

## Annex XII: List of conditions and recommendations

1. The approval of the funding proposals approved by the Board pursuant to decision B.19/12 shall be conditional upon the satisfaction of the requirements set out in tables 1 and 2.

**Table 1: General requirements applicable to all funding proposals**

Funding proposal number	Requirements
All proposals	<p>(a) Signing of the funded activity agreement (“FAA”) in a form and substance satisfactory to the GCF Secretariat within 180 days of the date of Board approval or the date the accredited entity has provided a certificate or legal opinion set out in paragraph (ii) below, or date of effectiveness of the accreditation master agreement (“AMA”) entered into with the relevant accredited entity, whichever is later.</p> <p><u>Satisfaction of the following conditions prior to the signing of the FAA:</u></p> <p>(b) Completion of the legal due diligence to the GCF Secretariat satisfaction<sup>1</sup>; and</p> <p>(c) Submission of a certificate or a legal opinion in a form and substance that is satisfactory to the GCF’s Secretariat, within 120 days<sup>2</sup> after Board approval, or the date of effectiveness of the AMA entered into with the relevant accredited entity, whichever is later, confirming that the accredited entity has obtained all final internal approvals needed by it and has the capacity and authority to implement the proposed project/programme.</p>

**Table 2: Requirements specific to individual funding proposals**

Funding proposal number	Requirements
FP059 (GIZ Grenada)	<i>None.</i>
FP060 (CCCCC Barbados)	<p><u>Satisfaction of the following conditions prior to the signing of the FAA:</u></p> <p>(a) The approval by the GCF Secretariat of a non-revenue water (NRW) reduction strategy document (NRW Strategy Document), compiled and recommended for approval by a water specialist to be hired by the Accredited Entity who shall have demonstrated extensive experience in implementation of water audits and NRW programs in accordance with the American Water Works Association and International Water Association guidelines.</p>

<sup>1</sup> In the event of inconsistency between this condition and any equivalent condition in a term sheet, the conditions in the relevant term sheet shall prevail.

<sup>2</sup> For FP065 (World Bank, Brazil), the period shall be 200 days. For FP074 (World Bank, Burkina Faso), FP076 (ADB, Cambodia), FP077 (ADB, Mongolia), the period shall be 180 days.



	<p>(b) The insertion in the FAA of a covenant by which the Accredited Entity shall ensure the implementation of, monitor and report on, the results of the NRW Strategy Document during Project implementation.</p>
<b>FP061</b> (DoE Antigua & Barbuda)	<p><u>Satisfaction of the following conditions prior to the first disbursement under the FAA:</u></p> <p>(a) The accredited entity shall deliver evidence, in a form and substance satisfactory to the Secretariat, that the accredited entity has conducted consultations with all relevant stakeholders of the project in each of the three project countries, including with possible contractors, microlending institutions and beneficiaries; and</p> <p>(b) The accredited entity shall provide, to the satisfaction of the Secretariat, alternative options for the management of the revolving fund schemes in each of the countries, including a description of how existing institutions, including banks and microlending institutions, will be able to upscale the model after project implementation;</p> <p><u>Satisfaction of the following conditions prior to the second disbursement under the FAA:</u></p> <p>(a) The accredited entity shall deliver, in form and substance satisfactory to the Secretariat:</p> <p>(i) The detailed grant management guide and eligibility criteria for selecting the grantees (communities) under component 2; and</p> <p>(ii) The detailed credit assessment and loan management guide and eligibility criteria for selecting the grantees under Component 3;</p> <p>(b) The accredited entity shall provide, in form and substance satisfactory to the Secretariat, a description of the arrangements to deliver the project in each of the project countries. This description must include the managing unit and its coordination arrangements with relevant institutions, the technical committees and the overall coordination with the Organization of Eastern Caribbean States (OECS) Commission; and</p> <p>(c) The accredited entity shall provide and deliver, in form and substance satisfactory to the GCF Secretariat, a manual for each of the project countries containing details of climate investments to be provided to borrowers, including models of options of resilient investments and possible contractors.</p> <p><u>Inclusion of the following covenants in the FAA:</u></p> <p>(a) The accredited entity shall, during the lifetime of the project, provide annual reports with the list of investments and their climate change impacts.</p>
<b>FP062</b> (FAO Paraguay)	<i>None.</i>
<b>FP063</b> (IDB Paraguay)	<i>None.</i>



<b>FP064</b> (IDB Argentina)	<i>None.</i>
<b>FP065</b> (WB Brazil)	<i>None.</i>
<b>FP066</b> (WB Marshall Islands)	<i>None.</i>
<b>FP067</b> (WFP Tajikistan)	<i>None.</i>
<b>FP068</b> (UNDP Georgia)	<i>None.</i>
<b>FP069</b> (UNDP Bangladesh)	<p><u>Satisfaction of the following conditions prior to the signing of the FAA:</u></p> <p>(a) The selection and procurement of the appropriate technology to be used for pond water treatment shall be concluded to the satisfaction of the GCF and incorporated by the Accredited Entity into the project design and implementation arrangements. In particular, and for such purposes, the Accredited Entity shall:</p> <ol style="list-style-type: none"><li>1. Procure an independent consultant with extensive experience in water treatment systems in rural areas and specific knowledge in the treatment of brackish water, with the procurement and selection of such consultant to be consulted with and agreed by the GCF. The terms of reference for such independent consultant shall require her/him:<ol style="list-style-type: none"><li>a. To visit an adequate number of sites distributed in the areas of intervention;</li><li>b. To consider and impartially identify the most sustainable technology solutions based on:<ol style="list-style-type: none"><li>i. the different geographical conditions (for example, the north-east area of intervention is less likely to be impacted by high salinity than the south-west, thereby permitting the use of different water treatment technologies in different areas of intervention);</li><li>ii. the technical, environmental, social and climate conditions existing in each area of intervention;</li><li>iii. the need to avoid the use of proprietary technologies or name brands;</li><li>iv. the capabilities of the recipients to operate and maintain the proposed systems / technologies and cover the relevant costs;</li><li>v. the availability of spare and replacement parts within Bangladesh; and</li></ol></li></ol></li></ol>

	<ul style="list-style-type: none"> <li>vi. the ability of Department of Public Health Engineering to cover the costs of major repairs and infrastructure renewals.</li> <li>vii. to describe the needs and appropriate solutions for each relevant area in sufficient detail so as to facilitate their procurement in an open and competitive process; and</li> </ul> <p>2. Submit the report prepared by such independent consultant to the GCF for its approval.</p> <p><u>Inclusion of the following covenants in the FAA:</u></p> <ul style="list-style-type: none"> <li>(a) Ensure that the procurement process for the identified technologies (as approved by the GCF): <ul style="list-style-type: none"> <li>(i) is clearly described and extensively supported by evidence and data collected from the independent consultant's site visits, literature and other reliable sources; and</li> <li>(ii) describes the needs and appropriate technology solutions for each relevant area in sufficient detail so as to facilitate their open and competitive procurement.</li> </ul> </li> </ul>
<b>FP070 (WB Bangladesh)</b>	<p><u>Satisfaction of the following conditions prior to execution of the FAA:</u></p> <ul style="list-style-type: none"> <li>(a) Include a covenant in the FAA, requiring the AE to contractually require the Government of Bangladesh to contractually require IDCOL to comply with the relevant obligations of an Executing Entity under the AMA and the FAA.</li> </ul> <p><u>Satisfaction of the following conditions prior to effectiveness of the FAA:</u></p> <ul style="list-style-type: none"> <li>(a) Present a revised GHG emission reduction analysis, considering the different regions and different seasons in Bangladesh, based on real use by the communities of different fuels, including from renewable (e.g. biomass residues) and non-renewable sources;</li> <li>(b) Present a monitoring program that establishes the percentage of households that use woody biomass (from renewable and non-renewable sources) and other fuels, including biomass residues; and</li> <li>(c) Present a sociocultural program that provides incentives to the vulnerable communities to develop sustainable woodlots that could serve to supply biomass.</li> </ul> <p><u>Satisfaction of the following conditions prior to the first disbursement under the FAA:</u></p> <ul style="list-style-type: none"> <li>(a) Present and disseminate a study on access to finance and incentive options that considers community-driven market penetration mechanisms that will look into more equitable distribution strategies for improved cookstoves.</li> </ul>
<b>FP071 (WB Vietnam)</b>	<i>None.</i>
<b>FP072 (UNDP Zambia)</b>	<i>None.</i>



<b>FP073</b> (MoE Rwanda)	<p><u>Satisfaction of the following conditions prior to the first disbursement under the FAA:</u></p> <p>(a) Delivery by the Accredited Entity of a report, in form and substance satisfactory to the GCF Secretariat, elaborating on how climate change mitigation and adaptation have been mainstreamed in the Gicumbi district development plan 2018-2024, making reference to the long-term vision of change, the strategy for climate-resilient green growth, institutional coordination arrangements between the national and district levels, and allocation of human resources and budget necessary for the implementation of such plan; and</p> <p>(b) Delivery by the Accredited Entity, in form and substance satisfactory to the GCF Secretariat, a detailed plan of action and economic and financial options to deliver, upscale and sustain the schemes of work for forestry, housing, energy including cookstoves and biogas facilities for schools and tea plantations financed by the Project.</p> <p><u>Inclusion of the following covenants in the FAA:</u></p> <p>(a) Together with the interim evaluation report submitted to the GCF, the Accredited Entity shall deliver to the GCF, in form and substance satisfactory to the GCF Secretariat, a detailed analysis of the effectiveness of the different schemes of work financed under the Project, challenges and ways to ensure scalability and sustainability. Such analysis shall give special attention to the diversification of forest species and relevant ecosystem services and the emissions monitoring system for sustainable regenerative forest management and energy consumption for cooking.</p>
<b>FP074</b> (WB Burkina Faso)	<p><u>Satisfaction of the following conditions prior to the signing of the FAA:</u></p> <p>(a) A clear operations and maintenance (O&amp;M) budgetary provision agreement to ensure the sustainability of the project after its completion.</p> <p><u>Inclusion of the following covenants in the FAA:</u></p> <p>(a) The accredited entity shall submit to the GCF Secretariat the following strategies within one year after the effectiveness of the funded activity agreement, and shall implement such strategies throughout the implementation period of the project to further ensure the country's ability to make the system operational:</p> <p>(i) A detailed strategy to train in-house country personnel and the applicable conditions to retain their services after the conclusion of their technical and educational programs that have been supported by the project;</p> <p>(ii) A detailed strategy of possible climate information products and services to be provided to farmers, insurance companies, private companies and other possible users to ensure additional sustainable income to maintain the project. This strategy should be developed by further participatory processes with different stakeholders; and</p> <p>(iii) A detailed strategy for knowledge-sharing, communication and dissemination of information to ensure that the information services reach all concerned stakeholders, including regions and civil society, to enable them to cope with the impacts of climate change.</p>



<b>FP075</b> (ADB Tajikistan)	<p><u>Satisfaction of the following conditions prior to the first disbursement under the FAA:</u></p> <p>(a) Submission by the Accredited Entity of a letter of commitment from the Government of Tajikistan, in form and substance satisfactory to the GCF Secretariat, where the Government of Tajikistan commits to fund hydromet's Operations &amp; Maintenance costs beyond internally generated revenues, during and after the end of the project implementation.</p>
<b>FP076</b> (ADB Cambodia)	<p><u>Inclusion of the following covenants in the FAA:</u></p> <p>(a) The accredited entity shall ensure that the Executing Entity monitors and reports annually as part of the APRs on:</p> <p>(i) The operations &amp; maintenance (O&amp;M) budget allocated by the Government of Cambodia, and</p> <p>(ii) The O&amp;M plan for each sub-project.</p>
<b>FP077</b> (ADB Mongolia)	<p><i>None.</i></p>
<b>FP078</b> (Acumen Africa)	<p><u>Inclusion of the following conditions in the FAA:</u></p> <p>(a) The GCF shall commit USD 13,000,000 (thirteen million US Dollars) for the first closing of ARAF, subject to receiving written confirmation from the Accredited Entity that it has received final commitments from other investors, including the Accredited Entity, for that closing for a minimum amount of USD 12,000,000 (twelve million US Dollars);</p> <p>(b) For each subsequent closing of ARAF, the GCF shall commit on each closing a maximum of 40% (forty per cent) of the total commitments for that closing, with a maximum of USD 10,000,000 (ten million US Dollars) for all subsequent closings; and</p> <p>(c) In addition to the reporting obligations set out in the AMA and the Term Sheet, within 6 (six) months of the final closing of ARAF, the Accredited Entity shall submit to the GCF Secretariat an independent evaluation report conducted by a third party.</p> <p><u>Inclusion of the following covenant in the FAA:</u></p> <p>(a) For each individual investment, during the due-diligence process ARAF shall undertake a gender assessment. Based on any gaps identified on the gender assessment, ARAF will then develop a gender action plan, with funding from the Technical Assistance Facility, and implement it in the course of the relevant investment. The Accredited Entity shall include on its APRs the gender assessments and action plans for each previous year.</p>
<b>FP080</b> (AfDB Zambia)	<p><u>Inclusion of the following covenants in the FAA:</u></p> <p>(a) The Accredited Entity shall develop and submit to the Government of Zambia (with a copy to the Secretariat), within two years after the signing of the funded activity agreement, a plan to enhance the Zambian enabling environment for solar energy penetration, including promoting training facilities for technicians and promoters, value chain schemes that promote Small and Medium Enterprises capable of selling, maintaining and</p>

	repairing systems, market and awareness schemes to promote the use of solar systems by communities, and knowledge sharing schemes within the financial community to increase the knowledge of investment analysts on solar energy. The Plan shall be developed through a consultative process with the Government of Zambia taking the lead and the Accredited Entity supporting through its policy dialogue, in order to ensure full buy-in for its adoption and implementation.
<b>FP081</b> (NABARD India)	<i>None.</i>
<b>SAP001</b> (EIF Namibia)	<i>None.</i>

2. In addition, it is recommended that, for all approved funding proposals, disbursements by the GCF should be made only after the GCF has obtained satisfactory protection against litigation and expropriation in the country where the project/programme will be implemented, or has been provided with appropriate privileges and immunities in that country.

3. It is also recommended that the Accredited Entity implements the following recommendations during the implementation of the relevant project or programme.

**Table 3: Project-specific recommendations**

Funding proposal number	Recommendation
<b>FP059</b> (GIZ Grenada)	<ul style="list-style-type: none"> <li>(a) If land acquisition and occupation appears inevitable for the establishment of the storage reservoirs and pipelines, the AE ensures complete compliance with the GCF Environment and Social Safeguard standards for land acquisition and involuntary resettlement and avoid any negative impacts on land users and land owners from the project activities; and</li> <li>(b) As part of the programme for reduction of non-revenue water, a sub-programme to be carried out to reduce water losses inside the households. It is expected that the reduction of losses in the households will dramatically improve the measurement of water by micrometers.</li> </ul>
<b>FP060</b> (CCCCC Barbados)	<i>None.</i>
<b>FP061</b> (DoE Antigua & Barbuda)	<i>None.</i>
<b>FP062</b> (FAO Paraguay)	<i>None.</i>



<b>FP063</b> (IDB Paraguay)	<i>None.</i>
<b>FP064</b> (IDB Argentina)	<i>None.</i>
<b>FP065</b> (WB Brazil)	<i>None.</i>
<b>FP066</b> (WB Marshall Islands)	(a) Regarding equipment for the EWS, provisions are made to cover operation and maintenance expenses beyond the project implementation period, providing guidance to the key ministries (MoF, MPW) to ensure budget allocation for the maintenance of early warning and forecasting systems and for the existing coastal protection infrastructure.
<b>FP067</b> (WFP Tajikistan)	(a) The operation and maintenance (O&M) plan suggested in the funding proposal has not been complemented with a specific (matching) financing plan. The O&M plan should be accompanied by a matching financing plan for O&M equipment, particularly including O&M for at least another five years following the completion of the project. This financing plan should be included in the project document;  (b) Without specificity regarding types of seeds and tree species to be promoted at the community level, the market response, gender response and environmental impacts should be studied for the respective products and incorporated in the project document;  (c) Component 2 should be strengthened by committing to community-centric knowledge management and cross-learning activities; and  (d) The World Meteorological Organization should be considered as a technical input provider in the project, given the production and dissemination of climate information services through the project.
<b>FP068</b> (UNDP Georgia)	(a) Strengthen the Steering Committee by inviting the World Meteorological Organization (WMO) to be a member of the committee; and  (b) Strengthen the coordination function by accepting the Ministry of Regional Development and Infrastructure as one of the project's executing entities.
<b>FP069</b> (UNDP Bangladesh)	<i>None.</i>
<b>FP070</b> (WB Bangladesh)	<i>None.</i>
<b>FP071</b> (WB Vietnam)	<i>None.</i>
<b>FP072</b> (UNDP Zambia)	(a) Strengthen Component 2 by committing to increased efforts towards community-centric knowledge management and cross-learning activities; and



	(b) Ensure that the activities related to paddy production are within the river bank so as to avoid the need to exploit other sources of water (such as the groundwater).
<b>FP073</b> (MoE Rwanda)	<i>None.</i>
<b>FP074</b> (WB Burkina Faso)	<i>None.</i>
<b>FP075</b> (ADB Tajikistan)	(a) The iTAP also recommends the Accredited Entity to submit to the Fund a finalized Gender Action Plan upon project fact-finding.
<b>FP076</b> (ADB Cambodia)	<i>None.</i>
<b>FP077</b> (ADB Mongolia)	<i>None.</i>
<b>FP078</b> (Acumen Africa)	<i>None.</i>
<b>FP080</b> (AfDB Zambia)	<i>None.</i>
<b>FP081</b> (NABARD India)	<i>None.</i>
<b>SAP001</b> (EIF Namibia)	<i>None.</i>