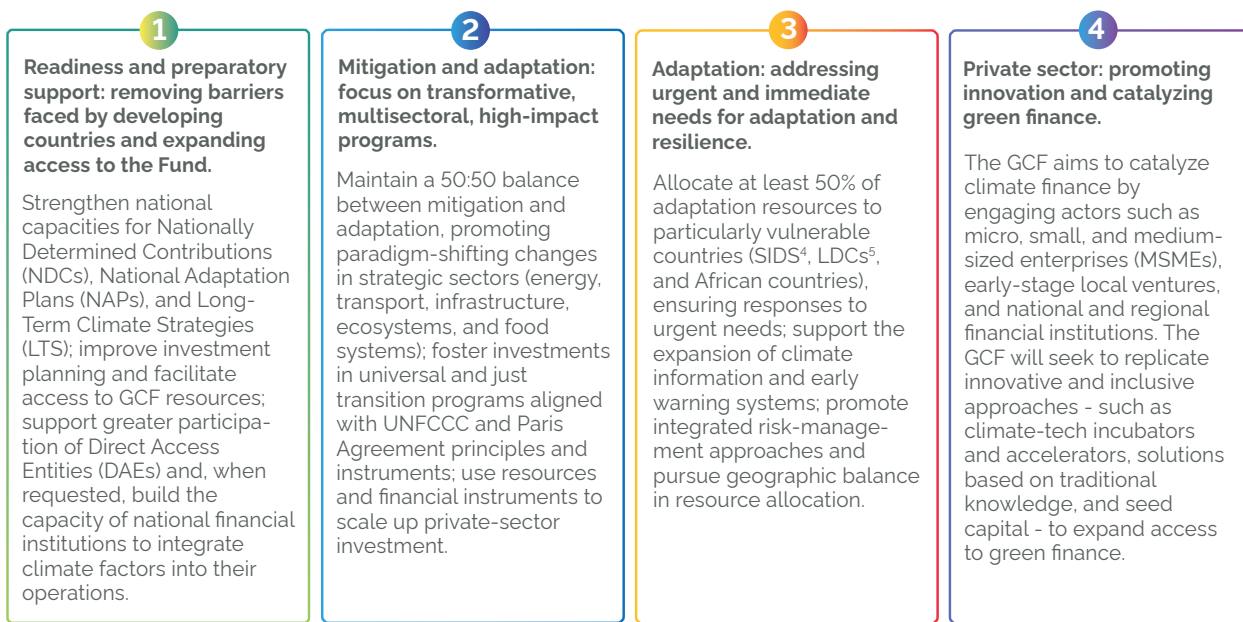


Figure 4: Main objectives of the Strategic Plan

The document highlights the role of the GCF in transforming national commitments, such as NDCs, NAPs, and Long-Term Climate Strategies (LTS), into concrete investments. It also reinforces the Fund's added value as a financier willing to take risks and as a catalyst for institutional capacity. The plan sets out the goals for the 2024–2027 period, including:

1. Advancing the implementation of NDCs, NAPs, and LTS.
2. Doubling the number of Direct Access Entities with GCF-approved funding.
3. Establishing or enhancing early warning systems.
4. Promoting low-emission and climate-resilient agricultural and fisheries practices for small-scale producers.
5. Conserving, restoring, or sustainably managing terrestrial and marine areas.
6. Developing or securing resilient, low-emission infrastructure.
7. Expanding access to sustainable, affordable, resilient, and reliable renewable energy, especially for remote communities.
8. Promoting clean and efficient energy use in the transport, building, and industrial sectors.
9. Increasing financing for adaptation, including locally led actions.
10. Providing seed capital for innovative climate solutions, new business models, and technologies for early-stage local companies, including Micro, Small and Medium-sized Enterprises (MSMEs).
11. Facilitating access for national and regional financial institutions to GCF resources and other green finance sources, particularly for MSMEs.

⁴ SIDS: Small Island Developing States.

⁵ LDCs: Least Developed Countries.

3. Access to the Fund

This chapter presents the GCF’s financing modalities, the stages of the submission process, and the criteria for evaluating projects and programmes in Brazil. It also outlines the GCF’s investment indicators and the financial instruments made available by the Fund.

The submission and evaluation process for GCF proposals includes steps established by the NDA as well as steps defined by the Fund.

3.1. GCF Project Cycle

The GCF considers 10 stages within the **project and programme activity cycle**, ranging from the definition of national priorities to project evaluation and closure. Each stage involves different actors and procedures that ensure alignment with developing countries’ climate strategies and consistency with the GCF’s investment criteria.

The following sections describe each stage.

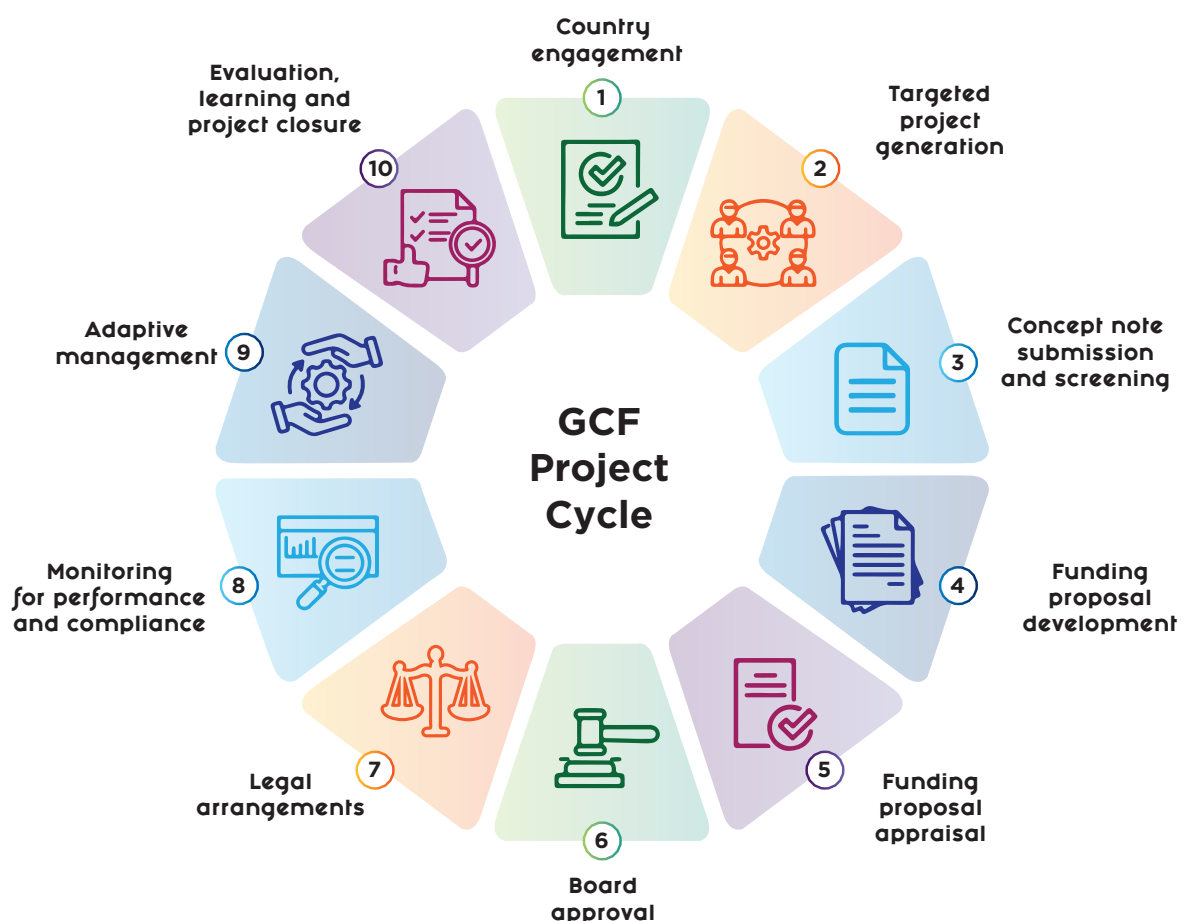


Figure 5: GCF Project cycle activities.

Stage 1 - Country Engagement

This is the initial phase in which the government and the NDAs define national priorities, assess needs and gaps, and identify Accredited Entities or partners to design and implement funding proposals. This stage also requires NDAs to engage a wide range of stakeholders in shaping the country's priorities. The GCF supports NDAs and DAEs through its **Readiness and Preparatory Support Programme**, helping transform project ideas into Concept Notes and Funding Proposals.

Stage 2 - Generation of Targeted Projects

This stage supports complementary channels for originating project ideas. It promotes additional funding proposals through Requests for Proposals (RFPs) and through the generation of bankable project ideas via dedicated platforms and innovative partnerships between the Secretariat and non-accredited organizations.

Stage 3 - Submission and Screening of the Concept Note (CN)

The Concept Note is an initial summary of a project or programme that allows the Secretariat to review and provide preliminary feedback. Concept Notes must be developed in close coordination between Accredited Entities and NDAs to ensure alignment with national priorities and the Country Programme. The GCF aims to complete its review within nine months.

Stage 4 - Development of the Funding Proposal (FP)

Accredited Entities (AEs) prepare the detailed Funding Proposal in line with the GCF's investment framework and results management framework. The proposal must demonstrate technical, financial, environmental, and social feasibility, and remain within the AE's accreditation scope. A No-Objection Letter (NOL) from the NDA is required, and the proposal must outline implementation arrangements with Executing Entities (EEs). Submission occurs through the GCF Partner Portal, accompanied by due diligence documentation and information required for public disclosure.

Stage 5 - Funding Proposal Appraisal

The GCF Secretariat conducts the formal assessment of the Funding Proposal, verifying alignment with the Fund's investment criteria. Proposals deemed consistent are forwarded to the **Independent Technical Advisory Panel (ITAP)** for an in-depth technical review. This assessment process is also expected to be completed within nine months, culminating in the preparation of the proposal package to be submitted to the Board.

Stage 6 - Board Approval

The GCF Board reviews and decides on Funding Proposals. Before Board meetings, there is a question-and-answer period during which Board members and observers may request clarifications from AEs. During the session, AE representatives may be invited to present and respond to questions. If approved, the decision is communicated to the AE and the NDA, including any conditions that must be met. If rejected, the AE may seek recourse through the Independent Redress Mechanism (IRM).

Stage 7 – Legal Arrangements (FAA)

Following Board approval, negotiations begin on the **Funded Activity Agreement (FAA)** between the GCF and the Accredited Entity (AE). The FAA sets out the conditions for entry into force, obligations of the parties, and the financial modalities involved (grants, loans, equity, guarantees, results-based payments). Only after the FAA is signed and all conditions precedent are fulfilled can funds be disbursed.

Stage 8 – Monitoring for Performance and Compliance

The GCF monitors both the institutional compliance of Accredited Entities and the implementation of funded activities. AEs must conduct periodic self-assessments against fiduciary, environmental and social, and gender standards, while the Secretariat carries out interim reviews. At the project level, monitoring is conducted through annual performance reports, audits, and verification of compliance with FAA conditions. Results are measured in line with the Fund's Results Management Framework.

Stage 9 – Adaptive Management

When risks or implementation challenges arise, adaptive management mechanisms are triggered. This allows for course corrections and additional measures to ensure that expected results can still be achieved, while maintaining compliance with GCF policies and standards.

Stage 10 – Evaluation, Learning, and Closure

In the final phase, Accredited Entities submit independent evaluations that assess project results and impacts. The **Secretariat and the Independent Evaluation Unit (IEU)** also conduct institutional, thematic, and portfolio-level assessments. Lessons learned are consolidated and shared to inform future programming and support the replication or scaling-up of good practices. Formal closure occurs once completion reports and audits are validated.

3.2 National Processes for Proposal Approval

The Brazilian NDA has established procedures for submitting proposals to the GCF and strongly recommends that Accredited Entities and proposing institutions follow these steps to streamline approvals and ensure national ownership. Access to the Fund generally follows a standard submission process, which involves engaging with the NDA and preparing two key documents: the Concept Note and the Funding Proposal.

- **Initial Stage – Engagement with the NDA:** When the proponent does not yet have formal documents for submission but has an initial project or programme idea, it must contact the NDA to assess alignment with national priorities and the criteria set out in the Country Programme. Even if the idea is not currently part of the Country Programme pipeline, project or programme concepts may be registered in the NDA's database and considered in future pipeline reviews, provided they meet the structuring criteria defined in the Country Programme.

- **Concept Note Stage:** The Concept Note is an introductory document that outlines the project's objectives, alignment with national policies, consistency with the GCF's investment criteria, and an initial estimate of expected impacts and financing needs.
- **Funding Proposal Stage:** The Funding Proposal is the detailed document that describes the project or programme, including expected results and impacts, implementation arrangements, co-financing, and other required elements. After the Concept Note is approved, the proponent must prepare and submit a Funding Proposal.

In 2025, the NDA published the **updated Country Programme**, including **Brazil's indicative short-term pipeline (2025-2027)** for the GCF. This pipeline was structured in a technical and transparent manner, based on pre-defined criteria that were validated through public and sectoral consultations, and it includes projects that were already in the NDA's pipeline at the time of the update.

The published pipeline is indicative and will be continuously reviewed under a rolling basis assessment model, in line with the pace of project submission and approval. New proposals may be submitted to the NDA, which will assess their alignment with the criteria defined in the Country Programme and, where applicable, include them in its database for future pipeline reviews.

The following sections describe, step by step, how a proposal is developed and approved, as well as the responsibilities of each actor involved and the access modalities available for specific cases.

3.3. Project and Programme Submission

The GCF finances both projects and programmes (Box 3), and both follow the same submission and approval process. Regardless of their nature (project or programme) or the profile of the proponent (public sector, private sector, or civil society), all proposals must follow the steps below:

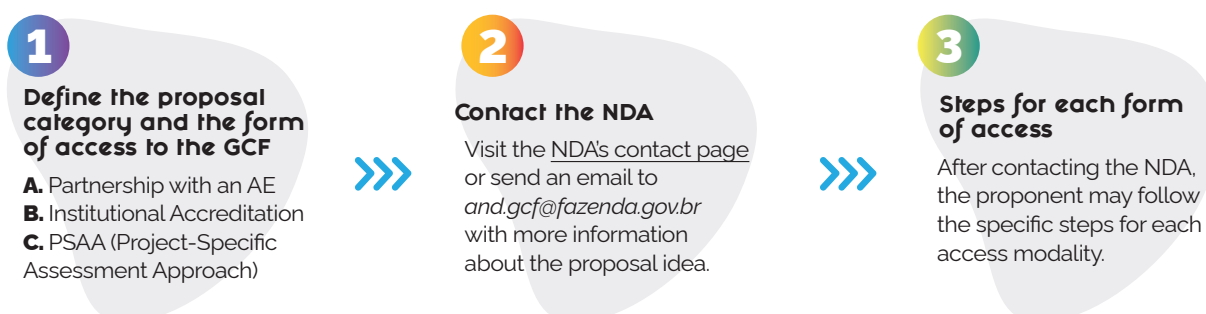


Figure 6: Step-by-step for accessing the Fund

There are three ways to access GCF resources:

1. **Partnership with an Accredited Entity:** The proponent develops its proposal in partnership with an Accredited Entity (AE), which is responsible for intermediating the submission, approval, and monitoring processes with the GCF.

- 2. Institutional Accreditation:** The proponent may seek accreditation directly with the GCF, allowing it to submit and manage projects independently. This process requires the institution to demonstrate experience in climate projects and to meet the GCF's technical, fiduciary, and environmental and social safeguards requirements. The institutional accreditation process (Item 2.2.2.2) is complex and demands time and resources. This pathway applies only to institutions that wish to act as an Accredited Entity, assuming all related responsibilities and with the intention of submitting multiple proposals to the GCF.
- 3. Project-Specific Assessment Approach - PSAA:** Under this modality, the proponent undergoes a capacity assessment to implement a specific climate project or programme and does not need to establish a partnership with an Accredited Entity or complete the full institutional accreditation process. This accreditation modality is currently in a pilot phase (2023–2026), with a limit of up to 10 proposals per year⁶.

The process begins with the formulation of a project or programme idea. Proposal development may be initiated either by an Accredited Entity or by a proposing institution. When the proponent does not yet have formal documents for submission but has an initial concept, it must contact the NDA to assess alignment with the Country Programme criteria and national policies. To do so, visit the **NDA's contact page** or send an email to and.gcf@fazenda.gov.br.

Brazil has an indicative priority pipeline of projects to be submitted in the short term (2025–2027) to the GCF, published in the 2025 Country Programme. This pipeline is indicative and will be continuously reviewed under a rolling basis assessment model, in line with the pace of project submission and approval. New proposals may be submitted to the NDA, which will assess their alignment with the criteria defined in the Country Programme and, where applicable, include them in its database for future pipeline reviews. If the project is included in the priority pipeline, the proponent may follow the specific steps for each access modality detailed in the following sections.

BOX 3: Difference Between Projects and Programmes

The main difference between a project and a programme lies in their scope and complexity. Projects are specific, time-bound interventions, generally implemented in a defined location. Programmes, on the other hand, have a broader scope and may encompass multiple projects, sectors, or countries, often over a longer duration. Programme implementation is more complex and typically involves multiple entities, with potential national, regional, or global (multi-country) reach. Sub-projects within a programme approved by the Fund may be implemented across several countries, including Brazil⁷.

⁶ The pilot will run for three years, after which the Board will determine whether it will be established as a permanent modality.

⁷ A relevant distinction between a programme and a project is the possibility of structuring a programme without a prior definition of the entities that will implement its sub-projects or ultimately receive the financing. It is recommended that proponents engage in dialogue with the Accredited Entity to assess the most appropriate approach for the specific case.

BOX 4: Country Programme Update

The 2025 update of the Country Programme was designed as a participatory and transparent process involving different sectors of Brazilian society. The document aligns the country's programming with the **GCF's 2024–2027 Strategic Plan** and with national frameworks such as the **Ecological Transformation Plan (PTE)**, the **2024–2035 Climate Plan**, and **Brazil's Second Nationally Determined Contribution (NDC)**.

What the updated Country Programme introduces:

- ✓ **Strategic and proactive planning:** Brazil adopts a forward-looking strategy, taking the lead in shaping its programming with the GCF.
- ✓ **Predictability in accessing GCF financing:** The NDA assesses proposals based on a pre-defined national strategy.
- ✓ **Focus on national projects:** Prioritization of national initiatives with concrete results in Brazilian territory.
- ✓ **Integration with the PTE and the Brazil Investment Platform for Climate and Ecological Transformation (BIP):** Strong alignment with domestic transformation strategies and private-sector mobilization.
- ✓ **Transparent technical criteria:** Ten technical criteria guide the selection and prioritization of initiatives.
- ✓ **Financial innovation and capital mobilization:** Strengthening the use of catalytic instruments—such as guarantees and concessional equity—and engagement with the national financial sector.
- ✓ **Balance between public and private projects.**

The 2025 Country Program established **ten technical criteria** that guide the selection of proposals to compose Brazil's pipeline for the GCF:

1. National scope (priority for projects implemented in Brazil);
2. Alignment with national climate policies and strategies;
3. Consistency with GCF guidelines and investment criteria;
4. Potential for measurable climate impact (mitigation and/or adaptation);
5. Priority for sectoral ministries and national Direct Access Entities;
6. Engagement of local stakeholders;
7. Resource scale compatible with the size of the GCF (minimum of USD 20 million, preferably above USD 50 million);
8. Alignment with the BIP Platform, in the case of private-sector projects;
9. Capacity to leverage resources and generate catalytic impact;
10. Degree of proposal maturity with the NDA and the GCF.

BOX 5: Private-Sector Projects and the Brazil Investment Platform for Climate and Eco-logical Transformation (BIP)⁸

In addition, fully private direct-investment projects will only be eligible for GCF financing if they are national in scope and integrated into the BIP. For initiatives focused on establishing investment facilities, these must be dedicated to Brazil and direct most of their portfolio toward the projects and sectors prioritized by the BIP.

For the private sector, the Country Program positions the BIP as a central organizing framework for Brazil's GCF programming. By serving as the entry point, coordination hub, and strategic filter for private-sector proposals, the **BIP** ensures that initiatives supported with concessional resources from multilateral climate funds are fully aligned with national priorities, the strategic sectors of the Climate Plan and the Ecological Transformation Plan, and the types of capital needed to scale emerging technologies and business models.

In doing so, the Platform helps reduce risks, expand the catalytic impact of concessional finance, and redirect climate investment toward critical areas - such as nature-based solutions, the bioeconomy, industrial decarbonization, and renewable energy - that remain underfunded.

3.3.1. Partnership with an Accredited Entity or Institutional Accreditation

The submission process is the same whether the proponent works in partnership with an Accredited Entity or has obtained Institutional Accreditation with the GCF. The only difference is the prior accreditation step with the GCF which, once completed, leads to the same sequence of stages as those followed in a partnership with an Accredited Entity.

The proponent may choose to submit a full Funding Proposal or use the Simplified Approval Process (SAP). Regardless of the financing modality selected, the overall process remains essentially the same. What changes are the standard templates used (Concept Note and Funding Proposal), the volume of documentation required, and the time needed for approval. It is worth noting that the SAP is restricted to proposals of up to USD 25 million (Box 6).

The following section presents a step-by-step overview of the proposal submission process:

⁸ According to the criteria established in the 2025 Country Program. To learn more about BIP, visit the [platform's page](#).

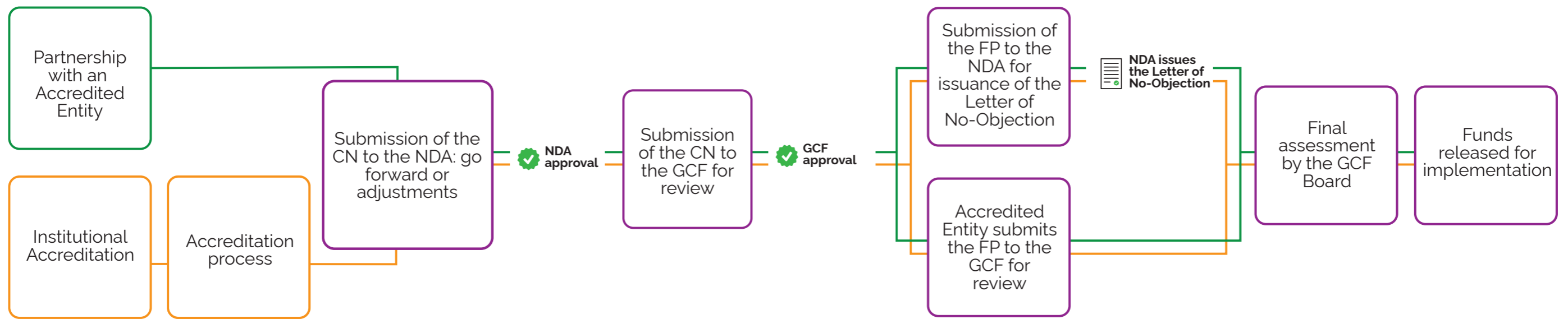


Figure 7: Process for submitting proposals through an Accredited Entity partnership or Institutional Accreditation.

BOX 6: Simplified Approval Process (SAP)

The Simplified Approval Process (SAP) is a modality designed for projects or programmes of up to USD 25 million that present low environmental and social risk. The SAP follows the same overall submission pathway as standard funding proposals but requires a lighter set of documents at the time of submission.

3.3.1.1. Preparation of the Concept Note

After the initial consultation with the NDA to confirm that the proposal idea is aligned with national priorities, the Accredited Entity - together with the proponent institution, when applicable - prepares the Concept Note.

The Concept Note outlines the project or programme idea at an early stage of development and should, at a minimum, include:

- A brief climate context and baseline
- A description of the project, including objectives, activities, planned interventions in Brazil, expected results, and related elements
- The estimated project value for Brazil, suggested financial instruments, and other financial information
- A short explanation of how the Concept Note aligns with GCF policies and investment criteria
- Information on engagement with the NDA(s) and relevant stakeholders

Optional annexes may include:

- A theory of change diagram
- An economic and financial model with key assumptions and potential stress-test scenarios
- A pre-feasibility study, when applicable
- Evaluation reports from previous related projects, if available
- Results of the environmental and social risk screening

Although submitting a Concept Note to the GCF is not mandatory, the NDA strongly encourages its preparation⁹. For proposals submitted through the SAP, however, the Concept Note is required.

The GCF provides a digital platform for submitting Concept Notes, enabling a faster, online review with fewer documents. Only Accredited Entities have access to this system, available through the GCF Partner Portal. As a result, it is the responsibility of the Accredited Entity to provide the Concept Note template to proponent institutions.

⁹ The SAP programming manual is available [here](#).

3.3.1.2. Submission of the Concept Note to the NDA and authorization to go forward

Once the Concept Note has been prepared, the Accredited Entity must submit it to the NDA at and.gcf@fazenda.gov.br. The Accredited Entity then waits for the NDA's go forward before sending the Concept Note to the GCF. This step is mandatory for proposals to advance to the development of the Funding Proposal. The NDA reviews the Concept Note based on specific parameters, assessing whether the proposal meets basic GCF requirements, aligns with national priorities, and presents coherent and well-described¹⁰ information. After receiving the Concept Note, the NDA has **30 days** to indicate whether the proposal may go forward. At this stage, three types of responses are possible:

- If the **assessment is positive with no reservations**, the NDA will send an email indicating that the proposal may go forward. From that point on, the Accredited Entity is authorized to submit the Concept Note to the GCF.
- If the **assessment is positive but includes comments**, the NDA will send an email authorizing the proposal to go forward, along with suggestions and recommendations that must be incorporated during the subsequent stages of development.
- If the **assessment is negative and/or includes substantial recommendations**, the proposal does not receive authorization to go forward. In this case, the Accredited Entity is not permitted to submit the Concept Note to the GCF. The NDA will send an email outlining the recommendations and adjustments required before a new submission. The Accredited Entity must revise the document accordingly and resubmit it to the NDA. The Concept Note may only be sent to the GCF once the NDA grants the go forward.

3.3.1.3. Submission of the Concept Note to the GCF and review by the Fund

Once the Accredited Entity receives the NDA's indication to proceed, it may submit the Concept Note digitally through the GCF Partner Portal.

The GCF Secretariat's response time varies, and the Concept Note may be approved, rejected, or returned with comments for revision. If the proposal is approved, the Accredited Entity may begin preparing the Funding Proposal and must inform the NDA of the GCF's assessment. In most cases, the Secretariat provides feedback with suggestions for adjustments.

If the Concept Note is rejected, the Accredited Entity may revise the proposal more substantially and restart the submission process.

¹⁰ Detailed information about the parameters used in this assessment and the AND evaluation method can be found in item 3.3 of this Manual.

BOX 7: Requesting Project Preparation Facility (PPF) Support

Once the Concept Note is approved, there are cases in which additional analyses are required—such as feasibility studies, risk assessments, or baseline data collection—to support the development of a full Funding Proposal. In these situations, the GCF may recommend requesting PPF resources, which provide supplementary funding for preparatory studies carried out before the Funding Proposal is drafted. Practical guidance to assist Accredited Entities in preparing and submitting PPF requests is available [here](#).

The Project Preparation Facility (PPF) provides financial and technical support for developing funding proposals. The GCF offers up to USD 1.5 million per PPF request to help Accredited Entities during the preparatory phase, particularly for micro- and small-scale projects. PPF resources may be requested before the formal submission of a proposal or recommended directly by the GCF during its review. Support can be provided through two modalities:

- **PPF Funding:** non-reimbursable grants and concessional loans for project-preparation activities such as technical studies, feasibility assessments, financial structuring, and specialized consultancies. Accredited Entities requesting up to USD 300,000 from the GCF are eligible for PPF Funding.
- **PPF Service:** the GCF contracts specialized consultants to support proposal preparation, without requiring direct management by the Accredited Entity.

PPF resources may also be used for proposals submitted through the Simplified Approval Process (SAP).

3.3.1.4. Preparation of the Funding Proposal

Once the Concept Note is approved by the GCF, the Accredited Entity and the proponent institution prepare a Funding Proposal using either the full Funding Proposal template or the SAP Funding Proposal template provided by the GCF. The Funding Proposal must fall within the Accredited Entity's accreditation scope, which determines the size of projects it may submit and the Environmental and Social Safeguards risk categories it is authorized to manage. The proposal should reflect the GCF's investment criteria, outline the implementation arrangements - including Executing Entities (EEs), when applicable - and demonstrate how the project or programme will deliver on the Fund's required performance indicators (see Section 3.3).

3.3.1.5. Assessment of the Funding Proposal by the NDA for issuance of the No-Objection Letter (NOL)

The Funding Proposal must be submitted to the NDA at *and.gcf@fazenda.gov.br*. This review informs the NDA's decision on whether to issue the No-Objection Letter (NOL). The NOL is the document through which the country confirms it has no objection to the proposal, ensuring alignment with the Country Programme and national climate-related policies, and reinforcing the principle of country ownership.

During its assessment, the NDA also consults sectoral ministries¹¹ and ministries responsible for cross-cutting themes relevant to the proposal. These institutions provide their evaluations through structured questionnaires tailored to their areas of expertise. They may recommend improvements to the proposal design and/or identify potential risks. The NDA consolidates all inputs, prepares a Technical Note recommending whether the NOL should be issued, and communicates its decision to the Accredited Entity.

After receiving the Funding Proposal, the NDA has **60 days** to decide whether to issue the NOL. At this stage, three outcomes are possible:

- If the **assessment is positive with no reservations**, the NDA will send the NOL by email.
- If the **assessment is positive but includes adjustments**, the NDA will send the NOL along with the points that must be addressed during project implementation.
- If the **assessment is negative and/or includes substantial recommendations**, the proposal does not receive the NOL. The NDA will send a letter explaining the reasons for the decision.

¹¹ The evaluation parameters for granting the NOL are described in section 3.3.1

BOX 8: Submission of funding proposals for multi-country programmes

It is common for the NDA to receive Concept Notes or Funding Proposals for multi-country programmes that have already been developed by regional or international Accredited Entities. Even so, early engagement with the NDA before drafting a Concept Note is important to ensure that the proposal is coherent and aligned with Brazil's needs and specific circumstances. If a Concept Note is developed, it must follow the same steps described in the previous sections.

Multi-country programme proposals must be submitted to the NDAs of all participating countries for the issuance of their respective No-Objection Letters (NOLs).

In Brazil's case, **when submitting the Funding Proposal, the Accredited Entity must also provide a document outlining its engagement with the Brazilian NDA.** This document describes the activities planned specifically for Brazil, the programme's expected impacts in the country, and ensures that the proposed interventions are appropriate and effective in addressing climate change and strengthening national resilience.

In the 2025 Country Programme, **Brazil established that it will no longer prioritize new submissions for regional or multi-country projects in the short and medium term.**

As a result, **regional programmes for the private sector will not be eligible for Brazil.** Public regional or multi-country proposals that include Brazil may be considered eligible provided that:

- I** - they demonstrate clear national ownership, including engagement with local stakeholders;
- II** - the project is recognized as a priority by at least one sectoral ministry;
- III** - the proposal specifies the amount of resources allocated to activities in Brazil; and
- IV** - a note is submitted explaining the interventions planned in Brazilian territory and the rationale for Brazil's participation in the programme.

Additionally, for public regional proposals, the NDA will give preference to those that:

- (i)** have the endorsement of more than one Brazilian sectoral ministry; and
- (ii)** are led by Accredited Entities whose past performance with the GCF demonstrates strong implementation capacity.

3.3.1.6. Submission of the Funding Proposal to the GCF

The Accredited Entity must submit the Funding Proposal to the GCF through the Digital Proposal Submission (DPS) platform; this may occur either before or after the NDA completes its own review. The Funding Proposal submitted to the GCF Secretariat must include, at a minimum, the following annexes:

- Feasibility study;
- Project appraisal report (if applicable);
- Detailed budget;
- Environmental and Social Safeguards (ESS) disclosure report;
- Gender assessments and project/programme-level action plans;
- Draft term sheet;
- Baseline project evaluation report (if applicable);
- No-Objection Letter (NOL)¹²;
- Cofinancing letter or commitment;
- Project implementation schedule;
- Economic and/or financial analysis.

3.3.1.7. Funding proposal appraisal by the GCF (Secretariat and iTAP)

This stage is carried out by the GCF Secretariat and the Independent Technical Advisory Panel (iTAP). The Secretariat conducts the required second-level due diligence, reviewing compliance with environmental and social safeguards, including gender requirements, financial policies, and all other policies established by the GCF Board, as well as the project or programme's performance against its proposed activities.

Once the Secretariat completes its review, the iTAP conducts an independent assessment of the project or programme based on activity-specific criteria. At this point, the Secretariat must already have **received the No-Objection Letter** in order to finalize its analysis of the proposal.

If the proposal is approved with required adjustments, it is returned to the Accredited Entity to make the necessary revisions before resubmitting it to the GCF. This exchange may occur several times until the proposal is fully cleared with no outstanding comments. Once both the Secretariat and the iTAP issue their approvals, the proposal is forwarded to the GCF Board, which will consider it for final approval at a dedicated meeting.

3.3.1.8. Review of the Funding Proposal by the GCF Board

The GCF Board meets three times a year to consider Funding Proposals that have been reviewed and cleared by both the Secretariat and the iTAP.

For a Funding Proposal to be included on the agenda of a specific Board meeting, it must be submitted to the Secretariat at least **21 days** in advance, allowing sufficient time for the

¹² The NOL and the Funding Proposal do not need to be submitted to the GCF at the same time. The Accredited Entity may file the Funding Proposal with both the GCF and the NDA in parallel and send the NOL afterward. When choosing this approach, the Accredited Entity should plan around the NDA's 60-day review period.

Secretariat and the iTAP to complete their assessments. Once the Board approves a proposal, the decision is communicated to the Trustee, and the Secretariat informs the Accredited Entity and the NDA of the next steps. The required legal arrangements are then negotiated between the Secretariat and the Accredited Entity, and the agreements are signed by the GCF Executive Director and the Accredited Entity. When the Executing Entity is different from the Accredited Entity, those institutions must also establish their own legal agreement.

If the Board does not approve the proposal, the Accredited Entity may request a reconsideration of the decision through the Independent Redress Mechanism (IRM), which provides a process for reviewing projects or programmes whose funding has been declined by the Board.

3.3.2. Project-Specific Assessment Approach (PSAA) Process Flow

As noted in Section 2.2.2.2, the Project-specific Assessment Approach (PSAA) is an accreditation pathway that allows an institution to submit a single, project-specific proposal to the GCF, without the need for partnership with an Accredited Entity or institutional accreditation. The overall process mirrors the standard project cycle, with a few variations in the initial stages (Figure 8).

The first step is to engage with the NDA to discuss the project concept. Once the NDA provides its endorsement to proceed, the proponent follows the steps below:

1. The proponent fills out the PSAA online questionnaire, which assesses the institution's technical and financial capacity. The questionnaire must be submitted together with its required attachments (PSAA Presentation Template and Evidence of Country Ownership and Stakeholder Engagement).
2. Preparation of the Concept Note: The GCF conducts a preliminary review. If cleared, the proponent prepares a Concept Note for submission to the NDA.
3. Submission of the Concept Note to the GCF and review by the Fund: With the NDA's indication to proceed, the Concept Note, the PSAA questionnaire, and all supporting documents are submitted to the GCF through the Digital Proposal Submission system.
4. GCF approval of the Concept Note: Once approved, the GCF provides the proponent with the PSAA Application Form to complete.
5. Preparation and submission of the Funding Proposal to the NDA and the GCF: The proponent submits both the PSAA Application and the Funding Proposal to the GCF, while simultaneously sending the Funding Proposal to the NDA to obtain the No-Objection Letter.
6. GCF assessment of the Funding Proposal: After receiving the NDA's No-Objection Letter, the GCF reviews the Funding Proposal. Upon approval, the proponent pays the PSAA accreditation fees.
7. Submission to the GCF Board: The project is then presented to the GCF Board for consideration. If approved, the funds are released.

¹³ For more information, [click here](#).

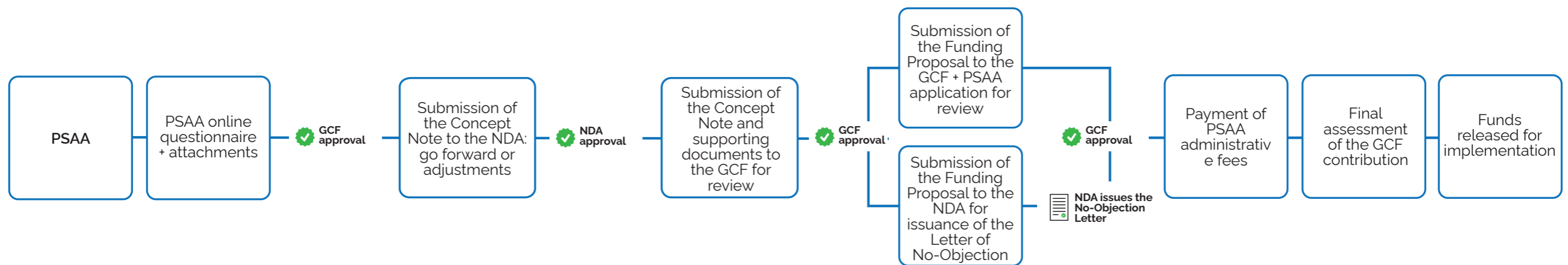


Figure 8: PSAA proposal submission flow.

3.4. Investment criteria indicators in the GCF

Proposals submitted to the GCF must demonstrate their expected results based on the Fund’s six investment criteria. Each criterion includes quantitative and qualitative indicators and is supported by guiding questions.

Criterion	Definition	Indicators	Guiding Questions
1. Impact Potential	Assesses the climate impact of the proposal in mitigation and/or adaptation	<ul style="list-style-type: none"> tCO₂e avoided/reduced per year Number of beneficiaries 	<ul style="list-style-type: none"> What is the annual volume of emissions avoided? How many people will benefit?
2. Paradigm Shift Potential	Considers the proposal’s transformative and catalytic effect	<ul style="list-style-type: none"> Innovation Replication potential Contribution to policies and an enabling environment 	<ul style="list-style-type: none"> Is the project innovative and replicable? Does it generate systemic transformation?
3. Sustainable Development Potential	Examines positive impacts beyond climate, including social inclusion and economic benefits	<ul style="list-style-type: none"> Environmental, social, and economic co-benefits Gender inclusion 	<ul style="list-style-type: none"> Are there benefits beyond climate? Is the project gender-responsive?
4. Needs of the Recipient Country	Assesses the degree of vulnerability and financial or institutional gaps	<ul style="list-style-type: none"> Climate vulnerability Lack of alternative financing 	<ul style="list-style-type: none"> Does the project address vulnerability groups? Does it fill financing gaps?
5. Country Ownership	Verifies alignment with national priorities and local engagement	<ul style="list-style-type: none"> Alignment with national policies Stakeholder engagement 	<ul style="list-style-type: none"> Is the project aligned with national strategies? How are stakeholders engaged?
6. Efficiency and Effectiveness	Examines the financial structure, concessionality, and cost-effectiveness	<ul style="list-style-type: none"> Cost per tCO₂e Volume of co-financing Financial viability Application of best practices 	<ul style="list-style-type: none"> Is the financing appropriate? Is the project financially viable and efficient?

Table 4: GCF investment criteria and indicators

3.5. NDA assessment parameters

The NDA evaluates Concept Notes and Funding Proposals submitted to the GCF using specific assessment forms based on parameters that examine their alignment with the national context, consistency with climate policies, potential impact, and the level of stakeholder engagement.

Concept Note Assessment

Conducted by the NDA

The NDA reviews whether the objectives, logic framework, and initial context are coherent with the proposal's description. It also examines whether the transformative potential, stakeholder engagement, and sustainability elements are appropriately aligned with Brazil and its national climate priorities.

Funding Proposal Assessment

Conducted by the NDA and invited ministries

The NDA verifies the context, description of the proposal, financial information, institutional arrangements, and the country's needs and engagement. Sectoral ministries assess the context, institutional arrangements, proposal's potential impact in the country and its alignment with national public policies. Cross-cutting ministries examine potential risks or objections that could prevent the endorsement of the proposal.

Figure 9: Entities responsible for assessing Concept Notes and Funding Proposals

3.5.1 Parameters for the NDA's assessment of the Concept Note's go-forward

The NDA is solely responsible for assessing the Concept Note. Its review focuses on the clarity of the basic information (objectives, expected impacts, and risks) and on whether the document sufficiently addresses key elements such as stakeholder engagement and country ownership. This assessment is conducted using a specific form (Annex I), which the NDA completes upon receiving the Concept Note.

Theme	Criteria
Rationale	Direct connection between the proposal and climate mitigation/adaptation, and its relevance to the GCF's impact areas.
Context and Baseline	Alignment with national priorities, complementarity with existing policies, and consistency with the Country Programme. This also includes assessing the clarity of scope and activities in programmes, interventions in protected areas, and justification for selecting Brazil in multi-country proposals.
Project/Programme Description	Clarity of the Theory of Change ¹⁴ , governance structure and institutional arrangements, and identification of operational and financial risks.
Transformative Potential (Results)	Assessment of the clarity and scalability of emission-reduction impacts and enhanced adaptive capacity. Includes whether the proposal addresses environmental, social, and economic co-benefits, gender considerations, financial structure, and justification for the use of GCF resources.
Engagement	Planning and clarity in engaging relevant stakeholders, including interaction with the Accredited Entity and engagement with local actors.
Sustainability	Demonstration of long-lasting impacts beyond the project's completion, leveraging existing initiatives with local, regional, or national synergies.

Table 5: Concept Note assessment criteria

¹⁴ The NDA provides a [quick guide on Theory of Change applied to the GCF](#), available here.

3.5.2. Parameters for issuing the No-Objection Letter for the Funding Proposal

This stage is carried out by the NDA with contributions from relevant sectoral ministries, depending on the thematic focus of the proposal. The objective is to determine whether the Funding Proposal is suitable to receive the No-Objection Letter (NOL). The general assessment form ensures that the proposal demonstrates country ownership and alignment with national public policies, as well as with national climate-related strategies and plans.

The assessment is based on specific forms completed by the NDA and the ministries involved. These forms include questions on the proposal's context and rationale, programme description, institutional arrangements, and the country's level of engagement.

Upon receiving the Funding Proposal, the NDA completes its assessment form and identifies the ministries and other public entities that should contribute to the review. Once selected, the NDA informs them of the need to evaluate the Funding Proposal and shares the corresponding form. The NDA then collects the completed forms and compiles the ministries' assessments and weightings to produce the final evaluation of the Funding Proposal.

3.5.2.1. NDA assessment form

The complete form can be found in Annex II.

Theme	Criteria
Context and Description	Assesses the clarity of the project’s context, its intervention logic, alignment with the GCF’s investment areas, and suitability to Brazil’s specific circumstances. It also verifies whether the proposal specifies where the project will be implemented in Brazil and, in the case of regional programmes, which components and lines of action apply to the country and how activities in Brazil connect to the overall programme scope.
Governance and Institutional Arrangements	Verifies whether the proposal clearly presents the governance structure and the institutional and operational arrangements, including the description of responsibilities of executing entities and the inclusion of national stakeholders in regional programmes.
Financial Information	Evaluates the proportion of co-financing, financial viability, level of concessionality, and mechanisms to mitigate currency-exchange risks, ensuring that the financial structure contributes to the project’s sustainability.
Potential Impact on the Country	Examines whether the proposal clearly identifies the institutions and capacities that can be strengthened by the programme or project, acknowledging existing limitations in the beneficiary country.
Country Ownership	Verifies alignment with national public policies and climate strategies, ensuring that the proposal contributes to Brazil’s NDC targets and strengthens national ownership.
Engagement	Assesses prior interactions among stakeholders, planning for engagement with local actors, and consultations with relevant stakeholders to promote broad and effective participation in the process.

Table 6: Funding Proposal assessment criteria used by the NDA.

3.5.2.2. Assessment form for sectoral ministries

The complete form can be found in Annex III.

Theme	Criteria
Context and Description	Assesses the clarity of the project's context, its intervention logic, alignment with the GCF's investment areas, and suitability to Brazil's specific circumstances. It verifies whether the proposal specifies where the project will be implemented in Brazil and, in the case of regional programmes, which components and lines of action apply to the country and how activities in Brazil connect to the overall programme scope. It also evaluates whether the proposed methodology is clear and consistent for achieving the expected objectives and results.
Governance and Institutional Arrangements	Verifies whether the proposal clearly presents the governance structure and the institutional and operational arrangements, including the description of responsibilities of executing entities and the inclusion of national stakeholders in regional programmes.
Potential Impact on the Country	Examines whether the proposal clearly identifies the institutions and capacities that can be strengthened by the programme or project, acknowledging existing limitations in the beneficiary country. It also evaluates whether the implementation of activities generates positive externalities, such as environmental co-benefits (air and soil quality, conservation, biodiversity), social co-benefits (health, safety, access to education, cultural preservation), and economic co-benefits (poverty reduction, market expansion, increased productivity and income). It analyses how the project addresses climate vulnerabilities and enhances the resilience of beneficiary populations.
Country Ownership	Verifies alignment with national public policies and climate strategies, ensuring that the proposal contributes to Brazil's NDC targets and strengthens national ownership.
Engagement	Assesses prior interactions among stakeholders, planning for engagement with local actors, and consultations with relevant stakeholders to promote broad and effective participation in the process.

Table 7: Funding Proposal assessment criteria used by sectoral ministries.

3.5.2.3. Assessment form for cross-cutting ministries

If necessary, the proposal is also forwarded to other ministries, agencies, and government bodies whose mandates are thematically relevant to the project. This occurs when the Funding Proposal addresses sensitive issues involving Indigenous Peoples and traditional communities, matters related to inclusion, racial equality, gender diversity, or agrarian issues. In such cases, the selected ministry completes only the question related to its area of expertise. The complete form can be found in Annex IV.

Theme	Criteria
Risks and Safeguards	Verifies risks related to gender, Indigenous Peoples, traditional communities, racial and agrarian issues, as well as the measures proposed to mitigate them.

Table 8: Funding Proposal assessment criteria used by cross-cutting ministries

3.6. GCF Financial Instruments

GCF resources are operationalized through five types of financial instruments, which **may be combined** both for GCF funding and for co-financing arrangements:



Figure 10: Types of GCF financial instruments.

The GCF does not conduct operations in Brazilian reais (R\$), as its transactions are carried out only in highly convertible currencies, i.e., those widely used for international payments and frequently traded in major foreign-exchange markets.

3.6.1. Grants

Grants are allocated to support projects and initiatives without requiring repayment of the invested resources. They may be used on their own or combined with other financial instruments.

Their primary objective is to enable investments, particularly in areas where financial barriers or high levels of risk hinder the implementation of effective solutions, and to cover additional costs. Grants aim to maximize investment impact by complementing other financial instruments, such as concessional loans. These resources may finance specific activities, such as:

1. Institutional strengthening and technical capacity-building: data analysis, knowledge generation and dissemination, and public policy reform.
2. Coverage of additional costs: in sectors where mitigation or adaptation costs exceed the direct economic benefits.
3. Technical assistance: planning, implementation, and monitoring of climate-related projects.
4. Feasibility studies and assessments: supporting informed decision-making for new investments.
5. Capacity-building for financial intermediaries: enabling the mobilization of additional resources through other financial instruments.

In the GCF context, **private-sector proposals are expected to rely primarily on reimbursable financing, using grants only in a limited and targeted way.** This approach helps ensure that concessional resources are deployed strategically. Grant funding may be subject to repayment if the beneficiary commits a material breach of the Fund's integrity or fiduciary standards, including violations related to corruption or fraud.

3.6.2. Concessional Loans

Concessional loans enable investments that would not be viable under standard market conditions due to high costs or financial risks. They involve the transfer of resources from one party to another, with the requirement that the amount be repaid under terms more favorable than those available on the market. These loans typically feature reduced interest rates, extended repayment periods, longer grace periods, or a combination of these conditions.

Concessional loans are applied in both the public and private sectors:

1. Public sector: financing government projects that support sustainable development and climate-change mitigation.
2. Private sector: supporting private investments while observing the principle of minimum concessionality, which seeks to avoid market distortions and ensures that non-reimbursable resources are no greater than what is strictly necessary to enable the investment.

Concessional loans reduce the cost of capital and mitigate risks for borrowers. Accordingly, before approving this type of financing, the GCF assesses factors such as existing debt levels and the borrower's repayment capacity, based on five main elements:

- Financial inputs: the origin and composition of available resources.
- Use of resources: the purpose of the financing and the expected impacts.
- Incentives: the ability to promote positive changes in markets or in beneficiary behavior.
- Concessionality and expertise: the level of concessionality required and the technical expertise needed for implementation.
- Capacity of financial intermediaries: the ability of intermediary entities to manage and allocate resources effectively.

To maximize the impact of concessional loans, the following practices are recommended:

- **Careful assessment** to ensure that the borrower's debt levels and repayment capacity are compatible with the proposed financing.
- **Minimum concessionality** for private-sector operations, avoiding excessive subsidies that could distort markets.
- **A strong focus on climate impact**, prioritizing projects that contribute meaningfully to global mitigation and adaptation goals.
- **Capacity-building for intermediaries**, strengthening the ability of financial institutions to manage and allocate resources effectively.

3.6.3. Guarantees

Guarantees are financial instruments through which a guarantor commits to fulfilling the borrower's obligations to the lender in the event of default or non-compliance. In exchange for assuming this risk, the guarantor receives a fee negotiated according to the project's risk profile. By reducing perceived risk, guarantees help make high-risk projects more attractive to investors. This creates a more secure and favorable environment for investment, facilitates the mobilization of private capital, and lowers the cost of capital, thereby improving the economic viability of projects.

The operation of guarantees involves three main parties:

- Borrower: the beneficiary seeking financing for a project.
- Lender: the entity providing the financial resources.
- Guarantor: the party assuming the risk of default and committing to cover the borrower's obligations in case of non-compliance.

Key applications include:

- Risk reduction: mitigating or transferring financial risks to make projects more viable.
- Mobilization of private capital: attracting investors who would not engage in high-risk projects without a guarantee.

- Lowering the cost of capital: improving the cost-benefit profile of projects and making them more accessible.
- Facilitating investment in emerging markets: enabling projects in sectors or regions with high perceived risk but strong potential for climate impact.

To maximize the effectiveness of guarantees, the following practices are recommended:

- Project risk assessment to ensure that the guarantee is proportional to the level of risk involved.
- Transparency and sound governance, with clear guarantee terms and monitoring mechanisms to prevent misuse or poor allocation of resources.
- Incentivizing private-sector participation by using guarantees to attract private investors and expand the impact of available resources.

3.6.4. Equity

Equity involves direct investment in projects, companies, or assets, providing the capital needed to leverage debt and achieve stronger financial returns. Unlike loans or guarantees, equity does not offer a predefined repayment obligation or guaranteed return, meaning investors share both the risks and the potential profits of the project.

Equity is an essential tool for enabling high-risk, high-impact initiatives, particularly in contexts where traditional financing is unavailable or where conventional investors would be unwilling to participate. It allows for the direct injection of capital, distributing risk and enhancing potential returns, especially in emerging markets or innovative sectors.

By investing in equity, investors acquire an ownership stake in the project or company, becoming shareholders. Their return depends on the project's financial performance. In the event of failure, equity investors are repaid only after creditors, which places them in a higher-risk position. Equity is frequently used to provide upfront capital that allows projects to grow and attract additional financing.

Key applications include:

- High-risk projects: particularly in emerging markets or innovative sectors where traditional financing is unavailable.
- Expansion of operations: providing capital to scale activities or implement innovative projects.
- Financial leverage: helping mobilize additional resources by reducing perceived risks for other investors or lenders.
- Transformational projects: enabling initiatives with significant impact potential that face financial barriers due to high perceived risk.

To maximize the effectiveness of equity as a financial instrument, the following practices are recommended:

- Detailed risk and return assessments before committing capital.
- Diversification of equity investments across different projects or sectors to mitigate risk.
- Alignment with projects that advance sustainable development and climate goals.
- Transparency and strong governance, with clear investment terms and monitoring mechanisms to track project performance.

3.6.5. Result-Based Payments

Results-based payments are a financial instrument in which disbursements by the “results payer” occur only after the achievement of previously agreed-upon targets has been verified. These targets must be specific, measurable, and verifiable through clearly defined performance metrics. The service provider, whether an investor, implementing entity, or another responsible actor, assumes the implementation risk, since payment is made only after results are validated. This structure creates strong incentives for efficiency, high-quality execution, and the use of innovative approaches.

Within the Green Climate Fund (GCF), results-based payments are applied, for example, in the context of REDD+ and other initiatives where impact is measured using indicators such as reductions in carbon emissions or the number of beneficiaries reached.

The GCF has a dedicated [REDD+ Results-Based Payments Policy](#), which outlines specific requirements for REDD+ results-based payments, criteria for assessing proposals, and additional elements of the regular project cycle and programming processes that apply to these types of payments.

4. Environmental and Social Safeguards (ESS)

The GCF has sustainability and inclusion policies designed to ensure that climate financing does not negatively affect local communities or ecosystems. The Environmental and Social Policy, the Indigenous Peoples Policy, the Gender Policy, and the Information Disclosure Policy must be observed and applied by Accredited Entities, as well as by executing and implementing partners of GCF-funded programs and projects.

These policies are aligned with the International Finance Corporation (IFC) Performance Standards, which form the basis of the GCF’s eight interim environmental and social safeguards. These standards must be taken into account during the accreditation and re-accreditation processes for entities, as well as at the program and project activity level, as presented in Table 9 below:

Environmental and Social Safeguard Standard	Application
<p>Standard 1: Assessment and Management of Environmental and Social Risks and Impacts</p>	<p>Accreditation/Re-accreditation: at the institutional level, this standard is mandatory for entities seeking accreditation and for already accredited entities, as well as at the project/program level. It refers to the ESS management system used to assess and monitor environmental and social risks and impacts over time.</p>
<p>Standard 2: Labor and Working Conditions</p>	<p>Activities: requirements to avoid, minimize, and/or compensate for negative environmental and social risks and impacts. Applied in a modular manner, as needed.</p>
<p>Standard 3: Resource Efficiency and Pollution Prevention</p>	
<p>Standard 4: Community Health, Safety, and Security</p>	
<p>Standard 5: Land Acquisition and Involuntary Resettlement</p>	
<p>Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources</p>	
<p>Standard 7: Indigenous Peoples</p>	
<p>Standard 8: Cultural Heritage</p>	

Table 9: GCF Safeguard Standards and Their Application.

The Environmental and Social Management System (ESMS) of Accredited Entities must incorporate implementing and executing partners and integrate environmental and social safeguard information into the activities of GCF-funded programs and projects.

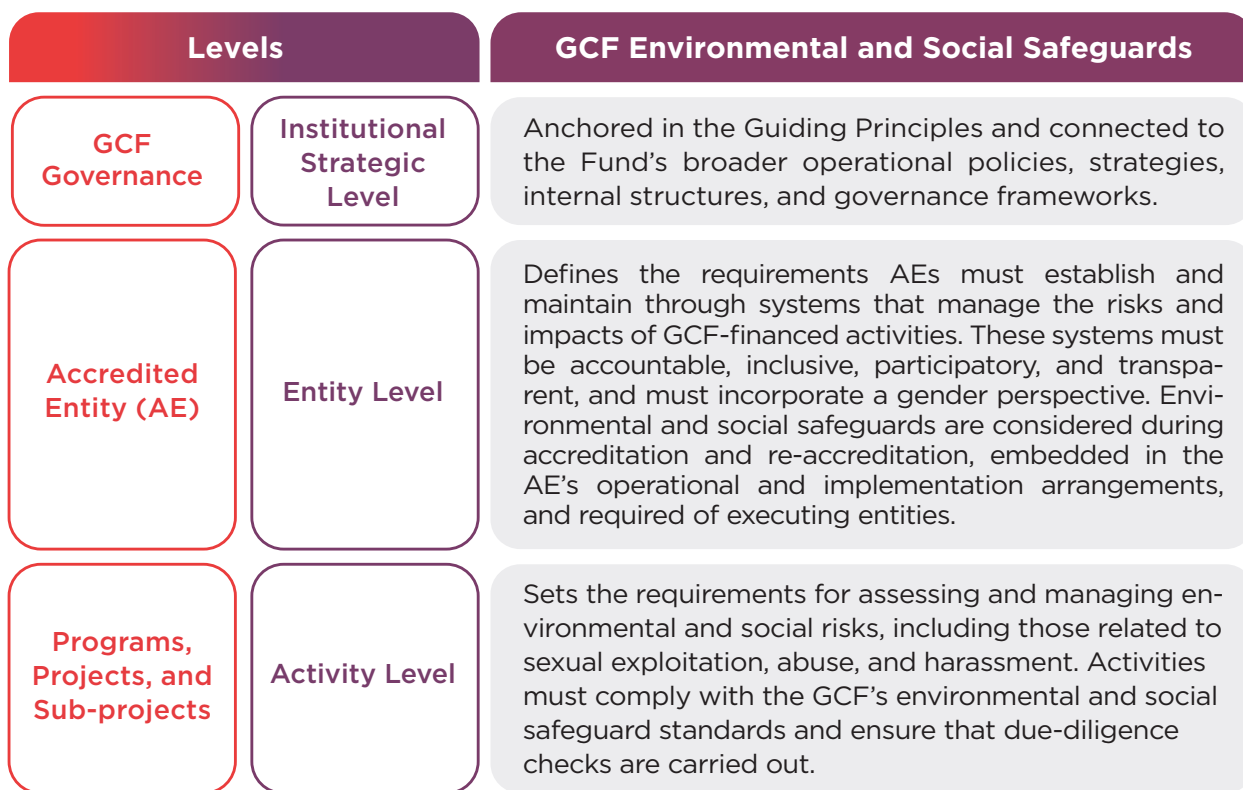


Figure 11: Applicability of the GCF Environmental and Social Safeguards.

4.1 Safeguards in the Accreditation and Re-accreditation of Institutions

Under the GCF's Environmental and Social Policy, Accredited Entities are required to establish and maintain robust, accountable, inclusive, gender-responsive, participatory, and transparent systems to manage the risks and impacts of GCF-financed activities from the outset of accreditation or re-accreditation.

The applicant entity must submit documentation demonstrating the performance and capacity of its **environmental and social management system (ESMS)** to identify, assess, manage, and monitor potential environmental and social risks and impacts of activities to be financed by the GCF. This includes requirements for information disclosure, ongoing stakeholder engagement, and the development and implementation of grievance mechanisms at both the entity and activity levels¹⁵.

When an applicant does not yet meet safeguard requirements, the GCF works with the entity to strengthen its capacities, including through support and assistance provided under the Readiness and Preparatory Support Programme. The Accredited Entity must ensure that its environmental and social management system includes the policies, procedures, and resources needed to conduct due diligence and oversee executing entities, ensuring they have the capacity to meet the GCF's environmental and social safeguard standards at the activity level.

¹⁵ Detailed information on the environmental and social management system requirements for entities undergoing accreditation or re-accreditation can be accessed at [Accreditation framework of the GCF](#).

4.2 Safeguards Throughout the Activity Life Cycle

Environmental and social safeguards apply throughout the entire life cycle of programs and projects financed by the GCF. Activities must be assessed for environmental and social risks and impacts to ensure that negative impacts are avoided, mitigated, or compensated.

In addition to the Environmental and Social Impact Assessment (ESIA) and Environmental and Social Management Frameworks (ESMF), a range of commonly accepted studies and tools may be used to complement and strengthen the assessment process. These may include strategic environmental and social assessments, regional impact assessments, cumulative impact analyses, and other specialized studies that may be required by the GCF.

The ESMS of Accredited Entities assigns risk categories based on the environmental and social risks and impacts of program and project activities. Table 9 presents the risk categories used for classifying entities (during accreditation) and for classifying the activities of programs and projects financed by the GCF.

High-intermediation level, I1	Activities with potentially significant adverse environmental and social risks and impacts that, individually or cumulatively, may be diverse, irreversible, or unprecedented.
Medium-intermediation level, I2	Activities with potentially limited adverse environmental or social risks and impacts, generally site-specific, reversible, and manageable through mitigation measures.
Low-intermediation level, I3	Activities with minimal or negligible adverse environmental and social risks and impacts.

Table 10: Classification of Activities by Risk Category.

At the activity level, safeguards must be embedded in the development of the **Funding Proposal**. This includes the risk-management framework, the results-management framework, the monitoring and accountability framework, the Environmental and Social Policy, the Gender Policy, the Indigenous Peoples Policy, the Information Disclosure Policy, among others.

Within programs and projects, Accredited Entities must **review and assign risk categories to activities**¹⁶, determining the nature and depth of the **environmental and social assessment**¹⁷, the appropriate level of stakeholder engagement, and the type of information that must be disclosed. Table 11 below presents the environmental and social assessment instruments associated with each activity category.

¹⁶ In a manner consistent with the entity’s environmental and social management system and with the GCF’s environmental and social safeguard standards.

¹⁷ Accredited Entities must carry out environmental and social assessments, including the evaluation of transboundary risks and impacts, as well as risks related to sexual exploitation, abuse, and harassment. These assessments ensure that activities proposed for GCF financing meet the environmental and social safeguard requirements in line with the GCF’s standards.

Risk Category	Activities	Environmental and Social Assessment
Risk Category A	Activities with significant adverse environmental and/or social impacts.	Environmental and Social Impact Assessment (ESIA) and a comprehensive Environmental and Social Management Framework (ESMF) are required.
Risk Category B	Activities with limited adverse environmental and/or social impacts.	An ESIA proportionate to the activity and an Environmental and Social Management Plan (ESMP) are required, describing potential impacts and the corresponding mitigation, monitoring, and reporting measures.
Risk Category C	Activities with minimal or no adverse environmental and/or social impacts.	A full assessment may not be required, although a preliminary screening or verification may be conducted to confirm Category C.

Table 11: Risk Categories and Environmental and Social Assessment Instruments

In the Funding Proposal, the risk category assigned to the activities must be consistent with the risk category of the Accredited Entity; it must be the same or lower than the category granted at the time of accreditation. Only activities whose risk categories fall within the Accredited Entity’s accreditation level are eligible for GCF financing.

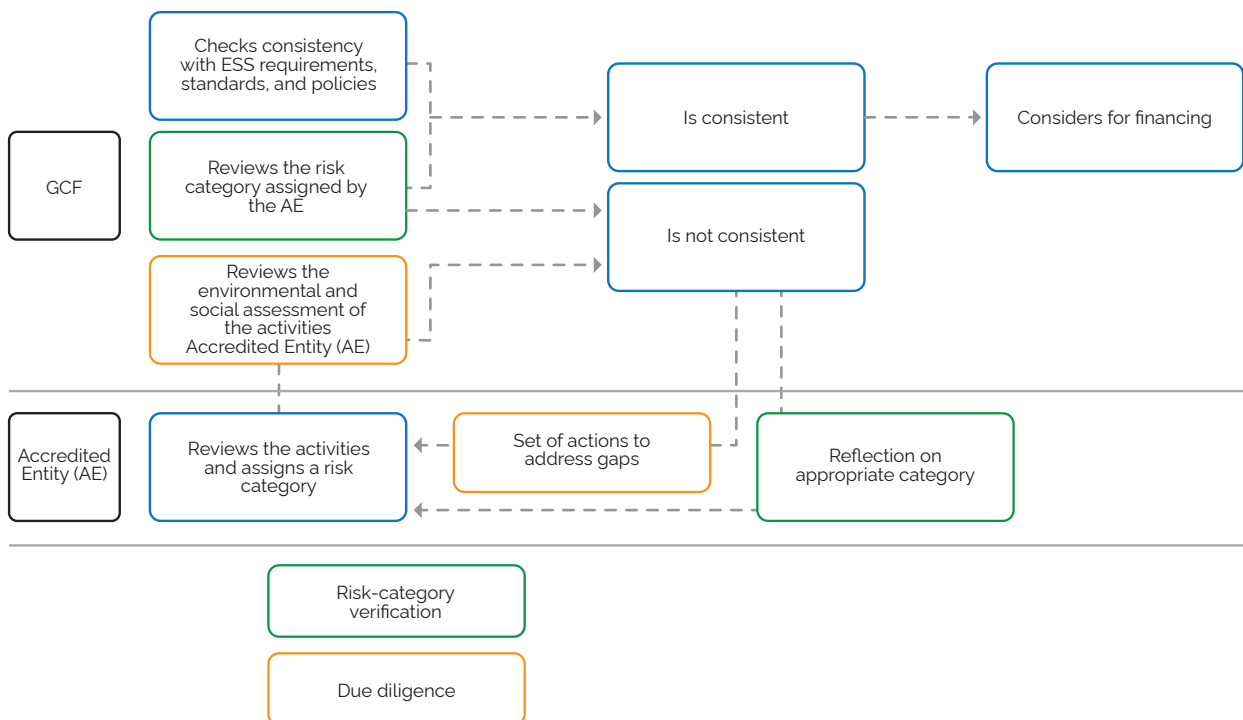


Figure 12: Flow of Environmental and Social Risk-Category Verification and due-diligence for Financed Activities.

Due diligence is part of the assessment of activities proposed for GCF financing. It is carried out through the environmental and social assessment, including field visits when necessary, to verify and determine whether the assigned risk categories are consistent with the entity’s accreditation level and with the requirements of the GCF’s safeguard standards.

Operational changes¹⁸ that increase or may potentially increase the environmental and social risk category of activities require Accredited Entities to notify the GCF and conduct due diligence appropriate to the new risk category. They must also revise the Environmental and Social Management Plan to ensure compliance with GCF requirements.

The Environmental and Social Management Plan (ESMP) is the primary output of the environmental and social risk and impact assessment process. It sets out the appropriate management measures to prevent, reduce, mitigate, or compensate for adverse environmental and social effects, and must be reflected in the ESMS of Accredited Entities. Health and safety, sexual exploitation, abuse and harassment, as well as opportunities to enhance positive environmental and social outcomes, are among the aspects that must be taken into consideration.

Environmental and Social Management Plan	
Programs/projects and activities with potential adverse risks and impacts involving	Measures / Instruments
Involuntary resettlement	Resettlement plans and frameworks, including: resettlement policy, action plan, livelihood restoration, compensation, prior consultation (Indigenous Peoples), consultations with affected persons, and grievance redress mechanisms.
Indigenous Peoples	Culturally appropriate measures to minimize, restore, and/or compensate impacts, proportional to the nature and scale of impacts and to the vulnerability of affected Indigenous Peoples and communities, described in management plans, Indigenous Peoples plans, or specific planning frameworks.
Promotion, protection, respect, and fulfilment of human rights	Environmental and social impact assessment with due diligence. Instruments include: action plan aligned with national laws and international treaties, with mitigation measures described.
Promotion, protection, and respect for gender equality	Gender risk and impact assessment. Instruments include: action plan aligned with national laws and international treaties, including support and mitigation measures described and budgeted within the environmental and social management plans.
Biodiversity	Measures to minimize, restore, and compensate impacts, described in biodiversity action plans or environmental and social management plans. Includes assessment, monitoring, and, when necessary, appropriate and equitable remediation or restoration prior to final compensation.

Table 12: Measures and Instruments for Managing Risks and Impacts Associated with Programs/Projects

¹⁸ Changes in the design or implementation of an activity, in policies or regulatory frameworks, in the receiving environment or community, unforeseen environmental risks and impacts, or other circumstances.

The GCF Environmental and Social Policy requires that financed activities be **monitored and reported** by Accredited Entities, both to the GCF and to stakeholders. Participatory monitoring must be ensured through the involvement of communities and other local stakeholders at all stages of the activity life cycle.

BOX 9: Monitoring and Reporting

An ongoing process that ensures information is disclosed in line with the monitoring and accountability framework and the Information Disclosure Policy. The depth of monitoring depends on the type and level of environmental and social risks identified. As part of GCF requirements, financed activities must submit annual performance **reports**, along with mid-term and final evaluation reports.

4.3 Information Disclosure, Stakeholder Engagement, and Grievance Redress

All environmental and social safeguard documents must be publicly disclosed. Transparency and public access to information must be ensured, along with meaningful participation of stakeholders in all activities financed by the GCF. Relevant information must be made available to affected people and external stakeholders. For further details, see the [Information Disclosure Policy](#).

The **stakeholder engagement plan** outlines how information will be shared, how meaningful consultations will be carried out, and how informed participation will be ensured in a culturally appropriate and gender-sensitive manner. In certain cases, it also includes the process for obtaining free, prior, and informed consent.

Accredited Entities must provide information on **grievance redress mechanisms**¹⁹ at all three levels²⁰; include clear instructions for submitting complaints, with contact details and available channels; ensure that grievance mechanisms operate in an accessible, fair, predictable, and transparent manner that supports continuous improvement; and cooperate with the Independent Redress Mechanism and the GCF when a complaint is filed with the Independent Redress Mechanism.

¹⁹ For more information, see Section 7.3 of the GCF Environmental and Social Policy.

²⁰ The Independent Redress Mechanism operates at the GCF level, including cases involving transboundary impacts. Grievance redress mechanisms at the level of Accredited Entities and Executing Entities operate at the activity level.

4.4 GCF Gender Policy

The Gender Policy recognizes that gender roles, responsibilities, and relations strongly influence the extent to which women and men have access to decision-making, assets and resources, information, knowledge, and control over each of these. It also acknowledges that the impacts of climate change can deepen gender inequalities, and that initiatives aimed at addressing climate change are more sustainable, equitable, and more likely to achieve their objectives when gender equality and women's empowerment are integrated into project design and implementation.

The Gender Policy affirms that women and vulnerable communities are essential actors in addressing climate change and must therefore participate actively in the discussions and decisions that affect them. It sets out the principles for achieving gender equality and women's empowerment through a gender action plan, and it supports the technical guidance and operational requirements for stakeholder engagement throughout project design, implementation, and evaluation.

Implementation of the Gender Policy and the Gender Action Plan **applies to all projects** and is guided by five priority areas: (a) governance; (b) skills and capacity development; (c) resource allocation, accessibility, and budgeting; (d) operational procedures; and (e) knowledge generation and communications. For more information, see Annex III of the GCF Gender Policy.

4.4.1 Requirements at the Programme/Project Level

During the **project preparation phase**, the Accredited Entity must integrate the principles and requirements of the Gender Policy into both the **Concept Note** and the **Funding Proposal**.

A gender assessment and a project-level gender action plan²¹ are mandatory requirements to accompany the Funding Proposal²². The proposal must also include an analysis of contextual and sociocultural factors that explain gender inequality exacerbated by climate change, as well as the potential contributions of women and men of all ages to strengthen individual and collective resilience to climate impacts.

The GCF provides guidance²³ to help identify situations of sexual exploitation, abuse, and harassment and to assess project-related risks, with the aim of anticipating, mitigating, and ideally preventing such occurrences in financed activities. This tool applies to all GCF-funded activities and to both public and private sector entities. The guidance is periodically updated by the Fund to incorporate good practices and lessons learned.

²¹ During implementation of the gender action plan, and throughout execution, monitoring, and reporting, Accredited Entities should adjust project-level baselines, indicators, and gender-related objectives as needed.

²² For more information, see Annex 8 on Gender Assessment and Gender Action Plan in Funding Proposals.

²³ For additional guidance, consult the document Sexual Exploitation, Abuse and Harassment (SEAH) Risk Assessment Guidelines.

4.5. GCF Indigenous Peoples Policy

The GCF integrates considerations related to Indigenous Peoples into its decision-making processes in support of climate mitigation and adaptation objectives through the Indigenous Peoples Policy. The Policy seeks to anticipate and avoid adverse impacts that financed activities may have on the rights, interests, and well-being of Indigenous Peoples. When avoidance is not possible, impacts must be minimized, mitigated, and/or compensated in an appropriate and equitable manner, consistent with the Policy and with a commitment to improving outcomes over time.

A core requirement of this Policy is ensuring that Indigenous Peoples are fully informed, consulted, and provided with legitimate and meaningful opportunities to participate actively in the design and determination of project implementation arrangements, as well as in the operation and decommissioning of areas where GCF-funded activities are or will be carried out.

4.5.1 Application of the Indigenous Peoples Policy

The Indigenous Peoples Policy must be taken into account during the **accreditation process** and applies to **all activities proposed for and financed** by the GCF, whether implemented by public or private entities.

- **During accreditation**, applicant entities must demonstrate their capacity to implement the Indigenous Peoples Policy. The GCF assesses this capacity, as well as the approach taken by the entities and their intermediaries to comply with the Policy.
- In GCF-supported **programmes and projects**, the Indigenous Peoples Policy must be integrated into risk management throughout the entire activity cycle.

The functions and responsibilities of the Accredited Entity for both proposed and approved GCF-funded activities are outlined in Section 6.2 of the Indigenous Peoples Policy. Potential risks and impacts that may affect Indigenous Peoples must be addressed through consultations and subsequent project planning and documentation processes. In this context, Accredited Entities, in collaboration with potentially affected Indigenous Peoples, must:

- Assess the nature and extent of expected direct and indirect economic, social, cultural (including cultural heritage), and environmental impacts on Indigenous Peoples who are present in, or have a collective attachment to, the project area. This requires developing a consultation strategy and identifying the means through which affected Indigenous Peoples will participate in the design and implementation of GCF-funded activities, as well as in the equitable sharing of benefits;
- Propose measures and actions within a time-bound plan that is culturally appropriate;
- Prepare an IPP or EIPP, with the scope and scale proportional to the project's potential risks and impacts (Box 10).

BOX 10: IPPF and IPP – What They Are and When to Prepare Each Document

The IPPF (Indigenous Peoples Planning Framework) and the IPP (Indigenous Peoples Plan) complement the social assessments of programmes and projects proposed for GCF financing and provide guidance on specific issues related to meeting the needs of affected Indigenous Peoples. Both instruments must be prepared by the Accredited Entity in collaboration with potentially affected Indigenous Peoples.

The IPPF is required when specific activities or locations have not yet been identified. It describes the processes and planning measures to ensure that future activities meet the requirements of the Indigenous Peoples Policy and the GCF Environmental and Social Policy, including provisions for developing and implementing site-specific IPPs.

The IPP must be prepared when potential impacts on Indigenous Peoples have been identified and the specific activities or locations are already known. The plan should outline actions to minimize and/or compensate adverse impacts and identify opportunities and measures to enhance positive outcomes for Indigenous Peoples in a culturally appropriate manner.

Depending on local circumstances, an IPP may be prepared as a standalone document or as part of a broader community development plan. For more information on the elements of an IPP, consult the Indigenous Peoples Policy and the [operational guidelines document](#).

4.5.2 Support for Planning

Accredited Entities may receive technical or financial support, as part of GCF-funded activities, for the preparation of plans, strategies, or other measures aimed at recognizing and strengthening the participation of Indigenous Peoples in climate-related actions consistent with the GCF mandate. This support may include:

- Strengthening local legislation to recognize customary or traditional land tenure arrangements;
- Addressing gender, socioeconomic, and intergenerational disparities within Indigenous Peoples;
- Protecting traditional knowledge through intellectual property rights;
- Building the capacity of Indigenous Peoples to participate in development planning or programmes;
- Strengthening the capacity of government agencies that provide services to Indigenous Peoples; and
- Promoting meaningful inclusion and participation of Indigenous women and other marginalized groups, such as persons with disabilities.

Additional support may include: (i) assistance for developing Indigenous Peoples' priorities through programmes designed by Indigenous Peoples²⁴ in cooperation with governments; (ii) preparation of participatory Indigenous Peoples' profiles to document their culture, demographic structure, gender and intergenerational relations, social organization, institutions, production systems, religious beliefs, and patterns of resource use; and (iii) facilitation of partnerships among government, Indigenous Peoples' organizations, civil society organizations, and the private sector to strengthen the climate resilience of Indigenous communities.

4.5.3 Implementation

The Indigenous Peoples Policy complements the ESS standards, the Gender Policy, the Environmental and Social Policy, and the other policies related to the management of environmental and social risks and impacts mentioned earlier. In cases of inconsistency with other GCF policies, the Indigenous Peoples Policy prevails.

Implementation of the Policy is overseen every five years by the Board, based on reports from the Secretariat, which gathers information from Accredited Entities, independent accountability units, and observers. The Secretariat conducts periodic assessments to promote continuous improvement, with input from Indigenous Peoples, civil society, and other stakeholders.

The main elements of the Indigenous Peoples Policy are highlighted below.

Prevention of adverse impacts: Accredited Entities must minimize and compensate unavoidable impacts in a culturally appropriate manner, engaging affected Indigenous Peoples—including women, youth, and persons with disabilities. For peoples in voluntary isolation, measures must be taken to protect their lands and culture and to prevent unwanted contact.

Mitigation benefits: Benefit-sharing must respect Indigenous institutions and customary practices, ensuring gender equity. Compensation may be provided individually or collectively, depending on consultations with the affected peoples.

Meaningful consultation adapted to Indigenous Peoples: Accredited Entities must engage Indigenous Peoples before and throughout project implementation, using culturally appropriate consultations that are gender-inclusive, intergenerational, and conducted in the local language, in accordance with the customs, norms, and values of the affected communities and through their chosen representatives. For further details, see Section 7.1.5 of the official [Indigenous Peoples Policy](#).

Free, prior and informed consent (FPIC): FPIC is a process that must occur before proposals are submitted for Board approval. It requires transparent, non-coercive consultations, with adequate information provided in the local language. FPIC is mandatory for activities that affect traditional lands, involve relocation, or impact cultural heritage. The Secretariat, in consultation with Indigenous Peoples, will develop and maintain guidance on the application of FPIC, which must be followed by all relevant parties. For more information, see Section 7.2 of the official [Indigenous Peoples Policy](#).

²⁴ When clear and transparent rules are in place, and when communities have access to information as well as appropriate technical and financial support, they can organize effectively to identify their own priorities and address local development challenges. Working in partnership with local governments and other institutions, communities can, for example, develop small-scale infrastructure, deliver basic services, and improve livelihoods.

Grievance redress mechanism: The mechanism must be fair, accessible, transparent, and constructive, and must not impose costs or lead to retaliation against individuals, groups, or communities who raise complaints or concerns. It should be designed in consultation with potentially affected peoples or communities. For more information, see Section 7.3 of the official [Indigenous Peoples Policy](#).

Information disclosure: Disclosure must follow the [GCF Information Disclosure Policy](#), ensuring cultural and linguistic accessibility. Indigenous Peoples must be given sufficient time to review and consider the information provided.

REDD+ actions: The Indigenous Peoples Policy applies to all financed activities that support REDD+ actions, including readiness, results-based payments, and any access or financing modalities, guidance, terms of reference, and assessment tools developed by the GCF in relation to REDD+.

Capacity-building for stakeholders: The GCF supports capacity-building programmes for Indigenous Peoples, covering consultation, advocacy, project management, and engagement in proposal development and monitoring. Additional support may be requested through the Readiness Programme and the Project Preparation Facility (PPF).

BOX 11: Technical and Administrative Tools

The operational guidelines containing references and the technical and administrative tools for implementing the Indigenous Peoples Policy are available in [Operational Guidelines: Indigenous Peoples Policy](#).

5. Readiness Window

The GCF Readiness and Preparatory Support Programme provides grants and technical assistance through dedicated windows to strengthen NDAs and/or DAEs in:

- Institutional capacities and governance mechanisms to plan, access, manage, and monitor climate finance
- Strategic climate-planning frameworks aligned with national priorities (including NDCs and NAPs²⁵)
- Capacities to effectively implement climate projects and programmes

Readiness support is designed to align the causal links between the assistance requested and the country's NAPs, NDCs, and LTS²⁶. Outputs and deliverables must demonstrate a clear connection to the Readiness objectives and to the results outlined in the [Readiness Results Management Framework](#)²⁷. The official document on the updated Readiness Programme for 2024–2027 can be accessed [here](#).

5.1. Objectives of the GCF Readiness Strategy 2024–2027

Objective 1. Strengthen capacities for coordinating climate finance and create an enabling environment for integrated climate investments. Support the accreditation of Direct Access Entities (DAEs) for scope expansion or re-accreditation.

Expected results:

1. Enhanced capacities in developing countries and strengthened coordination mechanisms to develop, advance, and implement NDCs, NAPs, and LTS.
2. Strategic frameworks designed and implemented in developing countries (including NDCs, NAPs, and LTS), along with supporting policies and instruments.
3. Compliance with and maintenance of GCF accreditation standards by direct access applicants and accredited entities, with strengthened programming capacities.

Objective 2. Develop and implement a portfolio of adaptation and mitigation projects based on countries' climate needs and guided by the GCF Strategic Plan 2024–2027²⁸.

Expected results:

²⁵ Acronym for Nationally Determined Contributions (NDCs) and National Adaptation Plans (NAPs).

²⁶ Acronym for Long-Term Strategy (LTS).

²⁷ The Readiness Results Management Framework (RRMF) is the main tool guiding the results-based interventions of the Readiness Programme. It provides the structure through which the GCF consistently and coherently tracks and measures the outcomes of Readiness support. The Framework is currently under revision to align with the 2024–2027 strategy.

²⁸ Updated Strategic Plan-2 (USP-2). For more information on the 2024–2027 Strategic Plan, see Section 2.3.

1. Development or updating of national programmes by developing countries to guide GCF investments.
2. Preparation of Concept Notes by DAEs linked to GCF-approved adaptation and mitigation proposals.
3. Strengthened processes and systems within NDAs and DAEs to effectively oversee the implementation, financial management, and monitoring of climate programmes and projects.

Objective 3. Promote knowledge-sharing and learning to strengthen national and regional cooperation on climate programming and finance.

Expected results

1. Use of knowledge products by developing countries—through NDAs or focal points—to address policy gaps, design integrated climate-investment programming, and implement their climate actions.
2. Enhanced collaboration among developing countries, demonstrated through cross-border, regional, and South-South cooperation initiatives.

5.2. Modalities of Support

Readiness objectives can be achieved through two main forms of support:

1. Country Support
2. Support for Direct Access Entities (DAEs)

5.2.1. Country Support

Country Support under the Readiness Programme, requested and coordinated by the NDA, aims to strengthen the institutional, technical, and coordination capacities needed to manage climate finance effectively. This support is guided by a medium-term strategic plan developed by the NDA, aligned with national priorities and the country's GCF Country Programme.

Funding is accessed through an integrated package of activities, with an indicative allocation of 30% for Objective 1, 60% for Objective 2, and 10% for Objective 3²⁹ (Figure 13). The NDA uses Country Support strategically to reinforce cross-cutting functions and coordination mechanisms within the national climate-finance architecture, defining both the priorities and how resources will be deployed.

²⁹The budget should generally follow these proportions, unless a country's specific needs justify a different distribution across the objectives. Any adjustments must be discussed and agreed upon with the GCF Secretariat.



Figure 13: Allocation of Country Support resources across the Readiness objectives, along with examples of the types of activities funded.

Countries may access up to USD 7 million over a four-year period³⁰. Planning should be organized into one or two multi-year programmes and take into account the programming capacity of the entities involved, their technical expertise, and their previous or current access to GCF finance and Readiness resources. Within this USD 7 million envelope, countries may request:

- Up to USD 4 million to support coordinated climate action, adaptation and mitigation initiatives, and knowledge-sharing and learning. This includes support for DAE pre-accreditation, climate-action programming, and direct access to GCF resources.
- Up to USD 3 million for the development of the National Adaptation Plan (NAP). Countries may also submit an additional request of up to USD 3 million for NAP implementation if less than USD 250,000 remains from the original allocation.

³⁰ Countries can plan strategically over the four-year period, accessing up to USD 4 million either through a single four-year programme or through two multi-year programmes spread across the same period (for example, 1+3 years or 2+2 years).

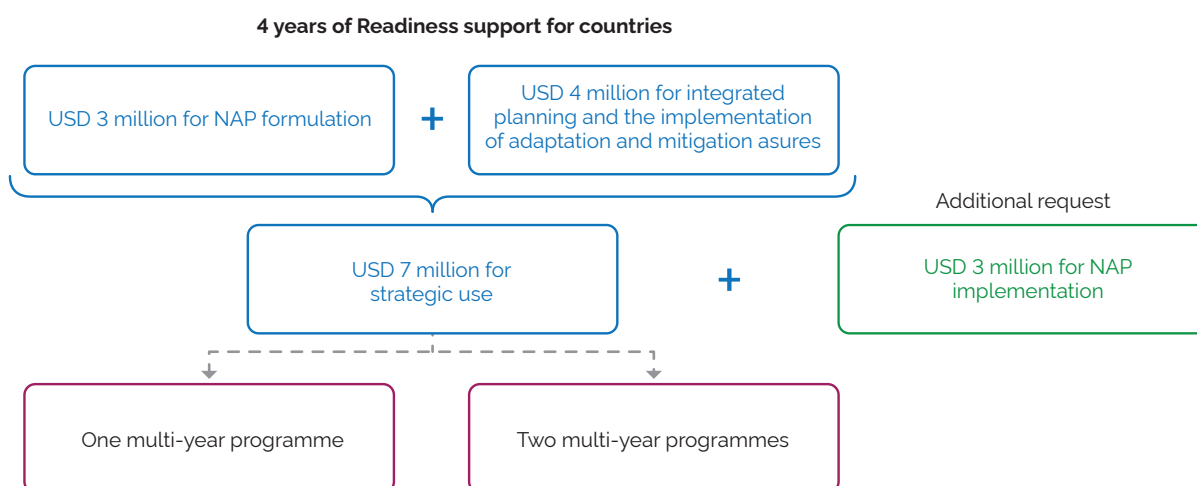


Figure 14: Overview of the funding available under the Readiness Country Support window

5.2.2. Support for Direct Access Entities (DAEs)

This support is directed specifically to DAEs and aims to strengthen their capacities for programming, implementation, and completion of the accreditation process, as well as for changes in accreditation scope, re-accreditation, and the development of Concept Notes and Funding Proposals.

Each entity may access up to USD 1 million³¹ over a four-year period, structured as one or two multi-year programmes. Resource planning should follow the same indicative allocation used for Country Support: 30% for Objective 1, 60% for Objective 2, and 10% for Objective 3 of the Readiness Programme.

In practice, this support typically includes capacity-building activities such as improving systems for implementing environmental and social safeguards and other relevant GCF policies. DAEs are encouraged to submit medium-term proposals and/or an integrated programme of activities beyond the dedicated DAE support window. There is flexibility for entities to submit more than one proposal.

5.3. How to Access Readiness Support

Accessing Readiness funding, whether through the Country Support window or the DAE Support window, follows a three-step process. The only distinction between the two modalities is the entity responsible for submitting the request. To guide applicants, the GCF provides dedicated [access manuals for Country Support](#) and for [DAEs](#).

Step 1: Request for Support

The NDA or DAE initiates the Readiness proposal process by submitting a Request for Support through the GCF Partner Portal. The request must clearly indicate the chosen access modality; for further details on these options, see Step 3.

³¹ The annual amount requested by a DAE must remain below the entity's average gross annual revenue over the previous three years. This requirement ensures that Readiness funding does not become the DAE's primary source of income and that resources are used strictly for the intended purposes of the Readiness Programme.

The request should outline the intention to use the full allocation through one or two multi-year programmes and present a broad plan describing how each programme will contribute to the three Readiness objectives. The Secretariat reviews and responds to the submission within seven business days³².

Step 2: Readiness Strategic Planning

Once a Readiness Request for Support is submitted and approved, the Secretariat begins a collaborative process with the NDA or DAE to define the type of support needed. The NDA or DAE prepares a strategic plan³³ that identifies priority areas for support, capacity gaps, and key challenges.

Insights from this strategic planning process feed into a Readiness **Terms of Reference (ToR)**, drafted by the NDA. In essence, the ToR is a detailed document that ensures all parties share a common understanding of the objectives, expected results, timelines, and responsibilities of the delivery partners involved in the Readiness programmes³⁴.

This ToR is then used in Step 3 to either launch a tender among pre-qualified delivery partners or guide NDAs and DAEs in developing their proposals. The GCF provides a [Readiness ToR template for countries](#).

NDAs and DAEs are encouraged to prioritize coordinated action and stakeholder engagement throughout the strategic planning process and the preparation of the ToR. Close collaboration between the NDA, Accredited Entities, and relevant stakeholders is essential to ensure an inclusive planning process aligned with national climate priorities.

Step 3: Access Options and Delivery Partners

The NDA and the DAE may choose to fulfill their Terms of Reference (ToR) through: (i) direct access by the country (Option 1), (ii) the pre-qualified delivery partner process (Option 2), or (iii) a hybrid approach (Option 3).

BOX 12: What are delivery partners (DPs)?

Delivery partners are institutions nominated by NDAs to implement approved Readiness activities. They may include the NDAs themselves, Accredited Entities, or other organizations capable of providing technical assistance and building capacity. These partners are specialists in designing and implementing climate-finance programmes and projects.

If the nominated delivery partner is not a GCF-Accredited Entity, it must complete the [Financial Management Capacity Assessment \(FMCA\) questionnaire](#) and submit the required supporting documentation to the GCF for review. This due-diligence process ensures that prospective delivery partners have the legal, fiduciary, and project-management capacities needed to effectively implement Readiness grants. For more information on the FMCA, [see the Readiness and Preparatory Support Guide](#).

³² The GCF notes that exact timelines may vary depending on operational demands. Requests may be submitted at any point between 2024 and 2027, with a final approval deadline of 31 March 2028.

³³ The GCF Secretariat provides further guidance on how to develop the strategic planning process in the [Country Guide to Readiness Strategic Planning](#) and the [DAE Guide to Readiness Strategic Planning](#).

³⁴ If two programmes are selected, a separate ToR must be prepared for each one. In Step 3, a hybrid approach may be used, in which one programme is implemented through direct access while the second is delivered by a pre-qualified delivery partner. One ToR will be used to request competitive bids from pre-qualified delivery partners, and the other will guide NDAs in preparing Direct Access Proposals, should they choose that route.

Option 1 – Direct Access by Countries:

Under the direct-access modality, the country or DAE manages the resources independently. After completing Steps 1 and 2, direct access to Readiness funding follows the sequence below:

- A. The NDA confirms to the Secretariat its own eligibility, or that of another country-designated agency, to receive Readiness resources from the GCF. The selected agency must already have a **Financial Management Capacity Assessment (FMCA)** with the Fund or undergo this assessment to be approved to manage GCF Readiness funds. The NDA may also choose to engage entities that have existing **Framework Readiness and Preparatory Support Grant Agreements** with the GCF Secretariat³⁵ to implement Readiness activities in the country. The GCF provides an updated list of current Framework Agreement holders.
- B. The NDA prepares and submits a Direct Access Readiness Proposal to address the needs identified during the strategic planning process.
- C. The NDA, the designated national agency, and the GCF establish a Framework Agreement.

Option 2 – Use of Pre-Qualified Delivery Partners:

NDA and DAEs may also choose to fulfill their Readiness ToRs through a competitive tendering process to identify the most suitable delivery partner(s) from the GCF's pre-qualified roster³⁶. After completing Steps 1 and 2, the use of pre-qualified delivery partners follows the sequence below:

- A. The NDA, in coordination with stakeholders, conducts the strategic planning process and prepares the country's Readiness ToR.
- B. The GCF Secretariat launches a mini-competition among pre-qualified delivery partners to respond to the Readiness ToRs. These partners submit technical and financial proposals, which are evaluated by a panel composed of a country representative, GCF experts, and, when necessary, independent specialists. The GCF provides a standardized mini-competition template for pre-qualified delivery partners.
- C. A delivery partner or consortium is selected and issued a Service Order by the GCF Secretariat. This order outlines the Readiness activities, deliverables, timelines, reporting requirements, and payment terms. Because no individual grant agreement negotiations are required, implementation can begin immediately.

³⁵ Holders of Framework Agreements may use their existing agreements to access Readiness funds and are exempt from the pre-qualification process required for delivery partners operating under Long-Term Agreements (LTAs). They may also be directly invited by countries to respond to the Terms of Reference (ToRs), with the process carried out either with or without mini-competitions, depending on the country's specific needs and requests.

³⁶ The GCF Secretariat has committed to pre-qualifying delivery partners once during the 2024–2027 period. Pre-qualification is based on an open and transparent competitive selection process that assesses the partners' expertise in climate-investment areas, including technical skills, experience in project design and implementation, capacity-building competencies, and their ability to operate effectively and efficiently in national or regional contexts.

BOX 13: Notes on the Use of Pre-Qualified Delivery Partners

What are mini-competitions?

Mini-competitions are designed to identify the best options in terms of approaches, methodologies, and costs offered by high-level experts and service providers selected by the GCF Secretariat.

How does the partnership between pre-qualified delivery partners and the GCF work?

Pre-qualified partners are contracted by the GCF through **Long-Term Agreements (LTAs)**. Although LTAs do not guarantee work, they designate organizations as preferred providers for up to five years, allowing them to participate in mini-competitions to respond to Readiness ToRs. LTAs are established to ensure a rapid start to Readiness activities, avoiding delays associated with negotiating individual agreements and conducting FMCA assessments.

Option 3 - Hybrid Approach:

This approach allows countries to tailor Readiness support to their specific objectives and the needs identified during strategic planning by combining direct access with the use of pre-qualified delivery partners.

The hybrid approach requires the use of two programmes, along with a clear distribution of Readiness objectives to be covered by each programme. The decision rests entirely with the country, providing flexibility to accommodate national contexts and specific requirements. This planning must begin as early as the Readiness Request for Support (Step 1), as it will shape the development of the strategic planning process (Step 2) and all related activities.

- i. Programme 1 - Use of Pre-Qualified Delivery Partners:* A country may implement a programme focused on Readiness Objective 2. This option provides access to specialized external expertise as well as the advantages of the streamlined contracting process offered under the LTA framework.
- ii. Programme 2 - Direct Access by Countries:* Simultaneously, a country may address Readiness Objectives 1 and/or 3 through direct access to Readiness resources. This approach enables the NDA or DAE to manage regulatory reform processes and other activities that benefit from a more hands-on, country-led approach.

Sequence of Activities Under the Hybrid Approach:

- A.** (i) For projects implemented through pre-qualified delivery partners, the NDA develops the ToRs, which are then addressed through mini-competitions. (ii) At the same time, for direct access, the NDA prepares the Direct Access Proposal.
- B.** (i) For projects involving pre-qualified partners, the GCF Secretariat manages the selection process through mini-competitions, followed by the issuance of Service Orders to the selected LTA holders. (ii) For direct access, the NDA or designated agency confirms its eligibility to enter into a direct agreement and receive GCF funds based on the Financial Management Capacity Assessment (FMCA). Once confirmed, the NDA submits a Direct Access Proposal and proceeds with the direct-access contracting process.

The flowchart below (Figure 15) consolidates the steps for accessing Readiness support:

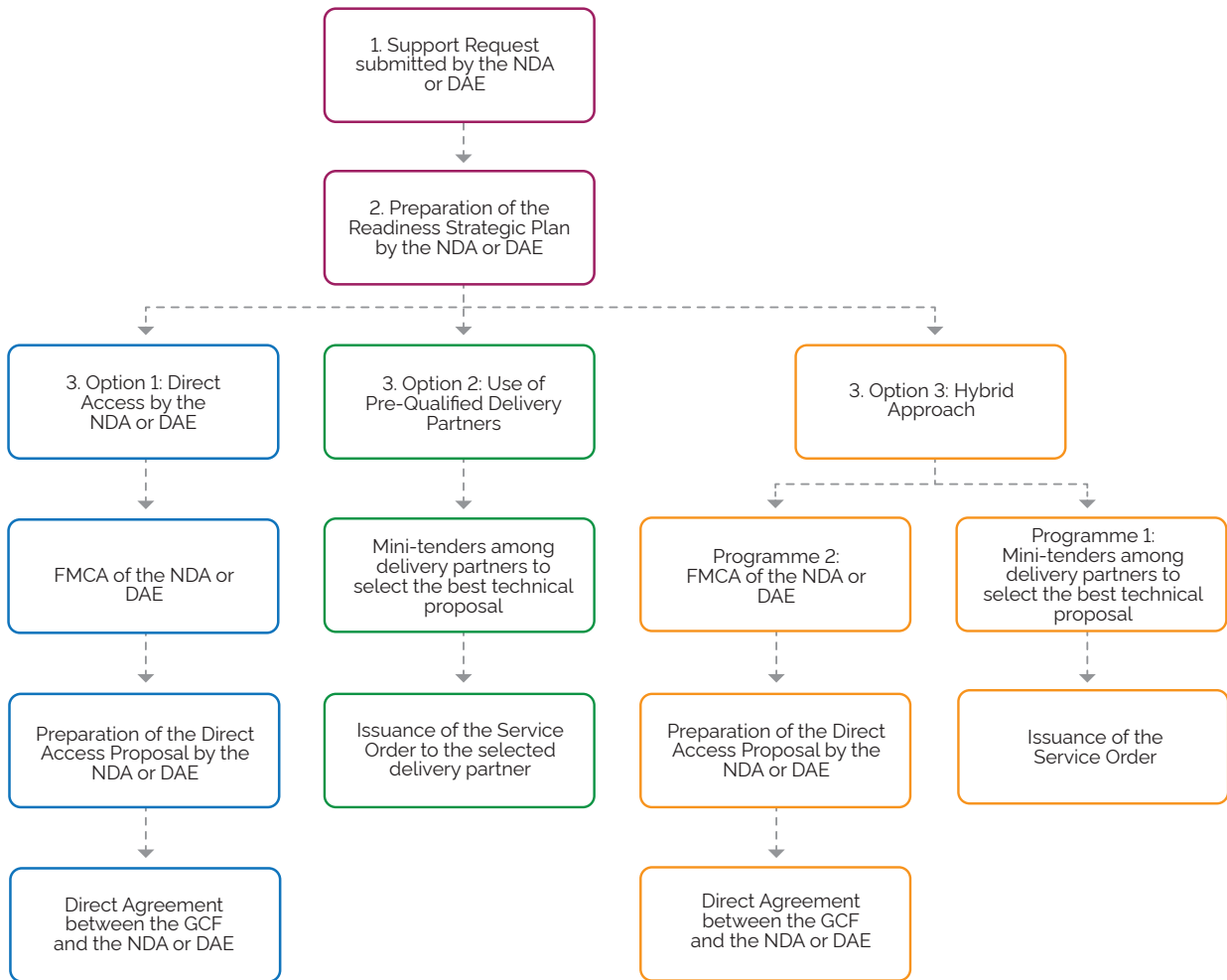


Figure 15: Flow of Submission and Approval for Readiness Funding.

Annex I. Concept Note Assessment Form

Theme	Criteria/Guiding question
1. Rationale	1.1. Are the proposal’s objectives directly linked to climate change mitigation and/or adaptation (significantly supporting GHG emission reductions or addressing the needs of populations vulnerable to climate change)?
	1.2. Is the proposal clearly within one or more of the GCF impact areas (mitigation or adaptation)?
2. Context and Baseline	2.1. Does the proposal describe the main climate vulnerabilities and impacts and how it intends to address them?
	2.2. Does the proposal describe structural barriers and challenges (social, gender, fiscal, regulatory, technological, institutional, etc.) and how it intends to address them?
	2.3. Does the proposal describe how it aligns with national priorities (according to one or more pillars of Brazil’s Country Programme for the GCF – Agriculture; Forests and Land Use; Energy and Transport; Industry, Commerce and Services; Cities, Communities and Resilient Territories)?
	2.4. Does the proposal describe how its objectives and/or results complement existing policies in a way that adds value to what is already being implemented in the country?
	2.5. For programme proposals: Are the scope and activities clearly described for Brazil? Is there intervention within specially protected areas (protected areas, Indigenous lands, permanent preservation areas, legal reserves, etc.)?
	2.6. For multi-country proposals: Is the rationale for selecting Brazil clear? Was any study conducted to justify Brazil’s inclusion (needs assessment)?
	2.7. Is the proposal related to any other GCF-approved Funding Proposal?

Theme	Criteria/Guiding question
3. Project/ Programme Description	3.1. Does the project include investment beyond technical assistance (e.g., development of guidelines, training in best practices, creation of a financing programme, certification assessments)?
	3.2. Does the proposal present a clear and coherent paradigm-shift theory of change (components and activities lead to the final objective; they address the barriers described; they explain how obstacles will be overcome)?
	3.3. Are the governance structure and institutional arrangements for operation and implementation clearly described?
	3.4. Is the implementation capacity of the Accredited/Executing Entity convincingly described? (Note: it is not necessary to consider only GCF projects, especially for PSAA. Proponents must demonstrate relevant experience and technical capacity.)
	3.5. Does the proposal identify the main operational and financial risks?
4. Transforma- tional Potential (Results)	4.1. Mitigation Impact Potential: Does the project aim to reduce emissions through actions in GCF strategic result areas (energy access and generation; transport; forests and land use; buildings, cities, industries and appliances), describing the amount of tonnes to be reduced and how?
	4.2. Adaptation Impact Potential: Does the project aim to reduce vulnerabilities and increase adaptive capacity of beneficiaries, considering GCF strategic impact areas (health, food and water security; livelihoods of people and communities; ecosystems and ecosystem services; infrastructure and built environment), describing beneficiaries and resilience gains?
	4.3. Paradigm-Shift Potential: Will the project generate innovative impact (innovative solutions, new market segments, adoption of new technologies, new business models, and/or process changes), with potential for replication and scale-up?
	4.4. Sustainable Development Potential: Does the project present positive externalities/co-benefits (environmental, social, economic)?
	4.5. Sustainable Development Potential: Is the project gender-responsive?
	4.6. Country Ownership: Does the project demonstrate how it will help Brazil achieve the targets established in its NDC?
	4.7. Efficiency and Effectiveness: Does the project present an adequate financial structure (estimated costs per component) and co-financing ratio (resource-leveraging potential)?
	4.8. For private-sector projects: Does the proposal present a financial structure predominantly based on reimbursable instruments and including a diversified combination of financial instruments?

Theme	Criteria/Guiding question
4. Transformational Potential (Results)	4.9. Needs of the Recipient Country: Does the proposal demonstrate that GCF resources are genuinely needed for the beneficiary to implement the proposed activities (i.e., the activities cannot be financed by other sources)?
5. Engagement	5.1. Has stakeholder engagement been carried out or is it underway?
	5.2. Are the basic elements of how engagement between the NDA, AE, and other stakeholders will occur clearly described?
	5.3. Is there a plan for engaging local stakeholders?
6. Sustainability	6.1. Does the project clearly demonstrate that its impacts will be long-lasting, extending beyond the project's duration?
	6.2. Do the project's impacts leverage existing initiatives, demonstrating local, regional, or national synergies?

Annex II. NDA Funding Proposal Assessment Form

Theme	Criteria/Guiding question	Parameters
1. Basic Context and Project/ Programme Description	<p>1.1. Does the proposal satisfactorily describe the project context, the baseline scenario, and how positive changes in this scenario will generate mitigation and/or adaptation impacts considering the GCF's specific investment areas?</p>	<p>The proposal clearly and concisely presents the context in which the project will be implemented, including relevant information on the geographic region, socioeconomic, environmental, and climate characteristics. It identifies and accurately describes the current baseline scenario, including key challenges, vulnerabilities, and climate-change impacts (mitigation or adaptation). The proposal explains how the baseline scenario will be affected. Is there a clear description of impacts in the GCF investment areas? Are these impacts clearly linked to those areas?</p> <p>GCF Investment Areas: Mitigation: (1) Energy generation and access; (2) Buildings, cities, industries, and appliances; (3) Low-emission transport; (4) Forests and land use. Adaptation: (1) Health, food, and water security; (2) Livelihoods of people and communities; (3) Ecosystems and ecosystem services; (4) Infrastructure and built environment.</p>
	<p>1.2. Are the activities to be carried out under each component clearly described, and is it clear how they contribute to the programme/project objective, with a coherent line of action aligned with the problem to be addressed?</p>	<p>The project objectives are clearly defined, and the proposed activities are directly aligned with these objectives. Implementation strategies are clear and detailed, describing how activities will be carried out. The proposal presents a clear intervention logic, explaining how the proposed activities will lead to the achievement of the project objectives and, consequently, to solving the identified problem.</p>
	<p>1.3. Does the proposal satisfactorily describe where the project(s) will be implemented in Brazil (regions, states, municipalities)?</p>	<p>The location is described in the proposal. The components clearly detail where activities will be implemented.</p>
	<p>1.4. For multi-country programmes, does the proposal satisfactorily describe which components and lines of action of the FP apply to Brazil?</p>	<p>The proposal clearly describes which programme components and lines of action apply to Brazil. If the programme or project is national, answer N/A.</p>

Theme	Criteria/Guiding question	Parameters
1. Basic Context and Project/ Programme Description	1.5. For multi-country programmes, are the activities planned for implementation in Brazil connected to the overall programme scope and to FP components in other countries?	For activities planned for Brazil, they: (i) contribute to achieving programme-level expected results; (ii) are designed to generate results that integrate and create synergies with actions in other countries, maximizing positive impacts and avoiding duplication; (iii) consider contextual, cultural, and socioeconomic differences across countries, ensuring relevance and adaptation; (iv) consider specific risks. The programme demonstrates an integrated and complementary approach for Brazil. If national, answer N/A.
2. Governance Structure and Institutional Arrangements	2.1. Is the governance structure and the institutional and operational arrangements clear, including information and responsibilities of executing entities and their capacity to implement the project?	There is a clear description of the project/programme governance, including structure, competencies, responsibilities, and technical experience of involved stakeholders (e.g., management unit, steering committee), as well as prior experience of the institutions.
	2.2. For multi-country programmes, does the governance planned for implementation in Brazil include national stakeholders with proven capacity in the area?	The implementation arrangement in Brazil includes national stakeholders with proven experience. The proposal describes roles and responsibilities of national stakeholders. Decision-making authority is placed under national institutions. If national, answer N/A.
3. Financial Information	3.1. Is the co-financing ratio and/or the proposal's potential to catalyse future investments clearly presented?	The proposal specifies the co-financing ratio and demonstrates satisfactory leverage. It describes how it can catalyse private/public investment in the sector. It presents estimates of long-term indirect investments mobilized as a result of the proposed activities.
	3.2. Does the proposal clearly describe the planned arrangements for disbursement of resources and the national stakeholders involved?	The proposal clearly describes the financial arrangement to be used in Brazil, including resource flows, disbursements, and national stakeholders involved.
	3.3. Does the proposal clearly discuss the level of concessionality and how it ensures the viability of the project in Brazil?	The proposal discusses interest rates (for the borrower and beneficiaries), terms, grace periods, guarantees, and how these factors influence and ensure the viability of the project/programme in Brazil.

Theme	Criteria/Guiding question	Parameters
3. Financial Information	3.4. Are foreign-exchange risks and mitigation mechanisms well described?	The proposal clearly describes foreign-exchange risks and discusses hedging or protection mechanisms that support project viability.
4. Impact Potential	4.1. Is it clear which institutions and capacities may be strengthened by the project/programme?	The proposal identifies capacity and institutional limitations in the beneficiary country and demonstrates potential to strengthen institutions and expand national capacities.
5. Country Ownership	5.1. Is the proposal aligned with existing national policies, and does it add benefits to what is already being implemented?	The proposal states whether it aligns with NAMAs, NAPs, TNAs, NDCs, and other policies.
	5.2. Does the project/programme demonstrate how it will help Brazil achieve the targets established in its NDC?	Mitigation: The project/programme defines clear and measurable methodologies, strategies, and indicators to track progress toward Brazil's NDC targets (e.g., reducing deforestation, increasing energy efficiency, expanding protected areas, promoting sustainable agriculture), and includes an effective monitoring and evaluation plan. Adaptation: The proposal defines clear indicators and methods to assess resilience of communities and ecosystems, including risk-management measures, resilient infrastructure, ecosystem protection, economic diversification, etc.
6. Engagement	6.1. Has any stakeholder engagement (civil society, AE, NDA, local stakeholders) been carried out, or is there a plan for it?	The proposal describes how consultations with relevant stakeholders were conducted. It presents an engagement plan including meetings, consultations, validation steps, etc.
7. General issues	7.1. Is there any sensitive issue to highlight in the proposal, or any other risk not identified in the form?	

Annex III. Sectoral Ministries' Funding Proposal Assessment Form

Theme	Criteria/Guiding question	Parameters
1. Basic Context and Project/ Programme Description	<p>1.1. Does the proposal satisfactorily describe the project context, the baseline scenario, and how positive changes in this scenario will generate mitigation and/or adaptation impacts considering the GCF's specific investment areas?</p>	<p>The proposal clearly and concisely presents the context in which the project will be implemented, including relevant information on the geographic region and socioeconomic, environmental, and climate characteristics. It identifies and accurately describes the current baseline scenario, including key challenges, vulnerabilities, and climate-change impacts (mitigation or adaptation). The proposal explains how the baseline scenario will be affected.</p> <p>Is there a clear description of impacts in the GCF investment areas? Are these impacts clearly linked to those areas?</p> <p>GCF Investment Areas: Mitigation: (1) Energy generation and access; (2) Buildings, cities, industries, facilities, and appliances; (3) Low-emission transport; (4) Forests and land use. Adaptation: (1) Water, food, and health security; (2) Livelihoods of people and communities; (3) Ecosystems and ecosystem services; (4) Infrastructure and built environment.</p>
	<p>1.2. Are the activities to be carried out under each component clearly described, and is it clear how they contribute to the programme/project objective, with a coherent line of action aligned with the problem to be addressed?</p>	<p>The project objectives are clearly defined and the proposed activities are directly aligned with them. Implementation strategies are clear and detailed, describing how activities will be carried out. The proposal presents a clear intervention logic, explaining how the proposed activities will lead to the achievement of the project objectives and, consequently, to solving the identified problem.</p>
	<p>1.3. Does the proposal satisfactorily describe where the project(s) will be implemented in Brazil (regions, states, municipalities)?</p>	<p>The location is described in the proposal. The components clearly detail where activities will be implemented.</p>
	<p>1.4. For multi-country programmes, does the proposal satisfactorily describe which FP components and lines of action apply to Brazil?</p>	<p>The proposal clearly describes which programme components and lines of action apply to Brazil. If the programme or project is national, answer N/A.</p>

Theme	Criteria/Guiding question	Parameters
1. Basic Context and Project/ Programme Description	1.5. For multi-country programmes, are the activities planned for implementation in Brazil connected to the overall programme scope and to FP components in other countries?	For activities planned for Brazil, they: (i) contribute to programme-level expected results; (ii) are designed to generate results that integrate and create synergies with actions in other countries, maximizing positive impacts and avoiding duplication; (iii) consider contextual, cultural, and socioeconomic differences across countries, ensuring relevance and adaptation; (iv) consider specific risks. The programme demonstrates an integrated and complementary approach for Brazil. If national, answer N/A.
	1.6. Is the methodology clearly described, and is it appropriate for achieving the project/programme objectives and results?	The methodology: (i) is internally consistent and coherent, with logically sequenced and complementary methods; (ii) is feasible and effective given available resources and technical capacity; (iii) is appropriate to the specific context, considering target groups, local conditions, and identified needs; (iv) describes the technology to be used and discusses its feasibility.
2. Governance Structure and Institutional Arrangements	2.1. Is the governance structure and the institutional and operational arrangements clear, including information and responsibilities of executing entities and their capacity to implement the project?	The proposal clearly describes the governance of the project/programme, including structure, competencies, responsibilities, and technical experience of involved stakeholders (e.g., management unit, steering committee), as well as prior experience of the institutions.
	2.2. For multi-country programmes, does the governance planned for implementation in Brazil include national stakeholders with proven capacity in the area?	The implementation arrangement in Brazil includes national stakeholders with proven experience. The proposal describes roles and responsibilities of national stakeholders. Decision-making authority is placed under national institutions. If national, answer N/A.

Theme	Criteria/Guiding question	Parameters
3. Impact Potential in the Country	3.1. Does the implementation of the proposed activities generate positive externalities/co-benefits (environmental, social, or economic), and does it describe how it will impact the country's and/or beneficiaries' socioeconomic development?	The proposal presents positive environmental externalities (air quality, soil quality, conservation, biodiversity), social externalities (health, safety, access to education, regulatory improvements, cultural preservation), and economic externalities (job market expansion, poverty reduction, increased local industry involvement, collaboration between industry and academia, attraction of private funds, productivity gains, income generation). The proposal describes the socioeconomic development of the country and target population, including income levels. The proposal describes the intensity of exposure to climate risks and the vulnerability of the target population, and how the project will address these vulnerabilities.
	3.2. Is it clear which institutions and capacities may be strengthened by the project/programme?	The proposal identifies capacity and institutional limitations in the beneficiary country and demonstrates potential to strengthen institutions and expand national capacities.
4. Country Ownership	4.1. Is the proposal aligned with existing national policies, and does it add benefits to what is already being implemented?	The proposal states whether it aligns with NAMAs, NAPs, TNAs, NDCs, and other policies.
	4.2. Does the project/programme demonstrate how it will help Brazil achieve the targets established in its NDC?	Mitigation: The project/programme defines clear and measurable methodologies, strategies, and indicators to track progress toward Brazil's NDC targets (e.g., reducing deforestation, increasing energy efficiency, expanding protected areas, promoting sustainable agriculture), and includes an effective monitoring and evaluation plan. Adaptation: The proposal defines clear indicators and methods to assess resilience of communities and ecosystems, including risk-management measures, resilient infrastructure, ecosystem protection, economic diversification, etc.

Theme	Criteria/Guiding question	Parameters
5. Engagement	5.1. Has any stakeholder engagement (civil society, AE, NDA, local stakeholders) been carried out, or is there a plan for it?	The proposal describes how consultations with relevant stakeholders were conducted. It presents an engagement plan including meetings, consultations, validation steps, etc.
6. General issues	6.1. Is there any sensitive issue to highlight in the proposal, or any other risk not identified in the form?	

Annex IV. Cross-Sectoral Ministries' Funding Proposal Assessment Form

Theme	Criteria/Guiding question	Parameters
<p>7. Risks and safeguards</p>	<p>7.1. Does the proposal present relevant risks related to these issues? Does it explain how such risks will be mitigated?</p>	<p>Gender: Issues related to gender equality, sexual diversity, gender identity, and women's empowerment.</p>
		<p>Indigenous Peoples: Issues related to ensuring benefits and rights, participation, benefit-sharing, and safeguards.</p>
		<p>Traditional Communities: Issues related to ensuring benefits and rights, participation, benefit-sharing, and safeguards.</p>
		<p>Racial Equity: Issues related to racial inclusion and equality, and guaranteeing the rights of racially marginalized groups.</p>
		<p>Land/ Agrarian Issues: Legal and land-tenure matters, land conflicts, land-use overlaps, among others.</p>

The logo for the National Designated Authority (NDA) is centered on a light gray background. It features the letters 'NDA' in a large, bold, black sans-serif font. To the right of the 'NDA' text, the words 'National Designated Authority' are stacked vertically in a smaller, black sans-serif font. The background is decorated with several thick, white, abstract, overlapping curved lines that create a sense of movement and depth.

NDA

National
Designated
Authority