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RÉPUBLIQUE TOGOLAISE
Ministère de l'Economie et des Finances



REPORT

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Adaptation Finance Academy Forum

28-30 April 2026

Togo, Kévé (Zogbépimé)

From Reforms to Efficient Programming:
Strengthening African DAEs' effective access to GCF and Adaptation Fund resources in a changing landscape

Table of Contents

List of Acronyms **3**
Executive Summary **5**
I. Introduction **6**
II. DAY 1 - Tuesday, 28 April 2026 ..... **8**
1. Opening Ceremony 8
2. Session 1: Setting the Scene: APIA and AFA Program Updates 9
3. Session 2: Global Geopolitics and the Climate Finance Landscape 11
4. Session 3: Adaptation Fund Operational Modalities and Recent Updates 12
5. Session 4: GCF Revised Accreditation Framework (RAF) 14
6. Session 5: Adaptation Fund Revised Reaccreditation Process 16
III. DAY 2 - Wednesday, 29 April 2026 ..... **18**
7. Session 6: GCF USP-3 Consultative Workshop 18
8. Session 7: GCF Country Platforms Approach 22
9. Session 8: The "Efficient GCF" Agenda and the 9-Month Project Cycle 24
10. Session 9: What Do These Reforms Mean for African Accredited Entities? 26
IV. DAY 3 - Thursday April 30, 2026 ..... **30**
11. Session 10: Potential Reforms to GCF Terms and Conditions 30
12. Session 11: Leveraging Financial Instruments for Climate Finance 33
13. Session 12: GCF and Adaptation Fund Post-Approval Challenges 38
14. Session 13: Challenges Faced by DAEs in Developing Readiness Proposals 40
15. Session 14: Looking Ahead: GCF Replenishment and Regional Presence 42
V. Overall Key Takeaways **46**
Next Steps and Way Forward **48**
VI. Conclusion **50**

List of Acronyms

AAI	:	Africa Adaptation Initiative
AFA	:	Adaptation Finance Academy
AF	:	Adaptation Fund
AFD	:	Agence Française de Développement
AE	:	Accredited Entity
AfDB	:	African Development Bank
APIA	:	Adaptation Project Incubator for Africa
BNDA	:	Banque Nationale de Développement Agricole (Mali)
BOAD	:	West African Development Bank (Banque Ouest Africaine de Développement)
CN	:	Concept Note
DAE	:	Direct Access Entity
DBSA	:	Development Bank of Southern Africa
DFI	:	Development Finance Institution
ECOWAS	:	Economic Community of West African States
EE	:	Executing Entity
ESS	:	Environmental and Social Safeguards
EU	:	European Union
FNEC	:	Fonds National pour l'Environnement et le Climat (Benin)
FP	:	Funding Proposal
FX	:	Foreign Exchange
GCF	:	Green Climate Fund
GIZ	:	Deutsche Gesellschaft für Internationale Zusammenarbeit
IDBZ	:	Infrastructure Development Bank of Zimbabwe
IFC	:	International Finance Corporation
IPAG	:	Indigenous Peoples Advisory Group
KCB	:	Kenya Commercial Bank
KfW	:	Kreditanstalt für Wiederaufbau
LDC	:	Least Developed Country

LLA	:	Locally Led Adaptation
LTS	:	Long-Term Strategy
MAF	:	Monitoring and Accountability Framework
MCF	:	Multilateral Climate Fund
M&E	:	Monitoring and Evaluation
MIE	:	Multilateral Implementing Entity
MRV	:	Monitoring, Reporting and Verification
MSME	:	Micro, Small and Medium-sized Enterprise
NAP	:	National Adaptation Plan
NCQG	:	New Collective Quantified Goal
NDA	:	National Designated Authority
NETFUND	:	National Environment Trust Fund (Kenya)
NGO	:	Non-Governmental Organisation
NIE	:	National Implementing Entity
NOL	:	No-Objection Letter
ODA	:	Official Development Assistance
PMC	:	Project Management Costs
PPF	:	Project Preparation Facility
PRC	:	Policy on Restructuring and Cancellation
RAF	:	Revised Accreditation Framework
RIE	:	Regional Implementing Entity
SANBI	:	South African National Biodiversity Institute
SSA	:	Sustainable Solutions for Africa
SIDS	:	Small Island Developing States
SME	:	Small and Medium-sized Enterprise
TA	:	Technical Assistance
USP-3	:	GCF Third Updated Strategic Plan

Executive Summary

The Adaptation Finance Academy Forum (AFA Forum) 2026 was held from 28 to 30 April 2026 in Zogbépimé (Kévé), Togo, under the theme "From Reforms to Efficient Programming: Strengthening African DAEs' effective access to GCF and Adaptation Fund resources in a changing landscape″.

Hosted by the Africa Adaptation Initiative (AAI) and Sustainable Solutions for Africa (SSA), the forum brought together 48 participants from 33 institutions including 26 African Direct Access Entities (DAEs) alongside facilitators from the Green Climate Fund (GCF), Adaptation Fund, Africa Adaptation Initiative (AAI), Adaptation Project Incubator for Africa (APIA), Adaptation Finance Academy (AFA) and Sustainable Solutions for Africa (SSA). It was officially opened and closed by Zogbépimé's Traditional Chief, the Mayor of Avé 1 Municipality, the Departmental Representative of the Ministry of Environment in Kévé, representatives from the Adaptation Fund, representatives from the Green Climate Fund, and the CEO of SSA.

Over three days, participants navigated a rapidly evolving climate finance landscape marked by donor constraints, declining Official Development Assistance (ODA) and competing geopolitical priorities. Day 1 set the scene with the latest geopolitical context, an Adaptation Fund update and a deep-dive into the GCF Revised Accreditation Framework, confirming the global shift toward performance-based management. Day 2 focused on the GCF's emerging strategic direction (USP-3 consultations), the Country Platforms approach, the "Efficient GCF" Agenda and its 9-Month Project Cycle, and what these reforms concretely mean for African Accredited Entities. Day 3 turned to operational instruments and the road ahead, examining the potential reform of GCF terms and conditions (PMC/AE fees), non-grant financial instruments, post-approval challenges, the Adaptation Fund's next medium-term strategy, preparatory support, and the implications of the GCF-3 replenishment and regional decentralisation.

The Forum enabled the consolidation of shared perspectives among African DAEs on key reform processes, highlighted priority areas for strengthening institutional capacity and project delivery, and reinforced the importance of coordinated engagement with climate funds.

The Forum confirmed the urgency for African DAEs to consolidate a collective voice, build internal capacity, embed climate finance into corporate strategy, and engage proactively with the funds so that ongoing reforms translate into sustained and genuinely empowering direct access.

I. Introduction

The Adaptation Finance Academy (AFA) Forum 2026 took place from 28 to 30 April 2026 at the ECOVERSE climate-smart village in Zogbépimé (Kévé), Togo. Convened by the Africa Adaptation Initiative (AAI) and Sustainable Solutions for Africa (SSA), with the support of Quadrature Climate Foundation (QCF), the Forum was held under the theme: “From Reforms to Efficient Programming: Strengthening African DAEs' effective access to GCF and Adaptation Fund resources in a changing landscape.”

The Forum was co-chaired by His Excellency Pa Ousman Jarju (The Gambia), Ms Arlette Massala (Ministry of Environment, Angola), and Mr Arnold Agbessi (SSA).

The Forum brought together African Direct Access Entities (DAEs), climate finance practitioners, and representatives from key institutions to exchange on recent developments and emerging priorities across the climate finance landscape.

Over three intensive days, the Forum was structured around fourteen thematic sessions designed to support African DAEs in navigating the evolving Green Climate Fund and Adaptation Fund landscape.

Day 1 set the scene with sessions covering the Adaptation Project Incubator for Africa (APIA) and the Adaptation Finance Academy (AFA), the global geopolitical context shaping climate finance, recent updates from the Adaptation Fund, and the GCF Revised Accreditation Framework.

Day 2 focused on ongoing GCF reforms, including consultations on USP-3, the GCF Country Platforms approach, the “Efficient GCF” agenda and 9-Month Project Cycle, and the implications of recent GCF and Adaptation Fund reforms for African accredited entities.

Day 3 turned toward operational and forward-looking issues, including potential reforms to GCF terms and conditions, non-grant financial instruments, post-approval implementation challenges, readiness and preparatory support, and the implications of GCF replenishment and regional presence.

Background and Context

The AFA Forum 2026 was convened at a time of significant transformation in the global climate finance architecture. Multilateral climate funds, particularly the Green Climate Fund and the Adaptation Fund, are undergoing a series of reforms aimed at improving efficiency, accelerating delivery, and increasing the mobilisation of both public and private capital.

These reforms are taking place in a constrained global environment. Declining Official Development Assistance (ODA), rising sovereign debt levels in developing countries, and increasing competition with other geopolitical priorities are placing pressure on available climate finance. At the same time, climate impacts are intensifying, particularly across Africa, where adaptation needs continue to grow.

In response, climate finance institutions are shifting toward more performance-driven and results-oriented approaches. This includes stronger accountability frameworks, shorter project cycles, and increased emphasis on implementation, disbursement, and measurable impact. There is also a growing move toward diversified financial instruments alongside traditional grant-based financing.

For African Direct Access Entities (DAEs), this evolving landscape presents both opportunities and challenges. While reforms aim to strengthen country ownership and expand direct access, a significant share of climate finance continues to be channelled through international accredited entities. At the same time, increasing technical and institutional requirements risk limiting the ability of some African institutions to fully engage.

Strengthening the institutional capacity, strategic positioning, and collective voice of African DAEs is therefore critical. Initiatives such as APIA and AFA, led by the AAI and implemented by SSA, play a key role in addressing these gaps by supporting both pipeline development and long-term capacity building.

Within this context, the AFA Forum 2026 was convened to provide a platform for African DAEs to engage with ongoing reforms, share practical experience, and identify strategic priorities for strengthening access to climate finance.

II. DAY 1 - Tuesday, 28 April 2026

1. Opening Ceremony

The AFA Forum 2026 officially opened on 28 April 2026 at the ECOVERSE climate-smart village in Zogbépimé (Kévé), Togo.

The opening ceremony brought together local authorities, institutional representatives, and Forum participants, and underscored the importance of strengthening African leadership and direct access within the evolving climate finance landscape.

The Forum was officially opened and closed by:

- The Chief of Zogbépimé';
- the Mayor of Avé 1 Municipality;
- the Departmental Representative of the Ministry of Environment in Kévé;
- Representatives from the Adaptation Fund;
- Representatives from the Green Climate Fund; and
- The CEO of SSA.

In their remarks, speakers welcomed participants to Togo and highlighted the importance of strengthening African institutional capacity, enhancing regional collaboration, and ensuring that ongoing reforms to climate finance mechanisms translate into more effective and equitable direct access for African institutions.

Particular emphasis was also placed on the significance of the ECOVERSE climate-smart village as the Forum venue. A brief overview was provided of the origins and vision behind ECOVERSE, presenting it as a site designed to showcase practical, locally driven approaches to climate resilience, sustainability, innovation, and community-based development. The venue was highlighted as a reflection of the broader objectives of the Forum: linking policy discussions on climate finance with concrete implementation realities on the ground.

The ceremony also reaffirmed the strategic role of initiatives such as AFA, and APIA in supporting long-term climate finance capacity development across the continent.



2. Session 1: Setting the Scene: APIA and AFA Program Updates

2.1. Adaptation Project Incubator for Africa (APIA) Program Progress

Mr. Koffi Koumassi, coordinator of the APIA program presented a comprehensive update of the 36-month, €5,000,000 initiative designed to bridge the capacity gap for GCF DAEs and Adaptation Fund accredited entities. Key highlights include:

- Beneficiary base grew from 26 institutions at program inception (July 2024) to 41 institutions as of April 2026.
- Key achievements include approved GCF funding proposals such as SAP055 - Strengthening the Health Resilience of Communities Vulnerable to Climate Change in Benin's ABD (Adjohoun, Bonou and Dangbo) Zone (FNEC, USD 9.1M, approved October 2025) and FP292 – Scaling climate-smart solutions for hardest-to-reach MSMEs and farmers in Kenya (CST Facility) (KCB, USD 96.9M, approved March 2026), totalling USD 106M. Three concept notes have also been endorsed (total value USD 95.6M), including a USD 5M Adaptation Fund concept note for NETFUND (Kenya), endorsed in April 2026.
- The IDBZ (Zimbabwe) concept note (USD 50M) is currently under review, with a fully revised submission being finalised for resubmission to the GCF.
- The program is at its midpoint and opportunities for new support remain pending EU approval of the 2026 – 2027 annual work plan.
- Post-approval support (beyond first disbursement) is expected to become a major component of the planned APIA Phase 2.
- Sector coverage is demand-driven and not limited to agriculture; blue economy, waste, and other sectors are eligible.

2.2. Adaptation Finance Academy (AFA) Launch Roadmap

Dr. Elidaa Daku, Director of AFA (SSA), presented the Academy's vision as Africa's first degree-granting institution in climate finance, currently headquartered in Lomé, Togo, with its campus under construction in Zogbépimé. AFA is positioned as the complement to APIA, closing the talent gap while APIA closes the pipeline gap.

- Two training tracks: a three-year Professional Bachelor's Degree in Climate Finance (Academic Track) with three specialisations, and practitioner-focused sector-specific evening clinics (Professional Track) covering project structuring, post-approval management, and risk/safeguards.
- Delivered bilingually in French and English, with a Lusophone track planned.
- A formal accreditation application has been submitted to the Togolese Ministry of Higher Education (Directorate of Higher Education, DES).
- Launch timeline: website go-live and call finalised April – May 2026; official open call July 2026; applications close September 2026; first student cohort welcomed October 2026.
- From 2027: full delivery of the first academic year, launch of a second cohort, and formalisation of international partnerships including the GCBC Accelerator (hosted with Bloomberg), for which the African Adaptation Initiative was selected as a winner.



3. Session 2: Global Geopolitics and the Climate Finance Landscape

This session was a facilitated dialogue by Tsaone Amogelang Mokwatso (SSA), featuring GCF Co-Chair Ambassador Seyni Nafo. The dialogue analysed the macro-environment constraining climate finance flows and proposed strategic responses for African institutions.

3.1. The Triple Pressure on Climate Finance

Sovereign Debt Burden	Developing countries paid a record $1.4 trillion in foreign debt service in 2023; IDA-eligible countries paid $34.6 billion in interest alone.
Declining ODA	Official Development Assistance (ODA) declined by 6% in 2024. At the same time, 13.1% of ODA was absorbed by in-donor refugee costs, reducing the volume of resources reaching developing countries.
Security Reallocation	Global military expenditure reached USD 2.7 trillion in 2024, reflecting increasing competition between security spending and international climate finance commitments.
GCF Systemic Gap	Although 40% of Green Climate Fund resources are allocated to Africa, approximately 80% of those resources are channelled through non-African international entities, raising concerns regarding country ownership and direct access.

3.2. Strategic Direction: Strengthening Direct Access

Ambassador Seyni Nafo emphasised the need for a stronger rebalancing of climate finance flows toward Direct Access Entities (DAEs), highlighting the importance of reinforcing country ownership and ensuring that African institutions play a more central role in the delivery of climate finance. Key messages delivered:

- Growing resource constraints require a shift from a focus on volume toward more strategic and effective deployment of climate finance resources.
- After more than a decade of readiness support, greater attention should be placed on institutions that have demonstrated strong and sustained implementation capacity.
- Grants remain the most appropriate instrument for the most climate-vulnerable nations, particularly LDCs and SIDS; It was emphasised that deep concessionality remains essential for reaching highly vulnerable countries and communities.
- The need for proactive investment in resilience, including anticipating climate shocks rather than rely primarily on reactive or external support mechanisms.

4. Session 3: Adaptation Fund Operational Modalities and Recent Updates

Presenters from the Adaptation Fund Secretariat, Dr. Justice Musah, and Ms. Naysa Ahuja, and Adaptation Fund special advisor, Imen Meliane, provided a detailed overview of the Adaptation Fund's structure, funding windows, and evolving policies.

4.1. Core Features of the Adaptation Fund

- Pioneered Direct Access: at least 50% of the portfolio must flow through direct access entities; allocation to multilateral implementing entities capped at 50% of cumulative resources.
- 100% grant funding with no mandatory co-financing requirement.
- Maximum project size: USD 25 million (single-country); USD 30 million (regional, two or more countries).
- Country cap: USD 40 million per country (raised from USD 20 million at AFB44; under review for cyclical reset with each new medium-term strategy).
- Simpler and more agile processes than GCF, proportionate to project size and risk profile.
- As of April 2026: 221 approved projects totalling USD 1,586 million across all regions; Africa accounts for 39% of the portfolio (74 projects, USD 623.7 million).

4.2. Funding Windows

Funding Window	Description
Action — Regular	Single-country projects up to USD 25M within country cap. Available to NIEs, RIEs and MIEs.
Action — LLA	Locally Led Adaptation sub-window: additional USD 5M per project, outside main country cap. Available to NIEs, RIEs and MIEs.
Action — Regional	Two or more countries, up to USD 30M — additional to individual country caps. Available to RIEs and MIEs only.
Action — Project Scale Up	USD 100,000 per grant; available to NIEs only.
Innovation Window	Small grants (USD 250K for NIEs); large grants up to USD 5M (NIEs, MIEs, RIEs); Climate Innovation Accelerator (AFCIA) for non-accredited entities up to $250K.
Readiness / PFG Grants	Project Formulation Grants scaled by project size (USD 50K–USD 150K for single-country; up to USD 250K for regional); additional amounts available for LLA projects.

4.3. Post-Approval Challenges & Proposed Solutions

A significant concern raised was the slow disbursement of funds at the country level after transfer from the AF, driven by complex procurement systems and local capacity gaps. A proposal was made to explore an 'Africa Project Implementation Support Service' to build in-country execution capacity. The GCF has already scaled up approximately 20 successful AF projects, and a formal scale-up framework is under development.

4.4. Key Policy Clarifications (Q&A)

- Accreditation extension: the April 2026 Board decision (B.46/9) granted an automatic extension to all entities until 31 October 2027, unblocking pending projects. Entities are still encouraged to resolve outstanding reaccreditation requirements.
- Each country may nominate up to two National Implementing Entities (NIEs); a third cannot be accepted even if one is under re-accreditation.
- Non-accredited entities can participate as Executing Entities (EEs), receiving a management fee of 9.5% (vs. 8.5% for Implementing Entities).
- Co-financing with GCF is permissible if the Adaptation Fund project is financially self-sufficient.

- The accreditation process is strictly confidential; entities may redact identifying details from submitted documents.

5. Session 4: GCF Revised Accreditation Framework (RAF)

Lavenda Ochieng (SSA) reviewed the significant reforms to the GCF's accreditation process adopted at Board meeting B.42 (September 2025) and effective 31 October 2025, and their strategic implications for African DAEs.

5.1. New Framework Highlights

- Delinking of accreditation from programming: becoming accredited no longer guarantees project funding. The GCF's targets are to double the number of DAEs with approved funding proposals, and to support more than 100 developing countries in building a GCF project pipeline.
- Fixed five-year accreditation terms eliminated; continuous monitoring via the updated Monitoring and Accountability Framework (MAF) replaces periodic re-accreditation cycles.
- Self-nomination pathway introduced for non-governmental entities (NGOs, private sector, subnational institutions), increasing transparency and access. Government entities must still be nominated by their NDA.
- New pre-screening step available year-round, providing preliminary readiness feedback before entities commit to a full application window.
- Proportional, fit-for-purpose due diligence: accreditation standards are now calibrated to the scale of experience and instrument type of each applicant, rather than applying the same bar to all entities regardless of size.
- Accreditation upgrades (e.g., from Category C to B, or increasing funding limits) can now be initiated at any time through discussion with the GCF regional team.
- Adaptation Fund Implementing Entities are eligible for the fast-track accreditation pathway; equivalence is assessed, not assumed. Therefore, entities should verify eligibility on the GCF published list before applying.

5.2. Enforcement Mechanisms

- Monitoring and Accountability Framework (MAF): introduces continuous performance monitoring across five dimensions (fiduciary compliance, portfolio performance, ESS compliance, gender responsiveness, and reporting quality and timeliness), replacing the previous re-accreditation cycle. Responses are graduated from engagement through enhanced monitoring to, in serious cases, suspension or termination.
- Policy on Restructuring and Cancellation (PRC): under Board discussion; expected approval by end of 2025. Will enable cancellation of underperforming projects and reallocation of committed funds.

5.3. Enduring Role of NDAs

Despite the self-nomination pathway, the NDA relationship remains critical. A no-objection letter from the NDA is still required at the concept note and funding proposal stage. Entities that bypass the NDA for accreditation risk being blocked at the project proposal stage. The core message: accreditation is an entry point, not a destination.

5.4. Challenges Raised by Participants

- Operational delays attributed to GCF consultants being overworked, creating long response times and frustration for entities.
- Internal pressure within institutions to demonstrate GCF progress is growing, compounding the challenge.
- A proposed revision to the No-Objection Letter (NOL) procedure faces strong opposition from the African Group constituency.

6. Session 5: Adaptation Fund Revised Reaccreditation Process

Ms. Naysa Ahuja (Adaptation Fund) presented information on the Adaptation Fund accreditation process.

As of April 2026, the Adaptation Fund has 62 accredited implementing entities globally (39 NIEs, 9 RIEs, and 14 MIEs), including 18 African NIEs and RIEs. Africa accounts for 36% of accredited NIEs and RIEs by region.

- Board Decision B.46/9 (April 2026) granted an extension of accreditation to all implementing entities accredited by the Fund, and entities currently under Panel review for reaccreditation or due for reaccreditation, until 31 October 2027. This was broadly welcomed but entities were reminded that the longer-term process requires completion of outstanding reaccreditation requirements.
- The Board took note of a continuous accreditation model (trigger-based reviews, where an entity remains accredited as long as it is in good standing and does not trigger a compliance review) and requested a revised operationalization proposal for the 47th Board meeting, including a transparent trigger methodology, a dedicated monitoring framework, and clarity on secretariat functions.
- Fast-track accreditation delays were acknowledged for specific entities; the secretariat noted these concerns for follow-up.
- All entities were encouraged to participate in the Adaptation Fund Board decision webinar for further guidance.

Day 1: Key takeaways and strategic imperatives

1	**Accreditation alone is insufficient.** African entities must simultaneously develop strong project pipelines, institutional capacity, and NDA partnerships to effectively deploy climate finance on the ground.
2	**The global climate finance environment is under unprecedented strain.** Record debt, declining ODA, and geopolitical diversion of resources require African institutions to advocate for and leverage direct access pathways with greater urgency.
3	**The GCF is shifting toward performance-based management.** The MAF and forthcoming PRC introduce real consequences for underperformance. Entities must be prepared for rigorous monitoring and proactively manage project quality.
4	**Building local African expertise is a strategic imperative.** Without strong local institutions, new funds risk being predominantly channelled through international intermediaries. The AFA and APIA programs represent a coordinated response to this systemic challenge.
5	**Grants remain indispensable.** For LDCs and SIDS where adaptation is the priority, grant instruments are not a fallback but the most appropriate tool – and the Adaptation Fund's 100% grant model remains a vital pillar of the climate finance architecture.



III.DAY 2 - Wednesday, 29 April 2026

7. Session 6: GCF USP-3 Consultative Workshop

The second day of the AFA Forum opened with a consultative workshop on the Green Climate Fund's third Updated Strategic Plan (USP-3, 2028-2031). Structured in four parts, the workshop aimed to gather inputs from African Direct Access Entities (DAEs) to inform the development of the strategy, which is expected to guide the GCF's priorities and operations under its third replenishment period.

The workshop was facilitated by representatives of the GCF Secretariat, namely Julien Taris, Martim Faria e Maia, and Landry Ahouansou.

7.1. Introduction: GCF Strategic Plans & Consultation Process

Martim Faria e Maia (GCF) presented USP-3 as the operational translation of the Convention and the New Collective Quantified Goal (NCQG) on climate finance. He explained that the strategy is anchored in the Executive Director's "50 by 30" ambition, which aims to position the GCF to manage USD 50 billion by 2030, requiring a significant scale-up of current financing volumes.

The proposed strategic direction is structured around four core dimensions: impact, efficiency, programming, and resources. It was emphasised that the development of USP-3 necessarily involves strategic choices and trade-offs, particularly within a challenging global context characterised by declining ODA, increasing reallocation of public resources toward security and defence priorities, and growing pressure on international climate finance flows.

Five guiding principles will shape the plan:

- Clarity of direction and priorities
- Ambition aligned with COP guidance
- Ground-truthed, inclusive consultation
- Evidence- and fact-based design
- Coherence with the broader climate finance ecosystem

The roadmap includes the Indigenous Peoples Advisory Group (IPAG) workshop already held in Songdo, AFA Forum 2026, a board retreat in June, and an open call for written submissions.

7.2. Interactive Session 1: Reflections from GCF's USP-2

USP-2 (2024-2027) is structured around mitigation and resilience objectives, alongside three strategic priorities: strengthening country ownership and access, driving results and paradigm shift, and catalysing private-sector engagement. Key 2025 figures highlighted include:

- Over USD 3 billion committed across 50 projects, making 2025 a record year for approvals
- 19 entities accredited, including 17 DAEs, contributing toward the USP-2 target of 29 new DAEs by 2027
- 17 country and regional investment platforms launched
- New instruments deployed: debt swaps, results-based payments
- A portfolio exceeding 350 projects across 130 countries, representing more than USD 20 billion invested globally.
- Africa: Currently accounts for approximately 40% of the global portfolio. Grants represent 45% of GCF financing, a proportion noted as relatively high compared to other multilateral climate funds. Equity financing accounts for 12% of the portfolio, while private sector operations represent 36%. The portfolio also maintains a near-balanced adaptation-mitigation split, with approximately two-thirds of adaptation finance directed toward Africa. Despite this, DAEs currently account for around 20% of access to GCF resources.

During the discussion, participants raised concerns related to foreign exchange constraints and local-currency lending limitations faced by DAEs, particularly development finance institutions. Additional issues raised included the need for greater flexibility in private-sector co-financing arrangements, stronger disaggregation of flows reaching DAEs, and the continued challenge of ensuring that climate finance reaches local communities despite the emphasis on locally led adaptation (LLA).

7.3. Interactive Session 2: Regional Needs & Priorities

Landry Ahouansou (GCF) presented the GCF's updated operational presence in Africa, which will be supported through two regional offices located in Abidjan and Nairobi, alongside a country focal point structure covering each member state.

During the discussion, participants highlighted several regional priorities and operational considerations:

- The establishment of a dedicated financing window for Least Developed Countries (LDCs) and fragile or conflict-affected states. The growing governance and political instability

affecting several West African countries was noted, along with the implications this has for climate finance delivery.

- The need to strengthen regional Project Preparation Facility (PPF) support, with participants considering current allocation levels insufficient for large-scale regional programming.
- Multi-year programmatic commitments with AEs to support continuity and long-term planning
- The importance of protecting grant-based Direct Access Entities (DAEs) from pressure to transition prematurely toward non-grant financial instruments.
- The introduction of a minimum allocation mechanism for accredited countries facing difficulties in accessing Readiness support.
- Greater flexibility for wholesale lenders targeting MSMEs
- An ECOWAS package on adaptation, just transition, climate-smart cities, private-sector mobilisation and cross-border solutions

The session concluded with reflections on the broader concept of institutional capacity, which participants noted extends beyond technical expertise to include systems, tools, and leadership.

7.4. Interactive Session 3: GCF in the Architecture

The GCF was discussed within the broader climate finance architecture in relation to its scale, country ownership approach, adaptation-mitigation balance, diversity of financial instruments, partnership model, and governance structure. Ambassador Seyni Nafo encouraged African DAEs to strengthen coordination and develop structured collective inputs throughout the USP-3 consultation process and upcoming replenishment discussions. Participants were encouraged to channel regional perspectives through the African Board members over the coming months.

Discussions also highlighted the importance of reinforcing direct access, results-based programming, and equity considerations within the future strategic direction of the GCF. It was noted that, even within a constrained replenishment environment, increased channelling of resources through DAEs could have a significant transformational impact across the continent.

AAI was invited to support the coordination and consolidation of sub-regional inputs from African DAEs.


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8. Session 7: GCF Country Platforms Approach

Facilitated by Koffi Koumassi (APIA-AAI), this session explored the GCF's Country Platforms approach, presented as the Fund's evolving framework for coordinated and programmatic climate investment planning, succeeding previous country programme approaches. The session also featured a case study presented by Muhammed Sayed from DBSA.

8.1. Concept and Framework

This session introduced the Country Platforms approach promoted by the Green Climate Fund as a shift from fragmented project pipelines toward coordinated, programmatic, and country-led climate investment frameworks. Country Platforms are voluntary, government-led mechanisms for partner collaboration around a shared strategic vision.

The rationale stems from limitations of previous country programmes, notably weak country ownership, fragmented stakeholder engagement, and lack of implementation follow-through. 12 new platforms were announced in 2025, alongside two regional platforms. Their architecture rests on:

- 4 core functions: translating NDC/NAP/LTS into pipelines, stakeholder coordination, catalytic financing at scale, and implementation/monitoring
- 6 guiding principles: country ownership, context-specificity, financing connectivity, inclusiveness, transparency, results-orientation

A central component is the platform secretariat, which drives core functions with an approach following a structured lifecycle, from initial engagement and readiness to investment programming, financing, and implementation.

GCF supports the full 5-stage life cycle through three windows:

- The Readiness Programme (USD 500M+ envelope; up to USD 7M/country if the NAP allocation is unused, USD 4M otherwise),
- The Project Preparation Facility, and
- Project Financing.

AEs are positioned as system integrators, not mere participants.

8.2. Case Study: South Africa Water Reuse Programme

The case study illustrated a programmatic application of the platform approach: a **USD 1.5 billion** DBSA-housed programme tackling a projected **17% water deficit by 2030** for 7.3 million beneficiaries. GCF allocated **USD 35M for project preparation and USD 200M for investment** over a 10-year horizon. To date: 47 climate-risk vulnerability assessments completed, 34 municipalities qualified, and 3 sub-projects approved for preparation.

8.3. Concerns raised during Q&A discussions

- Long contracting lead times with municipalities and transaction advisors
- Critical need for late-stage project preparation funding and TA
- Capacity deficits in under-resourced municipalities
- Local-currency lending via national/regional development banks as a key advantage
- Risk of fragmentation if platforms duplicate existing national structures

9. Session 8: The "Efficient GCF" Agenda and the 9-Month Project Cycle

Yvonne Serwaa Forkuo (SSA), examined GCF's December 2023 reform aimed at addressing partner feedback on slow reviews, unclear requirements and weak filtering of low-impact projects.

9.1. The "Efficient GCF" Agenda

GCF's response rests on four pillars: streamlining screening and review, improving clarity and consistency, strengthening country ownership, and becoming time-bound. The flagship reform (**"1 Project = 1 Point of Coordination = 1 Voice"**) assigns a single regional focal point covering everything from Readiness to programming.

9.2. The 9-Month Project Cycle

GCF commits to reviewing Concept Notes + Funding Proposals in ≤ 9 months, but this excludes the AE's time to develop the full proposal between CN and FP appraisal and excludes Board approval. The accelerated review timelines place greater operational pressure on DAEs during project preparation, with a stronger emphasis on Quality at Entry: robust climate rationale, country ownership, stakeholder engagement, sound project design, justified financial structure and complete annexes.

9.3. Implications for DAEs

- **Risks:** time pressure, reduced iteration, capacity strain, partner delays, governance bottlenecks, higher non-advancement rates
- **Opportunities:** faster Board access, more structured engagement, competitive advantage for prepared DAEs

Examples shared during the discussion demonstrated that strong internal coordination, access to dedicated technical support, and early investment in project preparation can significantly improve the efficiency of project development and approval processes within the GCF framework.

9.4. Key Q&A Concerns

- While the review timeline has been shortened, participants noted that the overall project development process continues to require significant time, with full project preparation and approval often extending well beyond two years.
- Concerns were raised that core technical requirements, including annexes, environmental and social safeguards (ESS) documentation, and feasibility studies, remain largely unchanged despite the accelerated timelines. Participants also highlighted the lack of proportionality between smaller and larger projects in terms of documentation and compliance requirements.
- Participants emphasised the need for earlier informal feedback or preliminary indication of concept viability before significant resources are committed to full proposal development.
- Greater flexibility was requested regarding the use of Readiness resources, including support for strengthening core staffing within DAEs.
- Calls were also made to strengthen and expand the Project Preparation Facility (PPF) in order to better support project development and preparation processes.



10. Session 9: What Do These Reforms Mean for African Accredited Entities?

Facilitated by Imen Meliane (AAI) and Laurel Parish (SSA), this panel brought together African DAEs to interrogate how the GCF and Adaptation Fund reforms are landing in practice. The panel included Dr Appolinaire Gnanvi (FNEC), Nqobizitha Dube (IDBZ), Mandy Barnett (SANBI) and Anita Wobil (Ecobank Ghana).

10.1. Panel Reflections

Participants shared a range of reflections on how recent reforms within the GCF and Adaptation Fund are being experienced in practice by African DAEs.

- **Information overload and asymmetric capacity:**

Participants noted the growing volume of policy updates, consultations, and technical webinars associated with ongoing reform processes, raising concerns that the operational burden of adapting to these changes is increasingly falling on DAEs with varying levels of institutional capacity. Discussions highlighted the importance of stronger coordination and collective engagement among African DAEs, including a potential facilitation role for AAI.

- **Concrete signs of progress:**

Several examples were shared demonstrating improvements in engagement and process flexibility within the GCF system, including faster processing of readiness support, more streamlined technical review processes in certain cases, and increased operational flexibility regarding the use of French-language documentation.

- **Need for greater clarity on continuous accreditation:**

Participants welcomed the principle of continuous accreditation but raised concerns regarding the operational implications of the new Monitoring and Accountability Framework (MAF). Discussions highlighted the need for clearer guidance on trigger mechanisms related to performance, policy compliance, environmental and social safeguards (ESS), and Paris alignment, as well as greater clarity regarding potential corrective measures and enforcement procedures.

10.2. Roles and Complementarity of the GCF and Adaptation Fund

Participants highlighted the distinct roles, strengths, and comparative advantages of the Adaptation Fund and the Green Climate Fund within the climate finance architecture.

- Adaptation Fund – key characteristics and strengths:
  - Established in 2001, with its first project approved in 2010; approximately USD 250 million was mobilised through its original levy-based funding mechanism.
  - Provides 100% grants useful for de-risking and supporting community-level adaptation interventions.
  - Offers relatively streamlined review and disbursement processes, alongside accessible engagement with the Secretariat.
  - Governed by a Board with a majority of members from developing countries, reinforcing country ownership.
- Green Climate Fund – key characteristics and strengths:
  - Operates at a significantly larger scale, with a broader mandate and wider range of financing instruments.
  - Stronger orientation toward private-sector mobilisation and large-scale, programmatic interventions.
  - More complex processes and requirements, reflecting its scale and breadth of operations.
- Complementarity between the two funds:
  - The two funds play complementary roles within the climate finance ecosystem.
  - The GCF is well positioned to support large-scale programmes, mitigation activities, and blended finance structures.
  - The Adaptation Fund remains particularly effective for grant-based, locally driven adaptation, especially for newer or smaller Direct Access Entities (DAEs).

10.3. Key Concerns and Recommendations raised by the participants

Participants raised several cross-cutting concerns and proposed actionable recommendations to improve engagement with both funds:

- Replace generic webinars with dedicated workshops, particularly on continuous accreditation and MAF triggers
- Apply proportionality in performance monitoring, recognising that applying the same standard for small and large projects is not operationally feasible
- Address high GCF staff turnover which can affect engagement continuity and institutional memory
- Consider stronger institutional linkages between the GCF and the Adaptation Fund, including the proposal for the GCF to channel grant-based adaptation finance through the Adaptation Fund, particularly to support newer DAEs.



Day 2: Key Takeaways and Strategic Imperatives

1	**USP-3 is a strategic window Africa cannot afford to miss.** With a "50 by 30" ambition (USD 50 billion under management by 2030) unfolding under tight donor constraints, the third strategic plan will reshape both funding priorities and accredited-entity expectations through 2031. African DAEs should organise and channel structured inputs through its GCF board members to further strengthen direct access, results-based programming, equity, and country ownership within the Fund's operational model.
2	**GCF programming is shifting from projects to country platforms and programmes.** With 12 new platforms announced in 2025 and an integrated 5-stage life-cycle support model (Readiness, PPF, project financing), African DAEs must reposition as system integrators that translate NDCs and NAPs into bankable pipelines, rather than remain passive participants behind international intermediaries.
3	**The "Efficient GCF" 9-Month Project Cycle transfers the efficiency burden to accredited entities.** GCF reviews are now time-bound but proposal development is not making Quality at Entry, internal task forces and early consultant engagement the new prerequisites for competitive access. Without these, the cycle becomes a constraint rather than an opportunity
4	**Continuous accreditation and the Monitoring & Accountability Framework introduce permanent performance scrutiny, and reform design must reflect African DAE realities.** GCF will now track DAEs across performance, policy compliance and Paris alignment, with corrective measures, suspension or de-accreditation as real consequences. To make this work for Africa, dedicated LDC/fragile-state windows, larger PPFs, multi-year programmatic commitments, protection of grant-based DAEs and resolution of FX constraints are essential, and proactive, transparent communication with the funds becomes mission-critical.

IV. DAY 3 - Thursday April 30, 2026

11. Session 10: Potential Reforms to GCF Terms and Conditions

Facilitating this session, Laurel Parish (SSA) presented the reforms shaping how GCF finance is structured, costed and delivered to African DAEs, with particular focus on the Project Management Cost (PMC) / AE-fee reform scheduled for Board decision at B.45 in June 2026.

11.1. Shift Toward Non-Grant Instruments

The GCF is moving from a predominantly grant-based portfolio toward a more diversified, catalytic mix of loans, equity and guarantees aimed at mobilising private capital. While public-sector concessional loans still enjoy defined parameters (up to 40 years' maturity with a 10-year grace period and 0% interest under high concessionality, or 20 years and 0.75% under low concessionality), non-grant instruments operate on a case-by-case basis. In practice this means:

- Higher pricing and lower concessionality, often close to market terms;
- Concessionality is no longer a given, it must be actively justified;
- Project structuring and risk allocation become central to bankability and require stronger DAE capacity

11.2. The PMC / AE-Fee Reform

An IEU evaluation found that current AE fees and PMC do not cover the full incremental costs of GCF project implementation, with the gap most acute for DAEs in LDCs, SIDS and African states. Underfunding has translated into weak M&E, fragile safeguards, less frequent supervision and over-reliance on external consultants (undermining direct access and country ownership).

Laurel highlighted that the proposed reform would:

- Merge AE fees and PMC into a single integrated budget envelope;
- Replace fixed caps with thresholds that can be negotiated upward with justification

Some illustrative impacts of this reform were also provided (grant instruments):

- Projects < USD 10M: current 13.5% (8.5% AE + 5% PMC) → proposed 10% threshold = ~26% reduction
- Projects > USD 250M: up to ~89% reduction
- Non-grant instruments are squeezed further and thresholds drop.

11.3. Key Q&A Concerns

The DAEs raised the following points during the discussion phase:

- Existing AE fee levels, in some cases below 3% for programmes of approximately USD 5 million, were considered insufficient given the significantly higher resource requirements associated with non-grant instruments, including origination, structuring, due diligence, monitoring, and repayment management. This raises questions regarding the sustainability of DAE engagement and the value proposition for development finance institutions (DFIs).
- Participants noted that project structuring timelines can extend to 3-4 years, during which inflation erodes the real value of Project Management Cost (PMC) allocations. At the same time, remuneration within Project Management Units (PMUs) was considered insufficient to attract and retain qualified personnel.
- Concerns were raised that the proposed merging of AE fees and PMC could blur the distinction between AE oversight and EE implementation roles. Participants also noted that, in some cases, international entities may absorb a significant share of available resources within project structures, potentially limiting allocations to DAEs.
- The GCF webinar consultation on the proposed reforms was perceived by some participants as insufficiently inclusive, with limited time allocated for substantive exchange and feedback.

11.4. Recommendations

The session ended on following recommendations:

- Clarify that the proposed new figures should be treated as thresholds, not fixed caps: DAEs must build negotiation capacity to effectively justify higher allocations where required;
- AAI to coordinate a joint DAE position for transmission to the African board members and the developing-country constituency before B.45;
- SANBI proposed creating a formal "Africa Alliance of DAEs" to consolidate a collective DAE voice in future board-level reforms;
- Strengthen the depth and inclusiveness of consultation processes on proposed reforms, ensuring that DAE perspectives are adequately reflected in final decision-making;
- Encourage continued dialogue and coordination among DAEs to develop common positions on key reform issues.



12. Session 11: Leveraging Financial Instruments for Climate Finance

This first part of the session provided a structured overview of five non-grant financial instruments relevant to the evolving climate finance landscape, with a particular focus on their application to agriculture and food systems in Africa. The discussion reflected the GCF's broader shift toward non-grant financing and the mobilisation of private capital.

12.1. Part 1: Presentation of Financial Instruments

The first part of this session opened with an "Introduction to GCF's growing focus on non-grant financial instruments" by Koffi KOUMASSI (APIA-AAI), framing that the GCF is gradually shifting from grant-based to non-grant/debt-based instruments, presenting both a challenge and an opportunity for African DAEs. Koffi noted a clear shift at the GCF from grant-based to non-concessional or debt-based instruments, driven by the need to catalyse private capital and achieve greater leverage. He stated that a well-structured climate finance using sophisticated instruments can deliver up to USD 400 mobilised per USD 100 invested, while African philanthropic and impact-investment capital (estimated at up to USD 600M per year) remains largely untapped.

Five (non-grant) instruments and mechanisms were presented one after another by Amira El Graa (AAI), Tsaone Mokwatso, Yvonne Serwaa Forkuo, Laurel Parish and Lavenda Achieng from SSA:

- **Agriculture-linked Green Bonds (Amira El Graa):** Banks/DFIs issue bonds bought by institutional investors, with proceeds financing eligible green projects. They aggregate fragmented agri-MSMEs (the "missing middle") into investable portfolios. Requires an issuer, a green-bond framework, a pipeline and a guarantee/blended-finance partner. GCF role: guarantees, risk-sharing, pipeline. These instruments aggregate many small, high-risk agricultural projects (e.g., by MSMEs, cooperatives) into a large, diversified portfolio, making them attractive to institutional investors. A bank or DFI issues the bond, and proceeds finance green agro-projects. The GCF can catalyse this by providing guarantees, risk-sharing, and supporting project pipeline structuring.
- **Key challenge:** The "missing middle", agricultural MSMEs too large for microfinance but too small/risky for commercial loans.
- **Guarantee Facility (Tsaone Mokwatso)**: This instrument was presented as a response to one of the primary constraints affecting agricultural finance: limited risk-bearing capacity among local financial institutions, rather than a lack of liquidity itself. The facility operates by reallocating credit risk rather than directly providing capital, with guarantee structures typically covering 50–75% of potential losses while requiring lenders to retain a portion of the risk to maintain appropriate lending incentives. Participants noted that a facility capitalised at approximately USD 50–100 million could potentially leverage between five

and ten times its value in lending, supporting an estimated USD 250–500 million in financing to the agricultural sector.

Case study: The Africa Guarantee Fund with capitalisation of approximately USD 255 million, was highlighted as a strong-performing example, having facilitated more than USD 4.3 billion in loans to over 37,000 SMMEs across 44 African countries, with leverage estimated at around 10:1 and an AA- credit rating. In contrast, Nigeria's government-owned Nigeria Incentive-Based Risk Sharing System for Agricultural Lending, despite capitalisation of approximately USD 500 million, was presented as an example illustrating how governance structures, operational design, and market engagement significantly influence performance outcomes. The comparison underscored that the effectiveness of guarantee facilities depends not only on the volume of capital available, but also on institutional architecture, incentives, and implementation approaches.

Conclusion: Design must be context-specific, balancing public credibility with commercial discipline.

- **Liquidity Support & Credit Easing (Yvonne Forkuo)**: This mechanism was presented as a blended finance approach designed to reduce the cost and perceived risk of agricultural lending. The structure combines shorter-term and relatively expensive private capital, such as commercial bank deposits, with concessional public finance characterised by lower interest rates, longer tenors, and grace periods. By blending these sources of finance, the instrument aims to improve liquidity conditions, lower the cost of capital, and encourage greater lending to the agricultural sector.

Key data: Participants highlighted that African banks currently allocate less than 5% of their lending portfolios to agriculture, despite substantial financing demand from agri-MSMEs. The presentation referenced an estimated USD 90 billion financing gap, with approximately 50–80% of financing needs remaining unmet. The mechanism was therefore presented as a tool to address both liquidity constraints and high lending costs within agricultural finance markets.

- **Equity Mechanism (Laurel Parish)**: Equity involves taking an ownership stake, sharing both risk and upside. Traditional equity models fail in African agriculture due to small, fragmented deals, high climate volatility, and long return horizons. **Solution:** Adapt equity using blended structures with concessional finance (e.g., first-loss capital), longer investment horizons, and technical assistance. It's most relevant for DFIs, public finance institutions and AEs deploying capital. The GCF can provide subordinate capital to absorb risk and improve investment profiles for private investors.
- **Green Banks & Greening of Banks (Lavenda Achieng):** Dedicated green banks in countries such as Kenya, South Africa, and Nigeria largely remain at the proposal stage. In practice, greater emphasis is therefore being placed on the "greening" of existing financial institutions rather than the establishment of entirely new green banks. Greening approaches were presented across five key dimensions: policy and strategy, risk management and credit underwriting, financial products, capital and funding structures,

and monitoring, reporting, and verification (MRV) systems. Different implementation pathways were outlined depending on institutional type, including subordinated concessional debt combined with sustainability bonds for development finance institutions (DFIs), sustainability-linked credit structures for commercial banks, and wholesale concessional credit lines for microfinance institutions (MFIs).

Case study: The Rwanda Green Investment Facility was highlighted for adopting a pragmatic two-pillar structure anchored by FONERWA and the Development Bank of Rwanda, with support from the AfDB and the GCF. KCB was presented as an example of a commercial bank receiving Tier-2 subordinated debt support from the AfDB linked to a target of achieving a 25% green portfolio by 2031. The experience of Crédit Agricole illustrated the sequencing of technical assistance ahead of capital deployment, while also demonstrating the limitations of relatively modest support compared to the scale of systemic institutional transformation required.

Key insight: International climate capital is available; the real constraint is institutional readiness to receive it. So, TA and systems must come before capital.

Discussions highlighted that instruments are most effective when combined with technical assistance, readiness support, and adaptation to local contexts.



12.2. Part 2: Panel Discussion

Moderated by Amira and Yvonne, the panel brought together Muhammed Sayed (DBSA), Justina Kafula (Development Bank of Namibia), Mourine Muyungi (CRDB Bank), and Aziz Diedhiou (La Banque Agricole) to share field experience.

- DBSA detailed FP098 (the Climate Finance Facility) designed in 2017 as a blended GCF facility to "green" the bank from within rather than build a stand-alone green bank. The instrument offered subordinated/first-loss debt and long-tenor loans (beyond Basel's 7-year limit). Key challenges raised:
  - Foreign Exchange risk: GCF lending in hard currency vs. DBSA's restriction to lend only in local rand triggered 2.5 years of renegotiation, COVID-era volatility and hedging costs that eroded concessionality.
  - Rigid structures and missing TA: late-stage project preparation gaps forced DBSA to release 30% of the CFF commitment when timelines could not be met.
  - Pipeline mismatch in Lesotho, eSwatini and Namibia.
  - Cost-of-funding compounded by sovereign rating caps.
- DBN Namibia described a diversified mix concessional co-financing with AfDB/KfW, MSME guarantees (backed by sovereign guarantee), debt-to-equity and restructuring, which underpinned its medium-sized GCF accreditation. Core insight: Participants noted that technical capacity in pipeline development remains a major constraint alongside access to capital.

Advice: Participants encouraged institutions to begin with smaller initiatives and progressively build credibility and implementation experience.

- CRDB shared its trajectory of three green bonds since 2023, frameworks covering renewable energy, sustainable water and green building, and a 45% agriculture exposure. The bank embedded climate into its corporate strategy with a sustainability committee, TCFD reports and quarterly capacity- building.

Main concern: even concessional GCF lending is "not concessional enough" to bring rates to single digits in a high-cost local market.

- LBA Senegal presented an agri-bank segmenting operations across 6 climate zones with 6 strategic plans, State-subsidised rates capped at 5.7% and mandatory crop insurance. Working with GIZ, AFD, KfW and IFC standards, it secured FP262 as its first GCF project, accompanied by a €5M TA grant over 3 years. Key challenges:
  - No clear national "green" taxonomy forces internal classifications;
  - State-funded guarantee funds suffer from inconsistent recapitalisation;

- Need an advisor hub with GCF expertise to translate donor criteria into bankable products.

12.3. Cross-cutting recommendations from the panel:

- Couple TA and late-stage project preparation into every instrument design.
- Build flexibility into donor/GCF structures, rigid terms have repeatedly delayed implementation.
- Embed climate into corporate strategy rather than treating it as a stand-alone facility.
- Develop dedicated green products with clear MRV systems.
- Multiply partnerships (AfDB, AFD, KfW, IFC, GIZ) to layer instruments.
- Address FX risk for DAEs restricted to local-currency lending.
- Strengthen pipeline development before pursuing more capital.

The session closed on a consensus: well-designed instruments only deliver impact when they remove real transaction barriers and are paired with TA, flexibility and credible institutional readiness.



13. Session 12: GCF and Adaptation Fund Post-Approval Challenges

This session brought together **Julien Taris (GCF)**, **Justice Musah (Adaptation Fund)** and African DAEs to interrogate the challenges that emerge once climate projects have been approved.

13.1. Funds' Perspectives

Julien Taris (GCF) signalled a strategic pivot from being "investment-driven" to "implementation-driven", reflecting a maturing portfolio of 353 projects representing USD 20 billion in commitments. The new African regional teams now manage the full cycle end-to-end (Readiness, origination, investment, implementation), and recycling capital across grants, equity and loans is central to financing future pipelines. Key implementation risks flagged:

- Designs that look sophisticated on paper but are weak on operational feasibility;
- Strained relationships between Accredited and Executing Entities;
- Need for early, transparent communication so adaptive measures can be discussed swiftly;

Recommendation: a phased approach starting with a simpler first project to build mutual trust before scaling ambition.

Justice Musah (**Adaptation Fund)** stressed that "you cannot develop projects on a perfect system": every project rests on assumptions that may not hold. The Adaptation Fund relies on its policies on implementation and on delays to enable restructuring. Concrete cases shared:

- **Bhutan**: a new national agricultural insurance policy undercut the project's design, forcing a scope reduction
- **5 West African countries**: active conflict halted implementation despite 80% disbursement
- **Eastern Europe**: 200,000 "registered farmers" turned out not to exist
- The Adaptation Fund process is agile: restructuring takes ~2 weeks of back-and-forth with the secretariat plus a 2-week intersessional board no-objection
- **Regular monitoring missions** are framed as learning, not evaluation

13.2. Challenges Raised by African DAEs

- **Budgeting:** underestimation forces frequent rescoping
- **Procurement complexity:** layered country, AE and (sometimes) table-review policies cause cumulative delays
- **Design lag:** 3–4 years between design and implementation render assumptions obsolete (prices, regulations, environment)
- Country-specific bans on certain activities (e.g., Benin) require resource redirection
- **PMU/TMU instability:** high attrition once trained staff are recruited away at higher salaries
- **Late-emerging safeguards risks:** example of a fishpond handed to a community where a child later drowned, triggering a major IRM issue
- **Funding-proposal quality:** a Zambian commercial bank flagged the difficulty of translating commercial concepts (e.g., a single-firm plastic-recycling proposal) into the paradigm-shifting, multi-firm scale GCF expects, against a constantly moving policy target

13.3. Key Recommendations

Several recommendations were raised during this session:

- Bring the origination and implementation teams together so field experience informs project design from the start;
- Conduct site visits during the project preparation grant stage to detect land, resettlement and topology issues upstream;
- Communicate openly and early: treat funds as partners, not auditors;
- Be willing to cancel and redesign projects when fixes become unworkable
- Be ambitious but cautious, as Martim reminded the room: "every dollar you are holding and not disbursing is a dollar not available to the person to the left of you".



14. Session 13: Challenges Faced by DAEs in Developing Readiness Proposals

Facilitated by Koffi Koumassi (APIA-AAI) this session set out to identify the main challenges African DAEs face in mobilising and using GCF Readiness resources, share field experience and propose concrete solutions.

14.1. Main challenges identified

The discussion surfaced several structural, technical and operational bottlenecks:

- Project and Readiness development: difficulty translating identified gaps into structured activities, weak alignment between budgets and activities, limited mastery of the Readiness template, and incoherent deliverables when multiple consultants are involved
- Administrative and institutional constraints: cumbersome procurement procedures causing significant delays, friction between national and GCF procedures, and institutional instability driven by frequent reforms and staff turnover
- Weak financial execution: even once funds are mobilised, disbursement remains slow. The BNDA Mali case illustrated this — less than 25% of the first tranche was disbursed between 15 January 2025 and 15 January 2026 on an 18-month project, blocking subsequent tranches
- Insufficient technical and human capacity: heavy dependence on external technical assistance, absence of structured capacity-building plans and limited mastery of GCF tools and requirements

- Monitoring and reporting: weak or missing reporting tools, and indicators not embedded from project design
- Organisational weaknesses: lack of permanent, dedicated units and difficulty ensuring continuity when staff change

14.2. Solutions and good practices proposed

- Optimise procurement: bundle activities into global tenders, design contracts allowing consultants to accompany the full project cycle (an idea drawn from LBA's GCF experience), and favour integrated multi-disciplinary teams
- Build national capacity: require collaboration between international and national consultants, institutionalise this in recruitment policies, and roll out a structured national capacity-building plan
- Strengthen institutional structuring: establish dedicated climate-finance/GCF units within each DAE, harmonised at national level to safeguard continuity, knowledge capitalisation and resilience to institutional reforms
- Develop internal skills: invest in continuous training, participate in regional and international forums, and broaden learning opportunities to several staff members
- Improve reporting: develop tailored M&E tools and integrate GCF indicators from the design stage
- Reinforce technical assistance: mobilise specialised TA and ensure continuous accompaniment of teams

14.3. BNDA Testimony

BNDA (Mali) shared how it had overcome key obstacles through SSA's technical assistance and the creation of a dedicated internal unit, while flagging persistent challenges in structuring Readiness activities, budgeting and reporting.

14.4. Next Steps

Participants (DAEs) were invited to join the upcoming APIA webinar on the Readiness template (sessions in French and English) to deepen their mastery of GCF tools and requirements.

15. Session 14: Looking Ahead: GCF Replenishment and Regional Presence

This closing session, facilitated by Laurel Parish (SSA) examined two upcoming shifts that will reshape African DAEs' engagement with the GCF: the third replenishment (GCF-3) and the decentralisation of GCF operations through new regional offices.

15.1. GCF-3 Implications

Unfolding in a donor-constrained environment, GCF-3 will reshape both funding priorities (channelled through USP-3) and institutional expectations on AEs. The key shifts being signalled are:

- A clear move from many single projects toward programme-based approaches and larger, more strategic investments
- Broader use of the full range of GCF instruments : loans, equity and guarantees alongside grants
- A stronger focus, reflected in the revised accreditation framework, on delivery, disbursement, results, impact and institutional track record

15.2. Regional Presence (B.44 decision)

The board has confirmed the locations of the new regional offices:

- Africa - two locations: Nairobi, Kenya (East and Southern Africa) and Abidjan, Côte d'Ivoire (Central, North and West Africa)
- Latin America & Caribbean: Panama City, Panama
- Eastern Europe, Central Asia and Middle East: Amman, Jordan
- Pacific: sub-regional office in Suva, Fiji
- HQ Songdo retains Asia coverage and all core decision-making, fiduciary, legal and governance functions

15.3. What DAEs can realistically expect:

- Closer in-person engagement and easier time-zone alignment
- More tailored regional support, project visits and pipeline development
- Same accreditation and fiduciary standards: no immediate acceleration of approvals
- A "gates-based" progressive rollout dependent on host-country agreements, so full functionality will take time

The GCF co-Chair confirmed that offices will be staffed with colleagues working in the languages of the countries served, with a broader multilingualism approach being developed for the board.

15.4. Key Concerns and Recommendations

During this final Session, following point was raised as key takeaway:

- Participants highlighted the importance of multilingualism in improving engagement with the Green Climate Fund. While English remains the Fund's primary operational language, the establishment of regional offices is expected to support more inclusive communication, including increased use of French and other working languages across African contexts.

Day 3: Key Takeaways and Strategic Imperatives

1	**The proposed PMC/AE-fee reform threatens to underfund African DAE implementation.** By merging fees into a single envelope with thresholds well below current combined caps (~26% reduction on small projects, up to ~89% on large ones, and even lower for non-grant instruments), the reform risks weakening direct access where it is most fragile. African DAEs must treat thresholds as negotiable (not as caps) and channel a coordinated voice through the African board members ahead of B.45.
2	**Non-grant financial instruments are powerful catalysts but only when sequenced with technical assistance and adapted to local context**. The GCF's pivot toward loans, equity, guarantees, green bonds and blended facilities opens real mobilisation potential but requires DAEs to embed climate into corporate strategy, build internal financial structuring capacity and demand TA before capital.
3	**The GCF is shifting from investment-driven to implementation-driven**, with 353 projects and USD 20B already in the portfolio. Post-approval challenges (FX risk, scope mismatches, government policy shifts, conflict, PMU attrition, design-implementation lag) are now the norm rather than the exception. African DAEs must align origination and implementation teams, communicate problems early, and treat restructuring as a feature of climate finance rather than a sign of failure.
4	**Readiness resources remain underused due to weak DAE capacity to design, budget, procure and report**. With cases like BNDA Mali disbursing under 25% of its first tranche in 12 months, low absorption itself becomes a barrier to future funding. Establishing dedicated, permanent GCF units within DAEs, bundling procurement, and systematically pairing international with national consultants are essential to convert Readiness into genuine institutional transformation.
5	**GCF-3 and regional decentralisation will reshape how Africa accesses climate finance**. With two regional offices in Africa (Nairobi and Abidjan) and a tighter donor environment, the next replenishment will reward institutions that are visible, organised and credible. African DAEs should formalise an "Africa Alliance of DAEs" to consolidate their voice, push for positive discrimination over international AEs (whose marginal costs are minimal), and engage proactively with the new regional teams as they roll out.

Closing Ceremony

The Adaptation Finance Academy (AFA) Forum 2026 concluded on 30 April 2026 with a closing ceremony bringing together participants, facilitators, and local and institutional representatives.

Closing remarks were delivered by:

- The Chief of Zogbépimé;
- The Mayor of Avé 1 Municipality;
- Justice Musah, Adaptation Fund;
- and Amb. Seyni Nafo, Coordinator of AAI.

Speakers reflected on the richness of the exchanges held over the three days and reiterated the importance of strengthening African leadership within the global climate finance architecture. Particular emphasis was placed on the need for African Direct Access Entities (DAEs) to continue building institutional capacity, strengthening coordination, and engaging proactively in ongoing reform processes within the Green Climate Fund and the Adaptation Fund.

The closing ceremony also reaffirmed the role of collaboration and peer learning in advancing effective direct access across the continent. Participants were encouraged to maintain the momentum generated during the Forum and to continue exchanging experiences, lessons learned, and strategic perspectives beyond the event itself.

The Forum formally closed with expressions of appreciation to all participants, facilitators, partners, organisers, and local authorities who contributed to the success of the AFA Forum 2026.



V. Overall Key Takeaways

Across the three days of discussions, several cross-cutting insights emerged regarding the evolving climate finance landscape and the positioning of African DAEs:

1. **Climate finance is shifting from access to delivery and performance.**

   Reforms across the Green Climate Fund and the Adaptation Fund reflect a clear move toward implementation, disbursement, and measurable impact. This raises the bar for accredited entities and places greater emphasis on institutional readiness and execution capacity.

2. **Direct access remains a priority but is not yet fully realised.**

   Despite strong policy commitments, a significant share of climate finance continues to be channelled through international accredited entities. Strengthening the capacity and competitiveness of African DAEs remains essential to ensure that reforms translate into meaningful country ownership.

3. **Institutional capacity is the binding constraint.**

   Across discussions on Readiness, financial instruments, and post-approval challenges, a consistent message emerged: constraints lie in pipeline development, project preparation, implementation systems, and institutional continuity.

4. **Non-grant instruments are increasingly important but require careful adaptation.**

   The growing use of loans, guarantees, and equity presents opportunities for scale, but also introduces additional complexity. At the same time, proposed changes to Project Management Costs (PMC) and Accredited Entity (AE) fee structures highlight the importance of ensuring that implementation is adequately resourced. Effective delivery will require strong technical capacity, appropriate risk allocation, and sufficient operational funding, alongside the integration of technical assistance.

5. **Coordination and collective positioning are becoming critical.**

   As reforms accelerate, African DAEs must engage more strategically and collectively in shaping the climate finance agenda, including through structured inputs into processes such as GCF USP-3 and Board-level discussions.

The AFA Forum 2026 closed on a clear consensus: African DAEs stand at a pivotal moment. The reforms underway across the GCF and the Adaptation Fund (from the Revised Accreditation Framework, the Monitoring and Accountability Framework and the 9-Month Project Cycle, to the proposed merging of AE fees and PMC, the rise of country platforms and non-grant instruments, and the establishment of two GCF regional offices in Africa (Nairobi and Abidjan)) collectively redefine the conditions of access. They open opportunities for institutions that are organised, credible and capable of demonstrating impact, but they also raise the stakes for those still building capacity.

Three calls emerged strongly from the discussions:

- **Speak with one voice**: the proposal to formalise an "Africa Alliance of DAEs" gained broad endorsement as a vehicle for channelling structured inputs into board decisions.
- **Invest in local capacity**: from Readiness absorption to late-stage project preparation, the binding constraint remains institutional, not financial.
- **Defend grants and direct access**: as adaptation needs intensify across LDCs, SIDS and fragile states, grant-based modalities and protected DAE windows must remain at the heart of the climate finance architecture.

The true success of this Forum will ultimately be measured by what each participating institution translates into concrete action between now and AFA Forum 2027.

Key Outcomes of the Forum

The AFA Forum 2026 delivered several important outcomes:

- **Consolidation of shared DAE perspectives on ongoing reforms**, particularly regarding the Revised Accreditation Framework, the Monitoring and Accountability Framework, and proposed changes to Project Management Costs (PMC) and Accredited Entity (AE) fees;
- **Identification of priority areas for strengthening DAE engagement**, including project pipeline development, Quality at Entry, post-approval management, and institutional structuring;
- **Enhanced peer learning and exchange**, with participants sharing practical experiences on both successful approaches and persistent challenges across different institutional contexts;
- **Strengthened alignment on the complementary roles of climate funds**, particularly between the Green Climate Fund and the Adaptation Fund;
- **Momentum toward more structured coordination among African DAEs**, including discussions around the potential establishment of an “Africa Alliance of DAEs” to consolidate engagement at Board level.

Next Steps and Way Forward

Building on the discussions and outcomes of the Forum, the following next steps were identified:

For African Direct Access Entities (DAEs):

- Strengthen internal institutional structures, including dedicated climate finance units and project management capacities;
- Engage proactively with National Designated Authorities (NDAs) and country platforms;
- Build technical capacity to design and deploy non-grant financial instruments;
- Participate actively in ongoing consultation processes, including inputs into GCF USP-3.

For AAI, AFA, and SSA:

- Facilitate the consolidation of African DAE positions on key reform processes, with the Africa Adaptation Initiative taking a lead role in coordinating African DAEs to ensure their perspectives are effectively represented in relevant decision-making processes;
- Expand technical support through APIA and related initiatives, particularly on project preparation and post-approval management;
- Strengthen capacity-building efforts through the Adaptation Finance Academy;
- Support continued peer learning and knowledge exchange across DAEs.

For Climate Funds and Partners:

- Ensure that ongoing reforms strengthen rather than constrain direct access;
- Enhance proportionality in requirements and performance frameworks;
- Improve consultation processes and engagement with DAEs;
- Provide stronger support for implementation and post-approval challenges.

VI. Conclusion

The AFA Forum 2026 highlighted a fundamental shift in the global climate finance landscape, with important implications for African Direct Access Entities (DAEs). Across both the Green Climate Fund and the Adaptation Fund, ongoing reforms are redefining not only how finance is accessed, but how it must be delivered, managed, and accounted for.

A clear transition is underway from an access-driven model to one centred on implementation, performance, and measurable impact. While this evolution has the potential to improve efficiency and scale, it also raises the threshold for participation, placing increased demands on institutional capacity, project preparation, and execution.

For African DAEs, this moment presents both opportunity and risk. On the one hand, reforms such as the Revised Accreditation Framework, Country Platforms, and expanded use of financial instruments create new entry points for engagement. On the other, without sufficient capacity and coordination, there is a risk that these changes may further entrench reliance on international intermediaries, rather than strengthening direct access.

The discussions throughout the Forum hihglighted that the primary constraint is the ability to translate access to climate funds into effective, high-quality implementation. This includes the development of robust project pipelines, stronger internal systems, and sustained institutional expertise. At the same time, the importance of maintaining grant-based financing and protecting space for climate-vulnerable countries remains central. As the climate finance architecture evolves, ensuring that efficiency gains do not come at the expense of inclusivity and equity will be critical.

Ultimately, the Forum reinforced the need for a more strategic, coordinated, and forward-looking approach by African DAEs. Strengthening collective engagement, investing in institutional capacity, and actively shaping ongoing reform processes will be essential to ensuring that Africa is not only a recipient of climate finance, but a central actor in its design and delivery.

